CONFIDENTIAL INFORMATION CORPORATE POLICY

I. Purpose

The purpose of this corporate policy is to describe the requirements for classifying and labeling information, and protecting Confidential Information.

II. Classifying and Labeling Information

A. Texas RE Personnel shall classify and label information as Confidential, Internal, or Public when the information is created or received. Information shall be classified according to its most sensitive details.

B. Classify and label information as described below:

1. Confidential – Information for which inadvertent access or disclosure could have medium to severe legal, regulatory, operational, security, financial or other such repercussions for Texas RE or a submitting party, including but not limited to the following:

   (a) Confidential business and market information related to a registered entity, market participant, or Texas RE that is proprietary or competitively sensitive;

   (b) Critical Energy Infrastructure Information (specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure that (i) relates details about the production, generation, transportation, transmission, or distribution of energy; (ii) could be useful to a person planning an attack on critical infrastructure; and (iii) does not simply give its location);

   (c) Critical Electric Infrastructure Information (information related to a system or asset of the bulk power system, the incapacity or destruction of which would negatively affect national security, economic security, public health or safety);

   (d) Personnel information that identifies or could be used to identify a specific individual, or reveals personnel, financial, medical, or other personal information;

   (e) Workpapers, including any records produced for or created in the course of an evaluation or audit;
(f) Investigative files, including any records produced for or created in the course of an investigation; or

(g) Cyber Security Incident Information.

Information that is Confidential must be labeled “CONFIDENTIAL” in all capital letters in the upper right corner of the document.

2. **Internal** – Information intended for internal use within Texas RE. Information that is Internal must be labeled “Internal” in the bottom right corner of the document.

3. **Public** – Information that is not Confidential Information or Internal Information and may be officially released for public disclosure. Information that is Public need not be labeled “Public.”

C. A submitting party shall mark any information that it reasonably believes to contain Confidential Information as “CONFIDENTIAL” prior to submitting it to Texas RE. This mark must clearly indicate the category the Confidential Information falls into, as outlined in NERC ROP Section 1500. If applicable, the submitting party shall indicate any prohibition on disclosure due to any FERC or PUCT-approved rule or any state or federal law, and must provide supporting references and details on such prohibition.

D. If a submitting party determines that information for which it had sought confidential treatment no longer qualifies for such treatment, the submitting party shall promptly notify Texas RE, in accordance with NERC ROP Section 1500.

III. **Protecting Confidential Information**

A. Upon hire and annually thereafter, Texas RE employees and Board members shall sign an Ethics Agreement promising to maintain the confidentiality of Confidential Information. Prior to providing such individuals access to Confidential Information, the Assistant General Counsel must verify that this requirement has been met. The Assistant General Counsel also shall maintain copies of signed Ethics Agreements, and provide annual training on ethics and confidentiality to Texas RE employees and Board members. Those unable to attend the annual training must certify in writing that they have reviewed the training materials.

B. When requesting a contract for a contract worker or vendor, Texas RE employees must inform the Legal Department whether and to what extent the contract worker or vendor may need access to Confidential Information. Prior to being provided access to Confidential Information, the Legal Department must verify that the contract worker or vendor has signed an Ethics Agreement or has otherwise agreed in writing to maintain the confidentiality of Confidential Information.

C. Texas RE Personnel and Board members shall maintain the confidentiality of all Confidential Information and shall only disclose, copy, or distribute Confidential Information to:

1. Representatives of an entity submitting such Confidential Information to Texas RE;
2. Texas RE Personnel and Board members who have signed Ethics Agreements (which include nondisclosure provisions);

3. Texas RE contract workers and vendors approved to have access to Confidential Information by the Legal Department;

4. Other individuals or entities as allowed or required by law, including, but not limited to, NERC and FERC, in accordance with NERC ROP Section 1500; and

5. For Confidential Information obtained or prepared by the Texas Reliability Monitor staff, to the Public Utility Commission of Texas.

D. Texas RE Personnel and Board members are permitted to disclose the following:

1. Confirmed Reliability Standards Violations – Texas RE may disclose a violation at or after the point when:
   (a) The matter is filed with FERC as a notice of penalty;
   (b) The registered entity admits the violation; or
   (c) The registered entity and Texas RE or NERC reach a settlement regarding the violation.

2. Compliance Information – Texas RE, other Regional Entities, and NERC are permitted to exchange Confidential Information related to evaluations, audits, and investigations in furtherance of the compliance monitoring and enforcement program, with the condition that they continue to maintain the confidentiality of such information.

3. Other Information – Texas RE may disclose other information in accordance with NERC ROP Section 1500, or as otherwise required by law.

4. ERCOT Protocol or Operating Guide Violations – Texas Reliability Monitor staff may disclose the department’s investigative reports, related information, and any material occurrence of Protocol or Operating Guide noncompliance to the PUCT pursuant to the PUCT contract.

E. Texas RE employees, Board members, and contract workers must return any Confidential Information to Texas RE prior to termination of employment. Texas RE vendors must return Confidential Information to Texas RE in accordance with contract provisions.

IV. Roles and Accountabilities

A. All Texas RE Personnel and Board members are responsible for understanding and complying with this policy.

B. Texas RE Personnel and Board members shall report violations of this policy to the Texas RE Legal Department. Texas RE Personnel who violate this policy may be subject to adverse personnel action, up to and including termination. Anyone who violates this policy may lose access to Confidential Information on a temporary or permanent basis and may be subject to legal action.

C. The General Counsel is responsible for updating this policy.
D. The Assistant General Counsel is responsible for verifying which individuals should have access to Confidential Information, and for providing annual training on ethics and confidentiality to Texas RE employees and Board members.