



Opening the “black box” that is the energy sector

The Energy Security Board (ESB) is driving reforms to increase transparency across the energy sector and even the playing field between energy companies and consumers.

ESB Chair, Dr Kerry Schott, today released a consultation paper outlining ways to close energy sector data gaps through improved access, protection, sharing, integration and the use of data.

“For too long, energy data has been confusing and at times simply unavailable,” Dr Schott said.

“Despite improvements, many households and businesses remain unable to fully understand their energy bills, and policy makers have limited visibility on what consumers actually pay, what margins retailers are making and how different consumers are being impacted by the market.

“Our data blind spots mean that grid operators, generators and networks are unable to fully see how new technologies such as rooftop solar are impacting reliable and safe supply.

“It means networks put constraints on solar which are often unnecessary, to avoid risks to the security of the energy system, and makes it difficult to identify what, where and when additional generation, poles and wires are needed.”

Dr Schott said the ESB Data Strategy seeks to modernise how the sector manages data to make energy more efficient, transparent and affordable, and ensure consumers are get the best value from the market transition to new more sustainable energy technologies.

Specific recommendations include:

- Requiring retail plans to be transparent and AER to report retail margins to keep pressure on efficient prices
- New tracking of contracts and pricing for large energy users (AER)
- Better data and metrics to improve services for vulnerable consumer
- Requiring networks to publish their estimated DER hosting capacity to help inform investments and decisions around DER connection requirements
- Reforming metering data access rights so consumers get better value (as part of the upcoming AEMC review of competitive metering)
- Accelerating the availability of data needed to plan for electric vehicles

The ESB Data Strategy is an important step in implementing the Finkel Review recommendation to develop such a strategy. It is also aligned with the Consumer Data Right being developed by the ACCC and current work on the Data Availability and Transparency Bill (DAT Bill).



“Like other sectors, energy has been ‘Ubered’. We now have more data than ever but it isn’t being fully utilized and shared in a way that benefits consumers or provides the information necessary to inform investment in Australia’s energy future,” she said.

“As data grows we need to ensure that data privacy and cyber security risks are more effectively and actively managed, that the energy market can adapt to changing data needs more efficiently, that data drives better planning, innovation and affordable services and that consumers can use their own data to get personalised services, through the Consumer Data Right.”

The ESB’s proposed overhaul of the energy data framework is now being consulted on, alongside a package of incremental reforms to address retail transparency, improve understanding of demand and different consumer needs, and improve visibility of low voltage networks and distributed energy resources. There are also proposals to enhance ongoing data management capabilities with effective privacy safeguards to provide secure, reliable and affordable energy services.

The ESB will provide recommendations to Energy Ministers in early 2021 on key reforms to support the Data Strategy. Submissions on the consultation paper will be received until 27 November 2020.

Ends

The Energy Security Board is:

Kerry Schott AO - Independent Chair

David Swift - Independent Deputy Chair

Clare Savage - Chair of the Australian Energy Regulator (AER)

Merryn York - Chair of the Australian Energy Market Commission (Acting) (AEMC)

Audrey Zibelman - Managing Director and CEO of the Australian Energy Market Operator (AEMO)

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