

## ISO/RTO COUNCIL CHARTER

### *I. Name and Purpose*

The ISO/RTO Council (the "Council") shall serve as a coordination vehicle formed for the purpose of promoting communication, providing mutual assistance, developing effective processes and tools, and otherwise coordinating in areas of mutual consent. The Council shall be made up of the RTO/ISO Chief Executives. Within the Council, there shall be such committees as the Chief Executives agree, whose overall purpose shall be to further the goals and purposes of the Council.

### *II. Membership Criteria*

Membership in the Council shall be restricted to the highest ranking full-time executive (each a "Member") of an Independent System Operator ("ISO"), Regional Transmission Organization ("RTO"), or similar organization in North America, recognized and/or authorized by the Federal Energy Regulatory Commission ("FERC") in the United States, or by the appropriate national, state, or provincial government in the United States, Canada, or Mexico to operate a regional transmission system. Although, only the highest ranking full-time executive of a qualifying organization may be a Member of the Council, alternates will be permitted to attend Council meetings; members and alternates may participate in meetings via conference call. Further, Members may bring staff members to meetings as appropriate for the topics to be discussed.

The initial membership of the Council shall consist of Members from the Alberta Power Pool, the California Independent System Operator, the Electric Reliability Council of Texas, the Independent Electricity Market Operator, the Midwest Independent Transmission System Operator, Inc., ISO New England Inc., the New York Independent System Operator, PJM Interconnection, L.L.C., and the Southwest Power Pool.

All Council Members agree to the Data Disclosure Understanding ("DDU"), which is Attachment A hereto. By signing this Charter they shall be obligated to bind all of their employees and agents to comply with the DDU.

### *III. Meetings*

Meetings shall be scheduled at least quarterly and responsibility for hosting the meetings shall rotate among the Members. The Member hosting the meeting shall be responsible for establishing the meeting logistics, creating the agenda, in consultation with the Secretary and other Members, and acting as Chairperson for the meeting.

#### **IV. Committees**

The Council may establish standing and/or ad hoc committees, as the Members deem appropriate to further the goals and purposes of the Council. Committees so established shall:

1. Develop a committee charter,
2. Define their scope of work,
3. Define their reporting requirements,
4. Develop an annual plan of work, and
5. Develop an annual budget, as may be required

The committee charters developed shall, at a minimum, include the details set forth in Attachment B, hereto. A committee shall have the sanction of the Council upon approval of its charter. Approved committee charters shall be appendices to this Charter.

#### **V. Voting**

In order to pass a measure, voting must be unanimous. Any members may abstain or otherwise withdraw from any Council or committee activity. In the event that voting on a particular item is not unanimous, the Members of the Council agree not to represent the position as the position of the Council.

#### **VI. Funding**

Funding for Council activities shall be provided pro rata by each participant attending, unless otherwise approved by the Council.

#### **VII. Withdrawal**

Any Member may withdraw from this Charter upon ten (10) days written notice to the other Members of its intention to withdraw, although any obligations undertaken hereunder shall survive such withdrawal. Such notice shall be given to the executives executing this Charter or their replacements.

#### **VIII. Execution**

This Charter may be executed in counterparts, each of which shall be considered an original.

#### **IX. Secretary**

For administrative purposes, the Council shall designate a member to serve as Council secretary. The secretary shall create meeting agendas in consultation with the meeting Chair and other Members, generate and distribute the meeting minutes, and keep all

official records, rosters and such other documentation as deemed necessary or desirable by the Council.

**X. Liability and Third Party Benefit**


No member, or its ISO or RTO, shall have any liability to any other member or its ISO or RTO except as arises out of this Charter. Nothing in this Charter is intended for the benefit of third parties and no third party may claim for damages or otherwise to enforce such benefit.

