

27 September 2019

Mr Daniel McAuliffe Consumer Data Right Structural Reform Division Treasury Langton Crescent Parkes ACT 2600

By email: <u>data@treasury.gov.au</u>

Re: Consumer Data Right – Priority Energy Datasets

Alinta Energy welcomes the opportunity to respond to the Treasury's consultation paper on priority datasets for the energy sector as part of implementing the Consumer Data Right.

Alinta Energy is an active investor in energy markets across Australia with an owned and contracted generation portfolio of nearly 3,000MW, including 1,700MW of gas-fired generation facilities and 1,100MW of thermal generation facilities, and in excess of 1.2 million electricity and gas customers including more than 650,000 in east coast markets, and is therefore well placed to provide comment on the consultation paper. In addition, Alinta Energy is a significant investor in renewable energy generation and aims to expand its portfolio from near 800MW of built and contracted plant to 1,000MW by 2020.

Alinta Energy supports the introduction of the CDR into the energy sector and the wider economy, believing it will increase competition, expand customer choice and result in innovation in products and services. We welcome the consultation paper's focus on energy sector-specific datasets and appreciate Treasury seeks to understand the unique features of data generated in the energy sector.

While there are existing customer rights to access energy related data under the National Energy Customer Framework (outside of Victoria) and under the Energy Retail Code and Electricity Customer Metering Code in Victoria, the CDR will provide uniformity and ideally, simplicity and least-cost data access for end-use consumers and third parties acting on their behalf while preserving privacy obligations.

In our comments below, Alinta Energy addresses the scope and usefulness of energy data sets to consumers and those participants best placed to efficiently provide it.

We would welcome further discussion with the Treasury on our response. Please contact David Calder on (03) 9675 5359

Yours sincerely,

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Shaun Ruddy Manager National Retail Regulation

National Metering Identifier (NMI) standing data fields

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

Question 2: What advanced use cases could be supported by additional NMI standing data fields, and what fields are these?

Alinta Energy believes that the minimum set of data fields identified on page 5 of the consultation paper are those most likely to be of use to consumers and agents acting on their behalf. The network tariff code and metering installation type are of value for the purpose of comparison and timely and accurate product switching.

With respect to advanced use cases, it is not clear what these may be at this time with respect to NMI standing data. Alinta Energy does not believe the focus of designating priority datasets should be based on undefined use cases where there is no demonstrable evidence data would be used or required. A speculative approach is likely to increase the cost of managing CDR compliance without any corresponding benefit to consumers.

Metering data

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?

The priority dataset designation should not include type 1-3 meters. These devices are installed at sites consuming more than 750MWh of electricity per annum. As such, these customers are large users of electricity with access to a range of tools that provide active and reactive energy data, often in real-time. Such customers are also sophisticated and informed about product and service offerings available to them. Including these meter types in the initial designation may result in the limited or no use of the CDR by this cohort of consumers.

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

Data that is provided frequently (e.g. through remotely read type 4 meters) is currently used to support the provision of consumption data to customers through online portals, enables monthly billing, faster and more accurate customer transfer between retailers and the minimisation of the need for estimated bills.

However, Alinta Energy would again caution against hypothesising on the nature and scope of advanced use cases for the initial designation of priority data sets in absence of evidence such data will be used. Given the existing read frequencies and delivery timeframes, Alinta Energy believes that consumers, energy market participants and third parties will determine uses for data provided under these constraints in line with customer preferences and needs in a competitive market. 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?

The use cases described on page 6 of the consultation paper are generally supported by the provision of type 4, 4A and 5 interval meter data (though type 4A and type 5 data provision will be less contemporary than type 4 data). For highly engaged consumers, there are existing behind-the-meter products that can be purchased or provided that allow the monitoring of appliance and household consumption that do not require real-time metering data used for retail billing and network and wholesale settlement.

Again, many possible use cases may be developed over time, however we do not believe it is the purpose of the priority data sets consultation to contemplate these – they are an output of datasets available.

