

SB 284-FN - VERSION ADOPTED BY BOTH BODIES

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2019 SESSION

19-1025
06/05

SENATE BILL ***284-FN***

AN ACT establishing a statewide, multi-use online energy data platform.

SPONSORS: Sen. Fuller Clark, Dist 21; Sen. Dietsch, Dist 9; Rep. Balch, Hills. 38; Rep. McGhee, Hills. 40

COMMITTEE: Energy and Natural Resources

AMENDED ANALYSIS

This bill establishes a statewide online energy data platform regulated by the public utilities commission and operated by the state's electric and natural gas utilities.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struckthrough.]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Nineteen

AN ACT establishing a statewide, multi-use online energy data platform.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Findings. The general court finds that:

I. In order to accomplish the purposes of electric utility restructuring under RSA 374-F, to implement fully the state energy policy under RSA 378:37, and to make the state's energy systems more distributed, responsive, dynamic, and consumer-focused, it is necessary to provide consumers and stakeholders with safe, secure access to information about their energy usage. Access to granular energy data is a foundational element for moving New Hampshire's electric and natural gas systems to a more efficient paradigm in which empowering consumers is a critical element. By enabling the aggregation and anonymization of community-level energy data and requiring a consent-driven process for access to or sharing of customer-level energy usage data, the state can open the door to innovative business applications that will save customers money, allow them to make better and more creative use of the electricity grid as well as other utility services, and facilitate municipal and county aggregation programs authorized by RSA 53-E. Such a program of robust data is also likely to be useful in local planning, conducting market research, fostering increased awareness of energy consumption patterns, and the adoption of more efficient and sustainable energy use.

II. Implementation of a multi-use, online data platform is, in light of electric industry restructuring pursuant to RSA 374-F, well calculated to advance the objectives of recent and ongoing proceedings at the public utilities commission, including IR 15-296 (Grid Modernization), DE 16-576 (Alternative Net Metering Tariffs), DE 15-137 (Energy Efficiency Resource Standard), and DE 17-136 (implementation of Energy Efficiency Resource Standard for 2018-2020).

2 New Subdivision; Multi-Use Energy Data Platform. Amend RSA 378 by inserting after section 49 the following new subdivision:

Multi-Use Energy Data Platform

378:50 Definitions. In this subdivision:

I. "Data sharing" means providing data and accessing data provided by others.

II. "Individual customer data" means the customer's name, address, opt-in status pursuant to RSA 374:62, energy usage as recorded by meters supplied by electric and natural gas utilities, and other data segments established and authorized by the commission.

III. "Third party" means:

(a) Any service provider within the meaning of RSA 363:37, II other than a utility; and

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1 (b) The office of the consumer advocate established pursuant to RSA 363:28.
2 378:51 Online Energy Data Platform Established.

3 I. The commission shall require electric and natural gas utilities to establish and jointly
4 operate a statewide, multi-use, online energy data platform. The data platform shall:

5 (a) Consist of a common base of energy data for use in wide range of applications and
6 business uses.

7 (b) Adhere to specific and well-documented standards.

8 (c) Provide a user-friendly interface.

9 (d) Adhere to a common statewide logical data model that defines the relationships
10 among the various categories of data included in the platform.

11 (e) Allow for sharing of individual customer data consistent with the opt-in
12 requirements for third-party access specified in RSA 363:38.

13 (f) Protect from unauthorized disclosure the personally identifying information of utility
14 customers in a manner that advances applicable constitutional and statutory privacy rights,
15 including the protections of RSA 363:38.

16 (g) Provide for the voluntary participation of municipal utilities and deregulated rural
17 electric cooperatives in data sharing and the operation of the online energy data platform, subject to
18 terms, conditions, and cost sharing which are reasonable and in the public interest.

19 II. The commission shall open an adjudicative proceeding within 90 days of the effective
20 date of this subdivision, to which all electric and natural gas utilities shall be mandatory parties, to
21 determine:

22 (a) Governance, development, implementation, change management, and versioning of
23 the statewide, multi-use, online energy data platform.

24 (b) Standards for data accuracy, retention, availability, privacy, and security, including
25 the integrity and uniformity of the logical data model.

26 (c) Financial security standards or other mechanisms to assure compliance with privacy
27 standards by third parties.

28 III. The commission shall defer the implementation of the statewide, multi-use, online
29 energy data platform pursuant to paragraph I if it determines that the cost of such platform to be
30 recovered from customers is unreasonable and not in the public interest.

31 IV. The commission may adopt rules pursuant to RSA 541-A as necessary to implement this
32 section.

33 378:52 Platform Requirements. The utilities shall:

34 I. Design and operate the energy data platform to provide opportunities for utilities, their
35 customers, and third parties to access the online energy data platform and to participate in data
36 sharing.

