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PUBLIC SERVICE COMMISSION

March 5, 2020

Chair Dereck E. Davis
Economic Matters Committee
House Office Building, Room 231
Annapolis, Maryland 21401

**RE: INFORMATION – HB1065 – Public Service Companies and Contractors –
Customer Protection - Personal Information**

Dear Chair Davis and Committee Members:

On behalf of the Maryland Public Service Commission, I am writing you to ask that HB1065 be amended to prevent unintended consequences for the implementation of other state policies that are unrelated to the goals of the legislation.

In the last decade, Maryland utilities have broadly deployed advanced metering infrastructure (AMI), which is critical to the modernization of Maryland's electric grid.¹ Modernizing the grid is helping Maryland achieve many of its energy policy goals. AMI provides two important, new capabilities over legacy meters: interval data and communications capabilities.² With AMI, a customer's usage is measured as frequently as every 15 minutes, and the data is communicated to the utility and made available to customers usually within 24-48 hours. The utilities have realized many benefits of AMI.

The customer-side benefits of AMI are also an essential element of grid modernization and state energy policies. The Commission, through a stakeholder workgroup, is exploring future opportunities related to third-party access to AMI data. Moving the data from the utility to market participants is essential for innovation—that is, for the market to design and offer products and services that will benefit both utility customers and the grid. Data access can be provided on a customer-specific or aggregated (and anonymized) basis. Both types of access are important to achieving a smart, integrated, and distributed energy future. Below are several illustrative examples of how this data is currently used and could be deployed in the future.

¹ Baltimore Gas and Electric (BGE), Potomac Electric Power Company (Pepco), Delmarva Power and Light (DPL), Southern Maryland Electric Cooperative (SMECO) and Choptank Electric Cooperative (Choptank) have all deployed AMI since 2012.

² Legacy meters generally only measured usage once per month in order to facilitate billing and often needed to be checked either manually or by a reading device which needed to be in the same area as the meter.

First, a customer considering a solar or storage installation behind the meter needs accurate and precise data about their energy usage to evaluate the investment. Customers who can provide easy, on-going access to their usage data to solar and storage developers can then review actual costs and payback periods for their unique energy profiles. This type of actionable data insight will also drive customers to consider participating in efficiency upgrades, time of use rates and other utility programs designed to encourage customer behavior that benefits the grid.

Second, the market can begin to develop new business models and products that provide energy management services or insights to customers. Integration of smart thermostats, smart appliances and other smart home devices with AMI data can enable overall bill management and demand response services. Some companies are also using AMI data to provide monitoring of HVAC systems to detect when the systems need maintenance or replacement. These business models can only succeed if third parties can access customers' interval data.

Third, allowing utilities to share anonymized, aggregated system, customer or grid planning data can support targeted distributed energy resources (DER) solutions. As grid modernization and state energy goals advance beyond the early stages, it will become increasingly important to direct time, money and effort towards the highest impact activities. In order to leverage the third-party market to assist utilities and customers in achieving greater efficiency, renewables, electric vehicle and other goals, the market must have access to data that can support location-based value propositions.

The Commission is in the early stages of crafting a regulatory framework for facilitating data access while safeguarding customer privacy, ensuring strong security requirements and minimizing ratepayer costs. At this stage of the process, a prohibition on sharing customer data with any third party, without an option for efficient customer consent to share data, could stifle this nascent industry. Barriers to data access could also have the unintended consequence of depressing customer participation in efficiency measures, solar and storage markets, demand response programs and other DERs.

To address the concerns outlined above, I propose technical amendments to HB 1065 to allow third party market actors to acquire customer authorization to access customer data for specific purposes. In addition, I propose an amendment to allow third party market actors, researchers, or other entities to access anonymized, aggregated customer usage and utility system data.

Thank you for your consideration of this information. Please contact Lisa Smith, Director of Legislative Affairs, at 410-336-6288 if you have any questions.

Sincerely,



Jason M. Stanek
Chairman