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**From:** Electricity Engineers' Association of NZ

**Date:** 10 October 2024

**Subject:** EEA Submission – Discussion Paper – *Exploring a consumer data right for the electricity sector*

## OVERVIEW

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The Electricity Engineers Association (EEA) of New Zealand is pleased to provide feedback on the Ministry of Business, Innovation & Employment (MBIE) discussion paper on *Exploring a Consumer Data Right for the Electricity Sector*.

The EEA welcomes the opportunity to be involved as the largest collaborative forum in New Zealand's power industry, we focus on addressing complex engineering and technical issues, providing practical solutions and support, and delivering critical market intelligence. Our aim is to help members and other industry stakeholders ensure a safe, reliable electricity supply within a low-carbon policy framework. The EEA represents over 70 Corporate Members (companies) and 600 Individual Members across New Zealand from all engineering disciplines and sectors of the electricity supply industry.

In our role of providing a technical lens on all aspects of the electricity industry, the EEA recognises that delivering affordable, decarbonised energy services will increasingly require the provision of individualised services through an optimised energy system. To achieve this, both the industry and consumers will need to maximise the use of energy data. Therefore, we support the introduction of a Customer Data Right as outlined in the discussion paper.

The introduction of a Customer Data Right aligns with the EEA's ongoing work to advance customer engagement and empowerment in a decentralised energy future. EEA and its members support efforts to give consumers more control over their electricity choices, which will drive innovation and competition in the retail sector for the long-term benefit of consumers.

We commend MBIE for addressing the important issue of customer data rights. The EEA recognises that access to customer data is critical for delivering an efficient, decarbonised energy future. It is essential, however, to ensure that all consumers have sufficient rights and controls to both protect and empower them, while maintaining a reliable and optimised energy system.

The EEA is eager to continue collaborating with MBIE, industry participants, and stakeholders on this pivotal issue.

### Discussion Paper Questions

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**Q1 (page 17): What are your experiences of accessing consumer and product data for electricity under the status quo?**

From the perspective of the EEA, accessing consumer and product data for electricity under the current framework poses challenges, even for industry participants such as Electricity Distribution Businesses (EDBs) that don't have access to smart meters. EDBs regularly face difficulties in obtaining electricity consumption data from smart meters and accessing retailer tariff information. If industry professionals are experiencing these issues, it is reasonable to assume that everyday consumers may find it even more challenging to access and interpret their own electricity data. This underscores the need for improved data transparency and accessibility (including affordable access) across the sector to support both industry participants and consumers.

**Q2. (page 17) 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.**

EEA agrees that MBIE's summation of the status quo and problem definition is accurate. Based on our experience and the data available, the outlined issues accurately reflect the current challenges. We have not identified any significant omissions or inaccuracies but are open to providing further insights or evidence as the discussion evolves.

**Q3. (page 18) Do you think that regulatory arrangements are necessary to unlock better access to customer and product data?**

The EEA supports the introduction of regulatory arrangements to enhance access to customer and product data. While the Electricity Authority (EA) has made significant strides in improving access to consumption data for customers and their agents, some challenges persist, and the current framework under the Electricity Industry Participation Code 2010 (the Code) has not always been sufficient. A regulatory approach is needed to ensure more consistent and effective access to data across the sector. However, we must highlight a potential risk of unintended consequences within the proposed Customer and Product Data Bill. Specifically, if EDBs become accredited requestors under the Bill, clause 15 could apply when requesting "designated customer data"—which will almost certainly include consumption data—from a "data holder," likely to be retailers or metering equipment providers (MEPs). Even if the data request falls outside the intended scope of the Consumer Data Right (CDR) regime, consumer permission would still be required for the data holder to fulfill the request.

Our understanding is that if an entity is not an accredited requestor, data requests to data holders would not trigger any of the Bill's clauses. This creates a scenario where EDBs, as accredited requestors, may face additional hurdles when accessing data that they could otherwise request without accreditation.

