

CLEARWATER POWER COMPANY
Lewiston, Idaho 83501

POLICY BULLETIN NO. 141A

SUBJECT: Member Information Sale and Disclosure Requirements

OBJECTIVE:

Strong consumer data privacy protections are essential to maintaining the trust of our members. This Policy is intended to emphasize the Cooperative's commitment to protect each member's personally identifying information (hereafter referred to as "PII" or "Data" as defined below) from sale, disclosure or unauthorized use for commercial purposes throughout the lifecycle of the Data, whether by the Cooperative itself, or by any person under contract to the Cooperative, without the member's express consent.

PII or Data, is collected and used by the Cooperative only for purposes that are suitable or necessary to its operations and management. Such information is collected only through lawful and fair means and for appropriate purposes, including to perform essential business functions such as operating and maintaining the utility system, managing outages, processing customer bills, credit and collections, conservation and usage management, etc. Additional Data is collected about a member's property, appliances, credit, and through services or programs offered by the Cooperative, or its affiliates or cooperating agencies, e.g. energy conservation service agencies, energy financial assistance agencies, credit agencies, etc. With the implementation of automated metering, even more detailed member Data is now being collected. The Cooperative retains member PII pursuant to its record retention policies for such periods of time as required by law or regulation, or as reasonably necessary to provide services or for other business purposes.

The Cooperative is committed to protecting the security and privacy of all member Data, and will conform to applicable laws and regulations, as well as industry and internal standards and policies which are intended to keep this information private and secure and unavailable for marketing purposes without member consent except directly by the Cooperative to the member through the member's billing package.

The Cooperative is committed to assuring the following member rights:

- The Cooperative will not sell customer PII to third parties.
- The Cooperative will not disclose PII 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 that service or product, unless the customer had given written or electronic permission to do so.

- The Cooperative will share member PII with third party contractors in order to conduct essential utility business functions [see definition of “Primary Purpose” below].
- Third party contractors must agree not to use member PII for any other purpose than authorized in the agreement between the contractor and the Cooperative and such contracts will prohibit the contractor from further disclosing or selling any PII obtained from the Cooperative to or with any other party that has not agreed to be bound to the same confidentiality obligation as the contractor.
- The Cooperative will only share PII with persons other than the member or third party contractors in compliance with local, state and federal laws.

The Cooperative is committed to maintaining accurate, complete, timely, relevant, and appropriate information about its members, to providing members with a process for members to access and seek correction of the PII that is maintained and used by the Cooperative, and to a fair resolution of privacy and other concerns about disputes relating to the unauthorized collection, use or disclosure of PII by the Cooperative or its contractors. Inquiries or complaints should be addressed to the General Manager. The Cooperative will do its best to resolve any questions or problems that may arise regarding the collection or use of member PII.

POLICY:

Personally Identifiable Information

The Cooperative is committed to the protection of “PII” or “Data” and to preventing its unauthorized use or disclosure. Information considered PII covered by this Policy is limited to a member’s:

1. Names
2. Street addresses
3. Telephone numbers
4. Email addresses
5. Social Security numbers
6. Account numbers (including credit card numbers, bank account numbers)
7. Account balances
8. Any information received to identify the customer, such as a driver’s license, passport, or information collected to establish their credit-worthiness.
9. Meter identifier and meter interval/electricity use data, as well as information related to other services or products subscribed to by a member, that is collected by virtue of the member utility relationship, that can be tied to items # 1-8 above.

Use and Release of PII for a Business Purpose – Primary vs. Secondary Purpose

Member Data may be used and/or released to a contractor/subcontractor or other third party for either a “Primary” or “Secondary” business purpose, as follows:

Primary Purpose – When Data is released for the purpose of performing essential business functions, such as metering, billing or bill presentment, maintenance, and management functions including legal, audit, collections, energy efficiency program validation or administration (e.g. for BPA), energy financial assistance, customer surveys and other essential business functions, it is deemed to be for a “Primary Purpose.” When Data is released to a third party to provide services that serve a Primary Purpose, the third party shall be bound to comply with all applicable state and federal laws and by this Policy and shall be prohibited from further disclosing or selling any PII obtained from the utility to a party that is not the utility and not a party to the contract with the utility. When entering into an agreement with a third party that will require the release of member PII, the General Manager or an employee designated by the General Manager shall review the attached Non-Disclosure Agreement Checklist to verify that the release of member PII as part of a vendor agreement serves a Primary Purpose.

Secondary Purpose – When Data is released for the purpose of marketing services or product offerings the member does not already subscribe to, it is deemed to be for a Secondary Purpose. Data released for a Secondary Purpose requires affirmative member consent (see definition of Affirmative Consent below). Requests for member Data used for Secondary Purposes might come from a member asking for their Data to be shared directly to a third party vendor, from a vendor asking for member Data for marketing purposes, or from Cooperative staff working with a third party to market a new product or service.

