



# WARNING TO RETAILERS, PROMOTERS AND INSTALLERS OF SOLAR AND BATTERY SYSTEMS - WA RESIDENTIAL BATTERY SCHEME AND COMPLIANCE WITH THE AUSTRALIAN CONSUMER LAW (WA)

The WA Government has announced the WA Residential Battery Scheme (the WA Battery Scheme), which will include battery rebates and no interest loans for certain customers. Some details of the Scheme are yet to be finalised. Additionally, the Federal Government has also now announced the Cheaper Home Batteries Program which also provides for rebates.

The Consumer Protection Division of the Department of Energy, Mines, Industry Regulation and Safety (Consumer Protection) administers and enforces the Australian Consumer Law (WA) (the ACL) in Western Australia.

Consumer Protection is concerned that some businesses may be misleading consumers by promoting or marketing the WA Battery Scheme in a way which is inconsistent with information published by the WA Government. Such conduct may breach the ACL.

To comply with the ACL, Consumer Protection reminds businesses to:

- Only use the WA Government logo, and images of politicians, if approved
- Not mislead consumers that your business is approved or accredited under the WA Battery Scheme; or that solar and battery system components are approved, or are of a particular standard, quality, value, grade, composition, style or model
- Not mislead customers that registering with your business means they will be eligible or preferenced under the WA Battery Scheme
- Only take on work than you can deliver in a reasonable time
- Be sure to meet ACL requirements about unsolicited sales
- Allow consumers to exit contracts without penalty where your business is unable to meet any commitments made

Significant penalties apply for failing to meet your obligations under the ACL.

You can visit www.legislation.wa.gov.au to view the ACL legislation in full.

Further information about these, and other, ACL requirements related to the promotion and use of the WA and Federal Government schemes is attached.

Thank you for your anticipated cooperation in this regard, and ongoing compliance with ACL requirements.

Yours sincerely

Owen Kelly

COMMISSIONER FOR CONSUMER PROTECTION

### IMPORTANT INFORMATION

# State and Federal Government solar and battery rebate and subsidy schemes

By 1 July 2025, the WA State Government will be offering rebates and no interest loans for Synergy customers and Horizon Power customers (with the total rebate value determined by the size of the battery) for the purchase of residential batteries as part of the WA Battery Scheme (the WA Battery Scheme).

The Federal Government has also announced a home battery subsidy scheme (**the Federal Government Subsidy Scheme**) which will be delivered through the existing Small-scale Renewable Energy Scheme (SRES) program.

Information and requirements associated with the WA Battery Scheme and the Federal Government Subsidy Scheme, published by Energy Policy WA, can be found at:

- WA Residential Battery Scheme
- Information for industry
- Federal Government Subsidy Scheme

### **ADVERTISING CLAIMS AND REPRESENTATIONS**

Of concern to Consumer Protection is some solar and battery installer retailers (**Suppliers**) have already been identified as promoting or marketing the WA Battery Scheme, and in doing so are making claims or statements such as:

- "Beat the backlog Get a quote now"
- "Lock in a low battery price now and beat the installation backlog"
- "To secure your spot and take advantage of this incredible offer, fill out our free quote form"
- "Once you're happy with your quote, place a minimum deposit to secure your spot for the battery rebate"

Due to anticipated interest from consumers in the WA Battery Scheme, Consumer Protection and other related government agencies have developed a campaign focussed on alerting the community to emerging issues and engaging with solar power industry participants to ensure that advertising claims made about the WA Battery Scheme are accurate and can be substantiated.

Consumer Protection has already commenced work to confirm that advertising across the industry meets the requirements of the ACL. Potential areas of concern are highlighted below for your awareness:

# Registered/Approved Retailers and Battery Systems and WA Government Affiliation/Approval

To be eligible for the WA Battery Scheme suppliers and installers will need to be registered with the Scheme Administrator. The criteria for registration will be published soon.

Claims that suppliers (including their installers, if installers are subcontracted or otherwise engaged) are approved or accredited in a particular way must be true and able to be substantiated. This includes any claims that suppliers and installers are approved to supply and install solar and battery systems under the WA Battery Scheme, particularly when there has not been any approval of suppliers at this time.

Suppliers must only engage licensed electrical contractors who in turn must only use licensed electrical workers to carry out the installation of battery energy storage systems and associated equipment.

Suppliers are also reminded that under the ACL they are responsible for any issues the consumer may have with the installation. Suppliers cannot avoid this obligation by suggesting to consumers that they have to pursue remedies from the individual electrical contractors.

If you have already entered into contracts with consumers promising availability of the WA Battery Scheme rebates or approved batteries, and you do not obtain the appropriate registration or the battery is not approved, or compatible with existing systems, you must give the consumer the option to cancel or terminate their agreement with you without penalty and provide a full refund of monies paid, or provide a discount equivalent to the rebate that would have been available or eligible to receive (to be at the customer's choice or preference).

Suppliers are prohibited from representing that they have affiliation or approval with the WA Government by branding information or publications with the WA Government crest and logo or images of politicians. The unauthorised use of the WA Government crest and logo has already been identified.

