21 November 2024

Australian Energy Market Operator

Lodged by email: cerdataexchange@aemo.com.au

Dear Sir/Madam,

Response to CER Data Exchange Industry Co-Design – consultation paper

Origin Energy Limited (Origin) welcomes the opportunity to provide comments on the CER Data Exchange Industry Co-Design consultation paper.

Origin is a large Australian integrated energy company with activities in energy retailing, power generation, natural gas production and LNG export. Origin also has recent experience in exploring new product offerings and has focused on areas such as solar and storage, connected homes and electric vehicles (EVs).

We have developed a proprietary Virtual Power Plant (VPP) platform to connect and use artificial intelligence to orchestrate distributed assets. These assets include hot water systems, solar, batteries, EVs and various industrial devices, which are aggregated, controlled, and dispatched in response to market and portfolio positions, creating value for both Origin and customers through a lower cost of energy. Origin views the integration of these devices as a key long-term reform.

Origin has been involved in a number of the stakeholder sessions that AEMO has convened which has provided the groundwork for this consultation paper. We appreciate the work of AEMO in coordinating this industry collaboration.

Overall, we believe that the consultation paper makes a good start in developing a potential model for a proposed CER data exchange. Our key points on the paper include the following issues:

- Priority use cases
- Operations and governance
- Cost recovery
- Interaction with other reforms

Priority use cases

We generally agree with the overall approach to focus on a narrow number of priority use cases in the first instance. It is important that each use case demonstrate the expected benefits that are to be achieved and that this be balanced against expected costs. If other priorities emerge over time, these can be assessed on their merits.

We understand that there are three priority use cases proposed:

- Sharing network limits
- Supporting local network services
- Consistent CER standing data

The first two use cases deal with network information and we understand the potential benefit in communicating more information to the broader market about these. In particular, the evolution of dynamic network limits may have benefits for managing the market and providing transparency to other parties such as aggregators and retailers who could provide for better coordination of the market and better outcomes for customers.

CER standing data could also be improved and we agree that this could be a beneficial use case to pursue at a later date. However, we believe how the data exchange is to be used to improve this needs to be better articulated. Currently, there is some CER data which is captured in the DER Register (for solar systems and batteries) which we know to be incomplete. There are also proposals to capture information about electric vehicle charging equipment. Some of the problems to date are due to how the information is gathered and input into the register in the first place, not so much about how it is communicated. We would suggest that more accurate means for capturing the data should be progressed before this becomes part of a data exchange.

Further, we would encourage the ongoing assessment of use case objectives against outcomes over the delivery timeline. Learnings should be called out and adopted into subsequent phases of delivery as an explicit part of the delivery process.

Operations and governance

If the data exchange is focused on a narrow range of uses cases initially, then we agree that it could be efficient for AEMO to operate this. From an industry perspective it is important that any additional costs are kept low and reasonably efficient.

However, we also understand why having a third party involved in the governance structure would be beneficial. This could act as a check and balance on the operations and costs of the data exchange as it may grow over time. Who the appropriate third party is will be partly linked to how the data exchange is legally established. For example, is it to be implemented as part of existing National Electricity Rules or will new legislation be required? We suggest that making use of an existing market body would be the most efficient. One option could be to have the Clean Energy Regulator (CER) involved in a governance role. The CER is well regarded by market participants and has existing expertise regarding some aspects of distributed energy through the Small-scale Renewable Energy Scheme (SRES).

Cost recovery

We would support Government assistance to establish the data exchange and to operate it for an initial period. Costs of establishment are likely to be significant and the benefits unlikely to accrue for many years. This would be preferable to a market recovery approach, which would ultimately flow through to electricity customers.

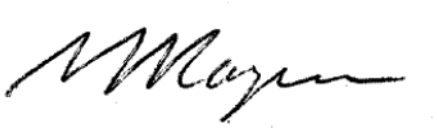
Interactions with other reforms

There are a number of IT related reforms currently being implemented in the market. This includes AEMO's Industry Data Exchange (IDX) and Identity and Access Management (IDAM). It is important that the proposed data exchange works with these reforms and 'piggy-backs' on them as much as

possible. This will allow for a lower cost and more timely implementation of the proposed data exchange and also allow it to evolve over time.

If you wish to discuss any aspect of this submission further, please contact Matthew Kaspura at matthew.kaspura@originenergy.com.au.

Yours sincerely



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