

Meeting Minutes

Tuesday, June 4, 2013

9:30am – 5:00 pm

Edison Electric Institute

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Washington, D.C. 20004-2696

These meeting minutes are a general record of the participants' discussions during the meeting. The notes follow the order of the meeting agenda and use some paraphrasing. For more details of the discussions, please visit the webcast website at <http://capitolconnection.net/capcon/DOE/vcc060413.htm>.

Welcome and VCC Introduction

Eric Lightner, Department of Energy Office of Electricity Delivery and Energy Reliability, Director, Federal Smart Grid Task Force

Mr. Eric Lighter welcomed participants to the second multistakeholder meeting for a voluntary code of conduct (VCC) around data privacy. Mr. Lightner explained that the meeting will summarize work completed since the February 26 meeting, which has been accomplished through six multistakeholder work groups: mission statement; notice and awareness; choice and consent; access and participation; management and redress; and integrity and security.

Mr. Lightner introduced Mr. Nick Sinai, the Deputy Chief Technology Officer at the White House Office of Science and Technology Policy, to discuss the administration's perspective on data privacy.

Opening Remarks

Nick Sinai, White House Office of Science and Technology Policy, Deputy Chief Technology Officer

Nick Sinai explained that the Fourth Annual Health Datapalooza was also taking in Washington, DC. More than 2,000 people registered with hundreds of companies participating. The theme of the event was centered on data fueled innovation in healthcare, as the industry is moving from a volume to value approach through the Affordable Care Act and other mechanisms. A significant milestone was just achieved with 50 percent electronic healthcare records, up from 17 percent a few years ago and they are on path to reach 80 percent. Several sessions during the event focused on getting access to your own healthcare information and Blue Button, which was launched from the Veteran's Affairs in 2010. Over 1 million and half veterans and other Americans have access to their health records via Blue Button.

The energy sector is complicated and different than healthcare: Healthcare is more federalized with HIPAA . When thinking about grid modernization, there is a ton of information being created and stored by utilities and third parties but in dealing with complexity, it is only a fraction of what healthcare dealt with in the last couple of years. Healthcare has moved from a simple idea to millions of Americans getting access. Now energy management systems are being installed in homes and buildings. We need to think about the rules of the road, which is what this VCC initiative will be working on over the next six months. This will help harmonize things and help with innovation, and customer service. Utilities face expectations to protect consumer information, and utilities should show how they will protect data and access; a VCC is important when thinking about access and protection.

Thirty-six million homes and business have been committed by 35 utilities and electricity suppliers through Green Button. Allowing consumers to access their information reduces the friction and provides a lot of opportunities for customer. It is not just about energy usage data, but also about adopting common industry standards. Beyond Green Button, there is additional information being collected on the grid from sensors to building management. This group should think about where to draw the line and what the appropriate scope is while keeping in mind that customers expect their data to be protected. The VCC should represent to them how their data will be protected and how they can access it, both from utilities and third parties. Hopefully during the Second Annual Energy Datapalooza we can announce the VCC for those utilities and third parties that choose to adopt it. The administration feels that these “light touch” approaches have a better chance of succeeding.

Meeting Overview and Structure

Ron Binz, Public Policy Consulting Meeting Facilitator

Mr. Lightner introduced Mr. Ron Binz, a Principal at Public Policy Consulting, who was tasked with facilitating this meeting. Mr. Binz served as a Senior Advisor at Colorado State University and as a chairman for the Colorado Public Utilities Commission (PUC). As PUC chairman, Mr. Binz led many policy changes that were championed by Colorado’s governor and was also an active member of National Association of Regulatory Utility Commissioners (NARUC), serving as Chair of NARUC’s Task Force on Climate Policy. Additionally, Mr. Binz served as President of the National Association of State Utility Consumer Advocates while Director of the Colorado’s Office of Consumer Counsel.

Mr. Binz thanked participants for joining the meeting and explained the procedure for asking questions in the room and on the phone. Mr. Binz proposed the following question to the group regarding adopted procedural principles: how strictly should the requirement of posting work group materials one week before a meeting be enforced and are there are any objections to relaxing those rules?

- EEI and its members proposed the rules as a starting point and know that building consensus takes time. It may be reasonable to say the agenda and other materials, such as draft documents and reports, can be available a week in advance. Subsidiary work products from the work groups can be made available as reasonable.

There were no objections to the proposed rule change and Mr. Binz noted that the rule would be amended to reflect the change.

