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**AEE COMMENTS IN RESPONSE TO THE FOLLOW UP QUESTIONS
RELATED TO THE COMMISSION'S INVESTIGATION INTO CONSERVATION
SERVICE PROVIDER AND OTHER THIRD-PARTY ACCESS TO ELECTRIC
DISTRIBUTION COMPANY CUSTOMER DATA
Docket No. M-2021-3029018**

Advanced Energy Economy ("AEE") is submitting these comments in response to the Commission's investigation into conservation service provider ("CSP") and other third party data access to electric distribution company ("EDC") customer data. AEE is a national association of businesses that are making the energy we use secure, clean, and affordable and we work to accelerate the move to 100% clean energy and electrified transportation in the U.S. Advanced energy encompasses a broad range of products and services that constitute the best available technologies for meeting our energy needs today and tomorrow. These include energy efficiency, demand response, energy storage, solar, wind, hydro, nuclear, electric vehicles, and the smart grid. AEE represents more than 100 companies in the \$238 billion U.S. advanced energy industry, which employs 3.3 million U.S. workers. AEE crafted the below comments in response to the Commission's questions outlined in Attachment A of the Secretarial Letter filed on September 6, 2022.

AEE appreciates the Commission's continued interest and focus on customer smart meter data. Data is essential to all sectors and participants of the energy industry. Customer usage data is needed to determine what value can be provided to customers through investments in advanced energy technologies. Likewise, utility system data allows advanced technologies to participate more fully in offering grid solutions, whether procured by the utility or offered by third parties. A lack of quality data means that opportunities where value could be provided are missed and the ability of the market to support progress toward clean energy goals and enhanced service to customers is diminished. Ultimately, the more quality data that is available, the better the insights that can be drawn, and the more expeditiously and cost-effectively the state and EDCs can make progress toward their demand side management and clean energy goals. Yet, the broadening of access to customer data usage should be accompanied by careful consideration and protection of customer data privacy. With that in mind, it is critical that the Commission and Staff strike an appropriate balance between data access and customer privacy. We believe that such a balance can indeed be achieved.

We look forward to further engagement with the Commission as their investigation into third party data access to EDC customer data progresses. Additionally, due to the complexity of these policies and practices, AEE hopes to continue our involvement on this topic as additional opportunities and more in-depth discussions arise.

Sincerely,

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7. WHAT BARRIERS, IF ANY, PREVENT EDCS FROM IMPLEMENTING THE COMPONENTS OF THE THIRD PARTY DATA ACCESS TARIFF SUPPLEMENT CONTAINED IN THE FIRST ENERGY SETTLEMENT AT DOCKET NO. P-2021-3030012, INCLUDING BUT NOT LIMITED TO, THE FOLLOWING POLICIES?

a. Implement a standard form of authorization to be used for all new requests from third parties seeking customer data.

It is possible to develop a path and implement a standard form of authorization for third parties to be able to access customer smart meter data electronically and securely. It is our contention that smart meter energy usage data, while collected by EDCs, is ultimately owned by the utility customer. Therefore, it is incumbent upon the Commission to implement some form of authorization to be used for all new requests from third parties seeking customer data and to ensure the development of a secure yet reliable electronic access pathway for the timely sharing of customer data. To be successful in this endeavor, the Commission should establish a standard authorization process that is private, secure, and auditable. Many of the barriers that currently exist for EDCs to share customer data with third parties are around the quality of aggregated customer data and the lack of standardization for sharing such data. Any standard form of authorization developed by the Commission should be based on the following principles:

1. Ensure bill-quality data: Require interval usage data provided by the utility to customers, electricity suppliers, and third parties and ensure that it is used to settle customer load at PJM. Also, to the extent possible, enabling access to data that has not yet been validated as bill quality should be made available at the lowest latency and granularity available.
2. Provide full data sets: Standardize the availability of a requisite set of usage and location data for historical and ongoing data access.
3. Provide synchronous data: Once a data request is authorized and authenticated by a customer, data should be delivered upon request and in a timely manner. Furthermore, if a customer grants ongoing vs. one-time access, ensure updated data is made available at the lowest latency possible.