We are confident that this is not the Government's intent with the Bill or the forthcoming sector-specific regulations. However, we believe it is important to raise awareness of this potential issue. We urge MBIE to exercise caution during the design and drafting of the regulations to avoid inadvertently imposing unnecessary burdens on EDBs and other parties. It is essential that the regulations provide clarity and avoid any unintended restrictions that could hinder the efficient operation of the electricity sector and access to vital consumption data.

**Q4. (page19) What do you consider to be the likely outcomes for access to customer and product data in the absence of a CDR for electricity?**

The EEA believes that in the absence of a Consumer Data Right (CDR) for electricity, access to customer and product data will likely remain inconsistent across the sector. Again, whilst the EA has taken some steps to improve data accessibility, such as introducing Code obligations for retailers to provide consumption data to consumers and their agents, these measures have been largely ineffective in delivering the level of data access needed, as highlighted by MBIE in the discussion paper.

Without the introduction of a CDR, we foresee that data-sharing practices will continue to be fragmented, with various stakeholders—retailers, electricity distribution businesses (EDBs), and third parties—maintaining different systems and protocols for accessing and sharing data. This inconsistency could impede the development of innovative services, such as personalised tariffs, demand response solutions, and energy efficiency programs, all of which require seamless access to data to deliver value. Furthermore, the digital transformation that is crucial to support New Zealand's transition to a low-carbon economy and the widespread adoption of new energy technologies hinges on this accessibility. From a consumer perspective, limited control over energy data would continue to be a barrier to making informed decisions about energy usage, switching providers, and engaging with emerging services, such as peer-to-peer solar trading. This would not only restrict consumer empowerment but also limit market competition, as larger players with better access to data would retain a competitive advantage, making it difficult for smaller or newer entrants to offer innovative, data-driven solutions. In conclusion, the EEA believes that without a CDR, the electricity sector is likely to face continued barriers to innovation, reduced competition, and slower progress towards a fully digitalised, consumer-centric energy future.

**Q5. (page 22) 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?**

The EEA is not aware of any additional groups or entities that may be impacted by the designation of the electricity sector beyond those already identified by MBIE. We believe that MBIE has captured the number and diversity of energy sector participants who may hold or require data (e.g. retailers, distributors, the system operator, third party sales and comparison websites, other service providers, metering coordinators and meter data providers etc). However, if any unforeseen impacts arise during further consultation, we remain open to revisiting this matter to ensure that all relevant parties are appropriately considered.

**Q6. (page 24) 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 EEA considers that access to smart meter data is a key enabler for driving the rapid transformation needed in New Zealand's electricity sector to meet New Zealand's emissions targets. This data will become increasingly important as consumers look to participate more actively in the electricity market. In addition to smart meter data access to, solar generation data, power quality data, buy-back tariffs and home energy management systems (HEMS)/DER data will also be essential. This transparency is vital for enhancing customer trust in the energy system, encouraging more proactive engagement in the energy market. Consumers are evolving from passive users to energy producers, storage providers, and aggregators. For example, access to buy-back tariff data can empower consumers to make informed decisions and provides transparency around compensation for excess energy fed back into the grid.

Furthermore, access to solar generation and DER data can help consumers better understand and manage their household energy usage. It will also enable EDBs, with the necessary customer authorisation, to effectively monitor and integrate these resources more efficiently. This capability is particularly crucial as EDBs prepare for the rising adoption of smart EV chargers and V2G and increasing levels of solar photovoltaic (PV) systems, ensuring the network can accommodate and optimise these technologies for the benefit of both consumers and the wider grid.

**Q7. (page 24) 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?**

Residential Consumers:

- **Benefits:** From an industry perspective, granting residential consumers access to their energy data could unlock significant value. With better access to personalised energy products and

services, consumers will have more control over their electricity usage and costs. This would also facilitate greater adoption of home energy management systems (HEMS), allowing customers to optimise their energy consumption and contribute to demand-side flexibility.

- **Risks:** Privacy concerns are a major risk that must be carefully managed. There is the potential for personal data to be misused or improperly handled, which can undermine consumer trust. Additionally, as residential consumers become more integrated into the energy market, they may become more vulnerable to cyber threats, posing risks not only to individual households but also to the security of the wider network.

