26 September 2019

EnergyAustralia Pty Ltd
ABN 99 086 014 968
Level 33
385 Bourke Street
Melbourne Victoria 3000

Phone +61 3 8628 1000
Facsimile +61 3 8628 1050

enq@energyaustralia.com.au
energyaustralia.com.au

Lodged by email: data@treasury.gov.au

CDR Priority Energy Datasets Consultation

EnergyAustralia welcomes the opportunity to make this submission to the Australian Government Treasury's (Treasury's) Priority Energy Datasets Consultation under the Consumer Data right. This letter responds to Treasury's paper titled Priority Energy Datasets Consultation Consumer Data Right, 29 August 2019 (Treasury's Consultation Paper).

EnergyAustralia is one of Australia's largest energy companies with around 2.6 million electricity and gas accounts in New South Wales, Victoria, Queensland, South Australia, and the Australian Capital Territory. We also own, operate and contract an energy generation portfolio across Australia, including coal, gas, battery storage, demand response, wind and solar assets, with control of over 4,500MW of generation capacity in the National Electricity Market (NEM).

EnergyAustralia supports the Consumer Data Right (CDR) and believes that if designed with the customer at the centre, it will support more transparency in retail energy markets and make it easier for customers to choose the right energy service for them. EnergyAustralia broadly supports the inclusion of the six data set categories identified by Treasury as priority data sets. Our attached submission comments on the specific data types within each set and answers selected questions from Treasury's Consultation Paper.

More generally, we note that retailers are very focussed on ensuring energy affordability by keeping costs low for customers. With this in mind, EnergyAustralia is keen to ensure that regulatory implementation costs are minimised where possible to limit any increased operational costs that could flow through to energy prices.

We also wish to ensure that the benefits of regulation clearly outweigh the cost, and where this is unclear support a narrower implementation to assess what benefits are realised initially, before expanding to other data sets. In line with this, we make the following key points which are explained in more detail in our submission:

1. Priority data sets should support basic use cases – only allowing comparison and switching of electricity plans. These data sets are likely to have the widest use by electricity customers and therefore provide the greatest practical benefit.

2. During the initial implementation of the CDR, value added data should be excluded from the priority data sets due to complexities in implementation. We acknowledge that what constitutes value added data can be unclear at times, and encourage Treasury to provide clear guidance on what value added data includes, as it applies specifically to the energy sector.

3. To minimise cost and avoid conflicting data, duplication in data should also be avoided. Across the six data sets identified by Treasury, two or more data types may serve the same purpose. Potential overlaps might occur with:
    a) retail product vs billing data (where retail product data such as discounts and tariffs would be shown in billing);
    b) billing data vs metering data (where usage is shown on the bill); and
    c) NMI standing data and customer provided data (e.g. address).

    We will provide more views on what specific data is duplicated when the drafting of the instrument becomes available. However, in the interim, we have flagged some data sets in our submission which we believe are at risk of duplication.

4. To further minimise costs across the industry, where there is more than one data holder for a data set, we believe that centralised data holders should be the designated data holder for that data set. These centralised data holders would be AEMO (for NMI standing data, DER data and metering data) and Government Comparators sites (for certain retail product data). This is discussed in further detail in our attached submission.

5. Priority data sets should be limited to on-market data captured by the meter only. "Behind-the-meter data" should be excluded from the CDR as these may not be comparable, and could be value added data.

EnergyAustralia also emphasises that the rollout of the CDR for the priority data sets suggested by Treasury in its Consultation Paper is a very significant and complex regulatory change. It will involve most electricity market participants (including AEMO), have significant technological impacts, and may have potential interdependencies with other regulatory changes. The scale of the CDR should not be underestimated. We look forward to the ACCC's further consultation on the authentication framework, the timeframe for the CDR implementation in the energy sector, and clarity around expected stages.

If you have any questions, please contact Selena Liu (selena.liu@energyaustralia.com.au or 03 8628 1548).

