

March 29, 2011

**VIA CERTIFIED MAIL/
RETURN RECEIPT REQUESTED
AND FACSIMILE TO (512) 225-7079**

Electric Reliability Council of Texas
Attn: Mr. Chad Seely
7620 Metro Center Dr.
Austin, TX 78744

Re: *Demand to Cease Posting Proprietary and Competitively Sensitive Load Data*

Dear Mr. Seely:

This letter is to officially inform you that ERCOT is posting proprietary and competitively sensitive consumption data for individual customers and to demand that you cease posting the reports that contain this information immediately.¹ The information being posted is proprietary and could cause competitive injuries to the members of Texas Industrial Energy Consumers (TIEC). This data is being posted in direct violation of PURA § 39.901, PUC Substantive Rules 25.361(e) and 25.505(E)(iii).

Two reports entitled “State Estimator Load Report – Load by Electrical Bus by Load Zone” and “State Estimator Load Report – Total System Load on Electrical Buses” are currently posting the load on electrical buses that serve individual retail customers in five minute intervals to the MIS Secure Area. The buses and substations are also labeled in the report in a way that clearly reveals the identity of the associated customer.² The information being posted is similar to the information that was redacted for Private Use Networks under NPRR 202, except that it relates to individual industrial loads rather than only Private Use Networks. Through the information contained in these reports, competitors and suppliers of TIEC members can discern competitively sensitive information about a site’s electric consumption in close to real time, and could use that information in a manner that would cause competitive injuries to TIEC members.

¹ TIEC has contacted you and other ERCOT officials previously regarding this matter, and it was also discussed extensively at the 03/24/11 Protocol Revision Subcommittee (PRS) meeting.

² Specific examples of the consumption data of individual customers that is being disclosed through these reports is being provided in a separate confidential communication.

This information is protected from disclosure through P.U.C. Subst. R. 25.361(e), which provides that "ERCOT shall maintain the confidentiality of competitively sensitive information and other protected information," and P.U.C. Subst. R. 25.505(f)(E)(iii), which provides that "In no event shall ERCOT disclose competitively sensitive consumption data." PURA § 39.901 also entitles retail customers "to privacy of consumption and credit information." This matter was discussed at the 03/23/11 State Estimator Redaction Task Force Meeting and the 03/24/11 PRS meeting. At both meetings, stakeholders acknowledged the protected nature of this data and suggested that ERCOT cease posting these reports until they can be modified to remove the proprietary and competitively sensitive customer consumption data.

Based on the foregoing, TIEC hereby demands that you cease posting these two reports immediately. Please certify in writing that you have stopped posting this information by signing this letter and returning it to me. If you do not agree, please contact me immediately so that TIEC can pursue legal remedies.

Sincerely,

ANDREWS KURTH LLP

By: _____

Phillip Oldham

AGREED AND APPROVED as of the date first written above:

ELECTRIC RELIABILITY COUNCIL OF TEXAS

By: _____

Name: _____

Title: _____