Notwithstanding the foregoing, nothing in this Policy is intended to prohibit or prevent the Cooperative from inserting any marketing information into the retail electric customer's billing package.

Affirmative Member Consent – Release of Data for Secondary Purpose

Prior to releasing member Data for a Secondary Purpose, the member’s prior permission (“Affirmative Consent”) must be obtained for each instance of release of Data unless the member has previously provided an ongoing Affirmative Consent to release Data to the same third party. Members who wish to authorize or direct the Cooperative to disclose their PII to a third party may do so by contacting the Cooperative.

The following is necessary to meet the requirements of Affirmative Consent, which can be provided electronically or via hard copy:

- The consent must include the date or date period for which the consent is granted.
- The consent must specify the party or parties the member has authorized the release of their Data to, including any affiliates and third parties.
- The Cooperative must validate that the individual providing the consent matches the name, service address and account number of the customer of record in the Cooperative’s customer information system.
- A record for each instance the member has given written or electronic consent must be maintained, following applicable records retention guidelines.

The attached “Customer Authorization to Release Information” (CARI) is provided as a template to use to obtain/provide consent from a member for the release of Data. However, Affirmative Consent may be provided in writing or electronically (e.g. by e-mail) if it reasonably identifies information covered by the template. Affirmative Consent may be provided for ongoing releases to a third party. Members who have given Affirmative Consent also have the right to retract said consent at any time, but only for release of Data from the time of retraction going forward.

Aggregated Data

Aggregated data is data that is considered sufficiently consolidated so that any individual customer cannot reasonably be identified. The Cooperative will generally follow a 15/15 rule, which means that aggregated data must include the data of at least 15 customers, and that no single customer included in the sample comprises more than 15% of the total aggregated load. Any PII must be removed from the aggregated data before release. Affirmative Consent is not required when releasing aggregated data that meets this definition.

Disclosure of PII to Contractors/Subcontractors

As an electric utility, the Cooperative may engage contractors to provide services in support of primary and secondary business functions as noted above. In accordance with RCW 19.29A.100(5), the Cooperative shall ask its contractors who will receive PII to sign a Confidentiality and Non-Disclosure Agreement, including: (i) the vendor’s agreement to be bound by this Policy; and (ii) an agreement that the contractor shall be responsible for assuring that any a subcontractor or other third party they engage to provide services in support of their contract with the Cooperative is in compliance with this Policy. Any breach of this agreement by any contractor may subject the contractor to potential remedies available to the utility or to the member, including under the state’s Consumer Protection Act.

Release of PII for Primary Purpose

The General Manager (or an employee designated by the General Manager) of the Cooperative must review and approve any proposed or requested disclosure of PII to a third-party contractor to determine if disclosing the PII to the contractor/subcontractor is necessary to meet a business objective that is a Primary Purpose and complies with this Policy. An approval only needs to be obtained the first time the Cooperative contracts with that entity. Subsequent requests are only required if additional types of PII will be provided to the contractor.

Release of PII for Secondary Purpose

The General Manager (or an employee designated by the General Manager) must obtain a completed CARI form from each customer whose Data will be shared for a Secondary Purpose. Copies of the forms shall be retained by the Cooperative in accordance with RCW 19.29A.100 and its record retention policies

Disclosure of PII During Customer Transactions

The Cooperative considers security of PII a top priority. Before releasing PII to a third party at the request of a member, the Cooperative will take reasonable measures to verify the identity of the third party.

Disclosure of PII to Law Enforcement or as Otherwise Required by Law. Information may be disclosed by the Cooperative when authorized or required by law, including in response to a search warrant, subpoena, or court or law enforcement order. Disclosures may also be made when appropriate to protect the Cooperative's legal rights (e.g. when reporting power theft, vandalism, etc.) or in situations involving an imminent threat to life or property. The Cooperative may disclose information to commercial and consumer credit reporting agencies for credit-related activities (e.g., the reporting of bad debts). The Cooperative will take reasonable steps to limit the scope and consequences of any of these disclosures.

Breach Notice Practice

The Cooperative will implement reasonable administrative, technical, and physical safeguards to protect PII from unauthorized access, destruction, use, modification or disclosure. If the Cooperative should discover or be informed of a breach, it will make an effort to secure the breached data. If required by RCW 19.255 because the breach is reasonably likely to subject the member to a risk of harm, the Cooperative will provide notification to all affected customers. The Cooperative will keep members informed about the status of their information security as updates are made.

