

TEXAS REGIONAL ENTITY CORPORATE POLICY

Document Name:	Confidentiality and Information Classification Corporate Policy
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Owner:	Director, Legal Affairs
Governs:	Texas RE Personnel
Approved:	Larry Grimm, Chief Compliance Officer

I. Purpose

The purpose of this corporate policy is to require Texas RE Personnel to use due care to maintain the confidentiality of all Confidential Information and assist Texas RE Personnel in determining the relative sensitivity of Information.

II. Requirements

- A. Texas RE Personnel shall maintain the confidentiality of all Confidential Information and shall only copy, disclose, and distribute Confidential Information to Texas RE Personnel who have signed Texas RE Ethics Agreements, except as required by NERC, FERC, or as otherwise by law.
- B. Texas RE Personnel shall appropriately Mark Texas RE Information as it is created. Information Custodians shall ensure that Information is appropriately Marked, in accordance with the Information classifications listed below.
- C. When feasible, tangible Information should be marked on the bottom right-hand corner.
- D. As required by Section 1500 of the NROP, any Submitting Party shall Mark as "Confidential" any Information that it submits to Texas RE that it reasonably believes contains Confidential Information, indicating the category or categories in which the Confidential Information falls. If applicable, the Submitting Party shall indicate any prohibition on disclosure due to any PUCT or FERC-approved rule or any state or federal law and shall provide supporting references and details on such prohibition.
- E. Upon request for and prior to any disclosure of Information Marked "Confidential" by a Submitting Party, Texas RE Personnel must comply with the requirements of the Information Request Corporate Procedure.
- F. If a Submitting Party determines that Information for which it had sought confidential treatment no longer qualifies for that treatment, the Submitting Party shall promptly notify Texas RE, in accordance with Section 1500 of NROP.
- G. Texas RE Personnel must return any Texas RE Confidential Information to Texas RE., prior to termination of employment or engagement.
- H. Texas RE is permitted to disclose the following:

1. Confirmed Reliability Standards Violations – Texas RE may disclose a violation at or after the point:
 - (a) the matter is filed with FERC as a notice of penalty, or
 - (b) the alleged violator and Texas RE or NERC reach a settlement regarding the violation.
2. Compliance Information – Texas RE and NERC are permitted to exchange Confidential Information related to evaluations, audits, and investigations in furtherance of the compliance and enforcement program, on condition that they continue to maintain the confidentiality of such Information.
3. ERCOT Protocol or Operating Guide Violations – Texas RE may disclose any material occurrence of non-compliance to the PUCT staff if Texas RE is required or authorized to notify the PUCT staff under the PUCT-approved “Compliance Process” or any PUCT rule.

III. Classification of Information

- A. Texas RE Information and Information entrusted to Texas RE falls within one of three sensitivity classifications. The three sensitivity classifications are **Public**, **Limited**, and **Confidential**, as follows:
 1. **Public:** Information officially released for widespread public disclosure, either by requirement or as the result of a Texas RE management decision. Texas RE Personnel shall give careful consideration before classifying Information as Public or releasing Information outside of Texas RE.
 2. **Limited:** Information intended for internal use within Texas RE. Release of this Information represents a minimal risk to Texas RE or others entrusting Information to Texas RE.
 3. **Confidential:** Information that is or contains Confidential Information.
- B. Information is classified according to its most sensitive details.
- C. The default classification for any Information that is not Marked is **Limited**. Any Information posted on the Internet (except if posted in a secured and restricted manner) will automatically be classified as **Public** and does not need to be Marked. Care should be taken prior to posting any Information on the Internet.

IV. Roles and Accountabilities

- A. All Texas RE Personnel are responsible for carefully maintaining the confidentiality of Confidential Information, and Information Custodians are responsible for ensuring that all tangible Texas RE Information is appropriately Marked.
- B. The Information Custodian is responsible for ensuring the proper classification measures, as determined by the Information Owner, are enforced, according to this Information Classification Corporate Policy and supporting procedures.
- C. Texas RE Personnel shall report violations of this policy to Texas RE Legal.
- D. Any person engaged in NERC or Regional Entity activities under Section 15 of the Federal Power Act who violates this Corporate Policy may lose access to

Confidential Information on a temporary or permanent basis and may be subject to legal action.

- E. Any Texas RE Personnel who violate this Corporate Policy will be subject to adverse personnel action, up to and including termination and legal action.
- F. The Director, Legal Affairs is responsible for updating this Corporate Policy.
- G. The Records Coordinator, in coordination with the Director, Legal Affairs, is responsible for providing education and training for Texas RE staff regarding Information Classification.