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26 February 2025

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**Feedback on Real Time Data for Consumers Directions Paper**

Dear Danielle,

Energy Consumers Australia (ECA) thanks the Australian Energy Market Commission (AEMC) for your consultation on the Real time data for consumers Directions Paper. Just as smart meters are foundational technologies to enable the energy transition, so too is consumers' access to their energy data.

Accordingly, the AEMC must add significant additional reforms to those presented in the Directions Paper to ensure all consumers receive the benefits of their mandated investments in smart meters.

**The rules should be amended to include requirements that:**

- **All consumers with a smart meter have access to an online portal that shows their energy use data within 24 hours with at least hourly granularity; and**
- **Retailers must facilitate the on-going "data plumbing" to allow this data to flow easily to third parties.**

As we explain in detail below, these additions are required only if the AEMC continues to find that the costs of providing all consumers with real-time data access outweighs the benefits of doing so. Indeed, we believe that **the AEMC should pay for independent economic and engineering analysis to determine the true costs of providing real time data access now and in the near-term** before determining if the costs of real-time data access outweigh the benefits**.** We are not convinced by the AEMC's methodology -- relying upon the submissions of vested interests within the energy sector and ignoring the benefits consumer investments in smart meters are already making -- to determine the costs of providing real-time data access in the Directions Paper.

Ensuring consumers receive access to their energy data is unusually and unacceptably difficult. The AEMC made the decision more than a decade ago in the Power of Choice reforms to further balkanize the energy system and add additional players to the market, notably metering coordinators and metering service providers. Victoria chose a different path, with different outcomes – all Victorian consumers already have smart meters and that data can be automatically sent—by the consumer—to the Victorian Energy Compare website to help them make a better decision on which plan to select.

During the rulemaking process to accelerate the adoption of smart meters, the AEMC was presented with the choice to reduce complexity and balkanization in the energy market by choosing to make distribution network service providers the primary smart meter data custodians throughout the NEM as they are in Victoria. The AEMC chose against such a decision in 2014 and again in 2024. That decision must not become an "original sin" that leads to a stream of decisions that consumers throughout the NEM cannot receive the same data services as consumers in Victoria because the costs are higher. The

costs are higher, in part, because the AEMC chose to introduce competition into metering, hoping that a competitive market would deliver for consumers. If it does not or cannot, the default outcome should not be that consumers lose. The Commission must introduce additional regulations on retailers and metering parties to ensure consumers benefit from the investments they are making in smart meters.

If the Directions Paper was the totality of the final rule, the AEMC would essentially be stating that while the rollout of smart meters must be accelerated, all parties *other than* consumers – who pay the entirety of the cost – get the benefit of free access to consumption data. Consumers, whose data it is, would not receive such benefit until 2040 (or later). This is a striking asymmetry.

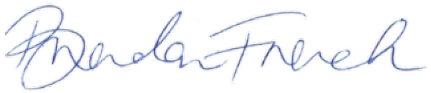
Indeed, as written, the Directions Paper serves to further enlarge the existing "energy divide," an on-going trend within the energy market in which certain consumers, due largely to their financial circumstances, participate in a version of the energy transition that is inaccessible to many others, particularly those experiencing vulnerability. The Directions Paper highlights how real-time data can be used to "determine an optimal charge and discharge schedule for a home battery."[1] Consumers with batteries may very well understand the benefit of real-time data and be willing to pay for it to further reduce their energy bills. But how are we ensuring that the data from smart meters provides direct benefits to all consumers, especially those without batteries and solar, who are wondering precisely how they will see benefits, and not just costs, from the transition?

Roughly half of all households rent or live in an apartment, meaning that they will struggle to install the technology required to help them shift their energy use or generate their own power.[2] For these consumers, direct access to the insights about when they are using energy is an essential tool to help them take control of their energy use. Simply put, all households and small businesses need access to easily understandable information to help them manage their energy consumption and cost. This rule change process should ensure that we meet this consumer need.

Further information on these key points and our responses to the questions posed by the Directions Paper are enclosed.