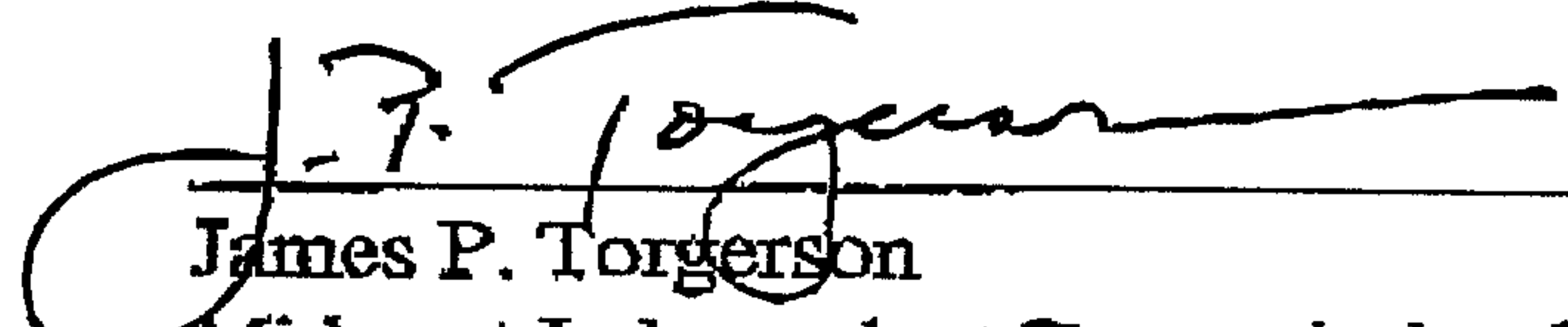
**XI. Miscellaneous**


Nothing in this Charter shall be construed as establishing a joint venture, agency relationship, any authority of an individual member to bind the Council, or as intending to violate any antitrust law.


**XII. Agreement**

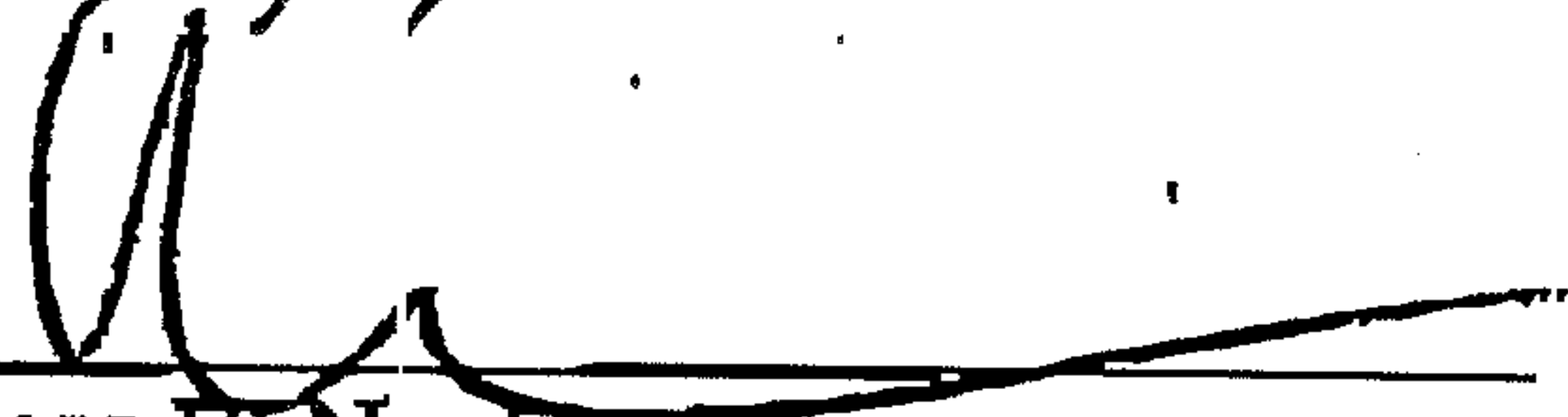
The following organizations agree to be bound by the terms of this Charter.


