

A few  
words.

**Ms Rosalyn Bell**

**Productivity Commission**

**Via: [www.pc.gov.au/inquiries/current/data-access](http://www.pc.gov.au/inquiries/current/data-access)**

**1 August 2016**



Dear Ms Bell,

**Re Issues paper: Data Availability and Use**

AGL Energy (**AGL**) welcomes the opportunity to respond to the Productivity Commission, *Data Availability and Use, Issues Paper (Issues Paper)*. This submission is focussed on the question of customer access to data, and in particular, to their energy consumption data.

AGL is one of Australia's leading integrated energy companies and largest ASX listed owner, operator and developer of renewable generation. Our diverse power generation portfolio includes base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources. AGL is also a significant retailer of energy, providing energy solutions to over 3.7 million customers throughout eastern Australia. In 2015 AGL established a New Energy Services division, with a dedicated focus on distributed energy services and solutions.

Evolving customer preferences are leading a transformation of the National Electricity Market. The availability of distributed renewable energy sources and other technologies is enabling customers to exert greater control over their energy usage and demand improved services and a wider range of products from energy service providers.

As the Issues Paper recognises, in a competitive landscape there are incentives on businesses to, not only make data available to customers, but to do so in ways that are useful and valued by them. Thus the advanced energy services on which the market is increasingly competing now commonly include products and services that are targeted at providing customers greater insight into, and the ability to better manage, their energy usage behaviour. This empowers customers to make informed choices and capture the value of those choices.

There is plenty of evidence of this right across the energy industry. As an example, AGL's online portal provides access to 'AGLIQ' which gives customers easy access to their detailed usage data, as well as presenting the data in a series of summary formats which give the customer an up-to-date and easy to understand snapshot of their energy use, associated costs, comparisons with similar households and achievements against any energy saving goals which the customer has set. AGL has also launched a mobile phone application giving customers easy access to this data 'on the go'.

Access to energy consumption data can also better enable customers to assess what products and services best suit their needs. In this regard, AGL acknowledges that the development of a vibrant third party energy services market requires a framework that allows customers to provide authorised representatives timely access to their energy

consumption data in a common format. In 2014 the Australian Energy Market Commission made new Rules to achieve just this.<sup>1</sup>

While there is a clear rationale for establishing minimum obligations for the provision for energy consumption data, AGL considers that otherwise governments and regulators should not seek to prescribe tools or solutions which crowd out or replicate solutions that the competitive market is already delivering. For example, establishing a central 'data bank' (as canvassed in the Issues Paper) would cause the inefficient duplication of existing investments made by the private sector in data services and related infrastructure (portals, apps) and may disincentivise the continued creation of data (e.g. via the installation of digital electricity meters).

In AGL's view, we are currently witnessing only the first wave of products and services that leverage energy consumption data to offer value to customers. As the digital and technological transformation of the energy industry continues apace we expect to see competing energy services businesses responding to unique customer preferences in new and innovative ways. We will see a range of tools and solutions coexisting to meet the expectations and demands of different customers. In this way, the current energy data provision Rules offer a good balance between facilitating the development of third party markets and not causing the duplication of existing private sector investments, nor disincentivising the continued creation of data and innovation in energy products and services.

AGL also recognises that there are sensitivities around access to energy consumption data, particularly as digital metering vastly increases the granularity of consumption data that is generated. Engendering consumer trust will be fundamental to ensuring that the most beneficial use of data can be made. For AGL, in addition to utilising data to offer products and services that customers value, building consumer trust involves strictly maintaining the security of such data and ensuring that customers determine who else is permitted access to their energy consumption data.

To distil the above into a few key principles around access to energy consumption data, it is AGL's view that:

- Customers should be provided easy access to their consumption data;
- Customers should determine who else is permitted access to their consumption data, other than regulated entities for market settlement and other regulated purposes;
- The ability to use data to competitive advantage motivates data creation, product and service innovation ultimately in customers' interests;
- The 2014 data access Rule change has been a useful development, imposing minimum obligations for the provision of energy consumption data (including standardisation and portability), but any greater prescription may limit innovation.

Should you have any questions in relation to this submission, please contact Eleanor McCracken-Hewson, Policy and Regulatory Manager, New Energy, on

Yours sincerely,

**Stephanie Bashir**

Head of Policy & Regulation New Energy

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<sup>1</sup> Australian Energy Market Commission, Final Rule Determination, *National Electricity Amendment (Customer access to information about their energy consumption) Rule 2014, National Energy Retail Amendment (Customer access to information about their energy consumption) Rule 2014*, 6 November 2014 <http://www.aemc.gov.au/getattachment/a816abd5-4903-4fb2-aa6e-55d23fdd7e39/Final-determination.aspx>

