

ADMINISTRATIVE ARRANGEMENT

Between

The Directorate-General for Energy of the European Commission

and

the North American Electric Reliability Corporation

**Concerning Cooperation and the Exchange of Information Related
to Electric Grid Reliability**

**ADMINISTRATIVE ARRANGEMENT CONCERNING
COOPERATION AND EXCHANGE OF INFORMATION BETWEEN
THE DIRECTORATE-GENERAL FOR ENERGY
OF THE EUROPEAN COMMISSION
AND THE
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION**

Having regard to the role of the Directorate-General for Energy of the European Commission (DG Energy) in drafting Commission proposals on the further development of integrated wholesale electricity and gas markets in the European Union, in developing the network codes and in monitoring the application of European Union law as it applies to electricity and gas markets;

Having regard to the role of the North American Electric Reliability Corporation (NERC) in assuring the reliability of the bulk power system in North America (United States of America, Canada and Mexico) through the development, implementation and enforcement of mandatory reliability standards, including cyber and physical security, as well as assessing the reliability of the North American electric grid through the use of data gathering, risk analytics and events analysis.

Recognising that, in the field of electric grid reliability, DG Energy and the NERC share convergent interests in assuring electric grid reliability through coordination with multiple owners, operators and users of each individual system as well as amongst different competent authorities.

Recalling that this Administrative Arrangement (AA) Concerning Cooperation and Exchange of Information between the DG Energy and the NERC is without prejudice to the respective competences of the Member States of the European Union and the European Union institutions and does not create legal obligations in respect of the European Union and its Member States.

DG Energy and NERC share the following understandings:

**SECTION 1:
DEFINITIONS**

1. “Authority” means DG Energy or the NERC (together the Authorities).
2. “Person” means a natural or legal person.
3. “Electric grid” means an interconnected network for delivering electricity from suppliers to consumers.
4. “Reliability” means the ability of the electric grid to perform its required functions under stated conditions for a specified time.

**SECTION 2:
GENERAL PROVISIONS**

1. This AA does not create any legally binding obligations, confer any rights, or supersede domestic laws. This AA does not confer upon any Person the right or ability directly or indirectly to obtain, suppress, or exclude any information or a request for assistance under this AA.
2. This AA does not affect any right of each Authority to communicate with, or obtain information or documents from, any Person subject to their jurisdiction that is located in the territory of the other Authority, including Canada and Mexico.
3. This AA does not prejudice, limit or alter the terms and conditions of any bilateral or multilateral Memoranda of Understanding or other arrangements concerning cooperation between or among either Authority and any competent authorities from Member States of the European Union or from the United States, Canada or Mexico.
4. The Authorities, within the framework of this AA, intend to cooperate in good faith and in full respect of their regulatory or legal duties in relation to the issues listed in this AA.
5. DG Energy and the NERC, unless otherwise mutually decided, intend to bear their own respective shares of financial costs of participating in the activities under this AA. All such activities would be subject to approval of funding by each Authority involved.

**SECTION 3:
SCOPE OF COOPERATION AND THE EXCHANGE OF INFORMATION**

DG Energy and the NERC affirm their intent:

1. To have regular consultations and exchange of information on electric grid reliability at a technical level, and to share best practices such as methods, techniques and standards to face emerging challenges related to maintaining the reliability of the electric grid, including but not limited to:
 - Technical cooperation with and amongst competent authorities;
 - Development and implementation of standards;
 - Identifying which entities should be subject to such standards;
 - Data gathering and analytics;
 - Cyber and physical security.

Such exchange of information may include studies that have been prepared by or for the account of either Authority.

2. To have regular consultations and exchange of information and best practices referred to in Section 3(1) above on ensuring electricity grid reliability, including on the integration of variable energy resources into the electricity system and on efficient and well-coordinated transmission system operation.
3. To consider the possibility of short-term staff exchanges, the details of which may be discussed between the Authorities.
4. To protect to the extent permitted by law non-public information shared under this AA and obtain prior consent by the other Authority before disclosing non-public information received from the other Authority, except where disclosure is required by law. The Authority intending disclosure of non-public information received from the other authority is expected, to the extent legally permissible and practically possible, to inform the Authority originally providing the information about the planned disclosure within a reasonable amount of time prior to such disclosure.

**SECTION 4:
MODIFICATIONS AND EFFECTIVE DATE**

1. Modifications to this AA should be made in writing with the written consent of both Authorities.
2. Cooperation in accordance with this AA becomes effective on the date that both Authorities have signed this AA.

**SECTION 5:
DISCONTINUATION**

1. An Authority should endeavour to provide 30 days written notice of its intent to discontinue cooperation under this AA. If either Authority gives such notice, cooperation and assistance under this AA should continue with respect to all requests for assistance that were made, or information provided before the date on which the AA is discontinued (as indicated in the notice but no earlier than the date the notice is sent) until the requesting Authority notifies the other Authority that the matter for which it sought assistance is closed.
2. In the event of the discontinuation of this AA, information obtained under this AA should continue to be treated confidentially in the manner prescribed under Section 3(4).

Dominique Ristori,
Director-General for
DG Energy of the
European Commission

Date

Place

Gerry W. Cauley
President and CEO of the North American Electric
Reliability Corporation

Date

Place