1. What are your experiences of accessing consumer and product data for electricity under the status quo?

Consumer NZ's experience of accessing consumption data for undertaking pricing plan comparisons via its Powerswitch service has been an ongoing frustration. Accessing product data has been less of an issue but could still be improved.

Powerswitch is proudly provided by Consumer NZ (CNZ), an independent, non-profit advocacy organisation. For 65 years Consumer NZ has been dedicated to championing consumers in Aotearoa. CNZ has established a reputation for being fair, impartial and providing comprehensive consumer information and advice.

Now in its 25th year, Powerswitch is the most comprehensive, transparent, and reliable electricity and gas comparison tool of residential retail energy products in the New Zealand market.

Powerswitch exists to enable residential consumers to identify the lowest energy supply cost specific to their location, household size and energy usage patterns. Users can compare around 3,500 individual pricing plans and 570 gas plans through a free-to-use website that ranks eligible offers by annual cost, based on estimated usage.

As Powerswitch's operators, CNZ has long expressed frustration over the lack of practical access to smart meter data. Without this data, it's harder to show households the actual savings available to them.

If comparison sites like Powerswitch could access data [redacted], it will significantly increase the ease and accuracy of making comparisons. This would lead to higher switching rates, benefiting households with savings and increasing competitive pressure, encouraging innovation and lowering prices overall.

Accurate comparisons require consumption data. While Powerswitch has New Zealand's largest database of residential electricity retail product data (generally available pricing plans across New Zealand), the missing component is consumption data.

Our challenge in providing accurate comparisons stems from having to perform complex calculations with limited data. This is unnecessary, as the data is available but inaccessible to us.

Without this data we are reliant on estimates and assumptions.

CNZ's analysis of power bills found that only around half of power bills contained a historic consumption figure[1].

Powerswitch employs workarounds and estimates where limited or no data is provided.

Estimates and assumptions are no longer sufficient.
As household consumption profiles become more diverse — due to the rise of solar, batteries, and electric vehicles — this lack of data access will worsen[2]. At the same time, retail plans are becoming more sophisticated. The workarounds we currently rely on will become less effective, especially for complex plans like time-of-use (ToU) pricing.

We are at a critical juncture. As retail offers become increasingly complex, being able to access consumers' consumption data will be essential in order to provide accurate price comparisons.

The good news is, detailed household consumption data is now practically available - the bad news is, we are prevented from practically accessing it.
The smart meter rollout in New Zealand has been a success. 92% of households now have a smart meter[3]. Despite this and the significant investment, we have not yet realised the full consumer benefits of it.

The issue with data access has long been recognised. Despite this there has been no material progress.
The 2019 Electricity Price Review recognised the potential for smart meter data to help consumers find cheaper power deals:

> *Recommendation C3: Develop a streamlined way to process customer requests for consumption data.*
>
> *The Electricity Authority should give retailers six months to agree on a quick, simple procedure for processing consumers' requests for their consumption data, whether for their own use or for sharing with other retailers, and failing that, it should amend the Electricity Industry Participation Code to impose such a procedure. Requests by a customer's authorised agent should be treated in the same way, and there should be a simple process for nominating such agents. Requests should result in the release of all usage data a retailer holds on a customer (or customers if a bulk*

[1] CNZ Analysis of power bills undertaken for Consumer Advocacy Council 2022 Simplifying Electricity Bills Project.
[2] Powerswitch and time conditional plans - Energy Link August 2023.
[3] EMI data.

request). Retailers are already required to give consumers or their agents usage data within five working days for no fee.

Some retailers provide instant access, but not all do so. It will also be vital in helping consumers decide whether to invest in solar panels, batteries and other technology. Another problem is that retailers decide individually what criteria and processes to apply in deciding whether an agent is properly authorised. This complicates, or even hinders, agents' access.

The current process for obtaining data is not workable.

The Code[4] (Part 11, clauses 11.32A – 11.32E) states that a consumer or their agent can request consumption data from the consumers retailer, who then have five business days to provide it.

11.32B Requests for information

(1) A **retailer** to which a request is made must give the information to the **consumer** no later than 5 **business days** after the date on which the request is made.

(2) In responding to a request, the **retailer** must comply with the procedures, and any relevant **EIEP**, **published** by the **Authority** under clause 11.32F.

(3) A **retailer** must not charge a fee for responding to a request, but if 4 requests in respect of a **consumer's** information have been made in a 12 month period, the **retailer** may impose a reasonable charge for further requests in that 12 month period.

Clause 11.32B: inserted, on 1 February 2016, by clause 5 of the Electricity Industry Participation Code Amendment (Access to Retail Data) 2014.
Clause 11.32B(2): amended, on 1 February 2016, by clause 43 of the Electricity Industry Participation Code Amendment (Code Review Programme) 2015.
Clause 11.32B(2): amended, on 5 October 2017, by clause 218 of the Electricity Industry Participation Code Amendment (Code Review Programme) 2017.

