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Unsolicited selling and lead generation practices

Submission to the Australian Competition
and Consumer Commission (ACCC)

DATE: 31/07/2025



Energy Consumers Australia is the national voice for household and small business energy consumers. We advocate for a fair, affordable, and reliable energy system—one that meets everyone’s needs and leaves no one behind on the journey to net zero.

1 Introduction and general comments

Energy Consumers Australia (ECA) welcomes the opportunity to contribute to the Australian Competition and Consumer Commission’s (ACCC) examination of unsolicited selling and lead generation practices. ECA welcomes the ACCC undertaking an in-depth review of these sales practices and supports the Consumer Action Law Centre’s (CALC) designated complaint and calls for a national ban on unsolicited selling. We also support stronger regulation of lead generation practices, in line with CALC’s recommendation.

While the consultation has broader relevance, given ECA’s role, our comments focus on unsolicited selling in the energy sector. Energy is an essential service that households and small businesses depend on for their health and wellbeing and participation in social and economic life. As highlighted in CALC’s complaint, there is evidence of aggressive and misleading sales tactics that have caused significant consumer harm arising from unsolicited selling of energy products and services, particularly in the sale of solar, batteries and other consumer energy resources (CERs).

ECA supports a national ban on unsolicited selling practices for a trusted, consumer-centric energy transition.

Stronger protections are needed as households consider complex and high-stakes decisions, such as replacing gas appliances, investing in rooftop solar, home batteries and electric vehicles. The choices people make in these areas will influence both the cost and speed of the energy transition. Many of these products and services are now subsidised or incentivised by government as part of net-zero policy efforts. However, the consumer experience remains uneven.

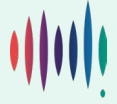
CALC’s designated complaint highlights evidence in the energy sector of households being approached by salespeople who use high-pressure tactics, provide misleading information or withhold key details.¹ This leaves consumers without the support they need to make informed choices. The impacts are most severe for people who already face barriers in the market, such as older people, people living in regional areas, on low incomes, with disabilities and/or mental health issues.²

Unsolicited sales of retail energy contracts have declined, especially following the exit of the major retailers from door-to-door sales. But the problem has not gone away. The risk has shifted to other parts of the market, particularly those seeing fast growth due to emerging technologies and government incentives. Unfair practices in these areas are damaging trust, distorting behaviour and making it harder for ethical providers to compete. Protecting consumers in these decisions is essential—not only to prevent harm, but to support an affordable, equitable and effective energy transition.

It is hard for households to make informed decisions when they are approached unexpectedly, pressured to act quickly, and given little opportunity to compare options or seek independent advice. Interactions

¹ Consumer Action Law Centre (CALC) [Designated Complaint: Unsolicited Selling](#), page 8.

² CALC, [Designated Complaint: Unsolicited Selling](#), page 7.



involved in unsolicited selling often include high-pressure tactics and designed to convert, not to inform. Misleading digital and social-media advertising makes it even harder to assess options and identify credible providers and information. This is especially concerning for rooftop solar and other CERs, where decisions are financially significant and technically complex.

Unfair sales practices erode consumers' confidence, leading to disengagement, higher costs and increased risks for vulnerable consumers.

Pressure-driven sales often lead to confusion, regret, and unexpected costs after hasty sign-ups.³ Financial loss and emotional stress are common, especially when products are promoted under government-funded schemes without clear explanations of eligibility or ongoing expenses. Vulnerable groups are disproportionately targeted, compounding existing inequities and leaving many without the support or independent advice needed to reassess or exit unsuitable contracts.⁴ These include pressuring people to sign documents they do not fully understand, selling products at inflated prices compared to other providers, and disregarding mandatory cooling-off periods.⁵

Two key factors make unsolicited selling of consumer energy products particularly unsuitable. First, products like rooftop solar and batteries involve complex technologies that most households find hard to evaluate. Even knowledgeable consumers may struggle to determine if a product truly suits their needs. Second, these products are often physically inaccessible after installation, so consumers cannot easily verify proper installation or performance. An energy ombudsman staff member noted in the CALC complaint that this complexity makes unsolicited selling inappropriate.⁶ These challenges are even greater for vulnerable consumers, including those with language barriers, disabilities, or limited financial and digital skills. While banning unsolicited selling will not stop all poor practices, it removes the pressure from aggressive sales tactics and helps consumers find options that are truly suitable, allowing them to make fairer and more informed decisions at their own pace.