#### Small Businesses:

- **Benefits:** For small businesses, access to energy data could provide essential insights into energy efficiency and cost-saving opportunities. Tailored tariffs and real-time consumption data would empower these businesses to make informed decisions, which may be more critical for their operations than for larger entities. This can help drive efficiency improvements, benefiting both the business and the energy system.
- **Risks:** Data security is a key concern, particularly for sensitive commercial information. Unauthorised access to a small business's energy data could expose vulnerabilities or proprietary operational details. As these businesses increasingly rely on data to optimise their energy use, ensuring robust data protection mechanisms is vital.

#### Large Businesses & Large Consumers:

- **Benefits:** Large businesses and energy-intensive consumers stand to gain significant operational efficiencies by accessing detailed energy consumption data. This data can enhance demand response capabilities, improve energy optimisation strategies, and enable better forecasting and management of energy costs across their operations.
- **Risks:** Like small businesses, data security is a critical issue for larger enterprises. A breach of energy data could expose sensitive business intelligence or reveal strategic vulnerabilities in their operations. Given the scale of their energy use, the consequences of such breaches could be substantial, with potential ripple effects throughout the wider energy system.

#### Conclusion:

The EEA believes that ensuring secure, equitable access to customer data across all consumer types is essential to realising the benefits of a more connected and responsive energy system. At the same time, we must remain vigilant to the risks—particularly around data privacy and security—and take a proactive approach to safeguarding consumer trust. Robust governance and cybersecurity measures will be key to maximising the value of customer data while protecting both individual consumers and the integrity of the wider electricity network.

**Q8. (page 25) 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?**

The EEA believes that access to retailer tariff data, presented in a consistent and comparable structure and format, will be a crucial for improving consumer engagement within the electricity retail market. Providing transparency will empower consumers to make better-informed choices, leading to more active participation in the evolving energy landscape.

Additionally, product data such as residential electricity export tariffs and demand response offerings will grow in importance as the sector modernises. With the increasing uptake of technologies like distributed generation (DG), smart devices, and EVs, more consumers will require clear and accessible data to make the most of these innovations.

The benefits of such data are far-reaching. It will help consumers optimise their energy consumption, engage with new market offerings, and better manage their energy costs. For the wider electricity sector, this data will foster greater competition, enhance market efficiency, and support the shift towards a more flexible and decarbonised energy system—aligning with New Zealand’s broader energy transition goals.

**Q9. (page 25) Are there any other issues with product data we should be aware of? And why? Please provide examples.**

The EEA considers that MBIE has identified the key issues with product data that we are currently aware of. However, we would like to highlight the potential impact of non-financial components in retailer tariff offers, such as incentives like “free” consumption periods or promotional items. While these components may need to be excluded from the formal retailer tariff data, they still play a significant role in consumer decision-making and should be acknowledged in some manner.

For example, such promotional offers, while not directly reflected in tariff structures, can influence the perceived value of a retailer’s offering. It is important to consider how these non-financial aspects could be presented to consumers in a transparent way to support informed decision-making when selecting between retailers and/or third-party aggregators.

**Q10. (page 26) 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).**

The EEA believes that the following factors should be considered when identifying the most appropriate data holder under a potential Consumer Data Right (CDR) regime:

- **Cybersecurity and Privacy Protocols:** Ensuring robust cybersecurity measures is critical for protecting consumer data. The designated data holder must adhere to strong security

standards to safeguard sensitive information, while ensuring consumers' privacy rights are upheld in alignment with the CDR's objectives

