

A few
words.



Australian Energy Market Commission
PO Box A2449
South Sydney NSW 1235
Project number ERC0171
Submitted electronically

25 September 2014

Dear Commissioners,

Submission to AEMC's Draft Rule Determination on National Energy Amendment (Customer access to information about their energy consumption) Rule 2014

AGL Energy (**AGL**) welcomes the opportunity to make a submission in response to the Australian Energy Market Commission's (**the Commission**) Draft Rule Determination on National Energy Amendment (Customer access to information about their energy consumption) Rule 2014 (**the Draft Determination**).

AGL supports the provision of accurate, useful information to customers to enable them to effectively manage their electricity consumption. However, we would caution against developing overly prescriptive rules for the provision of information to customers. Doing so risks impinging on the level of innovation that would otherwise be able to be exercised by energy retailers that may want to use their quality and type of data provision as a means of differentiation from other retailers, and as a source of competitive advantage. It is in the commercial interests of energy retailers to provide useful and accurate information to customers to enable them to manage their energy usage. Many energy retailers are undertaking significant projects aimed at developing and making available to customers and their agents information specific to customers needs.

Please find attached at **Appendix A** are AGL's comments on the Draft Determination.

Please contact Leilani Kuhn on 03 8633 6934 or lkuhn@agl.com.au if you wish to discuss any aspect of this submission further.

Yours sincerely,

A handwritten signature in blue ink that reads 'N Wallis'.

Nicole Wallis
Manager, Retail Markets Regulation

Appendix A – AGL’s comments on the Draft Determination

1. Draft rule determination

1.1. Commencement date of the rules

AGL expects that it would take six months to vary its standard retail contract. This would allow for the appropriate approvals to be obtained and allow time to run down existing stock.

2. Customer access to electricity consumption data from DNSPs, MDPs and AEMO

2.1. Access to data from DNSPs

AGL submits that it is not appropriate to expect Distribution Networks Service Providers (**DNSPs**) to rely on the current B2B transactions for verifying the identity and details of customers as the information exchanged as part of those transactions is for faults and outage purposes only. In AGL’s opinion, if a customer requests information from a DNSP, the DNSP should be required to validate the customer’s information independently and not just rely on the customer information that has been provided by the energy retailer through B2B transactions. As such, AGL submits that there should be other options explored outside of the B2B transactions.

2.2. Access to data from MDPs

AGL supports the AEMC’s draft determination to not amend the National Energy Rules (**NER**) to allow customers additional entitlements to access data directly from MDPs as it agrees that the existing arrangements in the NER are sound.

2.3. Access to data from AEMO

AGL does not support the proposal to allow customers and authorised service providers use of the B2B arrangements to obtain access to ‘consumer energy use data through a common gateway’, namely Australian Energy Market Operator’s (**AEMO**) MSATS database.

MSATS was built as a transfer and settlement system, it does not store customer specific information. MSATS was also built on the basis that only registered participants, who have explicit informed consent, will be provided with access to data.

AGL highlights that there would need to be significant security controls and credentials put in place to change MSATS to enable it to store and maintain customer data. AEMO currently provides participants with the ability to manually control the access of their own users in MSATS but it is AGL’s view that there are significant gaps in the functionality provided that makes control of user access to MSATS onerous and difficult to monitor. When access related issues have arisen in the past it has been very difficult to identify the cause of the issues and put in place control mechanisms that manage these issues due to the lack of information, the highly manual nature of managing MSATS access and the inability to integrate with core IT Security Management systems.

3. Allowing a person authorised by a customer to access data

AGL considers the AEMC’s proposed term ‘customer authorised representative’ and its associated definition appropriate for referring to authorised agents and service providers accessing customers’ energy consumption information.

While AGL supports customer data being shared with authorised parties, AGL does not support the proposal to allow authorised parties to access their customers’ data from AEMO’s MSATS database via a B2B transaction. AGL submits that the proposal is not

appropriate as it would require a specific logon to be created and granted for multiple users, which would raise significant security, access, and privacy issues. Also MSATS does not hold meter reads. Rather MSATS holds elements of meter/standing data as it is a system used to transfer sites and for settlement purposes.

4. Minimum requirements for the provision of electricity consumption data

4.1. Format of data - detailed and summary format

AGL supports the AEMC's draft determination that customers should be provided with their electricity consumption data both in detailed and summary format. AGL also agrees that the obligation to provide data in a detailed and summary format should be set out in the NER while the precise format should be determined by AEMO in its data provision procedures following consultation with stakeholders. This will allow for the necessary detail and flexibility. However, AGL would suggest that the existing meter data file formats are inappropriate for this purpose.