Another growing concern is the involvement of Buy Now, Pay Later (BNPL) finance in CER sales. CALC and its partners report that BNPL arrangements are present in most unsolicited sales cases brought to community lawyers and financial counsellors.⁷ These finance options can mask the true cost of expensive products and leave consumers unknowingly locked into unaffordable debt. Vulnerable consumers are particularly at risk, as BNPL arrangements often sit outside the energy framework. As one energy ombudsman staff member noted, this creates a "glaring black hole" in consumer protections.⁸ ECA supports CALC's recommendation that the ACCC work with the Australian Securities and Investments Commission (ASIC) to investigate the role of BNPL providers in unsolicited selling, including commercial arrangements and the likely impact of recent reforms.

These practices thrive in low-trust environments and are difficult for consumers to identify or challenge, highlighting the urgent need for stronger deterrents and clear regulatory boundaries. This results in consumers making poor decisions or withdrawing from the market altogether, which worsens their financial and emotional wellbeing. When consumers lose trust and disengage, they miss out on opportunities to save money and reduce emissions.

³ E.g., Case study from Energy and Water Ombudsman NSW: [EWON Insights Apr-Jun 2024](#)

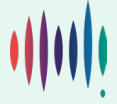
⁴ ECA, [Insights report: Understanding the diversity of consumers and their experiences of the energy system](#), page 10.

⁵ CALC, [Designated Complaint: Unsolicited Selling](#), page 16.

⁶ CALC, [Designated Complaint: Unsolicited Selling](#), page 21.

⁷ CALC, [Designated Complaint: Unsolicited Selling](#), page 17.

⁸ CALC, [Designated Complaint: Unsolicited Selling](#), page 17.



Consumer trust is essential for the energy transition. Unsolicited selling undermines it.

Consumer trust is essential to the success of the broader energy transition. ECA's research has found that uncertainty and mistrust remain key barriers to consumer participation in CERs. Participants also noted that some cohorts are clearly "vulnerable to mis/disinformation". Governments and trusted institutions have a responsibility to provide honest, accessible information.⁹ This is especially important as energy decisions become more complex and financially significant.

When consumers are misled, pressured or left confused by unsolicited sales practices, they are less likely to adopt clean energy technologies or engage with programs. These experiences are not just about individual dissatisfaction. When they become widespread, they create systemic risks. As Dr Ron Ben-David states, "History shows that complexity undermines consumer confidence. Incomprehensibility subverts trust."¹⁰ Unsolicited sales amplify these risks by targeting those least equipped to assess offers or challenge misleading claims. A transition that relies on household investment cannot succeed if consumers are uncertain or unsupported. As Ben-David concludes, "If consumers lose confidence in the energy market, and by implication, how it is regulated, then the energy transition is imperilled."¹¹

Voluntary or partial measures are not enough – a national ban is needed.

While targeted bans in Victoria have led to some positive outcomes, they remain limited in scope and have not fully eliminated harm. The Victorian Government has taken a series of actions to curb unsolicited sales, including a legislated ban on unsolicited marketing for energy retail contracts, and conditions in government programs under Solar Victoria and the Victorian Energy Upgrades (VEU) scheme. These actions were taken to protect consumers' safety, rebuild consumer trust and improve the reputation of these programs. Evidence suggests they've had some success: since the VEU-specific ban was introduced, telemarketing-related complaints have fallen by 24%, and doorknocking complaints have dropped by 75%, according to the Essential Services Commission.¹²

However, these partial measures have not fully addressed the problem. In the CPRC research commissioned by Consumer Action, 90% of Victorian respondents reported direct experience of unsolicited sales in person or over the phone, the highest proportion of any state or territory.¹³ CALC states that this demonstrates only an outright ban on unsolicited selling will stop the practice,¹⁴ and we agree. There are strong incentives for unsolicited selling of CER products and only a sector or economy-wide ban on unsolicited selling is likely to be sufficient to indicate that this is an unacceptable sales practice and reduce its prevalence.

This evidence reinforces the need for stronger, consistent protections across all jurisdictions and programs. A national ban would provide clarity and certainty, reduce harm, and build the trust necessary for a fair and inclusive energy transition.

⁹ ECA, Power Up Report: <https://energyconsumersaustralia.com.au/sites/default/files/wp-documents/report-doc-powerup-consumer-voices-energy-transition-2.pdf>, page 6.

