

**Before the
DEPARTMENT OF ENERGY**

In the Matter of)
)
Implementing the National Broadband Plan)
by Empowering Consumers and the Smart)
Grid: Data Access, Third Party Use, and)
Privacy)
)

COMMENTS OF VERIZON AND VERIZON WIRELESS

The development and deployment of smart grid technology hold tremendous promise towards improving the efficiency and reliability of our nation’s energy systems and empowering consumers to make better decisions about the use of electricity. Because effective communications networks will be central to the success of smart grid technology, Verizon is working closely with utilities, the developers of energy management systems, and others to use its extensive wireline and wireless broadband networks and related expertise to quickly and efficiently realize the promise of smart grid technology. As this technology progresses, the Department of Energy (“Department”) should promote privacy approaches that encourage innovation, experimentation, and competition from a variety of players while respecting consumers’ preferences regarding access to and privacy of energy usage data. The Department appears to share these objectives as it has stated that Smart Grid policies should “encourage and accommodate unpredicted innovations while making usage data reasonably available to those who

should have it and respecting consumers' reasonable interests in choosing how to balance the benefits of access against the protection of personal privacy and security.”¹

Privacy policy in this area should ensure that consumers are provided with clear information about what data is being collected by whom, the purposes for which it is used, and with whom it is shared. Consumers should also have ready access to tools that allow them to control the use of this data for certain purposes. As the Department moves forward, it should examine existing privacy frameworks and self-regulatory models in other sectors to develop a flexible approach that meets consumers' privacy expectations while allowing for continued innovation.

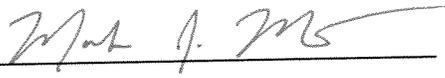
An important aspect of any privacy policy in the energy sector is the ability of customers to access and control the disclosure of their energy usage data. Energy usage data from smart meters could enable consumers to better manage their usage and to otherwise implement smart grid technology. Utilities should be encouraged to enable or “turn on” the capability of a smart meter to provide energy use data to a home area network when such a meter is deployed. Examples of relevant data include current price; current use rate (e.g., kwh); amperage; current voltage and voltage stability for the last hour/12 hours (e.g., 110 vac +/- .5 volts); outage data; and historical price and usage. While the customers' electric utilities should have full access to this data and be able to disclose it as needed for operational purposes, customers should be able to control the circumstances in which utilities share the data for other reasons.

¹ *Implementing the National Broadband Plan by Empowering Consumers and the Smart Grid: Data Access, Third Party Use, and Privacy*, Request for Information, 75 Fed. Reg. 26203 (May 11, 2010).

Likewise, consumers themselves should be permitted to share this detailed data with their designated third-parties, including third-party providers of home management systems, on a real-time basis. The ability to share data would directly benefit consumers and increase the choices of third-party providers available to them, thus furthering innovation and competition. As such, policymakers, industry players, and other stakeholders should work together to create standards that enable consumers to access their data for their own use or that of their designated third-party providers, while offering sufficient protections for utilities' proprietary or sensitive data, such as data related to reliability or security of the grid.

Finally, strong safeguards are necessary to help ensure that individuals' energy consumption and usage pattern data does not fall into the hands of hackers or thieves, who could use it to predict when consumers are at home and when they are not. The Privacy Sub-Group of the NIST Cyber Security Coordination Task Group and the NERC Smart Grid task force are both exploring these issues. The Department should encourage such efforts.

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