



Monday 26th March 2018

**Submission response to
COAG's Facilitating Access to Consumer Energy Data Consultation Paper:
A third-party service provider view from WATTeVer**

Background:

[WATTeVer](#) is an energy savings service on a mission to bring transparency to the electricity market by providing impartial information to support Australians on their journey to save money and energy. WATTeVer's unique electricity comparison includes all retailers and publicly listed plans for every state and territory in Australia. WATTeVer's Deal Tracker market monitor ensures consumers and business are always on top of the electricity market – alerting them when better deals are available.

As a provider of a whole-of-market electricity comparison and analytics services to households and small business across Australia WATTeVer hold a comprehensive pricing dataset. This includes over 4,000 electricity plans, representing all publicly listed plans from all retailers. WATTeVer leverage this pricing dataset to provide a rich comparison service as well as publishing of [detailed pricing data for solar feed-in tariffs, usage charges and supply charges](#).

WATTeVer is intending to become an authorised third-party representative for data services.

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Introduction

WATTeVer is a strong advocate for providing more data to electricity consumers to make an optimum choice of retailer and leverage other technologies and behavioural changes to minimise consumers energy costs and related emissions.

While our service supports using up to 2 years of energy usage history, WATTeVer has yet to utilise the various data services that are available for consumers from either network providers or retailers. The primary reasons for this are

- 1) lack of consumer demand for this service,
- 2) the complexity around different processes and authorisations that each network requires to release consumer electricity usage data.

Services using consumer usage data are not commercially viable – so here's what needs to change

While we believe that using consumers electricity usage and generation data will provide a more accurate plan comparison result which is beneficial for the consumer and for our business, currently the cost to build and run this service under the existing data provision arrangements is unlikely to be recovered through increased revenue from either a paid service or through increased customer loyalty and associated increased referrals or purchase of related products.

We have reviewed the consultation papers proposed improvements to the current arrangements "to streamline the process and facilitate timely access to consumers consumption data by authorised third party service providers" such as ourselves. We broadly support the changes proposed in the consultation paper. These changes would increase the likelihood of WATTeVer building a service to provide more accurate comparisons and richer analytics to help consumers better manage their energy costs.

However, there are some elements where we suggest a different approach to achieve higher consumer take up and associated consumer value of improved data provisioning. This is based on WATTeVer's practical understanding of consumers in the electricity market along with the data analytics requirements for third party service providers to offer the best outcome to



consumers. These are detailed in the following responses to each of the questions posed in the consultation paper.

Responses to Specific Questions

1. Is the proposed objective for the consumer electricity data access scheme appropriate?

Real-time access is essential

Yes, on-demand access is mandatory for authorised third parties to provide retailer plan comparisons to households and small businesses in a real-time manner. Consumers who are looking to compare retailers are unwilling to come back minutes, hours or days later to view comparison results. Consumers often use the most expedient process to find the best offer by selecting from standard usage profiles or entering in usage history from their most recent bills. While some consumers appreciate that using a full year's worth of electricity usage would provide a better cost estimate and ranking of plan, very few (WATTeVer's data shows that less than 5% of active electricity shoppers) take the time to add up 4-12 bills worth of data to get a more accurate picture.

It is interesting to note that solar installers have been requesting meter data on behalf of their customers. This is great to see and critical in accurately sizing a solar (and storage) solution. However, this is a scenario which is not time sensitive and to our minds confirms that the take-up of the consumer data by third parties has been limited by the time delays built into the process.

Build it wrong and they won't come

As we have seen with the 2016 data access changes, the act of facilitating a market for electricity data and expecting third parties to create a broad range of consumer-focused services won't be widely adopted by third parties when:

- Government funded comparison services with no requirement to generate revenue will provide such consumer data services for free (i.e. how can a commercial third party business compete with them)
- Commercial organisations whose entire revenue is driven by switching to retailers who they have a commercial arrangement with, are not going to spend effort to provide more accurate cost estimates. If they were genuinely interested in maximising the consumer outcome they would show them the whole market.

