

SACOSS Submission to the AEMC consultation on Real-time Data for Consumers (proposed rule change)

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The South Australian Council of Social Service (SACOSS) is the peak non-government representative body for non-government health and community services in South Australia, and has a vision of *Justice, Opportunity and Shared Wealth for all South Australians*. Our purpose is to influence public policy in a way that promotes fair and just access to the goods and services required to live a decent life. We undertake policy and advocacy work in areas that specifically affect disadvantaged and low-income consumers in South Australia.

SACOSS has a long-standing interest in the delivery of essential services. Our research shows that the cost of basic necessities disproportionately impacts people on low incomes or experiencing disadvantage. SACOSS participates and engages in regulatory processes relating to the provision of essential services to promote better outcomes for South Australian households.

As such, we appreciate the opportunity to make a submission to the Australian Energy Market Commission (AEMC) regarding the proposed rule change on real-time data access for consumers, as put forward by Energy Consumers Australia (ECA). It is our view that consumers should have the inherent right to access, control, and freely use their data as part of an equitable energy transition. This aligns closely with the Consumer Data Right, enabling consumers to benefit from the data they produce and make informed energy choices. To support this right, SACOSS supports a framework built on international best practices and rigorous consumer protections, which we outline below, and which we believe supports the proposed rule change in turn. Our submission focuses on the following areas, and we recommend that these act as principles to inform the implementation of the proposed rule change:

- 1. **Free and Direct Data Access**: Ensure uncharged, straightforward data access, free of technical or administrative obstacles.
- 2. **Robust Privacy Standards**: Implement rigorous data protection based on explicit, purpose-limited consent, transparency in data handling, and consumer control over data monetization.
- 3. **Equitable Benefits**: Guarantee that real-time data access benefits all consumers, regardless of their engagement level with smart meters, digital proficiency, or socioeconomic background.
- 4. **Transparent and Non-Competitive Data Provision**: Metering parties, being the default monopoly at each connection point, should not be able to use metering installation as a tool for locking in consumers to retailer products and services embedded in or attached to the metering installation. Given the monopolistic nature of metering providers, we do not support managing access to this data through competitive provision.

SACOSS supports a balanced approach that empowers consumers through data access while upholding essential privacy and equity considerations. This approach will foster consumer trust, encourage active engagement with energy use, and ensure that the benefits of digitalization in the energy sector flow to all.

The International Energy Agency (IEA) states that regulation should ensure that consumers have easy access to their data and that they can share it with third parties. Further, they highlight that setting a general principle around access is not enough: that access should be consistent and free of administrative and technical barriers<sup>1</sup>. It is worth noting as well that in other jurisdictions, such as Europe, regulators already give consumers the right to access and share their data. The European Union specifies that smart meters should "allow consumers to reap the benefits of the progressive digitalization of the energy market" and that "consumers should also have timely access to their energy consumption data<sup>2</sup>". They have also adopted Implementing Regulation (EU) 2023/1162 which includes requirements for interoperability and non-discriminatory access to consumers' data, with the aim of empowering consumers<sup>3</sup>. If Australia is to have a just and equitable smart meter rollout, and if we aim to ensure that the rollout maximises potential benefits for consumers, we need to ensure a similar approach to data access and management is implemented as part of this rule change. Throughout our submission, the key underlying principle that SACOSS believes must inform the new rule change is that if data is being harvested from consumers, those consumers have an inherent right to access and use the data they are producing free of any additional cost or administrative burden. The AEMC itself has previously stated that consumers should be able to access real time data form their smart meters without incurring additional charges<sup>4</sup>. This approach is also consistent with the EU Data Act<sup>5</sup>, elements of which we believe should inform the application of this rule change.

SACOSS supports these principles and recommends that the implementation of this rule change similarly ensures:

- Unimpeded Access: Consumers must be able to easily access their data, with minimal administrative burdens or technical challenges.
- Standardization for Ease of Use: Consumers' data must be formatted and accessible in a way that allows seamless understanding and usage.

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<sup>&</sup>lt;sup>1</sup> IEA (2023), Unleashing the benefits of data for energy systems

<sup>&</sup>lt;sup>2</sup> European Commission (2024), Smart grids and meters

<sup>&</sup>lt;sup>3</sup> European Commission (2023) <u>Commission Implementing Regulation (EU) 2023/1162 on interoperability</u> requirements and non-discriminatory and transparent procedures for access to metering and consumption data

<sup>&</sup>lt;sup>4</sup> AEMC (2023), <u>Review of the regulatory framework for metering services</u>

<sup>&</sup>lt;sup>5</sup> European Commission (2024), *Data Act* 

- No Cost to Consumers: There should be no additional charges for consumers to access real-time data from their smart meters.

