Ms Anna Collyer
Chair
Australian Energy Market Commission
GPO Box 2603
Sydney NSW 2001

7 November 2024

Dear Ms Collyer,

Real-time data for consumers – consultation paper

ENGIE Australia & New Zealand (ENGIE) appreciates the opportunity to respond to the Australian Energy Market Commission's (AEMC) consultation paper on a rule change request from Energy Consumers Australia (ECA), which proposes changes to improve access to real-time data for consumers and their authorised representatives.

The ENGIE Group is a global energy operator in the businesses of electricity, natural gas and energy services. In Australia, ENGIE operates an asset fleet that includes renewables, gas-powered generation, diesel peakers, and battery energy storage systems. ENGIE also provides electricity and gas to retail customers across Victoria, South Australia, New South Wales, Queensland, and Western Australia.

While ENGIE supports the objective of this rule change, it is important to acknowledge the practical realities of implementation. This includes assessing if access to real-time data elicits behavioural changes in consumer energy management, while also addressing considerations such as privacy and infrastructure upgrades.

ENGIE suggests that a cost-benefit analysis (CBA) may be an appropriate mechanism to assess the true net benefits of real-time data for consumers. This approach aligns with previous reviews related to smart metering, such as the *Review of the Regulatory Framework for Metering Services*.[1]

[1] Australian Energy Market Commission (AEMC) 2023, *Review of the Regulatory Framework for Metering Services*. Link.

The use case for real-time data

The relationship between access to real-time data and changes in consumer energy management behaviour remains unclear

ENGIE supports the intent of the proposed rule change and acknowledges the consumer's right to access their data. However, it is unclear how real-time data access will drive meaningful behavioural changes in managing energy consumption.

Victorian consumers can already access in-home displays that show real-time energy data via smart meters, available at no cost through government subsidies. Approximately half of all Victorian households (1.3 million) have installed these displays.[2, 3] Despite solid uptake, it remains unclear whether in-home displays are influencing how Victorians adjust their energy consumption patterns.

ENGIE suggests that further research is needed to understand the actual benefits of real-time data access on energy management. This research should also explore the cost consumers are willing to pay for real-time access compared to free tools.

Vulnerable customers have few levers to reduce energy consumption from real-time data insights

ENGIE contends that real-time data may primarily benefit more engaged and financially secure consumers who can take actionable steps to optimise their Consumer Energy Resources. In contrast, vulnerable customers often have limited capacity to afford energy-efficient housing, appliances, or rooftop solar, with renters facing even greater restrictions due to their lack of control over these factors.[4] Even with real-time insights, vulnerable consumers are unlikely to be able to meaningfully reduce or shift their energy consumption.

Customers already receive energy usage insights from their retailer

ENGIE, like other retailers, provide customers with analytical insights into their energy consumption patterns. At ENGIE, verified historical data informs an interactive tracker that breaks down daily energy usage by specific areas of the home. Customers can also observe trends in their energy use across a range of temporal scales. ENGIE contends tools such as these may be sufficient for managing energy use and identifying opportunities for efficiency for most households, without requiring additional investment in real-time data infrastructure.

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[2] Victorian Energy Upgrades (VEU) 2024, *VEEC Calculator*. Link.

[3] The Essential Services Commission VEEC registry calculator states that one VEEC is equivalent to installing one in-home display.

[4] Australian Competition and Consumer Commission (ACCC) 2024, *Inquiry into the National Electricity Market: Report*. Link.

Enabling access to real-time data could undermine the Consumer Data Right (CDR) framework

ENGIE is concerned that the proposed rule change could bypass or undermine the recently introduced CDR framework, which provides consumers with the capability to share their data with service providers of their choosing.

Energy retailers incurred significant financial investment to implement the CDR. ENGIE notes that the CDR is still in its early stages of development and consumer uptake and awareness is currently low. Given the infancy of the CDR and its offerings, it would be prudent to give the CDR time to develop and allow for the growth of innovative service offerings that can benefit consumers. In addition to energy consumption data, the CDR also enables consumers to access more detailed information about their energy account, billing and tariffs. Adding new frameworks for customers to access energy consumption data could stall the development of the CDR and limit the CDR's ability to deliver its intended benefits to consumers.

