

## **NON-DISCLOSURE AGREEMENT FOR COST ALLOCATION MECHANISM GROUP**

The undersigned parties are agreed as follows:

1. In order to facilitate an accelerated review of transitional electric procurement contracts, in July 2002, the Consumers Union (“CU”), The Utility Reform Network (“TURN”), Southern California Edison (“SCE”) and Pacific Gas and Electric Company (“PG&E”), jointly proposed to the California Public Utilities Commission (“CPUC”) that a Procurement Review Group (“PRG”) be established which, subject to execution of and compliance with a Non-Disclosure Agreement, “would have the right to consult with and review the details of: 1) each Investor Owned Utility’s (IOU) overall interim procurement strategy; 2) proposed procurement contracts with the IOUs before any of the contracts are submitted to the CPUC for expedited review, and 3) proposed procurement processes including but not limited to ‘Requests for Offers’ (‘RFOs’), which result in contracts being entered into in compliance with the terms of the RFOs.”<sup>1</sup>
2. The Joint Principles further provided that “membership of the ‘Procurement Review Group’ would be open to an appropriate number of interested parties who are not ‘market participants’ as defined in the May 1, 2002 Protective Order in CPUC proceeding R.01-10-024 updated and modified by the Commission on May 20, 2003 (“5/20/03 Protective Order”), and who agree to execute [the PRG] non-disclosure agreement and commit to review and make recommendations concerning proposed contracts and procurement decisions on an expedited basis.”
3. On August 22, 2002, the CPUC issued a decision that generally approved the proposal set out in the Joint Principles.<sup>2</sup>
4. On July 20, 2006, the Commission issued Decision (“D.”) 06-07-029, which established a mechanism for authorizing the utilities, on a limited and interim basis, to enter into contracts for new generation resources to enhance system reliability and recover the net capacity costs of the resources from all “benefiting customers” using the cost allocation mechanism (“CAM”) adopted in the decision. “Benefiting customers” is defined to include bundled service customers, direct access (“DA”) customers, and community choice aggregation (“CCA”) customers, as well as other customers.<sup>3</sup>

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<sup>1</sup> Joint Principles for Interim Procurement filed July 12, 2002 at p. 3 (“Joint Principles”).

<sup>2</sup> D.02-08-071 at pp. 24-25.

<sup>3</sup> D.06-07-029 at p. 26, fn. 21.

5. In Rulemaking (“R.”) 06-02-013, the 2006 Rulemaking to Integrate Procurement Policies and Consider Long-Term Procurement Plans (“2006 LTPP Proceeding”) several intervening parties requested that the CPUC direct the utilities to expand their PRGs to include participants representing the interests of customers who may be required to share the costs of procurement under the CAM established in D. 06-07-029.
6. Several working groups were created as a part of the 2006 LTPP Proceeding, including the PRG Participation Working Group, which was established to determine whether the parties could develop a consensual proposal to resolve issues related to the requests to expand the utilities’ PRGs.
7. On August 30, 2007, the PRG Participation Working Group submitted a “Proposal for New Advisory Group for Procurement Using Cost Allocation Mechanism (the Proposal),” for the establishment of a CAM Group for the IOUs.
8. Pursuant to the Proposal, in order for a non-PRG participant to qualify for participation in the CAM Group, the proposed participant must either be an end-use customer or an individual hired to represent end-use customers’ interests, and shall not be a wholesale market participant as described in Paragraph 11 below. CAM Group participants may be consultants or attorneys for groups that represent DA end-use customers, CCAs, or other non-bundled customers, in whole or in part, in proceedings before the CPUC.
9. On December 21, 2007, the CPUC issued D.07-12-052, approving the CAM Group Proposal.
10. The term Non-Market Participating Party (“NMPP”) Reviewing Representative shall mean a person who is:
  - a. An employee of: (1) a state governmental agency that is: (i) not a Market Participating Party as defined below, and (ii) statutorily authorized to obtain access to confidential data held by another state governmental agency upon execution of a written agreement to treat the data so obtained as confidential, as provided in Government Code Section 6254.5(e); or (2) any other consumer or customer group that the utility and the Director of the Commission’s Energy Division or his/her designee (“Division Director”) agree has a bona fide interest in participating on behalf of benefiting customers in the CAM Group for that utility, and which group is not a Market Participating Party as defined below; or
  - b. An attorney, paralegal, expert or employee of an expert retained by an NMPP for the purpose of advising, preparing for or participating in the

CAM Group, who is not simultaneously retained by a Market Participating Party as defined below.

**11.** The term Market Participating Party (“MPP”) shall mean:

- a. A private entity, or a department of a municipal, state or federal entity, that engages in the purchase, sale or marketing of wholesale energy<sup>4</sup> or capacity within the Western Electricity Coordinating Council (“WECC”), or the bidding on or purchasing of power plants, or consulting on such matters within the WECC, or a trade association comprised of entities that engage in one or more of such activities within the WECC; or
- b. An attorney, paralegal, expert or employee of an expert retained by a private entity, or a department of a municipal, state or federal entity that engages in the purchase, sale or marketing of wholesale energy or capacity within the WECC, or the bidding on or purchasing of power plants within the WECC, or consulting on such matters, or a trade association comprised of entities that engage in one or more of such activities.