- **Holders of data:** The entities best placed to hold data under a potential Consumer Data Right (CDR) regime in the electricity sector would likely include:
  - *Metering Equipment Providers:* As the primary source of consumption and operational data, metering providers have direct access to real-time, granular data from households and businesses. Their proximity to the data source makes them well-suited to ensure data accuracy and timeliness.
  - *Energy Retailers:* Retailers often manage the relationship with consumers and are well-positioned to act as data holders, given their role in billing, energy management services, and customer interaction. They frequently already have systems in place to handle customer data securely and in compliance with existing regulations.
  - *EDBs:* These entities manage the flow of electricity across the network and collect network data crucial for system planning and demand forecasting. As such, they can also serve as effective data holders, especially where grid performance and broader network insights are needed.
  - *Independent Data Aggregators:* In some cases, independent third-party data aggregators who specialize in managing and processing large volumes of data from multiple sources could be suitable data holders. Their neutrality and expertise in data management may provide a more streamlined approach to data access, especially for market-wide services.

Ultimately, the best data holders are those who have the necessary infrastructure, security measures, and proximity to data sources, along with the capability to meet regulatory requirements while ensuring consumer protection. The choice should also minimize disruptions to current industry contracts and practices.

- **Regulatory and Operational Capacity:** Data holders must have the infrastructure and capability to manage and securely store large volumes of data. This includes not only ensuring compliance with privacy and data protection regulations but also having the operational capacity to meet the demands of a CDR environment.

With respect to contracting agreements, existing contracts between metering equipment providers, retailers, and other parties involved in data sharing may need to be reviewed and adapted. This process would require a careful re-examination of data ownership, access rights, and accountability under the CDR regime. The EEA notes that changes to these agreements could increase complexity and cost for the industry. As such, the selection of the data holder should aim to minimise disruptions to existing

contracts and systems, ensuring a smooth transition while balancing both regulatory requirements and industry practicalities.

The EEA encourages a collaborative approach that acknowledges the importance of preserving existing operational frameworks, while also enabling the necessary adaptations to meet the evolving data-sharing obligations under the CDR.

**Q11. (page 26) Do you agree with our initial framework for how to identify/designate data holders? Why or why not?**

The EEA supports the establishment of a clear and structured framework for identifying and designating data holders, ensuring transparency and accountability. This is particularly important when multiple parties, such as retailers, third party aggregators and metering equipment providers, are involved in managing consumer data. The framework should also address the operational complexities and costs associated with the management, storage, and sharing of consumer data.

**Q12. (page 27) What actions could be designated for electricity under a CDR? And why? What are the potential benefits from these? Please provide examples.**

In the EEA's view, the real potential of a CDR lies in enabling greater consumer access to and control over their electricity data. For example, by designating actions that support easier data portability, consumers could securely share their usage data with third-party service providers. This could unlock a range of benefits, from more personalised energy management tools to simplified comparisons of pricing models, thereby empowering consumers to make more informed decisions.

*Potential Benefits Identified by EEA:*

- **Consumer Empowerment:** A CDR could enable consumers to have easier and more secure access to their energy data, allowing them to make better-informed decisions, whether for switching retailers or adopting energy-saving technologies.
- **Enhanced Market Competition:** With better access to data, consumers could more easily compare providers and services, driving increased competition and encouraging retailers to offer more competitive and innovative products.
- **Fostering Innovation:** Opening access to energy data would support the development of innovative third-party tools and services, such as personalised energy efficiency recommendations or dynamic pricing solutions, ultimately benefiting consumers and the wider electricity sector.

In Australia, the introduction of CDR in the energy sector has enabled consumers to seamlessly access and share their energy usage data with accredited third parties. This has driven the development of tools that help consumers find more competitive energy plans, optimise their consumption patterns, and reduce costs.



In summary, the EEA believes that the designation of actions that improve data accessibility and portability would deliver significant benefits to consumers, enhance competition, and encourage innovation within New Zealand's electricity sector.

**Q13. (page 30) 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 these benefits, and over what timeframe would they occur?**

Access to energy data under the current framework is costly and fragmented, primarily due to the diverse range of data holders, including, but not limited to, retailers, metering service providers, and EDBs. Each of these entities operates its own systems with different contractual and technical requirements, leading to expensive agreements, proprietary formats, and complex integrations. These inefficiencies create additional costs for both EDBs and consumers when accessing and utilizing this data.