Mission Statement Work Group and Facilitated Discussion

Presenter: Brandon Robinson, Balch & Bingham

Facilitator: Ron Binz, Public Policy Consulting

Mr. Robinson, on behalf of Dan Francis – lead of the work group, presented the proposed mission statement developed by the work group. The statement proposed on February 26 has been revised to reflect the collective perspectives of the work group. The new proposed statement is 1) Encourage innovation while protecting the privacy of Customer Energy Usage Data (CEUD), and providing reliable, affordable electric and energy-related services; 2) Provide customers with access to their own CEUD; and 3) Do not infringe on or supersede state law or regulation, or governance by the applicable regulatory authority.

The work group also proposed a definition for the scope of the data: “For purposes of this initiative, the term ‘Customer Energy Usage Data’ (or CEUD) is generally intended to describe data that depicts energy usage (such as kWh and KW); CEUD is not generally intended to include any other data or information that may be collected.”

The presentation, which includes the proposed mission statements from February 26 and June 4, can be downloaded here: https://www.smartgrid.gov/sites/default/files/Mission_Statement_Work_Group_1.ppt.

Mr. Binz invited participants to provide comments and feedback on the proposed mission statement:

- In changing the focus from requirements to voluntary policies and practices, you may have opened up the scope. The February 26 version started with requirements to intentionally stay at a very high level because policies can get pretty granular. Also, in the interest of innovation, there is more data in context of smart grid than for customer energy data (power quality, frequency). We defined the scope to focus only on customer energy use data, but Mr. Sinai pointed out that there is other data that we might want to address.
 - Thank you for the comments. The intention of changing requirements to voluntary practices and policies was not to broaden the scope, but to address the issue of requirements and idea that the privacy VCC is intended to address voluntary practices rather than define requirements. Regarding data, we did have pretty extensive conversations about that topic. We gather all sorts of information, such as PII, life sustaining equipment, and other sensitive information. We have not defined customer energy usage data, but we are trying to focus attention on what we thought we are trying to do with the broader focus.
 - I don't think the change to policies and practices was intended to send the VCC down a broader path. We can change it in a way that will reflect voluntary principles without creating a more granular scope. It is worth discussing the scope of data that is covered.
- Looking at the draft mission statement from the perspective of applying to utilities and third parties, the question comes to mind that this seems very utility-centric. There may be a need for third parties to further share data; would the VCC apply to what they get or also to types of services that customer may have used for kWh? The third part of the mission statement seems very utility-centric. Third parties may be subject to FTC regulatory oversight. Was this taken into consideration?
 - I agree, but with respect to the third point, this is largely in part because many of the things we have talked about to date are that third parties are not as regulated.
 - Did the first part of the question pertain to the scope of the data that would be included and whether it is to utility centric?
 - Yes, they will have kWh, but there may be other data requested by third and fourth parties. Would this apply to just kWh or other data? Are we being too limiting and focusing just on kWh?
 - This is an issue we may want to give further thought to. We are doing this work for the entire initiative and will consider in the next steps. We had some conversations around demand response systems and the breadth of the information, and we tried to focus on the usage information. This does not mean we should broaden the topics of consideration. Regardless of VCC, the FTC has an opportunity to look into any business practices or company. State regulators have laws that we need to be respectful of. I do not disagree with the question, but there are other agencies with the authority to approve jurisdictional issues.
- Going back to the use of voluntary and requirements, this seems to be a question of semantics. We want to ensure that this is seen to be voluntary and not developing any requirements around what a law

would allow you to do or requirements with respect to what you do if you hold out on a VCC. On the scope of data, it sounds like a legitimate discussion around whether narrowly defining kWh is sufficient for the scope. Thinking about the profile of the system and the type of customer profile, is this the data we want to address?