Investigation Process and Resolution of Complaints

Any requests for, or disputes relating to, access, correction, or other matters involving release or disclosure of a member's PII or potential or suspected violation of this policy by the Cooperative should be directed to the Cooperative's General Manager

The Cooperative will investigate the complaint and when the results of the investigation are determined, communicate its findings to the member and attempt to resolve the complaint. The complainant may appeal the findings of the investigation to the Cooperative's Governing Board for further review and resolution. If the investigation or review of the complaint finds a possible breach of this policy by a third party, and the Cooperative will work with the member in an effort to resolve the complaint;

RESPONSIBILITY:

All Cooperative employees, Directors, third party contractors/subcontractors, vendors, and/or contract personnel with access to the Cooperative's information systems and data.

PROCEDURE:

As outlined in the above written policy.

SOURCE: Adopted by Board Resolution – September 21, 2016

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

This Confidentiality Agreement (“Agreement”) effective as of the date it is executed by both Parties (the “Effective Date”), is made between _____, (“Contractor”), on behalf of itself and _____ Electric Cooperative (“_____”).

For purposes of this Agreement, “Confidential Information” shall include “proprietary customer information” as that term is used in RCW 19.29A.100-120, and “_____’s” customer, employee, or vendor information, all technical and business information or material that has or could have commercial value or other interest in the business or prospective business of “_____”, and all information and material provided by “_____”, excluding: (i) information which was in the public domain at the time of disclosure; (ii) information which came into the possession of Contractor other than by disclosure by “_____” or by reason of Contractor’s agreements with “_____” and without any obligation to maintain its confidentiality; or (iii) information which, although originally confidential, subsequently becomes part of the public domain other than through a breach of an obligation of confidentiality under this Agreement. Confidential Information also includes all information of which unauthorized disclosure could be detrimental to the interests of “_____” or its customers, whether or not such information is identified as Confidential Information. For purposes of this Agreement, “Contractor” shall include all employees, consultants, advisors and subcontractors of Contractor (its “Representatives”).

This Agreement is intended to be an integral part of any existing or future agreement between “_____” and Contractor. Notwithstanding any provision in any other agreements between Contractor and “_____”, Contractor hereby agrees as follows:

1. Contractor is aware that independent of this agreement it is obligated to comply with the requirements of RCW 19.29A.100-120 and agrees to refrain from using or disclosing “proprietary customer information” of “_____” members and will otherwise at all times comply with RCW 19.29A.100-.120 and other applicable laws. In addition, Contractor will comply with “_____’s” Privacy Policy regarding proprietary customer information as it may be amended from time to time.
2. Contractor and its Representatives shall use the Confidential Information solely for the purposes directly related to the business set forth in Contractor’s agreements with “_____” and shall not in any way use the Confidential Information to the detriment of “_____”. Nothing in this Agreement shall be construed as granting any rights to Contractor, by license or otherwise, to any “_____” Confidential Information.
3. Contractor agrees to obtain and utilize such Confidential Information provided by “_____” solely for the purposes described above, and to otherwise hold such information confidential pursuant to the terms of this Agreement.
4. In the event third parties attempt to obtain the Confidential Information by legal process, the Contractor agrees that it will not release or disclose any Confidential Information until

“ _____ ” has notice of the legal process and has been given reasonable opportunity to contest such release of information and/or to assert the confidentiality privilege.

5. Upon demand by “ _____ ”, all information, including written notes, photographs, memoranda, or notes taken by Contractor that is Confidential Information shall be returned to “ _____ ”.
6. Confidential Information shall not be disclosed to any third party or used for commercial purposes other than authorized by the agreements between “ _____ ” and Contractor without prior written consent of “ _____ ”.
7. It is understood that Contractor shall have no obligation with respect to any information known by it, or generally known within the industry, prior to the date of this Agreement, or that becomes common knowledge with the industry thereafter.
8. Contractor acknowledges that any disclosure of Confidential Information will cause irreparable harm to the “ _____ ”, and agrees to exercise the highest degree of care in safeguarding Confidential Information against loss, theft, or other inadvertent disclosure and agrees generally to take all steps necessary to ensure the maintenance of confidentiality including obligating any of its Representatives who receive Confidential Information to covenants of confidentiality.
9. The obligations set forth in this Agreement will continue for as long as Contractor possesses Confidential Information. If Contractor fails to abide by this Agreement, “ _____ ” will be entitled to specific performance, including immediate issuance of a temporary restraining order or preliminary injunction enforcing this Agreement, and to judgment for damages caused by the Contractor’s breach, and to any other remedies provided by applicable law. Any breach of this Agreement shall constitute a default in performance by Contractor in any contract between “ _____ ” and Contractor. If any suit or action is filed by “ _____ ” to enforce this Agreement, or otherwise with respect to the subject matter of this Agreement, the prevailing party shall be entitled to recover reasonable attorney fees incurred in the preparation or in prosecution or defense of such suit or action as affixed by the trial court, and if any appeal is taken from the decision of the trial court, reasonable attorney fees as affixed by the appellate court. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

