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Dr. Kerry Schott
Independent Chair
Energy Security Board

Via email: info@esb.org.au

Energy Networks Australia response to NEM Data Strategy Consultation Paper

Energy Networks Australia welcomes the opportunity to make a submission to the Energy Security Board (ESB) in response to the NEM Data Strategy Consultation Paper, published 20 March 2018.

Energy Networks Australia is the national industry body representing businesses operating Australia's electricity transmission and distribution and gas distribution networks. Member businesses provide energy to virtually every household and business in Australia.

Energy Networks Australia supports the development of a data management strategy that sets in place principles to guide Australia's energy sectors strategic thinking on data related issues. As highlighted by both Energy Networks Australia/CSIRO Electricity Network Transformation Roadmap (ENTR)¹ and subsequently by the Independent Review into the Future Security of the National Electricity Market ('Finkel review'), the importance of accurate and available data will be critical in supporting security, reliability and affordability of the future power system.

In consultation with our members, Energy Networks Australia offers the following responses regarding the key themes and draft recommendations in the NEM Data Strategy Consultation Paper.

Consumer protections and access to consumption data

Energy Networks Australia supports the improved data empowerment of all energy stakeholders, as demonstrated by our ongoing hosting and management of the Network Opportunity Maps that are an online resource, detailing network constraints, planned investments and the potential value of decentralised energy resources across all networks within the Australian National Electricity Market (NEM). We recognise and support the work of the Department of the Environment and Energy on behalf of the COAG to remove complexities and improve access to, and sharing of, consumer consumption data.

¹CSIRO and Energy Networks Australia 2017, Electricity Network Transformation Roadmap: Final Report.

Energy Networks Australia also supports the development and practicable implementation of the Consumer Data Right into the energy industry. When combined with the existing consumer protections under the National Energy Customer Framework and privacy laws, we consider that these measures should be sufficient to protect against adverse outcomes for consumers.

A need for clearer inclusion of cyber security considerations

Energy Networks Australia agrees with the proposed objectives and principles of the NEM Data Strategy (herein referred to as 'the Strategy'). We consider that the collection of, and access to data is required for system and market operations, improved market transparency, more efficient and effective regulation, informed planning and investment, as well as for valued research and evidence-based policy making.

However, Energy Networks Australia suggests that an additional element be considered by the ESB that transcends all objectives of the Strategy. That element is cyber security. Energy Networks Australia recommends the ESB more clearly articulates cyber security considerations into each of the five existing data dimensions, and include the need for cyber security within the overarching objective and implementation principles.

The energy industry is consistently one of the key sectors targeted for malicious actors testing cyber security of customer data, corporate data and system operations². The potentially significant consequences of unauthorised access to critical infrastructure controls requires additional consideration of data security above-and-beyond the needs of access to consumer data. Energy Networks Australia believes it is necessary for the Strategy to clearly address this requirement when promoting greater data transparency and availability.

Furthermore, Energy Networks Australia seeks ESB consideration of potential cyber security risk mitigation measures placed on network service providers in terms of limitations on data sharing and data storage, as determined by the requirements of the Security of Critical Infrastructure Bill 2017, the Foreign Investment Review Board, or other regulations such as licence conditions.

Data requirements for network service providers

The mapping of the functions, publications and datasets for government agencies involved in operations of the NEM is a useful resource for understanding what data is already collected and identifying potential gaps between the current and future state requirements. Energy Networks Australia recommends the ESB undertake a similar process for transmission and distribution network service providers, through an additional consultative process. This consultation process should be of sufficient length so that jurisdictional and organisation differences can be solved in a consultative manner. Without this additional consultative process, Energy Networks Australia does not believe network service providers have sufficient time and

² https://www.acsc.gov.au/publications/ACSC_Threat_Report_2017.pdf

resources to identify accurately the data needs and current availability for all operational activities at this stage.

Importantly, as increasing numbers of smart DER are connected to the grid, the AEMC, the AER AND the AEMO expect to be provided with data on those devices that is valuable to them and to many other participants, services providers and regulatory agencies - and consumers. From this perspective, there is a compelling case to make data capture (at the point of installation) secure, digital, dynamic, valuable (over time) and inter-operable/compatible with energy market needs in the next decade.

To better understand data requirements at the ends of the power system, Energy Networks Australia also suggests the ESB consider the work currently being led by the AEMC in relation to distributed energy resource (DER) and DER aggregator visibility, as part of its frequency control framework. Energy Networks Australia also suggests that the ESB consider the work we are currently undertaking in developing National DER Connection Guidelines that will provide better clarity, consistency and transparency regarding information flows between networks and DER proponents. We consider that this work is vital in facilitating the critical role of network service providers in supporting improved data collection and utilisation to most efficiently increase visibility, predictability or control of DER for AEMO or other relevant entities to optimise overall power system performance, improve the efficiency of network connection processes and help minimise investment.

Interaction of governing design and delivery principles

Energy Networks Australia supports the clarity of the principles outlined by the ESB, which will govern the design and delivery of the Strategy.

However, Energy Networks Australia would welcome further engagement to clarify the boundaries and requirements needed to deliver a number of the design principles. For example, it is essential for NSPs that data and communication protocols and systems are developed that allow for the management and exchange of information between networks, distributed energy resources participants, AEMO and other key actors in timeframes that allow effective coordination of the system in real time and support interoperability, whilst ensuring the highest levels of security.

Should you have any additional queries, please contact Dr. Stuart Johnston, General Manager, Network Transformation, on 02 6272 1555 or sjohnston@energynetworks.com.au

Yours sincerely



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