ENGIE notes that the CDR framework has already introduced critical controls to ensure that 'only providers accredited by the ACCC can offer services using CDR.'[5] It may be inefficient to develop a new security and privacy framework for real-time data when a robust framework has already been implemented for the CDR. ENGIE would be concerned if third parties with access to real-time data were not subject to stringent controls similar to those under the CDR.

Implementation considerations

Consumer security may be compromised by modifying existing smart meters

The consultation paper outlines a preference to enable local access by unsealing communication ports and making them accessible to approved parties.[6] However, ENGIE is concerned that this may expose smart meters to an increased risk of tampering as unsealed ports could be vulnerable to misuse. The consultation paper has also suggested that Wi-Fi-enabled meters could provide an alternative means of data transfer without sending it off-site.[7] However, this option introduces additional cybersecurity risks that should be carefully addressed.

Access to real-time data could pose safety risks for consumers, particularly in sensitive situations such as stalking or family violence. There is a risk that real-time data could be misused by perpetrators to monitor household activities and track behaviours. Additionally, when consumers move home, there must be clear protocols to ensure that access to real-time data is securely managed to prevent unauthorised access or misuse. While these types of risks exist with current access to historical data, ENGIE notes that these risks

[5] Consumer Data Right (CDR) 2024, *Consumer Data Right*. Link.

[6] Australian Energy Market Commission (AEMC), *Consultation paper - ERC0399 Real-time data for consumers*. Link.

[7] Ibid.

may be heightened with access to real-time data. The AEMC should carefully consider the safeguards needed to ensure consumer security and safety are not compromised by enabling access to real-time data.

The infrastructure required to support real-time data is under-developed

ENGIE notes that a significant overhaul of assets and data systems would likely be required to support this rule change. Achieving near instantaneous data delivery, with the required speed and volume, is likely to involve system upgrades, including infrastructure upgrades to transmit and process data, storage and processing to manage the influx of real-time information, and higher costs to support constant data flow.

Any proposed upgrades to smart meters, such as enhancements to communication ports, would need to be clearly defined and communicated to appropriate stakeholders before the accelerated rollout in 2025. Deploying meters without these specifications could result in the installation of technology that may soon become obsolete and lead to costly retrofits.

Definition of real-time data

Real-time data should be defined to accurately reflect the technology limitations that prevent consumers' authorised representatives from receiving data in real-time

ENGIE contends that the proposed definitions of real-time data in the issues paper be revised. The primary definition, which describes real-time data as 'data received instantaneously,' is vague and overlooks the technical complexities involved in data transfer.[8] The term "instantaneous" fails to consider the technological limitations that prevent consumers' authorised representatives from receiving data in real-time.

ENGIE suggest it may be more suitable for the Australian Energy Market Operator (AEMO) to define real-time data for different data delivery methods. Including these technical definitions in the market procedures would more easily enable updates to these definitions over time as relevant technologies evolve.

Next steps

A CBA should be undertaken to understand the net benefit to consumers

ENGIE considers that a CBA analysis may be appropriate to assess the true net benefits of the proposed rule change. This approach aligns with previous reviews related to smart metering, such as the *Review of the Regulatory Framework for Metering Services*.[9]

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[8] Australian Energy Market Commission (AEMC), *Consultation paper - ERC0399 Real-time data for consumers*. Link.

[9] Australian Energy Market Commission (AEMC) 2023, *Review of the Regulatory Framework for Metering Services*. Link.

ENGIE recommends that the CBA analysis include:

- The actual demand for real-time data among consumers;
- The incremental benefits that real-time data provides compared to existing data access frameworks;
- The costs of implementation across the energy market, including for retailers, metering providers, and third-party service providers;
- The impact on energy prices for consumers; and
- The impact on vulnerable consumers.

A CBA could help determine whether the benefits of real-time data justify the costs and whether these benefits are fairly distributed across the consumer base. This approach would ensure that any rule change does not impose unnecessary costs on retailers and consumers without delivering proportionate value.

Concluding remarks

ENGIE looks forward to working actively with the AEMC to support the objective of this rule change while accounting for the practical realities of implementing consumers' access to real-time data.

Should you have any queries in relation to this submission please do not hesitate to contact me by telephone on 0400 731 274.

Yours sincerely,

Ronan Cotter

Ronan Cotter
Regulatory Advisor