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Dear Mr McAuliffe

### **Consumer Data Right – Priority Energy Datasets – Consultation Paper**

Origin appreciates the opportunity to provide input into the Commonwealth's Treasury (Treasury) review of the datasets that should form part of the Consumer Data Right (CDR) Scheme in the Energy Sector. This follows the Australian Competition and Consumer Commissions (ACCC) decision to establish a CDR 'Gateway Model' in the energy sector where the Australian Energy Market Operator (AEMO) will provide a gateway function to facilitate the transfer of data from data holders such as retailers, distributors to accredited data recipients (ie third parties).

Origin principally supports the 'Gateway Model'. This model will allow the energy sector to leverage existing systems and provide a single contact point for accredited third parties to seek data. However, the efficiency and effectiveness of this model will be dependent on the development of an industry solution to the following outstanding issues:

- i. datasets that will be designated under this model and the timeframes for designation. This includes well defined datasets to ensure that 'value added' data is not included within the scheme framework design and consideration is given to the size of customer (small and/or large customers) for which the data should be shared. This is the subject of this submission;
- ii. certainty over the allocation and assignment of 'data holders' for the CDR scheme. The key determination will be the role that AEMO will have and whether they will be designated as either a 'data holder' or a 'gateway' for the differing datasets. The legislation restricts AEMO from having multiple roles for the same datasets;
- iii. develop an implementation timeframe for commencement of the CDR framework in the energy sector which takes into account current market circumstances and the capability requirements of the industry;
- iv. industry solution to how a cost efficient and streamlined process for authentication and authorisation can occur. We understand that this will be subject to a separate ACCC consultation process; and
- v. development of Rules and Data Standards for the operation of the CDR scheme in energy. These will be consultations managed by the ACCC and Data Standards Body respectively once the energy framework model has been finalised.

This submission focuses on the proposed datasets to be designated as well as provides comments on items i) to iii) above. Items iv) and v) are beyond the Treasury Departments brief and will be addressed by the ACCC and Data Standards Body. While they will form part of separate consultations, they need to be considered in the holistic view on the possible timing for the implementation of the Scheme.

## **Datasets to be Designated**

The Consultation Paper identifies six priority datasets to be considered as initial datasets to be designated under the CDR scheme. Proposed datasets include<sup>1</sup>:

- NMI Standing Data;
- Meter Data;
- Customer Provided Data;
- Billing Data;
- Retail Product Data; and
- Distributed Energy Resources (DER) Register.

Origin supports meter data and NMI standing data forming part of the initial datasets to be designated. This is on the basis there are distinct boundaries for the definition of each of these datasets and clear designation of data holders for each of the datasets. This is particularly relevant to meter data and is discussed further below.

The inclusions of other datasets require further consideration and investigation. The datasets to be designated need to be of value to the customer, not pose privacy concerns and the benefits and costs of each of the datasets analysed. The greatest concern for the business is the inclusion of personal data provided by the customer and the increased risk of disclosure without consent, unauthorised access and identity theft. These significant risks need to be balanced against the benefits.

In deciding on the most appropriate dataset for CDR in the energy sector, Treasury will also need to take into account the potential volume of data requests and flows. It is to the market's detriment if sophisticated systems are built for low volumes of data transfers. The complexities and costs arise if datasets are declared, all market participants develop appropriate systems and then the data is rarely requested. This will result in all customers ultimately paying a premium for an under-utilised right to access data.

### **1. NMI Standing Data**

National Metering Identifier (NMI) Standing Data contains a range of identifying information and information relating specifically to the connection including NMI, network tariffs, average daily load, the presence of controlled loads and metering installation. Treasury is proposing that information to be returned in a NMI Discovery Search 2 should form the dataset for the scheme.

Origin supports Treasury's views that the fields to be returned are those that can be found under a NMI Discovery Search 2 of CATS standing data<sup>2</sup> is appropriate. In addition to these fields, Origin suggests that both the NMI and address should form part of the return data. It will be important to ensure there is a match between the data requested and the data returned.

### **2. Meter Data**

Metering data is a record of the actual energy use at the premises and includes all meter types, including smart meters that have remote communication capability<sup>3</sup>. Origin supports meter data forming part of the initial datasets under the CDR framework if 'meter data' is clearly defined and there is a clear allocation of data holders for meter data at the commencement of the scheme.

