

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Establishment of a Working )  
Case for the Writing of a New Rule on the )  
Treatment of Customer Information by ) File No. AW-2018-0393  
Commission Regulated Electric, Gas, Steam )  
Heating, Water, and Sewer Utilities and their )  
Affiliates and Non-Affiliates )

**MAWC’S COMMENTS**

Missouri-American Water Company (MAWC or Company) provides the following comments in response to the proposed Missouri Public Service Commission (Commission) Rule 4 CSR 240-10.XXX concerning Treatment of Customer Information:

This working case began with a Staff Motion that, among other things, proposes to apply certain draft rules concerning the treatment of customer information to water and sewer corporations for the first time.

MAWC agrees that protection of customer information is a worthy goal. However, it is also important that MAWC maintain the flexibility to share its aggregate customer information with its affiliates so it can take advantage of data analytics and other technological developments that can be used to better serve MAWC’s customers. This information does not include any personal identifiable information such as social security numbers, driver’s license, or medical information.

Aggregated data poses no risk to the customer. It allows a utility to take information about specific customers that is combined in a manner that leaves individual customers unidentifiable to the recipient - and allows program administrators, program administrative contractors, and energy efficiency service providers to determine trends and evaluate results so that they, for example, can identify specific geographic areas or demographic groups that may

have a higher ability to benefit from certainty efficiency programs or services. Aggregated information that is valuable includes data on customer usage patterns, assessments of efficiency programs in selected segments or geographic regions, and help with general usage studies.

We know that data about customer usage is a powerful tool capable of increasing the success of energy efficiency programs. For example, Missouri-American is currently participating in an Energy Efficiency Collaborative. One of the goals of the program was to identify customers where the program could get the most “bang for the buck.” In order to achieve this goal, MAWC has the ability to select housing units where aggregate usage is higher than one would expect, which may be the result of inefficient appliances, faulty plumbing, and leaky toilets.

In its motion to open this docket, Staff made a comment that smart meters could be used to pinpoint the usage of specific appliances or devices, and may have the potential to leave a customer “vulnerable to theft, sharing or sale of this personal data.” It is important to note that the data collected, stored and transmitted by MAWC’s meters does not contain any customer identifiable information. It contains meter information and the read only. The meter read information is encrypted, meaning the data is scrambled and encoded in a way that is only known to authorized users. The meter read information is only finally attributed to a customer within MAWC’s internal SAP environment in its secure infrastructure.

In addition, MAWC believes that it may be helpful to add a definition of “utility related services” to the rule. MAWC provides customer information to municipalities, and other water and sewer providers pursuant to contract in order for them to bill for sewer based on water usage as well as facilitate turn offs for purposes of bill collection as provided for by RSMo 393.015. The Metropolitan St. Louis Sewer District (MSD) often only learns that it has a new MSD

customer when MAWC identifies a new water account to them. Additionally, working with third party collection agencies necessitates the exchange of customer information. These are part of MAWC's normal, regulated operations and MAWC submits they should fit within any definition of "utility related services."

For these reasons, MAWC suggests that the changes reflected in redline on the attached **Appendix A** be adopted in any such rule that might be proposed.<sup>1</sup>

MAWC respectfully requests that the Commission consider these comments.

Respectfully submitted,

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<sup>1</sup> MAWC will be available at any workshop that may be held to provide further explanation to the extent it would be helpful. MAWC also reserves the right to supplement, revise, or update its comments if this process moves forward.

#### **4 CSR 240-10.XXX Customer Information Of Electrical Corporations, Gas Corporations, Heating Companies, Water Corporations and Sewer Corporations**

PURPOSE: This rule is intended to prevent the misuse of customer information. All matters regarding treatment of identifiable customer information and release of specific customer information to an affiliate or a third party nonaffiliate respecting the provision of utility related services may occur without customer consent but must be a matter of written contract between the regulated electrical corporation, gas corporation, heating company, water corporation and sewer corporation (covered utility) and the affiliate or third party nonaffiliate pursuant to the conditions set out in the rule below. All matters regarding treatment of identifiable customer information and release of specific customer information to an affiliate or a third party nonaffiliate respecting the provision of a nonutility related service must be limited to situations where there is documented recorded or written customer consent and a written contract between the covered utility and the affiliate or the third party nonaffiliate.

##### (1) Definitions

(A) Covered utility means, for purposes of this rule, an electrical corporation, gas corporation, heating company, water corporation, or sewer corporation as defined in section 386.020, RSMo., and subject to commission regulation pursuant to Chapters 386 and 393, RSMo.,

(B) Customer information means a subset of information ~~in general~~ that can be traced to a particular customer, and includes but is not limited to one or more of the following items of one or more customers on the system of a covered utility that is identifiable with one or more particular customers: name, address, phone number, social security number, utility service usage, payment history, financial account, driver's license number, medical information, and health insurance information. Customer information includes information provided to a covered utility by an affiliated or nonaffiliated third party person, entity, or association.

(C) Information means any data obtained by a covered utility that is not obtainable by nonaffiliated entities or can only be obtained at a competitively prohibitive cost in either time or resources.

(2) Utility Related Services

(A) When any covered utility contracts with an affiliate or a third party nonaffiliate to perform a utility related service on behalf of the covered utility and specific customer information to perform the utility related service is required, the covered utility will provide the affiliate or third party nonaffiliate with the necessary specific customer information without customer consent under the following contractual terms:

1. The affiliate or third party nonaffiliate shall be directed that the specific customer information remains the sole property of the covered utility;

2. The affiliate or third party nonaffiliate shall be authorized to use the specific customer information solely to perform the contracted for service;
  
3. The affiliate or third party nonaffiliate shall be expressly prohibited from any other use of the specific customer information with prohibitions to the affiliate or third party nonaffiliate set out in the contract for any unauthorized use of the specific customer information;
  
4. The affiliate or third party nonaffiliate shall be directed to treat the specific customer information as confidential at all times with specified prohibitions set out in the contract for not treating the specific customer information as confidential; and
  
5. The affiliate or third party nonaffiliate shall be directed to return to the covered utility, within ten (10) days following the receipt of a written request, all specific customer information provided to the entity with an attestation that all replication of the information has been returned to the covered utility or the affiliate or third party nonaffiliate may provide to the covered utility an attestation that the affiliate or third party nonaffiliate has destroyed or has had destroyed all material identifying the specific customer information.

(3) Nonutility Related Services

(A) When an affiliated or nonaffiliated third party person or entity contracts with the covered utility to perform a nonutility related service and that particular service requires specific customer information, the regulated electrical corporation, gas corporation, heating company, water corporation, or sewer corporation will provide that affiliate or third party nonaffiliate with specific customer information only with documented recorded or written customer consent.

(4) General or Aggregated Customer Information

(A) General or aggregated customer information shall be made available to affiliates or third party nonaffiliates upon similar terms and conditions. Notwithstanding the foregoing, general or aggregated customer information that cannot be linked to a particular customer or group of customers of the covered utility can be shared exclusively with affiliates for purposes of data analytics.

(5) Notification to Commission of Violations of Rule

(A) If a covered utility becomes aware of more than an immaterial amount of its confidential customer information having become public or passed into the possession of an unauthorized entity, the covered utility shall notify the staff counsel's office and public counsel as soon as it has verified that this has occurred.

(6) Waiver

(A) Provisions of this rule may be waived by the Commission for good cause shown.