Data Collection: Horses for Courses

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Who are we?

- ACCC - the Australian national competition and consumer regulator with specific economic regulation functions across a range of industries

- AER – regulates Australian wholesale and retail energy markets and networks under national legislation

- Both are independent bodies but operate under the same umbrella agency

Why collect data

- Key role of regulation is to ensure markets operate efficiently and transparently
- Access to data is central to good informed decision making
- Information asymmetry creates an imbalance of power
  - ability to negotiate reasonable terms
  - ability to make informed choices
  - ability to address policy issues

Data collection – horses for courses

- We collect and use a wide range of data on various industries
- But do not have a single power that governs collection of data
- Rely on numerous powers and numerous pieces of legislation
- Results in different data regimes depending on sector, need, purpose/use, legislative regime
- Data collection regime must be "fit for purpose" rather than generic

How do we use data

- Monitoring – petrol, airports, ports
- Performance measurement – benchmarking
- Economic regulation - setting revenue allowances or price caps - energy
- Competition analysis – market studies, mergers
- Compliance and enforcement
- Assisting efficient and transparent market operation - gas
- Assisting consumers make informed choices – Energy Made Easy
- Informing policy decisions

What type of data do we collect

- Financial – revenue, profitability, RoE, cost of capital, margins, price cost stacks
- User driven – service standard metrics
- Market analysis – market shares, customer numbers, demand, supply
- Consumer driven – prices, disconnections, debt
- Technical – outages, broadband speeds
- Enforcement – complaints

How do we collect data

- Voluntary provision
- Record keeping rules and RINs
- Compulsory information gathering powers

- Automatic and repeat requests using templates
- Tailored for specific purpose
- Secure, private web application

Addressing the "regulatory burden"

- In principle - draw on existing information sources to avoid unnecessary duplication of effort and to minimise the regulatory burden

- In practice - limited by the:
  - accuracy, availability, consistency, and replicability of the data
  - ability to share and use confidential data

Treatment of confidential information

- Why disclose CI - may be necessary for open and transparent decision-making

- Benefit of public disclosure vs impact on competitive interests of the providing business

- Options:

  – not releasing the data

  – releasing aggregated data

  – disclosing the substance without disclosing the identity of the information provider

Challenges in data collection

- Resource and time intensive –

  - identifying the need and what data is required to address the need

  - defining the variables and specifying the collection methodology

  - getting industry agreement that the request is fit for purpose & that the data is available and can be collected

  - building IT systems to collect and maintain data bases - cost and capability

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