

Confidentiality Agreement

**Between the City of Lubbock, acting by and through Lubbock Power and Light
("Lubbock Power & Light" or "LP&L") and Electric Reliability Council of Texas, Inc.
Regarding Disclosure of Certain Protected Materials to Representatives of Lubbock Power and
Light for Purposes of Conducting a Study to Address Issues Identified by the Commission
Concerning a Request to Transition to the ERCOT Region**

WHEREAS, LP&L, a municipally-owned electric utility of the City of Lubbock, is currently connected to the Southwest Power Pool ("SPP") and seeks interconnection with the Electric Reliability Council of Texas, Inc. ("ERCOT") Region as set forth in Public Utility Commission of Texas ("Commission") Project No. 45633; and

WHEREAS, the Commission has directed ERCOT and SPP to complete a joint study of the potential LP&L transition to the ERCOT Region, the scope of which is described in an ERCOT/SPP filing on September 15, 2016 in Project No. 45633; and

WHEREAS, LP&L has stated to the Commission an intent to complete its own study adhering to the same scope as the ERCOT and SPP studies; and

WHEREAS, LP&L intends to initiate a proceeding at the Commission to occur in the second half of 2017 seeking a finding from the Commission that its transition from SPP to the ERCOT Region is in the public interest (herein, the "Transition Case"), with the aforementioned studies being a key component of the evidence in the Transition Case; and

WHEREAS, ERCOT will utilize generating unit-specific data in the UPLAN model in completing its own study; and

WHEREAS, as an entity that is currently not an ERCOT Transmission Service Provider ("TSP"), LP&L's consultants DNV-GL require, but do not have access to, generating unit-specific data utilized by ERCOT; and

WHEREAS, ERCOT and LP&L seek to make such information available only to persons who are outside counsel for LP&L, or outside consultants for LP&L working under the direction of LP&L's outside counsel (collectively, "LP&L Reviewing Representatives") to prepare a study to be presented in the Transition Case;

NOW, THEREFORE, LP&L and ERCOT agree that LP&L Reviewing Representatives shall be permitted access to the requested information ("Protected Materials") under the following conditions:

- I. **Definition of Protected Materials.** Subject to the terms of this agreement, Protected Materials shall include:
 - a. UPlan model input data utilized by ERCOT to perform the LP&L study including the following information:
 - i. All existing and planned generators in UPLAN models, including the unit statuses in each of the study years (operating, retired, mothballed, etc.);
 - ii. Generator attributes used in economic analyses;
 - iii. Any other generator or transmission specific information used in economic analyses and/or the UPlan model; and
 - b. Any information derived from Protected Materials that directly or indirectly reveals generator- or transmission-specific information.
- II. **Persons Permitted Access to Protected Materials.** The only individuals who may access Protected Materials on behalf of LP&L are LP&L Reviewing Representatives who have signed the Confidentiality Agreement Certification (*see* Attachment A). LP&L Reviewing Representatives are limited to LP&L's outside counsel (including their staff) who are directly engaged in the Transition Case, Commission Project No. 45633, or preparations for the Transition Case and LP&L's outside consultants (including their staff) who are working under the direction of LP&L's outside counsel and who are directly engaged in the Transition Case, Commission Project No. 45633, or preparations for the Transition Case. Individuals who are officers or employees of LP&L shall not have access to Protected Materials.
- III. **Restrictions on Copying and Inspection of Protected Materials.** Except as expressly provided herein, only one printed copy may be made of any Protected Materials except that additional copies may be made, subject to the requirement that LP&L Reviewing Representatives notify ERCOT, so as to have sufficient copies to comply with any submission and service requirements related to the Transition Case or Commission Project No 45633. LP&L Reviewing Representatives shall maintain a record of all copies made of Protected Materials and shall send a duplicate of the record to ERCOT when the copy or copies are made. The record shall specify the location and the person possessing each copy. Notes, memoranda, studies, models, or other information regarding or derived from the Protected Materials may be created, and shall themselves be treated as Protected Materials unless such notes, memoranda, studies, models, or other information are limited to a description of the document and a general characterization of its subject matter in a manner that does not state any substantive information contained in the document. LP&L Reviewing Representatives shall not use the Protected Materials, including any notes, memoranda, models, studies, or other information regarding or derived from the Protected Materials, for any purpose unrelated to the Transition Case or Commission Project No. 45633. If reproduction or disclosure of Protected Materials is necessary in the Transition Case to offer the Protected Material for admission into the record, respond to discovery, or for any other reason, such reproduction or disclosure shall be made only as authorized by this confidentiality agreement, to the extent and in the manner authorized by ERCOT, or as ordered by the presiding officer. Protected Materials may be disclosed to parties to the

Transition Case to the extent and in the manner authorized by ERCOT or ordered by the presiding officer.

