



800 LaSalle Avenue  
PO Box 59038  
Minneapolis, MN 55459-0038

June 6, 2014

Tammy Pust  
Chief Judge and CEUD Workgroup Facilitator  
Minnesota Office of Administrative Hearings  
600 N. Robert Street  
St. Paul, MN 55164

**RE: CenterPoint Energy's Comments on the Customer Energy Usage Data Workgroup**

Dear Honorable Judge Pust,

CenterPoint Energy (the "Company") hereby submits its Comments regarding the Customer Energy Usage Data ("CEUD") Workgroup (the "Workgroup"). At the May 16, 2014 CEUD Workgroup meeting, participants were requested to provide comments if their position was not already reflected in CEUD Workgroup materials or in the Docket. The deadline for these Comments is June 6, 2014.

**I. Background**

The Workgroup developed a "Workgroup Process Outline" based on the Commission's objective for the Workgroup. Seven steps were developed and include: 1) Definitions; 2) Define the uses of CEUD that support state energy goals; 3) Define issues/risks with CEUD; 4) How can issues/risks be mitigated to enable the use of CEUD that supports state energy goals; 5) Protection and Liability Considerations; 6) Cost recovery and reporting considerations; and 7) Recommendations to the Commission. An additional section was dedicated to "other issues." The topics covered in these steps were generally covered, but not all topics received as much discussion as the Company would have preferred. The topics that need additional attention are explained in these Comments.

A matrix with "use cases" was developed that aimed to identify CEUD. The Use Case Matrix (the "Matrix") includes examples of requesting entities, desired data, availability of customer data and other information that describes the type of request and the use(s) of the data. Each utility commented on whether each request is available using their existing system. It is important to note that this Matrix is not exclusive and does not represent every type of requestor or type of request that could be made at a future date. Many of the use cases state that the CEUD request furthers state energy goals, but some do not specifically note how they further state energy goals.

## **II. Workgroup Consensus**

It is the understanding of the Company that the CEUD Workgroup has been able to come to a consensus on three topics.

1. The CEUD Workgroup has come to a consensus on the definition for CEUD. The Company agrees with this definition for the purposes of the Workgroup. The definition that has been agreed upon is as follows:  
“Customer Energy Usage Data [or “Consumption Data” or “CEUD”] means natural gas and electric usage data, including but not limited to ccf, Mcf, therms, dth, kW, kWh, voltage, var, or power factor, and other information that is collected from the utility meter for utility purposes, and that is necessary to further state energy goals.”
2. The CEUD Workgroup has agreed that customer consent should exist when a non-aggregated individual customer’s CEUD is shared with a requestor. For example, the utility would need customer consent from customer John Doe if customer John Smith wanted John Doe’s CEUD. The exceptions to this policy included cases where data must be shared in order to provide utility services (e.g., providing data to contracted agents delivering CIP programs) or for compliance with government agencies (e.g., in response to a subpoena).
3. The CEUD Workgroup has agreed on a CEUD granularity threshold that only allows monthly or less granular data (i.e. quarterly or annually is acceptable) to be requested and shared when customer consent exists and that data more granular than monthly, such as daily or hourly should not be provided to a non-contracted third party requestor, nor is it needed for the purposes identified in the use case matrix. The exceptions to this policy included cases where data must be shared in order to provide utility services (e.g., providing data to contracted agents delivering CIP programs) or for compliance with government agencies (e.g., in response to a subpoena). The Company agrees with this level of granularity but believes that the level of granularity is closely related to aggregation methods. If the Commission determines an appropriate aggregation method, then it should be noted that monthly CEUD about large customers may not provide enough privacy protections, especially if it can be used to identify a specific customer. The Commission should consider whether this level of granularity will protect the privacy of all customers when CEUD is aggregated.

## **III. Categorization of CEUD Requests**

It is the understanding of the Company that the Workgroup has identified three broad categories of CEUD requests. The Company believes that the Commission needs to provide additional guidance to utilities on appropriate CEUD request practices. Each category may have different levels of appropriate aggregation levels.

### **1. Individual CEUD Requests**

As stated previously, the Workgroup has agreed that customer consent should exist when an individual customer's CEUD is shared with a requestor. The Company believes that if a customer is listed on an account, then that customer should be able to have access to CEUD that exists about that account. If an individual is not listed on the account, then the Company would need customer consent from the individual(s) listed on the account prior to releasing the CEUD. Once a customer has provided consent, then the Company may release the data.

## **2. Whole-building CEUD Requests**

As stated previously, the Workgroup has agreed that customer consent should exist when an individual customer's CEUD is shared with a requestor. The Company believes that there is value in collecting whole-building CEUD and is supportive of the efforts that have been done to date.

If the Company receives a CEUD request for whole-building data, the Company directs the requestor to collect consent from each account holder in the building and recommends that the requestor could direct each account holder to supply their CEUD. Buildings may have one account holder or they may have fifteen. The Company believes that it cannot supply a list of CEUD of each account to a requestor if consent has not been given by each account holder. The Company wants to protect the privacy of its customers and does not feel it should share individual account data to a requestor unless consent exists.

CenterPoint Energy did not provide a recommendation to the Workgroup on an appropriate level of aggregation for whole-building CEUD because we lack the expertise in determining an appropriate level. The Workgroup has been unable to come to a consensus on appropriate levels of aggregation for whole-building CEUD. The Company will continue its practices until the Commission provides further guidance on appropriate levels of aggregation. If the Commission decides that whole-building CEUD can be provided to an individual who is not the account holder, then the Company will need a threshold at which this release is appropriate.