#### Potential Benefits of a CDR Designation

- **Enhanced Customer Engagement, Empowerment and Demand Flexibility:** A CDR designation could foster greater customer engagement by allowing consumers to interact with their energy data in real time, increasing their awareness of their energy usage. This could lead to more effective demand-side management, where consumers adjust their consumption behaviour to benefit from dynamic pricing or participate in demand response programs, providing more flexibility to the grid.

A CDR designation could also allow consumers more control of their energy data, making it easier for them to access and share this information with third-party service providers. This could enhance consumer choice, improve the switching experience, and enable more personalised and responsive energy services, ultimately delivering more value to consumers.

- **Integration of Emerging Technologies:** Access to more granular consumer data could also accelerate the integration of emerging technologies, such as EVs and home energy management systems. Consumers could benefit from more sophisticated tools to manage EV charging, solar generation, and battery storage, optimizing their energy use in a way that complements broader grid needs and enhances energy sustainability.
- **Innovation and Market Competition:** A CDR designation has the potential to significantly boost innovation and competition within the electricity sector. By providing open access to consumer data, both traditional energy companies and third-party vendors would have the opportunity to develop a wide range of data-driven products and services. These might include dynamic pricing models, real-time energy consumption insights, and demand response solutions. With greater access to data, businesses could tailor their offerings more closely to consumer needs,

driving not only increased efficiency but also contributing to the sustainability and resilience of the energy system.

### Scale of Benefits

In the short term, the immediate benefits would likely be seen by residential and small business consumers, who would gain more direct access to their energy data. This improved access would enable them to make more informed decisions and engage with energy products that better suit their individual requirements. Over time, as more third-party providers enter the market and consumers become more engaged with their own data, we anticipate larger-scale benefits. These could include enhanced energy efficiency, better demand management, and greater integration of HEMs/DER into the electricity system.

Better consumer data availability would also benefit EDBs by enabling more accurate demand forecasting, optimised management of peak loads, and more informed planning for future network upgrades and investments. This could ultimately contribute to a more resilient and cost-effective energy system.

### Risks and Concerns

- **Market Disruption and Consumer Confusion:** While increased market competition is a potential benefit; it could also lead to some market disruption. An influx of third-party providers offering data-driven services might overwhelm consumers, leading to confusion about which services to trust or how to manage their energy data effectively. Clear guidelines and consumer education would be necessary to mitigate these risks and ensure consumers make informed decisions.
- **Inequality of Access:** There is a risk that not all consumers would equally benefit from a CDR designation. Those with limited access to digital technologies, such as elderly populations or those in rural areas, might struggle to engage with or benefit from new data-driven energy services. This could exacerbate existing inequalities in access to energy services, and care would need to be taken to ensure that benefits are distributed equitably.
- **Cost of Implementation:** While the potential benefits of a CDR designation are significant, the costs associated with its implementation are also a key concern. Developing the necessary systems to securely manage and share data will require substantial investment, particularly for smaller EDBs with limited resources. The EEA emphasises the importance of a collaborative approach between government and industry to develop flexible implementation strategies that can accommodate the range of data systems currently in use across the sector.
- **Regulatory and Compliance Burden:** In addition to the cost of implementation, there could be an ongoing regulatory and compliance burden for EDBs and other data holders. Ensuring

compliance with new data-sharing protocols, privacy laws, and cybersecurity requirements could place a continuous strain on resources, particularly for smaller industry players. This would need to be considered in any implementation strategy.

- **Data Privacy and Cybersecurity:** The EEA also highlights the need for robust data privacy and security frameworks to be a central part of any CDR implementation. As more parties gain access to consumer data, the risks of data breaches and misuse increase, which could undermine consumer trust. It is essential that privacy protections and security standards are put in place to mitigate these risks and ensure long-term consumer confidence in the system.

The EEA acknowledges the potential benefits of a CDR designation in terms of consumer empowerment, innovation, and network efficiency. However, these benefits must be weighed against the risks and costs, particularly around implementation and data security. A coordinated, industry-wide approach will be critical to ensuring the successful realisation of these benefits while addressing the challenges posed.