**12.** Only NMPP Reviewing Representatives are qualified to participate in the CAM Group. NMPP Reviewing Representatives, who are not already participants in a utility’s PRG, shall identify their proposed CAM Group participant to the applicable utility and Division Director and provide a *curriculum vitae* of the candidate, including a brief description of the candidate’s professional experience and past and present professional affiliations for the last 10 years. The applicable utility and the Division Director shall advise the proposing party in writing within three (3) business days from receipt of the notice if either or both of them object to the proposed NMPP Reviewing Representative, setting forth in detail the reasons therefore. In the event of such objection, the proposing party, utility and Division Director shall promptly meet and confer to try to resolve the issue, and if necessary seek a ruling from either the assigned ALJ or the Law and Motion ALJ in Rulemaking 06-02-013. In addition to determining whether the proposed CAM Group participant has a need to know, the ALJ in ruling on the issue will evaluate whether the candidate is engaged in the purchase, sale or marketing of wholesale energy or capacity (or the direct supervision of any employee(s) whose duties include such activities), or the bidding on or purchasing of power plants or consulting on such matters (or the direct supervision of any employee(s) whose duties include such bidding, purchasing or consulting). Absent unusual circumstances as determined by the ALJ, a candidate who falls within the criteria

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<sup>4</sup> As used herein, “energy” refers both to electricity and natural gas.

set forth in the preceding sentence will ordinarily be deemed ineligible to serve in a CAM Group as an NMPP Reviewing Representative.

- 13.** Execution of this Non-Disclosure Agreement by a qualifying NMPP Reviewing Representative shall constitute agreement to serve on a utility's CAM Group as described in D.07-xx-xxx and to abide by all terms and conditions of this agreement. NMPP Reviewing Representatives that have executed this Non-Disclosure Agreement are referred to herein as "CAM Group Participants."
- 14.** The term "Protected Material" as used in this Non-Disclosure Agreement shall include all trade secret, market sensitive, or other confidential and/or proprietary information as determined in good faith by the Disclosing Party in accordance with the provisions of D.06-06-066 and subsequent decisions, General Order 66-C, Public Utilities Code Sections 583 and 454.5(g), or any other right of confidentiality provided by law. Protected Materials also includes memoranda, handwritten notes, spreadsheets, computer files and reports, and any other form of information (including information in electronic form) that copies, discloses, or compiles other Protected Materials or from which such materials may be derived. Protected Materials shall additionally refer to all materials and information, whether written, computerized, or oral provided to or generated within the CAM Group (CAM Group Information). Protected Materials do not include: (A) any information or document contained in the public files of the CPUC or any other state or federal agency, or in any state or federal court, unless such information or document has been determined to be protected by such agency or court; or (B) any information that is public knowledge, or which becomes public knowledge, other than through disclosure in violation of this Non-Disclosure Agreement or any other protective order.
- 15.** Utility staff, Commission staff, and any signatory of a Non-Disclosure Certificate shall, when creating any Protected Materials (including Notes of Protected Materials), physically mark such materials on each page (or in the case of non-documentary materials such as computer diskettes, on each item) as "PROTECTED MATERIALS", or with words of similar import as long as one or more of the terms, "Protected Materials," "Confidential," "Market Sensitive," "Section 583" or "General Order 66-C" is included in the designation to indicate that the materials in question are Protected Materials. Verbal communications may be designated Protected Materials by a contemporaneous verbal statement indicating that they are confidential or protected in nature; any notes or other materials or information created from such verbal communications shall also be deemed to be protected Materials and shall be designated as provided in this paragraph.

- 16.** It shall be a rebuttable presumption that (A) any study that incorporates, describes or otherwise employs Protected Material in a manner that could reveal all of a part of the Protected Material, or (B) any model that relies upon Protected Material for algorithms or other computation(s) critical to the functioning of the model, shall also be considered Protected Material that is subject to this Non-Disclosure Agreement. However, models that merely use Protected Material as inputs will not themselves be considered Protective Material. It shall also be a rebuttable presumption that where the inputs to studies or models include Protected Material, or where the outputs of such studies or models reveal such inputs or can be processed to reveal the Protected Material, such inputs and/or outputs shall be considered Protected Material subject to this Non-Disclosure Agreement, unless such inputs and/or outputs have been redacted or aggregated to the satisfaction of the party producing the Protected Material. Unless a party, by means of notice and motion, obtains a ruling from the Assigned ALJ or a Law and Motion ALJ for R. 06-02-013 holding that the applicable presumption(s) from among the foregoing has been rebutted with respect to the model or study at issue, then any party who devises or propounds a model or study that incorporates, uses or is based upon Protected Material shall label the model or study “Protected Material,” and it shall be subject to the terms of this Non-Disclosure Agreement.
- 17.** No person shall be permitted to inspect, participate in discussions regarding, or otherwise be granted access to Protected Materials pursuant to this Non-Disclosure Agreement unless such person has first executed a Non-Disclosure Certificate and delivered it to the utility. The utility shall provide copies of executed Non-Disclosure Certificates to Commission Staff. Attorneys and consultants qualified as CAM Group Participants shall ensure that persons under their supervision or control comply with this Non-Disclosure Agreement.
- 18.** Protected Materials shall be treated as confidential by each CAM Group Participant in accordance with this Agreement. Protected Materials shall not be used except as necessary for participation in the CAM Group or as described in Paragraph 30, and shall not be disclosed in any manner to any person except to other CAM Group Participants. In the event that a CAM Group Participant is requested or required by applicable laws or regulations, or in the course of administrative or judicial proceedings (in response to oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any confidential information, the CAM Group Participant agrees to oppose disclosure on the grounds that the requested information has already been designated as Protected Materials pursuant to law and subject to this Non-Disclosure Agreement and therefore may not be disclosed. The CAM Group Participant shall also immediately inform the applicable utility of the request, and the utility may, at its sole discretion and cost, direct any challenge or defense against the disclosure requirement, and the CAM

