

## NOTICE OF COMMUNICATION OF MEMBER CONFIDENTIAL INFORMATION TO NERC, EIDSN, REGIONAL ENTITIES, RELIABILITY COORDINATORS, TRANSMISSION OPERATORS, OR THEIR AGENTS, REPRESENTATIVES, OR CONTRACTORS.

### PROBLEM / OPPORTUNITY STATEMENT

- Operating Agreement, section 18.17.1(b) requires that PJM provide “no less than five business days notice” to impacted Members whenever PJM communicates Member confidential information to NERC, EIDSN, Regional Entities, Reliability Coordinators, Transmission Operators, or their agents, representatives, or contractors.

Specifically:

*Except as may be provided in this Agreement or in the PJM Open Access Transmission Tariff, the Office of the Interconnection shall not disclose to its Members or to third parties, any documents, data, or other information of a Member or entity applying for Membership, to the extent such documents, data, or other information has been designated confidential pursuant to the procedures adopted by the Office of the Interconnection or by such Member or entity applying for membership; provided that nothing contained herein shall prohibit the Office of the Interconnection from providing any such confidential information to its agents, representatives, or contractors to the extent that such person or entity is bound by an obligation to maintain such confidentiality; **provided further that nothing contained herein shall prohibit the Office of the Interconnection from providing Member confidential information to the NERC, EIDSN, Inc., any Applicable Regional Entity, any Reliability Coordinator, any Transmission Operator, and the agents, representatives, or contractors of such entity, to the extent that (i) the Office of the Interconnection determines in its reasonable discretion that the exchange of such information is required to enhance and/or maintain reliability within the Members' Applicable Regional Entities and their neighboring Regional Entities, or within the region of any Reliability Coordinator, (ii) such entity is bound by a written agreement to maintain such confidentiality, and (iii) the Office of the Interconnection has notified the affected party of its intention to release such information no less than five Business Days prior to the release.***

- During the course of normal operations, and in fulfilling its obligations under NERC Reliability Standards and NERC's Compliance Monitoring and Enforcement Program (e.g. audits of PJM's compliance with NERC Reliability Standards), PJM may need to transmit Member confidential information to “NERC, EIDSN, Inc., any Applicable Regional Entity, any Reliability Coordinator, any Transmission Operators, and the agents, representatives, or contractors of such entity.” For example:
  - The Commission's regulations (18 C.F.R. §39.2(d)) and the NERC Rules of Procedure (Section 1600) require PJM to provide any necessary information (including Member confidential information) to NERC and the Regional Entities.
  - NERC mandatory reliability standards require PJM to coordinate with other Reliability Coordinators and Transmission Operators for purposes of operations and information exchange (see, e.g., IRO-14-3, TOP-001-5).

- PJM may transmit Member confidential information to NERC during the course of an audit or compliance investigation of PJM, or through the Electricity Information Sharing and Analysis Center (E-ISAC), SAFNR (NERC’s situational awareness tool), or Generator Availability Data System (“GADS”).
- PJM may transmit Member confidential information to other Reliability Coordinators via EIDSN-monitored secured link, the Reliability Coordinator Information System (“RCIS”), or the System Data Exchange (“SDX”) application.
- PJM may transmit Member confidential information to Regional Entities during the course of an audit or compliance investigation of PJM. RF and SERC also may request situational information at certain times to assess operating conditions.
- PJM transmits Member confidential information to other Reliability Coordinators and Transmission Operators in accordance with the specifications of Manual 1, Attachment A.
- Providing ongoing, prospective notice in the PJM Manuals regarding a defined set of instances in which PJM may transmit Member confidential information to NERC, EIDSN, Regional Entities, Reliability Coordinators, Transmission Operators, or their agents, representatives, or contractors, would obviate the need for separate, individual notices, which are impractical and inefficient in these specific circumstances.