**Q14. (page 30) 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 EEA believes it is essential to address the diverse interests of various consumer groups, including residential, business, industrial, rural, Māori, and other communities. Clear and transparent communication about how personal data will be used, shared, and protected is critical, particularly as smart meter implementations provide detailed insights into usage patterns.

Engaging with a broad range of stakeholders, including Māori and vulnerable groups such as low-income households, is key to identifying unique concerns and improving the data consent process. Special considerations for vulnerable consumers are vital to ensuring equitable participation in the energy system, so that no group is disproportionately impacted – or misses out on the benefits. By adopting this inclusive approach, we can ensure that all consumers benefit from a secure, transparent, and fair energy system.

**Q15. (page 31) What are your views on the nature and scale of costs/benefits? Who would these costs/benefits apply to and when?**

The nature and scale of costs and benefits in the context of electricity infrastructure development, especially when integrating new technologies and innovations, are multifaceted and depend heavily on the specific initiatives being implemented. Whilst the EEA is loath to provide specific details on any costs, we can provide some general thoughts for consideration by MBIE.

- **Costs:** The initial capital costs are often significant and typically associated with upgrading infrastructure, integrating renewable energy sources, and deploying advanced grid technologies such as smart meters, demand response systems, and energy storage. These costs

primarily fall on incumbent sections of the industry such as EDBs and generation companies, but there is a flow-on effect to consumers through tariffs or electricity prices. Operational costs can also increase, especially during the implementation phase, as new systems require training, adaptation, and potential regulatory changes.

- **Benefits:** The benefits, while potentially taking longer to materialise, should be significant and if designed properly should be distributed across the entire electricity supply chain, from generators to consumers. EDBs, for example, will benefit from increased system efficiency, reduced peak load pressures, and deferred network investments. This has a positive impact on consumers, as these efficiencies should translate into more stable and potentially lower electricity prices over time. Consumers will also directly benefit from enhanced flexibility, greater access to renewable energy, and new opportunities to participate in the energy market through technologies such as solar PV, batteries, and EVs. These consumer-side benefits are aligned with the broader societal goals of decarbonisation, improved energy resilience, and supporting New Zealand's energy transition.
- **Timing:** Costs are often front-loaded, incurred during the initial phases of project implementation or infrastructure upgrades. However, the benefits generally accrue over a longer period, particularly as new technologies and systems mature and operational efficiencies are realised. From a consumer perspective, while initial costs may impact electricity bills in the short term, long-term benefits should emerge as part of a more reliable, sustainable, and cost-effective energy system.

Ultimately, the balance of costs and benefits will depend on effective regulation, well-timed investment, and strong industry collaboration, which the EEA fully supports.

**Q16. (page 31) Would you be able to quantify potential additional costs to your organisation associated with designation under the Bill?**

Whilst the EEA appreciate the opportunity to provide input regarding the potential costs associated with designation under the Bill. At this stage, it is difficult to provide any precise quantification of the additional costs, as these will largely depend on the specific obligations and compliance requirements that will be imposed on us under the new framework.

However, we can outline several potential areas where costs may arise:

- **Compliance and Reporting:** The requirement to ensure compliance with new regulatory standards may necessitate additional internal resources or external consultancy support to manage and report on compliance activities. This could include system upgrades, documentation, and staff training.

- **Operational Adjustments:** There may be costs related to operational changes needed to align with new obligations, such as changes to processes for risk management, governance structures, or service delivery.
- **Legal and Administrative:** Depending on the specific nature of the Bill's requirements, legal costs related to understanding and navigating the new obligations may be incurred, as well as administrative costs associated with maintaining records or submitting necessary reports.
- **Stakeholder Engagement and Advocacy:** There may also be increased demand for involvement in stakeholder consultations, advocacy efforts, and policy discussions to ensure the sector's needs are adequately represented, which could translate into additional time and financial resources.

