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Real-time data for consumers rule change – ERC0399

Submission via AEMC website

12 November 2024

Consultation Paper – Real-time data for consumers

AGL Energy (**AGL**) welcomes the opportunity to provide responses to the consultation questions posed by the Australian Energy Market Commission (**AEMC**) in response to the abovementioned Consultation Paper.

Proudly Australian for more than 185 years, AGL supplies around 4.1 million energy services. AGL is a market leader in the development of innovative products and services that enable consumers to make informed decisions on how and when to optimise their energy usage and better manage their energy costs. AGL is also making a significant investment in flexible energy resources and has been making strong progress against our grid-scale battery and distributed energy resources (DER) targets.

AGL is a strong advocate for the need to empower and educate consumers on how to access, understand and utilise their energy data to optimise their consumption profile, shift behaviours and take advantage of variable pricing structures and demand-response programs. AGL supports Energy Consumers Australia's (ECA) objective of enabling customers (and their authorised representatives) to access energy data in a format that makes sense to them, and in an appropriate timeframe. AGL is also supportive of improving consumers' ability to negotiate with metering service providers to access this information. Consumers ultimately have a right to their own energy data and, with the appropriate enablers, could benefit from lower bills and new incentives. AGL believes that informed and engaged consumers are critical to the success of the energy transition. AGL provides all our customers with access to, and high-quality visualisation of, their settlement meter data via our AGL app.

While we acknowledge the importance of empowering consumers to understand their energy use and make informed choices, AGL does not support progressing this Rule change proposal in its current form. The Rule change should seek to strike a balance between facilitating data access against the costs required to provide these services. Our primary concern is that the proposal seeks to make changes to the minimum services specification and to use the existing metering framework to facilitate consumers' access to their data. AGL's view is that:

- The metering framework was developed to facilitate AEMO settlements, and it would be disproportionately complex and costly to retrofit real-time data access into these existing arrangements.
- It is unlikely the benefits of this proposal will outweigh the costs, and the subsequent costs incurred by market participants, including metering parties, retailers, distribution businesses and the Australian Energy Market Operator (AEMO) would ultimately be recovered from all energy consumers.
- Changes that allow local access to smart meters by third parties via communications ports should be avoided as these enable two-way access, creating settlement and cybersecurity risks.
- Any changes to the minimum services specifications (for remote or local access) would also risk delaying the smart meter roll out, limiting consumers' ability to access their data in the short-term.

Furthermore, consumers do not necessarily need access to real-time energy data (i.e., energy data that is provided continuously and frequently – e.g., every 5 minutes) to effectively respond to price signals or benefit from emerging programs or technologies. There are currently viable means to provide consumers with access to near real-time data at a low cost. AGL offers a number of tools and services to support our customers to translate complex metering data into meaningful information that can be applied to manage their energy needs:

- The AGL App allows customers to track current and past usage on a daily or hourly basis measured in cost ($) or kilowatt-hours. The AGL App also enables customers to track their solar and battery systems, and includes information on cost savings, battery activity and participation in AGL's Virtual Power Plant.
- Consumers can access or share their data with accredited third parties through the Consumer Data Right (CDR). AGL is an accredited data holder provider under the regime and has comprehensive systems in place to facilitate Treasury's data sharing arrangements. CDR data is an input into our Electrify Now interactive tool, which supports customers in their electrification journey by estimating potential energy bill and carbon savings from different products.
- AGL supports our customers through insights and projections through two Energy Insights emails each bill cycle. This is comprised of a mid-bill report, which includes the cost-to-date and a projected bill, and an end-bill report, which contains insights into the energy use for the whole bill period.

This is in addition to other products and service offerings from different providers which can provide real-time data directly from consumer energy resources (CER) or by co-locating with the meter (e.g., In-home Displays).

If the AEMC's decision is to progress with reforms following its consultation process, then it is critical its final decision should seek to minimise costs for all consumers by providing market participants with implementation flexibility and to avoid delaying the accelerated smart meter deployment by avoiding changes to the minimum service specifications.

Appendix A includes detailed responses to select questions in the consultation paper. If you have any queries about this submission, please contact Andrea Espinosa on 0422 165 705 or aespinosa2@agl.com.au.

