

ERM Power Limited Level 3, 90 Collins Street Melbourne VIC 3000

ABN 28 122 259 223

+61 3 9214 9333 ermpower.com.au

Thursday, 26 September 2019

Consumer Data Right Structural Reform Division Treasury Langton Crescent Parkes ACT 2600

Electronic submission via data@treasury.gov.au

RE: Consumer Data Right – Priority Energy Datasets

ERM Power Limited (ERM Power) welcomes the opportunity to respond to the Australian Government's Priority Energy Datasets Consultation, which consults on the priority datasets to be subject to the Treasurer's designation instrument for the energy sector pursuant to s56AC of the Treasury Laws Amendment (Consumer Data Right) Act 2019.

About ERM Power

ERM Power is an Australian energy business for business. ERM Power provides large businesses with end to end energy management, from electricity retailing to integrated solutions that improve energy productivity. Market-leading customer satisfaction has fuelled ERM Power's growth, and today the Company is the second largest electricity provider to commercial businesses and industrials in Australia by load¹. ERM Power also operates 662 megawatts of low emission, gas-fired peaking power stations in Western Australia and Queensland, supporting the industry's transition to renewables.

www.ermpower.com.au

General comments

The ability for customers to access their data is an important right. In the National Electricity Market (NEM), data access rights support the enablement of consumer trust in the market. The availability of increasing volumes of high-quality data from new technologies and market structures is providing a platform for consumer participation in the market, with customers able to utilise their usage and billing data to manage their consumption and costs. This is essential to encourage the on-going development of innovation and competition in the electricity market.

ERM Power is supportive of a Consumer Data Right (CDR) framework. We support the development of an innovative market where consumers are empowered and mobilised to make decisions in their best interests based on all available information. The Australian Government is seeking to ensure that datasets designated in the energy sector support energy retail product comparison and switching use cases. The Treasury has designated preliminary priority electricity datasets to be available under the extension of the CDR to the energy sector. We believe that the value of the CDR is dependent on ensuring the designated datasets are appropriate for the intended customer use cases and provide value to the customer. We also suggest that consideration be given to the operation of the CDR with specific designated datasets for different customer classes, in order to avoid creating unintended complexity of operations.

In relation to the preliminary priority electricity datasets, ERM Power believes that:

¹ Based on ERM Power analysis of latest published information



- A consideration for the efficient operation of the CDR is the setting of requirements for length of time that specific customer datasets should be stored and made available
- There are additional considerations for the designation of customer provided data for business customers
- Intellectual property or value-added consumer data should be excluded from the CDR framework

National Metering Identifier (NMI) Standing Data Fields

The Treasury has proposed that fields returned under a NMI Discovery Search 2 of CATS Standing Data be included as a priority dataset, with average daily load (ADL), network tariff code, presence of a controlled load and metering installation type fields being included as a minimum. As highlighted in the Consultation Paper, the designated NMI data fields should provide use for customers. We agree that all NMI data fields do not provide use for customers, and not all NMI fields warrant inclusion under the CDR.

The designation of NMI standing data fields provides an opportunity to design efficient operations for the CDR. ERM Power has made an assumption that to support efficient operation of the CDR, the key field for data requests will be a NMI identifier.

When considering the designation of NMI datasets, we encourage the Treasury to consider the inclusion of NMI data fields that are most commonly stored by data holders. This will encourage clear and efficient operation of the CDR, as customers are provided with a consistent outcome when accessing the CDR, while supporting comparison and switching use cases. The minimum fields suggested by Treasury sufficiently achieve this outcome.

Metering Data

The Treasury has proposed that the designation instrument should include data from all meter types. It is understood that the Treasury is seeking to realise the opportunities for innovative use cases supported by smart meter functionality and data, while addressing concerns regarding privacy risks provided by smart meter data through potentially individually identifiable consumption and behaviour information being made available.

Despite these complexities, ERM Power expects consumer uptake of smart meters to continue to increase across the NEM and as such, the priority datasets designation should cover all meter types. This will contribute to creating consistency of customer experience under the CDR, and provide greater customer value.

ERM Power believes that a 12-month period for historical metering data is sufficient to provide customers with information for comparison of costs and benefits of retail products. A maximum 12-month record of historical metering data will achieve the objective of the CDR, and provide reasonable requirements on data holders.

Customer Provided Data

The Treasury is considering the inclusion of customer provided data that identifies, describes or is about a customer. This has been proposed to include a customer's full name, email address (e.g. for multiple account holders), phone number, date of birth (e.g. of primary account holder), complete postal and/or billing address (e.g. for large organisations), information on the customer's electrical appliances, information that has been provided for the purpose of making payments, and information of data access authorisations under the CDR.

ERM Power exclusively retails to business customers, both within Commercial and Industrial (C&I) and Small-Medium Enterprise (SME) customer classes. This provides us with unique expertise and knowledge regarding business operations and data use cases for business customers. As the CDR is intended for application to both residential and business electricity customers, we encourage the Treasury to consider potential complexities of applying the single designation of customer provided datasets to different customer classes.

Within business sectors, account holder information can change frequently and rapidly. Depending on the length of time a third party may be holding customer provided information, there is a reasonable risk of the account holder



information becoming out of date as individual account holders accept new professional roles and transition off the account. Additionally, it is common that within the single business, customers responsible for procurement and raising data transfer requests under the CDR are not the same individuals as the customers making payments on the account. This could mean the requesting customer is not the primary account holder for the dataset. This could create potential complications through the authorisation process for business customers. Difficulties may arise as data holders who are seeking authorisation from the requesting customer based on the customer provided data are unable to receive the required authorisation as they are not the primary account holder.

We suggest that these complexities of customer provided information be considered further.

Billing Data

The Treasury has clearly articulated the current arrangements whereby small customers can access up to two years of historical billing information from their retailer.

ERM Power has assumed that current billing data will be designated under the CDR. It is complex for data holders to provide historical billing data. Additionally, we suggest that the objective of encouraging efficient switching using billing data is achieved through providing current billing data. We believe current billing information will be used by customers to compare products and services. ERM Power does not see evidence that historical billing data will support efficient product comparison or customer switching practices under the CDR.

Retail Product Data

The two classes of retail product data being considered for inclusion under the CDR is generic retail product data and tailored product data. ERM Power does not believe that sufficient evidence has been provided to support the inclusion of tailored retail product data in the designation. It is important that innovation in the market is encouraged and unintended risks to innovation are avoided. We believe innovation is likely risked through the inclusion of intellectual property or value-added data under the CDR. As stated in Treasury's Explanatory Memorandum, an intention of the legislation is to require the Minister to consider the impact of the CDR on the intellectual property rights of CDR participants. ERM Power does not believe there is sufficient evidence provided to warrant the inclusion of intellectual property or value-added consumer data within the CDR framework. We believe tailored retail product data constitutes value-added consumer data and should be excluded from the designation.

We would welcome the opportunity to discuss this submission further.

Yours sincerely

Emma White Policy Adviser (03) 9214 9347 – ewhite@ermpower.com.au