

Exhibit to Agenda Item #1B

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, January 16, 2019, scheduled to begin at 5:30 p.m.
Customer Service Center, Rubicon Room

SD-16 Information Management and Security

Proper management of cyber and physical information, as well as physical security, is a core value. Robust information management and physical security practices are critical to effective risk management and to ensure regulatory compliance, business resiliency and customer satisfaction. SMUD shall take prudent and reasonable measures to accomplish the following:

a) **Information Security:** SMUD will protect customer, employee and third party information, and SMUD information systems are protected from unauthorized access, use, disclosure, disruption, modification, or destruction.

Comments:

'and SMUD information systems are protected from' is 'are protected' duplicative? BR

This is a little cumbersome... GF

b) **Physical Security:** SMUD will safeguard its employees while at work as well as customers and visitors at SMUD facilities. SMUD will also protect its facilities and functions that support the reliability of the electric system and overall operation of the organization from unauthorized access or disruption of business operations.

Comments:

Should we include training in this? BR

c) Customer Privacy: SMUD will annually notify customers about the collection, use and dissemination of sensitive and confidential customer information. Except as provided by law or for a business purpose, SMUD will not disseminate sensitive and confidential customer information to a third party for non-SMUD business purposes unless the customer first consents to the release of the information. Where sensitive and confidential information is disseminated for a business purpose, SMUD will ensure: (i) the third party has robust information practices to protect the sensitive and confidential customer information, and (ii) use of the information by the third party is limited to SMUD's business purpose. SMUD will maintain a process that identifies the business purposes for which SMUD will collect, use and disseminate sensitive and confidential customer information. d) Records Management: SMUD will maintain the efficient and systematic control of the creation, capture, identification, receipt, maintenance, use, disposition, and destruction of SMUD records, in accordance with legal requirements and Board policies.

Comment:

No changes were suggested.