  
\_\_\_\_\_  
John Tapics  
Power Pool of Alberta  
Date: Feb 10, 2003

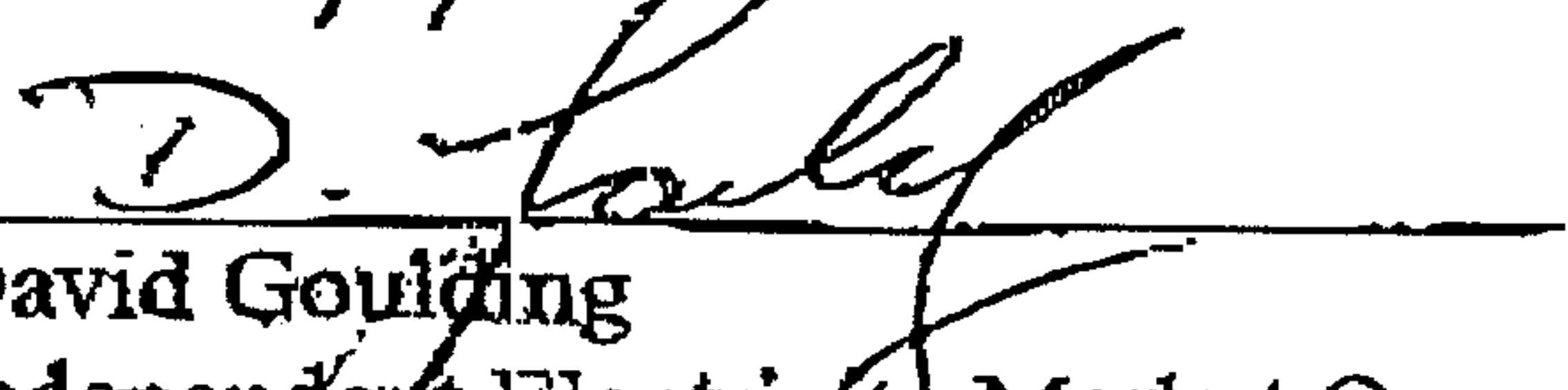
  
\_\_\_\_\_  
James P. Torgerson  
Midwest Independent Transmission System  
Operator, Inc.  
Date: 1/30/03

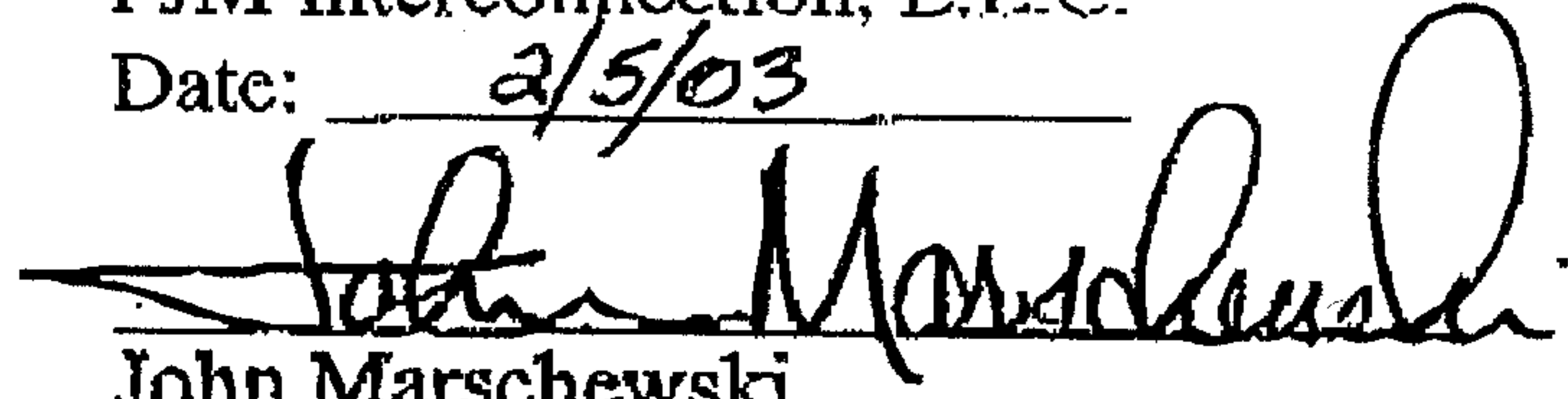
  
\_\_\_\_\_  
Terry M. Winter  
California Independent System Operator  
Date: 2/3/03