Group Participant shall cooperate with the utility to the maximum extent practicable to either oppose the disclosure of the Protected Materials consistent with applicable law, or obtain confidential treatment of Protected Materials by the entity that wishes to receive the Protected Materials prior to any such disclosure. If there are multiple requests for substantially similar Protected Materials in the same case or proceeding where the CAM Group Participant has been ordered to produce certain specific Protected Materials, the CAM Group Participant may, upon request for substantially similar Protected Materials by a similarly situated party, respond in a manner consistent with that order to those substantially similar requests for those Protected Materials.

19. In the event that a CAM Group Participant to whom Protected Materials are disclosed ceases to represent the interests of customers who may be required to share the costs of procurement under the CAM established in D. 06-07-029, or otherwise is no longer a NMPP Reviewing Representative qualified to be a CAM Group Participant, then access to Protected Materials by that person shall be terminated. Even if no longer a participant in the CAM Group, every such person shall continue to be bound by the provisions of this Non-Disclosure Agreement.
20. All disputes arising under this Non-Disclosure Agreement shall be presented for resolution to the Assigned ALJ or the Law and Motion ALJ in R.06-12-013. Prior to presenting any such dispute to the applicable ALJ, the parties to the dispute shall use their best efforts to resolve it. Neither the utility nor the Commission Staff nor the CAM Group Participant waives the right to seek additional administrative or judicial remedies after the Assigned ALJ or the Law and Motion ALJ has made a ruling regarding the dispute.
21. All documents containing Protected Materials that are filed with the Commission or served shall be placed in sealed envelopes or otherwise appropriately protected and shall be endorsed to the effect that they are filed or served under seal pursuant to this Non-Disclosure Agreement. Such documents shall be marked with the words “**PROTECTED MATERIALS**” or one of the other, similar terms set forth in paragraph 15 hereof, and shall be served upon all CAM Group Participants and persons employed by or working on behalf of the state governmental agencies referred to in Paragraphs 10(A) and 10(B) who are eligible to see the Protected Materials. Service upon the persons specified in the foregoing sentence may either be (A) by electronic mail, (B) by facsimile, or (C) by overnight mail or messenger service. In the event the serving party chooses to serve the foregoing persons entitled to see Protected Materials by overnight mail or messenger service, the serving party shall give all parties 24 hours’ electronic notice of its intention to do so. Any affected party who objects on account of delay to being served with the document(s) at issue by overnight mail or messenger service shall promptly notify the serving party of such objection, and in such a case the serving party shall

arrange to have the document(s) containing the Protected Material hand-delivered on the date service is due to the party so objecting. Whenever service of a document containing Protected Material is made by overnight mail or messenger service, the Assigned ALJ shall be served with such document by hand on the date that service is due.

- 22.** Protected Materials shall be treated as provided in Paragraphs 15-21 above. CAM Group Participants shall adopt suitable measures to maintain the confidentiality of Protected Materials they obtain pursuant to this Non-Disclosure Agreement. Such measures include, but are not limited to, maintaining such materials in locked file cabinets and implementing password protection for computers that contain Protected Materials. Reviewing Representatives shall not leave Protected Materials unattended on desks or tables or on computer screens. CAM Group Participants shall be liable for any unauthorized disclosure or use of Protected Materials by their employees.
- 23.** In the event that an entity or individual requests disclosure of Protected Materials under the Public Records Act, Government Code sections 6250, *et seq.*, or otherwise brings suit to compel disclosure, the CPUC shall promptly notify the utility of such suit or request, and Commission Staff and the utility shall cooperate either in opposing disclosure of Protected Materials consistent with applicable law, or obtaining confidential treatment of Protected Materials by the entity or individual that wishes to receive the Protected Materials prior to such disclosure.
- 24.** For a period of two (2) years from the date Protected Materials are provided to a CAM Group Participant, such CAM Group Participant shall not: (A) engage in the purchase, sale or marketing of wholesale energy or capacity within the WECC (or the direct supervision of any employee(s) whose duties include such activities), or the bidding on or purchasing of power plants within the WECC (or the direct supervision of any employee(s) whose duties include such activities); or (B) consult with or advise others in connection with any activity set forth in subdivision (A) above (or the direct supervision of any employee(s) whose duties include such consulting or advising).
- 25.** At its option, an IOU may waive the requirements of paragraph 24 if it receives a reasonable written request for such a waiver by a CAM Group Participant.
- 26.** Access of CAM Group Participants to CAM Group Information shall be granted only pursuant to the terms of this Non-Disclosure Agreement. No access will be granted to any NMPP Reviewing Representative until he or she has executed and provided to the utility a Non-Disclosure Certificate in the form provided in Appendix A to this agreement. The Non-Disclosure Certificate shall have the same meaning, and serve the same purpose with respect to CAM Group

Information as is set forth in Paragraph 3(g) of the 5/20/03 Protective Order. Consistent with Paragraph 18, CAM Group Information shall be treated by CAM Group Participants in accordance with the certificate executed in accordance with this paragraph and shall not be disclosed in any manner to any person except other CAM Group Participants.

