



**American  
Public Power  
Association**

Ph: 202.467.2900  
Fax: 202.467.2910  
[www.PublicPower.org](http://www.PublicPower.org)

2451 Crystal Drive  
Suite 1000  
Arlington, VA 22202-4801

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Eric Lightner  
Director, Federal Smart Grid Task Force  
Office of Electricity Deliver and Energy Reliability  
U.S. Department of Energy  
1000 Independence Ave, SW  
Washington, DC 20585

Submitted by email to [VCC-Privacy@hq.doe.gov](mailto:VCC-Privacy@hq.doe.gov)

Dear Mr. Lightner:

Please accept these comments by the American Public Power Association (APPA) on the draft Voluntary Code of Conduct (“VCC”) that address data privacy surrounding smart grid technologies. These comments are in response to the notice published in Vol. 79, No. 177 of the *Federal Register* on September 12, 2014.

APPA represents the interests of the nation’s approximately 2,000 nonprofit, publicly owned electric utilities. APPA’s member systems have been at the forefront of implementing smart meter technologies. For example, the City of Naperville, Illinois was one of the first communities to deploy “smart” meters across its service territory, and it developed a Naperville Smart Grid Customer Bill of Rights outlining the rights of its customers. Many other public power systems have implemented smart grid programs accompanied by appropriate privacy policies. APPA therefore welcomes DOE’s initiative to provide further guidance for utilities and third parties in safeguarding customer privacy.

APPA has been involved with the VCC process since its inception in December 2012 and commends the work of the task force that has assembled this draft code of conduct. The draft VCC protects customer privacy without hindering smart grid innovation. These draft principles are sufficiently high level to ensure that utilities maintain a level of flexibility in developing smart grid data privacy guidelines. At the same time, these principles emphasize core privacy principles that have been established by other entities such as the North American Energy Standards Board and state regulatory bodies such as the California Public Utilities Commission.

An important element in these draft principles is that it carefully demarcates concepts such as data used for a primary and secondary purpose as well as contracted agents and third parties. These distinctions allow the utility and its contracted agents to collect data for core utility

functions without having to obtain customer consent. This greatly reduces the burden on utilities, but maintains customer privacy protections when data are shared with unaffiliated third parties.

APPA also appreciates that, under certain circumstances outlined in section five of the draft VCC, utilities do not have to adopt the VCC in its entirety. A utility operating under existing state or local legal and regulatory requirements should not be penalized if elements of the VCC conflict with these other requirements. This also underscores the complex diversity of the utility industry, marked by utilities of differing sizes and operating under myriad regulatory regimes. A one-size, fits all strict code of conduct laying out precise rules would not be appropriate, and as such the draft VCC strikes an appropriate balance by providing high level guidance without being overly proscriptive.

Thank you for the opportunity to comment. Should you have any questions concerning these comments, please do not hesitate to contact me. I may be reached at (202) 467-2969 or [pzummo@publicpower.org](mailto:pzummo@publicpower.org).

Sincerely,

/s/ Paul Zummo

Paul Zummo  
Manager of Policy Research and Analysis  
American Public Power Association