Quick Background on OTP

- 50,000-square-mile service area
Quick Background on OTP

- 129,300 customers
- 423 communities served
- Average MN community pop. = 400
- Only 3 towns over 10,000
  - Bemidji, MN; Fergus Falls, MN; Jamestown, ND
- Approximately 790 employees (including part-time), approximately 160 field employees
- More than 100 years of service
 OTP “Smart Grid” Elements

- Long history of transmission and distribution system smart grid elements—back to 1940s; e.g., substation SynchroPhasors, feeder interruption reporting, distribution automation
- 1/3 of customers participate in demand response
- OTP offers a variety of energy feedback products: Bill Analyzer, home energy reports, etc.
- Developing a GIS: increases efficiency, assists in improving reliability, etc.
- OTP investigating AMI technology
Smart Grid & Privacy

• What legislation and rules are currently in place regarding third-party access to customer data?
• What privacy policies do utilities have in response to this legislation?
• Have utilities begun to use suggested privacy policies outlined in existing smart grid white papers or reports?
Current Laws & Rules

- Customer privacy not governed by a single unified set of laws/rules
- Many legal regimes govern aspects of privacy, including notice, access, customer consent, and data security
- Privacy concerns have not historically been source of OTP customer complaints
- To what extent do current regimes cover individual usage-related smart grid data?
• Privacy laws have historically been struck to balance individual rights and public interests

• Policy question: What’s the right balance for smart grid data?
Current Laws & Rules

• **Common Law** governs several aspects of privacy--Tort Law
  – Real property rights: trespass, nuisance, etc., e.g., limited property access for meter reading, etc. (note balancing of interests)
  – Individual privacy protections
    • Intrusion upon seclusion or solitude, or into private affairs;
    • Public disclosure of embarrassing private facts;
    • Publicity that places a person in a false light in public eye;
    • Appropriation of one’s name or likeness.

*The Right to Privacy*, 1890 Harvard Law Review by Warren and Brandeis
• Federal and State legislation governs disclosure of certain customer info
  – e.g., Federal Fair Credit Reporting Act; Fair Debt Collections Act—restricts communicating nature of debts with third parties
  – e.g., MN Data Practices Act restricts agencies’ and municipals’ disclosures of customer information (Minn. Stat. §§ 13.679 & 13.685) (without restriction, FOIA concern)
Utility Policies

– Utility policies restricting disclosure of customer information
  • Policies typically restrict disclosure of customer account info without customer consent (or subpoena)
  • Generally apply to account info. Don’t explicitly address meter or usage data

– Information Technology (IT) security policies
  • Procedures to protect security of confidential data; storage, access, transmission, retention, etc.
  • Broader coverage than just customer data
• Many white papers
• Generally recognize that the granularity of smart grid Customer Electric Usage Data (CEUD) may require additional privacy protections
• Recommend balance of *public interest* served by utility use of CEUD for utility-related purposes and customers’ *individual interests* to access and control CEUD
Many recommend FTC’s Fair Information Principles

- Notice/Awareness
- Consent
- Access
- Security
- Enforcement
Questions?