



UNITED STATES OF AMERICA  
Federal Trade Commission  
WASHINGTON, D.C. 20580

Jessica L. Rich  
Office of the Director  
Bureau of Consumer Protection

October 29, 2014

By Email

Eric Lightner  
Director, Federal Smart Grid Task Force, Office of Electricity Delivery  
and Energy Reliability, U.S. Department of Energy  
1000 Independence Avenue S.W.

## Background on FTC's Role in Privacy and Data Security

The Federal Trade Commission (FTC) is an independent agency with a broad mission to protect consumers and promote competition in the commercial marketplace. The central purpose of our consumer protection mission is to protect consumers from deceptive and unfair practices – that is, false or misleading claims by companies or practices that subject consumers to unreasonable risk of injury.<sup>3</sup> As part of this mission, the FTC has worked actively for decades to protect consumers' privacy and security.

T

C

The FTC has long supported self-regulation through codes of conduct such as the proposed VCC.<sup>8</sup> For example, the Commission has issued a report recommending principles and a framework for addressing privacy across different industries,<sup>9</sup> as well as reports proposing best practices for particular industries and contexts, such as data brokers, online behavioral advertising, facial recognition, and mobile privacy disclosures.<sup>10</sup> The agency also has encouraged the development of strong and enforceable industry-specific codes of conduct for privacy through open, multi-stakeholder processes such as this one. For example, Commission staff participated in the National Telecommunications and Information Administration (“NTIA”)<sup>11</sup> process to develop a code of conduct for mobile devices, and is currently participating in the NTIA’s process to develop practices for facial recognition technologies.

#### Consumer Protection Issues Raised by Consumer Energy Data

As you well know, the energy industry is a complex one, involving numerous parties – utilities, electricity marketers, state and local regulators, companies that provide services to

utilities, and third parties – that may seek access to consumer energy data, whether from utilities<sup>12</sup> or directly from consumers. For example, the “Green Button” initiative enables consumers to download their energy usage information and then use apps or other services to analyze their data,





I have three suggestions that I believe would make the code even stronger. First, the code

aspect of the code. As I understand it, one purpose of this provision is to address the

Conclusion

*[Handwritten signature]*  
[Illegible text]

[Illegible text]