

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of a Commission Inquiry
Into Privacy Policies of Rate-Regulated
Energy Utilities

Docket No. E,G-999/CI-12-1344

**COMMENTS TO
WORKGROUP**

The Commission-appointed Customer Energy Usage Data (“CEUD”) workgroup (“Workgroup”) is charged with making written recommendations to the Minnesota Public Utilities Commission (“Commission”) on the appropriate use and limitations on use of CEUD, balancing customer privacy and the state’s energy goals.

The Workgroup has thus far come to a consensus on two thresholds in regards to two important aspects of sharing CEUD. The members agreed that third parties want nothing more granular than monthly usage data. The Workgroup also agreed that customer consent is necessary for any data released that does not meet this threshold. Therefore, it is important to note that when referencing data release and aggregation levels, the Workgroup is speaking of nothing more granular than monthly usage data.

On March 14, 2014 the Minnesota Large Industrial Group (“MLIG”) submitted Comments in the above referenced docket pertaining to jurisdictional issues and accompanying risk associated with sharing data with third parties. One of the specific tasks set out before the Workgroup is to consider Commission jurisdiction as it relates to issues and risks of utilities providing data to various requesting entities, including third parties. Minnesota Power is aware of and very much appreciates the issues raised by the MLIG in its Comments in regards to sharing data with third party entities, as well as the Commission’s jurisdiction to compel entities to share CEUD. Minnesota Power serves many large industrial load customers, in fact, more than

half of the Company's load is consumed by Large Power customers. Minnesota Power has nine Large Power contracts with 10 customers: (two are owned by one company) five taconite producing facilities, one iron nugget plant and four paper and pulp mills. Consequently, the outcome of decisions made which affect these customers are of great interest to the Company.

Minnesota Power supports the MLIG's assertion that Large Power customers should remain in control of their proprietary usage data. While "reverse engineering" of this data may seemingly be speculation at this time, it is not out of the realm of possibility that outside entities may use CEUD to undercut business practices of Large Power customers in the Company's service territory. CEUD could be gathered in different ways and at differing aggregation levels and may then be manipulated in order to discover different relationships and patterns within that data. These relationships and patterns could reveal useful knowledge about differing competitive aspects of a Large Power customer's CEUD. It is imperative that both the Workgroup and Commission consider the broader implications of far-reaching CEUD rulings.

The City of Minneapolis proposed a possible aggregation method at the April 18, 2014 Workgroup meeting via their "Minneapolis comments on risk mitigation strategies for the release of CEUD to third parties" document. In this document the aggregation levels presented in the table below were offered for Workgroup consideration.

Use Case Type	Requirements for availability	Other risk mitigation measures
Building-scale use cases (monthly or annual whole-building usage data, from multiple tenants, provided to a building owner/manager or other entity)	Minimum of 4 customers, aggregated	Standardized requestor verification form and other measures to validate ownership/management interest in the building (meter numbers, etc).
Community-scale uses cases (monthly, quarterly or annual usage or program participation data at the block group level for each of the following customer types: commercial, residential and industrial)	Minimum of 4 customers of any one type (residential, commercial, industrial), with no one customer using more than 80% of the total usage for that customer type in that geography. Geographies can be combined until thresholds are met.	Standardized requestor information form, and agreement to terms of use, submitted to publishing entity (utility, DOC, etc).

Minnesota Power cannot at this time speak to the statistical relevance of the City of Minneapolis’ or other recommended aggregation levels. As stated previously in Workgroup proceedings, there are no participants involved who are familiar with statistical analysis of data aggregation. The Workgroup proposed the initiation of a risk mitigation study to be performed by individuals or resources familiar with the practice of data aggregation and statistical analysis. The particulars of such a study were outlined in the “Risk Mitigation Study Scope” document submitted to the Workgroup on April 18, 2014. The Workgroup has since been directed to continue moving forward in the absence of the study. Minnesota Power firmly believes a study such as the one proposed by the Workgroup would be a prudent course of action. That being said, the Company understands the need to offer the Commission an interim solution at the conclusion of the Workgroup.

Minnesota Power is willing to support the City of Minneapolis’ proposed aggregation levels with the addition of certain stipulations. Aside from the thresholds previously agreed upon by the Workgroup participants, there should be an understanding that the aggregation levels are to be the standard on an interim basis and only until further assessments can be made. Minnesota Power also firmly believes that Large Power and other industrial customers should be allowed to be exempt from having their CEUD released in any form.

The Company supports the release and use of CEUD information in a controlled regulatory environment. It is not, however, in the best interest of Minnesota Power's customers to consent to releasing CEUD data to third parties on a broad and under-regulated scale. Minnesota Power contends that all CEUD data is proprietary to the customer and consent is required to release any data that may be identifiable, oftentimes even in aggregated formats. The Workgroup continues to pursue the theories behind data aggregation and risk mitigation strategies. In the absence of a thorough knowledge of these strategies Minnesota Power suggests the work group and Commission err on the side of caution.

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Respectfully submitted,



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