

U-999/CI-89-943 ORDER REQUIRING REPORTS FROM ALL MINNESOTA PUBLIC UTILITIES, INCLUDING TELEPHONE COMPANIES

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm	Chair
Tom Burton	Commissioner
Cynthia A. Kitlinski	Commissioner
Dee Knaak	Commissioner
Norma McKanna	Commissioner

In the Matter of an
Investigation into the Customer
Data Collection Practices of
Minnesota Utilities, Including
Telephone Companies

ISSUE DATE: AUGUST 25, 1992

DOCKET NO. U-999/CI-89-943

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INCLUDING TELEPHONE COMPANIES

PROCEDURAL HISTORY

On November 8, 1989, the Commission issued its ORDER INITIATING INVESTIGATION AND ESTABLISHING STUDY GROUP in the above-captioned matter. This Order was in response to complaints regarding certain data collection practices of Northern States Power Company (NSP). Recognizing that issues of data collection and consumer privacy were not unique to NSP, the Commission initiated an investigation to determine if a rulemaking or other action on customer data collection were necessary. The Commission also convened a study group to examine data collection practices among all Minnesota utilities and telephone companies.

A study group was formed, composed of representatives of utilities and telephone companies, interested state agencies, and community organizations. After numerous meetings, the study group drafted a Report to the Commission (the Report). The Report was presented for Commission consideration at a meeting on July 21, 1992.

FINDINGS AND CONCLUSIONS

The Report

The study group initially asked its five utility and telephone company members to provide a summary of their companies' data collection practices. These summaries, along with participants' practical experiences, provided a basis for study group discussions. The study group also developed a questionnaire regarding data collection practices. This questionnaire was

circulated to 22 other state commissions; 20 of these commissions provided responses. The study group included a summary of these responses and the study group discussions in their Report.

Drawing on the information which had been gathered and the discussions which had taken place, the study group arrived at certain broad recommendations in the Report. The recommendations centered on three main issues: the information required as a condition of service; other information which may be requested and disclosure requirements of the utility; training of company personnel and access to customer account information.

Commission Analysis

The Commission wishes to commend both the members of the study group and the Commission staff who oversaw and facilitated the study group sessions and information-gathering. The Commission recognizes that the issues examined by the study group are complex. A study of data collection practices requires a careful balancing of consumers' privacy rights and utilities' information requirements. The recommendations of the study group will be seriously considered by the Commission.

The Report indicates a possibility that rulemaking will be necessary in order to ensure that utilities and telephone companies are engaging in consistent and fair data collection practices. Rather than moving directly into rulemaking, however, the Commission would prefer to receive more information from all the state utilities and telephone companies. This further information will serve several purposes. It will provide the Commission with a picture of statewide data collection practices. The industry-wide information will guide the Commission in its final decision regarding the necessity of a rulemaking procedure. Opening up the process to include information from all state utilities and telephone companies will ensure that all companies feel they have been part of the process, whether the next step is rulemaking or some other procedure.

For these reasons, the Commission will order that all Minnesota utilities and telephone companies file a report responding to the following questions, as well as any other questions Commission staff deems necessary for this information-gathering process:

1. What information is requested when a customer applies for service? Provide a list of each item requested and indicate which information is required before service is provided.
2. What additional information is requested and/or recorded during the past-due follow-up or the collection process? Provide information on any formal company policies regarding 1) information which should not be requested; 2) treatment of information received from third parties; and 3) whether

notations made to customer record files must identify the representative making the notations.

3. Briefly describe your company's facilities and procedures for storing customer information. How long are the various types of customer data retained and how are out of date items purged from the files?
4. Who has access to the customer information? What facilities and/or procedures does your company have in place to limit access to only authorized personnel?
5. How and in what areas are customer representatives trained?
6. How does your company monitor the performance of customer representatives, both in obtaining/recording the requested information, and in their interaction with customers? What corrective action is available for representatives who deal inappropriately with customers?

ORDER

1. Within 60 days of the date of this Order, all Minnesota public utilities and telephone companies shall file a report containing answers to the six questions stated in the text of this Order.
2. Parties who wish to file responsive comments shall do so within 30 days of the required filing date in the preceding paragraph.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

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