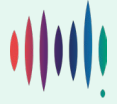
¹⁰ Ben-David 'Minimising Consumer harm for a successful energy transition', page 12.

¹¹ Ben-David 'Minimising Consumer harm for a successful energy transition', page 13.

¹² Essential Services Commission, <https://www.esc.vic.gov.au/media-centre/business-fined-69231-illegal-telemarketing>

¹³ CALC (citing CPRC data), Designated Complaint: Unsolicited Selling, page 20.

¹⁴ CALC, Designated Complaint: Unsolicited Selling, page 16.



There are broader regulatory and jurisdictional gaps that leave consumers without clear redress.

A key issue for the ACCC to prioritise in its review is the limited redress options available to consumers harmed by unsolicited selling. Many energy consumers, particularly those purchasing CERs such as solar and batteries, face fragmented regulation and lack effective dispute resolution, leaving them vulnerable and without clear accountability.

ECA recommends the ACCC consider a ban on unsolicited selling of energy products and services, including both CER products and traditional energy retail contracts. Action on unsolicited selling by the ACCC will meaningfully improve protection for energy consumers and would supplement other ongoing reform processes to better protect energy consumers to restore trust and fairness in the energy market, including the Better Energy Customer Experiences (BECE) process and the AEMC Pricing Review.

A critical issue that ECA has raised through the BECE process is the fragmented and often inadequate redress pathways available to consumers who experience harm (including from unsolicited sales) in the CER market. Many complaints about solar, batteries and other CER products fall outside the jurisdiction of existing energy and water ombudsman schemes, leaving consumers without access to external dispute resolution (EDR).¹⁵ This regulatory gap contributes to poor outcomes for CER customers and exacerbates the harm from unsolicited selling practices, as affected consumers are often unable to resolve disputes or seek accountability.

While ECA is advocating through the BECE process to support the expansion of ombudsman schemes to cover all CER products and services, the ACCC has a critical role in identifying how these fragmented arrangements leave consumers exposed and exacerbate harms arising from unsolicited selling. We encourage the ACCC to consider the limits on consumer redress as a priority issue in its review.

ECA is also advocating, through the BECE process and other reform processes, for the introduction of a consumer duty as a central component of a more effective energy consumer protection framework.¹⁶ The range of emerging consumer protection issues arising from the rapidly evolving energy market supports the need for more flexible and responsible principles-based duties. This was recognised by the Australian Energy Regulator (AER) in its review of consumer protections for future energy services.¹⁷ These issues are exacerbated where high-pressure sales tactics associated with unsolicited selling are used.

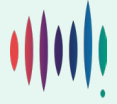
A consumer duty could oblige all energy retailers and CER providers to treat consumers honestly and fairly, including by delivering clear, accurate information and placing consumer interests at the heart of every sales interaction.¹⁸ A national ban on unsolicited selling of energy products and services would supplement broader energy consumer protection reforms to rebuild trust and enable households to participate in the energy transition on fair and informed terms.

¹⁵ E.g., Energy and Water Ombudsman NSW, [Out of jurisdiction - Energy & Water Ombudsman NSW](#)

¹⁶ E.g., ECA, [Submission to the Better Energy Customer Experiences Consultation](#) | Energy Consumers Australia.

¹⁷ AER, Review of Consumer Protections for Future Energy Services, [Report template](#), 30.

¹⁸ Paterson and Bourova, [Outcomes-based regulation: Proposing an overarching 'consumer duty' within the regulation of essential services](#)



2 Response to consultation questions

This submission focuses on the questions most relevant to Energy Consumers Australia's work and research.

Q2. What benefits does unsolicited selling offer to consumers?

We do not consider that unsolicited selling of energy products and services is likely to benefit consumers.

The consultation paper (p 10) notes potential benefits as: offering a more convenient way for consumers to acquire information about goods and services (specifically referencing solar panels); providing opportunities to consumers to purchase goods and services they could not otherwise access; and making consumers aware of better offers for their needs (specifically referencing energy contracts).

