

Affiliated Tribes of Northwest Indians
 AirWorks, Inc.
 Alaska Housing Finance Corporation
 Alliance to Save Energy
 Allumia
 Alternative Energy Resources Organization
 Ameresco
 American Rivers
 Backbone Campaign
 Beneficial State Bank
 BlueGreen Alliance
 Bonneville Environmental Foundation
 Byrd Barr Place
 City of Ashland
 City of Seattle Office of Sustainability & Environment
 CleanTech Alliance
 Climate Smart Missoula
 Climate Solutions
 Community Action Center of Whitman County
 Community Action Partnership Assoc. of Idaho
 Community Action Partnership of Oregon
 Earth and Spirit Council
 Earth Ministry
 Ecova
 Ecumenical Ministries of Oregon
 eFormative Options
 Energy350
 EnergySavvy
 Energy Trust of Oregon
 Enhabit
 Environment Oregon
 Environment Washington
 EQL Energy
 Forth
 Global Ocean Health
 Homes for Good
 Home Performance Guild of Oregon
 Human Resources Council, District XI
 Idaho Clean Energy Association
 Idaho Conservation League
 Idaho Rivers United
 League of Women Voters Idaho
 League of Women Voters Oregon
 League of Women Voters Washington
 Montana Audubon
 Montana Environmental Information Center
 Montana Renewable Energy Association
 Montana River Action
 National Center for Appropriate Technology
 National Grid
 Natural Resources Defense Council
 New Buildings Institute
 Northern Plains Resource Council
 Northwest EcoBuilding Guild
 Northwest Energy Efficiency Council
 NW Natural
 OneEnergy Renewables
 Opportunities Industrialization Center of WA
 Opportunity Council
 Oracle
 Oregon Citizens' Utility Board
 Oregon Energy Fund
 Oregon Environmental Council
 Oregon Physicians for Social Responsibility
 Oregon Solar Energy Industries Association
 Pacific Energy Innovation Association
 Pacific NW Regional Council of Carpenters
 Portland General Electric
 Puget Sound Advocates for Retired Action
 Puget Sound Cooperative Credit Union
 Renewable Northwest
 Save Our wild Salmon
 Seattle City Light
 Seinerger
 Sierra Club
 Sierra Club, Idaho Chapter
 Sierra Club, Montana Chapter
 Sierra Club, Washington Chapter
 Small Business Utility Advocates
 Smart Grid Northwest
 Snake River Alliance
 Solar Installers of Washington
 Solar Oregon
 Solar Washington
 South Central Community Action Partnership
 Southeastern Idaho Community Action Agency
 Spark Northwest
 Spokane Neighborhood Action Partners
 Sustainable Connections
 The Climate Trust
 The Energy Project
 Transition Missoula
 UCONS, LLC
 Union Of Concerned Scientists
 United Steelworkers of America, District 12
 Washington Environmental Council
 Washington Local Energy Alliance
 Washington Physicians for Social Responsibility
 Washington State Department of Commerce
 Washington State University Energy Program
 YMCA Earth Service Corps
 Zero Waste Vashon



NW Energy Coalition
for a clean and affordable energy future

From: Michael Breish
 Policy Associate
 NW Energy Coalition

September 7, 2018

To: Washington Utilities and Transportation Commission
 Mr. Steven V. King
 Executive Director and Secretary

Re: Docket No. U-180525: Advanced Metering Infrastructure

State Of WASH.
 UTIL. AND TRANSP.
 COMMISSION

09/07/18 15:39

Received
 Records Management

Advanced metering infrastructure (AMI) deployment for WA IOU customers holds the potential for enhancing existing customer utility service, leveraging new programs and services in which utilities can deliver additional value to customers, integrating diversifying system generation and loads, and operating the system in a more transparent and responsive way. However, issues during the process, from AMI initial planning to data evaluation, can prevent the full range of benefits from being realized. Additionally, careful planning and implementation is necessary to avoid deleterious effects on low-income customers.

The NW Energy Coalition thanks the Utilities and Transportation Commission (UTC) for the opportunity to respond to some of the questions provided in the notice to stakeholders in Docket U-180525. Below are our comments grouped in order of subject area that align with the categories of questions in the notice.

Data Privacy

The Coalition believes four critical concepts are foundational to consideration of customer meter data privacy:

1. Customers must always understand what type of data is collected by the meters and how it can be used;
2. Customers may opt out of data collection at any time;
3. Customer data must always be anonymous to a sufficient degree to prevent direct association with a specific customer account unless otherwise permitted by the customer; and
4. Customers have full agency and access over all and any of their own data.

With AMI, utilities can collect more granular customer data, such as sub-hourly energy use, customer participation in demand-side management (DSM) programs, and more accurate outage determination. Quantitative tools enable utilities and third parties to analyze customer meter data in order to determine a broad set of findings, such as type of appliance usage, customer demographic information, opportunities for energy efficiency and weatherization services, and whether an electric vehicle is being charged. AMI provides the opportunity for greater customer choices in how they receive and use utility service.

Strong customer protection measures require that those choices be fully informed and transparent by the utility or third party. Due to customer obstacles to in accessing pertinent information, language barriers and socioeconomic stratification amongst customers, the UTC should conduct a robust stakeholder process to develop customer engagement and education strategies that ensure stringent consumer protection measures are enacted. With honest education efforts by the utilities and third parties, sustained and supportive participation by customers in AMI data collection and analysis can be achieved.

