

SERC RELIABILITY CORPORATION CONFIDENTIALITY STATEMENT

Members of SERC Committees, Subcommittees, Task Forces and Working Groups, who are employees of SERC Member Companies and thus represent all segments of today's electric industry, may, in performing SERC Functions, have to use information of a sensitive and commercial nature, including but not limited to that provided by SERC Member Companies and designated as "Confidential Information", that SERC Member Companies customarily hold confidential and do not disclose publicly. SERC and its Member Companies recognize that at times it will be necessary or desirable for SERC to disclose Confidential Information to the North American Electric Reliability Corporation (NERC) or to third parties. As a result, the SERC Board has adopted a program to preserve the confidential nature of that information so that SERC Member Companies will not be competitively disadvantaged by providing Confidential Information to SERC for its use in performing SERC Functions.

SERC has entered into a Delegation Agreement with NERC and complies with Section 1500 *et seq.* of the NERC Rules of Procedure, both of which govern the conditions upon which SERC will disclose Confidential Information to NERC. SERC may also enter into Confidentiality Agreements with third parties for the disclosure of Confidential Information, if a third party demonstrates a need to use such information in a matter that is consistent with the purposes of SERC. Additionally, SERC Member Companies have signed or will sign Confidentiality Agreements that prohibit (i) the use of Confidential Information by its employees for other than SERC purposes and (ii) the disclosure of that information to any third party, unless disclosed to NERC pursuant to the terms of the SERC's Delegation Agreement with NERC or the NERC Rules of Procedure, or to a third party that has signed a Confidentiality Agreement with SERC. If either you or your employer has not signed such an Agreement and/or your employer has not designated you as an employee authorized to receive Confidential Information then you will not be given access to Confidential Information and you will be required to leave the meeting before any such information is disclosed, used, or discussed.