Any claims or representations made about solar or battery systems being suitable for, or able to be installed at, residential premises; or that existing systems are compatible for having a battery storage component attached, need to be true and correct. Some premises may require significant upgrades or replacement of the existing solar PV system to ensure compatibility. These requirements need to be identified and clearly communicated to consumers.

Also, there will be some residential premises where a suitable battery system location will not be available. Salespeople need to be familiar with the system location requirements of the relevant Australian Standard (AS/NZS 5139) in order to give an accurate appraisal before entering into agreements with consumers. Particular components will be required to be designed and tested to ensure they meet applicable Australian Standards before they can be offered for sale.

Additionally, if approved solar or battery system components are 'swapped out' with inferior or non-approved components, then this would also breach the false and misleading representation provisions of the ACL.

Making false and misleading representations about affiliations, sponsorships, or approvals; or the quality, value, grade, composition, style or model of solar or battery system components, constitutes a breach of the ACL. Monetary penalties of up to \$50,000,000 can be imposed on body corporate entities by the courts upon conviction; and up to \$2,500,000 for individuals.

## Wrongly Accepting Payment

Suppliers who enter into contracts with consumers for the supply and installation of solar power and battery storage systems must ensure they do not over commit themselves and can supply and install systems within all specified timeframes, or where no timeframes are specified, within a reasonable time.

If you enter into too many contracts and are unable to meet promised or reasonable timeframes you may be in breach of the ACL wrongly accepting payment provisions. Monetary penalties of up to \$50,000,000 can be imposed on body corporate entities by the courts upon conviction; and up to \$2,500,000 for individuals.

**Unsolicited Sales** (formerly known as 'door to door trading' or 'cold calling')
Consumers have certain rights under contracts that result from initial unsolicited contact by the vendor.

This means that if you sell your products using telemarketing or door to door sales that contact the consumer first, the ACL provides:

- a mandatory 10-day termination or cooling off period; and
- the front page of consumer contracts must contain prescribed wording concerning the cooling off period; and
- consumers must be informed about the cooling off period and how to exercise their right to terminate the agreement within the termination period; and
- it is an offence to accept any money from your customers or supply them any goods or services before this cooling off period expires.

Should you or your dealers attend consumer premises to provide a quote only for the supply of a solar battery system and negotiations are entered into which result in a contract being entered into, the contract is deemed to be an unsolicited consumer agreement under the ACL.

Similarly, an agreement may also be deemed to be unsolicited in circumstances where the initial agreement under negotiation relates to the supply and installation of a battery to an existing system, but negotiations result in an agreement for the supply and installation of a new solar PV (and battery) system being entered into.

Additional information regarding your unsolicited agreement obligations is available at <a href="https://www.consumerprotection.wa.gov.au/unsolicited-agreements">https://www.consumerprotection.wa.gov.au/unsolicited-agreements</a>

A range of monetary penalties can apply for non-compliance with the unsolicited consumer agreement provisions of the ACL.

### **Unfair Contract Terms**

Under the ACL, monetary penalties can now also be imposed for any term or condition of a standard form contract which is found to be 'unfair'. It is important that you understand the provisions of the law that apply to unfair contract terms and ensure that your contracts are compliant.

Contract terms and conditions stating that if the requested component was not available, the supplier had the right to substitute without consulting the consumer may be potentially unfair

under the ACL, particularly if the substituted alternative component is inferior, or is non-approved as this could impact on consumers' eligibility for the schemes.

#### **Consumer Guarantees**

The ACL also provides a range of guarantees to consumers when they purchase goods and services. These guarantees cannot be waived, excluded or limited in any way.

As a supplier of solar PV and battery systems to consumers you must ensure you comply with these guarantees, including that your products are of acceptable quality and fit for any disclosed purpose, and that their installation is completed with an acceptable level of care and skill and within a reasonable period of time. This includes ensuring premises are suitable for solar PV and battery systems to be installed, and that existing systems are compatible for having a battery storage component attached.

Additionally, you need to ensure that any solar or battery system is installed according to Australian Standards and network operator requirements and that it functions as intended.

Under the ACL, the suppliers are responsible for rectifying any defects including engaging an electrical contractor to do further works.

While Energy Safety electrical inspectors may require an electrical contractor to remedy non-compliant electrical work, this does not mean that suppliers can avoid their obligations under the ACL.

If there is a major failure of a PV system, a component thereof, or in the installation of that system, the consumer can choose a remedy which includes a refund or replacement. The remedy must be provided within a reasonable time. For minor failures of PV systems or installation work you must repair the item within a reasonable time.

If the repair of a minor failure is not carried out in a reasonable time, the consumer has a right to a refund or a replacement PV system, component thereof or installation. You must not misrepresent your obligations under the consumer guarantee provisions or consumers' access to them.

A range of material is also available free from the guidance page of the ACL website at <a href="https://www.consumerlaw.gov.au">https://www.consumerlaw.gov.au</a>.