D.P.U. 19-07

Technical Issues Related to Eliminating the Customer Account Number Requirement in the Competitive Supplier Enrollment Process

January 7, 2021

Agenda

- Policy Concerns

- Enrollment Process

- Alternative Forms of Verification

- Proposals

- Concerns

Policy Concerns With Eliminating the Customer Account Number Requirement

- The Companies are opposed to eliminating the Customer Account Number because it:

  - (1) will almost certainly result in increased unauthorized enrollments;

  - (2) would require costly utility billing system upgrades and additional administrative and overhead costs; and

  - (3) will produce questionable benefits that would be outweighed by harm to customers.

  - (4) data security concerns with maintaining customers' personal identifying information

Customer Account Number and Supplier Enrollment Process

- The customer account number is a vital identifying marker used by the Electric Distribution Companies and LDCs to personally identify a specific customer.

  - Certain LDCs utilize PODID and meter number to verify a customer location in enrollments, drops and exchanges, which serve similar functions to the account number

- All competitive supplier enrollments, drops, and changes using the EDI process hinge on the use of the Customer's Account Number, Name Key and other information on the requested action (enrollment, drop, or change).

- The Account Number is *the single most* crucial data input as it is unique to each customer and acts as both a check in the IT system and an indicator that the customer at issue is making the affirmative and considered choice to enroll with a competitive supplier

- Every EDI transaction must have the Account Number and Name Key.

- The Customer Account number is a unique identifier that can be safely transmitted using the EDI process and used easily to validate a competitive supplier enrollment process.

- Transmitting other unique identifiers, including social security numbers, credit card or bank information or other data, present concerns about customer privacy and creates opportunities for bad actors to target the EDCs' and LDCs' customers.

Alternative Forms of Verification are Inadequate

Using alternate forms of verification such as a customer's street address, last four digits of social security number (SSN), phone number, and birthday are inadequate.

▶ **Street address** – The service address is not specific enough and this data element is too readily available and doesn't identify the applicant as the customer of record. This would also require development changes in the EDI process.

▶ **Last 4 of SSN** - This data element may not be on file for every customer and is not sufficiently unique (possibility that last 4 of SSN overlap with other individuals).

▶ **Phone number** – The Companies do not always have an up-to-date phone number and may have a different number on file. Customers may not keep this up to date.

▶ **Birthday** – Certain companies do not have birthdays on file; for those who do, billing systems cannot do a search by birthday and this data element may not consistently available for every customer. Nor is a birth date private or unique.

Alternative Methods of Verification are Inadequate

- Using two forms of ID
  - Only useful if they match the information on record and if all companies collect the same information.
  - Consistent data points may not exist for every customer across companies.
  - Would require EDI changes
- MA license number –
  - The Companies may not have license information on file and not every customer has a license.
- Full SSN –
  - Not all customers agree to the companies' maintaining this information on file. Presents security and compliance concerns.
- A match of three of the following, customer's full name, PODID, Meter Number, and Account Number, would produce a better result and is consistent information maintained by all companies.

Alternative Forms of Verification are Inadequate (Continued)

- Alternative forms of verification will result in additional complications and security risks.
- Additional levels of security and compliance will be needed to protect customers' sensitive information.
  - Red Flag Act and Federal Privacy Laws
- Many of the alternative forms of verification are not unique or are publicly available
- Using inadequately private or unique information presents an increased risk of "slamming"

Evaluation of Proposals

- To eliminate the barrier of using an account number, one option may be for customers to retrieve their account number with a mobile application or through website.
    - Less costly than other options and does not require adjustments to current process
    - Allows for on-the-go access of account number
    - Companies do have different levels of online adoption

- Change EDI to use something other than account number as primary key on enrollments
    - Costly and time consuming (EBT working group changes are time consuming and difficult to develop)
    - Potential for mismatched information on new identifiers, such as typos (e.g., Johnson v Jonson, Ash St. v Ashe St., etc.)
    - LDCs may have different reliability/consistency with other identifying information available.
    - High probability of increase in rejected transactions for inaccurate data

- Web portal whereby customers can look up account number using other personal information, i.e., enter last 4 of social and address into website lookup, website returns back account number or necessary identifier for use in EDI enrollment. Leverage two-factor authentication to increase security.
    - Example – Customer provides Supplier Representative with last 4 of social, last name, and cell phone number or email. Supplier visits website, chooses correct utility, and enters information provided by customer. Customer receives automated email or text message with link to click to authenticate. Customer receives back account number via email or text message to provide to Supplier rep for enrollment.
    - Costly and time consuming, with unknown benefits
    - Potentially outsourced to 3rd party vendor for single interface for Suppliers and Companies

Concerns

- **<u>Cost</u>** - Depending on the method, supporting implementation would require system modification to the current EDI system.
  - Additionally, mobile applications or website access are already an option to obtain the billing account number, PODID and Meter Number which are the keys to enrollment today for EDCs and LDCs
  - Significant rebuilds of the Companies' systems could be required
- **<u>Security Issues</u> –** There are security concerns with using personal identifying information and the Companies would have to install data security protocols to encrypt to secure data being exchanged. Security concerns related to use of third-party portal as well
- **<u>Cybersecurity</u>** – Encryption would be required to protect the sensitive data from being exposed, increased compliance obligations depending on nature of personal information selected

Thank you