

Agenda

Project Management and Oversight Subcommittee Meeting

June 15, 2021 | 2:30–4:30 p.m. Eastern

Dial-in: 1-415-655-0002 | Access Code: 180 112 2453 | Meeting Password: 061521

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Introduction and Chair's Remarks

NERC Antitrust Compliance Guidelines and Public Announcement NERC Participant Policy

Agenda Items

1. **Consent Agenda - Approve - Charles Yeung**
 - a. March 16, 2021 Project Management and Oversight Subcommittee Meeting Minutes*
2. **Prior Action Items - Review - Charles Yeung / Ben Wu**
 - a. COVID-19 Update: NERC Travel and Meeting Policy
3. **Project Tracking Spreadsheet ([PTS](#)) - Review**
 - a. 2015-09 – Establish and Communicate System Operating Limits - *Ken Lanehome / Rebecca Moore Darrah*
 - i. 2015-09 (Phase I) - **Update**
 - ii. 2015-09b – Establish and Communicate System Operating Limits - **On Hold**
 - b. 2016-02 – Modifications to CIP Standards - *Ken Lanehome / Kirk Rosener*
 - i. (2016-02d) Version 5 TAG, Cyber Asset and BES CA (BCA) definitions, Network and Externally Accessible Devices (ESP, ERC, IRA), Virtualization, and CIP Exceptional Circumstances - **Update**
 - c. 2017-01 – Modifications to BAL-003-1 - *Linda Lynch / Mark Pratt*
 - i. 2017-01 (b) (Phase II) - **Update**
 - d. 2019-02 – BES Cyber System Information Access Management (CIP-004 and CIP-011) - **Update**
Colby Bellville / Kirk Rosener
 - e. 2019-04 – Modifications to PRC-005 - **Update** - *Mark Pratt / Linda Lynch*
 - f. 2019-05 – Modifications to PER-003 - **On Hold** - *Colby Bellville / Charles Yeung*

- g. 2019-06 – Cold Weather - **Update** - *Quinn Morrison / Michael Brytowski*
- h. 2020-02 – Transmission-connected Resources - **On Hold** - *Linda Lynch*
- i. 2020-03 – Supply Chain Low Impact Revisions - **Update** - *Masuncha Bussey / Kirk Rosener*
- j. 2020-04 – Modifications to CIP-012-1 - **Update** - *Colby Bellville*
- k. 2020-05 – Modifications to FAC-001-3 and FAC-002-2 - **Update** - *Anthony Westenkirchner / Cristhian Godoy*
- l. 2020-06 – Verifications of Models and Data for Generators - **Update** - *Cristhian Godoy*
- m. 2021-01 – Modifications to MOD-025 and PRC-019 - **Update** - *Linda Lynch*
- n. 2021-02 – Modifications to VAR-002-4.1 - **Update** *Rebecca Moore Darrah*
- o. 2021-03 – Transmission Owner Control Centers (TOCC) - **Update** TBD
- p. 2021-04 – Modifications to PRC-002-2 - **Update** TBD
- q. 2021-05 – Modifications to PRC-023-4 - **Update** TBD

4. Other

- a. Next meeting
 - i. Conference call on Wednesday, August 4, 2021 from 1:00-3:00 p.m. Eastern
- b. Other

5. Adjournment

*Background materials included.

NERC Antitrust Compliance Guidelines

I. General

It is NERC's policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or that might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition.

It is the responsibility of every NERC participant and employee who may in any way affect NERC's compliance with the antitrust laws to carry out this commitment.

Antitrust laws are complex and subject to court interpretation that can vary over time and from one court to another. The purpose of these guidelines is to alert NERC participants and employees to potential antitrust problems and to set forth policies to be followed with respect to activities that may involve antitrust considerations. In some instances, the NERC policy contained in these guidelines is stricter than the applicable antitrust laws. Any NERC participant or employee who is uncertain about the legal ramifications of a particular course of conduct or who has doubts or concerns about whether NERC's antitrust compliance policy is implicated in any situation should consult NERC's General Counsel immediately.