As previously stated, AGL would also caution against AEMO developing overly prescriptive rules for the provision of information to customers. Doing so risks impinging on the level of innovation that would otherwise be able to be exercised by energy retailers that may want to use their quality and type of data provision as a means of differentiation from other retailers, and as a source of competitive advantage. It is in the commercial interests of energy retailers to provide useful and accurate information to customers to enable them to manage their energy usage.

4.2. Duration of time over which data requests should cover

AGL supports the AEMC's draft determination that the NER does not need to specify a period of time over which the electricity consumption data set are to be provided. As the AEMC rightly points out, this is more appropriately placed in the National Energy Retail Rules (**NERR**).

AGL agrees with the AEMC that the requirement in the NERR that energy retailers provide energy consumption information should be limited to the previous two years since the request for data was made, subject to the qualification that if a customer has been with an energy retailer for less than two years, the energy retailer is only required to provide data for the period of time that the customer has been with that retailer. AGL customers are already able to access their raw consumption data for up to two years via AGL IQ.

However, AGL notes that per AEMO's B2B Meter Data Process, MDPs are only required to maintain Meter Data online for a 13 month period. This could pose a problem if customers start to interrogate their data historically up to the two year limit and meter data was found to be missing.

This restriction also applies to B2B Verify Meter Data Request transactions, which could delay an energy retailer's ability to query and respond to a data request by a customer. If a customer wanted to query their meter data, an energy retailer would be only able to query the data with the MDP up to 13 months.

AGL supports the proposed amendment to rule 7.7(a)(7) of the NER to make clear that customer can request their electricity consumption data from their previous energy retailers for a period up to two years prior to the date of the request or for the period that they were a customer of the energy retailer within that two years.

4.3. Time frame for retailer and DNSP to respond to a data request

AGL agrees with the AEMC that the maximum time frame for DNSPs and energy retailers to respond to a data request should be 10 business days and that this should be stipulated in the NER.

However, the ability of energy retailers to meet the 10 business day time limit will depend on what is included in the definition of 'data request'. For example, Victorian AMI meters are currently treated as type 5 meters which is restricting energy retailers from being able to request or verify meter data. For type 5 and 6 metering installations, an energy retailer has to wait six business days following the next published scheduled reading date (which is generally quarterly) before raising either a Provide Meter Data or Verify Meter Data Request via B2B.

Various Procedures would need to be reviewed and AGL would support changes to enable an energy retailer to request and/or verify meter data via the relevant B2B transactions earlier than the procedures currently allow. For Victorian AMI Meters, which have been logically activated to be read remotely and daily, AGL would support a change to enable energy retailers to raise via a B2B transaction both Provide Meter Data and Verify Meter Data Requests to align with the timeframes for meter installation types 1,2,3 and 4 (which is four business days following the read event).

Given the above, AGL supports the AEMC's draft determination that the obligation to respond to any 'data request' within 10 business days should be subject a 'reasonable endeavours' obligation as this would allow for reasonable circumstances where DNSPs or retailers require further time to respond.

4.4. When data requests are free of charge or subject to a reasonable fee

AGL supports the requirement that customers are entitled to receive their data free of charge once every three months. AGL also supports the AEMC's determination that a reasonable fee is appropriate for any data requests beyond the minimum requirements as well as any requests for data from a previous retailer.

4.5. Application of clause 56A of the NERR to large customers

AGL supports the AEMC's draft determination that clause 56A of the NERR should only apply to small customers as large customers would have their own contractual arrangements regarding the provision of data.

4.6. Time frame for AEMO to make and revise procedures

AGL does not support the AEMC's draft determination to have the AEMO data provision procedures take effect three months after the rule is made.

As stated in our previous submission to the AEMC, AGL recommends that the first data provision guidelines be published by AEMO within six months of the rule change coming into force. This would allow adequate time for AEMO to consult with stakeholders regarding the detail of the data provision guidelines.

AGL also submits that industry should be given a further six months to implement the changes introduced by the data provision guidelines. This would allow for the changes to be implemented around AEMO's and industry's release cycles.

General information about electricity consumption data

AGL supports the AEMC's draft determination that there is not a significant risk or problem in the NEM that necessitates the publication of standard information on the websites of energy retailers and DNSPs about how electricity consumption data is used.



AGL also agrees with the AEMC's draft determination that a common terminology guideline is not required and that any privacy concerns are better addressed through existing legislation to the extent that meter data is personal information.

- > Being selected as a member of the Dow Jones Sustainability Index 2006/07
- > Gaining accreditation under the National GreenPower Accreditation Program for AGL Green Energy®, AGL Green Living® and AGL Green Spirit
- > Being selected as a constituent of the FTSE4Good Index Series