

NON-DISCLOSURE AND USE OF INFORMATION AGREEMENT

This Non-Disclosure and Use of Information Agreement ("Agreement") is made and entered into as of this ____ day of _____ by the California Independent System Operator Corporation ("ISO") and _____ (the "Receiving Party").

WHEREAS, the Receiving Party has requested a copy of certain information maintained by the ISO in the ISO Register, which is restricted in accordance with the Federal Energy Regulatory Commission ("FERC") order issued on January 24, 2003 (as modified on February 14, 2003) in Docket No. ER03-219, and which information ("Confidential Information"), consistent with FERC Order Nos. 630-A and 643, shall be treated as critical energy infrastructure information ("CEII"), and will thereby be privy to information of one or more Participating Transmission Owners deemed to be proprietary and confidential; and

WHEREAS, the ISO is willing to provide such materials to the Receiving Party under suitable contractual limits and protection concerning the disclosure and use of the Data.

NOW, THEREFORE, in consideration of the mutual covenants in this Agreement, the Receiving Party agrees as follows:

1. Purpose, Scope and Definition. The purpose of this Agreement is to permit the Receiving Party to review and use Confidential Information disclosed by the ISO, solely in connection with the Receiving Party's legitimate business need and valid use of the Confidential Information and status as an eligible entity set forth in the completed and approved form of the screening procedures for access to ISO Register of Transmission Facilities and Entitlements (RTFE). Confidential Information that may be included in portions of documents, records and other material forms or representations by the Receiving Party shall remain subject to the terms of this Agreement.

2. Non-Disclosure. Subject to Paragraph 4 below, the Receiving Party shall keep Confidential Information in strict confidence and shall not disclose such information or otherwise make it available, in any form or manner, to any other person or entity (a "third party") other than its employees, consultants and attorneys without the prior written consent of the ISO. The Receiving Party will cause each of its consultants and attorneys who will have access to Confidential Information to acknowledge that they have read this Agreement and agree to abide by all of its terms regarding use and disclosure of Confidential Information by execution of Exhibit A. To the extent the Receiving Party is obligated to disclose Confidential Information in a regulatory or adjudicatory process, such disclosure shall be subject to an appropriate protective order and the Confidential Information shall be identified as "Protected Materials" and marked on each page and on computer-readable storage media with the following label: "Contains Critical Energy Infrastructure Information – Do Not Release."

3. Use of Confidential Information. The Receiving Party shall use Confidential Information received hereunder only for the purpose(s) identified and specifically described in the Receiving Party's RTFE approved request.

4. Exceptions to Non-Disclosure. Notwithstanding Paragraph 2 above, the Receiving Party shall not have breached any obligation under this Agreement if Confidential Information is disclosed to a third party when the Confidential Information:

(a) was in the public domain at the time of such disclosure or is subsequently made available to the public consistent with the terms of this Agreement; or

(b) had been received by the Receiving Party at the time of disclosure through other means without restriction on its use, or had been independently developed by the Receiving Party as shown through documentation; or

(c) is subsequently disclosed to the Receiving Party by a third party without restriction on use and without breach of any agreement or legal duty; or

(d) subject to the provisions of Paragraph 5, is used or disclosed pursuant to statutory duty or an order, subpoena or other lawful process issued by a court or other governmental authority of competent jurisdiction.

Section 4 shall not apply to previously public information that was removed from public access following the September 11, 2001 terrorist attacks and FERC's policy statement issued on October 11, 2001 in Docket No. PL02-1-000.

5. Notice of Pending Third Party Disclosure. In the event that a court or other governmental authority of competent jurisdiction issues an order, subpoena or other lawful process requiring the disclosure of Confidential Information, the Receiving Party shall notify the ISO and the affected Participating Transmission Owner (s) immediately upon receipt. The Receiving Party shall not be in violation of this Agreement if it complies with an order of such court or governmental authority to disclose Confidential Information, after the ISO or the affected Participating Transmission Owner either has been notified such that there was reasonable opportunity to seek to maintain the confidentiality of such information or has notified the Receiving Party in writing that it will take no action to maintain such confidentiality.

6. Term. This Agreement shall remain in effect until the earlier of: (i) the date upon which it is no longer needed in relation to the purpose identified in Paragraph 1; or (ii) five years has passed since the date first written above. Termination shall not extinguish any claim, liability or cause of action under this Agreement existing at the time of termination.

7. Provisions Surviving Termination. The provisions of Paragraphs 2, 3, 4, and 5 shall survive the termination of this Agreement for a period of five (5) years; provided, however, if the Receiving Party fails to comply with Paragraph 8, these provisions shall remain in effect until the obligations in Paragraph 8 have been satisfied. The provisions of Paragraph 8 shall continue after termination until satisfied.

8. Return or Destruction of Confidential Information. Upon termination of this Agreement, all Confidential Information in the possession or control of the Receiving Party, including its employees, consultants and attorneys, shall be returned to ISO within seven (7) Calendar Days, including all copies of such information in any form whatsoever, unless otherwise instructed in writing by both the ISO

and the affected Participating Transmission Owner. In lieu of return, the Receiving Party may certify to the ISO in writing that all such information, in any form whatsoever, has been destroyed.

9. Notices.

(a) Representatives and Addresses. All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing, unless otherwise agreed by the Receiving Party, the ISO, and the affected Participating Transmission Owner(s), and shall be delivered in person or sent by certified mail, postage prepaid, or by overnight delivery:

Receiving Party:

ISO:

ISO Account Manager - RTFE Information
Client Relations Department
California Independent System Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Participating Transmission Owner:

Pacific Gas and Electric Company

Participating Transmission Owner:

Southern California Edison Company

Participating Transmission Owner:

San Diego Gas & Electric Company

(b) Changed Representatives and Addresses.

