



**Energy Security Board**  
**DATA STRATEGY**

**Response to October Consultation Paper**

**27 November 2020**



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## 1. Introduction

Stanwell Corporation Limited (Stanwell) thanks the Energy Security Board (ESB) for providing the opportunity to respond to the ESB Data Strategy Consultation Paper (Consultation Paper).

Please note this submission contains the views of Stanwell and should not be construed as being indicative or representative of Queensland Government policy.

Stanwell is a major provider of electricity to Queensland, the National Electricity Market (NEM) and large energy users throughout Australia. We own and operate two coal fired power stations, providing reliable and affordable energy, whilst exploring new generation and storage technologies that will help reduce emissions for tomorrow.

Stanwell welcomes the opportunity to further discuss this submission. Please contact Jennifer Nielsen, [Jennifer.Nielsen@stanwell.com](mailto:Jennifer.Nielsen@stanwell.com).

## 2. Context

The Consultation Paper identifies important data related challenges that the energy sector needs to address so we can continue to provide a secure and reliable energy system at the most efficient cost of energy to customers.

How the sector comes to grips with big data will ultimately determine the extent to which customers participate in the market, how we optimise our assets and how innovative Australia is perceived by to be by potential global investors.

Stanwell supports the ESB Data Strategy (Data Strategy) objective whereby:

*“effective data management in the National Energy Market supports market objectives and drives better consumer outcomes, by: fostering innovation and flexibility; ensuring accountability/trust; fostering*

*competitive markets and better consumer outcomes; assisting effective operations, planning and decision-making; driving better policy and regulatory reform”<sup>1</sup>.*

In order to achieve these objectives and effectively address concerns that will be raised during this consultation, Stanwell recommends that the ESB re-order the pillars, first establishing the Data Leadership and Coordination Group (DataLAC) “across core agencies to lead delivery of the strategy, coordinate data management, share best practice and capability, and deliver supporting resources and services”<sup>2</sup>.

A DataLAC could provide the oversight needed to implement a sector wide principles-based data governance framework, establish transparent processes that identify data opportunities and assess them based on a rigorous cost-benefit analysis and ensure that appropriate protection mechanisms are in place.

We acknowledge that this is a significant task and requires extensive consultation with all stakeholder groups. We therefore urge the ESB not to proceed with making Pillar 1 recommendations until:

- DataLAC has been established;
- The governance framework has been reviewed;
- The data gap analysis as presented by the ESB has been validated against the legislative functions of core and trusted bodies;
- The risks, liabilities, costs and benefits of the proposed reforms are fully understood; and
- Appropriate protection mechanisms are in place.

<sup>1</sup> ESB Data Strategy Consultation Paper, 20 October 2020, p 3.

<sup>2</sup> ESB Data Strategy Consultation Paper, 20 October 2020, p 51.

Stanwell is greatly concerned that several of the recommendations throughout the Consultation Paper are based on assumptions with little or no evidence to justify them. The Consultation Paper does not provide a clear explanation of exactly what type of datasets are required and how they will be used. Recommendations must be able to be critically evaluated against a transparent set of guidelines or principles.

Below we list Stanwell's key concerns and priorities, with additional detailed feedback on each individual pillar provided in appendices A to D.

### 3. Stanwell's key concerns and priorities

#### 3.1. Order of Data Strategy Pillars

The current ordering of the pillars could inadvertently cause further confusion and create additional complexities to the energy data landscape. Stanwell understands that the four pillars under the Data Strategy are currently proposed to be implemented in sequence, meaning the DataLAC would not be established until after recommendations under the Needs for Today and Framework pillars have been implemented.

As noted in section 2 above, Stanwell considers that the DataLAC should be established as the first priority and should lead the implementation of the recommendations under each of the Data Strategy Pillars. This will ensure appropriate governance and oversight of both the work relating to data needs for today, as well as the development and establishment of an appropriate data governance framework. Stanwell recommends the following approach:

#### Step 1: Establish an overarching data body.

The overarching data body should:

- Have independent chairpersons and include representatives from each of the market bodies: AEMC, AER and AEMO;
- Be advised by the data users' group which includes equal representation of both consumer AND industry groups; and

- Ensure consultation or rule change processes are adhered to, including appropriate public consultation.