11.32E Agents

If a **consumer** authorises an agent to request information under clause 11.32B on behalf of the **consumer**, a **retailer** must deal with any request from the agent for information about the **consumer** under clause 11.32B in accordance with:

(a) clauses 11.32A and 11.32EB;

(b) clause 11.32ED, if a request:

  (i) includes a statement from the agent that the agent has obtained, or the request is accompanied by, a written authority from the **consumer** in the form and containing the information required by Schedule 11.6; and

  (ii) the request is made through the **EIE System**; and

(c) the Privacy Act 1993, where applicable.

Clause 11.32E: inserted, on 1 February 2016, by clause 5 of the Electricity Industry Participation Code Amendment (Access to Retail Data) 2014.
Clause 11.32E: amended, on 1 March 2020, by clause 5(a) and (b) of the Electricity Industry Participation Code Amendment (Requirements and Processes for Information Requests by Agents) 2020.

[4] Electricity Industry Participation Code 2010.

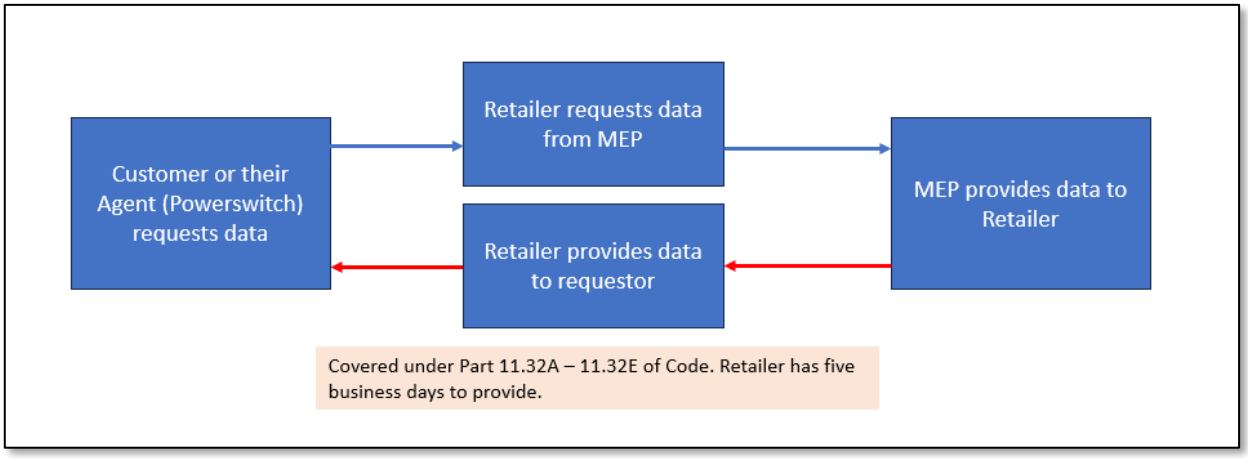


Diagram: Process for an Agent requesting data on behalf of a consumer under the Code

Five days is too long.

Retailers still use manual, ad-hoc and inconsistent approaches to data requests. The current processes are impractical for a site providing thousands of daily comparisons. To be effective, comparison results need to be immediate.

2. Do you agree with our summation of the status quo and problem definition? Is anything missing or incorrect in your view? And please provide any evidence you may have to support your views.

In general, we agree with the summation of the status quo and the problem definition.

Data is the 'secret sauce' required to realise the full benefits of retail competition, long promised, but long denied to consumers.

A study by Energy Link[5] found that improving the quality of consumer data is the largest challenge facing comparison services.

> *'The review found a high level of confidence that Powerswitch will produce the correct retailer ranking for a given consumption, metering configuration, location and user preference.*
>
> *However, users are not providing sufficient reliable information for the consumption estimation algorithm to operate effectively.*

[5] Ibid at 2.

Effectiveness is increasingly under challenge from technological change either directly such as the uptake of EVs and PV Solar generation, or indirectly by the facilitation of novel, smart-meter-enabled tariff structures such as those based on consumption measures over specified time periods.

CNZ believes a Consumer Data Right (CDR) applied to electricity consumption data will not only solve this long-standing problem, [redacted]. It will be a game-changer for retail competition and a catalyst for innovation.

We don't agree that consumers are becoming more engaged with their electricity use. This is not our experience. Despite electricity being one of the largest household costs, people have become so disengaged that one-in-five consumers don't even bother to open their monthly power bill and a further twenty percent only open their bill occasionally.[6]

Electricity is not a product that typically excites consumers or elicits engagement – nor is it likely to become so. It is unrealistic to expect otherwise. **But the good news is consumers don't need to be engaged.**

Access to data will have benefits beyond individual household savings.
Changes to the status quo are also necessary for New Zealand to meet its climate goals and help manage the bow-wave of associated costs increased electrification would otherwise bring.

For example, Electricity Distribution Businesses (EDBs) are concerned about increases to peak demand due to EV charging which could necessitate large increases in network investments, with flow on costs for consumers, many of whom are struggling to pay bills as it is.