- 27.** CPUC employees acting in their official capacities as members of the Energy Division or DRA assigned to the CAM Group that is the subject of this agreement shall be constrained in their use of Protected Materials by the terms of Public Utilities Code Section 583 and CPUC General Order 66-C. Such State employees need not execute the Non-Disclosure Agreement described above, but the Commission agrees to provide a list of employees participating in the CAM Group and/or will otherwise be given access to Protected Material prior to their service on the CAM Group and/or their access to Protected Material.
- 28.** This Agreement shall not be construed to prevent a CAM Group Representative from serving as a representative in the CAM Groups for all three utilities, and on PG&E's Core Hedging Advisory Group.
- 29.** A copy of the 5/20/03 Protective Order referred to herein is attached as Appendix B
- 30.** The parties are agreed that CAM Group Information may be confidentially filed in support of, or in protest of, an application or advice letter filing seeking approval of products or processes reviewed by the CAM Group and any petition for modification, application for rehearing and any judicial proceeding pertaining to such application or advice letter. In making such a filing, the CAM Group Information shall be clearly labeled Confidential Protected Material, or words to the same effect. Upon receipt of a filing containing such material, the Energy Division shall accord it the same confidential treatment accorded Protected Material filed in R.01-10-024.
- 31.** Following Commission approval or rejection of a procurement contract or process reviewed by the CAM Group, a CAM Group Participant, within 30 days after being requested to do so in writing by the utility, shall return or destroy all CAM Group Information relating to that contract or process. Within the same 30-day time period, the CAM Group Participant shall also submit to the utility an affidavit stating that, to the best of the CAM Group Participant's knowledge, all Protected Materials subject to the request have been returned or destroyed. Notwithstanding the two preceding sentences, the CAM Group Participant may retain Notes of Protected Materials and copies of filings, official transcripts and exhibits, if any, prepared in the course of the CAM Group Participant's review of the Protected Materials, provided that such retained materials are continuously treated as



Protected Materials in accordance with this Non-Disclosure Agreement. To the extent Protected Materials are not returned or destroyed pursuant to this paragraph, they shall remain subject to this Non-Disclosure Agreement, the 5/20/03 Protective Order, Section 583 of the California Public Utilities Code and CPUC General Order No. 66-C.

IN WITNESS WHEREOF, the following Party has caused this Non-Disclosure Agreement to be executed by its duly authorized representative as of the Effective Date.

Dated: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

ORGANIZATION:

## APPENDIX A

### BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish Policies and Cost Recovery Mechanisms for Generation Procurement and Renewable Resource Development.

Rulemaking 01-10-024

#### NON-DISCLOSURE CERTIFICATE

I, \_\_\_\_\_, will be receiving certain materials that have been designated as “Protected Materials” under Paragraph 3 of the Protective Order entered in Rulemaking 01-10-024 on May 1, 2002 (“Order”) and Paragraph 13 of the Cost Allocation Mechanism Group Non-Disclosure Agreement (“CAM Group NDA”).

1. I hereby certify my understanding that access to Protected Materials is provided to me pursuant to the terms and restrictions of the Order and the CAM Group NDA, that I have been given a copy of and have read the Order and the CAM Group NDA, and that I agree to be bound by them. I understand that I must not disclose the contents of the Protected Materials, any notes or other memoranda, or any other form of information that copies or discloses Protected Materials to anyone other than in accordance with the Order and the CAM Group NDA. I acknowledge that a violation of this certificate may also constitute a violation of an order of the California Public Utilities Commission.

2. I understand and agree that my review of Protected Materials is solely for the purpose of participating in the above-described matters, and that any disclosure

or any private commercial use of Protected Materials by me is a violation of the Order, the CAM Group NDA, and this Certificate.

3. I hereby agree to submit to the jurisdiction of the California Public Utilities Commission and any appropriate Court for the enforcement of the undertakings I have made herein and I waive any objection to venue laid with the Commission for enforcement of this Certificate.

Dated:

**BY:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**REPRESENTING:** \_\_\_\_\_

**APPENDIX B**  
**SDG&E**  
**Protective Order**

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Establish	)	
Policies and Cost Recovery Mechanisms for	)	Rulemaking 01-10-024
Generation Procurement and Renewable	)	
Resource Development.	)	
_____	)	

**PROTECTIVE ORDER REGARDING CONFIDENTIALITY  
OF SDG&E POWER PROCUREMENT INFORMATION**

1. This Protective Order shall govern access to and the use of all Protected Materials in this proceeding as hereinafter defined. Notwithstanding any order terminating this docket, this Protective Order shall remain in effect until, after notice and an opportunity to be heard, it is specifically modified or terminated by the Assigned Commissioner, the Assigned Administrative Law Judge (“Assigned ALJ”), the Law and Motion Administrative Law Judge (“Law and Motion ALJ”) or the California Public Utilities Commission (“CPUC” or “Commission”). This Protective Order does not address the right of employees of the Commission acting in their official capacities to view Protected Materials, because Commission employees are entitled to view such Protected Materials in accordance with the requirements of Section 583 of the Public Utilities Code and the Commission’s General Order 66-C.