II. Prohibited Activities

Participants in NERC activities (including those of its committees and subgroups) should refrain from the following when acting in their capacity as participants in NERC activities (e.g., at NERC meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants' expectations as to their future prices or internal costs.
- Discussions of a participant's marketing strategies.
- Discussions regarding how customers and geographical areas are to be divided among competitors.
- Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.
- Any other matters that do not clearly fall within these guidelines should be reviewed with NERC's General Counsel before being discussed.

III. Activities That Are Permitted

From time to time decisions or actions of NERC (including those of its committees and subgroups) may have a negative impact on particular entities and thus in that sense adversely impact competition. Decisions and actions by NERC (including its committees and subgroups) should only be undertaken for the purpose of promoting and maintaining the reliability and adequacy of the bulk power system. If you do not have a

legitimate purpose consistent with this objective for discussing a matter, please refrain from discussing the matter during NERC meetings and in other NERC-related communications.

You should also ensure that NERC procedures, including those set forth in NERC's Certificate of Incorporation, Bylaws, and Rules of Procedure are followed in conducting NERC business.

In addition, all discussions in NERC meetings and other NERC-related communications should be within the scope of the mandate for or assignment to the particular NERC committee or subgroup, as well as within the scope of the published agenda for the meeting.

No decisions should be made nor any actions taken in NERC activities for the purpose of giving an industry participant or group of participants a competitive advantage over other participants. In particular, decisions with respect to setting, revising, or assessing compliance with NERC reliability standards should not be influenced by anti-competitive motivations.

Subject to the foregoing restrictions, participants in NERC activities may discuss:

- Reliability matters relating to the bulk power system, including operation and planning matters such as establishing or revising reliability standards, special operating procedures, operating transfer capabilities, and plans for new facilities.
- Matters relating to the impact of reliability standards for the bulk power system on electricity markets, and the impact of electricity market operations on the reliability of the bulk power system.
- Proposed filings or other communications with state or federal regulatory authorities or other governmental entities.
- Matters relating to the internal governance, management and operation of NERC, such as nominations for vacant committee positions, budgeting and assessments, and employment matters; and procedural matters such as planning and scheduling meetings.

NERC Participant Conduct Policy

General

Consistent with its Rules of Procedure, Bylaws, and other governing documents, NERC regularly collaborates with its members and other stakeholders to help further its mission to assure the effective and efficient reduction of risks to the reliability and security of the grid. Many NERC members and other bulk power system experts provide time and expertise to NERC, and the general public, by participating in NERC committees, subcommittees, task forces, working groups, and standard drafting teams, among other things. To ensure that NERC activities are conducted in a responsible, timely, and efficient manner, it is essential to maintain a professional and constructive work environment for all participants, including NERC staff; members of NERC committees, subcommittees, task forces, working groups, and standard drafting teams; as well as any observers of these groups. To that end, NERC has adopted the following Participant Conduct Policy (this “Policy”) for all participants engaged in NERC activities. Nothing in this Policy is intended to limit the powers of the NERC Board of Trustees or NERC management as set forth in NERC’s organizational documents, the NERC Rules of Procedure, or under applicable law. This Policy does not apply to the NERC Board of Trustees or the Member Representatives Committee.

Participant Conduct Policy

All participants in NERC activities must conduct themselves in a professional manner at all times. This Policy includes in-person conduct and any communication, electronic or otherwise, made as a participant in NERC activities. Examples of unprofessional conduct include, but are not limited to, verbal altercations, use of abusive language, personal attacks or derogatory statements made against or directed at another participant, and frequent or patterned interruptions that disrupt the efficient conduct of a meeting or teleconference.

Additionally, participants shall not use NERC activities for commercial purposes or for their own private purposes, including, but not limited to, advertising or promoting a specific product or service, announcements of a personal nature, sharing of files or attachments not directly relevant to the purpose of the NERC activity, and communication of personal views or opinions, unless those views are directly related to the purpose of the NERC activity. Unless authorized by an appropriate NERC officer, individuals participating in NERC activities are not authorized to speak on behalf of NERC or to indicate their views represent the views of NERC, and should provide such a disclaimer if identifying themselves as a participant in a NERC activity to the press, at speaking engagements, or through other public communications.

