13 February 2023

Energy Security Board

By email: info@esb.org.au

Dear Sir/Madam,

ESB – Data Services Delivery Model – Consultation Paper

Origin Energy appreciates the opportunity to provide a submission in response to the Energy Security Board's (ESB) Data Services Delivery Model Consultation Paper.

Origin agrees that improving access to data and data management is critical to managing the growing needs and risks in the energy transition. This will be best achieved by supporting access to data already held by AEMO and for services to be delivered through existing AEMO systems, processes and committees rather than outsourcing these functions to an external third party.

The ESB's strategy must also consider the costs of providing data. There must be appropriate gateways or obligations on data seekers to ensure that there are appropriate benefits underpinning the data request. Otherwise, there will be no dis-incentive to make request which could create a significant demand for data creating a cost and resource burden on AEMO. We believe further consultation is required to clearly define the data sets that will be available and what criteria access seekers must meet to gain access.

Finally, there are many aspects of the proposed data service delivery model that require further development and analysis. These includes the AEMO data fields that will be subject to data disclosure, the legislative framework for the release and use of data, and most importantly the government and non-government bodies who will be able to AEMO data services. An appropriate and robust framework will need to be developed to provide confidence to consumers and industry that data is being managed and used as intended. Origin supports additional rounds of consultation to allow industry to provide input into the development of the framework.

Origin's responses to specific questions raised by the ESB are set out below.

Consultation Questions:
Q 1: Are there any priority data services missing from the analysis?
Q 2: Are there other barriers that inhibit data services not identified here? Can you provide examples or case studies of these barriers or are there examples of where data services are addressing any key barriers?

The ESB has identified eight key services or functions for the delivery service model. While we agree with many of the identified functions, we believe there should be limits on the proposed services of: 1) compilation/analysis; and 2) visualisation/insights. These services are likely to be resource and system intensive and lead to an increase in costs for providing the services. For example, a data user may request that meter data and size of a solar system for each premise in a certain network be linked and presented in a graphical format. This will require both the linkage of data and the formatting of data in a way that the data user is able to interpret the data.

Costs will increase each time a data user requests a level of variation to a standard data request. We believe there should be a base offering of services and any variation to this base offering should be categorised as 'fee for service' and charged to the agency requesting the data. Costs need to be apportioned appropriately to data users to support effective service delivery and ensure data requests are thoroughly considered before the request is made.

Origin agrees with the ESB that a key service should be the development of a standardised dictionary of AEMO market and data terms. This is likely to be a current barrier to regulators and other bodies

understanding the data that AEMO holds and whether there are variances to each of the different data sets held by them.

Consultation Questions:

Q 3: The ESB welcomes feedback on the features proposed for data services delivery models. Are there other considerations that should also be taken into account?

Q 4: What are stakeholder views on the appropriate scope for data services in the short to medium term?

The scope of AEMO data that can be shared with external bodies should be limited to a clearly defined data set. The Consultation Paper notes that the initial AMEO data sets could be related to meter data and Distributed Energy Resources (DER) data.[1] However, there is no other discussion nor details of the data sets that could form part of each of these data sources. For example, it is not clear what products or services fall within the DER data category or the level of data that is currently captured. Origin believes considerable work still needs to be undertaken to define the data sets.

Data quality also needs to be investigated further, particularly in relation to DER data. This is to ensure data has been collected and completed to a satisfactory level when a renewable appliance were installed (ie solar panels, batteries).

Consultation Questions: New data services delivery models

Q 5: Are there other data service delivery models that could be considered?
Q 6: Are there better governance models for the AEMO dedicated unit proposal, outlined in the example?
Q 7: Are there other benefits, challenges and implementation issues that should also be considered? Are there any cost considerations that haven't been explored in this paper?

The Consultation Paper sets out several potential data service delivery models for the management and access of AEMO data. These options include[2]:

(1) Resourced AEMO - funding and resources for AEMO to provide additional data services.

(2) Dedicated unit within AEMO - a discrete data services unit within AEMO set up with dedicated funding, staff/skills, and steering committee of data users and stakeholders to set priorities.

(3) Re-fund and re-shape NEAR (National Energy Analytics Research Program) - NEAR receives renewed funding and takes on a reshaped role and mission.

(4) New independent entity - a new independent entity to facilitate data access and provide consulting-style data services.

(5) Data services network - a coordinated network of capability built across key stakeholders.

