

25 September 2014

Mr John Pierce
Chairman
Australian Energy Market Commission
Level 5, 201 Elizabeth Street
Sydney NSW 2000

Dear Mr Pierce

The NSW DNSPs response to the Draft Rule Determination – Customer access to information about their energy consumption

The NSW Distribution Network Service Providers, Ausgrid, Endeavour Energy and Essential Energy (the NSW DNSPs) welcome the opportunity to provide this joint submission in response to the *Draft Rule Determination – Customer access to information about their energy consumption*.

The NSW DNSPs note (and support) that the AEMC has addressed our concerns about the efficacy of providing customers with the net distribution system load profile and has removed the requirement from the draft Rules. We also support the removal of the requirement to publish information on our website about how electricity consumption data is used as this is already covered by general privacy requirements.

In addition, we support that the rule change will enable NMI standing data to be accessed by customers and their customer authorised representatives. This is an important issue in NSW where it is the practice of DNSPs to provide accredited service providers with their customer's premises NMI to facilitate applications for connection or connection modifications.

Notwithstanding the above, the NSW DNSPs have some concerns about the practicalities of implementing the rule change and address these as responses to the issues raised in the draft determination in Attachment A.

We also note that the AEMC has indicated that this has made a less prescriptive rule than was originally proposed. While we support this intent, we are concerned that the proposed drafting of the NERR and NER amendments is still too prescriptive and in some cases does not match the stated policy intent. We identify some drafting issues with the proposed amendments in Attachment B.

If you have any further queries or would like to arrange a meeting to discuss our submission please contact Mr Murray Chandler, Group Manager Network Technology & Innovation at Networks NSW on (02) 9269 7210 or murray.chandler@ausgrid.com.au

Yours sincerely



John Hardwick
Group Executive – Network Strategy
Ausgrid, Endeavour Energy and Essential Energy

Attachment A – Responses to the issues raised in the draft determination
Attachment B – Drafting issues with the proposed amendments to the NER and NERR

Attachment A – Responses to the issues raised in the draft determination

Access to data from DNSPs

As noted in our response to the consultation paper, we endorse the proposed clarification of clause 7.7(a) of the National Electricity Rules (NER) to reflect that a customer (or their customer authorised representative) is able to access their consumption data (including NMI standing data) directly from their DNSP. This aligns the obligations of DNSPs under Chapter 7 with obligations to customers connected to the network under the National Energy Retail Rules (NERR), specifically clause 86. However, we submit that NERR clause 86 may benefit from adopting the same ‘customer authorised representative’ terminology as the proposed NER clause 7.7(a) when referring to a person authorised by the customer.

We note in the draft determination that the AEMC believes that DNSPs are able to verify the identity and details of customers through B2B transactions which provide customer details from a retailer. Unfortunately, the statement isn’t accurate, as while a DNSP will have energy consumption data relating to sites within their network boundaries, it may not necessarily have the same level of data in relation to specific customer details in order to verify data requests for a particular site or premises, due to customer and retailer churn. For example, the DNSP is reliant on retailers providing customer data via the noted B2B transaction. The Customer Details Notification (CDN) data that is carried in this transaction is:

NMI
Customer Name / Business Name
Postal Address
Delivery Point Identifier
Phone Number
Sensitive Load
Movement Type
Modification Date

While it is acknowledged that the CDN allows DNSPs to identify a customer, it does not necessarily provide adequate information to authenticate a customer. We would recommend that an obligation be placed on AEMO (in conjunction with this rule change) to review and update the B2B procedures for CDN to ensure DNSPs receive accurate and timely data.

We also submit that it is widely acknowledged (including by AEMO) that no one participant has all the information or data set with respect to individual customers, and the data may not reconcile without some interpretation (for example, there may be substituted and estimated data). Typically a residential or small business customer will seek to access their electricity consumption data from their retailer for the purposes of clarifying their previous bill, it is appropriate for the customer to approach their retailer in the first instance. Moreover, their retailer would be in the best position to provide the customer with an appropriate level of explanatory material to accompany the data request. However, longer term we support government/industry measures that seek to investigate how data issues can be addressed going forward. More detail is provided below.