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<sup>1</sup> Treasury, Priority Energy Datasets – Consumer Data Right, 29 August 2019, p5.

<sup>2</sup> Treasury, Priority Energy Datasets – Consumer Data Right, 29 August 2019, p5.

<sup>3</sup> Treasury, Priority Energy Datasets – Consumer Data Right, 29 August 2019, p6.

Meter data needs to be clearly defined. It should be limited to the register level metering data for the connection point. It should not include non-standard data collected by the meter. With the introduction of Power of Choice, MDPs have been investing in metering technologies to provide additional 'smarts' to meters to differentiate themselves from other meter providers and provide non-traditional services to customers. These additional features are procured under special commercial arrangements between MDPs and customers, are not part of the conventional energy retail offering and they embody and deliver data that is materially enhanced by the MDP with the use of certain IP. For these reasons, it should not form part of the dataset under the CDR energy scheme.

As noted in the paper, metering data is held by various parties including retailers, distributors and meter data providers. Currently, AEMO does not have all consumption data at the appropriate levels that customers require for the scheme. Recent changes to the National Electricity Rules (NER) means AEMO will gradually hold the relevant data as part of global settlements implementation from July 2021 with the intentions that AEMO will hold appropriate meter data for all customers in 2022.

If it is determined that AEMO will be designated as the 'data holder' for meter data, meter data should only form part of the CDR energy scheme once AEMO has the full capabilities to provide the data. This means that meter data may need to be transitionally designated under the CDR framework such that interval meter data (type 1-4 meters) is designated first and then followed by other metering datasets (ie type 6) as AEMO obtains the capabilities to provide the data in accordance with the framework.

Origin does not support interim data holders being assigned for meter data. That is, if retailers are designated as data holders for accumulation meter data at the commencement of the scheme and then Treasury determines that this function should gradually be transitioned to AEMO as they obtained the relevant capabilities. The presence of 'transitional' data holders will be costly and inefficient.

### **3. Customer Provided Data**

Treasury makes note that customer provided data is data such as the customers personal name, address, phone number, email, date of birth, information about customers energy consumption behaviour or electrical appliances (ie controlled load), payment details (ie direct debit) or the time period in which the customer has been the account holder<sup>4</sup>. Retailers hold this information and Origin believes the data can be broken into two categories 1) personal and 2) non personal customer provided data.

Origin has concerns with the level of personal details that could be shared as part of this dataset. The energy sector differs from banking and telecommunications in that there is no single unique identifier of a person's personal information in energy. Meter numbers (National Meter Identifier or NMIs for energy) are attached to premises and not customers. Account numbers are attached to customers, but these are not unique to the customer in the sense that they can change when a customer moves retailers or when a customer enters into a new product arrangement with the same retailer. Origin has concerns that the lack of a single unique identifier in energy adds to the risks of incorrect personal information being shared.

Given the unique market set up in energy, the level of personal information proposed in the Consultation Paper increases the risk of disclosure of data without consent, unauthorised access (ie through hacking activities) and identity theft.

We have particular concerns with sharing phone numbers or date of birth as these are regularly used by businesses (ie telecommunication or health fund companies) as secondary identification tools for security authentication. The inclusion of these personal details heightens security and privacy risks with the framework.

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<sup>4</sup> Treasury, Priority Energy Datasets – Consumer Data Right, 29 August 2019, p7

We further question whether third parties require personal information (ie date of birth, phone number) from retailers as they would be required to obtain this information at the time of obtaining consent to access data and/or to establish a relationship with the customer. We also have a concern that some of this personal information (eg phone number) is current at a point of time (ie at signing up) and the information can change over time. If a third party was to use this personal information to sign the customer up to a new product, then the information may not be up to date for the customer. There is a further issue as to the implications if the information returned to the third party does not match the information held by the third party.

It is Origin's belief that customer provided data in relation to personal information is most relevant to the authorisation and authentication process. This is the matching of information that the customer provides the third party and the information held by the relevant data holder (ie retailer). This will be a process that will occur back of house (process still to be confirmed) and we feel the security and privacy risks of sharing this information is greater than the benefits.

#### **4. Billing Data**

Billing data is in relation to historical billing data and is held by retailers. There are processes in the National Energy Retail Laws that require retailers to provide up to two years of historical billing information to the customer<sup>5</sup>.

