

INFORMATION ITEM:

Revised Recognition Statement: Smart Grid Privacy Principles

Background:

On April 19th, the Ontario Information and Privacy Commissioner presented to the Ontario Smart Grid Forum. Following this presentation, there was discussion of potential recognition of the seven privacy principles which are contained in Appendix 'A' of the Ontario Information and Privacy Commissioner's smart grid discussion paper entitled, "*SmartPrivacy for the Smart Grid: Embedding Privacy into the Design of Electricity Conservation November 2009*". These principles are provided in **Appendix 'A'** of this document.

A draft recognition statement was discussed at the May 17th meeting of the Forum (see also, minutes of the May 17th meeting) and further amendments were proposed. A revised recognition statement is now provided below.

Revised recognition statement (revised following May 17th meeting):

"The Ontario Smart Grid Forum recognizes that the 7 Privacy by Design Foundational Principles developed by the Ontario Information and Privacy Commissioner provide valuable guidance with respect to compliance with applicable privacy laws, protecting Ontario Consumers and should be considered as recommended best practice in the implementation of the Smart Grid in the province of Ontario."

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APPENDIX 'A'

7 Privacy by Design Foundational Principles

Source: Ontario Information and Privacy Commissioner, “*SmartPrivacy for the Smart Grid: Embedding Privacy into the Design of Electricity Conservation*, November 2009”

1. *Proactive not Reactive; Preventative not Remedial*

- The *Privacy by Design* approach is characterized by proactive rather than reactive measures. It anticipates and prevents privacy invasive events *before they happen*. *PbD does not wait for* privacy risks to materialize, nor does it offer remedies for resolving privacy infractions once they have occurred – it aims to *prevent them from occurring*. In short, *Privacy by Design comes before-the-fact*, not after.

2. Privacy as the *Default*

- We can all be certain of one thing – the default rules! *Privacy by Design seeks to deliver the maximum degree of privacy* by ensuring that personal data are automatically protected in any given IT system or business practice. If an individual does nothing, their privacy still remains intact. No action is required on the part of the individual to protect their privacy – it is built into the system, *by default*.

3. Privacy *Embedded into Design*

- *Privacy by Design is embedded into the design and architecture of IT systems and business practices*. It is not bolted on as an add-on, after the fact. The result is that privacy becomes an essential component of the core functionality being delivered. Privacy is integral to the system, without diminishing functionality.

4. Full Functionality – Positive-Sum, not Zero-Sum

- *Privacy by Design seeks to accommodate all legitimate interests and objectives in a positive-sum “win-win” manner*, not through a dated, zero-sum approach, where unnecessary trade-offs are made. *Privacy by Design avoids the pretense of false dichotomies, such as privacy vs. security*, demonstrating that it ***is possible to have both***.

5. End-to-End Lifecycle Protection

- *Privacy by Design, having been embedded into the system prior to the first element of information* being collected, extends throughout the entire lifecycle of the data involved, from start to finish. This ensures that at the end of the process, all data are

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securely destroyed, in a timely fashion. Thus, *Privacy by Design ensures cradle to grave, lifecycle management of information, end-to-end.*

6. Visibility and Transparency

- *Privacy by Design seeks to assure all stakeholders that whatever the business practice or technology involved, it is in fact, operating according to the stated promises and objectives, subject to independent verification. Its component parts and operations remain visible and transparent, to users and providers alike. Remember, trust but verify.*

7. Respect for User Privacy

- *Above all, Privacy by Design requires architects and operators to keep the interests of the individual uppermost by offering such measures as strong privacy defaults, appropriate notice, and empowering user-friendly options.*