There are, of course, very real privacy concerns that must be addressed as well. Privacy is an essential pillar of any consumer data framework. The most prevalent risk in our view, however, is that collected data can be sold to advertisers and other third parties without the consent and knowledge of the consumers<sup>6</sup>. It is our understanding that this has already occurred in some cases, which we find deeply concerning. Data collected through smart meters should not be accessible to third parties, such as advertisers or commercial entities, without the explicit, informed consent of the consumer. This is critical given that privacy concerns already hinder smart meter acceptance in households, as seen in studies in studies that have examined the experience of the smart meter rollout in other jurisdictions<sup>7</sup>. It is important as well to recognize that there is a high level of distrust in energy sector. Regard must also be given to understanding how socio-economic and cultural factors might impact how consumers make use (or don't) of their data and energy information, and the extent to which they engage with it.<sup>8</sup> Ensuring stringent privacy protections will support broader rollout and public trust. There must be a clear and simple path for consumers to rescind their consent/access to their data to a previously authorized representative.

SACOSS recommends that privacy protections include:

- Explicit Consent Frameworks: Following the General Data Protection Regulation (GDPR) model, consumer consent for data use must be explicit, specific, easy to understand, and easily withdrawn. Consumers should feel confident that their data will not be shared or monetized without their clear, prior agreement.
- Transparency in Data Use: Consumers should be informed on how and why their data is collected, with straightforward paths to rescind data access for any third-party entities they no longer wish to authorize.
- Consumer Control Over Data Monetization: Consumers should have full discretion over any monetization of their data, including the right to opt out entirely.

SACOSS further suggests that in implementing the proposed rule change the AEMCE refers to the European Union's General Data Protection Regulation that requires consumer consent to be explicit; confined to a specific purpose; easy to understand; freely given; and easily

<sup>&</sup>lt;sup>6</sup> IEEE (2018), Security and Privacy Concerns in Smart Metering: The Cyber-Physical Aspect

<sup>&</sup>lt;sup>7</sup> Hoenkamp et al (2011), The neglected consumer: the case of the smart meter rollout in the Netherlands

<sup>&</sup>lt;sup>8</sup> BSGIP (2020), <u>Consumer engagement in energy data services: recommendations moving forward</u>

withdrawn<sup>9</sup>. This must be the case with any data sharing/use/collection arrangements. Consumers and businesses are more likely to trust companies/organisations that give them control over what data is collected about them<sup>10</sup>.

There is a wealth of research that support free and fair consumer access to real-time energy data for their household, that also demonstrates that there is sufficient consumer interest in doing so to indicate that this is an important and necessary reform – as was outlined in the original proposal<sup>11</sup>. As outlined in the rule change proposal, SACOSS recognizes that greater consumer access to their real-time energy data can be a tool for consumer empowerment. Consumer access to real-time data on their energy consumption also encourages better energy conservation behaviours than monthly bills or weekly recommendations<sup>12</sup>. However, electricity is an essential service, and our rules must ensure that the benefits of smart meters – and in this case real-time data- flow to everyone, not just the most switched-on customers. SACOSS therefore considers it vital that nothing in this rule change unfairly disadvantages households that will not be able to have a smart meter or do not wish to engage with their household consumption in the way envisioned under this rule change.

SACOSS calls for regulatory safeguards to ensure:

- Inclusive Benefits: Consumers unable or unwilling to use smart meters or digital services, or unwilling to engage with their household's data, must not be disadvantaged by these changes. Measures should account for varied digital access needs and socioeconomic differences, allowing consumers the option to interact with their data in multiple ways including not at all.
- Accessible Physical and Digital Options: Data access should be available both through digital platforms and in alternative formats for those who require it.

It should be acknowledged as well that with this proposed rule change there is the inherent assumption that third parties will develop tools to help consumers monitor and make sense of their energy data. Currently there is low consumer confidence in energy provider digital services, which will need to be addressed<sup>13</sup>. Therefore, the access provided to consumers' household data, and the manner in which this is provided, we believe can also act as a barrier

<sup>&</sup>lt;sup>9</sup> European Commission (XXXX) *General Data Protection Regulation* 

<sup>&</sup>lt;sup>10</sup> CPRC (2024), <u>Stepping towards trust: Consumer Experience, Consumer Data Standards, and the Consumer Data Right</u>

<sup>&</sup>lt;sup>11</sup> ECA (2024), Rule change request: access to real time data for consumers and their authorized representatives

<sup>&</sup>lt;sup>12</sup> Abrahamse et al (2005) A review of intervention studies aimed at household energy conservation

<sup>&</sup>lt;sup>13</sup> EY (2021), <u>Navigating the Energy Transition Consumer Survey: As consumers lead the way, how can energy providers light the path?</u>

or an enabler to greater household uptake of consumer energy resources (CER). Given access to data has been identified as an important aspect of enabling CER as part of a CER Roadmap<sup>14</sup>, ensuring access to trusted and usable data for consumers is increasingly essential.

We thank the AEMC for its work to date and hope that our feedback contributes to a balanced and consumer-focused outcome. Should you have any questions or would like to discuss anything in our submission, please contact our Senior Policy Officer Malwina Wyra at <a href="malwina@sacoss.org.au">malwina@sacoss.org.au</a> or on 8305 4228.

Kind regards,

Ross Womersley, CEO

<sup>&</sup>lt;sup>14</sup> CEC (2024), <u>Powering homes, empowering people: a national Consumer Energy Resources roadmap</u>