Finally, participants shall not distribute work product developed during the course of NERC activities if that work product is deemed Confidential Information consistent with the NERC Rules of Procedure Section 1500. Participants also shall not distribute work product developed during the course of NERC activities if distribution is not permitted by NERC or the relevant committee chair or vice chair (e.g., an embargoed report), provided that NERC, or the committee chair or vice chair in consultation with NERC staff, may grant in writing a request by a participant to allow further distribution of the work product to one or more specified entities within its industry sector if deemed to be appropriate. Any participant that distributes

work product labeled “embargoed,” “do not release,” or “confidential” (or other similar labels) without written approval for such further distribution would be in violation of this Policy. Such participants would be subject to restrictions on participation, including permanent removal from participation on a NERC committee or other NERC activity.

Reasonable Restrictions on Participation

If a participant does not comply with this Policy, certain reasonable restrictions on participation in NERC activities may be imposed as described below.

If a NERC staff member, or committee chair or vice chair after consultation with NERC staff, determines, by his or her own observation or by complaint of another participant, that a participant’s behavior is disruptive to the orderly conduct of a meeting in progress or otherwise violates this Policy, the NERC staff member or committee chair or vice chair may remove the participant from a meeting. Removal by the NERC staff member or committee chair or vice chair is limited solely to the meeting in progress and does not extend to any future meeting. Before a participant may be asked to leave the meeting, the NERC staff member or committee chair or vice chair must first remind the participant of the obligation to conduct himself or herself in accordance with this Policy and provide an opportunity for the participant to comply. If a participant is requested to leave a meeting by a NERC staff member or committee chair or vice chair, the participant must cooperate fully with the request.

Similarly, if a NERC staff member, or committee chair or vice chair after consultation with NERC staff, determines, by his or her own observation or by complaint of another participant, that a participant’s behavior is disruptive to the orderly conduct of a teleconference in progress or otherwise violates this Policy, the NERC staff member or committee chair or vice chair may request the participant to leave the teleconference. Removal by the NERC staff member or committee chair or vice chair is limited solely to the teleconference in progress and does not extend to any future teleconference. Before a participant may be asked to leave the teleconference, the NERC staff member or committee chair or vice chair must first remind the participant of the obligation to conduct himself or herself in accordance with this Policy and provide an opportunity for the participant to comply. If a participant is requested to leave a teleconference by a NERC staff member or committee chair or vice chair, the participant must cooperate fully with the request. Alternatively, the NERC staff member or committee chair or vice chair may choose to terminate the teleconference.

At any time, a NERC officer, after consultation with NERC’s General Counsel, may impose a restriction on a participant from one or more future meetings or teleconferences, a restriction on the use of any NERC-administered listserv or other communication list, or such other restriction as may be reasonably necessary to maintain the orderly conduct of NERC activities. Before approving any such restriction, the NERC General Counsel must provide notice to the affected participant and an opportunity to submit a written objection to the proposed restriction no fewer than seven days from the date on which notice is provided. If approved, the restriction is binding on the participant, and NERC will notify the organization employing or contracting with the restricted participant. A restricted participant may request removal of the restriction by submitting a request in writing to the NERC General Counsel. The restriction will be removed at the reasonable discretion of the NERC General Counsel or a designee.

Upon the authorization of the NERC General Counsel, NERC may require any participant in any NERC activity to execute a written acknowledgement of this Policy and its terms and agree that continued participation in any NERC activity is subject to compliance with this Policy.

Guidelines for Use of NERC Email Lists

NERC provides email lists, or “listservs,” to NERC stakeholder committees, groups, and teams to facilitate sharing information about NERC activities. It is the policy of NERC that all emails sent to NERC listservs be limited to topics that are directly relevant to the listserv group’s assigned scope of work. NERC reserves the right to apply administrative restrictions to any listserv or its participants, without advance notice, to ensure that the resource is used in accordance with this and other NERC policies.