2. The parties acknowledge that in view of the Assigned Commissioner’s Ruling Establishing Category and Providing Scoping Memo issued in this docket on April 2, 2002, this proceeding will be comprised of multiple phases devoted to the review of energy procurement plans and the development of interim procurement cost recovery mechanisms. The parties also acknowledge that the

amount of data that is confidential or proprietary, and the identity of the parties submitting such data, may differ from time to time, depending on whether specific procurement plans or broader policy issues are under consideration. In light of this situation, the parties agree that modifications to this Protective Order may become necessary, and they further agree to work cooperatively with the Assigned ALJ, the Law and Motion ALJ, the Assigned Commissioner or the full Commission, as the case may be, to devise and implement such modifications in as timely a manner as possible.

3. **Definitions** – The terms in this first definitional paragraph shall have a meaning consistent with the ideas set forth in the “Procurement Planning Proposals of the Southern California Edison Company [Edison] In Response to Order Instituting Rulemaking 01-10-024” (Edison Procurement Proposals) submitted in this docket on November 26, 2001. The term “**Procurement Plan**” means the type of plan for purchasing energy and/or capacity set forth in Section II.B. (at pages 39-55) of the Edison Procurement Proposals, whether the reference is to the type of initial Procurement Plan submitted by Edison or an update thereof, or a long term energy procurement plan filed in this proceeding. The term “**Procurement Plan Compliance Submittal**” refers to any one or more of the various types of filings intended to demonstrate the utility’s compliance with an approved Procurement Plan, as described in Section II.C. (at pages 55-58) of the Edison Procurement Proposals. The term “**Notice of Objection**” refers to the pleading that Commission Staff (as defined below) may submit objecting to a Procurement Plan Compliance Submittal or a transaction for which the utility is seeking pre-approval by the Commission, as set forth in Sections II.C.1. and II.D., respectively, of the Edison Procurement Proposals. Nothing in this first definitional paragraph shall be construed as an endorsement of any timeframe

proposed in the Edison Procurement Proposals, as these are matters to be determined in interim decisions or a final decision in this docket.

- a) The term “redacted” refers to situations in which confidential or proprietary information in a document, whether the document is in paper or electronic form, has been covered, masked or blocked out. Thus, the “redacted version” of a document is one in which the document is complete except that the confidential or proprietary information contained therein is not visible because it has been covered, masked or blocked out. The term “unreadacted” refers to situations in which confidential or proprietary information in a document, whether in paper or electronic form, has not been covered, masked or blocked out. Thus, the “unreadacted version” of a document is one in which the document is complete, and the confidential or proprietary information contained therein is visible.
- b) The term “Protected Materials” means the confidential or proprietary information contained in the unreadacted version, and not contained in the redacted version, of any of the following: (A) any initial Procurement Plan submitted as a compliance filing by SDG&E in this proceeding, and any subsequent revisions thereof; (B) any materials submitted or produced in connection with the review, revision or approval of any initial or revised SDG&E Procurement Plan; (C) any Procurement Plan Compliance Submittal that SDG&E may submit from time to time to the Commission’s Energy Division and/or the Office of Ratepayer Advocates (which Division and Office, whether separately or collectively, are hereinafter referred to as “Commission Staff”); (D) any Notice of Objection prepared and sent by Commission Staff to SDG&E in response to a Procurement Plan Compliance Submittal; and (E) any materials submitted or produced in connection with the determination of the reasonableness of any energy procurement transaction which is the subject of any such Notice of Objection. The reviews described in this paragraph are collectively referred to hereinafter as the “SDG&E Procurement Plan and Compliance Reviews.”
- c) Protected Material shall also include: (A) any information contained in or obtained from the unreadacted materials described in the preceding paragraph; (B) any other materials that are made subject to this Protective Order by any assigned ALJ, Law and Motion ALJ, or Assigned Commission, or by the CPUC or any court or other body

having appropriate authority; (C) notes of Protected Materials; and (D) copies of Protected Materials. SDG&E and Commission Staff, when creating any Protected Materials, shall physically mark such materials on each page (or in the case of non-documentary materials such as computer diskettes, on each item) as “PROTECTED MATERIALS”, or with words of similar import as long as one or more of the terms, “Protected Materials,” “Section 583” or “General Order No. 66-C” is included in the designation to indicate that the materials in question are Protected Materials.

- d) The term “Notes of Protected Materials” means memoranda, handwritten notes, or any other form of information (including information in electronic form) that copies or discloses materials described in Paragraph 3(b). Except as specifically provided otherwise in this Order, notes of Protected Materials are subject to the same restrictions as are Protected Materials.
- e) Protected Materials shall not include: (A) any information or document contained in the public files of the CPUC or any other state or federal agency, or in any state or federal court, unless such information or document has been determined to be protected by such agency or court; or (B) information that is public knowledge, or which becomes public knowledge, other than through disclosure in violation of this Protective Order.
- f) The term “Non-Disclosure Certificate” shall mean the certificate annexed hereto as Appendix A by which persons who have been granted access to the Protected Materials of SDG&E shall, as a condition of such access, certify their understanding that such access is provided pursuant to the terms and restrictions of this Protective Order, and that such persons have read such Protective Order and agree to be bound by it. All Non-Disclosure Certificates shall be sent to and retained by SDG&E.
- g) The term Non-Market Participating Party (“NMPP”) Reviewing Representative shall mean a person who is:
  - 1) An employee of: (A) a state governmental agency other than the California Energy Commission (CEC) that (i) is not a Market Participating Party as defined in Paragraph 3(h)(1) hereof, and (ii) is statutorily authorized to obtain access to confidential data held



by another state governmental agency upon execution of a written agreement to treat the data so obtained as confidential, as provided in Government Code Section 6254.5(e); or (b) any other consumer or customer group that SDG&E and the Director of the Commission's Energy Division or his designee ("Division Director") agree has a bona fide interest in participating on behalf of end-use customers in Procurement Plan and Compliance Reviews regarding SDG&E, and which group is not a Market Participating Party as defined in paragraph 3(h)(1); or