#### Step 2: Review of data governance framework.

The overarching data body should:

- Implement a principles-based approach that is consistent with and does not undermine the energy Consumer Data Right (CDR) and the Data Availability and Transparency Bill (DAT Bill);
- Assess and provide a range of protection mechanisms that address privacy, liability and risk;
- Clarify data standards (accuracy, integrity, timeliness) amongst and responsibilities for data producers, owners and users; and
- Establish transparent processes whereby data users can request data by identifying exactly what data is being sought, how the data will be used, benefits and costs of data use and whether it is for private or public purposes.

#### Step 3: Needs today

DataLAC should apply principles and processes developed under steps 1 and 2 and engage in extensive consultation with stakeholders to:

- Validate the data gap analysis as presented by the ESB against the legislative functions of core and trusted bodies.
- Identify opportunities to streamline reporting and remove duplications;
- Assess if specific problems can be addressed by data gathering activities;
- Determine which datasets required and whether raw data, metadata and/or qualitative information is best suited for the data user to gain insight. For example, providing large customer tariff details to a regulator would contribute very little value to the understanding of other retail tariffs. Large

customer contracts are bespoke and would need further explanation as to what is included in the tariff and the specific needs and circumstances of the individual customers.

- Analysis the costs, risks, liabilities and benefits of requesting and using the information.

Stanwell considers that it is very important that the DataLAC identify and assess datasets that are already provided but are not being utilized. The question of whether or not existing data is being utilised or not has been raised in industry discussions, including at the Australian Energy Commission Retail Working Group. For example, in 2015 the Victorian Auditor-General examined whether the Advanced Metering Infrastructure (AMI) program was delivering expected consumer benefits and if it was set up to maximise longer-term benefits. His findings included: a failure of the department to track and report the cost of the program, full transparency was not given to consumers and government and the expected benefits will not be achieved<sup>3</sup>.

Stanwell acknowledges opportunities that smart meters can provide to market operators and customers. However, the sector must reflect on what has occurred in Victoria, why the data has not been utilised and what can be done to improve and leverage those smart meters.

#### **Step 4: Data Supports ongoing change and adaptability.**

Stanwell agrees that research has the potential of benefiting the public, but it also has the potential to cause detriment. The ESB has not clearly identified what the benefits are, but we agree that the industry needs to move forward and be adaptable to consumer values and technological needs.

### **3.2. Consideration of other regulatory initiatives**

The Consultation Paper touches on other regulatory initiatives underway but has not given enough detail and clarification over how the Data Strategy would interact with the DAT Bill and the CDR.

Stanwell is supportive of the CDR framework and believes the framework could be used for customers to release their data to researchers and market bodies as accredited data holders.

The ESB's Post 2025 September consultation paper<sup>4</sup> consulted on seven market design initiatives proposed to leverage data to address a problem or a perceived problem. Stanwell considers that the Data Strategy, DataLAC and DUG should be established prior to moving too far ahead with the two-sided markets and distributed energy resources initiative.

As evidenced in several submissions to the ESB's Post 2025 consultation<sup>5</sup>, there was concern that consultation had been concentrated at the industry level, failing to engage consumers and businesses that produce consumer technologies to address their wants and needs. Stanwell believes that the ESB Data Strategy could have a far greater impact on the sector than some of the initiatives of the Post 2025 work. We are concerned that the ESB Data Strategy has received less publicity and not provided as many engagement opportunities with the sector as the Post 2025 project, resulting in recommendations being based on assumptions, rather than fact.

The ESB must also be mindful of the timing of major market reforms including, five-minute settlement, global market settlement and energy CDR prior to committing the sector to timeframes for implementation of a new data framework.