Modelling has shown that, if left uncurbed, EV charging at peak could increase the average household peak electricity demand by up to 40%[7]. Meeting this increase will require billions of extra dollars spent on lines infrastructure.

[6] 2023 Consumer NZ Energy survey (May 2023). The Consumer NZ annual survey is a nationally representative survey that has been undertaken in its current format since 2015, although Consumer NZ has been undertaking an energy survey in some form since 2005. To be nationally representative survey requires a minimum sample size of 2,000.

[7] Driving change - A study on the issues and opportunities of mass-EV uptake in New Zealand – Concept Consulting 2018.

Without effective mitigation in the form of demand-side initiatives, increased electrification also runs the risk of acerbating demand peaks that require more expensive fossil fuel powered generation be dispatched to meet peak. Managing demand peaks will be increasingly critical.

A win-win solutions is to encourage consumers – and in particular EV owners - to adopt ToU pricing. These plans tend to result in the lowest cost for consumers (typically reducing bills by around 20%). They also have the effect of helping keep a lid on peaks, which helps lower costs overall (so even those consumers not on ToU plans would benefit).

ToU is particularly effective in driving behaviour change of EV owners. Recent EECA surveying showed that 97% of EV owners charge at home at least some of the time, with 80% doing more than half their charging at home[8]. Procuring an EV can be a catalyst for change. Many households review their current power plan when they purchase an EV.

3. Do you think that regulatory options are necessary to unlock better access to customer and product data?

Yes. Regulatory options are required. Non-regulatory options would not secure the same benefits for consumers that the CDR would deliver.

If non-regulatory solutions were viable, they would have happened by now.
An alternative solution is that retailers improve data provision voluntarily. CNZ does not believe this is feasible.

For several years, CNZ has raised data issues with retailers. Retailers are cognisant of the issues, and some are sympathetic to the idea of improving data provision. However, retailers are faced with a first-mover problem - that is, any individual retailer looking to voluntarily increase data provision would be putting themselves at a competitive disadvantage if other retailers do not follow suit. In effect, they would be acting to make it easier for competing retailers to win their customers, which would be contrary to their commercial interests and duties to their shareholders.

In general, greater data access will make comparing and switching easier. This is not in most retailers' interests.

[8] EECA EV charging survey February 2023.

4. What do you consider to be the likely outcomes for access to customer and product data in the absence of a CDR for electricity?

Without the data right consumers will continue to be denied the full benefits of electricity retail competition.

The rollout of smart meters in New Zealand has been a success, with 92% of households now equipped with one[9]. Despite the significant capital investment involved, we have yet to realise the benefits that this technology can deliver to consumers.

Households can on average save around $500 just through changing pricing plan or provider[10]. However, despite the substantial savings available, only about 7% of households switched electricity providers in the past 12 months[11].

This low switching rate highlights a significant missed opportunity for consumers to reduce their energy costs.

Many households either have never switched providers or have not done so for many years. 42% of New Zealand households have remained with the same provider for more than five years, with around a quarter staying for over a decade[12].

Without a CDR, low switching rates are likely to persist, leaving households paying more than they could be. Additionally, without the competitive pressure that comes from consumer mobility, or even the threat of it, electricity retailers will have little incentive to innovate or offer better deals to attract and retain customers.

5. Who else may be impacted by a designation of the electricity sector? Should particular groups or classes of entities be explicitly included or excluded from a potential designation?

No comment.

[9] Ibid at 5.

[10] Analysis of Powerswitch results pages determined the median savings on Powerswitch by changing retailer over the last three months was $494 per annum.

[11] 6.74% 'trader switches' as of 31 August 2023. EMI switching trends dashboard.

[12] CAC Consumer Sentiment Survey March 2023.

6. What customer data do you think is the most important? And what else (now or in the future) would be important? And why? What are the benefits from consumers having ready access to this data?

The most important data is the consumption data.
The benefits to consumers are extensive and are detailed in our responses to other questions.

7. If access to customer data is designated for all consumers (residential, small business, large business and large consumers) what are the potential benefits, risks or costs associated with each type of customer? And why?

Making it easier for consumers to identify the most cost-effective electricity plan for their needs holds significant potential for consumer benefit.

Many New Zealand households are deeply concerned about their electricity bills. According to the latest Consumer NZ energy survey, 62% of consumers are concerned about their electricity costs, and 19% reported experiencing financial hardship in paying their monthly power bill in the past year[13].

The good news is that many consumers can substantially lower their power bills by simply switching providers. Households that used Powerswitch to change retailers currently save on average around $500 per year[14].

Our analysis suggests that for every 1% increase in households switching to a lower cost provider (roughly 20,000 households) consumers collectively save around $9.7 million[15].

Moreover, higher switching rates drive greater competitive pressure in the market, which helps keep overall prices in check.

[13] Ibid at 8.
[14] Ibid at 12.
[15] 1% x 1.96M (from EMI, the number of residential ICPs as of 31 January 24) x $494 (average Powerswitch savings over the last 3-months) = $9.68M.

