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4 February 2020

Mr Paul Franklin
Executive General Manager, CDR Division
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Submitted electronically: ACCC-CDR@acc.gov.au

Dear Mr Franklin,

Re: Consumer Data Right - consultation on how best to facilitate participation of third party service providers

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to respond to the Australian Competition and Consumer Commission's (ACCC) consultation on how best to facilitate the participation of third party service providers, such as 'intermediaries', in the Consumer Data Right (CDR).

The extension of the CDR to the energy sector will promote competition and innovation to the benefit of all energy consumers. However, the CDR framework must maintain our customers' privacy and safety by ensuring the integrity of their data and transparency around how it is managed. As a result, Red and Lumo can only support a model with as few potential leakages or points of weakness as possible. We would be concerned if some entities with access to CDR data were subject to lesser obligations and reduced regulatory oversight.

We do not yet see a strong case for a tiered accreditation model - with a reduced form of accreditation for intermediaries, for example - particularly as there is no discussion in the paper about the potential role of intermediaries in the energy sector. There is reference to professional advisers but other sections describe intermediaries as those who 'may assist in or facilitate the collection of CDR data and those that may offer 'end-to-end' services that collect and use CDR data.'¹ We recommend the ACCC follow up on this paper with further analysis of intermediaries in the context of the CDR - and in the energy sector - before it starts to develop draft rules.

¹ Australian Competition and Consumer Commission (2019), *Consumer Data Right: Consultation on how best to facilitate participation of third party service providers*, page 3

A relatively simple accreditation framework should also be easier for the ACCC to administer in the early stages of the CDR. This will also avoid any ambiguity for CDR participants about the form of accreditation they should seek, and for consumers about the extent of their protections.

A simple accreditation model would not prevent intermediaries from being a part of the framework or unduly limiting the potential benefits of the CDR. They could choose to directly seek accreditation if they intend to work with multiple data recipients. Alternatively, they could act as agent for an accredited data recipient, with the latter remaining primarily responsible for complying with CDR obligations under the terms of its own accreditation.

The CDR rules should allow the ACCC to assess business models that rely on intermediaries as part of the organisational structure through its initial assessment and approval of accreditation, and then as part of its ongoing monitoring. This should capture the contractual arrangements between the parties, including the arrangements they have to ensure the safe and secure exchange of information.

We would also expect that accredited recipients would be obligated to inform consumers that they may share information with third parties as part of their CDR activities when they obtain consent to obtain and use data.

About Red and Lumo

We are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in Victoria, New South Wales, Queensland and South Australia and electricity in the ACT to over 1 million customers.

Red and Lumo thank the ACCC for the opportunity to respond to its consultation. Should you wish to discuss or have any further enquiries regarding this submission, please call Geoff Hargreaves, Regulatory Manager on [REDACTED].

Yours sincerely

A handwritten signature in black ink, appearing to be "Ramy Soussou". The signature is fluid and cursive, with a long horizontal stroke at the end.

Ramy Soussou
General Manager Regulatory Affairs & Stakeholder Relations
Red Energy Pty Ltd
Lumo Energy (Australia) Pty Ltd