<sup>3</sup> Auditor-General John Doyle, Realising the Benefits of Smart Meters, September 2015. <https://www.audit.vic.gov.au/report/realising-benefits-smart-meters?section=>

<sup>4</sup> <http://www.coagenergycouncil.gov.au/publications/post-2025-market-design-consultation-paper-%E2%80%93-september-2020>

<sup>5</sup> For example: ACTU, Aluminium Council, ANU BSGIP, AREMA, AusGrid, Energetic Communities, ENGIE, Joint ACOSS, NICE, PIAC.

### 3.3. Retail Market Transparency

Recommendations 1-5 related to the retail market transparency appear to be anomalies amongst this Consultation Paper. From the information provided it is unclear how the disclosure of retail plans and an extension of the AER's information gathering power to contract markets will meet objectives of the Data Strategy.

Stanwell is concerned that the Data Strategy is being used as vehicle to make an unjustified extension to the AER's powers that could cause harm to customers, participants and the industry.

Our key concerns with recommendations under retail market transparency include:

- Increasing the cost of energy to consumers if retailers are required to undertake additional reporting activities;
- It is a step backwards from what is going to be achieved under the Energy CDR which aims to give customers control over their data;
- The lack of disclosure as to what the data will be used for;
- The changes would disproportionately impact smaller participants by adding an additional layer of reporting and compliance;
- It would undermine and compete with existing businesses that provide brokering and comparison services;
- Inadvertently breach privacy terms and conditions;
- Fail to provide any benefit to the consumer; and
- Duplicates the role of Australian Securities and Investments Commission (ASIC).

### 4. Conclusion

In conclusion, Stanwell considers the ESB Data Strategy as a critical piece work that the energy sector must engage with.

We are concerned that the Consultation Paper makes a number of recommendations based on assumptions, poor or no consumer engagement and leans on the ACCC REPI report findings of three years ago without taking into account or assessing the impact of initiatives that have been completed to date.

Stanwell strongly recommends the establishment of DataLAC and DUG groups occurs first as a matter of universal good practice.. These bodies will be essential in reviewing existing practices and developing a principles-based governance framework with transparent processes that will enable stakeholders to streamline, optimise and leverage data.

Stanwell is also concerned the Data Strategy is being used as vehicle to make an unjustified extension to the AER's powers that could cause harm to customers, participants and the industry.

## Appendix A: Pillar 1 Fit-for-purpose data

### Retail Transparency

The ESB proposes to expand the AER's information-gathering powers to monitor and report on contract market performance and retail margins, to improve retail transparency and support more effective price monitoring, competition and consumer protections.

Whilst Stanwell supports monitoring and reporting on contract market performance, retail transparency, increased competition and consumer protections, we consider that these can be achieved without:

- A. Disclosing retail plans to regulators; and
- B. Expanding powers for the AER to monitor contract markets and retail margins.

#### A: Discloser of retail plans to the AER

Stanwell does not support a blanket approach requiring the disclosure of retail plans without clear identification and management of the benefits and costs. Placing obligations on retailers to disclose their customer's data (the type of data has not been specifically defined by the ESB) would be a step backwards from many initiatives underway especially the Energy Consumer Data Right (CDR) which gives customers control over their data.

The CDR framework enables an environment where customers grant access to retailers, brokers and comparison services who can assess their usage profiles to find the best deal for the customer.

If it is determined that the AER must know what consumers are paying, then the CDR model could be used as a platform for customers to grant access for the AER to obtain this information.

When requesting customer information, we consider that it is of the utmost importance for the AER to disclose exactly what it will do with the information. This includes clarification of who the data will be shared with and how it will be

used. All of which should be disclosed with the customer through a communication channel and data portal like the CDR.

#### B: Expanding power to AER to monitor contract markets and retail margins.

This is the third time industry has been consulted on the ACCC's Retail Electricity Pricing Inquiry (REPI) 2017-2018 recommendation to expand the AER's information gathering powers to contract markets

The first occurred during the ACCC Retail Electricity Pricing Inquiry (REPI) 2017-2018<sup>6</sup> and the second after the final report was delivered by the ESB, who specifically focused on recommendation 1 and 41 of the REPI<sup>7</sup>.