**Q17. (page 31) Do you have any comments on the benefits and risks to security, privacy, confidentiality, or other sensitivity of customer data and product data?**

We acknowledge that the increasing integration of customer and product data into energy systems brings substantial benefits but also requires careful consideration of associated risks.

- **Benefits:** Access to more granular customer data can enable more accurate demand forecasting, load management, and system optimisation, benefiting both the grid and consumers. The use of this data can support improved service delivery, greater flexibility, and the development of innovative solutions like demand-side response mechanisms and smart home integration. Such outcomes can drive efficiencies, reduce costs, and improve the reliability of electricity networks.
- **Risks:** However, these benefits must be balanced with significant risks to security, privacy, and confidentiality. Cybersecurity threats are ever-present, and the sensitive nature of customer data requires stringent protections to prevent unauthorised access or misuse. Inadequate security measures could lead to breaches that compromise both individual privacy and broader system integrity, posing reputational and financial risks to organisations involved. Additionally, product data—such as data from smart devices—may reveal proprietary information that requires safeguarding to protect competitive interests.

To address these risks, it is essential to implement robust cybersecurity protocols, maintain transparency about data use, and ensure that any collection and processing of customer data complies with privacy laws and regulations. Consumer trust is paramount, and organisations should prioritise clear communication about the purpose and scope of data use, offering customers control over how their data is accessed and shared. Furthermore, establishing industry standards for data handling, combined with regular audits, can provide an extra layer of protection and accountability.

The EEA believes that while the use of customer and product data presents significant opportunities to improve energy system performance, its deployment must be managed carefully to mitigate risks and ensure the highest standards of security, privacy, and confidentiality are maintained.

**Q18. (page 32) Are there any risks from the designation to intellectual property rights in relation to customer data or product data?**

The EEA acknowledges that there may be some potential risks related to intellectual property (IP) rights in relation to customer and product data stemming from the designation. Specifically, these risks could arise from the aggregation, handling, and use of data for both operational and commercial purposes.

However, we believe these risks can be mitigated through well-defined data governance frameworks that prioritise transparency, consumer consent, and robust privacy protections. Such frameworks should ensure that while data is used to enhance system efficiency and customer value, ownership rights and confidentiality of proprietary information from products and customer usage remain protected. Additionally, by fostering collaboration between industry players and regulators, it's possible to strike a balance between innovation and the safeguarding of IP rights.

We encourage further dialogue between relevant stakeholders to address any emerging concerns and ensure that appropriate safeguards are in place to manage potential IP risks. This would help maintain trust across the sector while enabling the ongoing optimization of the electricity system through data-driven solutions.

**Q19. (page 33) What do you consider to be important if designing an accreditation regime for the sector?**

When designing an accreditation regime for the sector, the EEA thinks that several key factors must be considered:

- **Technical Competence:** The ability to handle real-time electricity data securely and accurately is critical. Ensuring that accredited entities possess the necessary technical skills will be essential for maintaining the integrity of the system.
- **Legal Alignment:** The regime should align with existing legislation, such as the Privacy Act and Commerce Act, to ensure compliance and avoid legal conflicts. This will help create a cohesive regulatory framework.
- **Interoperability:** To promote efficiency and reduce costs, the accreditation process should emphasize interoperability across the sector. This will facilitate seamless data sharing while minimizing administrative burdens.
- **Adaptability to Future Technologies:** The regime should be forward-looking, allowing for updates and adjustments as new technologies emerge. This will ensure the sector remains responsive to advancements in smart energy systems and data management.

By focusing on these aspects, the accreditation regime can support the sector's operational needs and regulatory requirements effectively.

**Q20. (page 34). 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?**

The EEA believes that fees for requests for customer electricity data under the Bill should be kept low and, ideally, subject to regulation to ensure equitable access. In the current landscape, third parties already face substantial costs in accessing data, and imposing additional or excessive fees could further impede access. This may stifle innovation and discourage participation in developing new technologies and services that benefit consumers and the wider electricity sector.

