

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the Matter of Westar Energy Inc. and)
Kansas Gas and Electric Co. and Kansas City)
Power & Light Company, Compliance Filing) Docket No. 19-WSEE-011-CPL
Pursuant to Commission Order in Docket No.)
15-WSEE-211-COM.)

NOTICE OF FILING OF STAFF'S REPORT AND RECOMMENDATION

COMES NOW, the Staff of the State Corporation Commission of the State of Kansas (Staff and Commission, respectively), and files its Report and Recommendation regarding required compliance filings resulting from the Commission's April 5, 2018 Order in Docket No. 15-WSEE-211-COM, *et al.* The Order requires the Commission Staff (Staff) to open a Compliance Docket involving the above-captioned electric public utilities. The attached Report and Recommendation details Staff's recommended scope of the Compliance Docket and deliverables to be obtained from future compliance filings.

WHEREFORE, Staff submits its Report and Recommendation for Commission review and consideration and for such other relief as the Commission deems just and reasonable.

Respectfully submitted,

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SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

TO: Chair Shari Feist Albrecht
Commissioner Jay Scott Emler
Commissioner Dwight D. Keen

FROM: Leo Haynos, Chief Engineer
Jeff McClanahan, Director of Utilities

DATE: June 12, 2018

SUBJECT: Recommendation to Open Compliance Docket for Westar Energy Inc. and Kansas Gas and Electric Co. (Westar) and Kansas City Power & Light Company (KCP&L) Regarding the Commission Order in Docket 15-WSEE-211-COM filed on April 5, 2018

EXECUTIVE SUMMARY:

Over the last 3.5 years, the Commission and its staff have investigated nine complaint dockets regarding the required use of Advanced Metering Infrastructure Digital Electric Meters (AMI meters). Because the complaints raised similar issues, the Commission consolidated the nine complaints into one docket.

On April 5, 2018, the Commission issued an Order in the consolidated docket which is referred to in this Report and Recommendation as Docket 15-WSEE-211-COM (15-211 Docket). The Order requires the Commission Staff (Staff) to open a Compliance Docket involving the above captioned electric public utilities. The Compliance Docket requires Staff, Westar and KCP&L to address the following deliverables:

1. Review the current practices used by Westar and KCP&L (collectively “the Utilities”) to protect its Customers’ Personally Identifiable Information (PII) with respect to electric meter data acquisition and billing operations;
2. If necessary, codify the best practices for protecting Customer PII in the respective tariff of each utility;
3. Institute formal procedures to ensure the security of Customer PII by testing the security of the Utilities metering and billing operations;
4. Institute formal procedures to ensure any third party providers involved in utility metering and billing operations are meeting their contractual obligations to the utility to protect the security of Customer PII;
5. Provide an annual report of any structural fires for which the Utility has received a claim for damages that allege the fire was the fault of the Utility’s equipment; and

6. The report on structural fires is to include all information and documentation that is related to the cause of the failed equipment and is not subject to attorney-client privilege.

The Order also required the Utilities to equip AMI meters with temperature sensor equipment for all meters not in inventory as of April 2018. For those meters installed without temperature sensors, the meters are to be upgraded to include the sensors during routine meter work.

As stated in the Commission's Order, a purpose of the Compliance Docket is to provide full disclosure and a record regarding the six above listed directives. Therefore, Staff recommends the Compliance Docket be initiated as requested and the Utilities provide some background information as an initial filing in the Docket. The remainder of this Report and Recommendation provides a list of parameters recommended for the initial filing.

In order to accurately track the Commission's requirements for AMI deployment, Staff also recommends the Commission order the Utilities file a one-time status report on the AMI meter deployment in the subject Docket. Parameters for the recommended status report are also included in this Report and Recommendation.

RECOMMENDATION:

Current Practices to Protect Customers' Personally Identifiable Information or PII: The Order in the 15-211 Docket limited the scope of the compliance filing to PII related to the obtaining and processing of data used in metering and billing for electric power. PII most often refers to information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual. In the case at hand, a meter number that can be linked to a specific address could be considered PII. The definition of PII is not anchored to any single category of information or technology. Rather, it requires a case-by-case assessment of the specific risk that an individual can be identified. For the Compliance Docket, Staff recommends the Utilities' initial report address the following parameters:

- List of customer PII (such as name, address, credit history, etc.) that is obtained and recorded by the Utilities.
- Current tariff requirements concerning Company's obligation to protect Customer PII.
- Current website or other publications notifying public regarding Company's obligation to protect PII and/or alerting customer of what items are not protected.
- Confirmation of Utility policy to test its security system to ensure Customer PII is protected.
- Confirmation of Utility review of security practices of third party providers to ensure outside providers are protecting the Utilities' customers' PII.

Compliance Reporting of Structure Fires Identified by Claims Brought against the Utilities: The Order in the 15-211 Docket requires the Utilities to file an annual report of any structural fires for which the Utility has received a claim for damages that allege the fire was the fault of the Utility's equipment. The Report is to include all information and documentation that is related to the cause of the failed equipment and is not subject to attorney-client privilege. For this report, Staff recommends the following parameters:

- The report is to be filed on a calendar year basis.
- The report will be due by March 1 of the following year.
- At a minimum, the information included in the report shall include the address, date of fire, claimant's allegation of what equipment failed to cause fire, amount of monetary damages requested by claimant, Utilities' findings as to the cause of the fire.

Status report of AMI deployment and meters with temperature sensors in inventory: Staff further recommends the Commission order the Utilities to file a status report regarding the deployment of AMI systems as of May 1, 2018. Staff recommends the following parameters be included in the report:

- Number of AMI meters deployed with temperature sensors.
- Number of AMI meters deployed without temperature sensors.
- Number and type of non-AMI meters deployed (for example, AMR meters, digital readout meters, analog meters).
- Standard setpoint for temperature alarm on AMI meters.
- Number of temperature alarms that have been received by the Utilities since January 2017.
- Number of AMI meters that have stopped communicating or needed repairs since January 2017.
- Number of AMI meters that have been returned to the manufacturer for warranty work.

CERTIFICATE OF SERVICE

19-WSEE-011-CPL

I, the undersigned, certify that a true and correct copy of the above and foregoing Notice of Filing of Staff's Report and Recommendation was served by electronic service on this 24th day of July, 2018, to the following:

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