8. What product data do you think is the most important? And what else (now or in the future) could be important? And why? What are the benefits from this data?

[Redacted]

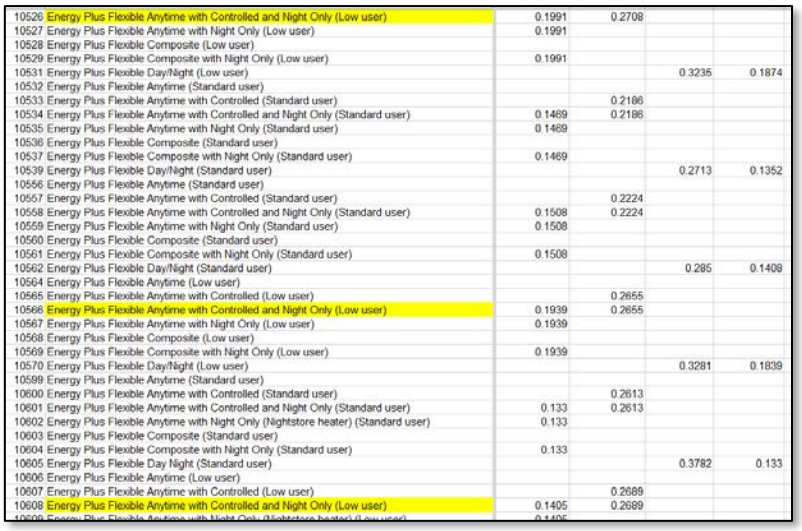
9. Are there any other issues with product data we should be aware of? And why? Please provide examples.

There is currently an issue with differentiating electricity retail products:
Electricity pricing plans consist of various components including tariff rates, daily line charges, and applicable discounts and levies. Many plans also often feature multiple tariff rates such as day/night, controlled/uncontrolled, peak/off-peak, and weekend rates. Additionally, plans offer both low-user and standard-user options, each with their own distinct tariff structure.

Currently the Powerswitch database contains 17,058 individual tariff sets across 3,464 electricity pricing plans and 569 gas plans. The high number of tariff sets is due to the fact that each pricing plan can vary depending on the network pricing region, of which there are approximately 70. Moreover, each plan includes both low-user and standard-user options, further diversifying the tariff structures.

Additionally, some retailers reuse the same pricing plan names over time, meaning that the tariff sets associated with a particular plan today may differ from those offered under the same name several years ago. This is important as older prices remain valid for consumers on fixed-term contracts that have yet to expire. A common source of confusion for consumers is different tariff values appearing under the same pricing plan name.

The screenshot below is of a recent download of the Powerswitch database. This shows how the same pricing plan (with the same name) can have differing tariffs according to network location, user category, and date.



10526 Energy Plus Flexible Anytime with Controlled and Night Only (Low user)	0.1991	0.2708		
10527 Energy Plus Flexible Anytime with Night Only (Low user)	0.1991			
10528 Energy Plus Flexible Composite (Low user)				
10529 Energy Plus Flexible Composite with Night Only (Low user)	0.1991			
10531 Energy Plus Flexible Day/Night (Low user)			0.3235	0.1874
10532 Energy Plus Flexible Anytime (Standard user)				
10533 Energy Plus Flexible Anytime with Controlled (Standard user)		0.2186		
10534 Energy Plus Flexible Anytime with Controlled and Night Only (Standard user)	0.1469	0.2186		
10535 Energy Plus Flexible Anytime with Night Only (Standard user)	0.1469			
10536 Energy Plus Flexible Composite (Standard user)				
10537 Energy Plus Flexible Composite with Night Only (Standard user)	0.1469			
10539 Energy Plus Flexible Day/Night (Standard user)			0.2713	0.1352
10556 Energy Plus Flexible Anytime (Standard user)				
10557 Energy Plus Flexible Anytime with Controlled (Standard user)		0.2224		
10558 Energy Plus Flexible Anytime with Controlled and Night Only (Standard user)	0.1508	0.2224		
10559 Energy Plus Flexible Anytime with Night Only (Standard user)	0.1508			
10560 Energy Plus Flexible Composite (Standard user)				
10561 Energy Plus Flexible Composite with Night Only (Standard user)	0.1508			
10562 Energy Plus Flexible Day/Night (Standard user)			0.285	0.1408
10564 Energy Plus Flexible Anytime (Low user)				
10565 Energy Plus Flexible Anytime with Controlled (Low user)		0.2655		
10566 Energy Plus Flexible Anytime with Controlled and Night Only (Low user)	0.1939	0.2655		
10567 Energy Plus Flexible Anytime with Night Only (Low user)	0.1939			
10568 Energy Plus Flexible Composite (Low user)				
10569 Energy Plus Flexible Composite with Night Only (Low user)	0.1939			
10570 Energy Plus Flexible Day/Night (Low user)			0.3281	0.1839
10599 Energy Plus Flexible Anytime (Standard user)				
10600 Energy Plus Flexible Anytime with Controlled (Standard user)		0.2613		
10601 Energy Plus Flexible Anytime with Controlled and Night Only (Standard user)	0.133	0.2613		
10602 Energy Plus Flexible Anytime with Night Only (Nightstore heater) (Standard user)	0.133			
10603 Energy Plus Flexible Composite (Standard user)				
10604 Energy Plus Flexible Composite with Night Only (Standard user)	0.133			
10605 Energy Plus Flexible Day Night (Standard user)			0.3782	0.133
10606 Energy Plus Flexible Anytime (Low user)				
10607 Energy Plus Flexible Anytime with Controlled (Low user)		0.2689		
10608 Energy Plus Flexible Anytime with Controlled and Night Only (Low user)	0.1405	0.2689		