To avoid such outcomes, the EEA recommends that any fees for data requests be capped and closely aligned with the actual costs of data provision. A transparent and fair fee structure, focused on cost recovery rather than profit generation, will ensure that data remains accessible to all parties, enabling a more competitive and innovative market.

We also encourage a careful assessment of the costs and benefits associated with different fee options. While cost recovery for data providers is important, the broader benefits to consumers and the sector, such as improved service delivery, enhanced grid flexibility, and increased innovation, must be a key consideration.

**Q21. (page 34) Are there any particular considerations for electricity that should be taken into account for a consumer consenting process?**

In considering consumer consent processes for electricity, there are several key factors we recommend that MBIE consider ensuring both the integrity of the system and the protection of consumers:

- **Informed Consent and Transparency:** Consumers must have a clear understanding of what they are consenting to. This includes details on data collection, usage, sharing, and any potential impacts on their service. Consent should be obtained in a manner that is easily understandable and avoids technical jargon.
- **Data Privacy and Security:** With increasing digitalisation and smart technologies, ensuring that consumer data is protected is paramount. The consent process should provide consumers with confidence that their personal data is secure and used responsibly, particularly when shared with third parties such as service providers or energy management platforms.
- **Consumer Rights and Control:** Consumers should have the ability to revoke or modify their consent easily at any time. This flexibility is especially important in the context of evolving services and technologies in the electricity sector. They should also be informed of their rights to access and correct their personal data.

- **Flexibility Participation:** Given the increasing importance of demand flexibility and consumer participation in distributed energy resources (DERs), the consent process must consider the terms under which consumers engage with these programs. Consumers should be fully aware of the implications of their participation in terms of potential savings, load management, or access to other services.
- **Tailored Communication Channels:** Different consumers may have varying levels of technical understanding, trust of, and accessibility to digital tools. Therefore, the consent process should offer multiple communication channels (e.g., digital, paper-based) and support options to ensure inclusivity.
- **Ongoing Consent Review:** As energy systems evolve and new services emerge, there should be provisions for periodic review and re-affirmation of consumer consent to ensure it remains relevant and reflective of the current market environment.

**Q22. (page 35) 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?**

The EEA supports a co-led approach, where both government and industry work together in developing standards. This collaborative model offers significant advantages by ensuring that standards are robust, principle-based, and practically applicable.

For regulations to be effective, they must be designed in a way that considers real-world implementation. Without industry collaboration, there is a risk that regulations may become unnecessarily complex or costly to apply. Industry involvement is essential to ensure that standards are both technically sound and operationally feasible.

Additionally, it may be sensible to delegate the development of these standards to the Electricity Authority (EA), which already oversees working groups on data standards and formats. This would enable a more efficient and coordinated approach, leveraging the expertise already present within existing industry structures. A co-led approach ensures that regulations are both aligned with broader government objectives and grounded in industry realities, fostering more effective and sustainable outcomes.

**Q23. (page 35) How do you believe a CDR and the Code could/could not work together?**

The EEA believes that the integration of a CDR with the Code could be effectively managed by clearly distinguishing between areas that require technical regulation and those that focus on consumer protection. Technical standards and operational guidelines could be addressed through amendments to the Code, ensuring flexibility and adaptability within the energy sector. However, consumer protection and compliance issues would likely necessitate a more comprehensive approach, best addressed through dedicated legislation.



This legislation should establish a legal framework that clearly defines the rights and obligations of participants, as well as enforcement mechanisms and penalties for non-compliance. A solid legislative foundation is crucial for the successful implementation of a CDR, and without it, the effectiveness of the system could be compromised. It is equally important that the interaction between a CDR and the Code be explicitly defined. Clear delineation of roles and responsibilities within the system would help decision-makers understand how the Code and the CDR can complement one another, preventing overlaps or gaps in governance.

However, it should be noted that given the rapid pace of technological advancements in the energy sector, there is a risk that overly prescriptive regulations could quickly become obsolete. We therefore recommend the establishment of a mechanism that allows for a regular statutory review to be undertaken to ensure that both the legislation and the Code remain effective and adaptable to the evolving digital environment.

## Contact

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