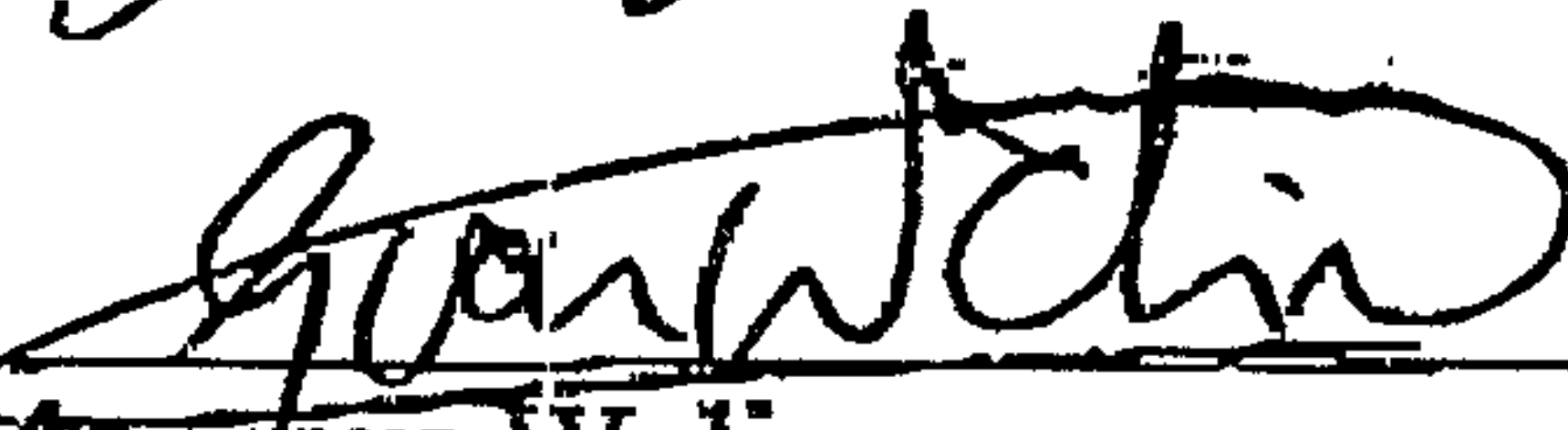
  
\_\_\_\_\_  
William J. Museler  
New York ISO  
Date: 2/3/03

  
\_\_\_\_\_  
Thomas E. Noel  
Electric Reliability Council of Texas  
Date: 2/4/03

  
\_\_\_\_\_  
Phillip G. Harris  
PJM Interconnection, L.L.C.  
Date: 2/5/03

  
\_\_\_\_\_  
David Goulding  
Independent Electricity Market Operator  
Date: January 30, 2003

  
\_\_\_\_\_  
John Marschewski  
Southwest Power Pool, Inc.  
Date: 1/30/03

By:   
\_\_\_\_\_  
Gordon van Welie  
ISO New England Inc.  
Date: 2/7/03

Attachment A  
**DATA DISCLOSURE UNDERSTANDING**

All Council members recognize the need to exchange data and information to accomplish the purpose of the Council. This Data Disclosure Understanding ("DDU") acknowledges the importance of maintaining the confidentiality of data and information and the intent of the Parties to work toward developing methodologies to exchange data and information from time to time.

1. Each Member shall continue to observe all requirements to maintain the confidentiality of data and information it acquires as a result of the operation of its system. These requirements include, but may not be limited to, confidentiality obligations found in agreements approved by regulatory entities with authority over the Member, confidentiality obligations in other agreements with market participants and confidentiality obligations pursuant to codes of conduct binding on the Member.
2. Upon a request by one Member to another Member for disclosure of non-confidential data or information, the Member receiving the request will make reasonable good faith efforts to share the non-confidential data and information with the requesting Member to accomplish their mutual goal of facilitating the purpose of the Council.
3. Upon a request by one Member to another Member for disclosure of confidential data or information, the relevant Member agrees to work in good faith to attempt to develop appropriate new confidentiality agreements that will allow the confidential data and information to be shared between the relevant Members in a manner consistent with the confidentiality obligations of each Member referred to in paragraph 1.
4. If at any time any Members have not entered, or are unable to enter, into any agreement to share confidential data or information as referred to in paragraph 3, the relevant Members shall use reasonable good faith efforts to redact confidential data and information so that non-confidential data and information can then be shared between the relevant Members in the manner provided in paragraph 2.
5. This DDU shall not be construed as an agreement by any Member to share any particular confidential or non-confidential data or information when at any time the Member believes it is not in its interest to do so.
6. Each Member agrees to bear its own costs, to the extent that it incurs expenses in complying with this DDU.

**FORM FOR COMMITTEE CHARTERS**

**Name:** – Name of committee

**Purpose:** – Purpose for which chartered

**Term:** – Date to be reviewed for continuance

**Scope of Work:** – Specific outline of work and delineation of deliverables

**Reports:** – When and how to report on activities

**Secretary:** – Who keeps records of committee

**Voting:** – Specify if other than unanimous consent is required

**Other considerations:** – List of specific criteria for this committee