Chapter 16 of the REPI found that there were deficiencies, gaps and no single source for consumer pricing. While Stanwell agreed with this assessment at the time, there have been several significant changes since and initiatives commenced in relation to addressing these deficiencies, including:

- Consumer Data Right legislation;
- Data Availability and Transparency Act;
- Treasury Laws Amendment (Prohibiting Energy Market Misconduct) Act 2019;
- The establishment of the National Data Commissioner;
- Department of Prime Minister and Cabinet's "Best Practice Guide to Applying Data Sharing Principles"; and
- National Energy Analytics Research Program.

<sup>6</sup> ACCC, Retail Electricity Pricing Inquiry 2017-2018: Preliminary Report Consultation, October 2017. <https://www.accc.gov.au/regulated-infrastructure/energy/retail-electricity-pricing-inquiry-2017-2018/submissions-0>

<sup>7</sup> ESB Consultation on ACCC Recommendations 1 and 41, 14 February 2019. <http://www.coagenergycouncil.gov.au/publications/energy-security-board-consultation-accc-recommendations-1-and-41>

These are in addition to the 12 other workstreams and reforms aimed to resolve data priorities as identified in the Consultation Paper<sup>8</sup>.

The ESB stated in public consultation that initiatives completed after the ACCC's REPI findings have not been assessed as addressing those concerns and that consumer surveys which indicate improvements since that report have not been considered. The ESB has not justified whether the ACCC'S recommendation is still valid or has been addressed.

Stanwell agrees with the ESB that “effective competition depends on informed consumers and transparent markets”<sup>9</sup>; but we do not agree that the functions and powers of the AER need to be extended to the contract markets to achieve this given the data initiatives underway and the extensive reporting that is already occurring.

Following the establishment of a governance framework and once transparent process are implemented, the data body should assess (based on principles) whether the ACCC REPI recommendations are being addressed and identify opportunities that allow for clear, transparent and streamlined reporting principles that will help consumers to understand the market more easily. The AER cannot expect consumers to be able to or want to draw parallels between a retail and derivative contract.

Therefore, Stanwell considers that an expansion of the AER's information gathering powers to the contract markets would:

- Increase the cost of energy to consumers.
- Disproportionately impact smaller participants by adding an additional layer of reporting and compliance.
- Undermine existing retail brokers and comparison websites of which we estimate there to be approximately ~150-200 services.

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<sup>8</sup> ESB Data Strategy Consultation Paper, October 2020, p 25.

<sup>9</sup> ESB, Data Strategy Consultation Paper, 20 October 2020, p. 101.

- Inadvertently breach privacy terms and conditions.
- Fail to provide any benefit to the consumer.
- Duplicate roles with the Australian Securities and Investments Commission (ASIC).

#### C; The AER and ASIC

Expanding the AER's powers to contract markets would be a duplication of responsibilities that lie with the ASIC whose role is to regulate financial services and authorized financial markets, including the electricity derivatives markets. It would add little value to the current system having two market bodies undertaking similar analysis with the same set of data. This would impose unnecessary administrative and financial burden on market participants and energy consumers.

Stanwell is aware that the Australian Financial Markets Report (AFMR), published by the Australian Financial Markets Association (AFMA), is an annual report that provides statistics on Australia's over the counter (OTC) market through voluntary surveys of market participants<sup>10</sup>. We would implore that the AER engage further with AFMA to ascertain if the report can be published more frequently.

#### Recommendations 1-5

The ESB has not justified why recommendations 1-5 are being made. There has been no clarification provided on which datasets are required and how the information will be used. The ESB must first assess and articulate the costs and benefits of sharing that data will provide and to whom. In addition, the ESB has not established what data already exist, and if it is quantitative or qualitative data that is required to address whatever these recommendations are trying to achieve.

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<sup>10</sup> Australian Financial Markets Association. (n.d.). *AFMR The Definitive Survey of Australia's Financial Markets*. Retrieved 2 November 2020, from <https://afma.com.au/data/AFMR>

It is for these reasons that we cannot support recommendations 1-5 progressing without these questions being answered through transparent processes supported by bodies such as DataLAC and DUG.

