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**Technology & Economic Development  
Committee**

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**HB 1896**

**Brief Description:** Providing a statewide minimum privacy policy for disclosure of customer energy use information.

**Sponsors:** Representatives Smith, Hudgins, Tarleton and Young.

**Brief Summary of Bill**

- Prohibits an electric utility, including a small utility, from disclosing or selling private or proprietary retail electric customer information with or to its affiliates, subsidiaries, or any other third party for the purposes of marketing services or product offerings to a retail electric customer who does not already subscribe to the service or product, unless the utility has first obtained the customer's written or electronic permission.
- Makes the disclosure or sale of private or proprietary retail electric customer information to an electric utility's affiliates, subsidiaries, or any other third party for the purposes of marketing services or product offerings, without the customer's written or electronic permission, an unfair or deceptive act in trade or commerce and an unfair method of competition for the purposes of applying the Consumer Protection Act.

**Hearing Date:** 2/11/15

**Staff:** Nikkole Hughes (786-7156).

**Background:**

Disclosures to Retail Electric Customers.

Except for small utilities, each electric utility must provide its retail electric customers with certain disclosures, including:

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- a complete, itemized listing of all rates and charges for which the customer is responsible;
- an explanation of the metering or measurement policies and procedures; and
- an explanation of the utility's policies governing the confidentiality of proprietary customer information, including the circumstances under which the information may be disclosed and the ways in which customers can control access to the information.

"Small utility" means any consumer-owned utility with 25,000 or fewer electric meters in service, or that has an average of seven or fewer customers per mile of distribution line.

"Proprietary customer information" means information that relates to the source and amount of electricity used by a retail electric customer, a retail electric customer's payment history, household data, and information contained in an electric bill.

#### Disclosure of Private Information.

The Utilities and Transportation Commission (UTC) prohibits investor-owned utilities from disclosing or selling private consumer information with or for a utility's affiliates, subsidiaries, or any other third party for the purposes of marketing services or product offerings to a customer who does not already subscribe to that service or product, unless the utility obtains the customer's written or electronic permission. "Private consumer information" includes the customer's name, address, telephone number, and any other personally identifying information.

Consumer-owned utilities are not under the regulatory jurisdiction of the UTC.

#### Consumer Protection Act.

The Washington Consumer Protection Act (Act) declares that unfair and deceptive practices in trade or commerce are illegal. The Act allows a person injured by an unfair or deceptive practice to bring a private cause of action for damages. The Office of the Attorney General may investigate and prosecute claims under the Act on behalf of the state or individuals in the state.

#### **Summary of Bill:**

##### Disclosures to Retail Electric Customers.

Each electric utility, except for a small utility, must provide its retail electric customers with an explanation of the utility's policies governing the confidentiality of private, as well as proprietary, customer information, including the circumstances under which the information may be disclosed and the ways in which customers can control access to the information. "Private customer information" includes a retail electric customer's name, address, telephone number, and other personally identifying information. The definition for "proprietary customer information" is expanded to include the technical configuration and destination of the electricity used by a retail electric customer.

##### Disclosures of Retail Electric Customers' Information.

An electric utility, including a small utility, may not disclose or sell private or proprietary retail electric customer information with or to its affiliates, subsidiaries, or any other third party for the

purposes of marketing services or product offerings to a retail electric customer who does not already subscribe to the service or product, unless the utility has first obtained the customer's written or electronic permission.

An electric utility must retain certain information for each instance of a retail electric customer's consent for disclosure of his or her private or proprietary customer information, if provided electronically. A utility may collect and release retail electric customer information in aggregate form if the aggregated information does not allow any specific customer to be identified.

Consumer Protection Act.

The disclosure or sale of private or proprietary retail electric customer information to an electric utility's affiliates, subsidiaries, or any other third party for the purposes of marketing services or product offerings, without the customer's written or electronic permission, is found to be an unfair or deceptive act in trade or commerce and an unfair method of competition for the purposes of applying the Washington Consumer Protection Act.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.