If you have any questions, please contact me or Alice Gordon at alice.g@energyconsumersaustralia.com.au

Yours sincerely



Brendan French
Chief Executive Officer

[1] AEMC, Real-time data for consumers, Directions Paper, 30 January 2025, p. 3, Box 1.
[2] ECA, *Stepping Up*, August 2023, p. 8.

## The Directions Paper fundamentally altered the intent of Energy Consumers Australia's rule change request.

Our rule change request focused on providing all consumers with access to real-time data under the condition that "consumers do not pay additional charges for their power data."[3] Our rule change request also stated that the rules should change so that "consumers are able to easily and simply access and understand their power data and be able to use this data to make informed energy decisions."[4] This intent is noticeably absent from the Directions Paper.

All consumers will have a smart meter as a result of the AEMC's decision to accelerate the smart meter roll out. The fundamental intent of our rule change was to provide all consumers with access to their data, and that the data was "delivered in a manner and form that is meaningful for them to act upon."[5] Indeed, the AEMC itself has noted that "accelerating smart meters will provide the data necessary for customers to make informed choices."[6] This rule change process must provide a mechanism that ensures all consumers receive, at no additional cost, "the data necessary to make informed choices" from their smart meters. The Directions Paper, unfortunately, outlines no data provision that consumers will receive without paying an additional upfront fee for 15 years, by which time any benefit which could have accrued to consumers by accessing their own data will likely be thoroughly eroded.

For many consumers, smart meters are their first clear and close connection with the energy transition. To date, these consumers have not engaged with the transition – they don't have solar or a battery or an electric car. They are not on a time-of-use retail plan and they – perhaps happily – do not think much about their energy use. Smart meters can either be a hassle or a benefit to these consumers. If they serve to be nothing more than a hassle; an added cost with the requirement to schedule an appointment to install a technology they may not want, then we will have wasted a critical part of ensuring social licence in the transition.

If we ensure that all consumers have access to data and insights that they can easily understand and act upon, they will start to see that the energy transition is not just about other people deriving benefits, but that it will impact them too, and perhaps to their benefit. They will have access to information that helps them manage their energy consumption and cost.  A repeated refrain from regulators and market bodies has been a frustration with the lack of 'engagement' from consumers in the energy market; the proposal to charge consumers for their own data will only entrench this disengagement and miss an enormous opportunity to bring consumers into the fold.

Energy Consumers Australia, like the AEMC, recognizes the multiple indirect benefits from smart meters, particularly related to more frequent and accurate billing and increased information and visibility of the low-voltage network. Indeed, our recent rule change request on Integrated Distribution System Planning hopes to leverage the accessibility of smart meter data to distribution companies to significantly improve their planning and, over time, the utilisation of the network.[7]

Nevertheless, the consumer does not and often will not see these benefits immediately or over time. Indeed, they may only see these benefits in the cold reality of a bill that – while still high – is lower than it

[3] ECA, Rule Change Request: Access to real time data for consumers, p. 9.
[4] ECA, Rule Change Request, p.1.
[5] ECA, Rule Change Request, p. 1.
[6] AEMC, Accelerating Smart Meter Deployment, Draft rule determination, 4 April 2024
[7] ECA, Integrated Distribution System Planning Rule Change Request

otherwise might have been. The Commission must seize this opportunity to ensure all consumers have access to direct benefits from their smart meter.

## All consumers with a smart meter must have access to an online portal that shows their energy use data.

The existing rules do not require that all consumers with a smart meter have access to an online portal that shows their energy use, nor indeed that such data is presented in a meaningful and actionable way.

As the Energy and Water Ombudsmen joint submission to the Consultation notes, the Rules must

> *provide more fit-for-purpose regulatory outcomes than those currently enabled by:*
>
> - *Rule 28 of the National Energy Retail Rules, giving customers the right to request two years of historical (not real-time) billing data, and*
> - *the Consumer Data Right (CDR), which regulates access to data held by a retailer (usually by a third party), but does not regulate the delivery, quality and reliability of digital services provided by a retailer directly to its customers.*[8]

The Directions Paper, citing submissions from retailers, notes that "Energy consumption data at a day's lag currently satisfies many consumers' data needs."[9] We agree that this data is beneficial, and, at a minimum, all consumers with a smart meter must have access to their energy consumption data at no more than 24 hours delay, provided in a manner easily accessible and digestible to them. Neither Rule 28 nor the CDR provides consumers with the ability to easily access their energy use data through an online portal. This service is provided by many, but not all retailers, and is not required under the rules.