### Understanding consumers and demand

Stanwell does not support core bodies sharing and using individual consumers data without their consent. We are also sceptical whether machine learning can completely de-identify meter data or if granularity at the meter is required.

Regarding large customers, Stanwell is disappointed with the ESB's misleading statement that;

*“Commercial data, while often sensitive, does not have the same privacy issues as personal data, with many existing requirements to publish data”<sup>11</sup>.*

The retail plans behind those commercial contracts are often highly bespoke and have been tailored to the individual specific needs and abilities of the customer. Some factors that might make up a price include: the spot price, the wholesale price, retail broker costs, linking with a PPA, demand response ability, time of day, time of week, quantity, fixed term, optional term, credit requirements etc. For the ESB to make a statement that misleads readers to think privacy for commercial data is of lesser concern, shows a lack of understanding of the market segment.

We would also like to highlight where the ESB states that there are;

*“Potential opportunities to link data, for example capturing broad classes of data like ANZSIC codes or linking to satellite analysis of building stock. Data science analysis of usage patterns also provides a range of opportunities to improve our understanding of demand in this sector”<sup>12</sup>.*

Stanwell questions the extent to which data such as that mentioned above would be required to achieve a specific purpose, how will it be shared amongst “core bodies” and “trusted bodies” and what processes are involved to protect all stakeholders.

### Recommendations 6-10

Stanwell does not support the blanket approach of recommendation 6, access to meter data for public-good research, until a robust data governance framework, transparent processes and protection mechanisms have been established.

Stanwell provides no comment in relation to recommendation 7 regarding gas meter data.

Stanwell supports recommendation 8 to improve consumer surveys and recommends a regular program and baseline study. Consistent touchpoints with consumers not only provide for consistent timing for analytical purposes, but also provides consumers a level certainty and awareness about who, what and how their data is being used.

Stanwell provides no comment in relation to recommendation 9 regarding data on vulnerable customers.

Stanwell does not support recommendation 10 to improve analysis of business energy use. The Consultation Paper does not explicitly describe what the data will be used for, and as above the industry does not have an appropriate governance framework in place.

### **Visibility of low voltage (LV) networks and distributed energy resources (DER)**

Stanwell considers that increased visibility into low voltage (LV) networks and distributed energy resources (DER) would improve planning and forecasting capabilities of AEMO and network service providers, in addition to their ability to securely operate the power system. We also consider that retailers and third parties' ability to create innovative products for consumers would be enhanced.

<sup>11</sup> ESB Data Strategy Consultation Paper, October 2020, p 109.

<sup>12</sup> ESB Data Strategy Consultation Paper, October 2020, p 109.

As the ESB would be aware, there are several rule change processes underway (or are about to commence) that have or are assessing how our sector can enhance its ability to manage and utilise the LV network and DER data. Initiatives such as Integrating energy storage systems in the NEM (ERC0280) and Distributed energy resources integration – updating regulatory arrangements (ERC0309, ERC0310, ERC0311, RRC0039). We acknowledge that the AEMC's ability to assess rule change projects would be strengthened if guided by “principles on data policy” (recommendation 29).

**Recommendations 11-17**

It is not clear from the Consultation Paper if recommendations 11 to 17 (inclusive) are already being actioned by other initiatives. Again, this is something that should be determined and assessed by DataLAC and DUG.

## Appendix B: Pillar 2 New data governance

Stanwell welcomes the King Wood Mallesons (KWM) and Galexia, ESB Data Strategy Preliminary legal report (KWM-Galexia Report)<sup>13</sup>. The scope of the report specifically focused on sharing of publicly held datasets between:

- “Core bodies” – AEMC, AER, AEMO and the ESB.
- “Trusted bodies” – ABS, ACCC, CER, ARENA and DISER
- Research and public bodies – (such as CSIRO and universities).

Stanwell agrees that the energy industry is faced with three conceptual challenges<sup>14</sup> when related to data sharing:

- A. Complexity of legislative regime.
- B. Unworkable public interest test. and
- C. Privacy concerns and commercial sensitivities.