The Receiving Party, the ISO, or a Participating Transmission Owner entitled to receive notice in accordance with this Agreement may from time to time change its representative or address for the purpose of notices to the Receiving Party, the ISO, or the affected Participating Transmission Owner(s) by a similar notice specifying a new representative or address, but no such change shall be deemed to have been given until such notice is actually received by the Receiving Party, the ISO, and the Participating Transmission Owner(s) being so notified.

(c) Effective Date of Notices. All notices and other communications required or permitted under this Agreement that are addressed as provided in this Paragraph 9 shall be effective upon

delivery if delivered personally, or by overnight delivery; if delivered by mail, such notices shall be effective three days following deposit in the United States mail, postage prepaid.

10. Complete Agreement; No Other Rights.

(a) This Agreement contains the complete and exclusive agreement of the Receiving Party and the ISO with respect to the subject matter thereof, and supersedes all discussions, negotiations, representations, warranties, commitments, offers, contracts, and writings prior to the date of this Agreement, with respect to its subject matter. No change to this Agreement shall be effective unless agreed to in writing by the Receiving Party, the ISO, and the affected Participating Transmission Owner(s). Any conflict between the language of this Agreement and any mark, stamp, annotation or other language identifying something received hereunder as Confidential Information shall be resolved in favor of this Agreement.

(b) This Agreement is not intended to create any right in or obligation of the Receiving Party, the ISO, the Participating Transmission Owners, or any third party other than those expressly stated herein.

11. No Warranties or Representations. Any Confidential Information disclosed under this Agreement carries no warranty or representation of any kind, either express or implied. The Receiving Party shall not be entitled to rely on the accuracy, completeness or quality of Confidential Information, even for the purpose stated in Paragraph 1.

THE DATA IS UNSUPPORTED, PROVIDED "AS-IS" AND COMES WITH NO WARRANTY WHATSOEVER, INCLUDING WITHOUT LIMITATION, FITNESS FOR A PARTICULAR PURPOSE OR THAT IT IS NON-INFRINGEMENT. ISO DISCLAIMS ANY AND ALL LIABILITY WITH RESPECT TO THE RECEIVING PARTY'S USE OF THE DATA AND THE RECEIVING PARTY SHALL HAVE NO CLAIM AGAINST ISO OR PARTICIPATING TRANSMISSION OWNER UNDER THIS AGREEMENT.

12. Injunctive Relief. The Receiving Party agrees that, in addition to whatever other remedies may be available to the ISO under applicable law, the ISO shall be entitled to obtain injunctive relief with respect to any actual or threatened violation of this Agreement by the Receiving Party or any third party. The Receiving Party shall bear all costs and expenses, including reasonable attorneys' fees that may be incurred by the ISO in enforcing the provisions of this paragraph.

13. Receiving Party. The Receiving Party agrees to comply in all respects with any governmental laws, orders or other restrictions which may be imposed from time to time by the government of the United States ("Export Laws") to assure that Confidential Information nor any direct product thereof are (i) exported, directly or indirectly, in violation of the Export Laws, or (ii) are intended to be used for any purposes prohibited by the Export Laws, including without limitation, nuclear, chemical or biological weapons proliferation. The Receiving Party certifies that it will not transfer or export any product, process or service that is a direct product of Confidential Information.

14. Governing Law. This Agreement is made in the State of California and shall be governed by and interpreted in accordance with its laws.

15. Assignment. This Agreement shall be binding upon the Receiving Party, the ISO, their successors, and their assigns. The Receiving Party shall not assign this Agreement without the prior written consent of the ISO.

16. Construction Of Agreement. Ambiguities or uncertainties in the wording of this Agreement shall not be construed for or against the ISO, but shall be construed in the manner that most accurately reflects the intent of the Receiving Party and the ISO as of the date of this Agreement.

17. Third Party Beneficiaries. Each Participating Transmission Owner identified in Paragraph 9(a) of this Agreement shall be an express third party beneficiary of the ISO's rights under this Agreement with regard to Confidential Information in which it has a proprietary interest. No other third party beneficiaries, either express or implied, are created by this Agreement.

18. Signature Authority. The person signing below warrants that he or she has been duly authorized to execute this Agreement on behalf of the Receiving Party.

IN WITNESS WHEREOF, the Receiving Party has executed this Agreement as of the date set forth above.

RECEIVING PARTY:

By: _____
Name: _____
Title: _____
Date: _____

Exhibit A

INDIVIDUAL AGREEMENT TO BE BOUND BY NON-DISCLOSURE AND USE OF INFORMATION AGREEMENT

I, the undersigned, _____ (print or type name), in privity of contract with the Receiving Party, hereby acknowledges that I have received a copy of the Non-Disclosure and Use of Information Agreement dated _____ between the California Independent System Operator Corporation and the Receiving Party designated therein ("Agreement"). I hereby certify that I have read the Agreement and understand that access to Confidential Information (as defined in the Agreement) is provided to me pursuant to the terms and restrictions of the Agreement. I certify that I understand the importance of maintaining the confidentiality of the Confidential Information, the provisions of the Agreement relating to such confidentiality, and the limitations on the use of Confidential Information and I agree to be bound by all of the provisions of the Agreement.

Dated: _____