While we believe that the changes will entice businesses like WATTeVer and new businesses to enter into the authorised third-party data role, the improvements proposed aren't sufficient to change the current behaviour of the overwhelming majority of consumers to select generic household profiles or 3 months history when comparing retailers. We assume that Energy Made Easy will follow Victorian Energy Compare and provide this service. There are a large portion of "electricity shoppers" who do not use the Government comparison services so provision of on-demand data access within Energy Made Easy won't result in maximising consumer uptake of consumer data services.

Easy access is the game changer

While WATTeVer supports the proposed objective and see it as beneficial to consumers and our business, the proposed data access changes need to be supported with mechanisms that consumers can easily utilise with a broad range of third parties (i.e. not just by building consumer data services in Energy Made Easy and Victorian Energy Compare). Electricity consumers need to have data available to them in a human readable format as well as a digital format so that they create the demand for services that can leverage that data to provide more accurate comparisons and other services (tariff switching, solar, storage etc.).

If this data was made available to consumers directly on their bills as a simple table or QR code with 12 months usage history then they would be able to get more accurate comparisons and potentially lower electricity costs by changing to plans that are the lowest priced over a longer



time period. They would also be able to use this information in a much broader range of comparison services i.e. not just Energy Made Easy and Victorian Energy Compare who can afford to and/or have already built support for detailed consumer data in their comparison services – despite the current format and authorisation issues. This approach would also avoid trust issues with providing name and address details in order to obtain consumer data which is what the current process requires, resulting in higher uptake of consumer data for use in electricity comparisons.

2. Should AEMO or an alternative agency be given responsibility for developing the consumer electricity data access scheme?

We don't have an opinion on the suitability of AEMO specifically to develop this scheme. We do believe that a single organisation who will aggregate the data on behalf of all electricity consumers from networks/metering companies/retailers has the potential to solve some of the issues with the current data provision model.

3. Are there additional elements that the scheme should incorporate to facilitate access to consumers' electricity data by authorised representatives?

While we understand that rules will be required for networks/retailers/metering companies to provide consumer energy data to this central service we would hope that elements of the service can be enhanced over time without the need to create more rules i.e. if sufficient data is gathered then the central service is able to develop new data formats and data services over time to meet the needs of consumers and their authorised representatives as proposed by Government or industry representative bodies. Small changes may occur through a small annual enhancement budget and larger changes through other funding channels.

There should also be a greater effort to engage with the third parties who are likely to take on these services going forward – namely comparators, energy auditing businesses, solar installers etc including our business, WATTeVer. Consideration could be given to a central information hub where third parties can understand the data available, engage in various stakeholder forums etc which could be beneficial in delivering solutions that ultimately will achieve greater consumer uptake and benefit. While I assume that the stakeholder discussions undertaken in the preparation of the consultation paper have included third parties who have obtained authorisation with various networks, there are likely to be other businesses who would be interested in providing services when the rules support a service that would be cost effective to utilise.

4. What changes can be done in the short term without a rule change and what changes require a rule change to implement?

Given that the consumer data available is delivered based on rules, we don't see an opportunity to improve the situation without rule changes. Networks/retailers/metering companies are unlikely to improve the nature of consumer data provided by simply asking them to, because there are costs to improving the existing service and largely they will not see any benefits to their business in implementing them.

Clearly a service needs to be implemented that makes data accessible on-demand from a central point and in a format that can readily be used (NEM12 is not a useable format for consumers nor is it particularly usable for third party comparison or energy analytics services). It appears that the current approach delivers broadly to meet the rules i.e. data provided in NEM12 format following authorised approval processes and delivered in up to 10 days. As noted previously, the current access impediments have meant uptake by consumers and third parties has been extremely limited. New rules are required to fix the time delay, data format and authorisation issues that must be outcome based – delivering an effective 'real world' solution.

Develop and share clear 'use cases' for all stakeholders



We note that the impracticality of the current data provision rules for use in services such as retailer plan comparisons would have been obvious to any energy comparison business at the time those rules were developed. The lesson to be learnt from this situation is that “use cases” for the new data provision service should be documented and shared amongst stakeholders. If this is not done there is a significant risk that the data provision enhancements may support only a small subset of use cases or not support them fully as their requirements aren’t defined.

