



FILED

09-27-10
03:34 PM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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)

ASSIGNED COMMISSIONER'S RULING

1. Summary

Today's ruling sets a schedule and procedure 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 for electricity.

This ruling requires Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company 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.

In addition, the ruling orders Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company and asks 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. The Ruling also accepts Pacific Gas and Electric Company's offer to prepare a list of statutes and Commission decisions that current apply to the use and distribution of customer data.

Opening Responses shall be filed and served no later than October 15, 2010. A two-day workshop will take place on October 25, 2010 and October 26, 2010. Replies are due November 1, 2010.

2. Procedural Background

On July 30, 2010, an Assigned Commissioner and Administrative Law Judge's Joint Ruling (Joint Ruling) set a Prehearing Conference (PHC) for August 20, 2010 to consider issues relating to data privacy, security of the Smart Grid, and access to data by customers and third parties. The Joint Ruling also invited the filing of PHC Statements no later than August 13, 2010.

CTIA - The Wireless Association®; AT&T California (U1001C), AT&T Communications of California, Inc. (U5002C), and New Cingular Wireless PCS, LLC (U3060C) (filing jointly as AT&T); the Consumer Federation of California; Pacific Gas and Electric Company (U39E) (PG&E); Southern California Edison Company (U338E) (SCE); the Technology Network; Tendril Networks Inc.; San Diego Gas & Electric Company (U902E) (SDG&E) and Southern California Gas Company (U904G), filing jointly; The Utility Reform Network; the Division of Ratepayer Advocates; the Center for Democracy & Technology and the Electronic Frontier Foundation, filing jointly; the California Independent System Operator; and OPOWER, Inc. filed PHC Statements.

On August 20, 2010, a PHC took place.

3. Discussion

At the PHC, parties constructively discussed the steps needed to establish a record to permit the Commission to decide issues associated with customer and third-party access to usage data and related issues of privacy and security. In preparing today's ruling, I have relied heavily on the discussion of parties at the PHC and on the filed PHC Statements provided by the parties listed above.

The most constructive suggestions to emerge in the PHC were those that recommended that the Commission stop further consideration of abstract principles and instead focus on issues related to the privacy and security protections currently in place or planned for the data collected on customers via the Smart Grid, the proposed uses of the Smart Grid data, and the planned access to the data that a utility will provide to customers and to third parties.

3.1. Questions for PG&E, SCE, and SDG&E

To create a record that will permit the adoption of privacy and security protections, PG&E, SCE, and SDG&E shall file and serve comments that answer the following questions:

- What customer energy usage data does the utility expect to generate or currently generates (including the frequency with which such data will be generated)? Does the utility provide customers with access to that data today? If not, when is the target date for providing such access? With whom do you propose to share that data? How do you currently use such data (including the relevance of such data to the intended uses), and how long will the data be maintained?
- What are the current privacy protections and data exchange rules that apply to this data? What privacy protections and data exchange rules does the utility propose that the Commission adopt?
- Does the utility currently provide usage data to third parties? If so, what are the consumer protections and security provisions that apply to that information?

- What policies does the utility follow in responding to requests or demands for disclosure of such data from law enforcement, other government agencies, and civil litigants, including what policies will the utility follow in providing consumers with notice when a request or demand is received?
- Does the utility provide the customer with access to pricing data associated with their usage? If so, what does the utility communicate and when and how is the price communicated? What price information does the utility believe would be most useful to a customer?

3.2. Question for PG&E

At the PHC, PG&E offered to produce a “common document that outlines the baseline of existing commission protocols on customer privacy for the energy utilities.”¹ Such a document would be especially welcome and helpful in this proceeding, particularly in light of the many parties participating in Commission proceedings for the first time. PG&E should file and serve this document at the time of the opening responses.

3.3. Questions for Third Parties Pertaining to Access to Customer Data

A goal of this proceeding is to provide access to usage data to third parties authorized by the customer. To adopt rules, the commission will need to know how such access is provided and the policies that can and should apply to accessing such data. I invite third parties to file and serve answers to the following questions:

- What home energy usage data do third parties currently obtain, expect to obtain, or will seek to obtain? How does the third-party use or expect to use the data (including the relevance of the data

¹ TR 110:5-8.

for the expected uses)? To whom do third parties expect to disclose the data, and how long will the data be maintained? How does a third-party expect to obtain information, e.g., via the meter, a utility webpage or some other means?