It is important that energy consumers have trusted information, particularly in the context of the energy transition. While unsolicited selling may be a means for consumers to acquire information, the high-pressure sales tactics associated with unsolicited selling are not likely to be conducive to the provision of accurate and trustworthy information. CALC's designated complaint includes several reports of salespeople for solar panels making statements that were untrue.¹⁹ ECA advocates for the need for a 'one-stop shop' for energy information and advice that consumers can trust.²⁰

We also do not consider that unsolicited sales are an appropriate channel for consumers to be made aware of better energy offers. Many consumers find energy offers complex and confusing – 30% do not know what type of tariff or plan they are on and 31% do not know what a tariff is.²¹ Presentation of better offers to consumers is tightly regulated,²² and government-run comparison sites such as Energy Made Easy and Victorian Energy Compare are available to assist consumers to compare offers between retailers. High-pressure sales through unsolicited channels are unlikely to offer any additional benefits in making consumers aware of better offers.

Q3. What harms and detriment can unsolicited selling cause to consumers? Are these harms economy-wide or specific to certain industries or certain goods and services?

As CALC has noted in their designated complaint, there are instances of significant harm such as targeting of vulnerable groups, leaving consumers with unaffordable debt, and the provision of incorrect information about eligibility for government rebates or subsidies associated with CER products like solar panels.²³ High-pressure tactics can mislead people into signing up for unsuitable products, leading to unexpected costs, stress, and confusion. Older or isolated consumers can be especially vulnerable since they find it hard to verify claims or seek independent advice. Misleading information about product suitability, rebate availability, or long-term operating costs further compounds these issues because this

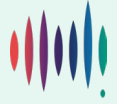
¹⁹ CALC, [Designated Complaint: Unsolicited Selling](#), page 8.

²⁰ ECA, [Australians need a one-stop-shop for trusted energy information](#) | Energy Consumers Australia.

²¹ ECA, [Consumer Energy Report Card data](#) | Energy Consumers Australia.

²² E.g. Part 4 of the Australian Energy Regulator's Better Bills Guideline, [Better Bills Guideline \(Version 2\)](#).

²³ CALC, [Designated Complaint: Unsolicited Selling](#), page 8-10.



information is often complex and difficult to understand. These experiences erode trust in the market, discourage uptake of clean technologies, and disadvantage businesses that act ethically.

The energy transition depends on consumers adopting new and sometimes complex technologies, such as home batteries and smart electric vehicle chargers. Poor sales practices, including unsolicited selling, increase the risk of consumer dissatisfaction with these advanced products. Even a few negative experiences can undermine trust in these technologies, slowing the transition and raising costs or reducing the chances of reaching net zero.

Q4. Are consumers experiencing disadvantage or vulnerability more likely to purchase goods or services through unsolicited sales, and do they face unique harms? If so, how?

Yes. Consumers in vulnerable circumstances, such as older Australians, low-income renters, and CALD communities, are disproportionately targeted by unsolicited sales.²⁴ These groups often face additional barriers, including limited English proficiency, lower digital or financial literacy, and reduced access to independent advice, all of which impact their ability to assess offers critically. This increased vulnerability places a greater responsibility on governments and regulators to reduce their exposure to harm. Without clear protections and accessible redress pathways, these consumers face heightened risks and often lack the means to challenge poor conduct or seek remedies.

Q6. What are the main goods and services sold through unsolicited selling?

In the context of the energy market, unsolicited sales predominantly involve CERs, particularly rooftop solar systems, home battery installations, and energy efficiency measures such as appliance upgrades.²⁵ These products are commonly sold using door-to-door, telemarketing, or lead generation methods, including social media adverts that collect contact details and prompt follow-up sales visits.

Q8. Have you seen an increase/decrease in the use of unsolicited selling practices? If so, what do you consider are the causes?

We are aware that unsolicited selling of energy retail contracts has declined in recent years, primarily due to the withdrawal of the 'big three' energy retailers from the practice following enforcement action by the ACCC,²⁶ and in Victoria, the 2021 prohibition on door-to-door and telemarketing sales. In contrast, the unsolicited selling of CERs such as solar panels and home energy efficiency upgrades has remained persistent. Casework from CALC indicates that while unsolicited selling temporarily declined during the COVID-19 pandemic, it returned to at least pre-pandemic levels by late 2024.²⁷ This is the case even in Victoria, despite the ban on unsolicited selling under the Solar Homes and VEU programs.

The persistence of unsolicited selling in the CER sector is driven by structural and financial incentives. Programs like Victoria's Energy Upgrades (VEU) and Solar Homes reward providers with tradable certificates for each installation, encouraging high-volume, lead-driven marketing. Despite the Victorian

²⁴ Consumer Action Law Centre, [Knock it off - Consumer Action Law Centre](#), page 69.

