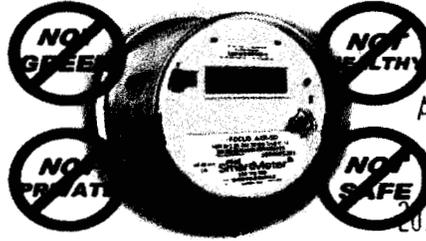




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AZ CORP COMMISSION  
DOCKET CONTROL

2014 JUL 3 AM 11 36

July 2, 2014

Arizona Corporation Commission

**DOCKETED**

JUL 3 2014

Arizona Corporation Commission  
Docket Control Center – Docket No. RU-00000A-14-0014  
1200 West Washington Street  
Phoenix, AZ 85007

DOCKETED BY

To Whom It May Concern:

Enclosed please find one original and 13 copies of Sedona Smart Meter Awareness' comments In the Matter of the Commission Inquiry Into Amendment of the Commission's Rules Related to Public Service Corporations' Release of Customer Information Including Amendment of the Rules to Specifically Address Privacy and Confidentiality Concerns Related to Smart Meters.

Sincerely,

Nancy Baer and Monnie Ramsell, Sedona Smart Meter Awareness

**ORIGINAL**

**MEMORANDUM**

RECEIVED  
AZ CORP COMMISSION  
DOCKET CONTROL

July 3, 2014

2014 JUL 3 AM 11 36

To: Docket No. RU-00000A-14-0014

From: Nancy Baer and Monnie Ramsell, Sedona Smart Meter Awareness

Re: Informal Comment: In the Matter of the commission Inquiry into Amendment of the Commission's Rules Related to Public Service Corporations' Release of Customer Information Including Amendment of the Rules to Specifically Address Privacy and Confidentiality Concerns Related to Smart Meters, docket number referenced above

In response to your request for comments about Privacy and Confidentiality, we do see a way to "Specifically Address Privacy and Confidentiality Concerns Related to Smart Meters" and it is not in what you sent us. Nobody in authority just wants to take the obvious and correct action. The primary concern is that the meter collects granular usage data not necessary for billing purposes, and borrowing some language from the document itself; **smart meters collect energy usage data "which is not necessary to provide utility service to the customer."**

Smart Meter data is collected every 15 minutes and the broadcast occurs six times a day and usage data is not available until 24 hours later so there's no point in the utility keeping granular usage data when it's not available in "real time" anyway.

The idea that usage is driven by behavior misses the mark and is over-simplified since it is driven mostly by environmental necessity; temperature, humidity, and amount of daylight (Circadian rhythm). For example, how many of you are willing to eat lunch at 3:00 am since energy costs are less at that time?

Sedona Smart Meter Awareness recommends the following to "Specifically Address Privacy and Confidentiality Concerns Related to Smart Meters" by recognizing that the primary concern is that the meter collects granular usage data not necessary for billing purposes, and borrowing some language from the document itself: **smart meters collect energy usage data "which is not necessary to provide utility service to the customer."**

Therefore:

(1) The first major section of the new rules should emphasize that no private customer information, including granular energy usage data, may be collected by the utility that is not required for billing purposes unless prior authorization has been obtained from the customer. For customers participating in a fixed-rate pricing plan, only one energy usage data collection reading per month (or billing cycle) is required for purposes of providing utility service to the customer. Any collection of private customer information in conflict with this rule is considered an unreasonable invasion of privacy and an intrusion of solitude. Fulfillment of this provision may be accomplished by providing

the customer with a penalty-free analog meter or by making smart meters programmable to only collect the amount of data agreed to by the customer (with the default being once per billing cycle).

(2) The rules should include an enforcement provision, something to the effect that each and every violation of the rules by the utility, agent, affiliate, or associate will result in a fine against the utility of \$100 for each and every violation on a per person basis. If private information is released for 100,000 customers inadvertently, then a fine would be imposed of \$10,000,000. Example language: "The utility would be liable to each affected customer for a penalty of \$100 for each unauthorized disclosure of usage data. This rule language does not prevent a customer from exercising any right or seeking any other remedy."

(3) The Exceptions to the Opt-In Approval Requirements of R14-2-2209 are overly broad and effectively could provide a blanket exception to the utility under the guise that private customer information may be disclosed in order to "protect the utility's *rights* and property" or to protect the utility from "abusive" use of utility services. What are the utility's "rights?" This type of language emphasizes the fact that once the utility has your detailed information, you have lost your privacy.

(4) The rules do not appear to address electric consumers who are not also customers. I'm speaking primarily about renters who do not have his/her name on the account. Provisions should be made for cost-free smart meter refusals for tenants who are not customers and who wish to preserve their privacy interests.

<http://www.sedonasmartmeterawareness.com/PRIVACY---CYBERSECURITY.html>