

**CHAPTER 25. SUBSTANTIVE RULES APPLICABLE TO ELECTRIC SERVICE PROVIDERS.**

**Subchapter I. TRANSMISSION AND DISTRIBUTION.**

**DIVISION 1. OPEN-ACCESS COMPARABLE TRANSMISSION SERVICE FOR ELECTRIC UTILITIES IN THE ELECTRIC RELIABILITY COUNCIL OF TEXAS.**

**§25.196. Standards of Conduct.**

- (a) **Applicability.** This section applies to transmission service provider (TSP), as defined in §25.5 (relating to Definitions), that:
- (1) is not required by the Public Utility Regulatory Act (PURA) §39.051 to unbundle generation and transmission activities; and
  - (2) has retail sales of total metered electric energy for the average of the three most recent calendar years that is greater than 6,000,000 megawatt hours.
- (b) **Standards of conduct.** Each TSP subject to this section shall comply with the following standards:
- (1) The employees of a TSP who are engaged in wholesale merchant functions (that is, the purchase or sale of electric energy at wholesale), other than purchases required under the Public Utility Regulatory Policies Act, shall not:
    - (A) conduct transmission system operations or reliability functions;
    - (B) have preferential access to the TSP's system control center and other facilities, beyond the access that is available to other market participants; or
    - (C) have preferential access to information about the TSP's transmission system that is not available to users of the electronic information network established in accordance with Division 1 of this subchapter.
  - (2) To the maximum extent practicable, employees of a TSP engaged in transmission system operations must function independently of employees engaged in wholesale merchant functions of the TSP. Employees engaged in transmission system operations may disclose information to employees of the TSP, or of an affiliate, who are engaged in wholesale merchant functions only through the electronic information network, if the information relates to the TSP's transmission system or offerings of ancillary services, including calculations of available transmission capacity and information concerning curtailments. Employees engaged in transmission system operations may not disclose to employees of the TSP, or of an affiliate, who are engaged in wholesale merchant functions, any information that is not publicly available concerning activities of any competitors of the TSP or any of its affiliates including requests for interconnection by a transmission service customer or requests by the Electric Reliability Council of Texas (ERCOT) for comments on the scope of a system security screening study.
  - (3) Information concerning transfers of persons between an organizational unit that is responsible for transmission system operations and a unit that is responsible for wholesale merchant functions shall be provided to the commission on a monthly basis and shall be made available, on request, to any market participant.
  - (4) If an employee of a TSP discloses or obtains information in a manner that is inconsistent with the requirements in this subsection, the TSP shall post a notice and details of the disclosure on the information network.
  - (5) Employees of a TSP engaged in transmission operations shall apply the rules in Division 1 of this subchapter and any tariffs relating to transmission service in a fair and impartial manner.
  - (6) Provisions of this section that allow no discretion shall be strictly applied, and where discretion is allowed, it shall be exercised in a non-discriminatory manner.
  - (7) This subsection shall not apply to data that do not relate to transmission service operations such as information on human resource policies.