²⁵ E.g., [Unsolicited rooftop solar sales subject to first ACCC 'super complaint' - ABC News](#)

²⁶ E.g. EWON, [EWON Insights: Door to door and telesales](#).

²⁷ CALC, Victorian Energy Upgrades Strategic Review: Discussion Paper, page 3.



ban under the Solar Homes and VEU programs, CALC reports that unsanctioned providers and lead generators persist in exploiting gaps, especially outside registered programs.²⁸

We consider that the incentives for unsolicited sales to occur in these sectors are such that only a sector or economy-wide ban on this sales practice is likely to stop unsolicited selling from occurring.

Q9. Is demographic information used to target specific cohorts of consumers for unsolicited selling? If so, how?

While we do not have visibility into suppliers' specific targeting strategies, casework from CALC and complaints to energy and water ombudsman schemes indicate that unsolicited selling disproportionately affects certain consumer cohorts. Older Australians, renters, culturally and linguistically diverse (CALD) communities, people with disabilities or mental health conditions, those with low digital or financial literacy, and consumers in regional or remote areas appear more frequently in complaints.²⁹ These groups face barriers to accessing independent advice or challenging high-pressure sales tactics, increasing their vulnerability. Our Consumer Energy Report Card also finds many consumers in energy hardship or vulnerable circumstances feel uncertain where to start when looking for better energy deals, which heightens their risk of exposure to misleading sales.³⁰ 51% of customers reporting two or more vulnerability indicators stated that a main reason was that they 'wouldn't know where to start' – compared to only 22% of customers not reporting hardship indicators.³¹

The pattern of complaints suggests that unsolicited sales efforts may be targeted towards consumers who may face the most significant barriers in evaluating or refusing unsolicited offers.

Q14. What is the relationship between, if any, the availability of government subsidies and incentives, and the use of unsolicited sales practices?

Government subsidies and rebate programs can be exploited by unscrupulous sellers to drive volume-based, unsolicited sales. For example, under Victoria's Energy Upgrades (VEU) scheme, accredited providers receive tradable certificates for each installed upgrade, creating a direct financial reward for each rooftop solar or battery system deployed.³² In practice, CALC has observed widespread examples of consumers being falsely promised thousands of dollars in government rebates. In many cases, these offers are framed as "free" or "heavily discounted," with key details about costs, eligibility, or system suitability withheld or misrepresented. These patterns suggest that without strong regulation, well-intentioned subsidy schemes may inadvertently fuel harmful marketing practices and increase risks for consumers.

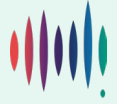
²⁸ CALC (citing CPRC data), [Designated Complaint: Unsolicited Selling](#), 16, 20.

²⁹ Consumer Action Law Centre, [Knock it off - Consumer Action Law Centre](#), page 36.

³⁰ ECA, Consumer Energy report Card: Understanding and measuring energy hardship in Australia, page 17.

³¹ ECA, [website-doc-consumer-energy-report-card-jun25-report-understanding-measuring-energy-hardship-australia.pdf](#), 17.

³² Essential Services Commission, [Victorian energy efficiency certificates](#) | Essential Services Commission



Q21. Do you consider unsolicited selling and lead generation to be adequately covered by the ACL? Please provide details.

Q22. Are there any harmful practices specific to unsolicited selling and/or lead generation that are not sufficiently addressed by the ACL, including the current unsolicited consumer agreement provisions? If so, please provide details, including any changes you would recommend to the current framework.

Answer for Q21 and Q22:

We support CALC's proposal for a ban on unsolicited selling and regulatory reform of lead generation practices, due to the significant consumer detriment arising from these practices in the energy sector. As outlined in response to Q2, we do not consider that this is outweighed by any potential benefits to consumers from these practices. Existing protections are insufficient to prevent consumer harm. There is regulatory recognition of the problems inherent in these sales practices, demonstrated by measures such as "Do Not Knock" signs and "Do Not Call" registries,³³ as well as existing bans or restrictions (for example in Victoria). While some protections exist under the ACL, including cooling-off periods and strict disclosure requirements, these are limited and often do not address the full scope of issues experienced by consumers of energy products and services. Strengthening these protections is essential to safeguarding consumers and restoring trust in the energy market.

³³ ACCC, Unsolicited selling and lead generation: Consultation paper, page 5.

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