37 II. Require, as a condition of accessing the online energy data platform, that a third party
38 complete a qualification and registration process to ensure that any customer data downloaded from

1 the platform remains in a safe, secure environment according to data privacy standards established
2 by the commission.

3 III. Administer the online energy data platform in a manner consistent with RSA 363:38.

4 378:53 Certification. The platform established under RSA 378:51 shall be certified by the
5 Green Button Alliance and support the Energy Service Provider Interface of the North American
6 Energy Standards Board and the Green Button "Connect My Data" initiative of the Green Button
7 Alliance.

8 378:54 Cost Recovery. The utilities may:

9 I. Impose reasonable charges to third parties for access to data via the multi-use, online
10 energy data platform; and

11 II. Otherwise recover costs from customers in a timely manner as approved by the
12 commission.

13 3 Effective Date. This act shall take effect 60 days after its passage.

SB 284-FN- FISCAL NOTE
AS AMENDED BY THE HOUSE (AMENDMENT #2019-1719h)

AN ACT establishing a statewide, multi-use online energy data platform.

FISCAL IMPACT: ☒ State ☒ County ☒ Local ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2020	FY 2021	FY 2022	FY 2023
Appropriation	\$0	\$0	\$0	\$0
Revenue	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Funding Source:	☒ General ☐ Education ☒ Highway ☒ Other - Utility Assessment / Various Government Funds			

COUNTY:

Revenue	\$0	\$0	\$0	\$0
Expenditures	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

LOCAL:

Revenue	\$0	\$0	\$0	\$0
Expenditures	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

METHODOLOGY:

This bill establishes a statewide online energy data platform regulated by the Public Utilities Commission (PUC) and operated by the state's electric and natural gas utilities. The PUC would require electric and natural gas utilities to establish and jointly operate a statewide, multi-use online energy data platform containing customer-specific information that would allow utilities, their customers, and third parties to access the database online and participate in data sharing of customer information. Municipal utilities and the New Hampshire Electric Cooperative (NHEC) may participate on a voluntary basis subject to unspecified terms, conditions, and cost sharing which are reasonable and in the public interest. The PUC must open a docket within 90 days of the effective date to determine governance, development, implementation, change management and versioning of the platform, standards for accuracy, retention, privacy, and security including the integrity and uniformity of the logical data model, and financial security standards or other mechanisms to assure compliance with privacy standards by third parties. The PUC would be authorized to adopt rules to implement the bill.

The costs of developing and operating the data platform would be paid by utility companies and recovered by imposing reasonable charges on third party users, and by placing prudently incurred costs in utility customer rates. The PUC would be required to defer implementation if it determines the costs to be recovered from customers would be unreasonable and not in the public interest.

The PUC does not have the in-house expertise to review the issues specified for the adjudication or to develop the related rules. The PUC assumes it would hire a consultant to advise staff in the course of the adjudication and preparation of rules, and to audit utilities to ensure their operation of the platform complies with the rules. The PUC and the Department of Information Technology (DoIT) estimated the cost of these consulting services would be \$96,000 in the first year. Funding would be through utility assessment, and have negligible, if any, impact on electric and gas rates once spread across all electric and gas customers in the state.

The PUC is not able to predict the cost to develop and manage a platform for New Hampshire-based utilities. However, the cost to utilities of developing similar data platforms in other states has been as much as \$10 million dollars. The DoIT estimates the initial cost to set up the program would be between \$5 million and \$10 million. The DoIT estimates the annual cost to maintain a \$5 million system would be \$1.8 to \$1.98 million assuming \$180,000 to audit the program in the second year and every other year thereafter. For a \$10 million system, DoIT annual maintenance estimate is \$3.6-\$3.78 million with same audit cost. These estimates are based upon DoIT's experience with similar projects and not upon an actual requests for information or bids.

The PUC assumes the cost to develop and deploy a data platform would be split approximately 85% to electric utility customers and 15% to gas utility customers. The annual revenue required for a \$10 million system would be approximately \$1.6 million per year plus the on-going maintenance costs. The PUC assumes electric customers could see annual costs associated with implementation of this bill of \$4.5 million, approximately, and gas utility customers could see overall revenue requirements increase by \$790,000. Based on these assumptions and estimates, electric utility rates could increase by \$0.00045 per kWh and gas utility rates could increase by \$0.0075 per therm to recover the costs.

Based on 2018 usage, if electric utility rates increased by \$0.00045 per kWh and gas rates increased by \$0.0075 per therm, the State would expend an additional \$46,104 per year on electricity and \$37,272 per year on gas, or a total of \$83,376. This impact would depend upon whether the Commission approves going forward with deployment of the data platform pursuant to proposed RSA 378:51, III. Any change to electricity and natural gas rates would

also impact county and local utility expenditures.

AGENCIES CONTACTED:

Public Utilities Commission and the Department of Information Technology