

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Review of the)
Consumer Privacy Protection, Customer)
Data Access, and Cyber Security Issues) Case No. 11-277-GE-UNC
Associated with Distribution Utility)
Advanced Metering and Smart Grid)
Programs.)

ENTRY

The Commission finds:

- (1) The implementation of Advanced Metering Infrastructure (AMI) and technologies that enable consumers to better manage their energy bills will result in new information being gathered by utilities and being available to customers. This information may be both more detailed and more time sensitive. Customers of all classes (commercial, industrial, and residential) will have greater access to useful data about their energy usage, which will enable them to make more informed, automated, and efficient decisions regarding energy usage. With advanced metering, the existence of more detailed and time sensitive consumer¹ energy usage information raises questions regarding whether additional rules, policies, or management practices may be needed to protect the privacy and the confidentiality of consumer information.
- (2) The Commission has long expected utilities to protect the privacy of a consumer's sensitive personal information.² For example, in the electric industry, it has by rule

¹ For the purpose of this entry, the term "consumer" includes reference to all individuals and entities who may be present at a particular dwelling or location and whose energy consumption may be measured through an advanced meter or other smart grid device. It is not limited to and, in some cases (e.g., certain landlord - tenant relationships), may not include the "customer" who is directly responsible for payment of the bill.

² Section 1347.01(E), Revised Code, defines "personal information" as "any information that describes anything about a person, or that indicates actions done by or to a person, or that indicates that a person possesses certain personal characteristics, and that contains, and can be retrieved from a system by, a name, identifying number, symbol, or other identifier assigned to a person." The Commission has adopted that definition (Rule 4901-2-01(J), Ohio Administrative Code (O.A.C.)).

prohibited the disclosure, without the customer's consent or a valid court or Commission order, of a customer's account number for any purpose other than an electric utility's collection and credit reporting activities, to enable participation in various energy assistance programs, or in cooperation with governmental aggregation programs (Rule 4901:1-10-24(E)(1), O.A.C.). We have similarly prohibited the disclosure of a customer's social security number, without the customer's consent or a valid court order, except to complete a customer's credit evaluation, or for an electric utility's or competitive retail electric service provider's collection and credit reporting activities, or to enable participation in various energy assistance programs (Rule 4901:1-10-24(E)(2), O.A.C.). The Commission has adopted similar provisions that apply to gas and natural gas companies (Rule 4901:1-13-12(D), O.A.C.).

- (3) Additionally, in accordance with Section 4928.66(E), Revised Code, the Commission has required electric utilities to provide a customer, upon request, with two years' consumption data. Specifically, electric utilities are required, upon request, to timely provide 24 months of a customer's usage history, payment history, detailed consumption data, if available, and time differentiated price data, if applicable, to the customer without charge (Rule 4901:1-10-24(F)(1), O.A.C.). Similarly, gas and natural gas companies are required, upon request, to timely provide 12 months of a customer's usage history and 24 months of a customer's payment history to the customer (Rule 4901:1-13-12(E), O.A.C.).
- (4) A smarter grid will integrate advanced information and communications capabilities with utility operations. This may enable more reliable and efficient operations. The integrated information and communications technologies will have to include appropriate cyber security attributes to protect the reliability of utility systems and confidentiality of specific information.
- (5) The National Institute of Standards and Technology (NIST) recently published Version 1.0 of its Interagency Report 7628, *Guidelines for Smart Grid Cyber Security* (NIST Report

or NISTIR 7628).³ The second volume of this report is a review of privacy concerns related to the smart grid and includes detailed recommendations to address these concerns. The NIST Report reflects a more than year long study and effort to develop consensus by the Smart Grid Interoperability Panel's (SGIP) Cyber Security Working Group (CSWG) and the CSWG Privacy Sub-group. SGIP, a public-private partnership involving more than 600 organizations, was created by NIST to help coordinate and accelerate the development of smart grid standards for state and federal commissions to consider, and to provide recommendations regarding those standards.

- (6) The Commission hosted a pair of public workshops, on January 26, 2011, addressing privacy and data access, and on January 27, 2011, addressing cyber security. A webcast of each workshop may be viewed at www.puco.ohio.gov/apps/webcast/. The two workshops were designed to provide parties and members of the public with information on the NIST Report. The first workshop addressed the privacy related issues addressed in Volume 2 of the NIST Report, and the second examined the cyber security guidelines addressed in the remainder of the NIST Report. SGIP representatives who participated in the development of the NIST Report gave presentations and answered questions regarding the report's recommendations. The Commission's objectives in hosting these workshops included providing stakeholders with a common terminology and background regarding privacy, customer data access, and cyber security issues to facilitate future discussions.
- (7) As technologies advance and smart grid initiatives are deployed, the Commission anticipates that changes in Commission rules or policies may be necessary to address privacy and/or data access concerns related to distribution utility advanced metering and smart grid programs. It is possible that the development of any changes in

³ NISTIR 7628 - *Guidelines for Smart Grid Cyber Security*, The Smart Grid Interoperability Panel - Cyber Security Working Group, August 2010, available at <http://csrc.nist.gov/publications/PubsNISTIRs.html#NIST-IR-7628>.