Additionally, the ability to collect the data and its potential analysis by any organization must receive customer approval. This can be conducted in an opt-in or opt-out fashion, a decision in which should be fully evaluated by the Commission and customer advocates. Significant risks of data privacy breaches exist if data storage is compromised or an entity with intent to harm customers obtains data through permitted channels. By always providing the opportunity to participate and maintaining strict security protocols regarding customer meter data, utilities can ensure that AMI programming operates securely and with customer trust.

Customer-identifying information associated with any meter data should be kept to a minimum unless the customer specifically authorizes the utility to use or release the data to a qualified third party. Utilities' data guidelines should start with a baseline characterized by the highest degree of anonymity feasible for every use case proposed in order to ensure customer privacy and minimize opportunities for data abuse. Customers should always be given the opportunity to decide whether their utility can submit their data to a third party, a question separate from whether the utility can collect customer data for its own uses. When a third party is involved in any data acquisition, stricter guidelines should be applied given the unregulated status of these types of organizations. Guidelines can include data storage requirements, privacy reporting, and penalties for mishandling customer data.

Finally, customers should always retain complete and unrestricted agency over their respective meter data. Customers should be freely allowed to share their data with third parties that meet UTC data handling requirements and that provide permissible customer programs, such as DSM or renewable energy generation. Customers should be freely allowed to request that their data be available to them

for their own purposes at no cost. Utilities and participating third parties must also delete any relevant customer meter data upon request and provide clear instructions on how such a request can be made.

Prepaid Service and Customer Deposits

AMI enables the initiation of prepaid service options. The Coalition approaches any discussion of prepay programs with strong caution and concern. Prepay programs have real, negative consequences for low-income customers. As a matter of framing, the Commission should make clear that prepay programs are a different means to conduct billing and in no way should be marketed, treated, or recognized in any formal way as a form of energy efficiency.

Over years, varying forces have affected customers' relationships with their utility service and states, regulators and utilities have adopted vital utility consumer protections for bill payment timeframes and secure, reliable notification prior to disconnection of service. The movement to prepayment allows utilities to sidestep these critical consumer protections and billing relationships while altering the utility's incentives to interact creatively and constructively with payment-troubled customers. To structurally alter how a customer pays for and receives their utility service is an incredibly risky and impactful decision – utility service is a necessity of modern life and loss of that service poses a threat to health and safety.

Disconnections under traditional, post-paid service are not considered voluntary. Rather, they indicate that some customers simply cannot afford to pay for home energy service throughout the year. Since low-income customers lose post-paid service at times because they cannot afford to stay connected, it follows that higher or equally priced prepaid service will also result in disconnections because of affordability problems. In fact, given the remote disconnection capabilities of prepayment meters and advanced meters that accommodate prepaid service, rates of low-income disconnection or automatic shut off are likely to increase as these technologies are deployed. Characterization of loss of service under such circumstances as “voluntary” is a construct intended to absolve utility companies of responsibility for affordability issues, but it is also a distortion of the economic realities and harsh budgetary choices faced by low-income utility customers.

The Coalition discourages the implementation of prepaid service. If the Commission elects to pursue further the possibility of prepaid service as a result of AMI installation, the Commission should conduct a comprehensive and robust study of existing prepaid programs across the country in order to determine lessons learned, impacts to customers and customer relationship outcomes.

Remote Disconnection

A significant cost-saving opportunity for utilities as a result of AMI installation is the reduction in utility truck dispatches and associated labor as a result of meter reading and meter connection and disconnection. As described in the preceding section, utility service is essential to modern life, particularly for those who are elderly, ill, or disabled. Remote disconnection must be handled with additional caution and protocol compared to existing regulations and rules.

Because of the loss of service touch points that happen with traditional metered service, e.g., a utility technician visits the house to manually disconnect or collect payment, rules should be implemented that provide additional opportunities for customer engagement to ascertain status of payment. Additional precautions, such as multiple channels of communication (email, phone, mail) and preemptive education and outreach, are essential in order to mitigate impacts of facilitated disconnection.

The UTC should conduct a survey of best practices regarding consumer protection practices regarding remote disconnection in order to implement sufficient rules. Furthermore, a stakeholder process should be held with various communities and their representatives to ascertain what additional protections and outreach efforts are needed. Language, technology and payment technology barriers must be fully explored and incorporated if remote disconnection is permitted.

Benefit Valuation

Any AMI business case evaluation must be comprehensive and robust in order to fully incorporate all achievable benefit value streams as well as ensure all cost streams are identified and properly valued. Doing so enables an accurate determination of whether AMI implementation provides a net benefit to customers and the utility. In the Coalition's experience with AMI evaluation in other states, utilities often do not evaluate all potential benefit streams, such as reduced costs associated with energy or capacity as a result of demand side management programs. This exclusion not only denies customers the full suite of savings enabled by AMI, but also can hinder future Commission action on customer programs enabled by AMI because they were never part of the original business case.

In addition to requiring utilities to fully evaluate and incorporate all benefit and cost value streams, the UTC should also include mechanisms to penalize the utilities in case claimed business cases do not materialize. If a utility claims in its AMI proposal that a specific use case, such as demand response capabilities, will be available within a specific time frame after installation, but that use case never materializes, the UTC should be able to appropriately penalize the utility.

Finally, any proposal by a utility to pursue AMI should incorporate a robust stakeholder process that provides for transparency in reviewing all supporting material used in developing an AMI business as well as meaningful engagement with communities within the utility service territory. Utilities should endeavor to make meetings and materials accessible to a diverse range of customers.