Prohibited activities include using NERC-provided listservs for any price-fixing, division of markets, and/or other anti-competitive behavior. Recipients and participants on NERC listservs may not utilize NERC listservs for their own private purposes. This may include lobbying for or against pending balloted standards, announcements of a personal nature, sharing of files or attachments not directly relevant to the listserv group’s scope of responsibilities, or communication of personal views or opinions, unless those views are provided to advance the work of the listserv’s group. Any offensive, abusive, or obscene language or material shall not be sent across the NERC listservs.

Any participant who has concerns about this Policy may contact NERC’s General Counsel.

Version History		
Version	Date	Revisions
1	February 6, 2019	Initial version
2	February 22, 2019	Clarified policy does not apply to Board or MRC Address participants speaking on behalf of NERC

Public Meeting Notice

REMINDER FOR USE AT BEGINNING OF MEETINGS AND CONFERENCE CALLS THAT HAVE BEEN PUBLICLY NOTICED AND ARE OPEN TO THE PUBLIC

Conference call/webinar version:

As a reminder to all participants, this webinar is public. The registration information was posted on the NERC website and widely distributed. Speakers on the call should keep in mind that the listening audience may include members of the press and representatives of various governmental authorities, in addition to the expected participation by industry stakeholders.

Face-to-face meeting version:

As a reminder to all participants, this meeting is public. Notice of the meeting was posted on the NERC website and widely distributed. Participants should keep in mind that the audience may include members of the press and representatives of various governmental authorities, in addition to the expected participation by industry stakeholders.

For face-to-face meeting, with dial-in capability:

As a reminder to all participants, this meeting is public. Notice of the meeting was posted on the NERC website and widely distributed. The notice included the number for dial-in participation. Participants should keep in mind that the audience may include members of the press and representatives of various governmental authorities, in addition to the expected participation by industry stakeholders.

Meeting Minutes Project Management and Oversight Subcommittee (PMOS)

March 16, 2021 | 2:30–4:30 p.m. Eastern

Introduction and Chair's Remarks

Chair C. Yeung called the meeting, to order at 2:30 p.m. Eastern. The meeting was announced via the PMOS email distribution list on March 9, 2021 as well as being publicly posted on the www.nerc.com website. The chair provided the subcommittee with opening remarks and welcomed members¹ and guests. The secretary held roll call for members and identified other attendees that were in attendance. Those in attendance included:

Members: Charles Yeung (PMOS chair), Michael Brytowski (PMOS vice chair), Colby Bellville, Masuncha Bussey, Linda Lynch, Quinn Morrison, Mark Pratt, Kirk Rosener, Ken Lanehome, Rebecca Moore Darrah, Cristhian Godoy, and Anthony Westenkirchner. A quorum of voting members (i.e. twelve of twelve) in addition to non-voting member Amy Casuscelli.

Observers: from industry: Sing Tay (OGE), Kinte Whitehead (Exelon), Mike Johnson (PGE), Joseph Younger (Texas RE), Rachel Coyne (Texas RE), and Claudine Fritz (Exelon); from NERC: Latrice Harkness, Laura Anderson, Chris Larson, Alison Oswald, Marisa Hecht, and Elsa Prince (secretary).

NERC Antitrust Compliance Guidelines and Public Announcement

The NERC Antitrust Compliance Guidelines, NERC Participant Conduct Policy, and Public Announcement were presented and reviewed by the secretary. The secretary noted the full antitrust guidelines, participant conduct policy and public announcement were provided in the agenda package to each member via email and posted on the PMOS webpage. There were no questions.

Agenda Items

1. Consent Agenda

The January 19, 2021 Meeting Minutes were reviewed, motioned by K. Rosener, was properly seconded, and approved by unanimous consent.

2. Prior Action Items

- a. Regarding the NERC policy and travel restrictions due to COVID-19, there are no changes. We will continue having WebEx conference calls until further notice.

¹ The PMOS is composed of industry stakeholders where the chair or vice chair must be a member of the Standards Committee (SC) and the SC leadership are non-voting members of the PMOS.

- b. L. Harkness provided an update on Projects 2020-02 and 2020-06. Project 2020-02 is on hold and NERC staff is waiting to select the Standards Drafting Team (SDT) members for this SAR, since there are IRPTF SARs for MOD-026 and MOD-027 that have been submitted to the RSTC for approval. This Project is expected to be renamed and involve fewer Standards in its scope. A new Project will be established to cover the remaining Standards in this SAR. For Project 2020-06, SAR drafting team nominees will be presented at the March 17 SC meeting. The SAR drafting team orientation training will occur in April.