- Regarding customer energy usage data (CEUD), we have been requested to supply third parties with different types of data including voltage data, meter alerts, power on and power off notifications, messages that have been sent across information systems to those meters from third parties, and if a customer wants to know what messages have been sent to their home. Even though this is focused on energy usage data, we also need to think about PII and other laws. I am not aware of any policy that suggests who should reveal information to customers that are traveling into their home.
 - Thanks for the question. This highlights the variety of structures that we will run into across the U.S. in terms of information, the type of information that is flowing between the various parties and how this is influenced heavily by the market structure of a given state. This does not mean that territories that are traditionally regulated cannot provide information from the customer to the third parties. Some states are structured very differently. In Texas, there is a separate structure for retail providers (REPs); in other states, utilities have different relationships with the customer. This highlights that the structure of states and existing laws that have been promulgated influence this very heavily. This is the issue that we need to address in terms of how specific we want this initiative to be; it may apply in some states and not in others. Municipalities and cooperatives have different relationships with their customers. This is the discussion of how specific to get; our direction has been fairly high level because we are afraid if we do not start, we will not get anything done.
 - I agree, but this is a good question about how to protect the data that is not CEUD. There are a lot of different smart grid technologies and as they emerge, there may be more information and data elements to consider. For the VCC, we can talk about what to include, but it may not be the same for all data elements (alerts, voltage). The more we expand the scope, the more we face that challenge.
- There was a good point about not superseding state laws. It is really important to have language in the mission statement that avoids confusion about the scope of the VCC. FTC's fair trade practice statute is very well known and there is some confusion about how that applies.
- I would like to propose some working changes. Starting with third element, I suggest striking the word "state." This would cover the FTC scenario and preserves concerns about state law equally. Regarding the first element and the scope of CEUD, we may want to rephrase it to say "...encourage innovation while protecting privacy of data related to customer energy usage."
- We should keep in mind that this mission statement is supposed to guide and reflect what follows in the VCC. While we might think we are deciding what these words all mean and the scope, we do not think we have given the mission statement group authority over all other groups. To some extent, these discussions are preliminary and we will have to see what the work groups come up with and what rules apply. The mission statement may have to reflect what the other work groups do.
- Regarding the question of scope, the data access and participation work group ran into the same question. While I understand the observation about data related to customer energy services, that seems like a slippery slope to use. It could have a domino effect where we ask what is related, what is the service.
 - What would go wrong if we went down slippery slope, what difficulty does that make? It might create something that we do not want to apply, or applies to too many people? I do not disagree

with the point, I just want to understand what the downside is of having a broad definition that could apply broadly.

- The VCC applies to utilities, third parties, and fourth and fifth parties. Depending on the services, the technologies will be available 5-10 years out. We are trying to figure out the realm based on unknowns. Not everyone is implementing smart grid at same level, degree, or timeframe. One state may think the VCC is good and can be used to roll into existing requirements for other data (message alerts, power on, power off). The utility has the cost; the utility will not know what the 4th and so on parties might be doing with the data.
- I can see the slippery slope related to the comment about how the mission statement is supposed to guide and reflect the work of the group. We need to have consensus process to define the voluntary rules of the road and what is related to the CEUD. The mission statement reflects the work of the group and an attempt to make sure we have enough guidance to know they are reflecting the scope of their work. We want to avoid constantly changing the mission statement.
- This is a two way conversation and we want to reflect it in the mission statement. As we talk about the focus and breadth of the definition on what we are going to adopt, it goes to why we initiated the broader discussion. Some of it is innovation and most of the conversations are centered on CEUD. We would be well served by staying at a high level and getting to some point of conclusion that could be adopted more broadly. The technologies will continue to advance and market arrangements might advance. The VCC may need to be revisited in the future to talk about other broader aspects of customer information.
- Were use cases pursued by this work group? It may be helpful to work through examples of how you would apply this to elicit distinction.
- Just because we want this to apply to a range of data, it does not mean that the utility should have an obligation to produce it. There may be cost issues and any other number of drivers. The challenge in defining CEUD is that it is constantly evolving and being aware of the rapid change. We may want to consider what is definitely not included (SS, bank number, certain aspects of PII). That may be one way to help focus and allow for the definition to cover a variety of related things. We get requests for more than just kWh and kW. How can the VCC be helpful in providing principles around this?
- In regards to the question of what the down side is, it seems that having a policy broad enough to apply where needed and when it needs to be visible enough to be periodically included.
 - I agree that it is preferable to have a broad definition. We need to consider some short run flexibility. We are getting data request beyond kWh and kW. We should have a broader focus on what the mission statement means, and as we develop policies we can limit the appropriate avenues. We do not want to be so narrow that we do not account for changing technologies. It is also worth noting that under California law, PI includes account number, name, and address.
- HIPAA has grown not only to give patients the right to access information, but make them liable. If this becomes legislation, it will create rights. Leaving things to a high level is safer in order to not create a right that consumers can enforce when a utility cannot provide the information. While HIPAA is not voluntary, I could see this VCC being codified by states and the federal government. This could serve as a blue print for something no longer voluntary years to come.
- It is good to keep in mind the unintended consequences. I also agree we need to think about this more broadly rather than narrowly and consider a short-term flexible definition. We can fix the policies in a way that does not create an obligation on utility data. If we have a high level principle that says utility must have access to this data, it could be interpreted as utilities and partners have an obligation. Lots of PII does include those things; this underscores the third point that different state commissions define it differently.