- IV. **Required Certification and Notification of Receipt.** Each LP&L Reviewing Representative who inspects Protected Materials shall, before such inspection, agree in writing to the following certification found in Attachment A to this Confidentiality Agreement:

I certify my understanding that Protected Materials are provided to me pursuant to the terms and restrictions of the Confidentiality Agreement Between Lubbock Power & Light and Electric Reliability Council of Texas, Inc. Regarding Disclosure of Certain Protected Materials to Representatives of Lubbock Power and Light for Purposes of Conducting a Study to Address Issues Identified by the Commission Concerning a Request to Transition to the ERCOT Region (“Confidentiality Agreement”) and that I have been given a copy of it, have read the Confidentiality Agreement, and agree to be bound by it. I understand that the contents of the Protected Materials, any notes, memoranda, or any other form of information regarding or derived from Protected Materials shall not be disclosed to anyone other than in accordance with the Confidentiality Agreement.

LP&L, through its outside counsel, shall provide ERCOT with a copy of each certification signed by a LP&L Reviewing Representative who will have access to Protected Materials pursuant to this Confidentiality Agreement. Further, LP&L, through its outside counsel, shall file notice and a copy of each certification in Project No. 45633.

- V. **Protection of Protected Materials from Unauthorized Disclosure.** All notices, applications, responses or other correspondence shall be made in a manner that protects Protected Materials from unauthorized disclosure.
- VI. **Return of Protected Materials.** Within 30 days of the conclusion of the Transition Case described above, each LP&L Reviewing Representative who has received Protected Materials shall, through LP&L’s outside counsel, return Protected Materials to ERCOT or delete or destroy it, as ERCOT may direct. In addition, LP&L’s outside counsel shall provide to ERCOT a letter informing ERCOT that, to the best of his/her knowledge, information, and belief, all copies of notes, memoranda, and other documents or other information regarding or derived from Protected Materials (including copies of Protected Materials) that have not been returned to ERCOT, if any, have been destroyed. Any filings with the Commission that contain Protected Materials or information derived from Protected Materials are governed by Texas state record retention law and are exempt from the requirements of this paragraph for so long as the filings are in the possession of the Commission. Any materials that are returned to LP&L by the Commission shall be treated as required by this paragraph. If filings containing Protected Materials or information derived from Protected Materials are returned to LP&L more than 30 days after the conclusion of the Transition Case, LP&L shall either return the Protected Materials to ERCOT or delete or destroy the Protected Materials, as ERCOT may direct, within ten days of receiving the Protected Materials.

ERCOT and LP&L have caused this Confidentiality Agreement to be executed by their duly authorized representatives on the date first written.

AGREED & ACCEPTED _____ day of _____, 2017.

For and on behalf of LP&L:

Signature: _____

Printed Name: _____

Title: _____

Address: _____

For and on behalf of ERCOT:

Signature: _____

Printed Name: _____

Title: _____

ATTACHMENT A

Confidentiality Agreement Certification

I certify my understanding that Protected Materials are provided to me pursuant to the terms and restrictions of the Confidentiality Agreement Between Lubbock Power & Light and Electric Reliability Council of Texas, Inc. Regarding Disclosure of Certain Protected Materials to Representatives of Lubbock Power and Light for Purposes of Conducting a Study to Address Issues Identified by the Commission Concerning a Request to Transition to the ERCOT Region (“Confidentiality Agreement”) and that I have been given a copy of it, have read the Confidentiality Agreement, and agree to be bound by it. I understand that the contents of the Protected Materials, any notes, memoranda, or any other form of information regarding or derived from Protected Materials shall not be disclosed to anyone other than in accordance with the Confidentiality Agreement.

Signature

Date

Printed Name

Title

Company Name