23 October 2025

Australian Energy Market Commission
Level 15, 60 Castlereagh Street
Sydney NSW 2000

Submitted: via online portal

RE: ERC0399 – Real-time data for consumers, Draft determination

About Shell Energy and Powershop in Australia

Shell Energy delivers business energy solutions and innovation across a portfolio of electricity, gas, environmental products and energy productivity for commercial and industrial customers, while our residential energy retailing business Powershop, acquired in 2022, serves households and small business customers in Australia.

As one of the largest electricity providers to commercial and industrial businesses in Australia.[1] Shell Energy offers integrated solutions and market-leading[2] customer satisfaction, built on industry expertise and personalised service. Our generation assets include 662 megawatts of gas-fired peaking power stations in Western Australia and Queensland, to provide back-up for rising levels of renewable energy, and the 120-megawatt Gangarri solar energy development in Queensland. Shell Energy also operates the 60MW Riverina Storage System 1 in NSW.

Shell Energy Australia Pty Ltd and its subsidiaries trade as Shell Energy, while Powershop Australia Pty Ltd trades as Powershop. Further information about Shell Energy and our operations can be found on our website here.

General Comments

Powershop welcomes the opportunity to respond to the AEMC's draft determination on real-time data for consumers. We broadly support the AEMCs goal to empowering energy consumers to access and harness their energy data to unlock value. However, despite the welcome revisions made since the directions paper, several risks remain that will undermine the ability to meet the proposed deadline in a cost-effective manner and that maintains the integrity of a robust metering system.

Powershop supports market-led innovation and maintains that real-time data capabilities will develop when consumer value can be clearly demonstrated. The fast tracking of real-time data to January 1, 2028, is expected to further constrain metering companies as they ramp up meter production volumes to comply with the needs of the accelerated smart meter roll out (ASMR). From consultation with our metering companies, we understand that there are a series of steps – including design, engineering, testing and mass production – required to meet the yet to be finalised standards for this rule change. This is just one of the many challenges that increase the operational complexity in the operational challenge[3] of implementing the changes required by this rule change.

Without a clearly defined use case that delivers tangible benefits to consumers in the short to medium term,[4] there is a significant risk that the proposal will create a rigid, regulated pathway that stifles lower-cost innovation

[1] By load, based on Shell Energy analysis of publicly available data.
[2] Utility Market Intelligence (UMI) survey of large commercial and industrial electricity customers of major electricity retailers, including ERM Power (now known as Shell Energy) by independent research company NTF Group in 2011-2021.
[3] AEMO's High Level Impact Implementation Assessment indicates that the current timeline is an operational risk and revising these dates to allow for phased/staggered commencement to late 2028 would be an appropriate remedy.
[4] The draft CBA highlights that the core benefit of the draft rule is the "reduced cost of CER installation by avoiding additional site monitoring equipment" that customers investing in CER would otherwise privately outlay during CER install. This relies on assumptions about the 'likely' take up impact or benefit for customers with CER and without CER. Yet without intervention, it is equally reasonable

capable of delivering the technical functionality intended by the meter uplift without overhauling all meters in the field. This could result in consumers being locked into a more expensive smart meter upgrade and ongoing data provision requirements, ultimately increasing the cost of energy supply. There is a risk of repeating the suboptimal outcomes seen in the United Kingdom, where Ofgem's smart meter and in-home data display rollout exceeded cost expectations and delivered minimal consumer benefit in hindsight.[5] We reiterate concerns raised in the initial consultation that the cost of meeting this new standard may be greater than the AEMC's anticipated benefit. Mandating a shift to enhanced smart meter capabilities during the accelerated rollout, without a clear and widely applicable use case, presents significant risks. In the absence of demonstrated benefits for all consumers, this approach risks imposing unnecessary and unjustified metering costs to all energy consumers.

If these complexities are not addressed in the final determination, implementation costs are likely to rise beyond the conservative figures modelled. These costs could ultimately be passed on to consumers through higher market offer prices, despite limited visibility of the benefits or equity in accessing these benefits. To ensure an orderly and least-cost pathway to achieving the AEMC's objective of real-time capability, several changes and clarifications are needed to support metering companies and retailers in facilitating the rollout.

The key challenges and opportunities flagged in this submission include:

- The scope of the facilitation role retailers are expected to play
- Alignment with, and complication to the accelerated smart-meter rollout (ASMR)
- Timing and implementation feasibility

We have provided further comments around the proposed approach in the submission that follows.

Powershop thanks the AEMC for the opportunity to provide comment on this matter. If you would like to discuss any part of this submission, please contact Brett Crossley at brett.crossley@shellenergy.com.au.

Yours sincerely

Libby Hawker

General Manager – Regulatory Affairs and Compliance

to assume that the existing private market monitoring capabilities to the equivalent of RTD would continue to develop if the value of this information exceeds the cost.

[5] UK Parliament, Committee of Public Accounts, Update on the rollout of smart meters, 20 October 2023

Facilitation role for retailers

As the primary point of contact for consumers engaging with the energy system, it is reasonable for retailers to be responsible for receiving consumer requests to upgrade meters and access real-time data. However, beyond forwarding these requests to metering companies, retailers face a fundamental challenge in ensuring the required access is able to be obtained within the proposed 15-business-day timeframe to complete the meter uplift.