Yours sincerely,

Kyle Auret

Senior Manager Policy and Market Regulation

Appendix A – Response to consultation questions

Question	Response
Question 1: What are the benefits of improving access to real-time data? a) What are the anticipated use cases of real-time data? b) What is the value of the benefits that flow to consumers?	AGL's experience is that consumers and their representatives do not necessarily need or seek access to real-time energy data to respond to price signals (e.g., tariffs) or to change their behaviour in response to incentives. Generally, customers who seek to unlock the benefits of real-time data can use alternative mechanisms available on the market to achieve this. For example, consumers can access real-time data (or near-real time data) directly from their CER assets (e.g., solar systems, battery systems, or 'smart' load devices), from devices that connect to smart meters (e.g., In-Home Displays) or through retailer platforms and applications. Consumers who already have CER assets are more likely to benefit from accessing real-time data from their smart meters in the short-term. Our experience in assisting our residential customers to engage with and respond to cost reflective tariff structures shows that a significant portion of customers are not able to change their usage to match price signals (even if information is provided). An exception is where customers have discretionary loads (e.g., EVs) and simple information to act upon. Technology and the energy sector are rapidly evolving and new use cases for real-time data will develop organically over time. While AGL agrees that access to real-time data could lead to the development of new products and incentives for different consumer groups, these future benefits cannot be fully quantified at this time. Accordingly, AGL does not consider the Rule change should progress as initially proposed. Should the AEMC seek to make a preferred rule change, it should focus on minimising implementation costs and providing market participants with flexibility of implementation. This would enable them to leverage existing tools and mechanisms to unlock consumer data access in the timeliest and least cost manner practicable. For example, AGL has developed a range of programs that enable customers to participate in the energy market and in demand-flexibility exercises without using real-time data. This includes: • our Peak Energy Rewards program which is comprised of 160,000 members and has delivered a 481MWh reduction to customer target and over $2.2 million in customer rewards • our hot water orchestration programs, which include 40,000 controlled load hot water systems orchestrated with SA Power Networks, Ausgrid and Endeavour • our electric vehicle (EV) plans which have attracted over 22,000 customers in FY24 – this includes the Night Saver EV Plan, a time-of-use (TOU) plan where customers are encouraged to charge their vehicle overnight for as low as $5. AGL has also developed a market-leading data application that leverages meter data and data from CER assets to provide valuable information to consumers. The AGL App includes a feature called Solar Status which is free and available to every AGL solar customer. Solar Status uses artificial intelligence based on historical Market Settlement and Transfer Solution (MSATS) data to predict the health of a customer's solar system. The tool does this without the need for either real-time or behind-the-meter data and was developed specifically to offer a scalable low-cost solution. AGL also acknowledges the innovation of other companies in finding low-cost solutions to giving customers increased access to data and has partnered with Sensibo and Ecobee to explore how to make their products more readily available to customers. Beyond AGL's solutions and partnerships, the energy industry will continue to develop solutions to enable consumers to better understand their energy user and to respond to price signals and incentives.

Question	Response
Question 2: What are the costs of improving access to real-time data? a) What are the types of costs that would be incurred to improve access? b) What is the magnitude of these costs? c) Who would incur these costs? d) Do the benefits of improving access to real time data outweigh the costs?	The types of costs that would be incurred to improve access to real-time data will depend on the solution. Our view is that the AEMC should seek to make changes to the Rules which are technology agnostic and do not prescribe the manner in which energy data must be provided to consumers. Overly prescriptive regulation of real-time data could hamstring innovation and impact competition in the market for new services, therefore reducing the benefits for consumers. As noted earlier, AGL does not support changes that would require variation to the minimum service specifications or changes that utilise the existing metering framework which was designed for settlement purposes. While the proponent suggests that consumers should not pay for access to their data, the imposition of costs associated with designing, building and implementing the architecture required to facilitate access to real time data is inevitable. The current drafting of the rule change would require significant time, resources and technical expertise to operationalise, specifically, to allow for the validation, storage and exchange of data at the volume, scale and latency proposed by the proponent. These costs would invariably be passed on from the incurring party onto customers. In order to implement the changes as proposed by the proponent, AGL anticipates that industry participants will incur the following types of costs: 1. *Local access of energy data through the meter via communications ports* - Costs to replace meter stock and upgrade new meters - Cybersecurity uplifts. These costs would be incurred by metering parties (metering coordinators, metering providers and metering data providers). 2. *Remote access to metering data* - Costs to replace meter stock and upgrade new meters - Contract variation costs with metering parties which may arise due to the above - IT system upgrades - Development of API infrastructure - Staffing costs due to operational complexity - Cybersecurity uplifts - Data processing costs - Data validation costs - Data storage costs - Telecommunications costs. These costs would be incurred by multiple parties (metering coordinators, metering data providers, retailers, distribution businesses and AEMO). AGL view is that the benefits of improving access to real-time data through changes to the minimum services specification would not outweigh the costs. These costs would be exacerbated if consumers sought access to *metering data* (as distinct from *energy data*), which is subject to stringent requirements in the NER for settlement purposes.

