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#### BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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

## COMMENTS OF DOMINION ENERGY UTAH

In this rulemaking, the Utah Public Service Commission ("Commission") is considering implementing rules governing the use of utility customer lists, utility-related solicitation communications, the use of utility branding, and potentially other related issues. In response to the Notice of Proposed Rulemaking and Notice of Scheduling Conference, and the Notice of Technical and Scheduling Conferences issued by the Commission in this docket, Dominion Energy Utah ("DEU" or "Company") submits these Initial Comments.

### I. Sharing of Customer Information

In the course of conducting standard utility operations, it is necessary for DEU to share certain customer information. DEU also believes that permitting utilities to share customer information in other limited circumstances is just and reasonable. The Company has identified three circumstances when the Commission should permit such sharing: 1) for purposes of conducting ongoing business operations, 2) in conjunction with third-party billing services, and 3) in other circumstances where the Commission finds that such sharing is in the public interest. DEU discusses each circumstance in greater detail below.

First, a Commission rule should permit utilities to share customer information in cases when that information is needed to perform normal business operations, subject to contractual provisions protecting the confidentiality of that information and requiring data security measures. For instance, DEU utilizes contractors to provide a variety of services necessary for the ongoing operation of its utility business. Many of these contractors need access to customer information in order to perform their services. A ready example of this is DEU's use of vendors and third-party contractors for the purpose of conducting billing and collection services. DEU shares information with these third parties to operate its business more efficiently and cost-effectively. In addition, certain customer assistance programs require conveyance of customer information. The Company also shares customer information with companies that conduct customer surveys. Rebates offered under the ThermWise Energy Efficiency programs are also processed by third-party contractors who require access to customer information. Any Commission rule addressing the use or sharing of customer information should permit sharing as described above.

Second, the Commission should also permit utilities to share customer information with affiliates or third-parties in conjunction with a billing-services tariff. In Docket No. 18-057-07, the Company proposed the following language to be incorporated in Section 8.08 of its Utah Natural Gas Tariff No. 500 ("Tariff"):

Company may share customer names, customer addresses and a numerical identifier (not the account number) with an eligible third party for purposes of facilitating billing services and permitting the third party to market the services to be billed to Dominion Energy Utah customers pursuant to this Section 8.08 provided that the third party agrees in writing to (1) maintain the security, confidentiality, and privacy of the customer information provided hereunder; (2) use the information only for the purposes stated above; (3) destroy any customer information provided hereunder as soon as practicable, consistent with legal requirements, after termination of the billing services; (4) comply with customer direction to not contact the customer; and (5) remit all required payments for services provided hereunder including initial costs, rates, and the market value established for customer information.

The Company believes that this limited, defined sharing of customer information would allow customers to receive information that is or may be helpful, while at the same time protecting them from having such information used in improper ways. The Company believes this proposed language is appropriate and could be either incorporated into a utility's tariff or incorporated into a broader Commission rule.

Finally, any Commission rule governing the sharing of customer information should also provide a means of seeking prospective authorization to share customer information in circumstances that the parties to this docket cannot yet foresee. The Commission should have the flexibility to permit the sharing of customer information when it finds that doing so would be just, reasonable and in the public interest. Any rule so providing should also require that a utility seeking Commission approval for such sharing be required to apply for and receive Commission permission prior to any such sharing.

The Company recognizes that some customers may prefer that the utility never share their personal information with any outside party. For the reasons discussed above, a rule allowing customers to prevent the sharing of their information for all purposes would be overbroad and inhibit normal Company operations. Therefore, the Company recommends a more limited approach to addressing the desire of customers who do not want their information shared in optional circumstances. DEU suggests that any Commission rule governing the sharing of customer information permit customers to opt out of such sharing in all circumstances other than those where such sharing is necessary for the conduct of the Company's day-to-day business (like billing, rebate processing, etc.). The Company suggests that such a rule provide that utilities notify customers of this option each year, and accept customer's request to opt out of such sharing at any time.

## II. Use of Utility Brand

DEU does not own the "Dominion Energy" logo and does not control the branding of that logo outside of its own use in its service territories in Utah, Wyoming and Idaho. Dominion Energy, Inc. owns the logo and makes it available to both utility and non-utility companies in several states, including DEU. Nevertheless, DEU understands that, in cases such as this, where a utility does not own its logo or branding and, as such, uses that logo or branding on a non-exclusive basis, the logo or branding may be used in the state by others for non-utility purposes. This could result in customer confusion if, for example, utility customers receive non-utility communications or solicitations that include the logo or branding without adequate explanation that the communication is not from the utility.

Because of this, DEU is supportive of reasonable rules focused on preventing utility customers from being misled or deceived by third-parties. That said, DEU believes

that care should be taken to ensure that such rules are narrowly tailored to address that specific concern. Otherwise, the rules could inadvertently impact standard utility activities and communications, undermine multi-jurisdictional branding efforts, infringe on the lawful activities of unregulated entities, or result in other unintended consequences.

The Company suggests that the following rules, if implemented, would prevent customers from being confused or misled by communications, offerings or solicitations to utility customers, while avoiding unintended or improper impacts on necessary and legitimate business activities.

First, DEU supports a rule that any utility operating within the state is required to provide written notice to any parent or affiliate that will use the same logo or branding as the utility in the state of Utah for communications directed specifically at that utility's customers, stating that communications, offerings or solicitations to utility customers in the state must clearly and expressly, in plain language, (a) identify the party sending the communication, offering or solicitation, (b) define the relationship, if any, between the sender and the utility, and (c) state that the communication, offering or solicitation is not from the utility, is unrelated to utility service, and will not impact the customer's utility service.

DEU also supports a rule stating that if the utility becomes aware of a communication, offering or solicitation sent by an unregulated party that (a) is directed specifically to utility customers, and (b) is misleading or deceptive in nature because (i) it uses a logo or branding that is identical or substantially similar to the logo or branding being used by the utility, and (ii) does not contain the information set forth in the paragraph above, then, the utility shall immediately issue a corrective statement to utility customers notifying them that the communication is not from the utility or related to

utility service, that the communication, offering or solicitation was not sent by the utility or with its approval, and that the communication, offering or solicitation will not impact the customers' utility service. Conversely, Commission rules should indicate that if communications do contain the required information in clear, plain language, the utility need not take corrective action.

That rule could also provide that in the event parties send communications, offerings or solicitations that are directed specifically to utility customers, that incorporate the same or substantially similar logo or branding utilized by the utility, and fail to comply with the requirements set forth in the foregoing paragraph (a) they will not be permitted by the utility to bill for any services through the utility bill, and (b) the utility will be required to issue a written notification to utility customers as described above.

In summary, DEU posits that the Commission should promulgate rules that permits sharing of customer information 1) for the purposes of conducting company business, 2) in conjunction with a third-party billing tariff with appropriate customer protections, and 3) in other circumstances for which the Commission expressly grants permission to do so. The Company further supports a Commission rule addressing the use of the utility logo as more fully set forth above.

# RESPECTFULLY SUBMITTED this 18th day of December, 2018.

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#### **CERTIFICATE OF SERVICE**

This is to certify that a true and correct copy of Comments of Dominion Energy

Utah was served upon the following persons by e-mail on December 18, 2018:

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