Access to data from AEMO

We note that the AEMC is seeking submissions on EMRWG’s proposal to allow customers and customer authorised representatives to have access to AEMO’s Market Settlement and Transfer Solution (MSATS) database.

As noted by the AEMC, significant upgrades to MSATS would be required to achieve the necessary functionality, particularly as MSATS does not contain customer information, nor does it record all consumption data for every customer; it only contains net interval data to support the settlement process and does not account for reactive energy.

As noted above, at present no one market participant has all of the data requirements but there are both industry and government initiatives to consider these issues. These include, but are not limited to, the COAG Energy Council scoping study on the energy information hub, the proposed development of a shared market protocol and the proposal for the creation of a Metering Coordinator role in the context of the AEMC's consideration of the expanding competition in metering and related services rule change. Accordingly, we submit that rather than focussing on the MSATS proposal, it would be preferable to consider longer term customer focussed solutions to data provision, in coordination with government, industry and customers.

Allowing a person authorised by a customer to access data

We support allowing customer authorised representatives acting on behalf of a customer to obtain access to customers' electricity consumption data from the customer's retailer or DNSP. We also agree with the AEMC that it is appropriate for retailers and DNSPs to determine how it is required to meet its privacy obligations.

However, as noted in our submission to the consultation paper, the customer authorised representative must be able to demonstrate that it has the authority to act on the customer's behalf (and can demonstrate that the request relates to the time period the customer was at that particular site). Any delay in establishing the validity of this authority should be excluded from the time frame for data provision. We also submit that for requests involving multiple customers or sites, that the DNSP is allowed the flexibility to nominate a longer (but reasonable) data provision timeframe in advance rather than having to rely on the 'reasonable endeavours' provision after the fact.

As noted above, retailers may not always provide DNSPs with sufficient information in its CDN to enable verification. This means a DNSP would need to go to the retailer to confirm the validity of the request by confirming customer specific data held in the customer information systems of the customer's retailer. This may adversely impact on time frames for delivery.

The practical issue of verification is further discussed in the submission.

Format of data – detailed and summary format

We note that in its draft determination, the AEMC has recommended leaving the precise format of the detailed and summary data to be determined by AEMO in its data provision procedures. From a DNSP's point of view, the provision of data to customers is likely to be the raw 'MDFF' file format. This format is used by Metering Data Providers (MDPs) to forward to retailers. The advantage of adopting this format is that it contains a gross summary of a customer's usage or load profile information that is in a format prescribed (and updated) by AEMO.

More generally we submit that the development of a more sophisticated analytical presentation of data for customers is something best left open to the market to develop rather than prescribing it in the NER/NERR (as currently drafted, the NER includes a minimum standard in the data provision procedures). This will allow market participants to provide a range of product offerings that will enable customers to select the one that best suits their individual needs and circumstances.

In terms of the manner of data provision delivery, we submit that the Rules should not mandate that the data provision procedures include minimum standards (web portal, electronic or hard copy delivery). Not only is technology rapidly changing but any requirement to allow for hard copy delivery may not be practically possible, particularly in the 10 day timeframe as one year's worth of data could be hundreds of pages. In addition, the current nature of data requests from customers or their customer authorised representatives is not voluminous as customers typically approach their retailer for their data. As such, there has not been a business need to develop web portals for such requests. While this is something that may be beneficial in the future, we are concerned that mandating web portal access now may impose unnecessary costs, costs which would ultimately be borne by all customers. As an alternative, we suggest that the data provision procedures should allow for these means but not to mandate them. This could be achieved by replacing "and" with "or" in NER clause 7.16(d)(5).

