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Decision Proposal 288 – Non-Functional Requirements Revision

AGL Energy (AGL) welcomes the opportunity to provide feedback on Decisions Proposal 288 – Non-Functional Requirements Revision, published on 25 February 2023.

While AGL has limited commentary on the specific NFR issues identified in the Decision Proposal paper, more broadly, we have previously raised to Treasury and the Australian Competition and Consumer Commission (ACCC) that the current Non-functional Requirements (NFR) are not fit-for-purpose for the energy industry and create disproportionate regulatory and costs burden on retailers without demonstrating commensurate customer benefits. The intrinsic design of the energy industry is substantively different and incomparable to finance and banking, in that our data requirements and calculations are significantly more expansive (while digital processes less mature), multisite, collective, and C&I customers require intensive and bespoke solutions, and the peer-to-peer data trading model is not replicated in other sectors. Without addressing these fundamental aspects, further issues relating compliance with the extremely onerous NFR requirements will persist for the energy sector. AGL urges for significant modifications to the NFR requirements, specifically, to ease the response timeframes for all participants and APIs to a more reasonable standard which will result in a reduction to both implementation and ongoing maintenance costs and ensure that the industry is set up for success, particularly for the next phase of complex customer requests and for new, smaller retailers entering the CDR ecosystem.

AGL's feedback concerns the following aspects of NFRs, including those which are broader than the current consultation,

- **NFR Incident Response timeframes**

AGL already has capabilities to meet reasonable performance standards with respect to responding to tickets raised against it. If any future decision is to be made regarding codification of an appropriate timeframe, we encourage Consumer Data Standards and the ACCC to consider data holders' established processes and systems for responding to incidents to ensure that any future requirements do not impose additional significant costs or undo investment.

- **TPS Limits**

AGL is aware that there have been discussions amongst Accredited Data Recipients (ADR) to potentially seek to raise the transactions per second threshold above the current capacity limits, for example, to accommodate for specific timeframes when the ADR wishes to collect a vast volume of



customer data. Generally, AGL does not support an increase to the current TPS limits and considers that it is unreasonable to expect data holders to maintain and fund idle capacity when it is otherwise not in use. It is important to consider that an increase to TPS limits invariably has significant costs implications for data holders who will need to solve for and support the higher transaction rate.

AGL is already observing unintended outcomes in instances where it appears that all parties are operating within the rules, however, the ADR has issued tens of thousands of identical requests in a short period of time, despite the ADR receiving an identical response each time. We have observed this in scenarios where NMI validation is failing at AEMO's end or where a request is received after a change in the customer's eligibility status, but prior to consent revocation. Given the ADR worked within TPS limits, there is no governance around this type of behaviour which leads to undesirable consequences and excessive and avoidable strain on data holders' system capacity. To address this, we recommend that a curbing mechanism for session establishment, or an 'exponential backoff' approach is adopted to limit/cut off this type of behaviour and reduce adverse impacts to our systems.

- **AEMO Performance**

AGL understands that AEMO is still optimising its performance metrics and response times to align with the NFR rules. However, AEMO's performance continues to generate the majority of incidents tickets, which are ultimately raised against the data holder despite it not being directly responsible for the issue. As AEMO does not have a direct relationship with ADRs and tickets are raised against the data holder, time, effort and resources must be expended by data holders to resolve issues between AEMO and the ADR parties. We believe this to be a suboptimal and avoidable outcome. To overcome this, AGL considers that it would be appropriate for AEMO to establish its own service desk arrangement for the resolution of tickets directly with ADRs and reduce administrative pressures on data holders to manage these issues.

If you would like to discuss any aspect of AGL's feedback, please contact Valeriya Kalpakidis at vkalpakidis@agl.com.au.

Yours sincerely,

Chris Streets

General Manager (a/g) Policy, Markets Regulation and Sustainability

AGL Energy