

22 March 2019

Mr Rod Sims
Chair
Australian Competition & Consumer Commission
23 Marcus Clarke Street
Canberra ACT 2601

Via online submission

Dear Mr Sims

RE CONSUMER DATA RIGHT IN ENERGY CONSULTATION PAPER: DATA ACCESS MODELS FOR ENERGY DATA

TasNetworks welcomes the opportunity to make a submission to the Australian Competition & Consumer Commission's (ACCC) consumer data right (CDR) in energy consultation paper on data access models for energy data.

As the Transmission Network Service Provider (TNSP), Distribution Network Service Provider (DNSP) and jurisdictional planner in Tasmania, TasNetworks is focused on delivering safe and reliable electricity network services while achieving the lowest sustainable prices for Tasmanian customers.

As a distributor, TasNetworks considers that it would have a limited role in the provision of data for any data access model. However, in considering the three data access models proposed by the ACCC, TasNetworks prefers Model 1, the AEMO centralised model. The key considerations are:

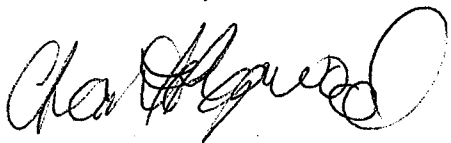
- The AEMO centralised model would provide more streamlined access to the data with the single point of contact for accredited data recipients this will support improved customer outcomes.
- Of the three models, implementation of the AEMO centralised model represents the most economic outcome for TasNetworks with no additional cost impost. This model is also likely to be the most cost effective to implement when compared with the AEMO gateway model and the economy-wide CDR model, as organisations from

across the industry would not be incurring additional costs through the development of application programming interfaces (APIs).

- Additionally, as long as the requirements do not come into force until after the changes associated with five minute market settlement have been completed, under the AEMO centralised model, TasNetworks would not be required to pass on any additional data to AEMO. The alternative would be that TasNetworks would have to build a temporary solution to transfer data to AEMO, with a cost imposition on TasNetworks and our customers.

Responses to individual questions are provided below. TasNetworks welcomes the opportunity to discuss this submission further. Should you have any questions, please contact Tim Astley, NEM Strategy and Compliance Team Leader, via email (tim.astley@tasnetworks.com.au) or by phone on (03) 6271 6151.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chantal Hopwood', with a large, stylized flourish at the end.

Chantal Hopwood
Regulation Leader

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?

TasNetworks is of the opinion that the assessment criteria cover the key considerations.

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

TasNetworks is of the opinion that the AEMO centralised model will:

- provide the best functionality and ease of use, with data being able to be sourced from one central repository;
- have the highest efficiency, with only one body having to develop an API;
- promote competition through limiting retailers knowledge that a customer may be contemplating churning; and
- be reliable and secure, noting that AEMO has experience in managing a reliable and secure system for market settlement.

Given these benefits TasNetworks is confident the AEMO centralised model will encourage competition in the creation of innovative services from third parties leading to customer benefits.

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?

In considering costs, the AEMO gateway model would likely have the greatest costs associated with it. Under this model each retailer/distributor is the holder to the data and would be required to develop relevant APIs. This duplication in developing processes and the associated IT system changes will be costly. This compares unfavourably to the AEMO centralised model where only AEMO would need to develop the relevant interface for interacting with accredited data recipients. TasNetworks therefore suggests that the AEMO centralised model delivers benefits to customers in the most cost effective manner.

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

With the introduction of five minute market and global settlements, under which AEMO will receive full energy consumption data from all energy retailers, the gateway model would become redundant, for at least energy usage data, as AEMO would already have access to all the data required.

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

To date, we have seen changing customer preferences in relation to electricity usage and increased adoption of new technologies. Going forward we expect to see a growing class of customers that can be classified as 'early adopters' who invest in electricity storage,

generation, or management technology – collectively referred to as Distributed Energy Resources (DER) – as well as electric vehicles, which can also be used as a form of mobile electricity storage.

As these emerging technologies continue to develop, customers may be interested in not only their own energy usage data but also in data about the capability of the equipment they have invested in. There could be benefit in considering how this data could be made available in future improvements to the CDR framework.

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

Presuming the obligation to provide data occurs after the changes to the NEM settlement regime (Five Minute and Global Settlement), the data currently envisaged as being required to be available will have to be provided to AEMO daily, therefore TasNetworks will not incur any additional costs. Providing the data on demand will require the development of systems (an API or otherwise) to manage this which would result in additional costs for TasNetworks and therefore our customers.

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

When accessing data through a retailer, the retailer is aware that a customer is asking for this data and can then pre-empt any change by offering the customer a more competitive deal. This has the potential to allow retailers to conceal discounted offers until they know the customer is potentially looking around for new deals. At an extreme the retailer could then offer discounts that competitors can't compete with knowing these discounts only need to be provided to a subset of their customers. However, if the same information is requested from AEMO, the retailer would therefore be unaware of a potential customer's churn. This allows for increased competition in the market through ensuring the retailer offers its customers the most competitive options at all times.

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

TasNetworks suggests any changes should be coordinated with the changes to market settlement processes in the interests of efficiency and lowering costs which inevitably will have to be borne by end consumers.