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Retail data project: access to consumption data

Introduction

1. Vector welcomes the opportunity to respond to the Electricity Authority's (Authority) consultation paper *Retail data project: access to consumption data*, dated 15 July 2014 (the paper).
2. Certain parts of this submission (marked [] **VCI**) are confidential and we have provided both a public and a confidential version. Please see Appendix A below for Vector's responses to the Authority's questions. Vector's contact person for this submission is:
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3. The Authority proposes to amend the Electricity Industry Participation Code 2010 (Code) to require retailers to provide consumers with access to their historical consumption data, upon request.
4. As discussed in the paper, consumption data (i.e. monthly kWh usage) is currently provided on energy bills. Consumers with smart meters can also monitor their half-hourly consumption data ("interval data") via a range of channels including their smart meter, in-home display or mobile / internet applications.
5. However, there is currently no Code requirement for retailers to provide consumer interval data¹ and some retailers are apparently not providing

¹ Note consumers may exercise their right to their consumption data under the Privacy Act 1993. However, although they have a right to their personal data via the Act there is no standardised format or timeframe. Further, the Act does not apply to businesses; paragraphs 2.4.1 – 2.4.3, pages 16-17 of the paper.

consumers with data when requested in a timely or useful manner. Thus, the Authority considers that access to consumption data is currently “limited”.

6. Under the proposed Code amendment, consumers (or their agents) can request consumption data - including interval data, from their retailer and the retailer must provide the data within 5 business days of the request. Retailers will also be required hold the data for 24 months, giving consumers the opportunity to seek data from their current (or former) retailer on their usage over the previous 24 months.
7. The Authority’s expectation is that improving access to data will *“incentivise more retailers to offer innovative services;”* and consumers will be more engaged and encouraged *“to move to a lower (more efficient) retail price, either by negotiating a discount from their existing retailer or by switching to a new retailer.”*²

Generally, Vector supports amending the Code to require access to consumption data...

8. Vector agrees consumers will be better informed through improved access to information – provided the information is provided in a useful form and consumers can easily understand it.
9. Therefore, Vector **supports** amending the Code to ensure consumers can access their consumption data and retailers are not able to withhold it. We support the Authority’s criteria as set out in section 4.2 but **recommend** additional criteria to ensure data is to be provided in an easily understandable form. For instance, we consider the proposed CSV file format might be hard for some to interpret and understand. We suggest that if the data is provided in a spreadsheet form, a more simplified format be adopted containing only the relevant columns of information – such as, ICP, date, interval / time, and consumption.

But Vector considers retailers should not be required to duplicate data...

10. Vector supports the proposed requirement for retailers to provide and “hold” consumption data - *on the proviso* that the Code does not require retailers to duplicate any data already held by MEPs.
11. Under Schedule 10.6 of Part 10,³ MEPs are required to keep data for 48 months. In light of this, many retailers already have arrangements with MEPs to store data on their behalf. To duplicate and store data of this magnitude would waste valuable resources and impose unnecessary costs. The cost of

² The consultation paper, paragraph 3.2.4, p 22; and paragraph 5.4.7, p 37.

³ See clause 8(6) of Schedule 10.6, Part 10.

requiring retailers to duplicate and store the data are high, while the benefits in return (if any) are minimal. We assume this was not the Authority's intention.

12. More importantly, duplicating data would put data integrity at risk, increasing likelihood of errors and inaccuracies – particularly if the process is not fully automated.
13. Therefore, Vector **recommends** the proposal to require retailers to “hold” data (under clause 11.32A) does not require duplication of data already stored under Schedule 10.6 of Part 10 (i.e. interval data) – i.e. any requirement to hold data should not be prescriptive. This would provide retailers with flexibility around how best to access / store data, and enable existing efficient arrangements where MEPs hold data on behalf of retailers to continue.

And Vector disagrees with the Authority's assessment of the benefits...

14. Although Vector supports the Code amendment, we are not convinced that the proposal will necessarily lead to more engaged and price sensitive consumers, or necessarily encourage consumers to negotiate better prices and switch retailers.
15. This is because non-interval consumption data is already readily available to consumers via their energy bill (and / or online) and, as far as we are aware, there is no evidence to suggest that the less engaged consumers are the 51% of those with smart meters.
16. In order for the current proposal to improve retail competition and increase switching in the manner expected by the Authority – it would require consumers to:
 - i. *be aware* that they can request consumption data; and
 - ii. *make a request* to see their consumption data (noting that such data is already available outside of Code provisions); and
 - iii. *understand* and / or *use* this data – e.g. know how to use / use the data to compare retail tariffs; and *as a result*
 - iv. *negotiate a better price, or switch* retailers that they would not have done otherwise.
17. In addition to the above, the Authority's analysis also seems to assume consumers' current retailer offerings (at least for those with smart meters) are poor but could be better if they sought to switch retailers.
18. We consider it quite a leap of faith to assume that consumers will be more actively engaged to seek a better price and / or switch merely by amending the Code to require retailers to provide data (that is already available for many

consumers) upon request. Therefore, Vector is not convinced that the Authority has established a clear link between the availability of consumption data and increased levels of retail competition and switching.