- 2) An attorney, paralegal, expert or employee of an expert retained by an NMPP for the purpose of advising, preparing for or participating in Procurement Plan and Compliance Reviews regarding SDG&E.
- 3) NMPPs shall identify their proposed Reviewing Representatives to SDG&E and Division Director and provide a curriculum vitae of the candidate, including a brief description of the candidate's professional experience and past and present professional affiliations for the last 10 years. SDG&E and Division Director shall advise the proposing party in writing within three (3) business days from receipt of the notice if either or both of them object to the proposed Reviewing Representative, setting forth in detail the reasons therefor. In the event of such objection, the proposing party, SDG&E and Division Director shall promptly meet and confer to try to resolve the issue, and if necessary seek a ruling from either the assigned ALJ or the Law and Motion ALJ. In addition to determining whether the proposed Reviewing Representative has a need to know, the ALJ in ruling on the issue will evaluate whether the candidate is engaged in the purchase, sale or marketing of energy or capacity (or the direct supervision of any employee(s) whose duties include such activities), or the bidding on or purchasing of power plans or consulting on such matters (or the direct supervision of any employee(s) whose duties include such bidding, purchasing or consulting). Absent unusual circumstances as determined by the ALJ, a candidate who falls within the criteria set forth in the preceding sentence will ordinarily be deemed ineligible to serve as an NMPP Reviewing Representative;

- h) The term Market Participating Party (“MPP”) Reviewing Representative shall mean a person who is:
- 1) An employee of a private, municipal, state or federal entity that engages in the purchase, sale or marketing of energy or capacity, or the bidding on or purchasing of power plants, or consulting on such matters, or an employee of a trade association comprised of such entities that engage in one or more of such activities;  
or
  - 2) An attorney, paralegal, expert or employee of an expert retained by an MPP for the purpose of advising, preparing for participating in Procurement Plan and Compliance Reviews regarding SDG&E.
- i) The term “ISO Reviewing Representative” shall mean a person who is employed by the California Independent System Operator, a nonprofit public benefit corporation created pursuant to Article 3, Chapter 2.3 of the Public Utilities Act (Public Utilities Code Sections 345, *et seq.*). The ISO shall identify its proposed Reviewing Representative to SDG&E and Division Director and provide a curriculum vitae of the candidate, including a brief description of the candidate’s professional experience and past and present professional affiliations for the last 10 years. In addition, the ISO shall provide for each proposed ISO Reviewing Representative a copy of the ISO’s Employees Code of Conduct signed by the proposed ISO Reviewing Representative. SDG&E and Division Director shall advise the ISO in writing within three (3) business days from receipt of the notice if either or both of them object to the proposed Reviewing Representative, setting forth in detail the reasons therefor. In the event of such objection, the ISO, SDG&E and Division Director shall promptly meet and confer to try to resolve the issue, and if necessary seek a ruling from either the assigned ALJ or the Law and Motion ALJ. In addition to determining whether the proposed Reviewing Representative has a need to know, the ALJ in ruling on the issue will evaluate whether the candidate is engaged in the purchase, sale or marketing of energy or capacity (or the direct supervision of any employee(s) whose duties include such activities), or the bidding on or purchasing of power plants or consulting on such matters (or the direct supervision of any employee(s) whose duties include such bidding, purchasing or consulting). Absent unusual circumstances as determined by the ALJ, a candidate who falls within the criteria set forth in the preceding sentence will ordinarily be deemed ineligible to serve as an ISO Reviewing Representative; provided however that for purposes of this protective order, the ordinary

operation by the ISO of ISO Controlled Grid and the ordinary administration by the ISO of the ISO administered markets, including markets for Ancillary Services, Supplemental Energy, Congestion Management, and Local Area Reliability Services, shall not be deemed to be the purchase, sale or marketing of energy or capacity.

4. Access of NMPP Reviewing Representatives to Protected Materials shall be granted only pursuant to the terms of this Protective Order. Access of ISO Reviewing Representatives to Protected Materials shall be granted, but only pursuant to the terms of this Protective Order and SDG&E may redact price information from materials made available to an ISO Reviewing Representative. Participants in this proceeding who are designated as MPP Reviewing Representatives shall not be granted access to Protected Material, but shall instead be limited to reviewing redacted versions of documents that contain Protected Material.

5. Whenever SDG&E submits a document in this proceeding that includes data SDG&E contends is confidential or proprietary, SDG&E shall also prepare a redacted version of such document. The redacted version shall be sufficiently detailed in organization so that persons familiar with this proceeding (including MPP Reviewing Representatives) can determine with reasonable certainty the nature (but not magnitude) of the data that has been redacted. The redacted version of any document required by this paragraph shall be served on all persons on the service list (or, in the case of discovery, on all persons entitled to the discovery responses) who are not entitled to obtain access to Protected Material hereunder. All disputes regarding redacted versions of documents shall be submitted for resolution to the CPUC in accordance with Paragraph 13 of this Protective Order.