4. Adopt strong, standardized security protocols: Customer usage data should be shared with third parties securely and according to standards. Data security protocols should be compatible with cloud-based systems.
5. Ensure quality of service and transparency: Web services and other platforms must be provided at a sufficiently high level of service, with performance metrics reported publicly.
6. Provide testing environment: EDCs should provide a testing environment and a production environment of standard authorization for third party use.
7. Standardized implementation: Implementation should be identical across utilities to simplify and reduce the cost of accessing the data. Building a customized form of authorization for every utility, and the authorization process for commercial and industrial (C&I) customers can be particularly challenging, especially if the customer has multiple metered accounts. The Commission should therefore ensure that authorization requirements are as similar as possible across utilities and within the residential and C&I customer segments.
8. Fair and reasonable cost-sharing: Costs associated with a standardized form and audits should be carefully allocated to consider customer bill costs and utility infrastructure payments. Applying fees to the third parties who wish to use the data will help ensure that third parties are fairly investing in the infrastructure that enables real-time data access.

b. Conduct periodic, randomized internal audits of participants to ensure that letters of authorization are being properly obtained by third parties. Such audits will occur at least semi-annually and will include at least 10% of active third parties.

AEE supports the need for a balance between customers' privacy and the need for data access for all participants in the energy marketplace; one method of achieving this is to conduct randomized internal audits of the entities with access to customer data. EDCs should streamline the customer and third party authorization process to release data to ensure robust participation in any data exchange to enable further innovation and energy-related products and services, to build confidence in the data sharing system, and to implement appropriate security protocols to protect and secure customer and electric system data from unauthorized disclosure or system breaches by bad actors. The existing barriers to conducting periodic, internal audits to ensure that letters of authorization are properly obtained by third parties is less a technical limitation and more of a limitation caused by current EDC operating policies and procedures. Enabling entities other than EDCs and their contracted vendors to access this wealth of customer data, with customer consent, can increase the quality and quantity of demand side management offerings. A large percentage of Pennsylvania's utility demand side management programs are standard offerings, which are generally the most cost-effective programs. However, this "one size fits most" approach can have the unintended consequence of EDCs not having the bandwidth to offer turnkey customer solutions that may be able to achieve additional



energy savings. To be clear, EDCs currently offer customer solutions that target significant energy savings, and it's not the case that third parties, if only they had the right data, will necessarily deliver deeper energy savings, yet providing third parties access to customer usage data decreases the likelihood of energy savings being left on the table and removes a barrier for utility customers looking to save more on their energy costs.

8. WHAT SPECIFIC CUSTOMER ELECTRIC USAGE INFORMATION DO THE EDCS BELIEVE CAN REASONABLY TO BE RELEASED TO 3RD PARTIES?

No Comments.

9. WHAT SPECIFIC CUSTOMER ELECTRIC USAGE DATA DO OTHER PARTIES BELIEVE EDCS SHOULD HAVE AVAILABLE TO REASONABLY BE RELEASED TO THIRD PARTIES?

The Commission should adopt regulations that enable a data-rich environment that encourages and empowers EDCs, customers, and third parties to share system and hourly consumption data. If done properly, third party data access efforts can appropriately provide for a competitive marketplace, stimulate job-creating innovation, lead to the development of new products and services, animate the distributed energy resources (DER) market, benefit the electricity system, enhance customer options to control energy usage and costs, and support the transition to more advanced energy technologies. Other customer electric data EDCs should make available to third parties include marginal emissions data, customer usage associated with customers with specific attributes, such as service class, service voltage, location, building type, DER, and EV adoption to the extent that such information is available. In cases where these data types are not available, the Commission should prioritize the authorization of distribution investments that enhance visibility and flexibility of the grid.

Data is the lifeblood of today's modern economy. Timely and convenient access to utility customer data for third party providers is a necessary and vital component of moving the electric utility industry into the digital age, unlocking value, and engaging customers in new ways. Regulations should incentivize EDCs to raise customers' awareness and understanding of their ability to access their own data, how to authorize third parties to access the data, understand energy programs and applicable rates, and how they can use this data to reduce their energy usage and costs. AEE appreciates the opportunity to provide these responses to the Commission's questions and we look forward to our continued participation into the Commission's investigation of this important topic.

