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25 September 2014

Mr John Pierce Chairman Australian Energy Market Commission PO Box A2449 Sydney South NSW 1235

Dear Mr Pierce

# **RE:** Submission on the Draft Rule Determination - Customer access to information about their energy consumption

Ergon Energy Corporation Limited (EECL), in its capacity as a Distribution Network Service Provider in Queensland, and Ergon Energy Queensland Pty Ltd (EEQ), in its capacity as a non-competing area retail entity in Queensland, hereinafter referred to as Ergon Energy, welcome the opportunity to provide comment to the Australian Energy Market Commission on its *Draft Rule Determination - Customer access to information about their energy consumption*) (the Draft Rule Determination).

Specific comments in relation to the issues raised in the Draft Rule Determination are included in the attached submission.

Should you require additional information or wish to discuss any aspect of this submission, please do not hesitate to contact either myself on (07) 3851 6416, or Trudy Fraser on (07) 3851 6787.

Yours sincerely

enny Døyle

Group Manager Regulatory Affairs

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Enc:

Ergon Energy's submission

Ergon Energy Corporation Limited ABN 50 087 646 062

Ergon Energy Queensland Pty Ltd ABN 11 121 177 802



# Submission on the Draft Rule Determination: Customer access to information about their energy consumption



# Submission on the Draft Rule Determination: Customer access to information about their energy consumption

#### **Australian Energy Market Commission**

## 25 September 2014

This submission, which is available for publication, is made by: Ergon Energy Corporation Limited and Ergon Energy Queensland Pty Ltd PO Box 264 FORTITUDE VALLEY QLD 4006

Enquiries or further communications should be directed to:

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## Introduction

Ergon Energy Corporation Limited (EECL) and Ergon Energy Queensland Pty Ltd (EEQ), welcome the opportunity to provide comment to the Australian Energy Market Commission (AEMC) on its *Draft Rule Determination: Customer access to information about their energy consumption* (the Draft Rule Determination).

This submission is provided by:

- EECL, in its capacity as a Distribution Network Service Provider (DNSP) in Queensland; and
- EEQ, in its capacity as a non-competing area retail entity in Queensland.

In this submission, EECL and EEQ are collectively referred to as 'Ergon Energy'.

Ergon Energy is generally supportive of initiatives designed to enhance the ability of customers to have greater access to and understanding of their consumption information, which will ultimately support more efficient decision-making and energy use. Furthermore, Ergon Energy generally supports access to a customer's electricity consumption information, by a customer's authorised representative. Notwithstanding this, Ergon Energy has a number of concerns with the proposed Draft Rules and has provided detailed comments in response to specific issues in the Draft Rule Determination, in the attached table. Ergon Energy is available to discuss this submission or provide further detail regarding the issues raised, should the AEMC require.



## Table of detailed comments

Issue	Ergon Energy Response
Access to data from DNSPs	Ergon Energy generally supports allowing a customer to request access to their electricity consumption information from their distributor, in addition to their retailer. In particular, Ergon Energy considers that this is consistent with the objective of empowering customers to make more efficient electricity consumption decisions. However, Ergon Energy has some concern about the proposal in terms of scope of information to be provided by a DNSP, the mechanisms governing its delivery (e.g. delivery timeframes, costs and complexity) and whether in some cases the customer stands to derive any real value from the information provided. More specifically:
	Where customers have an accumulation meter installed, consumption information will be limited to total consumption to date. In the absence of load profiles for individual customers with accumulation meters, and in an environment where net system distribution load profiles have been noted as limited in value, and even misleading, it is difficult to reconcile what value there would be in requiring DNSPs to provide such information. On this basis it is recommended that the changes to the National Electricity Rules enable provision of the information to customers and their authorised representatives by DNSPs, but not mandate the provision of such information at this stage. Ergon Energy suggests that this arrangement be reviewed when the outcomes of the metering contestability rule change have been implemented and operational for a sufficient period of time to enable an informed assessment of the suitability for mandated application to DNSPs.
	• The provision of information will be governed by relevant privacy requirements and Ergon Energy is concerned that in its capacity as a DNSP, it may not have the ability to accurately identify if a customer is the current account holder at the premise, prior to the provision of the requested information. Any restriction on a DNSPs ability to accurately identify a customer for the purposes of the proposed Rule will likely lead to unnecessary administrative burden for both DNSPs and retailers and associated customer angst and confusion.
Access to data by authorised persons	Ergon Energy generally supports access to a customer's electricity consumption information, by a customer's authorised representative. Notwithstanding this, Ergon Energy is concerned about the possibility of large volume requests being made at the one time and the associated administrative and cost impacts. This is particularly so in consideration of the suggested timeframe for response to a data request. While Ergon Energy notes that the proposed response timeframe will be centred on a 'best

