

8 March 2024

The Electricity Authority
By email

**Cortexo response to
“Options to support consumer plan comparison and switching” consultation paper**

Thank you for the opportunity to respond to this consultation paper on “*Options to support consumer plan comparison and switching*”.

Cortexo is a software company that has operated in the electricity sector for the past 20 years. We provide consumer data access services using the Electricity Participation Code (the Code) and regularly request several thousand ICP data from retailers. We also offer ‘dispatch software’ using international open standards to enable EDBs to dispatch flexibility services. We are members of the Flexforum, convene the digitalisation workstream and are the technical lead company in the EECA/EEA lead project Flextalk.

The Authority should consider this comparison and switching project in the broader context of digitalising the information flows in the electricity sector. The lack of data access, including the process for access authorisations, hinders innovation in this part of the electricity domain. This is detrimental to consumers, as they need more detailed information through a simple process to minimise their energy costs.

The critical aspects required are **speed** and **scope** of access to data.

By access, we mean enabling authorised parties, including approved comparison websites, to automatically request and receive data. Speed means participating in a real-time discussion with the consumer; it must be instantaneous, like all other online services. The five-day delivery window allowed in the Code for data provision by retailers is frustrating and inhibits innovation.

By scope, we mean not only consumption but also pricing information for the specific ICP to which the consumption data relates. In the current data request scheme, the retailer would respond to a data request immediately with an EIEP13A or B file and also an EIEP14 file specific to the ICPs listed in the data consumption files.

Consumption data without pricing information is less valuable for decision-making, and consumption data with “generally available tariff” information is just as bad.

With those aspects catered for, innovation around price comparison, switching, and potential unknowns will occur, resulting in new services.

Finally, it is abundantly clear that electricity retailers do not want consumers to find better deals and switch away from them quickly or even find a better plan from their existing retailer, so it is incumbent on the Electricity Authority to ensure by regulation that these innovations can occur. For the long-term benefit of consumers

Regards,

Terry Paddy
Managing Director
Cortexo.

Question	Comment
<p>1. What are your views on the key issues around supporting consumers to compare and switch, and barriers for consumers? Are there others than those outlined above?</p>	<p>The key issues to support switching is access to data instantaneously to enable a result to be presented to the consumer immediately.</p> <p>The problem we have with the current system is that the process takes too long uses averages and estimations and is therefore not accurate but a best guess.</p> <p>There is no reason why the consumers consumption history can't immediately be accessed and applied against current market offers from retailers. There is difficulty around bundle products free power, signup gifts, but they can be taken into account</p> <p>There are many barriers placed in front of the consumer when they are looking for the best energy plan. Individually they may be minor when added together they made the process unwieldy difficult and untrustworthy.</p>
<p>2. Do you think we've identified the right opportunities leading us to review how we support comparison and switching? What opportunities do you consider most important?</p>	<p>The opportunities is for greater thinking around the wider digitalisation of data in the electricity sector. For example, where the data comes from what data is needed (both pricing and consumption) and it's availability to approved parties, that can innovate on top of any core comparison and switching service.</p>
<p>3. Do you consider it is important for the Authority to fund and support a comparison and switching website or websites? Why?</p>	<p>it is essential that there is independent funding for any comparison website. Without that, consumers will have no faith in the information being presented. Further to that there should be an audit process including sign certificates confirming that the website receives no payment from retailers for comparison, services or listing any payments received from any market participant. This type of information should be available for the consumer to easily see.</p> <p>The "who pays" question could have a variety of answers, but the fact that the comparison website is provided as an independently funded service is essential. The why is obvious. and our industry continues to prove over and over again that supplier benefit is always a higher priority than customer benefit.</p>
<p>4. What do you think are the most important features a comparison and switching website should have to make it the most accessible and effective for users?</p>	<p>The most important features will come from speed, accuracy, and convenience.</p> <p>It cannot be difficult. There should be only a few steps into your ICP, and the rest is done. Your consumption data indicates the efficiency of your energy use, and so information about property size, heating methods, and the number of people living there is only valuable in a statistical sense.</p>

