

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



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Order Instituting Rulemaking to
Consider Smart Grid Technologies
Pursuant to Federal Legislation and on
the Commission's own Motion to
Actively Guide Policy in California's
Development of a Smart Grid System

Rulemaking 08-12-009
(Filed December 18, 2008)

**COMMENTS OF THE DIVISION OF RATEPAYER ADVOCATES
ON THE PROPOSED DECISION ADOPTING METRICS**

LISA-MARIE SALVACION
Attorney

Division of Ratepayer Advocates
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
Phone: (415) 703-2069
Email: lms@cpuc.ca.gov

KARIN HIETA
Project Coordinator

Division of Ratepayer Advocates
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
Phone: (415) 703-4253
Email: kar@cpuc.ca.gov

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Pursuant to Rule 14.3 of the Commission's Rules of Practice and Procedure, the Division of Ratepayer Advocates (DRA) hereby submits these comments in response to the March 20, 2012 *Proposed Decision Adopting Metrics to Measure the Smart Grid Deployments of Pacific Gas and Electric Company, Southern California Edison Company and San Diego Gas & Electric Company* (PD). Rule 14.3 states that comments shall focus on "factual, legal or technical errors in the proposed decision and in citing such errors shall make specific references to the record." Comments are due within 20 days of the date of service of the proposed decision; thus, this filing is timely.

I. INTRODUCTION

DRA generally supports the metrics, review process, and formation of Technical Working Groups as proposed. However, DRA makes the following recommendations to remedy some procedural and factual errors found in the proposed decision:

- Customer/AMI Metric 8 should be revised to reflect DRA's recommendation;
- The cyber-security Technical Working Group should be limited to considering cyber-security metrics, and its mandate should not be expanded to include cyber-security policies and protocols; and

- A new Scoping Memorandum should be issued in this proceeding to determine the extent of Commission oversight over cyber-security, and to direct the cyber-security Technical Working Group to develop cyber-security policies and protocols.

II. DISCUSSION

A. Customer/AMI Metric 8 Should be Revised

The PD notes that DRA “asked that the results of the field tests of the meters be reported”¹ for Customer/AMI Metric 8, unless such a metric is too costly to implement. However, the PD fails to discuss the merits of DRA’s recommendation or to change the metric. DRA continues to support the recommended revision since it merely would require tracking the number of advanced field meter tests performed at the request of the customer. Unless the results are reported, there would be no information about whether those meters are accurate. Accordingly, DRA recommends that Customer/AMI Metric 8 be deleted and replaced with the following language:

Number of advanced meters field tested at the request of customers pursuant to utility tariffs providing for such field tests that are measuring usage correctly/incorrectly.²

The PD should be revised to adopt DRA’s proposed language, or at least revised to discuss the reasons declining to adopt the recommendation.

B. The Cyber-Security Technical Working Group Should be Limited to Discussing Consensus Metrics

The PD proposes the creation of a Technical Working Group to recommend consensus metrics on cyber-security.³ The PD states that the Commission also intends for this Technical Working Group to function as “a forum for the Commission, utilities, and interested parties to begin discussing policies and protocols that the Commission may

¹ PD at 11.

² January 24, 2011 DRA Comments at 10.

adopt to ensure security of the grid,” for both a Smart Grid and legacy equipment.⁴ Adopting polities and protocols is a broader mandate than merely adopting metrics. DRA supports the formation of a Technical Working Group for cyber-security metrics. But it cautions against using that group as a forum for the formulation of cyber-security policies and protocols. Such a use of the cyber-security Technical Working Group is not supported by the record. Moreover, it may be may be difficult to coordinate this work with similar work that is occurring in the Smart Grid Deployment Plan proceedings. There, parties are debating what the Commission’s role in cyber-security should be, as discussed below.

Parties’ comments regarding cyber-security metrics generally focused on the creation and adoption of metrics. The PD does not note any comments on the record recommending that consideration of cyber-security metrics also include formulation of cyber-security policies and protocols. Instead, the PD seems to base its recommendation on Decision (D.) 10-06-47, which adopts the requirements for the investor owned utilities’ (IOUs) Smart Grid Deployment Plans.⁵ Such proposal is procedurally inappropriate, as well as potentially confusing.

As stated above, a separate proceeding is currently open to consider Smart Grid Deployment Plans.⁶ In a recently issued Workshop Report in that proceeding, Commission Staff recommends “that cyber-security be examined in more detail by the Commission in a separate effort.”⁷ A decision of the Workshop Report and subsequently filed comments is currently pending, and DRA—along with other parties—recommended

³ PD at 34.

⁴ PD at 35-36.

⁵ PD at 35.

⁶ Application (A.) 11-06-006/A.11-06-029/A.11-07-001 (consolidated).

⁷ March 1, 2012 “Smart Grid Workshop Report: Staff Comments & Recommendations,” p. 12 (A.11-06-006/A.11-06-029/A.11-07-001).

that the Commission play a limited role in cyber-security.⁸ Any consideration of creating a cyber-security forum to propose policies and protocols should be based on the record, and it should be noticed to the service lists in other proceedings where the same issues are being considered.

As a potential solution, DRA recommends the Commission bifurcate cyber-security issues from the Smart Grid Deployment applications² and establish a new phase in the Smart Grid Rulemaking. To do this, the Commission should issue a new Scoping Memo in the instant proceeding, whereby the Commission adopts by judicial notice the comments on record in Smart Grid Deployment applications which address cyber-security issues so that parties' efforts are not duplicated.

III. CONCLUSION

DRA respectfully requests that the Commission adopt the recommendations made herein.

Respectfully submitted,

/s/ LISA-MARIE SALVACION
LISA-MARIE SALVACION
Staff Counsel

Attorney for the Division of Ratepayer
Advocates

California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
Phone: (415) 703-2069
Email: lms@cpuc.ca.gov

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⁸ March 15, 2012 DRA Comments at 10-11 (A.11-06-006/A.11-06-029/A.11-07-001).

² A.11-06-006/A.11-06-029/A.11-07-001.

Appendix

DRA PROPOSED REDLINE

NEW FINDING OF FACT

It is reasonable to revise Customer/AMI Metric 8 to require reporting of the results of field meter tests requested by customers.

REVISED FINDING OF FACT

31. It is reasonable for the Commission to order a new scoping memo in this rulemaking adding cyber security issues, and provide notice to the service lists of A.11-06-006/A.11-06-029/A.11-07-001. ~~to require that the initial Technical Working Group meetings pertaining to cyber security undertake an inventory of the cyber security information that the utilities are already collecting, what information on cyber security the utilities are providing to the Commission and to other state and Federal agencies, and current cyber security practices in use by the utilities because such information can educate the Commission on the current state of network security. It is reasonable to keep this information confidential, and if filed with the Commission, it is reasonable to keep it under seal without time limit unless the Commission determines that the release of this data is in the public interest because information on security could be exploited.~~