

TEXAS REGIONAL ENTITY CONSULTANT ETHICS AGREEMENT

Consultants of the Texas Regional Entity Division of Electric Reliability Council of Texas, Inc. ("Texas RE") must conduct ERCOT's business legally, with integrity and total objectivity and in compliance with all laws, rules, regulations, Protocols and the policies, standards and procedures of Electric Reliability Council of Texas, Inc. ("Inc."). Texas RE will not tolerate fraud, misconduct or abuse of the Ethics Agreement or Code of Conduct.

Confidential Information

Texas RE consultants must maintain the confidentiality of all Confidential Information disclosed to the consultant because of his or her engagement with Texas RE and must take reasonable actions and precautions to prevent unauthorized disclosure of Confidential Information. "Confidential Information" means all information defined as "Confidential Information" in Section 1500 of the NERC Rules of Procedure and all information defined as "Protected Information" in Section 1.3 of the ERCOT Protocols, and specifically includes all documents, knowledge, electronic, tangible or intangible information provided which is and is or includes any of the following:

- Information, technical data or know-how which relates to the business, services or products of Texas RE, ERCOT, owners, operators and users of the bulk power system (including Registered Entities and ERCOT's members and market participants, as listed on ERCOT's public web site), or any of their consultants or vendors, which was developed or acquired by that business and which is proprietary, competitively sensitive, or otherwise valuable;
- Critical Energy Infrastructure information;
- Personnel information that identifies or could be used to identify a specific individual or reveals personnel, financial, medical, or other personal information;
- Work papers, including any records produced for or created in the course of an evaluation or audit;
- Investigative files, including any records produced for or created during the course of an investigation; or
- Cyber Security Incident information.

Any owner, operator, or user of the bulk power system or any other party ("Submitting Party") may mark as confidential any document or other information that it submits to NERC, ERCOT, or Texas RE that it reasonably believes contains Confidential Information. Except as provided by the NERC Rules of Procedure or otherwise by law, Texas RE employees shall keep in confidence and copy, disclose, or distribute any Confidential Information or any part thereof without the permission of the Submitting Entity.

Conflicts of Interest

ERCOT consultants must conduct ERCOT's business with total objectivity and without any influence from any Conflict of Interest and must avoid situations in which their personal interests conflict or appear to conflict with the interests of Texas RE, ERCOT, or any Registered Entity (as defined by the NERC Rules of Procedure) or ERCOT Market Participant (as defined in the ERCOT Protocols). An ERCOT "Market Participant" includes a person or entity doing business in the ERCOT Region as a Qualified Scheduling Entity, Load Serving Entity, Resource Entity, TCR Account Holder, CRR Account Holder, Renewable Energy Credit (REC) Account Holder or Transmission and/or Distribution Service Provider. "Conflicts of Interest" include, but are not limited to, situations where a consultant or his or her spouse, dependent, or a member of his or her household or immediate family (*i.e.* father, mother and siblings):

1. Stands to gain or lose personally from a Texas RE or ERCOT business decision, other than the performance of services for Texas RE under a statement of work;
2. Is employed by any Registered Entity, ERCOT Market Participant, any other Division of ERCOT, Texas RE or ERCOT supplier or vendor or any other entity dealing with Texas RE or ERCOT, directly or indirectly, such that the consultant's decisions, recommendations or other actions on behalf of Texas RE might be affected by the interest.

Other potential conflicts of interest include situations where a Texas RE consultant is aware of the fact that his/her spouse, dependent, a member of his/her household or immediate family:

1. Has ownership or a controlling interest in any Registered Entity or ERCOT Market Participant; or
2. Serves in an advisory, consulting, technical or management capacity for any other division of ERCOT or any Registered Entity or ERCOT Market Participant.

Consultants need not disclose ownership of publicly-traded equity securities of a vendor or supplier if the securities are held as an investment and the consultant or related party: (a) owns less than one percent (1%) of the outstanding securities of the entity, (b) does not have representation on the entity's board of directors (or equivalent managing entity), and (c) does not exercise influence over the entity's day-to-day management decisions.

I understand that I may not offer any non-cash gifts of more than a nominal value to any Texas RE employee because such gifts may affect or appear to affect the judgment of the person receiving the gift. Where laws do not provide otherwise, incidental non-cash gifts having a nominal value (\$100 or less per year) are permitted. Cash (or equivalent) gifts are not permitted under any circumstances. Payment or acceptance of bribes, kickbacks or other improper payments while conducting Texas RE's business is strictly prohibited.

A consultant must immediately inform the Texas RE Chief Compliance Officer ("CCO") or a representative from Texas RE's Legal Department if a Conflict of Interest or even the appearance of a Conflict of Interest might exist, to allow Texas RE management to evaluate the situation. After full disclosure by the consultant, Texas RE may agree to conditions that appropriately limit any potential influence from a Conflict of Interest.

Non-Solicitation

In consideration for receiving Texas RE's Confidential Information and retention by Texas RE, consultants shall not, while working for Texas RE and for a period of six months after ceasing to work for Texas RE, either directly or indirectly solicit, induce or encourage any Texas RE employee to either terminate employment with Texas RE or accept employment with any independent system operator, regional entity or any supplier or ERCOT consultant. The term "solicit, induce or encourage" includes, but is not limited to, initiating communications with an ERCOT employee relating to possible employment, offering bonuses or additional compensation or referring ERCOT employees to personnel, recruiters or other agents.

Notice

Any Texas RE consultant who has concerns or questions about these requirements and prohibitions should contact Texas RE Legal or CCO. Any consultant who becomes aware of a violation of the Code of Conduct or the appearance of a violation of the Code of Conduct, by any person must immediately notify either Texas RE Legal or the ERCOT Legal Department or file an anonymous report through EthicsPoint (www.ethicspoint.com or 1-866-384-4277) or other available ERCOT anonymous reporting tool, if any.

Consultant Agreement

By signing below, I hereby confirm and acknowledge that I have read and understand: (i) the requirements of the ERCOT Code of Conduct; (ii) the *Antitrust Compliance Corporate Standard* (CS 1.10), the *Confidentiality Corporate Standard* (CS5.19); the *Fraud Prevention and Whistleblower Corporate Standard* (CS 5.38), the *Acceptable Use Corporate Standard* (CS7.1); (iii) the Consultant Handbook; and (iv) this Consultant Ethics Agreement. I agree to be bound by and comply with all requirements and the intent of these requirements set forth in those documents and will be subject to contract termination, injunction and/or all other available legal or equitable remedies if I violate any ERCOT Standard, the Code of Conduct, this Ethics Agreement, or the intent behind them, whether my violation is intentional or careless. If I have signed any previous Texas RE or ERCOT Ethics Agreement, I further confirm that I have complied with those requirements since the date of such previous Ethics Agreement(s).

Consultant Signature: _____

Date: _____

Printed Name: _____

Consultant Employer: _____

ERCOT Contact: _____

Disclosures of Information

Complete this Form and send to Texas RE Legal

After reviewing the ERCOT Code of Conduct and Texas RE Consultant Ethics Agreement, I wish to disclose the following information:

Signature: _____

Printed Name: _____ Date: _____

Legal Review By: _____ Date: _____

[Add more pages, if necessary]