AUSTRALIAN
RETAIL
CREDIT
ASSOCIATION

12 July 2019

By email

Dear

Priority Energy Datasets Consultation

Thank you for the opportunity to provide a submission in response to the Priority Energy Datasets Consultation.

The Australian Retail Credit Association (ARCA) is the peak industry association for providers of consumer credit in Australia. We have been closely involved with the development of the general Consumer Data Right and the initial Open Banking implementation. Our feedback in relation to those reforms has focused on balancing the need to ensure the consumer remains in control of their data, while also developing an Open Banking regime that supports better risk and responsible lending decisions by credit providers using the data that will be made available through that regime.

We note that the primary use cases in respect of the energy related data are expected to relate to energy retail product comparison and switching use cases. However, the consultation paper also asks what other datasets should be designated in the energy sector to support use cases not identified.

We note the following in response to Question 5: *Would the proposed data sets support the use cases identified above? What other use cases could smart meter data support and what specific datasets would be required?*

We consider that the energy related data could also support purposes related to lending, including providing:

- billing data that will help to evidence a consumer's payment history. Importantly, the energy related data sets will include the value and due date of the bill, in addition to the amount actually paid and the date of payment (which would be available through the Open Banking regime from a consumer's transaction or credit card history).
- usage data that could potentially be used by a credit provider as a 'red flag' to help identify consumers who may already be experience financial difficultly (i.e. where energy usage is at such a low level that may indicate existing hardship).
- data (including address data) that could be used to reduce the risk of fraudulent borrowing.

Based on our understanding of the datasets described in the consultation paper, we consider that the proposed metering data and billing data sets would support the above use cases.

If you have any questions about this submission, please feel free to contact me or Michael Blyth.

Yours sincerely,

Mike Laing
Chief Executive Officer
Australian Retail Credit Association