

6 June 2014

Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235



Dear Mr Pierce

**Customer Access to Information about their Energy Consumption
(ERC0171)**

Energex Limited (Energex) appreciates the opportunity to provide a submission to the Australian Energy Market Commission's (AEMC's) consultation paper on customer access to information about their energy consumption data (consultation paper).

The consultation paper seeks comments on a Rule change request received by the COAG Energy Council proposing arrangements to make it easier for customers to access and interrogate their electricity consumption data. Whilst supporting the intent of the Rule change, the current regulatory framework does not provide for distribution businesses to install, own and maintain advanced metering technology. This inhibits Energex's ability to provide customers with more meaningful information and data than what is already provided and published on their electricity bills.

Out of Energex's 1.4 million customer base, only approximately 12,000 customers have remotely read interval meters (type 1- 4 metering installations) as required by the Rules due to the customer's annual consumption. For the remainder of Energex's customers, retailers are required to provide the following consumption data as part of the retail billing process:

- daily consumption;
- quarterly usage analysis;
- quarterly usage analysis compared with the same time period of the previous year; and
- usage per tariff.

In addition a distributor, under section 86 of the National Energy Retail Rules, is required to provide on request, information about the customer's energy consumption, but information requested more than once in any 12 month period may be subject to a reasonable charge.

Energex also notes that the AER have made available meaningful electricity consumption benchmarks for customers via their Energy Made Easy website (www.energymadeeasy.gov.au)

If the intention of the Rule change is to enable customers to access their consumption data from distributors directly, then Energex believes that sufficient regulatory arrangements already exist and is concerned that without access to advanced metering, it would not be able to provide

Enquiries
Rachel Leaver
Telephone
(07) 3664 4115
Facsimile
(07) 3664 9818
Email
rachelleaver@energex.com.au

Corporate Office
26 Reddacliff Street
Newstead Qld 4006
GPO Box 1461
Brisbane Qld 4001
Telephone (07) 3664 4000
Facsimile (07) 3025 8301
www.energex.com.au

Energex Limited
ABN 40 078 849 055

customers with any meaningful consumption information in addition to what is already provided.

Energex's responses to the specific questions raised by the AEMC in its consultation paper are outlined in further detail in **Attachment 1**. Should you have any queries regarding this submission, please contact Rachel Leaver, Network Regulation Manager, on (07) 3664 4115.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Neil G. Andersen', written in a cursive style.

Neil Andersen
Group Manager Regulation and Pricing

Attachment 1

| AEMC Issue | Energex Response |
|---|--|
| 1. Proposed assessment framework under the NEL a. Do you consider that the proposed issues to consider are appropriate for this rule change request? Are there any other issues that we should consider? | Regulatory arrangements in Queensland currently do not permit distributors from owning, installing and maintaining advanced metering technology, which would be necessary for distributors to provide customers with consumption data further to what is already provided. |
| 2. Proposed assessment framework under the NERL a. Do you consider that it is appropriate that the proposed issues to consider, which we will use as a basis to assess whether the proposed rule meets the NERO, should be the same as those used for assessment against the NEO? | No comment. |
| b. Are consumer protections that relate to the provision of information to customers the relevant class of consumer protections for consideration in this rule change request? Are there any other relevant classes of consumer protections that we should consider? | <p>Energex notes that as a distributor, it does not have the capacity to identify if a customer is the current account holder before provision of information or data is released. Rather, retailers have processes in place to ensure the current account holder can be confirmed before personal or confidential information is released.</p> <p>Energex would not support any additional customer protections which limit the current ability of distributors to use customer consumption data.</p> |
| 3. Obtaining access to electricity consumption data a. Do you think it is appropriate that the NER be amended to allow a customer to access its consumption data by requesting that data from its DNSP? | <p>Energex does not believe it is appropriate that the NER be amended as section 86 of the National Energy Retail Rules (with a similar obligation existing in the Queensland Electricity Industry Code) already provides that if a customer requests consumption data from a distributor, then the distributor must provide that information. However, it is Energex's experience that customers do not generally direct their request to the distributor, averaging only one enquiry per month.</p> <p>As such, Energex questions why further amendments are required, particularly as current volumes indicate customers do not seek such data from the distributor and retailer processes and systems already support customer requests for consumption data.</p> <p>If such amendments are considered appropriate then further amendments to the National Electricity Rules may be required to allow distributors to own, install and maintain advanced metering technology, which would be necessary to provide consumption data above what is already provided.</p> |

| AEMC Issue | Energex Response |
|--|--|
| b. Should MDPs be able to provide electricity consumption data directly to customers or their agents? | Energex supports MDPs being able to provide electricity consumption data directly to a customer (or their authorised agent) as per existing processes. However, it does not support any change or constraints being put on this process. |
| 4. Minimum format requirements for electricity consumption data a. What is the nature and magnitude of costs on market participants of providing data in raw format and summary format to their customers? | If Energex were required to provide consumption data in a raw and summary format, significant costs could be incurred as the capability to deliver does not currently exist. System and process changes would include: <ul style="list-style-type: none"> • the sourcing and storing of Net System Load Profile (NSLP) data; • establishment of a new market summary data format; and • establishment or augmentation of current customer billing systems (for applicable fees incurred for data requests). |
| b. What information should be required in the summary data format? | Energex's response to the specific minimum format requirements proposed in the rule change request are set out below: <ul style="list-style-type: none"> • <i>Providing customers with their net distribution system load profiles (NSLP)</i> – Energex does not support the proposal to provide customers with 'net distribution system load profiles' relevant to the customer's applicable distribution network. Energex fails to understand how this data would be of any use to the customer and further disagrees with the suggestion these load profiles would allow customers with an accumulation meter to compare their usage against a representative electricity usage load profile of their area. Such load profiles are unable to provide a direct comparison because it doesn't tell the customer their daily or weekly usage profile. • <i>Publication of NSLP information</i> - Energex supports the proposal that AEMO publish relevant NSLP information per distribution area on their website. |
| c. Should the NER stipulate a specific period of time in relation to which the electricity consumption data must cover? If so, what is the appropriate period of time? | Energex supports the NER stipulating a specific period of time that consumption data must cover. At this time, Energex is not able to propose a suitable time period as the format of the consumption data is unknown. Energex requests that additional information regarding the format of consumption data be provided. |