5. Are there alternative approaches to managing verification of consumer identity and third-party authorisation that should be considered and which are consistent with the scheme objective of providing on-demand access to data by authorised third parties?

We believe that the most appropriate approach is the one proposed - a single accreditation scheme that can provide access to data for the broadest set of customers is required i.e. all household and business consumers in the contestable and non-contestable networks. While there may be different authorisation levels required for third parties with regard to accessing electricity data for high profile individuals, defence assets, vulnerable individuals etc. these should be part of the one scheme.

6. Should AEMO or another agency be given responsibility for accrediting third parties?

We don’t have a preference over which party should take on this responsibility as long as it is a central independent body i.e. not networks, retailers or metering companies.

7. Should authorised and accredited third parties be given access to more than just a consumer’s metering data upon the commencement of the data access scheme?

We believe there is value in making available current retail plan pricing in a structured data format rather than in the Energy Price Fact Sheets document formats. This structured data would be a separate and ongoing provision to that of consumers’ electricity usage data.

We question the statement in the paper that “feedback from stakeholders suggests that tariff product and pricing information would be costly to provide, and is of limited value to existing third-party use cases”. Retailers currently provide data in a standard format via the Energy Price Fact Sheets for their publicly listed plans so this is already happening. This information is already made available on energymadeeasy. There is arguably only a very limited incremental cost to make the underlying data set available. While the fact sheets themselves have issues which make them largely unusable for comparison purposes, the underlying pricing components in the fact sheets are used by WATTevery and other comparison services to deliver retailer plan comparisons to consumers. WATTevery and other comparison services take data from these price fact sheets into their systems as do consumers into their own spreadsheets to compare retailers. Provision of this pricing data in a structured data format would benefit these consumers either directly (for those who want to create and use their own comparison) or indirectly by comparison services who would be able to redirect effort spent maintaining current price data to improving value added-services to consumers. Efforts that enhance transparency around pricing will ultimately benefit consumers to make better decisions; by providing a value proposition to third-parties to provide better service to their customers.

8. What are the arguments for and against providing third party access to retail and/or network tariff data?

Price transparency enhances competition and facilities better consumers choices.

Having current pricing data that is populated into the Energy Price Fact Sheets and presumably used in the Energy Made Easy and Victorian Energy Compare sites publicly available for consumers and third parties would support increased competition in the comparison services market. Whole of market services such as WATTevery spend considerable time gathering pricing data from documents and keeping plans up to date. Time spent scouring retailer web sites for



the latest plans and offers could be better spent building services to help consumers save on their energy costs or find more suitable retailer offerings. This is a barrier to entry for new whole of market comparison services and drives up the cost to consumers or retailers who pay for these services directly or via referral fees.

Provision of current pricing data in a standard format as entered into or provided to Energy Made Easy or Energy Compare Victoria would involve no additional cost to retailers. We understand that retailers maintain grandfathered or private plans which they do not wish to share data for. While we question retailer's motives in having residential and small business customers on plans where the pricing is not publicly available, we accept that publishing this additional data would place an increased cost burden and are not suggesting this be mandated. Although it would allow services like WATTeVer's Deal Tracker to track such grandfathered or private plans which would ultimately help consumers gain better transparency over how their plan compares to the rest of the market.

In regard to current pricing, the consultation paper makes the comment that "It is also something that users can provide by giving third parties a copy of their bill". This may sound like it should be the case that consumers can readily provide pricing data from their bill to third parties, the reality is that when users are comparing there are multiple challenges including:

- Consumers have difficulty reading their bills and understanding the different tariffs listed
- Bills often have different rates for different time periods making bill comparison inaccurate as a mix of older (and usually lower) rates and current rates are compared with current rates for other plans in the market
- Some retailers have plans that don't list the current plan name so a user can't compare their current plans rates with others in the market
- Consumers generally don't provide their bill to third parties when using a comparison service for them to read/interrogate for current rates on their behalf