The solution is to mandate the use of a unique and unchanging product data code for each tariff set assigned to an Installation Control Point (ICP). This unique code would not only simplify the identification of a household's current pricing plan, but also prove valuable for tracking pricing changes over time.

Additionally, since some tariffs are fixed for a contract period, the ability to reference historical tariff sets is essential for accurate comparisons and analysis, even when those rates are no longer available to new customers.

There are missing retail products and product details:
Retailers currently provide tariff information to Powerswitch voluntarily. In the unlikely event they refuse, we have recourse to formally request Generally Available[16] plan data under the Code[17]. However, in Powerswitch's 25-year history, we have never had to take this step.

Nevertheless, Generally Available plans represent only a portion of the product data. Many plans do not meet the definition of 'Generally Available'. A prime example is the GreyPower products, which are only available to members of the seniors' advocacy group Grey Power. Grey Power has declined to provide Powerswitch with data for these plans, as they are not accessible to the general public. This means Grey Power members cannot fully benefit from the Powerswitch service.

[16] 'Generally available retail tariff plan' is a defined term under Part 1 the Electricity Industry Participation Code.
[17] Clause 11.32G of Part 11 of The Electricity Industry Participation Code specifies that retailers must provide generally available tariff data upon request.

To ensure fair access for all consumers and consumer groups, any regulatory requirement should mandate the provision of all product data, not just that defined as Generally Available plans.

Moreover, certain critical product data is missing from current disclosures. Information about contract terms, residual terms, early termination fees, and the conditions under which these fees apply should be included for every pricing plan.

In practice, retailers often impose early termination fees when a consumer on a fixed-term contract seeks to switch providers before the contract term ends. Our experience shows that many households are either unaware, or have forgotten, that they are on a fixed-term contract. In some cases, another household member may have originally agreed to the contract, leaving others uninformed.

This lack of awareness leads to situations where consumers switch providers, only to discover - sometimes too late - that they are liable for an early termination fee they were not expecting. If households had prior knowledge of these fees, most would likely delay switching. Additionally, many households are already hesitant to switch providers, and any uncertainty regarding potential penalties, even when no fixed-term contract exists, can further discourage switching, despite the availability of cheaper plans.

This situation could be easily avoided, and households would gain more confidence in switching, if they were clearly informed whether they are currently on a fixed-term contract, along with any associated residual terms and penalties for early termination.

10. What factors should be considered when identifying who the best data holder is under a potential CDR regime? And how might contracting agreements affect the application of a CDR in regard to data holders? (e.g., contracts between metering equipment providers and retailers to share data).

Factors for identifying the best data holders:

The key factor to be considered when identifying the best data holder is practicalities. These parties are:

- Meter Equipment Providers (MEPs): for consumption data

- Electricty retailers: for electricity tariff-set data (product data)
- The Electricity Authority: for registry ICP data

CNZ's experience with Powerswitch is that managing large datasets is a complex and expensive undertaking. The most cost-effective and practical solution is to make the data holder the source or natural holder of each dataset. In most cases these parties will also already have established systems for procuring, managing, and transferring data. This will avoid the costs, delays, and potential errors inherent in creating new systems or double handling data – such as when unnecessarily transferring data to an intermediary holder or trying to create a centralised dataset.

As an example, as previously discussed in this submission, requests for consumption data currently are required to go through the retailers. This requirement is not efficient or necessary and makes the process prone to errors and delays. Data formats and approaches to requests for consumption data are currently inconsistent across retailers. The current process for obtaining consumption data has proven unworkable for Powerswitch.

Potential issues with existing retailer-MEP commercial contracts:
The existing commercial contracts between MEPs and retailers could also hinder the more efficient provision of data.

When CNZ has investigated sourcing data direct from MEPs, it became apparent that the commercial agreements between retailers and MEPs would likely form a barrier. We understand the provisions of these commercial arrangements could effectively prevent the MEP from providing their customers data directly to third parties (regardless of consumers permission) without first going through the retailer.

11. Do you agree with our initial framework for how to identify/ designate data holders? Why or why not?

We disagree with the assertion that retailers should be considered the primary data holders for most customer data identified. While retailers do hold product data, the MEP is the rightful holder of consumption data. Some retailers will only possess a limited subset of consumer consumption data due to the simplicity of their plans, which often do not necessitate them obtaining detailed half-hourly or aggregated consumption data from the MEP.