Origin agrees with the ESB's analysis of options. Options 1 (Resourced AEMO) and 2 (Dedicated Unit within AEMO) are preferred by Origin as they both will have short set up timeframe, simple governance structures, low cost to implement and lowest regulatory burden to establishment of the data sharing arrangements. However, Origin's preference for the short term, is Option 1. We see benefits with the services being developed as part of existing working groups and 'industry roadmaps'. This will allow for better dependency management and greater visibility of what it being developed and how best to either improve or use existing data captured.

We note the Consultation Paper includes an example of how a dedicated unit within AEMO (Option 2) could be established and managed. Specifically, it mentions that the funding could be a combination of market fees, subscription funding and fee-for-service funding for specific work[3]. While we understand that there will be base costs that will need to be funded, we believe the scheme should be largely based

[1] Energy Security Board, Data Services Delivery Model – Consultation Paper, December 2022, p25.
[2] Energy Security Board, Data Services Delivery Model – Consultation Paper, December 2022, p27.
[3] Energy Security Board, Data Services Delivery Model – Consultation Paper, December 2022, p30.

on a user pays framework whereby the users pay for the services they request. This will also ensure that only valid data requests are made to AEMO and there is not an inefficient use of resources or time responding to numerous data requests from the same user.

We also agree with the ESB that option 3 (Re-shape NEAR) and option 4 (New Independent Body) appear equal in their time and costs to establish. These bodies would not have direct experience and access to AEMO data and it is likely that it would take considerable time to define the roles, data sets and establish governance frameworks for the access and management of the AEMO data.

Option 5 (Data Services Network) appears complex and is less cost efficient and effective than the other options. It is understood that this option would require the establishment of a data team within each of the relevant agencies or bodies (ie AER, AEMO, AEMC etc). We agree with the ESB that this is likely to lead to duplication of services as well as greater regulatory confusion as each agency would establish their own services. This is not a preferred option for Origin.

The greatest concern with all these options is that there has been no cost benefit analysis nor modelling to determine an estimated cost or resourcing requirements for each of them. They are all hypothetically analysed with no quantitative data to demonstrate that the benefits of establishing the services will outweigh the costs of each of the options. We support further analysis to quantify the costs and benefits that more informed decisions can be made.

Consultation Questions: Assessment criteria

Q 8: The ESB welcomes stakeholder views on whether the proposed criteria are appropriate to assess alternative data service delivery models?

The ESB propose two qualitative criteria for analysing the varying data service model options: 1) impact; and 2) feasibility. While there are two main criteria, each of the criteria have subcategories related to items such as costs, regulatory burden and governance framework.[4]

These criteria are reasonable, and we believe that costs, governance framework and a body that can adjust to the ever-changing energy market are key criteria to assess each of the options. We further support key principles of simplicity and transparency forming part of the assessment framework. Simplicity to ensure that there are not significant administrative overhead costs in providing the data services. Transparency to industry as to how the data is being collated, used and distributed to the various regulatory or industry bodies that may request it.

Consultation Questions: Preliminary assessment of delivery models

Q 9: The ESB welcomes stakeholder views on the initial assessment of the strengths and weaknesses of each model presented here?

While the assessment is comprehensive, we still have concerns with the lack of qualitive and quantitative data obtained to determine the feasibility of each of the options. There are no cost estimates of the options or proposed use case scenarios. We support further work in these areas before any medium-longer term decisions are made with regards to the service delivery options for AEMO data.

Consultation Questions: Phased approach to delivery

Q 10: The ESB welcomes stakeholder feedback on its proposed phased approach to delivery of data services.
Q 11: The ESB welcomes feedback in particular on how well models deployed for this first phase of delivery (e.g. AEMO dedicated unit model) might be able to evolve or transition to other future models.
Q 12: The ESB welcomes views on what might be priority features, services or data sets as part of this first phase.

[4] Energy Security Board, Data Services Delivery Model – Consultation Paper, December 2022, p31.

Origin supports a phased approach for the delivery of data services. This includes the delivery of services from within AEMO in the short to medium term (ie 2-3 years) with a post implementation review to determine whether the option implemented is 'fit for purpose'. While Origin agrees with the phased approach, we support the implementation of Option 1 (Resourced AEMO) rather than the ESB's recommended position of Option 2 (Dedicated unit within AEMO). Our reasons for supporting this approach are outlined under questions 5-7 above.

Origin would welcome the opportunity to work with the ESB to further discuss the data sharing models and develop a framework that is optimal for both AEMO and third parties.

If you have any questions regarding this submission, please contact Caroline Brumby in the first instance on (07) 3867 0863 or caroline.brumby@originenergy.com.au.

Yours sincerely

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