Aside: the WATTeVer electricity comparison service allows users to select their current plan and have its cost appear above all the plans available in the market (which are listed in ascending order based on the customers usage and generation profile and preferences). For some users, they are not able to select their current plan from the list of current publicly listed plan for their retailer because:

- *their plan is not a current, publicly available plan*
- *the name of the plan is not shown on their bill*

Where users cannot compare directly to their current plan by selecting a current publicly-listed plan, they will still be able to compare based on the cost of their current bill. However this comparison can be incorrect if the bill includes older rates. This is a common occurrence as plan rates change every 6-12 months i.e. there will be old rates on 1 to 2 quarterly bills per year.

If the current Energy Made Easy and Victorian Energy compare repositories of plan pricing data (or wherever the data is entered by retailers) were made available to consumers and third parties in a common format and a standard "plan identifier" used on the consumers bill, then comparison services such as WATTeVer's would be able to provide accurate pricing information for consumers current bills and then compare that with all other publicly available plans in the market. This plan identifier could be similar to the existing Energy Made Easy plan identifiers.

From an authorised third party's perspective it would be beneficial to receive consumer energy data along with the current plan identifier (and associated tariff codes e.g. EA025 TOU and EA030 Controlled Load 1). However we assume that would require retailers to provide that code - and assuming the networks can provide all the data already in NEM12 - would be the only data item provided by retailers and they would likely be unwilling to give that information up assuming that it would be utilised to show lower priced plans to their customers. In any case, if a plan identifier were mandated to be included on bills as is the case with the SIS health insurance numbers, this single code could be readily used by the consumer when using an online or phone-based comparison or other energy service.



9. What changes are required to existing AEMO metering data formats to facilitate access by third parties to consumer electricity data?

NEM data format not consumer friendly

The NEM12 data format is not suitable for analysis by end consumers and needs to be transformed to be used in spreadsheet or BI/analytic tools to provide useful summary information or to calculate estimated bills from that data. Examples of the problems in the current NEM12 format is that the format varies in structure based on the tariff type e.g. TOU tariffs have columns for each half-hour format whereas anytime/flat tariffs do not. It is not also unclear what records are associated with TOU tariff usage, controlled loads or solar as this information is included in separate "header" rows.

An analysis friendly format could be implemented that would make the data more easily used by consumers and third party service providers alike. Requiring users to transform data from the currently unusable NEM12 format is a significant barrier to uptake by consumers in a particular and increases costs for third party service providers who need to use ETL software to transform the data into a usable format.

The overwhelming majority of consumers don't have the inclination or IT skills to manipulate the data in the currently available data format (NEM12) to be able to gather usage totals to then enter into a plan comparison service – particularly with the increasing complexity of time of use tariffs (e.g. daylight saving is ignored in the NEM12 format) and demand tariffs that have complex business rules driving capacity charges.

We envisage that two new formats would be required to replace what is currently in place:

- one format to support electricity comparison e.g. total usage by tariff type and period (e.g. TOU peak), solar exported, controlled load for the last 12 months; and
- a second format that provides detailed time interval usage data (where available) for helping consumers and third parties highlight opportunities for energy savings through solar, storage, time-of-use tariffs, load-shifting etc.

10. Are the estimated costs for development and ongoing maintenance a centralised or decentralised implementation of the system reasonable?

The ballpark cost range of \$3.4-12.5M seems reasonable given the number of DNSPs involved. Additional costs to transform the data into useable formats for consumers or third parties would be relatively small (<5% of total estimated cost) and result in order of magnitudes greater uptake by consumers and third parties versus using NEM12 or similar formats.

11. What are reasonable timeframes for implementation under each of the options considered?

If the requisite data is not already provided to AEMO and stored in a consistent manner then the time frame to design and deliver the solution would likely be 12-18 months. The development of a process for approval of third parties could be developed and implemented in parallel in less than 12 months.

Thank you for the opportunity to provide a response to the consultation paper.

If you have any questions about our response or would like further information please contact us:

We would welcome the opportunity to take party in future stakeholder sessions on this matter. Please add us to your communication / distribution list for this matter.

Regards,



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