Yours sincerely

Sarah Ogilvie
Industry Regulation Leader

NMI Standing data fields

Question 1: What other NMI datasets should be designated to support basic comparison and switching use cases?

EnergyAustralia agrees with the four identified NMI standing data fields identified in the Consultation Paper (average daily load, network tariff code, presence of controlled load and metering installation type). These data fields are important for supporting basic comparison and switching use cases for electricity plans. We also consider that the following additional standing data fields should be included:

- Meter number/s: which are different from the National Metering Identifier (**NMI**);
- Meter read type: this will indicate whether the meter is remotely or manually read and also the frequency of the read (daily, monthly or quarterly);
- Classification code - Residential/business: this is the distributor's classification in Market Settlement and Transfers Solutions (**MSATS**) and is an important data field that is different to a retailer's record based on its own internal determination of whether an electricity consumer is a residential or business customer; and
- Generation suffix: while this can be an unreliable indicator of whether a site has solar PV generation, in the absence of a fully populated DER register, this can provide a substitute indicator.

As the NMI is site-based and there is a history of customers at a particular NMI, only NMI standing data that relates to the current customer should be subject to the CDR. This is what is relevant to a current customer's electricity needs.

Metering data

Metering data is essential to support basic comparison and switching use cases. Metering data will also provide information that can support switching or uptake decisions around solar PV generation and batteries and rent/buy decisions.

We note that:

- on-market metering data is sufficient to support advanced use case consumer decisions, such as whether to take up or switch providers for solar PV, battery, inverter, or whether to choose a demand response product. We do not see any benefit to the customer which would be worth the additional cost of providing data that is more granular or which is updated more frequently;

- data measured by behind the meter devices is also more complex and may differ across providers; this data may also potentially be value added data (see our comments on household appliances in Question 5). In our view, the direct and indirect costs of standardising data obtained from behind-the-meter devices would far outweigh any limited additional benefit to a consumer's switching decision that could be gained from the inclusion of this data in a priority data set;

- the CDR should be limited to the metering data of the premises' current meter. Metering data from a previous meter should be excluded as it is not relevant to assessing a customer's current electricity needs. In addition, data relating to a previous meter may also disclose confidential information of a previous resident (which may pose security or privacy concerns in certain edge cases);

- we strongly believe that Treasury should undertake a cost-benefit analysis which considers whether the additional cost of storage and technical capability of all CDR participants, including customers, is outweighed by the benefits to customers. Factors such as the five

minute settlement regulatory changes (requiring meters to be capable of recording, storing, and sending 5-minute settlement data[1]) should be balanced against decisions concerning the duration of time that metering data should be retained; and

- only actual meter data from meter reads should be included in the CDR. Forward estimates by MDPs or other parties should not be included in the CDR as this data is not meaningful to consumers. Actual data will provide the most accurate basis for comparison use cases.

Question 3: Should the priority datasets designation cover all meter types? If not, which datasets should be outside the scope of the initial designation, and why?

Our view is that it is not necessary to include meter types 1-3 (which are predominantly used by large customers) as part of the priority data set for the energy sector.

Energy retailers are already using large customer metering and billing data (obtained under current National Electricity Rules provisions) in sophisticated ways to quote and win large customers. The cost-benefit proposition of the CDR for large customers would be significantly smaller than for small customers (who will be provided with additional insights on their energy plans that they have previously been unable to easily access).

Excluding large customers from the priority set would reduce the cost of the rollout and the time required for implementation.

We support type 4 to 6 meter data being included within the scope of the priority data set on the basis that there will not be an increase to the frequency of meter reads or obligations on providing more up-to-date data. Please see our responses to Question 4 for further discussion.

Question 4: What advanced CDR use cases might more frequent smart or interval meter reads support?

Currently, remotely read interval meters are read daily, and manually read meters are read quarterly (and at minimum, once every 12 months as stipulated in the National Energy Retail Rules). Retailers, as part of their service offerings, have a choice on how frequently they bill based on consumers' preferences; billing frequency is separate to the meter reading frequency, and might form part of the basic use case (where a customer chooses a retailer based on their preferred billing frequency options).