We also contend the summary data format minimum requirements in NER clause 7.16(d)(2) should not specify the nature and extent of usage for daily time period requirements, usage or load profile over a specified time or a diagrammatic representation. This is because DNSPs will not have visibility of the retailer tariff components and will therefore not be able to provide the retail customer with a diagrammatic representation of their retail tariff energy usage.

Duration of time of which data requests should cover

We note that the AEMC proposes that customers should be able to request information about their energy consumption without a time limitation on the period that the request is to cover. As noted above, the customer or customer authorised representative will need to be able to demonstrate to the DNSP that it was the customer at that site for the time period covered. In addition, depending on the timeframe of the request (and whether the customer has changed its meter during the period), there may be some requirement to examine historical archives (where available) which may impact on the time frame for delivery.

It is also worth noting that while the NERR has no time limitation with respect to the information period, the NERR has only been in operation in NSW since 1 July 2013. As such, there may be limits to the amount of data readily available as the NER clause 7.11.13 states that Metering Data Providers must keep metering data (as well as any records of each substitution) for seven years but only requires it to be accessible online for 13 months. We therefore submit that to align with NERR clause 56A retailer obligations (which imposes a two year limitation), data provision should also be limited to the previous two years for DNSPs and subject to a reasonable charge for any earlier period.

Time frame for retailer and DNSP to respond to a data request

The NSW DNSPs consider that 10 business days will generally be appropriate for responding to requests from individual residential or small business customers. However, as noted in the Draft Determination, there are likely to be circumstances which are outside of the DNSPs' control which may not enable the time frame to be met.

These circumstances could include delays in verifying the customer's identity, particularly where the request relates to multiple customers or where there are complexities in obtaining the data. For example, where the customer has changed its metering or retrieval of archived data is required. Accordingly, while the inclusion of a 'reasonable endeavours' provision on the obligation offers some relief, we are concerned it is a civil penalty provision and that relying on 'reasonable endeavours' may not be suitable as a long term solution for the issue of verification.

We submit that the *customer authorised representative* must be able to demonstrate that it has the authority to act on the customer's behalf (and can demonstrate that the request relates to the

time period the customer was at that particular site). Any delay in establishing the validity of this authority should be excluded from the timeframe for data provision. In other words, the ten day time frame should not commence until after successful verification. We have proposed some alternative wording to this effect in Attachment B.

When data requests are free of charge or subject to a reasonable fee

We note that the AEMC has proposed a rule requirement in the NERR that a reasonable charge can be levied where the data is requested more than once in any three month period or it exceeds the minimum requirements in the metering rules (defined as Chapter 7 of the NER or applicable retail market procedures) such as when non-standard or sophisticated data profiles are required. We consider that a reasonable fee should also be allowed where the request relates to multiple customers or customer sites.

As noted in our consultation paper submission, given the expected volume of such requests is currently unknown, we submit that DNSPs should have the ability to set appropriate fees and time frames with the overriding requirement that the charge for such services be a reasonable fee to cover expenses directly and reasonably incurred in providing the information. This is consistent with similar provisions such as those in Chapter 5A for negotiation fees. The AEMC could consider the inclusion of an additional clause to cover these types of scenarios, and similar wording to clause 5A.C.4(a) could be considered.

5A.C.4 Fee to cover cost of negotiation

- (a) A *Distribution Network Service Provider* may charge a *connection applicant* for a negotiated *connection contract* a reasonable fee to cover expenses directly and reasonably incurred by the *Distribution Network Service Provider* in assessing the applicant's application and making a *connection offer*.

We also note that the current NERR (and proposed clause NERR 86(2)(b)) provide for the charging for frequent requests for data, but there are no such provisions in the proposed changes to the NER. In light of the issues we raise above, we suggest that provisions be included in the NER to allow DNSPs to charge for these services. In particular, the Rules should be clear that charges may apply if metering data is requested more than once in any three month period by either the customer, customer's retailer or customer authorised representative. This is to eliminate duplication of requests and associated costs.

