



Meridian Energy Australia Pty Ltd
Level 15, 357 Collins Street
Melbourne VIC 3000

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Australian Competition and Consumer Commission
Email: accc-cdr@accc.gov.au

Consumer Data Right in Energy – Consultation Paper: Data Access Models for Energy Data

Meridian Energy Australia Pty Ltd and Powershop Australia Pty Ltd (**MEA Group**) thank the Australian Competition and Consumer Commission (**ACCC**) for the opportunity to provide comments on the Consumer Data Right in Energy – Consultation Paper: Data Access Models for Energy Data (**Consultation Paper**).

The MEA Group is a vertically integrated generator and retailer focused entirely on renewable generation. We opened our portfolio of generation assets with the Mt Mercer and Mt Millar wind farms. Subsequently, in early 2018 we acquired the Hume, Burrinjuck and Keepit hydroelectric power stations, further expanding our modes of generation. We have also supplemented our asset portfolio by entering into a number of power purchase agreements with other renewable generators, and through this investment in new generation we have continued to support Australia's transition to renewable energy. The MEA Group has also been active in supporting community energy initiatives, including providing operational and market services for the community-owned Hepburn Wind Farm, supporting the Warburton hydro project, and funding a large range of community and social enterprise local energy projects through our Your Community Energy program.

With respect to the MEA Group's retail side, we also own and operate Powershop Australia, an innovative retailer committed to providing lower prices for customers and which recognises the benefits to customers in transitioning to a more distributed and renewable-based energy system. Powershop provides its customers with close to real time energy usage data via an app on their phone or via the website and also provides customers with the flexibility of pre-purchasing energy ahead of time or at the end of the monthly billing period. Powershop is committed to empowering customers and therefore is supportive of the implementation of the consumer data right in the energy sector.

Set out below are responses to the questions posed in the Consultation Paper.

Question 1: Are there any other assessment criteria or relevant considerations which the ACCC should use to determine a preferred model for consumers to access their energy data under the CDR?

We are generally supportive of the proposed assessment criteria and relevant considerations. An additional consideration for cost effectiveness is the extent that the work required of market participants to develop their CDR capability will also be capable of being utilised to support future industry developments. For example, use of the gateway model is likely to encourage participants to advance their utilisation of AEMO's API interface giving them greater confidence and capability to utilise this interface for other industry purposes.

Question 2: Having regard to the assessment criteria, what are the advantages and disadvantages of each of the models?

We consider Option 1 untenable because it requires storing personal information out of the control of the originally entrusted holder and is likely to have significantly higher cost and complexity without any countervailing benefits.

Of the remaining options, our strong preference is Option 2 for the following reasons:

- Increased security - with 30 retailers and 100 accredited data recipients, Option 2 requires only 130 data links and authentication processes of which 30 could be within a secure communications infrastructure, while Option 3 would require 3,000, significantly increasing the potential attack surface.
- Upgradability -the current B2B infrastructure enables AEMO to upgrade its systems while enabling participants to upgrade systems over time. This backward compatibility will enable participants to schedule their upgrades in line with other planned upgrades.
- Cost, complexity and risk -Option 3 has the potential for significantly higher complexity and risk. For example, a user who has confirmed that their system can interact with the gateway will have the ability to talk to all users whereas with Option 3, this test would need to be undertaken for every connection i.e. over 3,000 times and for every system upgrade).

Question 3: What are the likely implementation/compliance costs for market participants (including accredited data recipients) under each of the models, including costs associated with IT system changes or data storage?

There will be substantial implementation and compliance costs under each of the models (in the order of one million dollars for small players and potentially higher for larger participants with complex systems). While these costs may be of similar magnitude, it is likely that the gateway model will have a lower initial and ongoing cost as participants will only need to develop and maintain a single system interface.

Question 4: What additional requirements should the ACCC consider including in the CDR rules for the energy sector if the gateway model is adopted?

A clear process must be documented in respect of how customer authorisation for provision of their data to an accredited participant will be verified. Consideration also needs to be given as to who will store such authorisations. Clearly privacy law obligations in relation to the sharing of personal and sensitive information will need to be complied with.

There may be a need to include, in either the CDR rules or energy market rules, a process for ensuring that market participants provide appropriate responses to enable the gateway to respond to requests.

Question 5: What emerging technologies do stakeholders believe will have an impact on the energy sector with respect to the CDR?

In time, consideration will need to be given to including additional data relating to new technologies. For example, rates of charge and discharge of battery systems may become important to customers to enable them to achieve maximum value from these systems.

Question 6: What are the cost differences to participants of providing data once a day (to an AEMO repository) or on demand?

While it may appear to be more affordable to provide data on a daily basis, this may not actually be the case after consideration of factors such as the need to implement verification (data completeness, etc.) and updates to previously provided data to ensure data synchronisation.

Question 7: What is the competitive impact, if any, of accessing data through AEMO rather than through a retailer?

We see no difference in competitive impact between Option 2 and Option 3 other than the need to develop multiple relationships under Option 3 which may increase the cost and complexity for new entrants, while also increasing the risk that there will be delays in consumer data being available to other parties while these relationships are established. This is likely to reduce competitive outcomes for both new entrant retailers and new accredited data recipients.

Question 8: Are there any other issues that stakeholders wish to raise?

A key factor in ensuring the smooth implementation of the CDR process will be ensuring that the designation includes, initially, only data categories that are amenable to either option (eg. meter data and NMI standing data) and the appropriate entity is declared the data holder.

As NMI standing data is held primarily by AEMO, we consider them to be the appropriate data holder. The fact that relevant consumer data is likely to be held by two different entities (eg. a retailer and AEMO) is another reason why the gateway model is preferable, as one single request could access both data sources.

If you have any queries in relation to above please feel free to contact me.

Yours sincerely



Lynne Sutton
General Counsel & Company Secretary
Meridian Energy Australia and Powershop Australia