For more than a decade, technology companies have been improving the information consumers receive from smart meter online portals.[10] This data can help them understand their use, including disaggregation of data by appliance, with trends over years and comparison of days. For consumers who elect to participate in a time-varying rate, a portal is an essential piece of the puzzle, allowing them to understand the impact of using energy at a given time has on their bill.

The evidence the AEMC relies upon about the cost of providing real-time data does not apply to data at an hour lag. Indeed, most of the existing infrastructure and all of the software required for allowing all consumers access to their historic data online exists and is widespread globally already.

## Retailers must facilitate the on-going "data plumbing" to allow smart meter data to flow easily to third parties.

Multiple online tools can benefit consumers if they have access to energy use data. These sites can help consumers understand which retail offer is best for them (specifically), determine the energy use of different appliances in the house, and even determine which appliances might need repair or replacement. As the Australian government notes, "Smart meters, together with in-home displays and connected devices, can provide monitoring and data analytics to help optimise energy use and identify

[8] Joint EWO Submission, page 2.
[9] AEMC, Real-time data for consumers, Directions Paper, 30 January 2025, p. 6.
[10] Esource, "Customer engagement through smart meter portals," 2015. Available at: https://www.esource.com/es-wp-19/pursuit-perfect-portal-smart-meters-big-data-and-customer-engagement

faults or inefficient equipment."[11] We need to ensure consumers realize these benefits easily and as seamlessly as possible.

This need for data "plumbing" also extends to ensuring that energy ombudsmen have access to billing data for purposes of dispute resolution. As their submissions to the Consultation paper outline, consumers in Victoria receive greater protection from their ombudsmen because of data access granted to the Victorian ombudsman that is currently not provided to ombudsmen in the other NEM states.[12]

## The AEMC should consider the costs and benefits of real-time data access in light of the overall costs and benefits of the accelerated smart meter rollout.

The Directions Paper chooses to consider the costs and benefits of real-time data access in isolation of the accelerated rollout of smart meters; this methodological choice distorts the net benefits analysis. A fairer approach would be to add the additional costs and benefits from real-time data access to the cost-benefit analysis provided in the Accelerating smart meter deployment rule change.

In its cost-benefit analysis for the smart meter deployment rule change, the AEMC relied upon cost-benefit analysis provided by Oakley Greenwood. That analysis identified net benefits across NSW, Queensland and South Australia from "non-contingent" benefits, deriving primarily from three new efficiencies:

- *Reduced costs for routine meter reading*
- *The reduction in meter installation costs due to the scale economies*
- *The ability to de-energise and re-energise the premise remotely (not in all jurisdictions)*[13]

The net benefits found across all three states were $237.5 million for these non-contingent benefits, with another $268.9 million of additional "selected" benefits from the ability of TOU rates to deliver system efficiencies and the ability to restore power more quickly. In other words, the AEMC has already determined that the accelerated rollout of smart meters is expected to deliver between $237.5 million and $506.4 million in net benefits.

While these benefits ultimately should flow to consumers, many of them may simply decrease retailers' costs without reductions in prices or bills. Regardless, the AEMC could examine the cost-benefits of this rule change proposal – which it is yet to do quantitatively – as being additional to the net-benefits identified in the smart meter deployment decision. Under this approach, the requirement would not be for the provision of real-time data access to be cost-effective alone, but simply to have net costs less the $237.5 million of non-contingent benefits or the $500 million in total identified net benefits.