6. Within thirty (30) days after (a) the issuance of a Commission resolution regarding an SDG&E Procurement Plan, or (b) the date on which an

SDG&E Procurement Plan Compliance Review becomes final and no longer subject to judicial review, an NMPP Reviewing Representative and ISO Reviewing Representative shall, if requested to do so in writing by SDG&E, return or destroy the Protected Materials. Within the same 30-day time period, the NMPP Reviewing Representative and ISO Reviewing Representative shall also submit to SDG&E and Commission Staff an affidavit stating that, to the best of the NMPP Reviewing Representative's or the ISO's Reviewing Representative's knowledge, as applicable, all Protected Materials subject to the request have been returned or destroyed. Notwithstanding the two preceding sentences, the NMPP Reviewing Representative and the ISO Reviewing Representative may retain Notes of Protected Materials and copies of filings, official transcripts and exhibits, if any, prepared in the course of the NMPP Reviewing Representative's or the ISO Reviewing Representative's, as applicable, review of the Protected Materials, provided that such retained materials are maintained in accordance with Paragraphs 9 and 12 below. In the event the CEC receives a request that Protected Materials should be returned or destroyed, but the CEC Executive Director determines that the CEC needs to retain some or all of these Protected Materials to carry out its statutorily-mandated tasks, the CEC may retain the Protected Materials, and the CEC Executive Director shall furnish SDG&E and Commission Staff with a letter setting forth the CEC's reasons for retaining the Protected Materials, as well as a list enumerating with reasonable particularity the Protected Materials so retained. To the extent Protected Materials are not returned or destroyed pursuant to this paragraph, they shall remain subject to this Protective Order, Section 583 of the California Public Utilities Code and CPUC General Order No. 66-C.

7. (a) In the event that the CPUC receives a request for a copy of or access to any Protected Material from the CEC, the procedure for handling such

requests shall be as follows. The CPUC, after giving written notice to SDG&E of the request for the Protected Material, shall release such Protected Material to the CEC upon receipt from the CEC of an Interagency Information Request and Confidentiality Agreement (Interagency Confidentiality Agreement) identical in form to the agreement set forth in Appendix B hereto. Such Interagency Confidentiality Agreement shall (i) provide that the CEC will treat the requested Protected Material as confidential in accordance with this Protective Order, (ii) include an explanation of the purpose for the CEC's request, as well as an explanation of how the request relates to furtherance of the CEC's functions, (iii) be signed by a person authorized to bind the CEC contractually, and (iv) expressly state that furnishing of the requested Protected Material to employees or representatives of the CEC does not, by itself, make such Protected Material public. In addition, the Interagency Confidentiality Agreement shall include an express acknowledgment of the CPUC's sole authority (subject to judicial review) to make the determination whether the Protected Materials should remain confidential or be disclosed to the public, notwithstanding any provision to the contrary in the statutes or regulations applicable to the CEC.

(b) In the event the CPUC receives a request for a copy of or access to Protected Material from a state governmental agency other than the CEC that is authorized to enter into a written agreement sufficient to satisfy the requirements for maintaining confidentiality set forth in Government Code Section 6254.5(e), the CPUC may, after giving written notice to SDG&E of the request, release such Protected Material to the requesting governmental agency, upon receiving from the requesting agency an executed Interagency Confidentiality Agreement that contains the same provisions described in Paragraph 7(a) above, and that is otherwise substantively identical to the draft agreement set forth in Appendix B;

*i.e.*, identical as to legal principles but with variations in language that are necessary due to the particular situation of the requesting agency.

8. If a request is made pursuant to the Public Records Act (PRA), Government Code §6250, *et seq.*, that the Protected Materials filed with or otherwise in the possession of the CPUC be produced, the CPUC will notify SDG&E of the PRA request and will notify the requester that the Protected Materials are public records that fall within the exclusions listed in Section 2 of General Order No. 66(c), and/or that there is a public interest served by withholding the records. See paragraphs 2.2 and 3.3 of General Order No. 66-C. In the event the CPUC receives a request from a federal government agency or via a judicial subpoena for the production of Protected Materials in the CPUC's possession, the CPUC will also notify SDG&E of such request. In the event that a PRA requester brings suit to compel disclosure of Protected Materials, the CPUC will promptly notify SDG&E of such suit, and Commission Staff and SDG&E shall cooperate in opposing the suit.

9. Protected Materials shall be treated as confidential by each NMPP Reviewing Representative and by each ISO Reviewing Representative in accordance with the certificate executed pursuant to Paragraphs 3(f) and 11 hereof. Protected Materials shall not be used except as necessary for the conduct of this proceeding, and shall not be disclosed in any manner to any person except (i) other NMPP Reviewing Representatives who are engaged in this proceeding and need to know the information in order to carry out their responsibilities, (ii) persons employed by or working on behalf of the CEC or other state governmental agencies covered by Paragraphs 7(a) and 7(b) and (iii) the ISO Reviewing Representatives (with the exception of price information). In the event that a NMPP not covered by Paragraphs 7(a) and 7(b) or the ISO is requested or required by applicable laws or regulations, or in the course of

administrative or judicial proceedings (in response to oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any confidential information, the NMPP or the ISO agrees to oppose disclosure on the grounds that the requested information has already been designated by the Commission as Protected Materials subject to this Protective Order lawfully issued by the Commission and therefore may not be disclosed. The ISO or NMPP shall also immediately inform the utility of the request, and the utility may, at its sole discretion and cost, direct any challenge or defense against the disclosure requirement, and the NMPP or ISO shall cooperate with the utility to the maximum extent practicable to either oppose the disclosure of the Protected Materials consistent with applicable law, or obtain confidential treatment of Protected Materials by the entity that wishes to receive the Protected Materials prior to any such disclosure. If there are multiple requests for substantially similar Protected Materials in the same case or proceeding where the NMPP or ISO has been ordered to produce certain specific Protected Materials, the ISO or NMPP may, upon request for substantially similar Protected Materials by a similarly situated party, respond in a manner consistent with that order to those substantially similar requests for those Protected Materials.