| AEMC Issue | Energex Response |
|---|---|
| <p>5. Time frame to respond to a request for electricity consumption data</p> <p>a. Is 10 business days an appropriate time frame for market participants to respond to a request from their customers for their electricity consumption data?</p> | <p>Energex suggests that on an individual customer basis 10 business days is an appropriate timeframe. However, Energex notes multiple requests received at the same time would require additional resources if required to respond within 10 business days or consideration of implementing costly automated solutions. Therefore Energex suggests that responses be provided within a 'reasonable timeframe'.</p> <p>Energex requests that should the Rule change proceed, an extended response time frame provision be introduced for third party brokers who may submit requests on behalf of numerous customers, which would flood the system with data requests for thousands of customers at one time.</p> |
| <p>6. Fees payable by a customer</p> <p>a. How often should customers be able to request their energy consumption information free of charge in the NERR?</p> | <p>As noted above, section 86 of the NERR already provides that a distributor can charge a reasonable fee for requests for consumption data if requested more than once a year to cover the costs involved. Energex does not see any reason to change the current regulatory arrangements.</p> |
| <p>b. Are there any other consumer protections we should take into account when assessing this aspect of the rule change request?</p> | <p>Energex notes that as a distributor it does not have the capacity to identify if a customer is the current account holder before provision of information or data is released. Retailers have processes in place to ensure the current account holder can be confirmed before personal or confidential information is released.</p> |
| <p>7. Time frame for making and revising the data provision guidelines</p> <p>a. When should the first data provision guidelines be published?</p> | <p>Energex suggests that the data provision guidelines be published prior to the Rule change becoming operational. Comprehensive cost analysis and impact of change cannot be fully determined until service providers know what format consumption data is expected to be provided to customers.</p> |
| <p>b. Should there be an obligation review these guidelines? If so, how often should such reviews take place?</p> | <p>Energex supports an obligation to review these guidelines and suggests once every three years is an appropriate review period.</p> |
| <p>8. Request from large customers to provide electricity consumption data</p> <p>a. Should proposed rule 56A of the NERR only apply to small customers or should it apply to all customers, which would include large customers?</p> | <p>Energex notes that there are jurisdictional differences when categorising who is a small and large customer.</p> <p>Energex does not support applying the proposed rule to large customers as well as small customers. Large customers have greater flexibility in negotiating the terms and conditions of their contractual arrangements. Energex believes that information provision requirements would be more appropriately dealt with for large customers via their respective contracts in alignment with existing processes.</p> |

| AEMC Issue | Energex Response |
|--|---|
| <p>9. Access by authorised agents or service providers to their customers' electricity consumption information</p> <p>a. What is the appropriate term to refer to these third parties (e.g. agents, authorised parties) in the NER?</p> | <p>Energex suggests that 'authorised parties' may be an appropriate term to refer to third parties as an authority is still required to demonstrate consent and disclose personal or confidential information.</p> |
| <p>b. Beyond existing privacy laws, should the NER specify:</p> <ul style="list-style-type: none"> the nature of consent a customer must give to authorise a person to access its data; and any additional privacy obligations on authorised parties, retailers or DNSPs in relation to the disclosure of electricity consumption data? | <p>Energex does not support the NER specifying the nature of consent a customer must give to authorise a person to access its data. Energex believes its current embedded process is sufficient and notes that the NECF addresses informed consent.</p> <p>Retailers have established processes for verifying the identity of a customer and obtaining consent.</p> |
| <p>10. Informing customers about the uses of their electricity consumption data</p> <p>a. Is there a significant risk or problem in the NEM that necessitates the publication of standard information on the websites of retailers and DNSPs about how electricity consumption data is used? What are the benefits associated with this proposal? Are there examples where a similar approach has been applied in other industries?</p> | <p>No comment.</p> |
| <p>b. Is it appropriate for energy-specific regulations to be used to extend privacy law by requiring information about how electricity consumption data is used to be published on the websites of retailers and DNSPs?</p> | <p>Energex does not believe it is appropriate for energy-specific regulations to be used to extend privacy law by requiring information about how electricity consumption data is used to be published on the websites of DNSPs.</p> |
| <p>c. Is there a significant risk or problem in the NEM that would require the creation of 'metering data common terminology guidelines'? What are the benefits associated with this proposal? Are there examples where a similar approach has been applied in other industries?</p> | <p>Energex suggests there is a benefit in having a 'metering data common terminology guideline' to avoid confusion across a range of NEM participants, including the customer.</p> |
| <p>d. Are there any other consumer protections we should also take into account?</p> | <p>No comment.</p> |