



27 April 2018

Energy Security Board

John Gorton Building
King Edward Terrace
Parkes, ACT
Via email to: info@esb.org.au

RE: SUBMISSION to the National Electricity Market (NEM) Data Strategy Consultation Paper

Dear Sir/Madam,

Standards Australia¹ welcomes the opportunity to respond to the National Electricity Market (NEM) Data Strategy Consultation Paper. The development of a clear and transparent data strategy for the NEM is essential to supporting consumer and business confidence and trust.

For the purposes of this submission, we will limit our comments to those aspects of the consultation paper that relate to our process and how we, as an organisation, might be able to play a constructive role in future work streams. We recognise that the Energy Security Board is working with the Australian Government through the Australian Energy Regulator (AER) and, ultimately, implementation is at the discretion of the government of the day.

Key Points:

- we support the need for a clear and inclusive whole of government data strategy for the energy sector;
- we agree that the COAG Energy Council process should be consistent with the broader Treasury run Consumer Data Right process;
- we commend the consultation paper for highlighting the important role of standards in the data strategy; and
- we are willing to play a constructive role in this process through the provision of advice and guidance around governance.

General comments on the proposed objectives

The strategy as identified in the consultation paper is to “facilitate access to data that enables and supports delivery of the four key outcomes of the Finkel Review – increased

¹ Standards Australia is Australia’s peak non-government, not-for-profit standards organisation.

security, future reliability, affordability and lower emissions”. We believe Standards Australia can play a supporting role in helping to achieve this strategy.

We commend the consultation paper for highlighting the role of standards as the appropriate mechanism, at a technical level, to effect change in data control and ownership for the benefit of consumers in Australia.

Standards have been used as an instrument to effect regulatory reform to ensure safety, drive behavioural change and enable competition in the Australian and other markets, although this is not necessarily widely recognised. For example, the Water Efficiency Labelling Scheme (WELS), and the associated testing standard, which Standards Australia was instrumental in developing, has been pivotal in driving consumer behaviour change around the purchase of white goods, with flow-on effects for water sustainability.

This has also led to high rates of public recognition. Critically, it is underpinned by statutory architecture, in the form of the Water Efficiency Labelling System Act (2005)². Additionally, in NSW, the Standard on toy safety we have developed is referenced in State regulations and enforced. This has resulted, through a decision by government, in the physical destruction of some toys deemed unsafe for public sale³. Again, it is underpinned by a coherent regulatory approach, which references the Australian Standards we have developed.

The models we have referenced above, which are currently in operation, illustrate the utility of the framework for reform proposed which encompasses the development of associated rules and the development of relevant standards.

Objective of the data strategy

Standards Australia supports the establishment of a robust framework that facilitates the ongoing identification of, and access to data that will support the transition to a secure, reliable, affordable and sustainable energy future for the net benefit of Australians.

The five key data dimensions outlined in the consultation paper highlight the great complexity of stakeholders and interests involved in the energy sector in Australia. The changing nature of energy generation, transmission and consumption in Australia presents new opportunities and challenges.

The energy and electrotechnology industry is evolving at a rapid pace with the application of digital technology to traditional infrastructure changing business models, physical infrastructure requirements and presenting new security challenges for operators, Australian business and consumers. Increasingly the electricity grid is changing from its traditional centralised structure to one where the grid is decentralised and includes ‘prosumers’.

² Australian Government. (2015). *Water Efficiency Labelling and Standards scheme review*. Canberra: Australian Government.

³ NSW Fair Trading (2017). *Christmas Product Safety Survey 2017*. Accessed 12/03/2018 from: http://www.fairtrading.nsw.gov.au/biz_res/ftweb/pdfs/Consumers/Christmas_Product_Safety_Survey_2017.pdf

Standards Australia has been working closely with Energy Networks Australia (ENA) where we have developed a Smart Meters Roadmap and are currently reviewing cyber security standards with respect to the electricity grid and associated network infrastructure. The development of a comprehensive implementation plan following these projects can assist Australian industry in the shift towards a decentralized network.

It is essential that the COAG Energy Council process is consistent with the broader Consumer Data Right process that is being run by the Australian Treasury Department. Standards Australia has been engaging with Treasury and other stakeholders to ensure that standardisation plays a central role in ensuring interoperability and access across different sectors of the Australian economy including in the energy sector.

Scope of the data strategy

Standards Australia supports the broad direction of the scope proposed in the NEM Data Strategy Consultation Paper. In particular, consideration of data standards highlighted in the consultation paper are critical to ensuring community and business trust in the Consumer Data Right Process. The process to define and manage data standards including defining data formats and exchange methods is important and requires a consistent whole of Australian Government approach in lock step with the Australian Treasury work.

We note the proposal seeks to balance the key elements of interoperability, reliability, accessibility and security against costs and benefits to stakeholders. In our view, in order to achieve this aim, ongoing engagement with the National Standards Body, Standards Australia will be essential.

Our potential supporting role

Standards Australia is willing, and able, to play a constructive role in this process through the provision of advice and guidance around governance noting earlier discussions with a range of stakeholders including at the Commonwealth.

Further contact

For further questions in relation to this submission, please do not hesitate to contact Mr Michael Paparo, Policy Manager, on 0439 657 795 or via email at: michael.paparo@standards.org.au.

Yours sincerely



Dr Bronwyn Evans
Chief Executive Officer