- What policies do third parties follow when responding to requests or demands for disclosure of such data from law enforcement, other government agencies, and civil litigants, including what policies will the third-party follow in providing consumers with notice when a request or demand is received?

3.4. Questions for SDG&E Pertaining to Access to Customer Data Currently provided to Google

Currently, SDG&E provides customers with access to usage data via an arrangement with Google. This arrangement may serve as a model for offering choice to customers and other third parties to be able to access a customer's usage data. Thus, the record in this proceeding would benefit from a clear statement of the policies and security procedures that apply to this data.

- How many SDG&E customers obtain access to their usage data through Google? What procedures are in place to obtain customer approvals and what data exchange protocols, privacy protections, and information release forms/standards pertain to the data transfer? What types of data flow to Google? Hourly, daily, aggregated, disaggregate etc.
- What are the current privacy protections and data exchange rules that apply to the data due to Commission policy or law.
- In addition to the privacy protections and data exchange rules that currently apply, what are the best practices that SDG&E uses to protect the data that are not otherwise required by law or policy.

3.5. Prices

Decision (D.) 09-12-046 set as a policy goal providing “consumers with access to electricity price information by the end of 2010.”² At the PHC, several parties noted that since residential prices vary with consumption, it is unclear what price to communicate to customers. For example, should the utility communicate a price to a customer which forecasts his monthly level of consumption, or should the price communicated simply vary depending on the aggregate consumption to date?

On this issue, I invite proposals from all, particularly from any utility who is currently providing price information to customers and from consumer groups, who represent the concerns of customers. Such a proposal shall be filed and served at the time of opening responses.

3.6. Proposals Sought

I invite any party to this proceeding to propose a set of policies and procedures that will help protect the privacy of a customer’s data, will help ensure its security and will permit access to the information by authorized third parties. Such a proposal shall be filed and served at the time of opening responses.

3.7. Replies to Opening Responses and Workshop to Follow

Since I am adopting the suggestion made by several parties to focus on concrete proposals concerning the data, access and prices, I anticipate that replies that address the proposals in the opening responses will prove critical to the

² D.09-12-046 at 3.

Commission's deliberations and both urge and invite all parties to comment both on the proposals offered in the opening responses and on issues that arise in the workshops. These replies should be filed and served.

4. Timing

D.09-12-046 set targeted dates for the provision of access to usage data.

Specifically, D.09-12-046 states:

Concerning electricity usage data, we require that SCE, PG&E and SDG&E provide consumers and third parties approved by consumers with usage data that is collected by the utility by the end of 2010. The decision also requires that SCE, PG&E, and SDG&E provide those customers with smart meters and authorized third parties access to usage data on a near real time basis by the end of 2011.

In addition, we note D.09-12-046 set a policy goal of providing "consumers with access to electricity price information by the end of 2010."³

It is my intention to have a decision in place that adopts the necessary privacy policies essential for the provision of such access before the end of this year, with a target date for implementation to follow shortly.

³ D.09-12-046 at 3.

With these goals in mind, I set the following schedule:

Event	Date
Opening Responses and Proposals	October 15, 2010
Workshops	October 25-26, 2010, from 9:30 a.m. to 4:30 p.m. Commission Hearing Room E. State Office Building 505 Van Ness Avenue San Francisco, CA 94102
Replies to Opening Responses, Proposals and Workshop Issues	November 1, 2010

IT IS RULED that:

1. Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company shall file and serve responses to the questions listed in Section 3.1 by October 15, 2010.
2. Pacific Gas and Electric Company shall file and serve the document described in Section 3.2 by October 15, 2010.
3. Any party wishing to obtain access to customer information is invited to respond to the questions in Section 3.3. Such responses shall be filed and served no later than October 15, 2010.
4. San Diego Gas and Electric Company shall file and serve responses to the questions in Section 3.4 by October 15, 2010.
5. Any party to this proceeding may offer a proposal for providing price information to customers as discussed in Section 3.5. Such proposals shall be filed and served by October 15, 2010.
6. A workshop to discuss the October 15, 2010 filings in this proceeding will take place on October 25, 2010 and October 26, 2010.

INFORMATION REGARDING SERVICE

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a Notice of Availability of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the Notice of Availability of the filed document is current as of today's date.

Dated September 27, 2010, at San Francisco, California.

/s/ LILLIAN LI

Lillian Li

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074 or TDD# (415) 703-2032 five working days in advance of the event.