Given that Type 4 and above meters are already being read on a daily basis, it is not clear what the additional benefit of increasing the frequency would be; even for advanced use cases (such as demand response or solar products); customers are likely to already have sufficient information to make a decision on whether to switch to a demand response or solar PV product.

As Treasury would also be aware, as part of the Power of Choice reforms in states with the National Energy Retail Rules, Type 5 and 6 meters are expected to be eventually phased out and replaced by Type 4 meters.

In addition, requiring more frequent smart or interval meter reads would raise the cost of meter data storage, together with already increasing costs of storing five-minute data. We do not support this without evidence that current meter reads will be used effectively and widely. Again, this approach ensures that the cost of implementing and participating in the CDR remains low; benefiting consumers.

[1] https://www.aemc.gov.au/rule-changes/five-minute-settlement

Question 5: Would the proposed data sets support the use cases identified above? What other use cases could smart meter data support and what specific datasets would be required?

Treasury has sought comment on whether smart meter data could support certain use cases. We address each in turn below:

- Monitoring energy consumption of customer's household appliances:

  This use case is not possible on the basis of raw metering data, unless the appliance has its own circuit and this circuit is separately captured in the metering data. Consumption at the more granular, appliance level is otherwise not possible unless the appliance has its own measurement capability (e.g. solar PV and battery inverter or a DR enabled appliance).

  As addressed in question 1 above, we consider that all "behind-the-meter" measurement data, including data from in-home appliances, should not be part of the CDR data sets. This data is non-standardised which would make it costly to include in the CDR. Further, it is likely to be value-added data given it may not follow the standardised AEMO metering data formats (e.g. MDFF NEM12/13 file formats).

  Separately, a retailer may have invested in the creation of a tool to estimate an appliance's energy consumption based on algorithms derived from patterns in metering data. However, this is distinct from the raw metering data, and is a clear example of value-added data that should fall outside the scope of the priority data sets.

- Costs/benefits of adopting solar PV and battery and accelerated adoption of these technologies:

  We agree that, overall, the proposed data sets would support the above use cases. We consider it is important to note that it is the switching decision that the CDR intends to address, and not, for example, the actual day to day management of consumption after a customer has taken up a demand response product.

Question 6: How can the above privacy risks be balanced against the significant potential consumer benefits of supporting new use cases?

We have identified the key privacy issues as follows:

- safety and family violence concerns where a person obtains unauthorised access to a person's address, and/or is able to access consumption data/patterns and deduce when a person is at home.

- privacy concerns from individuals where their consumption patterns might flag an illegal activity. Disclosure of these activities might be in the public interest and allowed under the CDR privacy regime, but we do not comment further on these issues here.

In our view, security and privacy risks can be managed via robust data security processes and a strong customer consent and authentication framework (to be determined by the ACCC in consultation with industry). This will be, in part, addressed through the privacy safeguards and the ACCC's Consumer Data Rules, which put the consent of the consumer at the centre of the CDR and allow for consent to be unbundled and specific to the consumer's chosen use cases offered by an accredited data recipient. This consent focus gives the consumer the power to make his or her own decision based on a personal assessment of the balance between potential privacy concerns and consumer benefits.

Further, to ensure that the right balance is struck, we believe that it is essential that the ACCC and Treasury work together to concurrently develop the authentication framework and allocate the initial CDR data sets for the energy sector. Together, these elements determine how the CDR regime balances a robust authentication framework with the principle of data minimisation. Please also refer to our further comments on Question 9.

Practically, there are challenges in managing consent/authentication as energy data (such as consumption data) reflects all energy users on a site, whereas the account holder is only one individual. This poses difficulties because, at its fullest extent, a strong framework could require further consents in addition to the account holder's consent, i.e. consent by other individuals at a premises.

Additional challenges also arise as result of the energy industry's use of second account holders, who often have rights to change aspects of an energy plan and may also incur liability for debt. The CDR will need to account for how the second account holder fits with the consent/authentication regime.