The Directions Paper's isolated, qualitative cost-benefit analysis might be if retailers, networks, or some industry player was going to absorb the costs of smart meters. However, absent the provision of data back to consumers, all the direct costs of smart meters flow to consumers, but all the direct benefits flow to industry. In analysing the case for direct benefits to flow to consumers, the Commission's chosen methodology reduces the benefits from consumer investments by $200-$500 million.

[11] https://www.yourhome.gov.au/energy/connected-home
[12] Joint EWO Submission; Energy and Water Ombudsman of Victoria submission
[13] Oakley Greenwood, Costs and Benefits of Accelerating the Rollout of Smart Meters, September 2022, https://www.aemc.gov.au/sites/default/files/2023-08/oakley_greenwood_cba_report_-_september_2022.pdf

## The AEMC should pay for independent economic and engineering analysis to determine the true costs of providing real time data access now and in the near-term.

The Directions Paper judges that there are "costs associated with accessing real-time data from smart meters" entirely on the basis of submissions from Intellihub and PLUS ES, two companies that have a vested interest in the provision of smart meter data through their existing approaches.[14] Indeed, Intellihub was the original requester of the rule change that led to the acceleration of smart meters. The AEMC has provided no independent analysis to estimate the costs of real-time data access and has not attempted, as far as we are aware, to quantify the benefits. We acknowledge that these benefits are difficult to quantify; that difficulty does not mean that they are worth nothing.

Given that many of the stakeholders involved in the rule change have a vested interest in the outcome, and the challenge for many stakeholders to understand the costs of real-time data and whether it is cost-justified, an independent analysis would be prudent. It would not only provide a more empirical basis for the Commission's decision, it would also provide all stakeholders with better information about the current state of the market for real time data provision. As noted below, the analysis would also help the AER in any future role they may play in monitoring the market for data services. While undertaking an independent analysis of the cost and benefits of real time data would likely delay the rule change process, we think it will improve the overall outcome.

Such independent analysis has precedent in recent, contentious, data-focused decisions. In 2021, AEMO conducted a consultation on the Market Ancillary Service Specification with regards to measurements requirements for DERs to participate in markets.[15] Given the challenge of determining the best approach, AEMO commissioned the University of Melbourne to conduct additional analysis to inform its final decision.[16] A similar decision here with an appropriate independent body would improve the Commission's transparency and decision-making process.

## Question 1: Do you agree with a staged implementation approach for when consumers pay for access to real-time data?

It is a longstanding practice across multiple service sectors that consumers should not have to pay for immediate access to the data used to generate bills or to compare retail offers. For instance, it would be a brave bank, airline or telco that sought to enter the market with a proposition that their digital portals didn't include immediate access to real-time usage.

The Directions Paper states that some meters have been ordered that do not have the capacity to provide real-time data access, while noting that "there could still be some meters that Metering Service Providers can install with real-time data functionality."[17] Assuming there is strong, clear evidence of these sunk costs, there may need to be a graduated rollout of real-time data access for free. For those with a capable meter, it should be provided immediately (or at the latest, within one year to provide industry with time to develop the various structures to implement reasonable privacy, cybersecurity and other

[14] AEMC, Real-time data for consumers, Directions Paper, 30 January 2025, p. 11.
[15] AEMO, Amendment of the Market Ancillary Service Specification (MASS) – DER and General consultation, available at: https://aemo.com.au/en/consultations/current-and-closed-consultations/mass-consultation
[16] University of Melbourne prepared for AEMO, "Fast FCAS Sampling Verification in Support of Market Ancillary Services Specification (MASS) consultation," October 2021. Available at: https://aemo.com.au/-/media/files/stakeholder_consultation/consultations/nem-consultations/2021/mass/third-stage/fast-fcas-sampling-verification-in-support-of-mass-consultation-phase-2.pdf?la=en
[17] AEMC, Real-time data for consumers, Directions Paper, 30 January 2025, p. 16.

protocols if needed). For those with meters that lack the built-in capability, the payment could be required until the meter is replaced. Given that there are meters that allow this capability, it does not hold that all consumers should have to wait fifteen years for free real time data access, given that some could have meters with the capability soon.