	<p>It must be quick. The consumer has little interest in participating in a long-winded process, especially if the outcome is not accurate, i.e., based on assumptions and averages. Retail plan information, as well as consumption data, should be instantaneously available based on the ICP entered.</p> <p>If retailers are going to be required to provide information about the best plan a consumer should be on as part of this consultation, then there is no reason why the comparison website can't access that information for every retailer in an automated way, making access to the latest tariffs simpler.</p> <p>It must be accurate. Anecdotal evidence shows that Power Switch often recommends retailer changes that are detrimental to the consumer.</p>
<p>5. What problems, if any, do you see with current comparison and switching websites?</p>	<p>No comment</p>
<p>6. What else should we consider when assessing the relative advantages and disadvantages of the five website-related options?</p>	<p>Implementing a new comparison service for consumers should be considered in the wider question of digitalising electricity information flows. Processes and procedures should be in place to grant access to multiple streams of data via the supported website for other authorised parties to build innovative products on top for the benefit of consumers.</p>
<p>7. Of the website-related options, which do you think would best remove barriers to comparing and switching (eg, perceptions that switching is time consuming, complex, and confusing)?</p>	<p>Cortexo supports Option 3: “<i>Authority accredited, externally run, websites</i>”. We believe that competition between comparison tool suppliers would increase innovation and functionality. However authority accredited is an important aspect, the Authority must maintain an audit on quality, accuracy, impartially etc.</p> <p>If the Authority’s preferred option (Authority supported existing or new, externally run, website) then it should allow some openness for other services to innovate on top of it with appropriate accreditation.</p>

Question	Comment
Q8. What other types of website-related options, if any, should we consider to support comparison and switching and why?	Comparison against the pure spot market price for the consumption data available, along with published distribution and transmission costs would be valuable education for consumers about how their retailer protects them from price volatility as well as showing a separation of costs for energy and delivery.
Q9. Are there other types of technology in addition to, or alternative to, websites that we should consider?	When we say website, we are also meaning a mobile app or AI Chatbot. A chatbot, able to provide specific answers could be provided on community service websites.
Q10. What are your views on how retailers providing 'best plan' information could work? For example, how should they assess the 'best plan' and present/target information to consumers, and how often? What do you think of the Australian 'automated-switch' idea?	We support the requirement for retailers to provide best plan information to consumers. This should be an automated process that a consumer can access through the retailer's energy portal at any time. It should also be made available to any approved price comparison website to allow access to the latest plans that the specific consumer can access. It should also be made available to authorize third-party service providers who can innovate with provided information for the benefit of the customer.
Q11. In what form do you think the community advisers service would function best? For example, what agencies might we collaborate with? What are the best approaches?	No comment
Q1. What conditions or support would enable community advisers to be best able to help consumers? What barriers need to be removed to achieve this?	No comment
Q2. What else should we consider when assessing the relative advantages and disadvantages of the three consumer choice support options?	No comment
Q3. Of the consumer choice support options, which do you think would best remove barriers to comparing and switching (eg, perceptions that switching is time consuming, complex, and confusing)?	No comment

Question	Comment
Q15. What other types of consumer choice support options, if any, should we consider to support comparison and switching and why?	No comment
Q16. What are your thoughts on ruling out these options? If you disagree, why should they still be considered?	No comment
Q17. What are your views on the criteria we've chosen to assess options. Do you think some criteria should be weighted more than others as they are more important?	No comment
Q18. Are there other criteria you think are important to help decide on the best options?	No comment
Q19. What's your opinion on the Authority's proposed 'four-pronged' approach to supporting consumer comparison and switching? What alternative approach might you support?	<p>We agree with the 4-pronged approach. We believe an authority accredited or authority supported website with retailers needing to provide a regular or "on demand" best plan service to the consumer, the authorised comparison websites as well as consumer authorized 3rd party services.</p> <p>This will promote innovation.</p>
Q20. What thoughts do you have on our current assessment of the options against the proposed criteria in Appendix D and their scores? How might your assessment differ?	No comment
Q21. Are there any other issues concerning supporting consumers to compare and switch that you would like to comment on, whether raised in this paper or not?	No comment