- As I read the definition around CEUD, I think it lost some of the intent. We were talking about the type of information and the type of information we envisioned this would not cover. We had a few example clauses related to information not covered (banking account, licensing), but we did not want to think about just kW and kWh. We did not define it because we thought other work groups might help inform this.

Mr. Binz wrapped up the discussion and noted that later in the day there will be a discussion on the process going forward. This could involve establishing a work group to accommodate some of the questions raised today.

Notice and Awareness Work Group Presentation and Facilitated Discussion

Presenter: Aryeh Fishman, Edison Electric Institute

Facilitator: Ron Binz, Public Policy Consulting

Mr. Fishman, on behalf of Boris Segalis – lead of the work group, provided an overview of work completed by the group. The group held several meetings to discuss the types of information that privacy notices should address; how and when they should be provided; the information they should provide about data practices; and identify consensus and discussion points. The group looked to existing regulations and practices as a guide and developed some findings. The group would also like to know what the larger multistakeholder group feels the key issues are and any recommendations for resolving them. The presentation can be downloaded here:

<http://www.smartgrid.gov/sites/default/files/VCC%20Notice%20Group%20Presentation%20June%203%202013.pdf>

Mr. Binz invited participants to provide comments and feedback on the notice and awareness section:

- My perspective is that these issues are context and scope related. You have described the scope issue that every group faces, which is how far or granular we should go in addressing best practices. My recommendation would be to enunciate the principals at a high level and identify some examples. From a commission point of view, I would like to know if there is a set of principals that have been well vetted, that have a very represented group. I would also like to know what are the key trade offs to think about when choosing examples.
 - When we discussed the principles, one option for the group was to include principles by which participants abide. We could have a privacy notice that says we abide by the VCC and collect and disclose information, with a link to the VCC. If you do something extra, your notice could be customized. The VCC could help make the notice more useful by having everyone use information in the same context and reference using in privacy notice.
- To me, there is a distinction between setting up rules for utilities and third parties. This goes into detail about being clear, easy to read, and transparent, which may deal more with third parties. Utilities may also have reasons to have separate or more detailed rules. We might want a high level separation between the two groups. Consensus points more apply to the utility. I do think it is important to try to simplify this. The consumer financial protection board has been working on simplified, transparent documents that we could also look at.
- There are two things going on: one is the prescriptions on what notice should look like that are in the VCC and the other is the notice about the VCC itself. The point of a VCC should be that smart grid entities would want to state that they are VCC adherent. The main issue seems to be in how we describe what goes into notice. Utilities may have prescribed un-noticed. Third party vendors of the world have no such requirements bearing on them as a general matter.

- Was it the intent of the group to come up with alternative paths for notices? There is no one type of consumer and notices work in different ways. You could clarify that you are going down the path—alternative “A” or “B” for different notices for utilities or 3rd and 4th parties.
 - I have not heard that issue be predisposed. It is fair to say, identify the lay of the land and frame some of the issues. What is coming out today are the other distinctions to consider. We are probably thinking about one kind of notice, but not where that discussion will go. We will think about something you can have in the VCC but also customize the notice that you provide and how you do it.
 - I think that in creating good notices and practices, it is not clear how to get there. Everyone struggles with including FTC and the White House. We do not know where we will end up developing something useful and acceptable for this group.
- A few use cases could help, such as: is a utility fully regulated by a state commission that has exquisite notice policy on their rules. How should a VCC apply to that? We all agree deferral is something that will happen. Regulation can happen to anyone. How will the VCC apply? Suppose you have a state commission who has not acted on smart grid and have leftover policies from 40 years ago on customer data. If a utility wants to adopt a VCC, how does it work? Should they go further than the state commission and would the adoptee profit everyone from following rules not in conflict with state commissions? We do not want this to be overruling or attempt to overrule state commissions.
 - You are right that you can ask some utility commissions that mandate certain notices. They ask utilities to describe privacy practices, but if you look at Colorado, they also ask for specific content and have an expectation of privacy in their information. There is some overlap between the VCC and PUC requirements.
- Where do we go from here? You may find a lot of open issues from each group are repeated. Some that some groups defer to others and some are asking the larger group or DOE. Rather than taking input in subgroups, we need to consider the questions being raised and whether they need to be answered in the VCC so the subgroups can move forward with the right guidance. That comes up with some of these issues that each group has decided; consensus on various issues and some that have varying levels. If we get to a certain level of granularity, it will differ between third parties and utilities. If we keep it at the high level notice of privacy, we should address certain elements. We have a high level principle and various other state regulations and policies that are not inconsistent but defined with a lot more granularity. Example: utilities require access to data to provide services. What are the primary uses and secondary uses? Stick to principles to define. In the next steps, we should gain a level of understanding as a group about the scope, which may require us to address issues about specifying utilities and third parties.
- We refer to utility and third party, sometimes third is first. Home Area Networks are the first party; it is not the utility reading usage data through the cloud. We just need to be sure that the utility is not always first. Should the utility look at the privacy notice policy that a third party is offering before they release that information to the third party? In other words, should they be policing? If the third party is chosen by consumer, do we ignore it, or say they should have a public privacy notice?