Stanwell considers that the KWM-Galexia report accurately reflects key concerns related to data sharing: privacy, risk and liability. It rightly reflects that commercial mechanisms of privacy, risk and liability may not be applicable to Core bodies but may be applicable to trusted and research/public bodies who are commercial entities that will often publish and profit from their research capabilities.

Trying to squeeze everything into one framework may not be in the best interest of the industry, including customers. We implore the ESB to not rush into a new governance framework but set it as a key priority for an over-arching body to undertake, potentially utilizing secondees from across industry.

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<sup>13</sup> King & Wood Mallesons–Galexia, ESB Data Strategy Preliminary legal report <http://www.coagenergycouncil.gov.au/publications/energy-security-board-data-strategy-consultation-paper>

<sup>14</sup> King & Wood Mallesons–Galexia, ESB Data Strategy Preliminary legal report, 31 July 2020, p 7.

### **Recommendation 18: High-level energy data principles**

Stanwell supports the adoption of high-level energy data principles but note that third principle listed under recommendation 18 on page 67 of the Consultation paper, refers to several terms that have not been defined, require further legal consideration and cost-benefit metrics being established. Specifically: “Open Data”, “non-sensitive data” and “public-good purposes where safeguards are maintained”.

### **Recommendation 19: Overhaul of legislative framework**

Stanwell supports “*more flexible and ‘fit-for-purpose’ data arrangements over time with much clearer protection and privacy arrangements*”<sup>15</sup>. However, without full disclosure about the type of data required, how it will be used and without cost-benefit analysis being completed, it is difficult to support “overhaul reforms”.

### **Recommendation 20: Incremental Package Reforms**

Stanwell does not support the ESB’s package of incremental reforms.

The ESB paper states that these incremental reforms would be “complimentary” to overall objectives and would “bring forward short-term benefits, resolve specific barriers and datasets”<sup>16</sup>.

The Consultation Paper fails to clearly identify exactly what those benefits are and where the benefits and costs fall. Stanwell is concerned that by taking a “short-term benefit” approach, the ESB will be bypassing important due diligence processes that should occur to mitigate long-term consequences and it is in conflict with the ESB’s proposed high-level principle of “aligning data reforms with the long-term interest of consumers”.

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<sup>15</sup> ESB Data Strategy Consultation Paper, 20 October 2020, p68.

<sup>16</sup> ESB Data Strategy Consultation Paper, 20 October 2020, p6.

**Recommendation 21: Common Guidelines for data collection and sharing**

Stanwell does not support recommendation 21.

We consider that recommendation 21 should only be pursued if an over-arching data body transparently assesses what the benefits and costs are to consumers and industry, defines how the data will be used and has the appropriate protection mechanisms in place.

This should only be achieved after the governance framework has been reviewed and after transparent processes established.

**Recommendation 22: Support coherence with the CDR**

Stanwell supports coherence with related energy law and Rule reforms being developed by officials to support CDR. And we agree that core agencies should continue to prioritise engagement with ACCC and the CSIRO's Data61 in developing timely CDR arrangements.

## Appendix C: Pillar 3 Leadership, Coordination and Capability

Stanwell acknowledges that challenges with regards to accessing and effectively managing data can be borne from regulation and non-regulatory barriers and improving data access, transparency, sharing and use of data will require engagement of both data holders and data seekers.

Stanwell supports leadership and coordination activities that an overarching data body could have but does not support extensions to visibility, access and impact as suggested by the ESB.

### **Recommendation 23: Data Leadership and Coordination Group (DataLAC)**

Stanwell does not support the ESB's proposal of core and other bodies to makeup the DataLAC. We consider the makeup of DataLAC should consist of either:

- A. Independent chairpersons and only of the market bodies: AEMC, AER and AEMO. Industry and consumers groups should then be equally represented on the Data Users Group; or;
- B. Independent chairpersons, market bodies (AEMC, AER and AEMO) and equal representation of industry and consumers groups.

Stanwell considers that DataLAC would also be required to scrutinise agencies use of data and identify breaches of data integrity, accuracy and timeliness standards.

