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Ms Anna Collyer
Chair
Australian Energy Market Commission
GPO Box 2603
SYDNEY NSW 2000

Dear Ms Collyer

Billing Transparency

Ergon Energy Queensland Pty Ltd (Ergon Retail) welcomes the opportunity to provide a submission to the Australian Energy Market Commission (AEMC) in response to the Energy Security Board's (ESB's) *Billing Transparency Consultation Paper (Consultation Paper)*, for which the AEMC is now lead agency.

Ergon Retail acknowledges that Billing Transparency is one of three priority data projects stemming from the ESB's Data Strategy. While billing data may present an opportunity to assist decision makers in understanding how the retail sector and customers are responding to the energy transition, it is not necessarily true that greater access to this data will result in improved policy outcomes or the realisation of consumer benefits.

Ergon Retail considers that for data to deliver value, it must be collected with a specific purpose in mind, viewed within the context for which it was collected, and analysed with the right skillsets to enable meaningful insights to be drawn. To achieve this, Ergon Retail considers it important that:

- policy problems are appropriately scoped, and questions refined to target insights necessary to inform priority decisions;
- Governments and regulators are appropriately resourced to make use of the data; and
- the costs of this initiative do not exceed the realised customer benefits.

These points align with the New Energy Data Principles articulated in the ESB's Data Strategy¹.

Ergon Retail notes the broad scope of the billing data intended to be captured under this initiative, and questions whether policy makers require such granular data to develop policy. It is also unclear what policy makers will do with this data once collected, and whether they have the appropriate tools and resources to manipulate the data received. We note the Consumer Data Right dataset was developed for a specific purpose, and while it may appear convenient to adopt this dataset for policy purposes, it will likely result in a dataset which is excessive and difficult to manipulate. Instead, we suggest there is a need for data requests to be made for a defined time period.

¹ Energy Security Board [Data Strategy Final Recommendations July 2021](#)

From a technical perspective, Ergon Retail notes that building and maintaining a repository of billing data from all retail participants within the National Electricity Market with sufficiently protected interfaces to government departments and regulatory authorities is a significant technical undertaking. Noting approximately 60 per cent² or more of “big data” projects are unsuccessful, the technical complexity and cost of this initiative are expected to be substantial. Ergon Retail is concerned these costs have not been quantified, nor has customer willingness to pay for these costs been tested. It is also unclear what benefit population-level data will deliver over sample data. Given the significantly higher cost to obtain and support population-level data, there is a much higher bar for this initiative to reach.

Ergon Retail is concerned this initiative has been developed on the assumption that retailers will absorb the additional costs of this program or recover them from customers. Noting current Cost of Living pressures impacting customers in addition to the financial impacts on retailers stemming from wholesale market volatility, we question whether it is an appropriate time to deliver a reform of this cost and magnitude. It is therefore imperative that the strategy be subject to a detailed quantitative assessment to assess and determine why the data is needed, how it will be used, and the costs and benefits which will flow to customers and retailers.

Should the data sharing regime under this initiative progress, then we consider there is a need for reciprocal data access for retailers, as suggested in previous submissions on the ESB’s Data Strategy³. For example, under this approach, we consider that retailers should be provided access to government and regulatory information to inform internal decisions such as the development of tariffs, products and policies, all of which have a direct customer impact. This could include, but not be limited to, location data for solar PV and batteries, and registration data for electric vehicles.

Finally, Ergon Retail suggests that scoping for the development of a new IT system should consider opportunities for streamlining regulatory reporting by retailers.

Should the AEMC require additional information or wish to discuss any aspect of this submission, please contact me on 0429 394 855 or Tammara Scott on 0492 137 878.

Yours sincerely



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² Gartner, [Business Intelligence and Analytics Leaders must focus on mindsets and culture to kick start advanced analytics September 2015](#)

³ [Energy Queensland submission](#) on the Energy Security Board’s *Data Services Delivery Model Consultation Paper December 2022*