Mr. Binz wrapped up the discussion and the group took a break for lunch.

Choice and Consent Work Group Presentation and Facilitated Discussion

Presenter: Eric Ackerman, Edison Electric Institute

Facilitator: Ron Binz, Public Policy Consulting

Mr. Ackerman provided an overview of work completed by the group, noting how members have contributed a great deal, having been very diligent and responsive to calls. The group began by taking a look at sub-requirements of a breakout structure, and recognizing that they perhaps were dealing with things at too granular a level. Two weeks ago the group decided to consolidate their efforts into key principles that were agreed upon. These principles include customer control, informed consent, valid consent, controlled disclosure, and efficient management. Mr. Ackerman introduced several members of the work group to present on each principle. Paula Carmody of the Maryland Office of People's Counsel presented on the principle of informed consent. Brandon Robinson of Black & Bingham LLP presented on the principles of informed consent and controlled disclosure. Paul Zummo of American Public Power Association presented on the principle of valid consent, and Mr. Ackerman presented on the principle of efficient management. The presentation can be downloaded here: http://www.smartgrid.gov/sites/default/files/Choice_and_Consent_Work_Group_3.pdf

Mr. Binz invited participants to provide comments and feedback on the presentation:

- What is being referred to in the bullet of access to data, other than CEUD?
 - As we collect and report communication data system parameters, system operating data may have valuable uses, such as allowing customers to manage themselves or have utilities plan efforts. There is a competitive issue- if the data has valuable applications there is a question of who can use it. There is also a cybersecurity perspective.
- These are principles. What is the next step for the group?
 - Somebody needs to look at draft products in their entirety to make sure they are consistent. Assuming we agree at the principle level, can we drill down farther? There are immediate problems as you dig further, so there is a question of feasibility of what can be done. These principles are good to start, but there is a second and third level of detail needed. What can be done, and what are examples? We need to look at it in the whole context and determine how to go deeper.
- Would you consider the VCC to hold these as consistent? How detailed should the VCC be, and is your vision more detailed, or prescriptive, even though that word has negative connotation?
 - The principled level product is valuable, but it is worth looking at the question, feasibility, or value of digging deeper.
- How long should consent be valid for, and what about the customer rescinding?
 - It is an affirmative action to rescind- it's the customers right. Consent does not expire until a customer acts to have it expire.
- Thinking more generally on the customer side of data, there is a lot of billing determinant data that is more valuable, at least to the third party. There are a lot of assumptions that the utility will use this data. As for third parties, when should they be responsible for deleting customer data? A third party may also be the first party, such as in a HAN situation.
 - On the utility-third party comment, it does not inherently imply that the utility is doing it. We want to leave it open.
 - I don't know if we'll go this direction in the U.S., but unbundling occurs in the UK. These principles cannot be perfect and durable for all time, but it does sound applicable for utilities, but we don't want to lock in an industry model that cannot persist.

