21 November 2025

Department of Climate Change, Energy, the Environment and Water
Canberra ACT 2601

Online via [Have your say on a Solar Sharer Offer (SSO) - Department of Climate Change, Energy, Environment and Water]

Dear Solar Share Offer Team,

Solar Sharer Offer (SSO) Consultation Paper 2025-26

Thank you for the opportunity to comment on this consultation paper.

The comments contained in this submission reflect the feedback of the Energy and Water Ombudsman (EWON), Energy and Water Ombudsman South Australia (EWOSA), and Energy and Water Ombudsman Queensland (EWOQ). We are the industry-based external dispute resolution schemes for the energy and water industries in New South Wales, South Australia, and Queensland.

We have collectively reviewed the consultation paper, and we have only responded to those matters that align with issues customers raise, or with each respective organisation's operations as they relate to the consultation paper.

If you require any further information regarding our submission, please contact Dr Rory Campbell, Manager Policy & Systemic Issues (EWON) on 02 8218 5266, Mr Antony Clarke, Policy and Governance Lead (EWOSA) on 08 8216 1861, or Mr Jeremy Inglis, Manager Policy & Research (EWOQ) on 07 3212 0630.

Yours sincerely

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Energy & Water Ombudsman New South Wales

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Solar Sharer Offer (SSO) Consultation Paper 2025-26

We support enabling consumers to benefit from solar generation and other consumer energy resources by taking advantage of excess solar generation. We acknowledge the Department's commitment to addressing affordability challenges, ensuring secure supply of electricity, empowering consumers in the energy transition, and promoting smarter energy consumption.

In summary, the Department's proposed reforms are to be implemented through the Code, and include:

- An obligation on retailers across Australia to make an SSO standing offer available to all eligible residential customers, with the rollout in DMO jurisdictions to be trialled first.
- An SSO standing offer would be defined as a standing offer with a tariff structure which includes a period during the day (at least three hours) in which the usage charge is zero.
- In DMO distribution regions, the policy intent is that the obligations to offer the SSO will commence in 2026, with the regulated DMO SSO standing offer being determined by the AER as part of DMO 8.
- For non-DMO jurisdictions, work is underway to potentially be made available to all households from 2027.
- A regulated tariff cap on the SSO standing offer price. The AER would be required to provide further detail on its approach to determining the regulated tariff cap for the SSO as a part of its obligations under the DMO Guideline.
- Retailers making an SSO type market offer would be required to compare it to the corresponding SSO standing offer.

Complaints to our offices do not provide a basis to comment on some of the more technical and logistical aspects of the proposed reforms. Our comments focus on:

- complaints we may receive from customers if the reforms were to be implemented.
- negative, or lack of positive, impacts on some sectors of customers.
- speed of implementation of the proposed reforms.
- lack of time for consultation.

While we support aspects of the potential reforms, issues relating to smart meters, time of use offers, and solar PV systems evidenced in ongoing complaints to our offices underpin the concerns we raise in this submission.

Availability of Solar Sharer Offer-Type Products

2. How should the effectiveness of the SSO be evaluated over time, noting its multiple objectives (e.g., ensuring SSO take up, and reducing bills for customers without access to CER)?

Complaints received

The implementation of any new energy strategy or product inevitably results in energy consumers raising complaints with EWO offices. We monitor these complaints and provide feedback to regulators, members, State and Commonwealth Governments and related energy departments so that the issues driving complaints are addressed.

For example, in 2024 the Australian Energy Market Commission (AEMC) created and implemented electricity and retail rules for the Unlocking CER benefits through flexible trading rule change request submitted by the Australian Energy Market Operator (AEMO). As a result of this implementation, we received customer complaints about controlled load.

In a previous submission to the AEMC on this rule change we provided case studies on customer complaints regarding controlled load. The case studies indicated that some of the drivers of these complaints included:

- That some customers making complaints about high bills and/or the operation of their controlled load hot water service were only finding out that they were participating in a virtual power plant (VPP) after making a complaint to EWON.
- That the operation of the VPP may not be benefiting customers with underfloor heating, solar hot water, or pool pumps.

It is likely we will receive similar customer complaints if the SSO is implemented.

Consumers experiencing, or at risk of experiencing, vulnerability

We are particularly concerned for consumers experiencing vulnerability, including those on low-incomes, pensions, living with disability, and tenants, as they are most at risk of not benefitting, or being in a position to benefit, from the SSO. It is crucial that specific attention, during the design and implementation of the SSO, is paid to the outcomes that may or will affect customers experiencing vulnerability.

Other consumer groups who can't shift their load to the middle of the day may not experience the intended benefits if they switch to an SSO.

Assuming the proposed SSO will benefit all eligible consumers, creates risk of losing consumer trust in the energy sector when some consumers do not experience that intended benefit.

4. Are there likely to be any practical constraints on certain customer cohorts who could benefit from an SSO being able to accrue those benefits through increasing their consumption in the SSO window?

Additional customer groups

Other customers who may face constraints include:

- Customers who cannot get a smart meter due to site rectification issues at their premises, including tenants or owner/occupiers who can't afford the cost of remediation.
- Customers with medical conditions that dictate their energy use and when they need to use it.
- Customers with lower energy and technology literacy.

Funding for site remediation

The SSO presents the Government with an opportunity to maximise the benefit to customers from the SSO by either funding directly or indirectly (energy bill rebates, tax benefits for landlords etc) site remediation for consumers unable to undertake rectification to address issues preventing smart meter installation at their owned or rented homes. This would enable those customers without access to a smart meter to access the benefits of the SSO. The AEMC's Final Report: Review of the Regulatory Framework for Metering Services noted:

> *"The Commission recommends that funding support for vulnerable customers who need to carry out site remediation should be considered. Vulnerable customers not having access to smart meters has efficiency and equity impacts"*

The case for implementing the SSO

2. What practical issues need to be addressed to ensure the SSO operates consistently either in DMO or non-DMO jurisdictions, while recognising local regulatory settings?