Despite these complexities, our view is that the above issues can be resolved and controlled by the design of the consent and authentication framework in consultation with industry. In our view, if an effective consent and authentication framework can be developed, the benefits of the CDR to the customer (via market innovation and enhanced use cases) will outweigh these privacy risks.

Question 7: How long do retailers and/or metering data providers store metering data on a specific customer or site?

In our view, 12 months of data should be provided to allow for meaningful basic use cases of comparing and switching electricity plans. Data older than 12 months has limited relevance to the customer's current needs, as consumption patterns may have changed over time due to a variety of reasons. On this basis, it will have little value to consumers or data recipients. The additional cost of accessing this information is likely to outweigh the benefit, and the cost is likely to be exacerbated by requirements to store 5 minute interval data.

Question 8: Is there commercial value in allowing consumers to port their historic metering data (and other data as appropriate) to a new retail service provider when they switch to a new product? Are there other solutions that may be more appropriate?

While EnergyAustralia recognises there is some commercial value in porting historic metering data from a previous retailer to their new one, on balance we do not support this proposal. This is due to the limited benefit it appears to bring to customers, which do not appear to outweigh the complexities involved in implementation, data governance, and its potential privacy risks to customers.

Managing the data governance issues across two duplicated sets of customer data held by two retailers would be overly complex, especially since the previous retailer may have obligations under other laws or regulations to retain the data which may not apply to the new retailer.

For instance, decisions around de-identifying/destroying data across the previous and new retailer would create uncertainty for both the customer and the retailer. It would also mean that the new retailer would bear the cost of being the data holder and would have to absorb the costs of data storage for customer data not related to its current relationship with the customer.

Customer provided data

Question 9: What data do market participants use to on-board a customer and what data is required to support efficient switching between different retail electricity service providers?

EnergyAustralia supports including customer-provided data to support seamless switching and on-boarding of new customers via the CDR framework. This would be a customer centric process. We agree that customers should have the convenience of an efficient process that will allow an accredited data recipient to recommend and then facilitate on boarding to a new

electricity retailer (subject to the relevant Explicit Informed Consent protections under the National Energy Customer Framework (**NECF**)).

Customer data

For residential customers, we identify that the following data would be required for on boarding and efficient switching: Name, Date of Birth, ID type and number for identification purposes, contact details, communication preference, life support requirement, concession/Utility Relief Grant Scheme details, Centre pay, and direct debit arrangements (including credit card and debit card details, subject to PCI DSS and other security requirements).

As discussed in our response to Question 6, the privacy principles generally state that minimal customer data should be collected. This needs to be balanced against a robust authentication framework (which may, among other things, be based on the matching of multiple unique identifiers to a customer; e.g. a date of birth, name and contact details combination); we therefore reiterate that the specific details of the data sets need to be considered concurrently with the ACCC's authentication framework.

Value added data

We emphasise that customer-provided data should not include value added data. For instance, we support including communication preference as identified by the customer, but not as identified by any customer analytics undertaken by retailers. Another example is credit checks – we would also consider this value added data, and sharing this data with accredited data recipients may result in discrimination against low value customers.

Business customers
Further thought needs to be given to how the CDR will distinguish between obligations that apply with respect to residential customers and business customers. For business customers, we believe that the following practical matters should be considered:

- Treasury should consider how the data sets for on-boarding business customers may differ from those for residential customers as not all data held by a retailer relating to a business customer's personnel may be necessary for the on-boarding process. For example, the contact person for the business customer who is responsible for the payment/financing arrangements may be different to the contact person nominated for usual electricity operations; the former is responsible for negotiating and making the switching decision, and/or payment, whereas the latter is often responsible for technical details and access to the site. The former is more relevant to the CDR, and we would consider that data relating to the latter would not be necessary to provide for the on-boarding process;

- A business may have multiple sites that it wishes to transfer between retailers. The ACCC should provide guidance on whether it considers the administration and analysis of multiple sites and NMIs (which could number in the hundreds or thousands) to be a value-added data set. We note that the administration of multiple sites would be costly for retailers to manage, and providing insights based on multiple NMIs would, in our view, be a material enhancement to the raw customer data;

- We also note that business customers have different credit and insolvency obligations to residential customers, and that this is a subtlety the ACCC ought to consider.

