



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

**NERC CONFIDENTIALITY AGREEMENT
FOR
NERC RESOURCES SUBCOMMITTEE MEMBERS**

This Confidentiality Agreement (“Agreement”), dated _____, is between the North American Electric Reliability Corporation (“NERC”), and

_____, a member of the NERC Resources Subcommittee (“RS Member”) (collectively referred to as “Parties”).

WHEREAS, NERC Compliance Monitoring and Enforcement Program collects, reviews, evaluates, and determines if the control performance data is acceptable or in violation of NERC reliability standards’ requirements; and

WHEREAS, NERC Resources Subcommittee, in accordance with the Resources Subcommittee Charter, is the NERC technical resource to support resolution of balancing resources and demand issues and interconnection frequency related issues by providing industry leadership and guidance on matters relating to balancing resources and demand issues and interconnection frequency related issues; reviewing balancing authorities’ control performance on a periodic basis; and addressing technical issues on Automatic Generation Control (AGC), Time Error Correction, Operating Reserves, and Frequency Response; and

WHEREAS, NERC staff and software vendors have established computer applications to collect, tabulate, and carry out the collection and analysis process for both the Compliance Monitoring and Enforcement Program and the NERC Resources Subcommittee; and

WHEREAS, in order for the Resources Subcommittee to fulfill its charter, it is necessary for the Resources Subcommittee Members to have access to confidential control performance data and information from operating entities within NERC, and to be able to conduct open and unconstrained discussions among team members,

The Parties therefore agree as follows:

1. The term “Control Performance Data” means all data and information that the operating entities within NERC regions have furnished or are furnishing to NERC in connection with the operating entities’ operations within the Bulk Power System, whether furnished before or after the date of this Agreement, whether tangible or intangible, and in whatever form or medium provided (including, without limitation, oral communications), as well as all information generated by the Compliance Monitoring and Enforcement Program.

2. The RS Member understands and agrees that the Control Performance Data is being made available solely for purposes of the work of the Resources Subcommittee and that the Control Performance Data shall not be used in any manner to further the commercial interests of any person or entity. The RS Member further understands and agrees that he or she will not disclose Control Performance Data to any person who has not signed this Agreement except:

- a. as such disclosure may be required by law or judicial or regulatory order;
- b. in accordance with paragraph 5; or
- c. that a RS Member who is NERC or Regional Entity staff member may make Control Performance Data available to the NERC or regional compliance program.

3. If the RS Member's employing organization has signed the NERC Confidentiality Agreement for Operating Reliability Data ("NERC ORD Agreement"), paragraph 2 shall not be deemed to prohibit RS Member from disclosing Control Performance Data to other employees of that organization, but only to the extent that "operating reliability" as defined in the NERC ORD Agreement is shared within the organization.

4. The Parties expressly agree that Control Performance Data shall otherwise only be disclosed through official releases and reports as authorized by NERC.

5. It shall not be a violation of this Agreement for the RS Member to discuss a specific balancing authority's Control Performance Data with the specific balancing authority staff with the intent to improve the specific balancing authority's Control Performance.

6. This Agreement shall be for the sole benefit of the parties hereto. This Agreement may be modified or waived only by a separate writing signed by the Parties. If any clause or provision of this Agreement is illegal, or unenforceable, then it is the intention of the Parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the Parties that in lieu of each clause or provision that is illegal, invalid or unenforceable, there be added as part of this Agreement a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable. This Agreement will be governed and construed in accordance with the laws of the State of New Jersey, except for any choice of law requirement that otherwise may apply the law from another jurisdiction.

This Agreement shall have a term of five (5) years from the date hereof.

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION

By: _____

Printed: _____

Title: _____

NERC RESOURCES SUBCOMMITTEE MEMBER

Signed: _____

Printed: _____