As outlined in response to question 10, it is far more practical to source data directly from the MEP. Given that real-time access to this data is critical, introducing delays by routing through retailers would severely impair the utility of consumption data for practical applications. Moreover, many retailers may have a vested interest in obstructing or delaying real-time access to this data, particularly if an outcome is their customers being made aware of lower-cost pricing options being offered by their competitors.

The framework for identifying data holders must prioritise efficiency and practicality. For our application the increased value to consumers is derived through streamlining and automating comparison services. Data holders should be determined by who physically collects and controls the data, and is best equipped to respond to requests in a timely manner. Requiring access through retailers as intermediaries would only compromise the effectiveness of the CDR in the electricity sector.

12. What actions could be designated for electricity under a CDR? And why? What are the potential benefits from these? Please provide examples.

A designated action must include the obligation for retailers to acknowledge and respond to consumer switching enquiries. Currently, retailers have the discretion to reject a consumer's request to switch for any reason, and in some cases they may (and do) simply ignore switching enquiries altogether. Without the requirement for this action to be mandated, there is a significant risk that retailers could deliberately obstruct comparison and switching services, thereby eroding consumer trust in these platforms by failing to respond to enquiries initiated through them.

A fundamental flaw in the electricity retail market is the assumption that retailers are always actively seeking new customers. In a truly competitive market, this would be the norm. However, in the electricity sector, there are instances when retailers may deliberately avoid acquiring new customers, either by tightening their acceptance criteria or by not responding to prospective customers at all (or responding sluggishly). This behaviour undermines the competitive dynamics of the market and creates barriers for consumers seeking better options.

To ensure a fair and efficient market, and to ensure consumers have trust in the market, it is critical that retailers are held accountable for responding to switching enquiries in a timely and transparent manner.

13. What are your thoughts on the potential impacts of a designation on the interests of consumers? Are there any specific benefits that are likely to be enabled with designation? What is the likely scale of the benefits, and over what timeframe would they occur?

Potential impacts of designation:
The designation of the electricity sector under the CDR framework has the potential to deliver significant benefits for consumers.

Increased switching fosters greater competitive pressure across the market, incentivising retailers to innovate and lower prices. By empowering consumers with more precise, real-time data, the electricity sector could be transformed into a more dynamic, consumer-driven market.

Specific consumer benefits:
[redacted] Automation would reduce the current barriers of apathy and confusion that often lead to consumer disengagement.

14. Do you have any comments on the specific interests of different types of consumers, such as, residential, business, industrial, rural, Māori, or other groups of consumers?

The consumer groups who would potentially benefit the most from greater access to data are those households facing energy hardship. Despite this, an Otago University study revealed that these households are less likely to use Powerswitch, even though they stand to gain the most from doing so[18]. There are a range of complex reasons why this group has become disengaged. These are well documented in the Energy Hardship Experts report[19].

[18] The impact of price comparison tools on electricty retailer choices - Peter Gibbard and Dennis Wesselbaum, February 2024
[19] 'Energy Hardship: The challenges and a way forward' - Energy Hardship Expert Panel report to the Minister, July 2023.

These households in particular would be well served through the automated comparisons enabled through access to their own consumption data. Enabling automated comparisons would significantly reduce the barriers currently preventing these households from identifying and accessing lower-cost energy options, as they would no longer need to actively input data or navigate complex processes to find the best deals.

15. What are your views on the nature and scale of costs/benefits? Who would these costs/benefits apply to and when?

Scale of benefits:

Electricity consumers in New Zealand can save an average of around $500 per year simply by switching providers[20]. However, despite this, only about 7% of households (excluding move-in switches) made the change over the past 12 months[21].

The unrealised potential for household savings through switching is enormous. Our surveys indicate that 42% of households have stayed with their current provider for more than five years, and approximately one quarter for over ten years[22].

Increasing switching rates, especially among households facing energy hardship, will unlock significant savings for New Zealanders. For every 1% of households that can be encouraged to switch providers (around 20,000 households), the aggregate savings would amount to roughly $9.5 million[23].

An Otago University study found that Powerswitch already delivers $13.7 million in annual value by exposing consumers to a wider range of energy options. The potential benefits of increasing the use of price-comparison tools are even greater. The study estimated that if all consumers used a comparison tool at least once a year, the collective savings would reach $219 million annually[24].

Increasing switching rates also increases competitive pressure, which helps keep a lid on prices in general. The Otago University study found that price-comparisons play a crucial role in switching behaviour. The study showed that consumers were considerably more likely to switch retailers if they had previously visited a price-comparison website, even where the consumer had visited the website several months prior.

[20] Ibid at 12.
[21] Ibid at 13.
[22] Ibid at 14.
[23] Ibid at 17.
[24] Ibid at 21.