- On the controlled disclosure principle, if the utility has an authorized agent that is merged into something else, or if a third party is sold to another entity, then that party should not need to have additional disclosure. We talked a lot about third party versus authorized agents. I would submit that based upon the consensus of this group, it is not just EDCs that require access to data. Consider broadening access without the need for authorized agents.
 - Authorized for what purposes?
 - Core, regulated utility services- there are lots of ways.
 - Billing, metering- is a utility's contract core enough?
 - If it's a regulated service, will let them key to that.
- Should these principles be more detailed? We need to resolve some of these open issues. We talked about scope of data- can the VCC be adopted in whole or in parts? Various issues have been punted up. They can affect what others in the group are working on. Before proceeding, we need to resolve these issues. We've seen different core and utility issues, but if we're not going to go in that detail, we need to decide. What a core utility may deliver depends. As a bigger group, we need to go about these decisions before this proceeds.
- Some issues talked about here are in the data access working group as well. This speaks to how the working groups need guidance on things that overlap. In regards to contracted agents, whether the utility or a third party, consent does not need to be explicit. Is it consistent, transparent, and is the data more at risk with a contracted agent? There is a reason for some controls. Speaking as a utility, there are a lot of contracted agents that send bills and give information- these are situations where consent has to be explicit.
 - The assumption stated here is that the utility has a service relationship with the customer, and the utility has a relationship with the agent, so the agent does not need a connection with the customer.
 - The agent of a third party is already covered by a disclosure, and this should be consistent.
- Everything said is the same regarding what we can do and what utilities can do. In California, this is in the realm of what is currently regulated, and we have to justify why the VCC is a good idea. There isn't a consistent regulatory framework, and the VCC is to extend similar regulation for companies. It's a poisoned-well problem. End-use customers may not be aware whether it's the utility or another party, and this is a problem of everyone. We're here to make sure this VCC is a good faith of conduct. It provides us with what we can do.
 - Could a utility adopt something like this?
 - We took on a trusted smart grid seal. It's not as broad a stakeholder group that came up with it, but it's similar. It gives customers a view that the entity is behind something. It's not clear state-to-state how things like AMI will develop. We may have a type-A situation in one state or Type-B in another.
- A comment on the context for agents of third parties, etc. who are contract bound- agents for third parties should also be contract bound. It's implicit, but needs to be made explicit.
 - An operating third party may not be reached by any regulation except for general ones. This project will offer a code to show branding. If they employ an agent, how does this all apply? Do we want to hold the initial third party responsible?
 - We want to say that with anyone entering the VCC, that contractors should also sign it as well.
 - In California, all third parties must agree to contracts that utilities are contracted to. The VCC should include language that a third party is responsible for the VCC as well, or other similar rules. Who's going to be monitoring third party compliance?

Access and Participation Work Group Presentation and Discussion

Presenter: Megan Hertzler, Xcel Energy

Facilitator: Ron Binz, Public Policy Consulting

Ms. Hertzler provided an overview of work completed by the group, noting how the group has met four times and has reviewed a lot of resources. An initial recommendation from the group is the development of consistent definitions (e.g., contracted agent, PII, third party, etc.) so that everyone is working on the same page. The group further focused on issues regarding data collection, retention and aggregation, customer data access rights and methods of access, and third party access with and without consent. The presentation can be downloaded here: http://www.smartgrid.gov/sites/default/files/Access_and_Participation_Work_Group_4.pdf

Mr. Binz invited participants to provide comments and feedback on the presentation:

- Is there a difference between being able to view data on a screen or not?
 - That depends on regulations and where the utility is at regarding their technology level.
- Regarding any references for what DOE wants and what they can do, there won't be much as this is a stakeholder effort. Any guidance from DOE will be gentle, if at all.
 - Though, guidance would greatly simplify goals.
- We were looking for direction on a few points, and more work would be helpful to frame up issues of the working group.
 - One of the recommendations is that we ought to define primary and secondary purposes. I would phrase it as whether it is necessary to define them in the VCC. It is already decided in California, so we may not want to reach that granularity.
 - Why is it important to make a distinction between core/non-core; primary, secondary?
 - There are things that we don't need to go back to the customer on. If we go outside that circle, we need to know what to go back with them on- what are the obligations back to the customers if we're sharing back with a contracted agent?
 - This can be seen expressed more generally in principles that you have to go back for expressed consent for use outside of what is authorized. There may be issues trying to build a consensus with some utilities with this granularity.
- How to provide access to aggregated, whole building data is important and new with data privacy. I would urge as a group to have this as an added value. One option to proceed with the working group is getting representation from building owners and users of data, such as involvement with NARUC or BOMA- perhaps an effort to put together a memorandum of understanding.
- Regarding aggregated data, if I am metering at a node on the lines- that is aggregated data. Each node's price is different and may offer services. An energy usage definition may require definition of loads, supplied power, etc.
 - From a consumer perspective, definitions are important. There is no context in principles without definitions. I would encourage further exploration, as customers not understanding will cause confusion.
 - As a commission struggling through this, there is a difference between anonymization and aggregation. Aggregation is a single number of data points, while anonymization has several data points together. We're talking about both and they are different things.
- Regarding the question about how long a third party can keep data, if the entity anonymized it, how long can they keep it?
 - There should be no limits if the data is anonymous. Regarding a third party, it depends on the purpose.