Time frame for AEMO to make revised procedures

We note that the AEMC states that AEMO's data provision procedures would take effect three months after AEMO publishes them, although the minimum requirements in the data provision procedures would not apply until the procedures are made. We understand the AEMC has put this in to ensure that AEMO allows at least three months as a minimum.

In relation to revising AEMO's data provision procedures, we note that the AEMC considers that a specific period of time to review the procedures need not be stipulated in the NER because there are existing processes to revise procedures in Chapter 7 of the NER.

While we acknowledge that there are processes to amend procedures, the implication that major changes can be accommodated in a three month time frame may be optimistic, particularly as the current drafting of the minimum requirements of the data provision procedures envisages web portal delivery.

While we have recommended that that the manner of delivery not be prescribed, we do believe that generally twelve months should be allowed for any developmental work. Accordingly, we believe that both the initial publication and any revisions should have a minimum twelve month time frame before they take effect.

Commencement date of the rules

As suggested by the AEMC, the NERR rule will need to specify a date by which DNSPs must vary their standard connection contracts. That is, the NERR draft rule should contain transitional provisions to specify the date by which the new Clause 15.2 to be specified in the Model Terms and Conditions for Deemed Standard Connection Contracts should be reflected in each DNSP's Deemed Standard Connection Contract. The NSW DNSPs submit that a minimum period of two months is reasonable to allow for our deemed contracts to be amended following the rule change. This is to allow time for internal approvals, legal/compliance review, staff training and awareness and arrangement for communication to our customers and publication on the website.

Attachment B – Drafting issues with the proposed amendments to the NER and NERR

Rule 86	<p>“a person authorised by a customer...”</p> <p>Should be amended to <i>customer authorised representative</i> to align with the new definition in the NER.</p>
Rule 86	<p>“energy consumption” is not a defined term. It should be removed and replaced with <i>metering data</i></p>
NER Chapter 10	<p>“<i>customer authorised person</i>” should be <i>customer authorised representative</i>.</p>
NER 7.16 (d)(2)(iii)	<p>“a diagrammatic representation of the information referred to in subparagraph (i) above;”.</p> <p>DNSPs will not be able to provide the retail customer with a diagrammatic representation of its retail tariff energy usage for “daily time periods” as envisaged by NER 7.16 (d)(2)(i). Moreover, the drafting of the clause does not make sense in the context of 7.16(d)(2). We submit that clause 7.16(2)(iii) should be removed as a requirement or made optional for DNSPs.</p>
NER 7.7	<p>Should include an option for the imposition for a reasonable charge to align with NERR 86(2)(b).</p>
NER 7.16(d)(5).	<p>Rather than prescribing all three data provision options it should be optional. This could be achieved by the following amendment “ensure the manner of data provision allows for web portal or electronic or hard copy delivery”.</p>
Rule 86 and Chapter 7	<p>To align with 56A retailer obligations, data provision should be limited to the previous 2 years and subject to a reasonable charge for an earlier period.</p>
NER 7.16(d)(4) (ii)	<p>The <i>customer authorised representative</i> must be able to demonstrate that it has the authority to act on the customer’s behalf (and can demonstrate that the request relates to the time period the customer was at that particular site). This includes whatever may be required under applicable privacy legislation (including if appropriate making relevant disclosures or obtaining relevant consents from <i>retail customers</i>). Any delay in establishing the validity of this authority should be excluded from the timeframe for data provision. In other words, the ten day time frame should not commence until after successful verification.</p> <p>This could be achieved by amending clause NER 7.16(d)(4)(ii) to read “be no more than 10 business days following validation that the request has been authorised by the customer”.</p>
NER 7.16 (b)	<p>This clause should be amended to include a minimum period of 12 months instead of 3 months.</p>