

Energy Smart Florida Ensuring Customer Privacy

The information technologies that have done so much to improve how we live and work are now being applied to improving the nation's electric infrastructure. Through its Energy Smart Florida initiative, FPL is investing in advanced smart grid technologies to help keep service reliability high over the long term and give customers more information to better manage their energy use and monthly bills.

FPL's top priority is delivering electric service reliably and safely. For years, we have implemented policies and procedures to protect our networks and customer information. This is equally true of our investments in a smarter electric grid. Enhanced information and data exchange are at the core of this initiative, and that is why we have engineered strong privacy protections into our smart grid technologies. In fact, FPL's information privacy standards are more stringent than current industry standards.

The information we collect: Customers provide us with information when they open an account, participate in an FPL program or use a service we provide. We use this customer data primarily to administer their accounts, manage the efficient operation of the electric grid, provide customers with current and new services, and for other business purposes. The core information we collect includes:

- » Customer's name, service and mailing address, phone and email addresses, and Social Security number
- » Billing-related information including payment history, electric usage data and the customer's power outage history

FPL's smart grid initiative, which includes the installation of 4.5 million smart meters, is enabling us to provide customers with additional services and give them more control over their energy use. The smart meter collects the customer's energy use data, encrypts (codes) it to ensure privacy and transmits it to FPL via a secure wireless network.



FPL has engineered strong privacy protection measures – including advanced encryption (coding) technologies – into its smart grid system to safeguard the privacy of customer data.

Energy Smart Florida

FPL is investing in smart grid technologies as part of our commitment to building a stronger, smarter, cleaner and more efficient electric infrastructure. Smart grid technologies will help customers better manage their monthly bills and help FPL keep service reliability high.

www.EnergySmartFlorida.com

FPL's Stance on Privacy:

"At FPL, we're not only obligated by law to protect and safeguard customer data, we consider it a top priority. Looking to other industries as a guide, we will ensure appropriate cyber protections are in place to prevent unauthorized individuals from gaining access to customer data, we will be transparent in how data are used by FPL, and we will continue to honor consumers' rights to control how data are shared."

– *Phil Slack, senior manager, enterprise architecture, FPL*

Guided by Other Industries:

"Even privacy issues that seem distinct to the smart grid actually have parallels in ... just about any system that's been digitized, from medical records to electronic mail, we have plenty of experience..."

– *John Timmer, Writer, ars technica, and Faculty, Cornell University*



Customers can conveniently access FPL's Business Energy Manager and see information about their energy usage. They can use this data to actively control their electricity use and save on their monthly bills if they so choose.

Protecting customer privacy is paramount:

Some customers have told us that they have received factually inaccurate information from third-party sources regarding smart meters and the privacy of customer information. Our "defense-in-depth" approach safeguards this data:

- » No customer-identifying information – such as names and addresses – is stored in the meters or transmitted across the network.
- » Customers' electricity use data is encrypted (coded) – using the same methods as Internet banking and ATM machines – before it is transferred across our secure smart grid network.
- » The data we collect is used to manage our customers' accounts. FPL does not "monitor" how customers use energy. The smart meter does not store or transmit any information about who customers are, where they live or what they're doing. In addition, the smart meter does not record how customers use electricity or what appliances they use.

Working with top experts:

In addition to performing our own comprehensive research and evaluation, FPL engages third-party experts to conduct tests and analyses to validate that communications, systems and processes operate securely.

For example, we seek out the top experts in the world to apply best practices from other industries—including telecommunications, banking and e-commerce – and apply them to smart grid management. FPL works closely with strategic partners such as Cisco Systems and GE to employ the best practices they have developed in securing other critical infrastructures. We have also worked with the Federal Energy Regulatory Commission, National Institute of

Standards and Technology (NIST), Edison Electric Institute, and the Utilities Communications Association International Users Group to ensure that strong data privacy measures are part of our smart meter deployment.

Nationally, the electric utility industry has made consumer privacy a top priority. Because privacy rules vary from state to state, the NIST is developing privacy guidelines for the utility industry, using the Generally Accepted Privacy Principles (GAPP) as a guide.

Our approach:

These principles guide FPL's smart grid privacy practices:

- » **It is our obligation to safeguard customer data.**
We take this obligation seriously and employ safeguards that are stricter than current industry standards. Our approach incorporates multiple layers of defense across the entire system to assure the protection of our networks and customer data.
- » **Customers are in control:** FPL acts as a responsible custodian of the customer data we collect. We support and comply with Florida laws that bar third-party access to individual customer data unless it is necessary for the legitimate business needs of the utility, the customer explicitly requests or approves the sharing of their data, or it is required by law.
- » **We are transparent:** FPL is transparent with customers about our Privacy Policy and how it protects their personal information. (See http://www.fpl.com/contents/privacy_policy.shtml)

For More Information:

- » U.S. Department of Energy, "Data Access & Privacy Issues Related to Smart Grid Technologies," October 5, 2010
http://www.gc.energy.gov/documents/Broadband_Report_Data_Privacy_10_5.pdf

Florida Power & Light Company

- » Florida Power & Light Company is the largest electric utility in Florida and one of the largest rate-regulated utilities in the United States. FPL serves approximately 4.5 million customer accounts in Florida and is a leading employer in the state with more than 10,000 employees. The company consistently outperforms national averages for service reliability while customer bills are below the national average. A clean energy leader, FPL has one of the lowest emissions profiles and one of the leading energy efficiency programs among utilities nationwide. FPL is a subsidiary of Juno Beach, Fla.-based NextEra Energy, Inc. (NYSE: NEE). For more information, visit **FPL.com**.

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