We also seek operational clarity on how this facilitation process will work. Has the AEMC considered whether these requests will be formal market transactions or informal communications with the Metering Coordinator (MC)? It is important to note that the retrofit pathway will be limited by the reality that energy consumers will likely switch retailers at any point throughout the roll out and therefore reduce the opportunities for low-cost retrofit due to the variability of the meter installed. In such cases, pursuing the preferred lowest-cost option to retrofit smart meters could be complex and time-consuming to administer. Additionally, implementing a compliant process for managing these requests may require IT system development, which would introduce further costs to serve.

We also seek clarity on the extent of the retailers' role to support AEMO processes to validate the authenticity of customer requests and approval of third parties (i.e. extent of identity and consent checks of consumer and nominated third parties). Without clear demarcation of roles and responsibilities, it is challenging to cost the extent of system build requirements and training required to ensure compliant front-line operations and adequate consumer protections.

In addition, while the AEMC is proposing that retailers can charge consumers who choose to access real-time data from their smart meter via a one-off payment, clarity is required on how this approach aligns with AEMC's work on a rule change proposal to remove fees and charges from consumer bills.[6]

The value of widespread uptake lies not in the real-time data itself, but in how that data is used to deliver additional services to customers. The market should be allowed to evolve organically, with upgrades to meters occurring when an energy consumer decides that the benefits to upgrading to real-time data outweighs the costs. These costs could be funded by third parties that can extract value from the data and offer services that consumers are willing to pay for. This approach would help avoid cross-subsidisation and prevent unnecessary costs from being imposed on all consumers, including the most vulnerable, regardless of whether they share in the benefit from the services enabled by the rule change.

In principle, more attention should be given to how the costs of developing and delivering enhanced data services are allocated. These costs include updating smart meters to support instantaneous data functions, ongoing software and telecommunications expenses, and potential premature replacement of existing smart meters. The current draft rule appears to suggest that these costs would be recovered through general market offers, rather than directly from those who use and benefit from the service enabled by real-time data access. By addressing the long-term cost implications and enabling retailers to recover costs from third parties - and by extension, their customers - we can avoid placing an undue financial burden on all energy consumers.

Alignment with the accelerated smart-meter roll out (ASMR)

We are encouraged that the AEMC has acknowledged the upfront costs associated with enabling meters to provide real-time data, as well as the interaction with the accelerated smart meter rollout. However, this proposal is being introduced while the rollout is already underway. The current meter fleet is being installed, and the next generation of meters is already on order, yet these devices are unlikely to meet the proposed functionality requirements.

Given the expected useful life of a meter is 15 years,[7] there is a real risk that, without a low-cost and reliable retrofit solution, retailers and metering service providers may be forced to replace meters well before the end of their operational life. This would result in duplicate installations, creating inefficiencies and significantly increasing sunk costs. If this occurs, introducing the new technical standard too early would impose unnecessary

[6] Removing fees and charges | AEMC

[7] National Electricity Amendment (Real-time data for consumers) Rule 2025, AEMC, pp. III

costs on consumers. For those who already have a smart meter, the total cost of upgrading to a real-time capable meter would be substantially higher, once the early retirement of their existing unit and the cost of a new installation are considered.

It is critical that there are grandfathering concessions made to provide metering companies sufficient time to develop compliant solutions and to deploy their existing stock and pipeline orders. This would help minimise the risk of stranded assets. More time may be needed to allow for the installation of meters already manufactured or contracted under the current standard. These supply lines were established to meet the requirements of the accelerated rollout. Extending the commencement date would help avoid the premature disposal of these units and reduce the risk of unnecessary cost increases for consumers.

In addition to the cost of the physical meters, there are also operational costs that will be incurred to support the implementation of these changes. This is particularly relevant in cases where consumers request retrofits of existing smart meters. Both metering companies and retailers will need to manage a range of support tasks, including scheduling installations, notifying customers, and ensuring compliance with new processes. These operational demands will add further complexity and cost to the rollout.

Aggregated customers with Schedule 4 and 4a meters

The draft rule outlines an approach to enable real-time data access for smart meters. As the AEMC finalises the rule, it is critical that customers who have consented to aggregate their consumption under Part 1, Division 2, Rule 5 of the National Energy Retail Rules continue to be excluded from this requirement. These are typically business customers who have elected to be treated as large customers and often operate under sophisticated contracting arrangements and systems that already account for load shifting and tariff optimisation.

We also seek clarification on the retailer's obligations in cases where the energy customer - often a small or medium business - has a direct relationship with the Metering Coordinator. It is unclear what role, if any, the retailer would be expected to play in facilitating real-time data access in these scenarios.

In addition, we seek clarity on how the rule change would apply to energy consumers with Schedule 4 and 4A meters installed downstream within embedded networks that operate under a parent National Metering Identifier (NMI). Examples include tenants in caravan parks or retail outlets within shopping centres. It is important to clarify whether it is the intent that these downstream meters are captured by requirements of the proposed rule change.

Meter capability identifiers

We support the AEMC's proposal that additional information should be provided by Metering Coordinators and retailers to assist customers in understanding the specifications of the meters installed at their premises. To effectively identify whether a meter can support real-time data, there is a clear need for a consistent and transparent system to flag this capability. This would enable retailers to reliably inform consumers about their meter's functionality.

In our view, an appropriate location for this information is within the Market Settlement and Transfer Solutions (MSATS) system. Introducing a new 'Meter Read Type' identifier for meters with real-time capability would provide a low-disruption and efficient mechanism to ensure all retailers have access to a standardised reference for meter capabilities. This is particularly important given that multiple retailers may service a site over the life of a meter, as customers move or switch providers. Using MSATS as the central repository for this information would streamline data sharing between retailers and eliminate the need for every retailer to undertake a bespoke system build in order to play their role in facilitating real-time data access in these scenarios.