<p>CLEARWATER POWER COMPANY</p> <p>_____</p> <p>By: _____</p> <p>Its: _____</p> <p>Dated: _____</p>	<p>_____</p> <p>_____</p> <p>By: _____</p> <p>Its: _____</p> <p>Dated: _____</p>
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CUSTOMER AUTHORIZATION TO RELEASE INFORMATION

I, _____, am a member of (Named Utility). My account and contact information is as follows:

Customer Information:

Account Number: _____

Name on Account: _____

Service Address: _____

Phone Number: _____

Email Address: _____ (if applicable)

I hereby authorize (Named Utility) to release the personally identifying information (PII) listed below to the third party identified below:

Describe the type of data to be released (e.g. usage or payment history, configuration of service, account of other identifying numbers, etc., etc.) and the period in which the data covers (e.g. from January, 201__ through December, 201__) is further described below:

Name of Recipient/Business: _____

Address: _____

Phone Number: _____

Manner in which data should be provided (mail, email, pick up): _____

Date(s) in which this release is in effect: _____

I agree to release and hold harmless (Named Utility) from any liability, claims, demands, causes of action, damages or expenses resulting from: 1) any release of information to the recipient noted above; 2) the unauthorized use of this information or data; and 3) from any actions taken by the recipient with respect to such information or data.

Account Holder Signature: _____

Date: _____

INVESTIGATION PROCESS – RELEASE OF CUSTOMER INFORMATION:

Any member shall have the right to request that the Cooperative investigate and to seek to resolve complaints by the member that private or proprietary information (PII) may have been sold by the utility or disclosed by the Cooperative for the purpose of marketing services or product offerings. Pursuant to RCW 19.29A.100(1) the Cooperative will investigate and attempt to resolve complaints by a member whose private or proprietary information may have been sold or disclosed for the purposes of marketing services or product offerings in violation of RCW 19.29.100. A Member shall utilize the following steps to exercise their rights under this Investigation process:

1. The member shall deliver to the Cooperative a written request to investigate an improper release of PII by personal delivery or by U.S. mail or by private delivery service, or by e-mail.
2. The request to investigate must contain a short, plain statement of both the issue or decision to be reviewed, the relief requested by the member, and the appropriate member contact information for purposes of communications with the member.
3. Upon receipt of a request to investigate an improper release, the member will be contacted by the General Manager or an employee designated by the General Manager and an informal conference will be held. The General Manager, or the employee designated by the General Manager, shall investigate the complaint and offer to schedule the informal conference by telephone, or in person, at the discretion of the utility, no later than 5 business days after the Cooperative's receipt of the Complaint or request to investigate.
4. If the issue is resolved to the satisfaction of the member at the informal conference, the Complaint/Investigation process is concluded.
5. If the Complaint remains unresolved after the investigation and informal conference, the member may request in writing to present any unresolved issues and any request for additional action by the Cooperative to the governing body of the Cooperative. The governing body may in its discretion agree to meet with the member, but in any case shall provide the member with a written response to the member's request for additional action. If the situation remains unresolved after the governing body's written response, the investigation process is concluded. The member will be considered to have received the written determination of the Cooperative's governing body 3 business days after the date of postage, or on the same date if sent via e-mail or hand delivered.
6. Provided, nothing in this Policy is intended to require a member to request that the Cooperative investigate an improper release or use of PII by a third party prior to exercising any applicable legal remedies against the third party. Nor is it intended that the decision of the governing body on the member's complaint shall prejudice any other remedy available to the member at law or in equity.

Non-Disclosure Agreement Checklist

The General Manager or an employee designated by the General Manager shall review the below checklist of member PII to be released as part of any vendor or other third party agreement to determine that the release of each category of Data is necessary to accomplish the business objective of the agreement.

1. _____ Names
2. _____ Street addresses
3. _____ Telephone numbers
4. _____ Email addresses
5. _____ Social Security or Unified Business Identifier (UBI) numbers
6. _____ Utility account number, credit card numbers, bank account numbers, etc.
7. _____ Account balances
8. _____ Any information received during the identity and customer credit worthiness process
9. _____ Identity information provided on a driver's license, passport, etc.
10. _____ Meter interval/electricity use data.

A non-disclosure agreement is required with the contract.

By _____ / _____

Title _____