Billing data

Question 10: How is retail customer billing data shared between market participants now, and is there a general industry standard for billing information?

Metering consumption data is in units of energy used, and this is shared in the NEM12/13 formats defined by AEMO. This data is sent from MDPs to AEMO for settlement purposes, and is sent from MDPs to retailers as an input into the customer's bill.

Retail product data is in units of monetary currency; i.e. the price per kWh and the flat rate supply charge in dollars. This may not necessarily be standardised across energy retailers.

The metering consumption data and retail product data are aggregated in retailers' billing systems to charge customers. There is currently no sharing of *billing* data between market participants or general industry standardisation. As noted by Treasury, retailers provide this data under their obligations under the National Energy Retail Rules and the format is not prescribed (copy of bill or excel file).

Our response to who we consider should be the data holder for each data set is further discussed in Question 14. Please also refer to our comments in Question 4.

Question 11: What consumer use cases might the priority designation of retail billing data support through the CDR?

The priority designation of retail billing data will support the same basic use case as the priority designation of metering data. This includes, electricity product comparisons and switching services, in addition to rent/buy decisions for solar PV and battery solutions.

Question 12: Would designation of all product data classes currently held by the AER and Victorian EnergyCompare be sufficient to support basic comparison and switching use cases? Should product information tailored to individual consumers also be designated?

Scope of information

Yes, the designation of all product data classes held by the Government comparator sites would support a basic comparison and switching use case for electricity products.

However, EnergyAustralia considers that further information would enhance the comparison use case. Knowing the full details and value of an energy plan both on sign up and during the customer's tenure would provide greater transparency for retailers (which would also be accredited data recipients) competing to win the customer. This would allow other retailers to match or better the full value of a plan. It would also allow accredited data recipients (that are not retailers) to make a full comparison across the total product value.

An example is the Energy Made Easy (EME) site, which requires the disclosure of DR payments to a customer, in addition to the amount of a singular payment. Further information of the amount of DR payments a customer has received with their current retailer during their tenure would be useful.

We note the distinction between including in the data sets the retail product data such as a benefit or incentive (e.g. 17% usage data discount), and not including the underlying commercial reason for it (e.g. a loyalty discount for 5 years tenure). This is another subtlety which Treasury ought to consider when designating priority data classes, and in this example, we would recommend that the latter are consumer data requests which a customer should be able to access as it relates to them specifically. Currently, Government comparator websites only provide retail product data (the former).

Generally available vs restricted plans and implementation

EnergyAustralia understands that the banking sector's Consumer Data Rules provides for product data requests (that can be made by anyone) and consumer data requests (that can be made by the consumer for data relating to them).

Generally available plans are already available on Government comparator websites. We support making these available to consumers both in response to product data requests and consumer data requests in the priority dataset.

Restricted plans (and their terms and conditions, which might be specific to a customer), should only be available via consumer data requests in the priority dataset. This data, which is available on the bill, may reflect information that is specific to a consumer (e.g. a credit/discount for first home buyers); allowing this information to be more generally accessible on Government comparator websites may not be relevant, and may also be value added data (where data has been materially enhanced to target a specific demographic or customer group).

We support making only generally available plans available both in response to product data requests and consumer data requests in the priority dataset. The discount and incentives (credits, rebates) on the bill are most relevant to the customer switching decision and is based on existing information being provided to Government comparator websites. Allowing product data requests to cover both generally available and restricted plans would require significant changes, as restricted plans are not publicly accessible on the Government comparator websites.

Implementation

We suggest that consideration is given by Treasury and the ACCC for all generally available product information to be shared via a "push" to a Government website (as opposed to accredited data recipients accessing retailer generic product data and consumer product data *on request*, via product data requests and consumer data requests), and for an accredited data recipient to be able to access all generally available product information via the existing Government comparator website platform.

