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To: The Electricity Authority
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Genesis submission

Genesis Energy Limited (**Genesis**) welcomes the opportunity to comment on the Electricity Authority's (**the Authority**) *Improving retail market monitoring: amended information notice and updated analysis* Consultation paper.

We thank the Authority for engaging industry during development of this proposal. The updated proposed clause 2.16 notice is a significant improvement on the original proposal, reflecting the positive and constructive consultation process. Likewise, we thank the Authority for accepting industry feedback and removing the need to provide historic data (back to 2018), and for changing to a six-month implementation timeframe; this will reduce costs and lead to better outcomes for retailers, the Authority, and consumers.

Reporting half-hourly data monthly will be costly

Our main concern relates to the proposed requirement to report half-hourly data for all ICPs (where this data exists). Combined with the Authority's proposed monthly reporting cadence, this will impose significant cost on retailers. As the majority of Genesis's nearly 500,000 ICPs have smart meters, this will capture circa 20 million rows of data per day, requiring Genesis to report hundreds of millions of rows of data to the Authority each month. We reiterate our previous reservation that the benefits of providing this data are unlikely to be outweighed by the costs. We believe there are easier, more efficient, less costly ways to achieve the Authority's desired outcome, namely through selection of a representative sample of ICPs with smart meters or using aggregated data at a GXP level. This would allow the Authority to produce trends and insights on retail market performance, achieving the benefits cited in the proposal, without imposing unnecessarily high costs on retailers.

We note the costs of this initiative will fall disproportionately on retailers who supply a higher number of ICPs. It is worth reiterating that costs resulting from this initiative must be recovered and are likely to be passed onto customers. This increases the onus on the Authority to ensure the identified potential benefits from using the data are realised.

The magnitude of benefits from this initiative depend partly on the extent to which data is used by the Authority to inform publicly available insights and to inform

policymaking. While we agree and support use of this data for publishing analysis and insights, we are concerned about the extent to which the positive CBA depends on the use of data to inform hypothetical future policies that may or may not be warranted. Specifically, the Authority's stated use-case for the data includes the potential to use the data to inform 'protective interventions for domestic and small consumers, where needed'. We would like to understand what interventions the Authority envisages beyond those already on the work programme, namely the Consumer Care Obligations. Without understanding what these policies may be, it is difficult to assess the extent to which the benefits cited are likely to eventuate.

Finally, we note that, if half-hourly consumption data is reported monthly for every ICP, it is highly likely the Authority will need to engage regularly with retailers to interpret and analyse the data. This could materially increase costs, for both the Authority and retailers.

Half-hourly consumption data may be inconsistent with IPP1

As noted, the proposal to require retailers to provide half-hourly consumption data for all ICPs will result in Genesis being required to report to the Authority hundreds of millions of rows of data each month. We believe collecting this volume of data is inconsistent with Information Privacy Principle 1 ('data minimisation'). While we note the Privacy Impact Statement finds that the privacy risks are not disproportionate to the potential benefits, and that the risks can be mitigated, the consultation paper and appendices do not provide a high level of detail as to specifically how the collection of half-hourly consumption data from every ICP is consistent with IPP1, particularly given this will entail provision of hundreds of millions of rows of data every month. For example, we question whether the Authority will have the resourcing required to interpret and analyse this volume of data and note this consideration was raised by the Privacy Commissioner in its submission as a potential reason for "limiting the collection of data for that purpose". Applying the data minimisation principle, it is not unreasonable to suggest taking a representative sample of ICPs would be a more balanced method for achieving the Authority's objectives and could be accommodated within the framework of a clause 2.16 notice.

We note the Authority is seeking feedback from the Privacy Commissioner via the current consultation. Given the materiality of the Privacy Commissioner's views on privacy risks and the adequacy of proposed mitigations in the Authority's Privacy Impact Assessment, it would be useful for the Authority to allow further input from retailers after the Authority receives the Privacy Commissioner's submission, particularly as retailers have information about the quantum of data likely to be material to the Privacy Commissioner's own assessment of the privacy benefits and risks.