Commission rules or policies may require consideration of technical issues not previously addressed by the Commission. Therefore, the Commission is requesting that interested stakeholders and members of the public file written comments by March 4, 2011, addressing the following:

- (a) Whether the Commission should consider, develop, and adopt additional rules or policies or otherwise consider smart grid related privacy or data access issues at this time, as set forth in Appendix A.
- (b) If the Commission considers smart grid related privacy and data access issues at this time, what process and procedures should be used to address these issues, as set forth in Appendix B.

At this time, the Commission seeks comments on privacy and data access issues only; issues relating to cyber security will be addressed at a later time.

Based in part on the recent workshops, the Commission is aware of smart grid related privacy and data access issues that the Commission may need to consider. To provide additional background and facilitate responses to the questions in Appendices A and B, a list of these issues will be posted on the Commission's website. The Commission is not requesting comments on these issues at this time. The Commission will provide subsequent opportunities for interested parties to provide further and more detailed input.

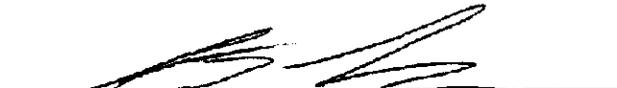
- (8) Although privacy and data access concerns related to advanced metering may initially apply primarily to the electric utilities, the Commission recognizes that advanced metering can be applied to natural gas and believes that, at this point, a discussion that includes the natural gas industry may be beneficial.

It is, therefore,

ORDERED, That interested persons file comments by March 4, 2011, in accordance with finding (7). It is, further,

ORDERED, That a copy of this entry be served upon all gas and electric utilities, certified competitive retail providers, governmental aggregators providing retail service, Ohio Consumers' Counsel, Ohio Partners for Affordable Energy, Ohio Energy Group, Ohio Manufacturers' Association, Ohio Hospital Association, Industrial Energy Users-Ohio, Ohio Electric Utility Institute, Ohio Gas Association, Ohio Home Builders Association, Building Owners and Managers Associations of Akron, Cincinnati, Cleveland, Columbus, Dayton, and Toledo, American Municipal Power, Inc., Buckeye Power Inc., Ohio Bar Association, University Clean Energy Alliance of Ohio, Ohio Board of Regents, Council of Small Enterprises, Cleveland Foundation, Ohio Farm Bureau Federation, Ohio Telecom Association, Ohio Cable Telecommunications Association, Voinovich School at Ohio University, John Glenn School of Public Affairs at The Ohio State University, John M. Ashbrook Center for Public Affairs at Ashland University, The University of Toledo College of Law, and all parties of record in the following cases: 08-917-EL-SSO, 08-918-EL-SSO, 08-1094-EL-SSO, 09-906-EL-SSO, 10-388-EL-SSO, 08-920-EL-SSO, 10-2586-EL-SSO, 09-543-GE-UNC, and 10-164-EL-RDR.

THE PUBLIC UTILITIES COMMISSION OF OHIO



Steven D. Lesser, Chairman

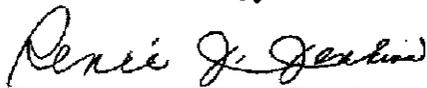
Paul A. Centolella

Valerie A. Lemmie

Cheryl L. Roberto

SJP/sc

Entered in the Journal

FEB 02 2011

Renee J. JenkinsRenee J. Jenkins
Secretary

APPENDIX A

The Commission is requesting comments at this time to identify the appropriate issues or topics that should be considered regarding consumer privacy protection or customer data access related to distribution utility advanced metering and smart grid programs. As a starting point, the Commission is seeking input on the following questions:

1. Should the Commission consider and begin the development of additional specific privacy protection and/or data access policies or rules at this time?
2. If so, what privacy protection or data access issues should the Commission consider?
3. For advanced metering and smart grid programs, what privacy interests, concerns, and practices are most important for the Commission to address at this time?
4. What objectives, questions, and practices related to customer access to information from advanced metering and smart grid projects are most important for the Commission to address at this time?
5. Should any such policies or rules apply to both the electric and gas industries?
6. Should these issues be considered in a statewide proceeding?

APPENDIX B

The Commission is seeking comments on the process and procedures that it should utilize to foster a broader understanding of and address smart grid related privacy protection and data access issues. To assist the Commission in developing an effective approach, the Commission is requesting comments on the following questions:

1. What forum and format should the Commission consider for broadening the understanding of and addressing these issues?
2. Would it be beneficial for the Commission to host or sponsor additional workshops on smart grid related consumer privacy or data access issues? If so:
 - a. What would be the objective and anticipated outcome for having additional workshops at this time?
 - b. What topics should be covered or covered in greater detail in any additional workshops?
3. Would it be beneficial for the Commission to convene one or more technical working groups to evaluate different approaches to protecting consumer privacy or providing appropriate data access, identify areas of consensus, and make recommendations to the Commission? If so:
 - a. For what consumer privacy or data access related question or questions should the formation of a technical working group be considered?
 - b. What should be considered in the charter for any technical working group?
 - c. How should the membership of any technical working group be constituted?