

Resolution Urging the Adoption of General Privacy Principles For
State Commission Use in Considering the Privacy implications of the
Use of Utility Customer Information

WHEREAS, Public opinion, legislative enactment's, and the American common law and constitutional tradition recognize the protection of individual privacy as a basic human right worthy of affirmative legal protection; and

WHEREAS, Detailed utility customer information can be used to differentiate utility services in a manner that creates added value to the customer; and

WHEREAS, Detailed utility customer information has potential proprietary value to a customer's potential business competitors and to non-utility marketers; and

WHEREAS, Customer assurance of privacy in utility transactions contributes to consumer confidence about utility choices; and

WHEREAS, The government's involvement in creating a franchised service area for an essential service might raise privacy concerns should the utility use of information be for other than justifiable utility reasons such as planning; and

WHEREAS, Considerations of cost, public policy, economics, and technology all bear upon a state commission's privacy policy; and

WHEREAS, State commissions need to carefully balance the appropriate pro-competitive role that utility customer information can play in new and developing markets against the

privacy implications of using that information; and

WHEREAS, The privacy implications of releasing or transferring customer information are a matter affecting the public interest; and

WHEREAS, Access to and use of customer information may result in increased public welfare through product development and differentiation; *now therefore be it*

RESOLVED, That the Board of Directors of National Utility Commissioners ("NARUC") convened in its July 2000 Summer Meeting in Los Angeles, California, finds that privacy interests should be given substantial weight when commissions consider claims for access to and use of customers information; and be it further

RESOLVED, That, to the extent practical, customers should be permitted to choose the degree of privacy protection, both with respect to information outflows and inflows; and be it further

RESOLVED, That unless a customer grants explicit, affirmative informed consent, customer-specific information about his or her utility service should only be used in connection with rendering or billing for that service or other services requested by the customer, and that such information should not be otherwise available to affiliates or third-parties, unless by Commission order.

Co-sponsored by the Committees on Consumer Affairs and Finance and Technology

Adopted by the NARUC Board of Directors, July 26, 2000.