Question	Response
Question 5: Who should have a right to real-time data in the NER? a) Should consumers, their authorised representatives or any other party, including DNSPs, have a right to access real-time data?	Our view is that consumers and their authorised representatives should have a right to access energy data through the timeliest, least cost mechanism but this does not necessarily have to be real-time data. For the avoidance of doubt, we do not think the AEMC should seek to create obligations for metering parties to provide real-time *metering* data to consumers.
Question 6: How should real-time data be defined? a) Do stakeholders agree with the proposed definition of real-time data and customer power data? b) What should be defined and/or further expanded in AEMO procedures? c) Should data be validated or not?	Our view is that *real-time data* should not be defined in the Rules. As noted earlier, our view is that consumers do not necessarily need access to real-time data from the meter to change their behaviour. Consumers can also already access other sources of real-time data (or near-real time data) at low to no cost. However, we are supportive of a right for consumers to receive their *energy data* as currently defined in the NER. If this right were to extend to power quality data, then it makes sense to use the definition in the Accelerating the rollout of smart meters Rule as a starting point although the cost-benefit of providing this full suite of information would need validating. Our view is also that if data requirements were to be detailed in AEMO procedures, AEMO should not seek to prescribe the data which must be provided nor the frequency at which it must be provided. Validating the data would add an even higher level of complexity and cost to this reform. As noted earlier, we would be supportive of a right to access energy data from the meter, but not metering data as treated in Chapter 7.
Question 7: How should real-time data be accessed and shared? a) Do parties, other than metering service providers, need to locally connect directly to the meter to access real-time data? If so, what changes are needed to enable this? b) Are there alternative data sharing arrangements that should be enabled by a rule change, if made?	We do not support changes to the Rules that would enable parties other than metering service providers to locally connect to the meter to access real-time data via communications ports. This is primarily because: - This would require changes to the minimum services specification, which risks delaying the accelerated smart meter roll-out. - These communication ports allow two-way access to the meter which risks severing customer communications, data leaks, settlement issues, or in extreme scenarios offering a 'backdoor' access to metering or AEMO systems (e.g., MarketNet). - We foresee electrical safety risks related to third-party access. - There are existing read-only solutions that allow for local access to energy data by connecting to the meter's optical reader and which do not interfere with the operation of the meter – further subsidies to enable consumers to install these devices would be significantly more cost-effective than changes to the minimum services specification.

Question	Response
Question 8: Who should bear the costs of accessing real-time data? a) Should all consumers bear the cost of accessing real-time data? b) What would be the benefits of a dispute resolution framework and how should it operate?	This would depend on the way in which data is accessed and the final costs of the reform. As noted earlier, our view is that the AEMC should seek to minimise the implementation costs of this reform as a first principle.
Question 9: What changes would be required to ensure interoperability? a) Would changes to the minimum services specification requirements be the most effective way to ensure interoperability of real-time data? b) Would any other changes be required to facilitate interoperability, for example, changes through device standards?	While we support the remote provision of energy data, our view is that this should not be done by making changes to the minimum services specification. We think a right for consumers to access their energy data, supported by technology neutral obligations on metering providers would enable these parties to develop ways to deliver this data at a lower cost to consumers and their representatives and potentially to tailor their offerings to the needs of different customers / customer representatives. This is particularly important as consumers may choose to access different data sources to build their understanding / relationship with energy – for example, device data or data from home energy management systems that operate independently of the meter. Our view is also that while we are very supportive of the development / improvement of interoperability standards, these should not be prescribed within the Rules or AEMO guidelines. Industry should have the choice to adopt these where it leads to lower costs or improved operations.

Question	Response
Question 10: Do existing arrangements sufficiently protect consumer privacy and maintain cyber security for any real-time data framework? a) Would any additional consumer privacy and cyber security protections be required if a real-time data framework were implemented? b) Do you consider other work programs could provide any additional protection required, such as the Roadmap for CER Cyber Security?	This would depend on the design of the reform. If authorised representatives had access to consumers' data, then there may be a need to define how this information can be requested, accessed, stored and used. Preserving consumer privacy and cybersecurity is critical, but we would caution against duplicating other work underway. For example, there is a suite of reforms / standards development for cyber security underway which could be leveraged to strengthen this Rule change.