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To: Public Service Commission

From: Office of Consumer Services  
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Date: December 18, 2018

Subject: Proposed Rulemaking Concerning Utility/Customer Relations regarding  
Third-Party Solicitations: Docket Nos. 18-R460-01, 18-057-19, and  
18-035-40

## Background

In its October 4, 2018 Report and Order for Docket No. 18-057-07, Dominion Energy's Gas Line Coverage Letter, the Public Service Commission (Commission) stated:

"... the public interest is served by rulemaking that can address proper use of utility customer lists, appropriate utility-related solicitation communications, use of monopoly utility branding, and other issues that may arise in that docket which we will initiate shortly after the issuance of this order."

On October 12, 2018, the Commission initiated the three rulemaking dockets referenced above and held a scheduling conference on November 7, 2018. On November 8, 2018, the Commission issued a Scheduling Order, which set a due date of December 18, 2018 for initial comments. Accordingly, the Office of Consumer Services (Office) provides these initial comments on the proposed rulemaking.

## Discussion

The Office welcomes the opportunity to propose ideas for new rules that will better protect the privacy of utility customers' information in the State of Utah. Since the Commission specifically asked for attention to "other issues that may arise", the Office presents a couple of related recommendations in the last section for the Commission to also

consider. Our comments on these issues are organized around three main areas: general guidelines on data privacy, utility-related solicitations, and other issues.

### *General Guidelines on Data Privacy*

The Office believes that the use of customer information by a utility should follow certain principles:

- A utility should disclose the scope of the customer information it stores.
- Customer information should be safeguarded by the utility by default.
- Customer information should only be shared after receiving up-front affirmative consent from the customer.
- A customer should be informed by the utility what information will be shared, who it will be shared with, and how the information will be used.
- A customer should be able to revoke the approved sharing of information by the utility at any time and should be informed of this right by the utility.
- The rule should distinguish between use of data for primary utility purposes (essential functions, billing, research, etc) versus secondary (third party solicitations, etc) purposes.
- A monopoly utility should not be allowed to profit from the sale of customer information.

### *Utility-Related Solicitations*

The Office believes that third parties, including utility affiliates, that contract for the use of utility customer information to solicit utility-related services should follow certain principles:

- A third party should protect customer information at the same level the utility protects the information.
- A third party should verify they have received authorization from the account holder to provide and bill for services.
- The customer should be given a grace period, such as 30 days, to cancel a third party service contract without penalty.
- A third party should be required to implement a complaint process to address customer concerns and issues that may arise.
- A third party should only solicit services in a manner that complies with applicable state laws, such as the Utah Consumer Sales Practices Act.
- A third party should clearly distinguish its branding from the monopoly utility's branding.
- A utility should only provide non-discriminatory access to utility customer information. Utility affiliates should not receive preferential access.

*Other Issues*

Finally, the Office recommends that the Commission include the following as possible “other” issues to be addressed:

- Any rules developed in this process should be applied to all regulated utilities, unless specific differences among industries are identified.
- The rules should also address requirements for utility and third party actions in the case of a breach of customer information.

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