

28 August 2020

CDR Rules Team
Australian Competition & Consumer Commission

Dear CDR Rules Team,

Re: ABSIA's Submission to Energy Rules Framework Consultation

The Australian Business Software Industry Association (ABSIA) welcomes the opportunity to make this submission on behalf of the Australian business software industry. The Consumer Data Right is an important initiative that impacts many of ABSIA's members.

ABSIA broadly agrees with the approaches raised in the discussion paper, but we would like to highlight the importance of taking a common approach across the different CDR sectors. We have proposed several recommendations to improve the usefulness of the energy CDR rules across other sectors. These recommendations include:

- Offline consumers should be considered as eligible CDR consumers but the overall focus should be on providing digital services and encouraging consumers to migrate to online accounts;
- Authorised data holders should be able to rely on a single authentication carried out by other data holders as long as there are appropriate security frameworks in place;
- Energy data should be treated in a similar manner to banking data as it is just as sensitive;
- A lower tier accreditation method should be supported on a cross-sectoral basis for both banking and energy;
- Streamlined accreditation processes should be adopted for eligible ADRs;
- Steps should be taken to reduce high compliance and regulatory costs for ADRs.

ABSIA also encourages the ACCC and Treasury to proactively consult with industry and professional associations, such as ourselves, to better understand potential impacts on specific industries.

We would appreciate the opportunity to engage further on these issues. For further information, please contact Maggie Leese, ABSIA Marketing & Membership, on maggie@absia.asn.au.

Yours faithfully,

Chris Howard,
President & Director, ABSIA

ABSIA's Submission to Energy Rules Framework Consultation

1. Do you agree with our proposed approach to data sets in the energy rules? Why or why not?

The ACCC should take a common approach to CDR across different sectors, this includes approaches to data sets, accreditation and leveraging existing technologies.

Business software providers such as accounting software wishing to become Accredited Data Recipients (ADRs) are likely to operate across multiple CDR sectors, in some cases involving energy. Having different accreditation processes, or not accepting accreditation approaches from other CDR implementations, will make it rather difficult for ADRs to participate across these different CDR areas. Taking a common approach not only makes it easier for the industry to accredit themselves against multiple CDR areas but also assists in reducing compliance costs. This is another reason why we support a tiered approach, or a lower tier, of accreditation across CDR.

Existing authentication methods such as myGovID should be leveraged as part of the customer authentication process. Security frameworks, such as the ATO's Operational Framework¹ and ABSIA's Security Standard for Add-on Marketplaces (SSAM)², should also be leveraged or made available as alternative accreditation methods to lower the cost of verification and compliance.

14. Do you agree that data holders should be able to rely on a single authentication carried out by another data holder?

Data holders should be allowed to rely on a single authentication carried out by another data holder, especially if data holders are complying to security frameworks with multi-factor authentication required. Here, myGovID and other existing digital identity verification methods should be leveraged to make authentication easily accessible for consumers on their end of the authentication.

15. What are the risks and benefits of allowing customers to engage with a redirect-based authentication model offline (for example by telephone)?

ABSIA recognises that there are risks in allowing offline authentication methods, but we understand the need to offer such solutions. Despite this, we believe that the overall goal for CDR in energy should be on creating digital methods and supporting consumers to make the transition to online accounts considering the Australian government's focus on creating a digital economy.

¹ [DSP Operational Framework on ATO Software Developer website](#)

² [Security Standard for Add-on Marketplaces \(SSAM\) on ABSIA's website](#)

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34. Do you agree that energy data sets are less sensitive than banking data sets?

35. Should any energy data sets, or subsets of those data sets, be treated with a higher degree of security (due to potential sensitivities), similar to banking data?

Energy data can be just as sensitive as banking data due to the potential privacy risks involved in accessing a consumer's energy data. For example, access to an individual's energy data could facilitate someone identifying what an individual is doing at certain times of the day which is a clear violation of privacy. To better protect the privacy of individuals and households, aggregated data (eg. peak, shoulder and off-peak) could be used given it would be less sensitive than real time data.

Unless there is a clear and sound reason for certain energy data sets to be treated differently, they should be treated the same as banking data. Every time CDR creates a different way to treat data, this then creates additional costs and complexities for ADRs. This also increases the risk of system or information failures. These costs would then either have to be absorbed by ADRs themselves or passed on to their consumers, potentially creating barriers to participation.

38. Alternatively, do you consider that we should consider introducing a lower tier of accreditation on a cross-sectoral basis for both banking and energy?

39. If so:

- (a) What energy and banking data sets would be appropriate for a lower-tier ADR to access?**
- (b) How should we restrict access to CDR data sets for ADRs accredited at the lower tier?**
- (c) How should the obligations for ADRs at the lower tier differ from those applicable to ADRs at the existing 'unrestricted' tier?**
- (d) What should be the criteria for accreditation at the lower tier (having regard to the ADR's obligations) and what level of evidence should be required in support of an application?**

A lower tier of accreditation, or tiered approach to accreditation, should be introduced for ADRs on a cross-sectoral basis. This could support lower cost accreditation methods for ADRs to participate in CDR, especially if they are only interested in accessing a restricted set of data.

One possible accreditation criteria for this lower tier is self-assessment against the SSAM. This would ensure that these lower tier ADRs are meeting a baseline level of security and therefore demonstrate that they can manage CDR data securely. The application of the SSAM to this level of accreditation would work well with applying the Operational Framework at the unrestricted level of accreditation.

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40. Do you agree that data holders in energy, if they wish to become ADRs, should have access to a streamlined accreditation process analogous to that applicable in banking?

Much like how streamlined accreditation processes are currently available to those operating in the banking sector for Open Banking, the same should be considered for energy. Otherwise, this creates additional costs and compliance work for some ADRs and not others. We understand that the ACCC are currently looking at approving other accreditation methods for Open Banking and believe those that are approved should also be considered for energy and further, for future CDR implementations.

48. Can you provide a rough breakdown of the implementation and ongoing regulatory costs that an ADR seeking energy data might incur? An estimated range would be appropriate.

While the informal estimates provided in the discussion paper are along the lines of the figures estimated by FinTech Australia³ for Open Banking, we understand that potential CDR participants expect that costs could be up to \$500,000. With no streamlined accreditation methods currently available for CDR in energy, these costs have the potential to be higher.

We encourage the ACCC to take steps to reduce high compliance and regulatory costs for ADRs. Many of the suggestions that we have made throughout this submission including approving streamlined accreditation methods, introducing a lower tier of accreditation as well as leveraging existing technologies would assist in keeping costs down for ADRs and intermediaries wishing to participate in Open Energy.

³ Figures quoted in [Financial Technology and Regulatory Technology Inquiry issues paper](#)