19. We consider that retailer innovation is more likely to be the result of increased uptake of smart meters than be stimulated through a regulatory change (as consumers with smart meters can already access interval data through a number of other channels, as pointed out above and in paragraph 2.4.8 of the paper).

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'I. Ferguson', written in a cursive style.

Ian Ferguson
Regulatory Policy Manager

Question No.	General comments in regards to the:	Response
Q1.	<p>Do you have any comments on the description of the current situation, including:</p> <p>a) The link between consumer engagement and retail competition?</p> <p>b) Current levels of consumer engagement?</p> <p>c) Current limits on access to consumption data?</p>	See comments above.
Q2.	What are your comments on the Authority's assessment of the problems arising from limited access to consumption data?	<p>Vector supports the proposal but does not fully agree with the Authority's description of the problem, or the benefits it expects to accrue as a result of the Code amendment (see above for more details).</p> <p>This is because consumers can already access consumption data via their energy bill, or in the case of smart meter consumption data via their in-home display or online application. Therefore, we are not convinced that the proposal will bring about the expected benefits outlined in the paper – i.e., we are not convinced that the <i>ability to request</i> consumption data will result in “more price-sensitive consumers” that will compare retail prices and either negotiate with their current retailer or switch.</p>
Q3	Do you have any comments or suggestions about whether the criteria used in developing the proposal are a suitable basis for the proposed Code amendment?	<p>Vector agrees with the criteria set out in paragraph section 4.2.</p> <p>However, we suggest adding a requirement to ensure that the data is provided to the consumer in a useful, simple and understandable form. Vector suggests that the example CVS file format be simplified for consumers. See above paragraph 9 for more details.</p>
Q4.	Do you have any comments or suggestions about the requirement for retailers to provide consumption data?	Vector agrees that consumers should be able to seek and access historic consumption data from their retailer (or previous retailer), and that retailers must not be able to withhold it.

Q5.	Do you have any comments or suggestions about the process for responding to requests to provide consumption data?	<p>Vector considers it important to ensure that the process for providing consumption data is efficient as possible.</p> <p>Many retailers already have arrangements with MEPs to store data on their behalf – as MEPs are already required under the Code to store interval data for 48 months. Thus where the retailer has an arrangement with the MEP, the MEP will be able to supply the requested data.</p> <p>Therefore, we recommend that the Code amendments provide retailers with flexibility around how they “hold” data – i.e. it is important that any Code amendments remain non-prescriptive so that parties can continue with their existing arrangements (see above paragraphs 10-13).</p>
Q6.	Do you have any comments or suggestions about the development of procedures requiring the supply of data using standardised formats and structures?	<p>Vector agrees with the proposed standards and structures, subject to our comments outlined in this submission.</p> <p>However, Vector recommends that the Authority develop a standard process and format for consumption data requests for more than one ICP. In particular, Vector recommends the Authority reconsider the timeframe of 5 business days for such requests that involve a significant number of individual ICPs.</p> <p>For instance, not all consumers are residential customers. Some are commercial businesses with hundreds or even thousands of individual ICPs under their management. Standards should be introduced to deal with the processing of large ICP numbers per consumer.</p>
Q7.	Do you have any comments or suggestions about whether retailers should be required to hold consumption data?	<p>As discussed in our response to question 5, we consider that it would be inefficient to require retailers to hold consumption data MEPs are already required to hold for advanced metering installations under Schedule 10.6 Clause 8 (6) - see above paragraph 10-13.</p> <p>Further, we would be concerned about data integrity if retailers were required to duplicate existing databases (i.e. it is conceivable that the different databases, which supposedly hold identical information, may diverge over time). To this end we recommend the Code does not prescribe how retailers are to “hold” data, such that existing arrangements are able to continue under the proposed Code amendments.</p>

Q8.	Do you have any comments or suggestions about the requirements of the process for providing interval data?	<p>AMS currently provide services where data is provided in an easy-to-understand form via an online platform, where consumers can easily analyse and download if they wish.</p> <p>We suggest that any requirements around form or presentation be flexible and is able to cater to new and evolving technological advances. I.e. it should not be limited to a CSV spreadsheet format.</p> <p>In any case the form should be easily understandable for the average consumer, see above paragraphs 8-9.</p>
Q9.	Do you have any comments or suggestions on privacy, confidentiality and security of consumer data?	<p>[</p> <p>] VCI</p>