



100 Pine Street • PO Box 1166 • Harrisburg, PA 17108-1166
Tel: 717.232.8000 • Fax: 717.237.5300

Adeolu A. Bakare
Direct Dial: 717.237.5290
Direct Fax: 717.260.1744
abakare@mwn.com

March 8, 2013

TO: Smart Meter Plan Stakeholders

VIA E-MAIL

**RE: PPL Electric Utilities, Inc. Smart Meter Plan - Supplier Portal Pilot;
Docket No. M-2009-2123945**

Dear Stakeholders:

As you may recall, PPL Electric Utilities, Inc. ("PPL" or "Company") held a stakeholders meeting on February 27, 2013 to discuss the status of the Company's Act 129 Smart Meter Plan. Unfortunately, the Company's presentation raised concerning issues regarding the unauthorized disclosure of customer information retained by PPL. Despite prior representations to the contrary, it appears that PPL's pending Supplier Portal Pilot will allow Electric Generation Suppliers ("EGSs") to access customer data in situations where a customer has exercised the right to opt-out of the Eligible Customer List ("ECL"). To protect customers from unauthorized disclosures and ensure that PPL's Smart Meter Plan complies with the Commission's Interim Guidelines For Eligible Customer Lists,¹ the PP&L Industrial Customer Alliance ("PPLICA") requests that PPL provide assurance that any implementation of the Supplier Portal Pilot will be delayed pending resolution of the customer information disclosure issues. **PPLICA requests written confirmation from PPL by April 5, 2013, of the Company's agreement to delay implementation until this important issue is resolved.**

As discussed at the stakeholders meeting, PPL filed a Petition to modify its Smart Meter Plan on May 4, 2012. This Petition introduced eight new programs, including the Supplier Portal Pilot. While the proposed program did not appear to modify the requirements for accessing customer information through PPL's ECL, PPLICA raised the issue of compliance with the Commission's ECL Order at a July 19, 2012 stakeholder meeting. At the time, PPL confirmed that the Supplier Portal Pilot would not modify the policies governing EGS access to customer data. Consistent with its prior affirmation, PPL filed its 2012 Annual Smart Meter Filing on August 1, 2012, which provided additional details regarding the Supplier Portal Pilot. Specifically, PPL confirmed that the Supplier Portal Pilot would "create a secure data environment wherein EGSs, and potentially other third parties, can, with appropriate customer authorization, access usage data directly without need for an EDI request and response." (Emphasis added).

On August 2, 2012, the Commission issued an Order approving PPL's Petition to Modify its Smart Meter Plan, including the proposed Supplier Portal Pilot. Importantly, the Commission's approval of the Supplier Portal Pilot appropriately recognized that access to customer meter data should be provided only upon receipt of "appropriate customer authorization." Order, p. 12.

Despite the Commission's clear guidance to the contrary, it appears that the Supplier Portal Pilot, as currently structured, may allow EGSs to access customer data without appropriate authorization. As described by PPL at the February 27, 2013 stakeholder meeting, the Supplier Portal Pilot modifies the

¹ *Interim Guidelines For Eligible Customer Lists*, Final Order On Reconsideration, Docket No. M-2010-2183412 (Nov. 15, 2011), p. 25 [hereinafter "ECL Order"].

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methodology for accessing customer data. PPL's existing Electronic Data Interexchange ("EDI") technology requires PPL to affirmatively "push" data to an EGS upon EGS request. Conversely, the proposed Supplier Portal Pilot will allow EGSs to "pull" customer data without any further action from PPL. In discussing the mechanics of the new technology, PPL confirmed that an EGS must possess customer account information to acquire data from the Supplier Portal Pilot. Generally, EGSs may access customer account information provided through the ECL to obtain usage information from the Supplier Portal Pilot. However, if an EGS otherwise obtains customer account information, e.g. through records retained from former customers, the Supplier Portal Pilot will not otherwise restrict access to the customer's usage data.

This potential for disclosure of restricted customer data violates the Commission's ECL Order and raises unacceptable privacy, financial and trade secret concerns for PPL's customers, including risking dissemination of internal business information that is considered to be proprietary and highly sensitive by some Large C&I customers. The Commission's ECL Order clearly and unambiguously states that "all Electric Distribution Company (EDC) customers shall have the right to withhold all customer account and usage dat[a] from the Eligible Customer List that is made available to Commission-licensed Electric Generation Suppliers (EGSs)." ECL Order, p. 25. This determination is particularly important to the business operations of PPL's Large C&I customers. For many industrial facilities, disclosure of usage information can reveal critical and confidential operational details to competitors. This data qualifies as a trade secret that the customer has a right to protect from disclosure. Therefore, any disclosure of such information to a third-party poses unacceptable risks. As PPL's Supplier Portal Pilot may result in unauthorized disclosure of customer data to EGSs, and potentially other third-parties, it is imperative that PPL refrain from any implementation of the Supplier Portal Pilot pending resolution of the authorized disclosure concerns.

In requesting a stay of implementation of the program, PPLICA recognizes that PPL and the majority of licensed EGSs operating in the Commonwealth understand and appreciate the necessity to protect customer data. However, the Commission has previously determined that the well-intentioned business practices of EDCs and EGSs must be further buttressed by clear and unambiguous authority granting customers the right to restrict access to all customer data. Accordingly, it is appropriate and necessary to forestall implementation of PPL's Supplier Portal Pilot as necessary to ensure compliance with the Commission's ECL Order.

Sincerely,

McNEES WALLACE & NURICK LLC

By 
Pamela C. Polacek
Adeolu A. Bakare

c: Bohdan R. Bankiw, Esq. (via email)
Chief Counsel, Pennsylvania Public Utility Commission Law Bureau
Rosemary Chiavetta, Secretary (via electronic filing)
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST-CLASS MAIL

Paul E. Russell, Esq.
Associate General Counsel
PPL Electric Utilities, Inc.
Two North Ninth Street
Allentown, PA 18108-1179
perussell@pplweb.com

Sharon E. Webb, Esq.
Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101
swebb@state.pa.us

David B. MacGregor, Esq.
Post & Schell, PC
Four Penn Center
1600 JFK Blvd.
Philadelphia, PA 19103-2808
dmacgregor@postschell.com

Anthony D. Kanagy, Esq.
Post & Schell, PC
17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
akanagy@postschell.com

Johnnie E. Simms, Esq.
Allison C. Kaster, Esq.
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105
josimms@state.pa.us
akaster@state.pa.us

Kimberly H. Childe, Esq.
Kurt E. Klapkowski, Esq.
Scott Perry, Esq.
Commonwealth of Pennsylvania
Department of Environmental Protection
RCSOB, 9th Floor
400 Market Street
Harrisburg, PA 17101-2301
kchilde@pa.gov
kklapkowski@state.pa.us
scperry@state.pa.us

Tanya J. McCloskey, Esq.
Office of Consumer Advocate
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, PA 17101-1923
jmullins@paoca.org
tmccloskey@paoca.org

Divesh Gupta, Esq.
Constellation Energy Resources, LLC
111 Market Place, Suite 500
Baltimore, MD 21202
divesh.gupta@constellation.com

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Harry S. Geller, Esq.
John C. Gerhard, Esq.
Julie George, Esq.
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
hgellerpulp@palegalaid.net
jgerhardpulp@palegalaid.net
jgeorgepulp@palegalaid.net



Adeolu A. Bakare

Counsel to the PP&L Industrial Customer Alliance

Dated this 8th day of March, 2013, at Harrisburg, Pennsylvania.