## **3. Geo-political Boundary CEUD Requests**

The CEUD Workgroup has discussed the geo-political boundary CEUD requests. This is illustrated in the Use Case Matrix developed by CEUD Workgroup participants. The Matrix identifies multiple examples of geo-political boundaries. The Company has outlined which requests can and cannot be completed with its current IT systems. When the Company responds to CEUD requests, it utilizes IT systems that have been built for the primary purpose of billing customers. Due to the way the systems were built, it can be difficult to respond to CEUD requests that are defined by geo-political boundaries.

The IT systems maintained by the Company have the capability of handling CEUD requests by zip code, city and state. Examples of the types of requests that cannot be completed by the Company include census block group and neighborhood. To complete requests such as these would require operational system modifications.

Participants in the Workgroup were interested to know how much it would cost the utility to respond to data requests that cannot be handled currently. The Company was unable to provide general cost estimates because it was unclear from the Workgroup what level of improvement would be needed. If the Commission believes that these types of requests are necessary to advancing state energy goals, then the Commission should allow full cost recovery for the additional modifications. Currently, the Company allocates CEUD request costs to all customers through its rates as part of our total costs. A CEUD request may be beneficial to a single individual, but the costs associated with responding to the request are currently borne by all customers. If a mechanism isn't established to charge requestors for the affiliated costs, then the costs will be recovered from all customers.

As stated previously, the Company is concerned about respecting the privacy of its customers. The Workgroup discussed how certain customers may not want their data shared even if it is aggregated. Customers who use large quantities of natural gas are concerned that the sharing of CEUD could result in a competitive disadvantage to their company and have asked that they be excluded from geo-political boundary CEUD requests when they can be clearly identified. As the CEUD Workgroup process has evolved, the discussions have shown that concerns from large customers exist. To protect their privacy, the Company believes that large customer CEUD should only be shared in aggregated CEUD requests if it is at the state or jurisdictional level and should be excluded from any other level of granularity (i.e. census block, neighborhood, etc.). Other concerned customers may prefer that consent be required even when CEUD is aggregated. The Company believes that these issues should be handled delicately because the Company is required to report locally and nationally aggregated data. Managing consent forms for all of these reports could be costly and time consuming.

Multiple participants proposed aggregation methods for geo-political boundary CEUD requests, but there was no consensus. CenterPoint Energy has not stated its position on an appropriate aggregation method because we believe that additional expertise is needed to determine appropriate methods of aggregation for these types of CEUD requests. Utilities need guidance from the Commission on how geo-political boundary CEUD requests are handled.

#### **IV. Data Repository**

A Workgroup participant proposed to the Workgroup that all utilities submit CEUD to a repository<sup>1</sup> annually. In the proposal, utilities would submit CEUD to the repository and the operator would aggregate the CEUD based on a Commission-approved method of aggregation. As stated earlier in our Comments, large customer CEUD should only be included at the state or jurisdictional level and be excluded from any other level of granularity (i.e. census block, neighborhood, etc.). The repository would be public so it may be used to track progress toward state energy goals. The Company believes that this idea should be continue to be explored. The repository is beneficial because it

---

<sup>1</sup> Much of the discussion has assumed that the repository would be maintained and operated by the Minnesota Department of Commerce, Division of Energy Resources, but other possibilities exist.

may help reduce time and costs borne by utilities (and ultimately their customers) when responding to CEUD requests. The Company recognizes that there are many details that need to be explored and developed but the Company is interested in further developing this idea.

## **V. Conclusions**

CenterPoint Energy appreciates the opportunity to actively participate in the CEUD Workgroup and is hopeful that additional Commission guidance will streamline CEUD requests received and responded to by the Company. The Company believes that its customers expect reasonable privacy protections related to the sharing of CEUD to non-contracted third parties. The Commission will need to weigh state energy goals and privacy protections very carefully to protect customers who may prefer more privacy protections.

In conclusion, CenterPoint Energy believes the Commission should:

1. Decide whether to accept and adopt the definition of CEUD that has been developed by the Workgroup;
2. Agree that customer consent should exist when individual, non-aggregated CEUD is shared with non-contracted third parties;
3. Accept the granularity threshold (i.e. monthly, quarterly or annual CEUD is appropriate while hourly and daily CEUD is not appropriate to share) for CEUD agreed on by the CEUD Workgroup;
4. Balance customer privacy and furthering state energy goals;
5. Agree that large customer CEUD should only be aggregated at the state or jurisdictional level and should be excluded at any other level (i.e. census block, neighborhood, etc.);
6. Decide whether different aggregation methods should exist for whole-building and geo-political boundary CEUD requests;
7. Determine appropriate levels of CEUD aggregation;
8. Decide whether a state operated data repository should exist;
9. Decide whether all utilities should only be able to respond to individual and whole-building CEUD requests if a state operated repository exists;
10. Agree that utilities should receive cost recovery for all costs affiliated with any modifications needed for future CEUD requests; and
11. Determine whether all customers should continue to be allocated the costs associated with responding to CEUD requests or determine a method for which non-contracted third party requestors are charged for their requests.

If you have any questions about these comments, please contact me at (612) 321-4677.

Sincerely,

/s/  
Kevin Marquardt  
Regulatory Services  
CenterPoint Energy