We reiterate our comment from our first submission that pricing information for commercial customers will in many cases be commercially sensitive, and the Authority will need to ensure robust mitigations are in place to prevent disclosure. The risk of accidental disclosure of such information will be materially increased if the Authority requires provision of half-hourly consumption data for all ICPs (with smart meters).

We support the Authority's intention to refresh its Privacy Impact Assessment every six months for the first two years of implementation.

Alignment to the Consumer and Product Data Bill

To an extent, it is difficult to properly assess the benefits and costs of the proposed changes under this Retail Market Monitoring project in isolation from other relevant policy initiatives, in particular MBIE's Consumer and Product Data Bill. There is a risk costs from implementation of the proposed monitoring and reporting regime under the new clause 2.16 notice will be compounded by costs imposed on retailers (and recovered from consumers) from additional implementation costs if and when the electricity sector is designated (after any CDR Bill is passed into law).

Specifically, we make the following comments:

- The Authority has noted it is working alongside MBIE to ensure alignment. It would be useful to understand, in greater detail, specifically how the two policy initiatives will interact, particularly in relation to development of technical standards if the electricity sector is designated under the new Act. Alignment will be critical to avoid unnecessary duplication and unnecessary additional costs.
- To what extent do benefits cited in the cost-benefit analysis overlap with the benefits expected to result from implementation of the new CDR regime? For example, under the CDR regime, retailers will be required to make a range of customer and product data available to accredited third parties, and it is implicit that some of the benefits expected to flow from this regime overlap with benefits expected from the Authority's Retail Market Monitoring project, specifically "greater participation in policy development by consumers and interested parties" and "accessible information for product and investment decisions".
- We note privacy risks from the Authority's Retail Market Monitoring project may be impacted by interaction with the CDR regime, for example the risk of re-identification. Therefore, we suggest it will be necessary for the Authority to re-consider its privacy risk framework and mitigations if and when electricity is designated under a CDR regime.

Yours sincerely,

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Genesis response to consultation questions

Question Number	Question	Genesis response
1.	Q1. Are there any further adjustments you think should be made to amended clause 2.16 notice in Appendix A?	We recommend the Authority reconsider whether monthly collection of half-hourly consumption data for every ICP with a smart meter is a) necessary to achieve the Authority's objectives; b) sufficiently beneficial to justify the additional cost; c) consistent with all information privacy principles, and that adequate risk mitigations are in place. Our recommendation is for the Authority to consider whether collection of half-hourly consumption data from a representative sample of ICPs could be accommodated within the proposed clause 2.16 notice and would be sufficient to achieve the Authority's objectives.
2.	Q2. Are there any changes you think should be made to the notice to better prepare for a possible Consumer Data Right in the electricity sector?	See comments above – we strongly recommend the Authority work closely alongside MBIE on any further implementation of the CDR regime to ensure alignment and avoid unnecessary duplication.
3.	Q3. Is there further information you can provide that may improve the evidence base for our assessment of (a) costs (b) benefits?	While it is difficult to assess the method by which the per-ICP figure (20-30 cents) has been calculated, we think this is likely to underestimate the costs to retailers, particularly the costs resulting from monthly reporting of half-hourly consumption data.
4.	Q4. Do you agree the benefits of the proposed information notice are likely to outweigh its costs? If not, please explain why not.	See comments above. We question whether the benefits of monthly reporting of half-hourly consumption data are proportionate to the significant added costs. We also note the benefits are materially contingent on the Authority using data to inform hypothetical future policies, meaning the benefits are partly dependent on unknown factors such as policy design. For half-hourly consumption data, we are not convinced attributable benefits are likely to outweigh the costs.
5.	Q5. Do you think there are other ways the Authority can maximise the benefits of this data?	See earlier comments.
6.	Q6. Do you agree that the privacy implications of the proposed data collection have been adequately considered and addressed? If not, please explain why not.	The level of information provided in the paper and Privacy Impact Assessment is not sufficient to comment on the adequacy of risk mitigations. Monthly reporting of half-hourly consumption data will materially increase the privacy risks. We would need more detail on specifically how the Authority proposes to store, interpret, report, and archive data to comment on the adequacy of these mitigations.