The interaction between the SSO and other emerging obligations in the energy market should be considered. For example, the requirement for retailers to offer a customer a deemed better offer, if it is better than the plan the customer is on which is to be implemented in December 2026. At this stage, we are unsure if the SSO would be included in this requirement, and if it was included, we are uncertain how this would work for customers.

The AER Better Bills Guideline requires that a deemed better offer is based on the customer's annual usage history or a plan that costs less than the generally available plan for that customer. However, we question whether a better offer can be accurately identified for the SSO, given that the SSO is designed around future behaviour change by the customer. The better offer message does not account for potential behaviour changes, which limits the customer's ability to fully benefit from the SSO, even if it is the most suitable option for the customer. This misalignment could lead to consumer confusion, particularly among customers who are less energy literate or those that choose not to, or are not positioned to, engage actively with their energy provider. Energy retailers and the AER will need to very actively monitor and address issues relating to retailer best offers as they emerge.

4. What considerations or risks should be addressed in the event of a staged national rollout of the SSO across jurisdictions?

The staged national rollout of the SSO should be aligned with legacy metering retirement plans, so that consumers have the opportunity to receive maximum benefits from the SSO as soon as their smart meter is installed.

An aligned rollout of the two schemes and consistent communication throughout these events would prevent consumer confusion and build trust with customers. We commonly receive complaints from customers regarding a lack of communication about replacement of legacy meters with smart meters.

We suggest consulting with AER and networks to determine an alignment strategy.

Without an aligned rollout, the SSO may drive additional customer demand for smart meters, leading to frustrated customers who would like to take advantage of the SSO but who can't get a smart meter enabling them to do so.

5. How could a regulated SSO framework best complement or build on the innovative time-based pricing models already emerging in the market?

As the AEMC recognised in its National Energy Retail Amendment (Accelerating Smart Meter Deployment) Rule Determination, there is an ongoing issue of customer resistance to cost-reflective products, often due to a perception that these tariffs are designed to charge more for electricity. Innovation is being constrained by a pushback to flat tariffs and the gap between network tariffs and what retailers offer to customers, with retailers bearing all the risk. This may affect uptake of the SSO. Retailers and Networks have a responsibility to inform their customers about the benefits of these tariffs where they exist, and cease pushing customers on cost reflective tariffs where they result in increased energy bills.

There are lessons that can be learned from existing innovations in controlled load at both the network and retailer level. We suggest consulting with market participants offering these products so that these lessons can be leveraged for this initiative.

6. How could customers without solar PV and batteries, including vulnerable or disengaged households benefit from the SSO?

Customers without solar PV and batteries could benefit from the SSO by having their retailers directly engage with them about controlled load products that operate in those three free hours. For example, hot water systems or underfloor heating, which are on a controlled load tariff.

Customers with smart meters, who can be at home during the day and are energy literate will be able to benefit from the SSO, especially if using energy efficient products, but only if this is clearly communicated to them. However, consumers experiencing, or at risk of experiencing, vulnerability or who unable to engage for any reason (inability, experiencing life crisis, CALD etc) may struggle to benefit from the SSO, and may in fact be worse off as prices rise during periods when they do consume energy.

Objectives and proposed implementation approach

3. Are the proposed information disclosure and consent requirements sufficient to ensure customers understand how an SSO offer works and whether it suits their energy usage patterns?

The current information and disclosure requirements are adequate when considered alongside existing provisions in the National Energy Customer Framework (NECF). However, these reforms present an opportunity for innovation. For example, similar requirements could be introduced to those in the December 2025 amendments to Rule 2(2) in Schedule 3 of the National Energy Retail Amendment (Accelerating smart meter deployment) Rule, which obliges retailers to compare new tariffs against historical bill information.

Providing consumers with cost-reflective tariffs, complemented by insights drawn from their historical usage and clear supporting information, would empower them to make informed decisions about their energy usage under the SSO. This approach could enhance energy literacy and potentially help consumers reduce their energy bills.

Speed of implementation of the proposed reforms

The timeline for implementing the proposed reforms ahead of the 2026 commencement of SSO standing offers raises concerns. Retailers will require adequate time to integrate the SSO into their IT systems, update internal processes, and train staff. Networks may also need to consider and modify network tariff structures. It is also unclear how retailers will recover network tariffs from customers during the SSO period. Retailers will still have to pay networks for energy consumed during those periods and will have to recover these costs during other times; they cannot be expected to operate at a loss.

Without adequate preparation, there is heightened risk of unintended consequences, such as operational errors, consumer confusion, and increased complaints.

Allowing sufficient time for implementation would deliver several benefits. For example, it would enable retailers to address implications for vulnerable consumer groups, reduce confusion among retailers and customers, allow for alignment of the retirement of legacy metering plans with the rollout of SSOs, and resolve potential conflicts between emerging obligations for retailers, such as the Better Bills Guideline's deemed better offer and the SSOs.

We also note the AEMC is undertaking a review into retail pricing, with a draft report currently scheduled for December 2025. We believe the SSO should be integrated into the market in conjunction with other reforms, and not as a standalone change. Co-ordination with the AEMC's review would enable this.

Lack of time for consultation

The time provided, less than three weeks, for stakeholders to consider all issues then prepare and submit responses is insufficient. This short timeframe increases the risk of sub-optimal solutions and unintended consequences, undermining confidence and trust in the SSO and the wider energy market.