Renewable energy sources market under control - further actions of the President of UOKiK

* **Consumers are interested in renewable energy sources, but UOKiK has also been receiving numerous complaints about the market.**
* **Contracts full of pitfalls and unfair practices - these are the signals we note.**
* **The President of UOKiK has brought charges against three entrepreneurs operating in the RES market.**

**[Warsaw, 11 September 2024]** More and more consumers are interested in solutions that reduce their energy bills while also working to the benefit of the environment by lowering carbon dioxide emission. Thus, they choose to install photovoltaic panels, heat pumps or electric furnaces. However, businesses offering these devices do not always operate in accordance with the rule of law. The President of UOKiK monitors and verifies the practices of entrepreneurs operating in the RES market.

**Contracts full of pitfalls**

The President of UOKiK pays particular attention to provisions in contracts and agreements that may be difficult for consumers to verify. He confirms whether they are fairly informed about all contractual terms and essential features of the product and that the provisions do not protect only the interests of the entrepreneur. He has recently brought charges of using prohibited contractual provisions against the following business entities: Am Eco Energy, Polska Energia Grupa Kapitałowa and Energia dla przyszłości, which sell and install equipment providing renewable energy and heat sources throughout the country.

As investigations have shown, prohibited clauses may result in serious consequences for consumers: changes in the work completion date, price increases, service non-performance due to the withdrawal of the contractor, the imposition of exorbitant contractual penalties or the requirement to waive any claims. A common feature of the challenged clauses is that they contain wording that is unfavourable to consumers, often inaccurate, which may be misleading about their rights.

For example, a provision suggesting that the contract was individually negotiated, even though it was not, or a provision that all documents were received when they were not delivered, may be intended to make it more difficult for consumers to pursue potential claims. Some provisions are even designed to discourage complaints, suggesting that if they are unfounded, consumers will incur high expert costs.

Terms that are unfavourable to consumers may also include vague provisions that give the entrepreneur the freedom to change the timing of the installation or even the very model and power of the equipment to be installed. Additionally, there are attempts to restrict liability for improper performance, such as poor product selection or damage to walls, ceiling or roof caused during the works.

- The market for devices that provide renewable energy sources is growing rapidly and more and more of us are opting for such solutions. However, this is always a major investment. It is unacceptable for entrepreneurs to try to put the risk of their business on consumers. Abusive clauses may cause grossly unfavourable consequences for consumers such as delays, higher purchase costs, receiving installation that does not meet your needs, making it difficult to withdraw from the contract or pursue claims - says the President of UOKiK, Tomasz Chróstny.

If the charges of abusive clauses in contracts are confirmed, Am Eco Energy, Polska Energia Grupa Kapitałowa and Energia dla przyszłości are at risk of a fine of up to 10% of turnover for each event of violation.

**Contested practices**

The President of UOKiK has been also conducting proceedings against Am Eco Energy and two of the company’s managers for violating the collective interests of consumers. Several practices are questionable. First of all, the company’s customers do not receive information about their right to withdraw from the contract. Meanwhile, when entering into a contract away from the business premises, they should get clear and reliable information on a durable medium about how and when they may cancel the contract. Moreover, Am Eco Energy expected a non-refundable down payment of at least 50 per cent of the consideration made 3 days after signing the contract. In doing so, it did not take into account the circumstance in which customers who enter into an off-premises contract withdraw from it within 14 days. Consumers may therefore have been misled into thinking that if they exercised their statutory right, they would still lose the funds they had paid in.

UOKiK also raised serious doubts about the failure to inform consumers about the main features of the device that was the subject of the contract. The contracts did not indicate who the manufacturer of the furnace, heat pump or photovoltaic system was and the model designation of the equipment was missing. The selection of the final product was already underway after the contract was signed. Thus, the company’s customers did not know what equipment would be installed for them and had no way of verifying the price of identical equipment from a competitor.

The company may face a fine of up to 10% of its turnover and for the managers up to PLN 2 million.

**RES market under control**

At the present stage, the President of UOKiK has been conducting 18 different proceedings pertaining to heat pumps and RES installations. These are mainly preliminary investigations and concern unlawful provisions of contract templates, failure to respect the right to withdraw from an off-premises contract, failure to provide relevant information necessary for consumers to make a purchase decision (including warranties, expected effects of system operation, audit results), and misinformation regarding the nature, scope and value of funding.

Since the beginning of 2024, the Trade Inspection Authority has been cooperating with customs authorities by issuing opinions on whether imported heat pumps meet the formal requirements of the EU. In Q1, inspectors carried out border heat pump inspections as part of a joint project with the National Tax Administration. Signage and documentation accompanying the pumps were verified. [94 per cent of the devices failed to meet formal requirements](https://uokik.gov.pl/pompy-ciepla-wyniki-pierwszej-kontroli) and were not approved for marketing.

In previous years, the President of UOKiK has penalised BO Energy (formerly FG Energy), a company offering photovoltaic installations. In December 2022, for its unfair practices, [he imposed a PLN 28 million fine on it](https://archiwum.uokik.gov.pl/aktualnosci.php?news_id=19196), and a few months later for using [prohibited provisions in contracts - PLN 12.5 million.](https://archiwum.uokik.gov.pl/aktualnosci.php?news_id=19727) In turn, in April 2023, [the Asmanta Call Center company was fined](https://archiwum.uokik.gov.pl/aktualnosci.php?news_id=19719). It was engaged in telemarketing of, among other things, photovoltaic installation services. The company and its managers were fined in total of nearly PLN 1.5 million for conducting telemarketing without the prior consent of subscribers and misrepresenting the amount of subsidies under the “My Electricity” programme.

**Tips for consumers**

* Tailor the RES installation to your needs and financial possibilities
* An improperly sized heat pump installed in a poorly insulated building may fail to heat rooms or be very expensive to operate
* Compare offers of different suppliers
* Unfair sellers can significantly overcharge market prices
* Remember the principle of limited trust when dealing with visiting sales representatives
* Flyers imitating official notices? Assurance of cooperation with state administration bodies? Always check the reliability of information
* Verify that the contract or offer that is part of it includes:
* brand, model and power of all installation components offered
* scope of necessary installation work
* date of performance
* total price
* terms and conditions of the guarantee
* right to withdraw from the contract when it is concluded off-premises (or at a distance - by telephone, Internet)
* If you have signed a contract off-premises (e.g. at home), you will have the right, within 14 days of conclusion, to withdraw from the contract without any cost
* The representative’s visit was not by appointment? You may cancel the contract within 30 days
* Don’t rush into a decision and pay attention to what you sign. Some provisions in contracts may limit your rights
* Requesting the start of the service performance before the end of the withdrawal period may exclude the possibility of withdrawal without cost even if the contract was concluded off-premises
* Before concluding a contract for the sale and assembly of RES installations:
* You should receive the necessary technical documentation characterising the performance of the equipment offered, such as its energy efficiency
* Require the seller to provide the results of a pre-assembly audit along with a reliable analysis of the efficiency of the proposed installation’s operation after it is installed at your home (e.g. the average annual projected electricity generated by a photovoltaic or wind installation, the average annual electricity consumption of a heat pump, etc.)
* Do you have any doubts about the fairness of the provisions of the proposed contract or problems with its implementation?
* You may get free help from the Consumer Ombudsman in your town or district

**Consumer Support:**

Consumer Helpline: 801 440 220 or 222 66 76 76
contact form: [poradydlakonsumentow.pl](https://poradydlakonsumentow.pl/)
[Consumer Ombudsmen](https://uokik.gov.pl/pomoc.php) – in your town or district