



Department of State Development, Business and Innovation

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ERC0171: Customer access to information about their energy consumption

The Department of State Development, Business and Innovation (DSDBI) appreciates the opportunity to make a further submission to the Australian Energy Market Commission (AEMC) in connection with the proposed draft Rule change regarding customer access to information about their energy consumption. In view of DSDBI's previous detailed submission of 16 June 2014, this submission is confined to two important matters – the long term consumer and market benefits of moving towards a single data format for the provision of electricity consumption data and ensuring consumer privacy concerns are adequately addressed.

Moving towards a single or standardised national consumption data format

DSDBI notes that the proposed draft rule determination does not adopt DSDBI's proposal for the Australian Energy Market Operator (AEMO) to develop a single or standardised data format and for uniform application across the National Energy Market (NEM). Instead the draft rule determination proposes that the AEMO's data provision procedures should set out minimum requirements that would ensure customers receive their data in an understandable manner while not inhibiting innovation among market participants in how they provide this data to customers.¹

Victoria is the only Australian jurisdiction to achieve significant state-wide implementation of smart meters complemented by introduction of flexible retail pricing reforms and an advanced price comparison tool in the *My Power Planner*. From this experience, DSDBI considers it prudent for the NEM to move towards a standardised data format as it would realise the following broader benefits:

- facilitating greater efficiencies through different sectors across the energy value chain in a future enhanced NEM wide smart grid environment; and
- supporting innovation in distribution and retail services as a growing segment of current and future consumers seek to more actively engage with the market including through the

¹ AEMC, *Draft Rule Determination: Customer access to information about their energy consumption* (2014), p.22

growing use of price comparators and other specialist service providers such as energy efficiency advice, electric vehicle management and smart appliances.

DSDBI reiterates from its previous submission that the Victorian Government supports a more standardised data approach that could serve multiple purposes and realise more efficiencies for market participants including:

- the ability to provide consumers with timely and easy access to their interval data in as close to real time as possible;
- facilitating a standardised and useable electronic format for interval data that can be used by price comparators, other linked platforms (such as business to business), and information services;
- the ability to share their data with other parties who can assist them to manage their electricity consumption and costs; and
- providing greater confidence and certainty that the data continues to be secure and protected at all times.

Further, DSDBI submits that at a practical level:

- a defined standard or 'core' format for interval data should be mandated for use in specific applications, such as price comparators, to ensure that these data files are readable;
- where data is to be used in specific applications such as a price comparator, a minimum of 12 complete consecutive months is required so that the analysis can properly take into account seasonal impacts and deliver the most accurate result; and
- a consumer portal or hub based approach for delivering standard format interval data to consumers would ultimately increase the efficiency and improve outcomes for data delivery relative to other approaches which could include requiring consumers to contact call centres to request data.

While DSDBI supports the new proposed rule 7.16 as an incremental step towards a standardised data format, DSDBI is concerned that as other parts of the NEM progress towards implementing smart meters and promoting full retail competition characterised by strong consumer engagement, this rule change does not provide sufficient incentive for market participants to develop and agree an effective and interchangeable data format.

DSDBI also seeks further clarification from the AEMC as to how mandating a single or standard format for specific applications, developed in consultation with and the agreement of industry, would preclude market participants from offering additional or different forms of information to their customers for other non-prescribed purposes.

Privacy and access to consumption information

The AEMC's draft rule determination outlines that it does not wish to adopt the proposal requiring retailers and distributors to provide information on their respective websites, using common terms, about how electricity consumption data is used and who has access to such data.

DSDBI notes the AEMC's statements of there being 'insufficient evidence' that publishing information on metering data on websites using common terms would promote consumer engagement or reduce privacy concerns of customers.

DSDBI strongly supported the proposal as a number of Victorian customers had expressed their privacy concerns about the handling of meter data due to the granularity of the data enabled by smart meters.

Seed Advisory's advice to the Standing Council on Energy and Resources (now COAG Energy Council) queried whether metering data was personal information, as defined under the *Privacy Act 1988* (Privacy Act), given that metering data related to premises rather than an individual.

With no clear obligation for distributors and retailers to inform customers about the uses of their metering data under the Privacy Act, customers do not have consistent information about the use of their metering data. This is evidenced by the AEMC's own analysis which suggests that not all industry participants provide information on metering data usage. This may undermine the policy objectives of fostering greater consumer confidence in and engagement with the retail market.

DSDBI generally supports minimising regulatory red-tape requirements on businesses and acknowledges administrative considerations may arise for distributors and retailers in imposing a use of common terminology requirement. However, DSDBI considers on balance that the inclusion of this information on distributor and retailer websites is not an overly onerous obligation and rather should be viewed as industry best practice for strengthening consumer confidence.

For any further information regarding this submission please contact Erin Dempsey on (03) 9092 1876.

Yours sincerely,



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