- To follow up, what has been articulated is sort of like HIPAA principles. How do you know if data is sufficiently anonymized? What is the process to do so; what is the standard to know sufficient anonymization? HIPAA has it, but there is nothing like that in the energy sector.
- When talking about defining anonymization, it's not a law within the VCC- the VCC is voluntary for utilities and third parties.
- Are customers going to understand what the VCC is? We can provide notice to customers, but assumptions are this is for the industry to use. Are we writing this for the customer to actually read? Most probably won't read it. HIPAA is normally something that is mentioned and signed off.
 - There can be a full blown document version, as well as a notice for customers.
 - The whole reason we're doing this is because customers are concerned. Ultimately, it's the notice that the customers may see and not necessarily the principles, but these are infused. We need to be careful about having things done in a way that is closed to customers. We want to be careful about what are we doing and why it's an important and reasonable contract.
 - It's almost like a cell phone contract.

Mr. Binz wrapped up the discussion and noted that going into the break he would like the working groups to consider the idea of establishing a temporary executive committee to drive what assignments each group would get moving ahead. The executive committee, selected by Eric Lightner and probably comprised of the working group leads, would meet over the next few weeks to go over what is taken from this discussion and settle on decisions for the groups. The goal would be to talk about these decisions for the next meeting. Another idea is to develop definitions, or alternatives to definitions. As an example, should CEUD be something specific or broad, to get it just right? The executive committee won't make such decisions, but narrow the debate and put it into words.

Management and Redress Work Group Presentation and Discussion

Presenter: Chuck Piotrowski, Green Mountain Power

Facilitator: Ron Binz, Public Policy Consulting

Mr. Piotrowski provided an overview of work completed by the group, noting how the group has met four times to discuss high level guidance for industry and customers on redress. The section is devoted to what role a company has to ensure a customer has access to information, and what the customer can expect for redress with the company. The group looked at various references, including those from the FTC and Vermont. Mr. Piotrowski shared the group's final draft, which was intentionally kept very high level and not prescriptive so as to have something a company would agree to do, without getting nit-picky for how addressing redress would get done. The presentation can be downloaded here: http://www.smartgrid.gov/sites/default/files/Self-Enforcement_and_Redress_Work_Group_6.pdf

Mr. Binz invited participants to provide comments and feedback on the presentation:

- This is perhaps state specific, but on the fourth principle, I'm not sure if we can say that our state has regulatory/governing documents that we're following regarding this. It may be the case for third parties to simply say we're following a VCC. Also, would a company or third party give notice about having employees on a watch list?
 - The reasoning behind the principle is to make sure that those organizations that already have mandates can say they're following the VCC. There are rules regarding information, whether at the utility or third party, which the FTC or FERC could govern.

- Trying to read into item 1-c., is there any resolution that offers a ‘remedy’ to the customer- I’m not sure if that’s rolled into ‘resolution’. Whether data can be corrected, or no longer used, what is considered a resolution?
 - ‘Remedy’ was a word found in FTC references, but logically a ‘resolution’ to a customer’s concern could and should have a remedy. For example, a customer calls and says a utility has flawed data. The utility would record that the issue will be addressed and fixed. A second part is going back and seeing how the issue came up; remediating the issue. This concern will be brought to the working group.
 - I would hope that ‘resolution’ includes a ‘remedy,’ but that’s not necessarily the case. One concern that comes up, especially regarding third parties is that a remedy may not be offered.
 - There could be cases where there is no remedy, where the customer is actually wrong. We can consider adding a clause such as ‘remedy, if appropriate.’

