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# Consumer Data Right - Energy Sector Designation Instrument (Exposure Draft)

Alinta Energy welcomes the opportunity to respond to the Treasury's Exposure Draft of the Energy Sector Designation instrument for the Consumer Data Right.

Alinta Energy is an active investor in energy markets across Australia with an owned and contracted generation portfolio of nearly 3,000MW, and more than 1.1 million electricity and gas customers. Given our large customer base, Alinta Energy has a strong interest in the effective and efficient development of the CDR in the energy sector and supports its implementation to support improved competition and choice for energy users.

We regard the drafting of the designation instrument as an important step in developing the CDR for the energy sector; it will establish the parameters and boundaries for the development of rules governing the CDR and create certainty for impacted stakeholders. However, we have concerns with some of the content of the instrument and the tight timeframe in which it is being developed. These concerns are set out below.

## Consultation timing

Alinta Energy is concerned that the deadline to finalise the designation instrument by July 2020 leaves little time for comprehensive consultation with stakeholders.

A single round of consultation is insufficient to clarify and resolve these issues and we note in banking, a more extensive consultation process was applied. If the consultation process cannot be altered, we would encourage close engagement between Treasury and energy retailers until the end of June 2020 to address any outstanding concerns with the designation instrument.

Alinta Energy would appreciate an opportunity to provide feedback on further exposure drafts of the designation instrument as they become available up to the time of its finalisation.

## Designation instrument scope

There are elements of the exposure draft (for example the definition of "arrangement" in section 5 of the explanatory notes) that go beyond what was anticipated by energy retailers in the development of the priority data sets in 2019 (for example products being bundled with non-energy services).

Clarification of what products and services that may be non-energy in nature, while simultaneously bundled with an energy offer to customers under the CDR, would assist retailers understand the scope of the designated instrument. It would also be useful if examples of 'materially enhanced' information (excluded from section 8 the instrument) could be provided – Alinta Energy would welcome discussion with Treasury on this issue.

Increased certainty on the scope and nature of data required to be provided by retailers under the CDR will reduce the impact timing, resources and the cost of its implementation in the energy sector. Unanticipated changes in scope will inevitably add to the cost of delivering the CDR to energy consumers.

## Obligation to hold information

The obligation to hold required information for the purpose of the CDR is to commence no earlier than 1 July 2018 (as set out in the designation instrument). Alinta Energy is concerned that this will require retailers to retain customer data for a period longer than the current obligation under the National Energy Retail Rules of two years. The instrument defines 1 July 2018 as the date from which retailers must hold information relating to the consumer data right. We would seek to clarify if it is also intended that data must be held longer than the existing obligations under the NERR, given that the CDR in the energy sector is unlikely to be operating earlier than July 2021.

#### Specified classes of information – information about the sale or supply of electricity

Section 8(3)(f) of the designation instrument includes in billing information "a concessional measure put in place of a customer experiencing hardship". This data was not considered as part of the priority data sets consulted on in 2019. There are privacy and account validation processes that will likely be required to ensure the provision of accurate data if concession and hardship measures are to be included in billing data. Alinta Energy would ask that Treasury along with the ACCC) consider this issue (in the development and implementation of the CDR in the energy sector.

Alinta Energy would welcome further discussion with Treasury on any of the matters raised in this response. Please contact David Calder (Manager, Regulatory Strategy) on (03) 9675 5359 in the first instance.

Yours sincerely,

Graeme Hamilton General Manager, Government & Regulatory Affairs