Increased access to consumption data is also likely to deliver broader long-term economic and societal benefits. By helping households switch to cheaper electricity plans, energy becomes more affordable, reducing the prevalence of energy hardship and the risk of disconnections. This, in turn, helps mitigate the significant wider financial and social costs associated with these issues.

Who would these costs/benefits apply to and when?
The beneficiaries would be households. The benefits are available now.

16. Would you be able to quantify potential additional costs to your organisation associated with designation under the Bill?

[redacted]

17. Do you have any comments on the benefits and risks to security, privacy, confidentiality, or other sensitivity or customer data and product data?

Risks to security, privacy, confidentiality, or other sensitivity or customer data:
We acknowledge that there are valid privacy concerns regarding the use of consumption data. However, we believe that these concerns have been overstated by industry players as a means to hinder or delay practical access to consumer data. There are vested interests in maintaining barriers that make it harder for consumers to easily compare and switch electricity providers. We contend that some retailers resist changes to data-sharing methodologies not out of genuine privacy concerns - although those concerns are real but manageable - but because increased data access would disrupt the status quo. After 25 years of retail competition, around 84% of households remain with one of the four large incumbent retailers (or their subsidiaries)[25].

Half-hour electricity consumption data can provide information on a household's habits and patterns of movements. Because of this is it is rightly considered private information. However, it is important to place this within context. Our view is, although it is rightly

[25] 83.8% from EMI market share trends - as of 31 August 2024.

regarded as private information, electricity consumption data ranks lower on the privacy spectrum compared to sensitive financial, banking, or health data.

Regardless, CNZ takes privacy issues very seriously. Before proceeding with any development, we would conduct a full privacy impact assessment (PIA) to ensure robust protection of consumer data.

Risks to security, privacy, confidentiality, or other sensitivity or product data:
We do not believe there are any additional risks to product data as this can already be obtained under the Code[26].

18. Are there any risks from the designation to intellectual property rights in relation to customer data or product data?

We agree the designation does not pose risks in relation to intellectual property rights.

19. What do you consider to be important if designing an accreditation regime for the sector?

We agree with the criteria outlined for accredited requesters. However, we recommend adding further requirements to ensure consumer data is handled with the highest level of security and transparency.

Specifically, the accredited requester must:

- **Implement robust and secure mechanisms** for obtaining informed consumer consent, ensuring that consumers clearly understand how their data will be used. These systems must guarantee that the data is only accessed and utilised by the accredited requester for the explicitly defined purposes agreed upon by the consumer.
- **Provide clear terms and conditions** to consumers, outlining the scope and purpose of data use, ensuring that consumers are fully aware of what they are consenting to and how their consumption data will be managed.
- **Maintain adequate practices, procedures and systems** to manage consumption data effectively and mitigate information security risks. This includes ensuring data

[26] Ibid at 19.

encryption, access controls, and regular monitoring to safeguard against unauthorised access or breaches.

- **Comply fully with the Privacy Act**, particularly ensuring adherence to principles around data protection, transparency and consumer rights to access and correct their data.
- **Undergo regular, periodic audits** of their systems and data management processes to verify compliance with data security standards, privacy regulations, and best practices. These audits should be carried out by independent third-party auditors to provide an impartial assessment of the requester's adherence to these requirements.

These additional safeguards will help build consumer trust, ensure compliance with privacy regulations, and protect the integrity of the data-handling process, all of which are critical to the success of any data-sharing framework.

20. What are your views on fees for requests for customer electricity data under the Bill? If fees are charged, what limits or restrictions should be placed on fees? Do you have any comments on the costs and benefits of the various options?

We understand that once the necessary systems are established and data transfers are largely automated, the cost of transferring consumption data becomes minimal — typically just a few cents per request. Given this low marginal cost, it is our view that there should be no fee imposed on consumers or their authorised agents for requesting access to consumption data under the Bill.

If, however, fees are introduced through regulations, they should align with the principles set forth in the Privacy Act, specifically in accordance with **Principle 6**, which ensures individuals have the right to access their personal information. Any fee structure must reflect this fundamental right and be designed to remove barriers to data access, not create new ones. Excessive or inconsistent fees could discourage consumers from exercising their rights and undermine the objectives of enhancing consumer empowerment and facilitating competition in the energy market.

We also believe that if any fees are deemed necessary, they should be set at a nominal rate that reflects the actual cost of processing the request, not as a revenue-generating mechanism. This approach ensures transparency, fairness, and consistency across the

industry while maintaining the focus on improving consumer access to more affordable energy options.

21. Are there any particular considerations for electricity that should be taken into account for a consumer consenting process?

Online accounts are not as commonly used by energy consumers as they are by banking customers, which means it may not always be feasible to require consumers to provide consent by logging into their electricity provider's account.

In the absence of a simple electronic method for verifying customer identity, an alternative approach will be necessary. Accredited requestors could, for instance, obtain consumer consent through approved methods, if they are required to maintain adequate records of this consent. Incentives should be in place to ensure that accredited requestors follow proper procedures. This approach would allow data holders to rely on the assumption that the accredited requestor has obtained the necessary consent at the time of the data request.