Origin suggests the inclusion of meter data under the scheme may remove the need for billing data to be also provided. There is likely to be a high level of duplication of data and with a requirement to provide both metering and billing data. The main difference between the two data sets is likely to be if a customer provided a self-read. There will need to be a review to determine whether the discrepancies between the two data sets warrants both datasets falling part of the CDR framework.

An alternative to billing data being provided under the CDR energy framework is tightening the current timeframes for providing billing data.

#### **5. Retail Product Data**

Retail product data is general information relating to energy products or plans. Treasury notes that it is information that identifies, describes or details products, including information such as tariffs, usage charges and applicable discounts where these products involve the supply of electricity to a customer. This information can be either generic (not identifiable to a person) or tailored (specific to an individual customer)<sup>6</sup>.

The market has evolved rapidly over the past 24 months with the information that is required to be provided and displayed on both comparator websites (ie Energy Made Easy) and on retailer websites. This includes retailer apps that include information on tariff and price offerings. Industry will need to carefully work through the retail product information that consumers require and the best source in which to collate this information. This will require separate consideration.

Origin submits that any retail product data to be included under the CDR framework should be limited to the current product the customer is being supplied on and align with other regulatory provisions for providing data (ie 2 years). In energy, only the NMI is unique and the customer details and accounts can change for the same customer at the same premises. There may be cases where a customer has changed products and has been provided a new account number with a new product. Increasing data

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<sup>5</sup> Treasury, Priority Energy Datasets – Consumer Data Right, 29 August 2019, p7.

<sup>6</sup> Treasury, Priority Energy Datasets – Consumer Data Right, 29 August 2019, p8.

requirements beyond the current product increases the risk that misinformation being provided to third parties.

## **6. Distributed Energy Resources Register**

The National Electricity Rules require network service providers to request users to specify the DER technology installed at a given premises (through the network connection process) to then provide data to AEMO<sup>7</sup>. This is information related to the presence of solar, batteries, or small-scale systems in a premises or business.

Origin understands that the purpose of the establishment of such a register is to improve the visibility of distributed energy assets in the grid, which in turn, could improve the ability of:

- the Australian Energy Market Operator to operate the power system in the National Electricity Market; and
- Network Service Providers (NSP) to make network investment decisions.

The register did not fully consider use of this information by consumers.

Retailers are not privy to the quality and accuracy of information provided and included in this register as it is the responsibility of the network service provider, through the installer, to update this information within 20 days of installation. This register only formally commence from 1 December 2019.

Given the infancy stages of the development of the DER Register, Treasury should carry out a due diligence on the register to test the accuracy of the data and the level of information returned to a third party prior to designating this dataset.

## **Additional Issues for Consideration**

### **7. Designation of datasets to not include 'value added' data**

Origin has previously raised concerns with the definition of CDR data in the *Treasury Laws Amendment (Consumer Data Right) Bill 2018* given the definition includes reference to 'derived data' and the potential for this definition to capture value added data. We appreciate in some industries derived data may be relevant from a CDR perspective, but we do not believe derived data should be included in energy. Datasets need to be specific and very clearly defined in the energy sector.

We note the Open Banking Designation Instrument<sup>8</sup> attempts to clarify the "derived data" element by setting out a test as to whether the data is "materially enhanced information". If the data has been "materially enhanced" it is excluded from the scheme.

The concept of materially enhanced information refers to data which is the result of the application of insight, analysis or transformation of data to significantly enhance its useability and value in comparison to its source material<sup>9</sup>. The intention is that information whose value has been largely generated by the actions of the data holder will be carved out by the 'materially enhanced' test.

The Designation Instrument then includes an example list of banking data sets that are not materially enhanced, while the explanatory statement includes an example list of data sets that are materially enhanced. This would seem a reasonable approach to also adopt in the energy CDR framework.

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<sup>7</sup> Treasury, Priority Energy Datasets – Consumer Data Right, 29 August 2019, p9.

<sup>8</sup> Consumer Data Right (Authorised Deposit Taking Institutions) Designation 2019 (Exposure Draft).

<sup>9</sup> Consumer Data Right (Authorised Deposit Taking Institutions) Designation 2019 (Exposure Draft), p10.

