



Protecting Customers: Data Privacy Across Utility Sectors

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What Is Data Privacy?

- **Integrity, confidentiality, availability**
 - Basics of good cyber practice include the confidentiality of data
- **Expectation of privacy**
 - Customers expect that their information will not be shared with unauthorized companies/individuals
- **Sharing data, while protecting Personally Identifiable Information**
 - Data can be used in a number of ways, but protection of the customer is important



Why Is Data Privacy Important?

- **Fraud and identity theft**
 - Criminals looking for easy targets

- **Marketing, business information**
 - Information that utilities may want to share with other companies, customers must be aware of that sharing

- **Energy usage, conversation records**
 - Other private information that may reveal things about the customer which they do not want shared



Laws and Regulations: Federal

- **All sectors: FTC enforcement of privacy promises, protection of customers' financial information**
 - "Broad authority" to enforce privacy laws under Section 5 of the Federal Trade Commission Act

- **Telecom: FCC CPNI rules**
 - 2007 Order in Docket No. 96-115
 - Requirements on how information can be used and stored

- **Energy: DOE Voluntary Code of Conduct**

- **California: Breach disclosure requirements**
 - S.B 1386, passed in 2002
 - 48 jurisdictions have passed similar requirements
- **Commissions have placed requirements on AMI data**
 - Three commissions passed regulations, ongoing in six others
- **State legislatures have examined AMI data**
 - Four states have created rules for storage and usage of customer data

- **All must comply with FTC rules**
 - Enforcement possible when a company violates the customers rights or misleads them as to precautions taken
- **State-based rules apply**
 - Breach notifications required in 48 jurisdictions, 7 have additional regulation or legislation
- **CPNI requirements for telecom, future FCC rules possible (but contentious)**
 - Only utility industry with industry-specific data privacy rules

- **Regulatory clarity**
 - No overarching rules for the United states, patchwork approach

- **Technical knowledge**
 - Preventing access to systems storing customer data is difficult

- **Offering services without endangering customers**
 - Smart grid applications are enticing, but precautions must be taken