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Energy Security Board

Submitted via email: info@esb.org.au.

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ESB Data Services Delivery Model Consultation Paper

The Australian Energy Council ('AEC') welcomes the opportunity to make a submission to the Energy Security Board's ('ESB') consultation on its *Data Services Delivery Model* ('Consultation Paper').

The Australian Energy Council is the peak industry body for electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. AEC members generate and sell energy to over 10 million homes and businesses and are major investors in renewable energy generation. The AEC supports reaching net-zero by 2050 as well as a 55 per cent emissions reduction target by 2035 and is committed to delivering the energy transition for the benefit of consumers.

The AEC has engaged constructively with the Data Strategy since its original commencement in October 2020. The input the AEC provided through its submissions on the Data Strategy Options [Consultation Paper](#) and then the [Initial Reforms](#) sought to give the Data Strategy a clear focus and scope, to ensure data access improvements are cost-efficient and appropriately targeted.

The AEC sees the Data Strategy as a useful reform, if implemented correctly, but has concerns its policy development is not following a clearly visible pathway. This is limiting meaningful stakeholder engagement.

This submission comments on the Data Strategy policy development process, before providing some responses to the issues raised in the Consultation Paper.

1. ESB Data Strategy Policy Development Process

The Commonwealth has published an [Australian Government Guide to Regulatory Impact Analysis](#) that sets out best practice expectations for public consultation. For a reform like the Data Strategy, which is as important as it is complex, there is an evident need to follow best practice. The ESB has, to date, held public consultation and webinars to invite feedback, but the AEC considers there are areas where the feedback loop can be improved.

1.1 Clear articulation of the problem

While the AEC understands the importance of data in delivering Australia a smooth energy transition, the Data Strategy is yet to clearly articulate the scope of the issues it is aiming to resolve. This is making engagement increasingly challenging as consultation moves towards reforms with practical and cost impacts.

For example, this Consultation Paper states that 'priorities and content of the service will be determined through the Governance model and would evolve over time in response to needs'. The AEC considers a more explicit connection needs to be made between the data accessed and how it will improve the transition, preferably buttressed with independent cost-benefit analysis.

1.2 Net benefit impact assessment

The AEC notes there has yet to be a proper quantification of the benefits and costs of these reforms. As stated above, there is a clear need for this now as the ESB starts to put forward proposals like those in this Consultation Paper that involve increased fees to industry and/or to users as a 'fee for service'.

It would be beneficial for the ESB to undertake a weighting exercise of the assessment criteria used to compare the models in this Consultation Paper.

1.3 Stakeholder consultation

While the ESB has performed public consultation on each stage of these reforms, it is not clear how stakeholder input is shaping these reforms. For example, this Consultation Paper has been released prior to any update or finalisation of the Initial Reforms, which creates a blind spot with respect to understanding the progress of reform.

The AEC notes that the ESB did present an Implementation Plan in 2021, which gave stakeholders some helpful visibility about the reform pathway. Unfortunately, it appears the timeframes in this Plan are no longer feasible and some of its visions no longer accurate. For example, the original vision for new data services was to be led by the Data Leadership and Coordination Group (DataLAC), which we understand has never formed.

A more transparent feedback loop is now needed to give stakeholders confidence in the stakeholder process and encourage continued engagement.

2. Response to Issues in Consultation Paper

2.1 Leveraging industry knowledge to identify gaps and opportunities

The AEC notes that the stakeholder interview process did not involve meaningful interaction with industry or industry groups. Leveraging industry knowledge is important for reforms like this, given they are the main data creators and hold responsibility over its use.

The AEC encourages closer and more collaborative engagement with industry as these reforms progress.

2.2 Data services

It is unclear from the Consultation Paper what scope and type of data the proposed service model will be designed to accommodate. While page 5 notes the focus "on facilitating better access to one important subset of energy data: data already held by ..(AEMO)...", the in-scope data types listed on page 25 includes data held by bodies ("beyond AEMO") and data publicly available (such as weather and banking data). Furthermore, the Consultation Paper contemplates that the preferred services model option considers aspects of 'future proofing' to accommodate delivery of the broader Data Framework – which is yet to be developed.

Consistent with the need to properly scope the problem statement of these reforms, the AEC considers there needs to be greater visibility over what data is wanted and who can access it.

2.3 Assessment criteria

The AEC reiterates its earlier comments pertaining to the lack of weighting applied to the assessment criteria. In the AEC's view, details around the assessment criteria, as presented, are insufficient for stakeholders to compare the service model options.

2.4 Data services model

Noting the above, the AEC is not currently ready to state a preferred data delivery model.

If the ESB considers that the implementation of AEMO data access enhancement contained in the Initial Reforms is top critical and urgent to wait for full framework completion, then the ESB should specify the AEMO data sets which are considered urgent and critical. Any new services model to enhance access to this critical AEMO data should be considered a pilot with a formal end date (or decision point to continue). The AEC contends that all proposed options, whether for pilot enhancements or otherwise, should involve cost estimates – made available to stakeholders.

The pilot solution should be subject to post-implementation-review with learnings to be incorporated into the development of the broader data and governance framework.

2.5 Proposed approach

Before any data services delivery model is decided upon, the AEC considers there is a need for the ESB to pause and review its Data Strategy process and provide a roadmap for future reform. The AEC considers that such a roadmap may also consider the future role of the market bodies in using the Data Strategy, and who might hold responsibility for future iterations of it.

Any questions about this submission should be addressed to Jane Sing – Interim Retail Policy Lead, by email to Jane.Sing@energycouncil.com.au or by telephone on (03) 9205 3100.

Yours sincerely,



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