10. It shall be a rebuttable presumption that (i) any study that incorporates, describes or otherwise employs Protected Material in a manner that could reveal all or a part of the Protected Material, or (ii) any model that relies upon Protected Material for algorithms or other computation(s) critical to the functioning of the model, shall also be considered Protected Material that is subject to Section 583 of the Public Utilities Code, the Commission's General Order 66-C, and this Protective Order. However, models that merely use Protected Material as inputs will not themselves be considered Protective

Material. It shall also be a rebuttable presumption that where the inputs to studies or models include Protected Material, or where the outputs of such studies or models reveal such inputs or can be processed to reveal the Protected Material, such inputs and/or outputs shall be considered Protected Material subject to this Protective Order, unless such inputs and/or outputs have been redacted or aggregated to the satisfaction of the party producing the Protected Material. Unless a party, by means of notice and motion, obtains a ruling from the Assigned ALJ or the Law and Motion ALJ holding that the applicable presumption(s) from among the foregoing has been rebutted with respect to the model or study at issue, then any party who devises or propounds a model or study that incorporates, uses or is based upon Protected Material shall label the model or study "Protected Material," and it shall be subject to the terms of this Protective Order.

11. No NMPP Reviewing Representative or ISO Reviewing Representative shall be permitted to inspect, participate in discussions regarding, or otherwise be granted access to Protected Materials pursuant to this Protective Order unless such NMPP Reviewing Representative or ISO Reviewing Representative has first executed a Non-Disclosure Certificate and delivered it to SDG&E. SDG&E shall provide copies of executed Non-Disclosure Certificates to Commission Staff. Attorneys qualified as NMPP Reviewing Representatives or as ISO Reviewing Representatives shall ensure that persons under their supervision or control comply with this Protective Order.

12. In the event that an NMPP Reviewing Representative to whom Protected materials are disclosed ceases to be engaged in Procurement Plan and Compliance Reviews concerning SDG&E, or is employed or retained for a position whose employer is not qualified to be an NMPP under Paragraph 3(g)(1), then access to Protected Materials by that person shall be terminated.



Even if no longer engaged in such reviews, every such person shall continue to be bound by the provisions of this Protective Order and the Non-Disclosure Certificate.

13. All disputes arising under this Protective Order shall be presented for resolution to the Assigned ALJ or the Law and Motion ALJ. Prior to presenting any such dispute to the applicable ALJ, the parties to the dispute shall use their best efforts to resolve it. Neither SDG&E nor the Commission Staff waives its right to seek additional administrative or judicial remedies after the Assigned ALJ or the Law and Motion ALJ has made a ruling regarding the dispute.

14. All documents containing Protected Materials that are filed with the Commission or served shall be placed in sealed envelopes or otherwise appropriately protected and shall be endorsed to the effect that they are filed or served under seal pursuant to this Protective Order. Such documents shall be marked with the words "**PROTECTED MATERIALS**" or one of the other, similar terms set forth in paragraph 3(c) hereof, and shall be served upon all NMPP Reviewing Representatives and persons employed by or working on behalf of the state governmental agencies referred to in Paragraphs 7(a) and 7(b) who are eligible to see the Protected Materials. Service upon the persons specified in the foregoing sentence may either be (a) by electronic mail in accordance with the Electronic Service Protocols set forth in Appendix A to the Order Instituting Rulemaking in this docket, (b) by facsimile, or (c) by overnight mail or messenger service. In the event the serving party chooses to serve the foregoing persons entitled to see Protective Materials by overnight mail or messenger service, the serving party shall give all parties 24 hours' electronic notice of its intention to do so. Any affected party who objects on account of delay to being served with the document(s) at issue by overnight mail or messenger service shall promptly notify the serving party of such objection, and in such a case the serving party

shall arrange to have the document(s) containing the Protected Material hand-delivered on the date service is due to the party so objecting. Whenever service of a document containing Protected Material is made by overnight mail or messenger service, the Assigned ALJ shall be served with such document by hand on the date that service is due.

15. Nothing in this Protective Order shall be construed as limiting the right of SDG&E, Commission Staff, a NMPP or a state governmental agency covered by Paragraph 7(a) or 7(b) from objecting to the use of Protected Material on any legal ground, such as a relevance or privilege.

16. All Protected Materials filed with judicial or administrative bodies other than the Commission, whether in support of or as part of a motion, brief or other document or pleading, shall be filed and served in sealed envelopes or other appropriate containers bearing prominent markings indicating that the contents include Protected Materials that are subject to this Protective Order.

17. Neither SDG&E nor the Commission Staff waives its right to pursue any other legal or equitable remedy that may be available in the event of actual or anticipated disclosure of Protected Materials.

18. SDG&E and Commission Staff may agree at any time to remove the "Protected Material" designation from any material if, in their mutual opinion, its confidentiality is no longer required. In such a case, SDG&E will notify all parties that SDG&E believes are in possession of such materials of the change of designation.

ADOPTED PER RULING OF ADMINISTRATIVE LAW JUDGE PETER V. ALLEN ON MAY 20, 2003.