### Question 2: Should the prices for real-time data access be published by the AER?

The AEMC should consider the benefits of the AER price regulating real-time data access, rather than assuming that the "competitive market" will drive prices lower and deliver fair value for consumers. There are only a few players in Australia's smart meter market, and it is unclear if competition alone will deliver fair costs for consumers.

Regardless, requiring the AER to review and provide information to the sector of the provision of energy data to consumers is a good idea. We support providing the AER with the authority and resources to conduct such reviews annually. We would also note that the AEMC's investment in an independent analysis of the current costs associated with providing real-time data access would enable the AER – and the broader sector, including consumer advocates – to be better prepared to conduct such reviews going forward.

### Question 3: Do you agree with our proposed definition of real-time data?

Yes, we agree with the proposed definition of real-time data.

### Question 4: Do you agree with the obligation on retailers to provide real-time data access?

Yes, we agree with the proposed timeframes of 10 business days and 20 business days to enable retailers to give consumers access to real-time data. These obligations should apply in all circumstances unless the consumer elects to waive them.

### Question 5: Do you agree that MSPs should ensure multi-party, interoperable and secure access to real-time data?

Yes – the obligations for multi-party, interoperable and secure access are important and appropriate.

### Question 6: Which consumer consent pathway do you consider to be the most practical and why?

The retailed-centred consumer consent pathway is the most practical and the one most likely to achieve good consumer outcomes, because it maintains the primacy of the retailer in a consumer's overall energy journey. Consumers expect to engage with their retailers on energy, and they must when they pay a bill. Introducing the metering service provider into the equation, while potentially more frictionless for business, creates multiple additional headaches for consumers and is not a viable option.

Over time, one could imagine a third-party, perhaps a new government agency, having responsibility for some of the consumer engagement with the energy system. If such an agency, like a one-stop shop for energy, emerges, one could argue that this party might be the appropriate interface with the consumer and their data. But for the time being, **the retailer-centred consent pathway is the only feasible option from a consumer perspective.**

## Question 7: What should third party access consent look like?

We support a standardised approach to third-party access that is governed by AEMO or the AER. The consent form should be simple, but ensure that consumers are granting specific access, with appropriate protections placed on third parties to ensure they are responsible for keeping consumer data protected.

The process for consumers withdrawing their consent should be specified, to ensure it is appropriately simple for consumers. Absent this specification, there is strong reason to believe that third parties would attempt to maintain their access to data beyond when it is useful for a consumer or when a consumer no longer uses their product or service. The outcome should also be clear and specified, for example, consumers should be able to stop granting access to any third party immediately and the third party's access must stop within one business day.

## Question 8: Should additional requirements be placed on third parties that request access to consumer data?

Yes, the rules should establish a new accreditation scheme for third parties to ensure they have the appropriate safeguards in place to protect consumer data and to ensure appropriate enforcement can take place if a third party fails to maintain its role as a good steward of consumer data. The Consumer Data Right's accreditation criteria appear to be a good starting point for the relevant criteria to apply to any third party accessing consumer energy data.

While such accreditation is crucial, data access should remain simple and cost-efficient so that consumers can easily take advantage of the benefits third parties may provide. In any case, energy ombudsmen must have access to smart meter data in a timely manner so that they can conduct their important role in consumer protection.

Should the AEMC consider our request for greater requirements focused on ensuring consumers get more benefit from smart meter data at a day's lag, many of the third-party accreditation and additional consumer protection considerations examined through the Directions Paper will be useful.

## Question 9: What features of the consumer data right (CDR) can we adopt?

As mentioned above, we think the CDR's accreditation criteria appear useful in developing criteria for accreditation of third-party data handlers.

As a general rule, the CDR does not appear to have worked nearly as well in energy as it has in other sectors. particularly banking. This may result from the balkanization of energy data across multiple different entities, without the simplicity found, for example, in Victoria, where an existing market player (distribution network service providers) acts as the primary data collector and custodian. These past decisions by the AEMC to balkanize energy data must not serve as a continuing rationale for reducing consumers' access to, or the benefits of, data.