In this instance, disclosure will not depend on the accredited data recipient requesting it. Designing a "push" mechanism across all retailer offers would be more efficient and ensure that accredited data recipients have all current in market offers. It follows that it would make operational sense to designate the Government Comparator sites as the data holders for retail product data so that any "push" can be centrally managed.

This will allow prompt implementation and for consumers to be able to quickly access the benefits of the CDR; further consideration can be given to whether it is appropriate to add restricted offer information once further use cases have been established.

Question 13: What other use cases do stakeholders consider may be supported by the designation of the Distributed Energy Resources Register as a priority dataset?

EnergyAustralia supports including the Distributed Energy Resources **(DER)** register in the priority data set. The use case would be to determine efficiency of solar PV panels and batteries based on DER on a customer's premises. It can also provide the basis for recommending different products such as battery, where only solar PV generation is on a premises.

Question 14: Does this table accurately map the holders of the various classes of data described in this paper? If not, what classes of data do you not hold, or what qualifications would you place on the categories of data held?

Yes, the table is broadly correct. We note that distribution network service providers will also have DER register information.

Designated data holders for each data set

EnergyAustralia understands that where multiple parties are identified as holding the same data set, Treasury will need to designate a data holder for that data set. We support this approach and note that the benefits are: a single source of truth for the data; ensuring data quality and consistency; lower cost and efficiencies across the industry in obtaining data from one holder; maximising the benefit of using the gateway model that will apply in the energy sector; and enhancing potential for interoperability between the energy CDR and other sectors of the economy. These reasons clearly outweigh possible issues of one party having slightly more up-to-date data than another party. One such example is that AEMO and retailers may have different validation rules for the quality of certain metering consumption data.

In terms of which party should be the designated data holder, we consider that where data is held by a centralised source across multiple parties (e.g. multiple retailers or multiple market participants), it would be most efficient and reduce duplication if the data holder is the centralised source which aggregates the most data.

As mentioned in our example in question 10, depending on how billing data is defined, billing data potentially overlaps with retail product data and metering data (consumption data). Billing data shows how much a customer is charged for usage during that billing period (and is therefore a combination of retail product and metering consumption data). We note that there is a risk of inconsistency in the overlap between the metering data and billing data, if these are provided by two different entities. However, given that billing data will be primarily focussed on providing information relating to pricing and payment history and metering data will focus on consumption and behaviour, we believe that the risks caused by any inconsistency are negligible.

As retailers are the sole data holders of customer-provided data, billing data, and certain sets of product data (all other data that is not generally available via Government comparator websites), we consider that it is appropriate for the retailer to be designated as the data holder for these data sets.

AEMO holds NMI standing data, DER data, and metering data[2]. Currently, Government comparator sites hold retail product data. We recommend that these are, respectively, designated as the data holders for those data sets.

We also note that Metering Data Providers (MDPs) are the "source of truth" for metering data and MDPs send metering data to retailers and AEMO as part of their market obligations.

EnergyAustralia considers the designated data holders should be the subject of further consultation to adequately understand the cost vs benefits of alternative arrangements.

Question 15: What other datasets do stakeholders believe should be considered for future implementation? Is there a strong case for bringing implementation of these datasets forward?

We agree with the deferral of implementing the CDR to the complex energy data sets identified in the Consultation Paper. EnergyAustralia envisages that there will, naturally, be challenges in rolling out the priority data sets in the energy sector. Deferring the inclusion of complex energy data sets will allow the ACCC and Treasury to focus on ensuring the CDR functions effectively in the energy sector for the priority data sets, to determine actual use cases and take up of the CDR by energy consumers, and address any unforeseen issues.

[2] Following the implementation of Five Minute Settlements, the same metering data file format will be sent from MDPs to AEMO and retailers. See https://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Five-Minute-Settlement/Procedures-Workstream/Metering-package-1---Metering-data