

**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)

**REPLY COMMENTS OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) ON
ASSIGNED COMMISSIONER'S RULING**

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November 8, 2010

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**I.
INTRODUCTION**

On September 27, 2010 Assigned Commissioner Nancy Ryan issued a Ruling setting a schedule for resolving issues of privacy and security that arise in providing a consumer and third parties that a consumer authorizes with access to data on the consumer's electricity usage and the prices that the consumer pays of electricity. The Ruling further ordered Pacific Gas & Electric Company ("PG&E"), Southern California Edison Company ("SCE"), and San Diego Gas & Electric Company ("SDG&E") to describe current practices for providing customers with access to usage and pricing information, the measures that each has taken to provide access to this information to customers and to third parties, and the steps that each has taken to protect the information and the privacy of individuals. Lastly, the ruling ordered these utilities and other parties to make proposals that will provide customers with access to their usage and price data while protecting the security of the data and the privacy of customers. Opening responses were to be filed no later than October 15, 2010¹ and Reply Comments were to be due November 1,

¹ Opening Comments were filed on October 15, 2010 by the following parties; PG&E, SCE, SDG&E, TURN, DRA, UCAN, Verizon, EnerNOC, Inc, Pacific Bell Telephone Company, Tendril networks, Inc., OPOWER, Inc., The Technology Network, The Center for Democracy & Technology and the Electronic Frontier Foundation, and the Local Government Sustainable Energy Coalition.

2010. ALJ Sullivan subsequently issued a Ruling dated October 26, 2010 which extended the date for Reply Comments to the September 27, 2010 ALJ Ruling to November 8, 2010.

Southern California Gas Company (“SoCalGas”)² hereby respectfully submit these reply comments addressing certain privacy and security issue as set forth in the Ruling in this proceeding.

II. SOCALGAS STRONGLY SUPPORTS A CUSTOMERS’ RIGHT TO PRIVACY

SoCalGas believes that current laws are sufficient and adequate enough to protect the customer’s privacy. Overall, SoCalGas agrees with the Center for Democracy and Technology (“CDT”) and Electronic Frontier Foundation (“EFF”) proposal and the Fair Information Practice (“FIPs”) principles, however, the intentional vagueness of the proposal, although accommodating a myriad of circumstances, is not specific enough for implementation. SB 1476 is sufficient for the operation of the gas AMI network to be deployed by SoCalGas pursuant to D.10-04-027.

a) Certification and Registration of Authorized 3rd Parties

SoCalGas recommends that on a centralized basis the Commission or another state agency with authority for that activity be the certifying and registering body authorizing legitimate 3rd Parties to operate within California. SoCalGas does not believe that the IOUs represent a proper channel to provide this certification or registration function. The question of Commission jurisdictional authority will be further addressed in briefs due on November 22, 2010 pursuant to ALJ Sullivan’s October 29, 2010 ruling.

² SoCalGas was ordered to participate in the Smart Grid OIR (R.08-12-009) by Decision (D.) 10-04-047 and filed a Motion for Party Status on June 8, 2010.

b) Mechanisms for Providing Energy Usage to Authorized 3rd Parties

SoCalGas supports the OpenADE standard. SoCalGas is supportive of enabling the gas meter to participate in a Home Area Network if the cost can be justified. SoCalGas anticipates further discussions relative to providing energy usage to authorized 3rd parties as its Advanced Meter project is rolled out.

c) Providing Pricing Information

Time of Use pricing is not applicable to the gas industry. However, SoCalGas is exploring the option of a numbers of “alert” options, such as bill alerts or tiered alerts (baseline allowance and above baseline allowance), that could essentially provide customers with a time of use-like response.

**III.
APPLICATION OF FIP’S FRAMEWORK TO NATURAL GAS**

CDT/EFF in their Opening Comments propose a set of policies and procedures that, “implement or operationalize the full set of FIPs for the Smart Grid.”³ Appendix A to CDT/EFF’s Opening Response further provides a definition for a “covered entity” as: 1) any electrical service provider, electric corporation, gas corporation or community choice aggregator; or 2) any third party that collects, stores, uses, or discloses covered information [relating to 100 or more households or residences].⁴ Although, SoCalGas was in fact ordered participate in this proceeding, SoCalGas wanted to raise a question of whether CDT/EFF’s proposed definition matches the scope of this proceeding which to date seems to only be addressing the electric grid system. This is a fundamental question that the Commission must clarify before weighing the

³ CDT/EFF Opening Response dated October 15, 2010, page 3.

⁴ CDT/EFF Opening Responses dated October 15, 2010, Appendix A.

merits of CDT/EFF's proposed privacy policies and procedures. SoCalGas does not believe that the Commission has yet provided a clear direction that the policies being considered in this proceeding should be expanded beyond the electric grid system. Conversely if the Commission wants to apply the FIPs standards to gas corporations, then SoCalGas would urge those issues be further discussed, analyzed or vetted within the gas service provider context.

IV. CONCLUSION

SoCalGas appreciates this opportunity to file reply comments and asks the Commission to adopt Smart Grid privacy and security policies consistent with the comments provided above.

Dated: November 8, 2010

Respectfully submitted,

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