Issue	Ergon Energy Response
	endeavours' requirement, we suggest that it would be preferable to enable an alternative timeframe to be nominated in circumstances such as that described above. We consider that this would avoid any unreasonable expectation by the requestor and limit any requirement to retrospectively demonstrate compliance with the 'best endeavours' threshold.
	Ergon Energy is also concerned about the possibility for requests to be made by third parties in the absence of valid customer consent. For this reason, Ergon Energy considers it essential that the customer authorised representative is able to demonstrate that it has the requisite authority, prior to commencement of the timeframe for provision of the data. That is, in the case of a retailer or DNSP, the proposed 10 business day timeframe for provision of the data would not commence until the requestor has satisfied the retailer or DNSP of the existence of the requisite customer authority.
Minimum data requirements	Ergon Energy notes that the Draft Rules refer to the Australian Energy Market Operator (AEMO) developing data provision procedures specifying, among other things, the manner in which the relevant data must be provided. While Ergon Energy supports a standardised format for data requests and provision, we suggest that the costs and benefits of any prescriptive approach need to be accurately balanced prior to finalisation of such requirements.
Duration of time over which data requests should cover	Ergon Energy supports the requirement for retailers to provide data being limited to 2 years prior to the request on the basis that this is consistent with the requirement in the National Energy Retail Rules (NERR) for a retailer to provide historical billing data for a customer for the previous 2 years on request. Ergon Energy also supports this requirement being limited to the period for which the requestor has been a customer of the retailer, where that period is less than 2 years.
	Ergon Energy does not support the ability for customers to request information about their energy consumption from a DNSP without a time limitation over which that information is to cover, where the provision of such data in the minimum format would need to be provided free of charge for an indeterminate period. The Rule as currently proposed has the potential to lead to inefficient requests and an associated increase to network costs as a consequence. With this in mind Ergon Energy suggests that it would be preferable to consider allowing DNSPs to impose a reasonable charge for the provision of information. This approach would not remove the entitlement for a customer to access historical information, though would help to limit the incidence of inefficient requests being made simply on the basis that the Rules allow such request to be made. This approach is also consistent with the current classification of services in

Issue	Ergon Energy Response
	Queensland.
Timeframe for retailer and DNSP to respond to a data request	Ergon Energy generally supports a 10 business day timeframe for retailers and DNSPs to respond and agrees that the obligation to respond within this period should be a 'reasonable endeavours obligation'. However as previously stated in our response to the issue of access to data by authorised persons, Ergon Energy considers that in some cases it would be preferable to enable an alternative (and reasonable) timeframe to be nominated to avoid any unreasonable expectation by the requestor and limit any requirement to retrospectively demonstrate compliance with the 'best endeavours' obligation. For example, in Ergon Energy's distribution area, a requirement to obtain data from an accumulation meter in a remote location on an unscheduled basis would be both time consuming and costly, with such costs ultimately being borne by customers. Also, on this issue it is currently unclear to Ergon Energy whether we will be required to probe read any interval meters that are currently only read as accumulation meters, for the purposes of complying with the data provision requirements. As indicated above, this is likely to be difficult and costly in some cases.
When data requests are free of charge or subject to a reasonable fee	Ergon Energy agrees that the decision on whether data requested by a customer should be provided free of charge or subject to a reasonable fee needs to appropriately balance a customer's entitlement to readily access their data against any costs incurred by market participants in responding to such requests. In consideration of this, Ergon Energy agrees with the suggested reformulation of the Draft Rule to allow customers to receive their data free of charge up to 4 times over a 12 month period for the reasons cited in the Draft Rule Determination. However Ergon Energy considers that market participants should be able to charge a reasonable fee where data requests exceed minimum requirements, are made more than 4 times over a 12 month period, or where the request is made to a previous retailer.
Application of Rule 56A of the NERR to large customers	Ergon Energy agrees that Rule 56A of the NERR should be limited in its application to small customers, on the basis that large customers would ordinarily have their own contractual arrangements in place governing access to data and related issues.
Timeframe for AEMO to make and revise procedures	Ergon Energy has some concerns about the proposal for the AEMO data provision procedures to take effect 3 months after publication, and therefore after the commencement of the Rule. In particular, Ergon Energy considers that an obligation for retailers and DNSPs to comply with data provision requirements in the absence of standard market procedures to support that requirement, will in many cases lead to customer confusion. On this basis, Ergon Energy suggests that it would be preferable to align the commencement date of the Rule with the publication of the data provision procedures.

Issue	Ergon Energy Response
	Furthermore, Ergon Energy is currently undertaking major upgrades to a number of its systems that would render it extremely difficult for it to implement the necessary system and process changes in compliance with these procedures, within the suggested 3 month timeframe. These concerns are heightened by the fact that it is unclear at this stage how onerous the AEMO procedures are likely to be and consequently, whether Ergon Energy would be able to manually achieve the requirements for data provision until such time as the current system changes are complete.