##### December 5, 2013

**TO:** Interested Parties

**FROM:** Jonathan Booe, NAESB Vice President

**RE: Data Privacy Update**

**Update on Data Privacy Efforts –**

Data Privacy

As previously reported, the Department of Energy’s (DoE) Federal Smart Grid Task Force effort to develop a voluntary code of conduct addressing privacy concerns for data enabled by Smart Grid Technologies is still underway. The Smart Grid Task Force was established under Title XIII of the Energy Independence and Security Act of 2007 and has held three meetings concerning the code of conduct since the beginning of the year. The third meeting was held on Friday, November 22, 2013 and focused on refining the principles developed by the various work groups since the last meeting. To develop a roadmap for the project, the DoE used the NAESB REQ Data Privacy standard (REQ.22) as an outline defining the areas they would like to address. Since that time the outline has been modified, but there are still areas of significant overlap between the code of conduct and REQ.22. The NAESB REQ Data Privacy Task Force has delayed the approval of a recommendation in response to RXQ Annual Plan Item 8.a until the direction of the DoE Task Force is finalized, as there may be need to ensure consistency between the NAESB standard and the voluntary code of conduct. Chris Villarreal with the California PUC and Christine Wright with the Texas PUC, chair of the NAESB Data Privacy Task Force, have been following the DoE effort along with NAESB staff.

In addition, NAESB was recently contacted by state commission staff concerning the possibility of the development of a certification program to support the REQ.22 standards. Through this program third party service providers, and possibly utilities, could become certified by NAESB that their data privacy protocol is consistent with the NAESB standards. If this program is pursued, it would most likely follow the model used for the authorized certificate authority and demand response and energy efficiency measurement and verification certification programs. Through these programs, entities seeking certification must submit an affidavit that they are compliant with the standard and any specifications developed and submit any third party audits that support the affidavit. NAESB staff will follow up on the request and discuss with interested state commissions.