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2 December 2024

Anna Collyer
Chair
Australian Energy Market Commission
GPO Box 2603
SYDNEY, NSW, 2001

Dear Ms Collyer

Re: Real-time data for consumers consultation paper

The Australian Energy Regulator (AER) welcomes the opportunity to respond to the Australian Energy Market Commission's (AEMC) consultation paper on Real-time data for consumers.

The AER supports the provision of real-time data from smart meters to help empower consumers to better utilise energy services, including Consumer Energy Resources (CER), to assist in the transition to net zero. Access to real-time data can potentially assist consumers in making more informed and timely decisions about their energy consumption, helping to address the current issues with the lag between energy consumption and billing. In addition, it can help more efficient provision of energy services to consumers, such as through an increased and more diverse range of CER in the market and contribute to the transition to meeting emissions reduction targets.

There are options available now that allow consumers to access real-time meter data in order to provide immediate visibility and feedback of their energy consumption and help inform their decisions on energy usage. These options include third party devices which consumers can purchase and install on or around the meter, apps provided by CER service providers, and some apps by retailers (providing close to real-time data). If a clear framework is established, it is likely more options will emerge as opportunities and innovative ideas emerge. This is especially true if the framework includes a third-party that has been authorised by the consumer to access their real-time meter data and provide additional information or value-add services for the consumer's consumption or CER.

The AER acknowledges there are significant complicating factors in designing and implementing a framework to achieve this. We comment on some of these in this submission

and look forward to exploring them in further detail with the AEMC and stakeholders as this rule change process progresses.

The AER suggests that wherever possible, consumer-facing communications (such as public communications, fact sheets, etc.) about the smart meter rollout and real-time data access be coordinated for consistency and ease of understanding, particularly for consumers.

Rights and responsibilities relating to metering data

As the energy system transforms and new products for consumers emerge, it is important to set clear roles, responsibilities and rights for accessing different types of metering data. A useful starting point for considering this is to ensure consumers are entitled to readily access their own metering data on an equitable basis. Consumers may desire access to real-time data to optimise their energy usage (including through CER) to lower energy bills. Third-party providers may seek to provide new, improved CER services and offer these on a level playing field with the current metering service providers.

The AER has concerns that there are potentially unnecessary barriers to accessing metering data for both consumers and authorised third parties. For instance, many metering service providers currently require the use of their own software for access and therefore could make it more difficult for customers and third parties to access this data. This can discourage new entrants from entering the market, such as energy management companies or others offering services benefitting energy consumers, hindering the development of the market and resulting in missed opportunities for innovation and increased costs for consumers choosing to adopt new energy services. Clarifying the roles and responsibilities of different entities, encouraging appropriate and equitable access to metering data in order to benefit consumers, is necessary to address this.

Method for consumers to access their own real-time data

Currently, only historical billing and settlement metering data can be requested by a consumer or their authorised representative, which does not include real-time data. Energy Consumers Australia (ECA) notes in its rule change proposal that a by-request model for real-time would only be a marginal improvement over current arrangements.[1] The AER considers automatic access to real-time data for all consumers is likely to be more equitable and beneficial compared to providing data on a 'by request' basis. This is because it would ensure all consumers are afforded the opportunities associated with its use, whilst not limiting access to only the more engaged consumers.

Requiring consumers to individually request access places an unnecessary barrier to consumers being able to access their own metering data and may discourage them (apart from the already highly-engaged) from doing so.

Providing all consumers with an automatic right to real-time data can instead increase opportunities for consumers to be able to "easily and simply access and understand their power data and be able to use this data to make informed energy decisions in their best interests", consistent with the policy intent set out in the ECA rule change request.[2]

However, we also note that an obligation for proactive provision of real-time data will have costs that need to to be weighed up against the benefits. The AEMC may need to consider

[1] ECA rule change proposal, p 11..

[2] ECA rule change proposal, p 10.

options that enable some categories of data to be offered proactively while others are on-request if this assists it maximising the net benefits.

Local vs. remote access

Consumers should have greater access to real-time meter data, in a way that supports their preferences and the reality of their circumstances such as limited internet coverage. The AER considers that both local access securely via the communication port on the meter, and remote access via the internet from third parties which have access to the data, are feasible options that should be considered further by the AEMC. Consideration of both options should particularly focus on consumer choice, competition and equity considerations.

For instance, local access via the communication port on the meter could be the simplest interface for some consumers to access their own metering data and largely remove the risk and complexity of having to access this data remotely via a cloud application. Ensuring local access in addition to remote access may also help mitigate the risk of monopoly control of this metering data by restricting access to cloud data storage such as by requiring proprietary software.

The AER is also aware that some current smart meters may not be able to (or have limited ability to) provide local access. We do not consider the technical limitations of the current fleet of metering assets should limit this future-focussed reform.