As an additional safeguard, data holders could be required to notify consumers when their consumption data has been requested and accessed. This notification would provide consumers with transparency. This layered approach strikes a balance between enabling consumer access to their data and ensuring robust verification and oversight mechanisms are in place.

22. Do you think that standards should be led by industry, by government or co-led? What is the role of industry in developing standards? And why?

We believe standards should be led by Government, or at the least, co-led.

23. How do you believe a CDR and the Code could/could not work together?

A CDR and the Electricity Industry Participation Code (EIPC) could complement each other in several ways, but challenges would need to be addressed for them to work seamlessly together. Here's how they could — and in some cases, might not — align:

How a CDR and the Code could work together:

1. **Empowering consumers with data access**:
    - **CDR framework**: A CDR provides consumers with the legal right to access and share their data with authorised third parties, empowering them to make better-informed decisions. In the context of electricity, this would enable consumers to easily share their consumption data with comparison tools, new service providers, or energy management platforms.
    - **Code alignment**: The Code already includes provisions for consumer data access, particularly around metering information (**Part 10**). If harmonised with a CDR, the Code could enforce data-sharing protocols that align with CDR requirements, creating a streamlined process for consumers to access their data across the energy sector.
2. **Standardisation of data sharing**:
    - **CDR framework**: CDRs typically enforce standardisation in the way data is formatted, transmitted, and used, making it easier for consumers and third-party services to interact with data across different providers.
    - **Code alignment**: The Code could adopt the same standards or protocols for data handling, ensuring that metering and consumption data is readily transferable and easily interpreted by any accredited CDR-compliant third party. This would ensure data is interoperable between energy companies, MEPs, and third-party service providers, reducing friction for consumers seeking to switch providers or optimise their energy use.

3. **Increased competition**:
    - **CDR framework**: A CDR fosters competition by reducing barriers for consumers to switch providers or utilise third-party services to find the best deals. Consumers are empowered to compare rates and service offerings with the confidence that they control their data.
    - **Code alignment**: By supporting streamlined data sharing, the Code could enable more transparent market practices, making it easier for smaller retailers to compete with incumbents. It could also reduce the friction

consumers face when switching providers, which aligns with the Code's objectives of facilitating retail competition.

4. **Enhanced privacy and security standards**:
    - **CDR framework**: CDR legislation typically includes strong privacy and security provisions, ensuring that consumer data is protected and only used for authorised purposes.
    - **Code alignment**: The Code could adopt or mirror the privacy and security standards laid out in CDR frameworks, ensuring consistent treatment of consumer data across the sector. This would also provide clarity to energy providers and consumers about the requirements for data handling, mitigating the risk of data misuse.

How a CDR and the Code might face challenges:

1. **Differences in regulatory focus**:
    - **CDR focus**: A CDR is consumer-focused, emphasising data portability and consumer empowerment, often across sectors (e.g., banking, telecommunications, and energy). Its broad approach could lead to complications when applied to the more specific, technical provisions in the Code.
    - **Code focus**: The Code focuses specifically on the electricity industry and governs interactions between market participants (e.g., distributors, retailers, MEPs). It may not easily align with a CDR's broader mandate, which could create gaps in regulation or conflicting requirements for participants.
2. **Potential for increased administrative burden**:
    - **CDR implementation**: Introducing a CDR could require significant infrastructure changes, including updating systems to comply with data-sharing protocols, ensuring privacy, and managing consumer requests.
    - **Code limitations**: For smaller energy providers, aligning with both the CDR and the EIPC may increase administrative and compliance burdens. They would need to implement systems that are both CDR-compliant and meet the specific requirements of the Code, potentially leading to higher operational costs.
3. **Complexity in consent and data management**:
    - **CDR requirements**: The CDR places a strong emphasis on explicit consumer consent, which must be managed carefully and verified before any data-sharing can occur.
    - **Code constraints**: While the EIPC requires consent for certain data exchanges, integrating CDR-level consent management may introduce additional complexity. Ensuring that consent is consistently and securely handled across multiple platforms — both for the CDR and the Code —

could complicate the process, especially for third-party services that are unfamiliar with electricity industry protocols.

4. **Integration of legacy systems**:
    - **CDR**: Implementing a CDR may require participants to update or replace legacy IT systems to enable seamless data sharing and meet new security standards.
    - **Code limitations**: Many energy providers and MEPs operate on legacy infrastructure, which could make the transition to a CDR-compliant system challenging. These companies may face technical difficulties or increased costs when trying to integrate with CDR protocols, slowing the overall adoption of consumer data rights in the energy sector.

A CDR and the EIPC could work together to provide significant benefits for consumers, such as greater access to consumption data, increased competition, and enhanced privacy protections. However, for this to happen, regulatory alignment will be necessary, especially in standardising data formats, managing consent processes, and ensuring minimal disruption to existing market systems. Careful consideration must be given to ensuring that the CDR enhances the existing Code without creating unnecessary complexity or compliance burdens for industry participants.