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

Alinta Energy believes that retailers, energy service companies (ESCOs), network service providers, embedded network service providers and other participants using data to provide innovative product and service offerings to consumers need to comply with the *Privacy Act* (*Cwth.*) 1988 and the associated Australian Privacy Principles. Those seeking to utilise customer data need to disclose the purpose of using customer data to the customer and how their privacy is to be protected. Customer privacy should not be compromised through the CDR and there should not be a trade-off between innovation and maintaining the privacy of customer data.

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

Retailers and distributors have existing obligations to retain customer data for two years under rule 56A of the National Energy Retail Rules. If the customer has been with their current retailer for less than 12 months, they can request historic consumption data from their distributor or previous retailer. In general, retailers retain metering and billing data for longer than 24 months.

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?

This issue highlights the value of CDR datasets being provided centrally if possible. While more frequent customer switching may result following the implementation of the CDR, porting of data and processes to support this may result in costly changes for industry, when central provision of data (e.g. through AEMO) may reduce these costs. Once global settlement is implemented under the National Electricity Rules, historic metering data for type 4-6 meters will be held by AEMO. Designing processes for customers who switch providers more than once over 12 months is will not result in net benefits as this segment of the market is likely to

remain small. Therefore, porting historic data (once an authorised request has been made by the customer), is an activity that will benefit relatively few customers and may be highly inefficient if managed between multiple retailers.

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?

Customer data disclosed to a retailer at the time of switching is needed to for the purpose of consent to terms and conditions of an offer made and to facilitate the transfer of the site to be supplied to the customers chosen retailer, ensuring that the correct site is transferred. Authorised retailers are subject to significant regulatory and compliance obligations in relation to record keeping, evidence of consent and management and protection of personal information about customers. This information includes the customer's name, address, date of birth, driver's licence number (if required) and so on. Energy retailers are subject to the provisions of *Privacy Act* in addition to credit provider obligations and energy regulation.

As such, Alinta Energy does not believe the CDR needs to contain personal information provided by customers. The CDR has the purpose of facilitating customer choice but is not the mechanism by which product changes and switching occurs.

For third parties seeking access to customer data, the identity of the customer and relevant personal information should be known to them if they have secured customer consent to act on their behalf. Alinta Energy sees little benefit and only material risks from including customer provided data in the priority data sets.

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?

Alinta Energy would ask what Treasury means by 'billing data'. *Metering* data is shared among several market participants (such as distributors and AEMO). However, *billing* data can include tariff and product information specific to a customer and retailer and this information has no relevance to parties other than the customer and their energy retailer. Such data is likely to be commercially sensitive in nature (for example the total value of a bill) and for these reasons, should not be included in the CDR.

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

Again, the distinction between metering and billing data needs to be made clear in establishing priority datasets for the energy sector. Consistent with our response to question 10 above, Alinta Energy would not support the inclusion of customer -specific product and pricing data in the CDR. Generally available product information is made available by retailers to the Victorian Government's Energy Compare and the Australian Energy Regulator's Energy Made Easy comparator websites as discussed on page 8 of the consultation paper. Question 12: Would designation of all product data classes currently held by the AER and Victorian Energy Compare be enough to support basic comparison and switching use cases? Should product information tailored to individual consumers also be designated?

The information currently held by the AER in the Energy Made Easy and Victorian Energy Compare comparator sites is sufficient to support basic comparison and switching use cases. Tailored and non-generally available product data should not be included in the CDR as they are often specific to individual customers and may have no relevance to the broader market.

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?

Alinta Energy has no specific comment – we expect several innovative products and services will emerge through the designation of the DERR as a priority energy dataset.

Question 14: Does this table (on pages 10-11 of the consultation paper) 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?

Alinta Energy would seek to clarify and ensure that there is a common understanding of what is meant by "customer appliances".

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?

Alinta Energy believes the data sets identified are sufficient to meet the objectives of the CDR and will support its implementation. Speculating on use cases and business models that may take time to mature and benefit few customers once bought to market may result in higher costs