Limiting CDR data to well-defined datasets will provide the best level of clarity. Clearly defined datasets will open up businesses to continue to pursue innovation and product development without the concern that a competitor may end up with access to that underlying analysis and gain commercial insights at their expense. Given the objective of the CDR framework is to open up data access to promote competition and better outcomes for consumers, it would be unfortunate if the framework itself hindered that very innovation and market development.

#### **8. Scope of customers to be included in each of the declared datasets**

Consideration should be given to the size of the customer for which the datasets are declared. While Origin understands the intent of the framework is to apply to all customers, there may be some datasets where the costs of setting up systems to provide data significantly outweigh the benefits to consumers. This is given the material differences between the energy use of small customers, who are generally restricted to a single premise (e.g a residential home), and large customers that may have a number of premises with individual consumption data.

For large customers, there are existing processes whereby customers have access to real time energy monitoring capabilities (ie via web portals, hand held devices, commercial energy displays) or they can request their data directly to a retailer or via a third party when seeking an energy contract from the market. These options are diverse and adequately provide a means for large customers to obtain information regarding their energy consumption, especially billing data.

#### **9. Designation of 'data holders' and AEMO's Role**

The CDR legislation enables an entity to be designated as a 'gateway' to facilitate the transfer of CDR data between data holders and accredited data recipients. The same entity can also be designated as a 'data holder' for certain datasets. However, the same entity cannot be designated as a 'data holder' and a 'gateway' for the same datasets. That is, AEMO could be designated as a 'data holder' for NMI standing data and also designated as a 'gateway' for datasets such as customer details and retail product data. With this example, AEMO could not be designated as both a 'data holder' and a 'gateway' for NMI standing data.

For roles in which AEMO has been designated as a 'gateway' it would source the CDR data that it does not already hold from data holders and act as a pipeline for the provision of that data to accredited data recipients. If AEMO is designated as a 'data holder' for its own data holdings (i.e. NMI standing data), it would be acting as a gateway in the sharing of this data to accredited data recipients and would not be sourcing this data from other market participants. The CDR obligations on a 'data holder' are more extensive than those that apply to designated gateways.

Given AEMO could take on various roles within the framework, it needs to be clear and transparent prior to the commencement of the CDR scheme the role that AEMO will take in the data access model. A concern arises that AEMO may be designated as a 'gateway' for meter data when the scheme commences and then the designation amended to designate AEMO as a 'data holder' for the same dataset. AEMO is likely to hold meter data required under the scheme on a transitional basis under the global settlement changes with it being anticipated it will commence from July 2021.

If it is deemed that AEMO should be designated as a 'data holder' for certain datasets, the data should only become part of the scheme once the data holder has the relevant capabilities to provide the data. We do not support interim, short term changes to the framework that only provide 'band aid' solutions. Changes to systems and processes are timely and costly. This is particularly the case with the design and building of APIs for each of the datasets. Costs incurred will ultimately be passed onto consumers.

It is Origin's view that the roles of 'data holder' and 'gateway' should be made clear prior to the commencement of the scheme and datasets delayed from being part of the scheme until the ultimate data holder is able to take on this role.

## **10. Timing for commencement of the CDR Scheme in the energy sector**

The implementation timing of early 2020 for the energy sector is not achievable. Legislation has only recently been passed, decisions need to be made on the energy framework including the development of data standards and rules for the energy sector. Once these framework elements have been determined, system changes and testing need to be conducted. This will all take time and it should not be a process that is rushed.

A rushed implementation may hurt the reputation of the industry and result in a poor customer experience. The implementation of the Power of Choice reforms is an example of how a rushed implementation did not deliver the desired benefits to customers. It has taken costly system and process iterations to work towards the desired benefits. We should take learnings from this process.

### **Closing**

Origin supports effective competition and mechanisms in place to assist third parties and consumers in using data relevant to them to compare and select energy solutions and their providers. However, there is a need to fully assess which datasets are of value to customers, the costs and benefits of each dataset as well as the privacy risks of including the data under the scheme.

If you would like to discuss any aspect of this submission, please contact Caroline Brumby on (07) 3867 0863 / [Caroline.Brumby@originenergy.com.au](mailto:Caroline.Brumby@originenergy.com.au) in the first instance.

Yours sincerely



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