No additional direct charges for data access

Consumers should not have to face unreasonable costs to access their own real-time data. Spreading the cost of the access to real-time data, across all consumers through retail bills, without requiring consumer to pay direct fees, would remove barriers to households seeking this data, for instance those facing vulnerability or those unable to bear the financial costs of the additional fees. This would help ensure equitable access to this data and help share the potential benefits of CER in the transition to net zero.

Notwithstanding the above, there may be merit in consumers paying a small fee for more technical customer power data on a 'customer opt-in' basis where facilitating this access is more costly to metering service providers and is less likely to be widely requested by individual consumers.. On a similar basis the AEMC may seek to consider whether it is appropriate for third party service providers to pay a reasonable fee to extract and analyse real-time data, or whether this may unnecessarily discourage its uptake by consumers.

The AEMC should consider the balance of costs and benefits in determining which costs should be spread across the customer base and which should be recovered from those using the data.

Definition of customer power data and real-time

The AER considers that, to the extent possible, the definition of 'customer power data' should be aligned with the definition of 'power quality data' in the AEMC's upcoming final determination on Accelerating smart meter deployment.[3] However, the AER notes customer power data, or power quality data, including measurements of voltage, current and power factor, may be too technically complex to be of direct use for many consumers.

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[3] 'Power quality data' is proposed to be defined as *'The characteristics of the power supply as measured by the* meter, *which includes measurements of voltage (in volts), current (in amperes), and power factor (expressed as the ratio of the active power kW to the apparent power kVA or as a phase angle)'*, in the Accelerating smart-meter deployment rule change draft determination see at https://www.aemc.gov.au/rule-changes/accelerating-smart-meter-deployment

Any metering data provided to consumers should be explained in an easily understood manner and their potential uses described. For instance, consumers could benefit from using customer power data to optimise their own use of CER generation and minimise what they draw from the grid.

ECA proposes that the provision of a consumer's meter data would ideally be as close to instantaneous as possible, and recommends that a maximum time delay of no more than 300 seconds (to coincide with market settlement) be applied. We consider 300 seconds appears reasonable, but recognise that the AEMC will need to consider potential technical limitations such as applicable metering and communications capability. The costs of overcoming these will need to be weighed against the benefits.

Cyber security and privacy issues

There could be potential privacy breaches for consumers and risk to the cyber security of network systems without appropriate security encryption on communication ports, systems and databases. For instance, malware could be present on consumers' phones or computers gaining access to real-time data apps connecting through consumers' Wi-Fi.

The roadmap for CER cyber security, developed by Standards Australia, considers a range of certifications for systems that are applicable to CER that are vulnerable from cyber threats. Standards such as these could be adopted for systems used to make real-time meter data available.

Noting the above concerns, the AER considers a clear accreditation system for third-parties may be necessary to prevent breaches of consumer privacy and cyber security risks.

The AER suggests the rule change should consider the risk that access to real-time data could be misused to perpetrate family violence and financial abuse and whether additional safeguards to prevent unauthorised or inappropriate access to consumers' own data is also required. Given our role in overseeing retailer compliance with family violence rules, the AER would like to be actively involved and engaged with the AEMC in this aspect of the proposed data framework.

Administration and enforcement

The AER considers a dispute resolution framework would be necessary to ensure the clear functioning of this proposed reform. If properly implemented, it can encourage quick and inexpensive resolution of disputes without formal legal representation or reliance on costly legal procedures.

There are already various other bespoke dispute resolution pathways under the National Electricity Rules, which can be difficult to navigate for market participants. Introducing an additional bespoke pathway, without sufficient justification, may compound this issue.

The AER encourages the AEMC to consider the extent to which the existing "catch all" dispute resolution framework in Chapter 8 of the National Electricity Rules can incorporate disputes between metering coordinators and third-parties authorised to access a customer's data. The AER has observed the Chapter 8 process has simply and effectively dealt with other access disputes relating to distribution networks and declared transmission systems.

The AER also notes that a consumer may directly seek to refer a dispute about real-time data access to the relevant state or territory energy ombudsman under the National Energy Retail Law. However, the ombudsman regimes only apply to retailers and distributors, not to metering coordinators directly. The AEMC may wish to consider the extent to which changes to the National Energy Retail Law or Rules could allow consumers to resolve disputes about

access to their own data with a broader range of parties such as metering coordinators or authorised third parties, or whether this issue falls to be resolved outside of the national framework.

Continued engagement

The AER appreciates the opportunity to provide feedback on the consultation paper and looks forward to continued engagement on this rule change as further details are considered.

Yours sincerely

Danielle Chifley
A/g General Manager
Policy

Sent by email on: 02.12.2024