### **Recommendation 24: Data Users Group (DUG)**

While Stanwell supports the establishment of the DUG, it strongly recommends the group include industry bodies. While the current recommendation includes Energy Consumers Australia, market participants and service providers, industry bodies such as the Australian Energy Council (AEC) do not appear to be eligible.

Industry groups can provide a broader representation and perspectives of industry sectors than individual market participants. The inclusion of industry

groups would give a more balanced and representative voice of the industry sectors on the DUG than the current proposed membership composition, without the group becoming too large and complex.

### **Recommendation 25: Common Data Portal**

Stanwell does not support a common data portal.

The establishment of a common data portal is an extreme measure that should be removed from the ESB's list of recommendations. Requiring DataLAC and DUG to curate and manage a list of relevant data sets and activities would be very costly and time consuming. It would be ultimately be a duplication of what the data holders already do and would be fraught with concerns related to the data's integrity, accuracy and timeliness.

### **Recommendation 26: Resources and capability to support access**

Stanwell does not support recommendation 26.

Stanwell assumes that each market body, trusted body, research body etc has existing business as usual (BAU) processes in place to ascertain whether they have adequate resources and capabilities in place. It should not be the responsibility of an overarching data body to prop up companies that do not have the appropriate resources and capabilities.

### **Recommendation 27: Reporting and analytics capabilities**

Stanwell does not support recommendation 27.

Like recommendations 25 and 26, this recommendation goes one step too far. Stanwell considers that the accountability and responsibility of reporting and analytics capabilities lies with the entity or a third party who provides those services.

Under this recommendation the ESB is suggesting that DataLAC would be in competition with third parties such as comparative websites, brokers, consultants etc. However, the DataLAC would have a competitive advantage over other companies because it would have access to both private and public data. The DataLACs role as an overseeing data body would be comprised.

## Appendix D: Pillar 4 Data supports ongoing change and adaptability

Stanwell supports the ESB's initiative to deliver clear ownership of identifying and resolving data gaps and looking forward to plan for data needs. It is critical for the efficient operation and optimisation of any market; not only during a period of transition but to support ever advancing and changing technologies and capabilities within the market.

We acknowledge that limited access to data and the ability to process and interpret data can lead to misrepresentation, inefficient investment decisions and poorly considered policy initiatives. We agree with the ESB's observation that a "lack of governance or ownership of a problem"<sup>17</sup> can delay responses to data needs.

Stanwell therefore supports Pillar 4 objectives that aim to establish or address:

- Proactive data governance.
- Standards and interoperability.
- Adaptative arrangements.
- Enabling research data.

As noted previously Stanwell supports the establishment of an overarching data body such as DataLAC, that specialises in data, takes a holistic view of data requirements and that can provide transparency as to the interoperability of the different data users, their roles and responsibilities in relation to data.

### **Recommendation 28: Forward review of Data Strategy against outcomes**

Stanwell supports tasking DataLAC with undertaking an annual stocktake of performance against the outcomes identified in this Strategy, identifying

emerging or persistent gaps in data requirements and access, and opportunities to streamline data management.

We consider that this process will contribute to identifying who is responsible for which activities, it will hold members accountable for their actions, provide a mechanism to improve and learning from past experiences and will go some way to helping the body remain in touch with an ever-changing data landscape.

### **Recommendation 29: AEMC Rule Guidance**

Stanwell supports recommendation 29, where if appropriate the AEMC should update external guidance to be consistent with the wider principles of data policy.

### **Recommendation 30: Forward Rules advice**

Stanwell considers that a body such as DataLAC could provide advice on future data requirements through the existing AEMC consultation process. As it is currently written, it appears as though DataLAC could bypass this process through its advisory role.

### **Recommendation 31: Guidelines for research data and related reforms**

Stanwell supports further exploration of data sharing, but considers the establishment of a robust governance framework, transparent processes and protection mechanisms as key priorities.

Consequentially, Stanwell does not support recommendation 31 today.

### **Recommendation 32: Improve accessibility of research data**

Stanwell does not support recommendation 32 without transparent governance processes in place.

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<sup>17</sup> ESB Data Strategy Consultation Paper, 20 October 2020, p 61.