Integrity and Security Work Group Presentation and Discussion

Presenter: Ward Pyles, Southern Company

Facilitator: Ron Binz, Public Policy Consulting

Mr. Pyles provided an overview of work completed by the group, noting how the group evaluated risk assessments and use cases, but the documents did not really touch upon security and integrity, nor really show how to perform risk assessments. Mr. Pyles brought up the question of whether we want to be prescriptive in the VCC, or provide non-specific guidance, such as NIST and NAESB. There is no one solution, though going a more prescriptive route may hinder innovation, as well as require more updates. The presentation can be downloaded here:

<http://www.smartgrid.gov/sites/default/files/DOE%20VCC%20Workgroup%205%20summary.pdf>

Mr. Binz invited participants to provide comments and feedback on the presentation:

- The working group was able to leverage the efforts from the Access and Participation and other working groups.
- Having to deal with NERC CIP, a lot of standards say you have to do basic things, so this may be something to consider for the VCC.
 - Those basic things can’t be omitted. They have to be referenced.
 - Yes, though it has to be done broadly.
 - Security has to be defined in order to be achieved. This may include active information sharing and risk assessments.
- What would you like to be told to go back and do in the working group?
 - Not sure- I’m really interested in what is the scope that will be brought to the working group.
- As a factual matter, what is the experience across the industry regarding malicious attempts for customer data, just to frame the situation? Banks and the FTC keep useful data. Secondly, with utilities, the regulatory structure provides lots of room in this area. For contractors, etc. what kind of commitment might they make in the VCC for security? The utility might have some way confirm with the recipient of information.
 - What are the terms, what constitutes negligent behavior?
 - ‘Commercially reasonable standards’ is a buzzword, of being measured by peers.
 - What data are we talking about? Customer usage, voltage information, etc.- how much of it boils down to security for the VCC?
 - How do you address access by somebody?

- Going back to today's principles, what is commercially reasonable to prevent unauthorized access? That would be the suggestion here, rather than query all the standards that address different data types.
 - Is there consensus that the standard in the VCC, subject to data type, is commercially reasonable to prevent unauthorized access? Is that strong enough?
- Does 'commercial' mean products commercially available?
 - It's a complicated question. You measure by peers. Banks look at banks, other utilities look at each other, and you should as well.
- We're talking about unregulated entities, just following the VCC, agreeing to undertake commercially reasonable care to prevent unauthorized access.
 - Is protecting integrity of data covered under unauthorized access?
 - When thinking about potential harm, unauthorized access should include protecting integrity.
- As far as I'm aware, NISTR is the only one that addresses education and awareness.
 - REQ-22 may as well.
 - Something that can be easily done and commercially available is education and awareness to employees about authorized access.

Next Steps

Ron Binz, Public Policy Consulting Meeting Facilitator

Mr. Binz invited participants to share ideas for next steps:

- Develop a straw-man of what a VCC might look like. There are so many moving parts. It would be useful to start off with a definition of data (e.g., kilo-watts/time, monthly expense, etc.).
- Consolidate the work products of the groups and send out to the temporary executive committee as a reference for what can be done to turn it into a better product.
- I support the idea of an executive committee. Each sub-group has identified various things, which require refining- definitions, scope, how to address third parties, etc. It may be useful to come to some consensus, even through a straw-man to identify threshold issues. This will determine work going forward and consensus already achieved.
- Have something written down. It would be nice to have a straw-man that we are able to pick apart and address technical and subjective issues. The first draft doesn't have to be perfect, but it is something tangible.
- Look at developing a timeframe and end goal- this is when we need to achieve it.

Following the opportunity to share ideas, Mr. Binz invited Eric Lightner to share what DOE is able and willing to do. Mr. Lightner commented that on DOE's end, they can look into reference materials- California, NAESB, etc. - for a starting set of definitions to give to the executive committee, as well as go through the report-outs and compile a list of issues and next steps that were raised. This will serve as a starting point for the executive committee. Mr. Lightner proposed organizing a call around those materials to determine whether to maintain the structure of the working groups and determine what to do moving forward. Mr. Lightner would like to compile the information and meet with the executive committee over the next two weeks. Some sort of drafting committee for a straw-man may be a possibility- this is something that may be talked about with the executive committee as it is unclear if this can be done in parallel with the other working group efforts. Mr. Lightner indicated the desire to put the scope to bed and give direction to the working groups, with the next meeting planned for six weeks after meeting with the executive committee. By the end of the calendar year, the effort should be completed. The long-term also needs to be addressed- how will the VCC be maintained, and where

will it be stored. Mr. Lightner opened up the invitation for anyone interested in being a part of the executive committee to please let him know or some individuals may be contacted and requested to join.

Adjourn

The meeting adjourned at approximately 4:15.