

Data Availability and Use  
Productivity Commission  
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Lodged online: <http://www.pc.gov.au/inquiries/current/data-access/make-submission#lodge>

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### Data Availability and Use: Issues Paper

The Australian Energy Council (the “Energy Council”) welcomes the opportunity to comment on the Productivity Commission’s (“PC”) Issues Paper on Data Availability and Use.

The Energy Council is the industry body representing 22 electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. These businesses collectively generate the overwhelming majority of electricity in Australia and sell gas and electricity to over 10 million homes and businesses.

The Energy Council recognises the value that data holds for businesses and consumers and commends the PC’s continued examination of ways to enhance the use of data and to extract the maximum value from data resources. The energy market is in a period of transition with a number of reviews and energy market reforms which are seeking to progress the availability and use of data. While, the Energy Council welcomes this inquiry we would ask the PC to be cognisant of the work that is currently being undertaken in the Australian energy industry.

The Issues Paper seeks comments under three topics to examine the benefits and costs of options for increasing availability of:

1. Public sector data.
2. Private sector data.
3. Individual’s access to public and private sector data about themselves.

The Energy Council’s response to the PC inquiry Issues Paper will focus on the second and third topics of private sector data and individuals’ access to data about them. Data availability and use in Australia’s energy sector is rapidly changing in the areas of customers access to electricity data; electricity production outside of the main markets and the East Coast gas market. Each of these issues will be discussed further below.

#### Customers’ access to their own electricity data

The electricity sector has achieved significant advancements in technology, information systems and regulatory arrangements such that customers can receive finely detailed data about their electricity use and relevant price. Energy customers’ access to data has been the goal over many years of technology advancement and regulatory reform, and today some customers are able to access more data than ever before. The energy sector is well progressed and many energy businesses are leaders when it comes to providing customer access to data. In particular, retailers are trialling methods of providing customers with their electricity use and price data in real time<sup>1</sup>. While the access to data provides a sense of choice and control to consumers it also assists in consumers providing efficient signals to the market.

In 2012, the PC identified broader community benefits through understanding the price impacts of electricity and responding to that by changing energy use<sup>ii</sup> and in 2015 the Harper Review noted benefits for consumers to have greater access to personal data such as electricity usage<sup>iii</sup>.

At the request of the Council of Australian Governments (COAG), a substantial reform process was undertaken to increase consumer choice and visibility of their electricity use data. In November 2015, the Australian Energy Market Commission (AEMC) made a final rule to provide customers with access to their own information<sup>iv</sup> and to open up competition in metering services and give consumers more opportunities to access a wider range of services. The new arrangements commence in December 2017, following the required changes to the National Electricity Rules (NER) and the National Electricity Retail Rules (NERR)<sup>v</sup>.

As market participants prepare for the implementation of competitive metering and greater use of consumer data, it is unnecessary to make further changes or mandate data reporting. The competitive framework is designed to promote innovation and lead to investment in advanced meters that deliver services valued by consumers at a price they are willing to pay. Allowing the competitive pressures already in existence in many of Australia's retail electricity markets<sup>vi</sup> to support retailers in experimenting with the provision of data to consumers is a valuable process for a market in development.

The Energy Council supports the AEMC's process and finds that it would be untimely to create recommendations as the market adjusts to new competitive frameworks.

### **Electricity and emissions data in regions outside of the main markets**

The Energy Council supports government and the private sector working together to understand electricity production not captured in the two main electricity markets<sup>vii</sup>. The Australian Energy Market Operator (AEMO) provides the public with considerable data for the National Electricity Market (NEM) and South West Interconnected System (SWIS). However, some electricity generation falls outside of AEMO's reporting systems and is not captured in the statistics published. The Energy Council believes that there would be value in capturing data relating to the use of new energy services, such as off-grid systems, distributed generation and storage as these technologies contribute a larger share to the energy system in the future. We note, though, that this may prove challenging to do without impinging on the commercial confidentiality and privacy of customers who use these technologies.

Technology change and innovation are likely to increase the importance of energy production and use not currently captured by conventional systems. Without frequent reporting of energy generation, fuel use and regional distribution, Australia's understanding of energy may move away from well defined, timely data toward a patchy understanding. The Energy Council supports State Governments, publicly owned entities and private companies to work together to develop a fuller understanding of electricity outside of the two main grids. To the extent that additional regulation is contemplated to achieve this goal, it should only proceed where the benefits demonstrably exceed the costs.

### **East Coast Gas Market data**

The availability of price and supply information in the East Coast Gas market and market arrangements is currently under review and it is timely to await the finalisation of these processes as well as Governments' responses. In April 2016, the Australian Competition and Consumer Commission (ACCC) released its final report for the East Coast Gas Inquiry<sup>viii</sup>. A key finding of that report was that additional gas market information will improve market transparency.

The AEMC is currently investigating these issues as part of its East Coast Wholesale Gas Market and Pipeline Frameworks Review. The Energy Council supports the AEMC's process and finds that it would be untimely to create recommendations prior to that process finalisation or to the Government's response to the ACCC Inquiry.

## Conclusion

In conclusion, the Energy Council supports the Productivity Commission's process to uncover opportunities to increase the value of data currently captured and used in Australia. In 2016, data availability and use in Australia's energy sector is changing in three areas; customer electricity data and access; electricity production outside of the main markets; and the East Coast gas market. There are a number of processes under way to examine data availability and use in the energy sector specifically. The Energy Council would welcome opportunities for discussing these issues with the Productivity Commission at any stage of its inquiry.

Any questions about this submission should be addressed to Emma Richardson, by e-mail [REDACTED]

Yours sincerely,

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<sup>i</sup> AGL, 2016, <https://www.agl.com.au/residential/why-choose-agl/my-agl-ig>

<sup>ii</sup> Productivity Commission, 2012, *Barriers to climate change and adaptation*, <http://www.pc.gov.au/inquiries/completed/climate-change-adaptation/report/climate-change-adaptation.pdf>

<sup>iii</sup> Australian Government, 2015, *Competition Policy Review, Final Report* (Harper Review) Canberra

<sup>iv</sup> AEMC, 2016, <http://www.aemc.gov.au/Rule-Changes/Customer-access-to-information-about-their-energy#>

<sup>v</sup> AEMC, 2015, <http://www.aemc.gov.au/Rule-Changes/Expanding-competition-in-metering-and-related-serv#>

<sup>vi</sup> AEMC, 2016, <http://www.aemc.gov.au/Markets-Reviews-Advice/2016-Retail-Competition-Review>

<sup>vii</sup> The two main electricity markets are the National Electricity Market (NEM) and the South West Interconnected System (SWIS).

<sup>viii</sup> ACCC, 2016,

[https://www.accc.gov.au/system/files/1074\\_Gas%20enquiry%20report\\_FA\\_21April.pdf](https://www.accc.gov.au/system/files/1074_Gas%20enquiry%20report_FA_21April.pdf)