3. Project Tracking Spreadsheet (PTS) and Project Review

- a. **2015-09** – Establish and Communicate System Operating Limits (SOL) – K. Lanehome reported the following:

Phase I (2015-09): The official comment and ballot period closed on August 26. All the main standards being edited passed. Most of the other standards with conforming changes passed except for CIP-014. Many didn't agree with replacing the term IROL with its definition. They thought it may add confusion or bring more facilities into scope. The implementation plan also did not pass. The industry is asking for more time. The next steps is for the drafting team to meet soon to work on response to comments. The final ballot is currently planned for next month.

- b. **2015-09b:** The IROL portion of the project is on hold pending additional information. The SDT decided that IROL modifications will not be made to CIP-002 at this time. The CIP SDT (2016-02c) will finish their work and post with no changes to the IROL language. CIP-002 will be re-opened during phase 2 of this project to address the IROL language.

- c. **2016-02** – Modifications to Critical Infrastructure Protection (CIP) Standards – K. Lanehome reported the following:

Phase IV (2016-02d) CIP-002-5.1a: The drafting team is focused on industry outreach and education. Their work has been focused on an upcoming industry workshop on virtualization. It was originally scheduled for Aug 27 but rescheduled for Sep 30 to allow the team more time to work on their presentations. The workshop is scheduled from 12-5 on Sep 30. The initial posting is currently planned for the end of January.

- d. **2017-01** – Modifications to BAL-003-1.1 – L. Lynch reported the following:

Phase II (2017-01b): The Technical White Paper was finalized and endorsed by NERC Resources Subcommittee (RS). In the White Paper the drafting team had referenced the GO Survey Report, so posting for industry comment was delayed until the GO Survey Report is posted on the NERC RS webpage. The GO Survey Report is scheduled to post to the NERC RS webpage by Thursday, March 4, 2021; but, due to posting congestion, the White Paper will not post for industry comment until March 29, 2021. During the White Paper posting period, the SDT is planning to conduct an outreach industry webinar.

- e. **2018-03b – Standards Efficiency Review Retirements | FAC-008-5** – M. Pratt reported that the final ballot period closes on Jan 28 and passed with greater than 95% approval. The NERC BOT

- approval of Standard FAC-008-5, Implementation Plan, VRFs/VSLs, and retirement of FAC-008-3 on February 4, 2021. The next steps are for the NERC filing to FERC in March 2021.
- f. SDT will review comments received during the recent posting period, and post for a 10-day final ballot, target is January 19, 2021, and send it to the NERC BOT for approval in February 4, 2021.
 - g. **2019-02 – BES Cyber System Information Access Management** – K. Rosener provided scheduling updates: the third ballot is from March 25 thru May 10, the fourth ballot is from June 14 thru July 29 (as needed), and the final ballot is from August 16 thru August 26.
 - h. **2019-04 – Modifications to PRC-005-6** – M. Pratt reported that the comment period for the SAR closed on February 26, 2021, industry outreach webinar was held on Feb 4. From the initial review of the comments received, there is mixed support from industry on the proposed SAR. The developer is discussing a path forward with NERC SMEs, as well as team leadership. A SAR drafting team meeting will be scheduled in March to discuss next steps, respond to comments received, and to edit the SAR if appropriate.
 - i. **2019-05** –C. Bellville reported that this project is currently on hold pending action by the PCGC to review the number of hours necessary for the Operator credential.
 - j. **2019-06** – Cold Weather – Q. Morrison reported that the Cold Weather Project is currently posted for a 25-day comment and ballot period (Apr 2 - Apr 26, 2021). The projected final ballot May 11- 21, 2021. We anticipate the board adoption is during the June meeting.
 - k. **2020-01** – Modifications to MOD-031-2 – L. Lynch and M. Pratt reported that an informal comment period for the Project 2021-01 Modifications to MOD-025 and PRC-019 Standard Authorization Request (SAR) is open through 8 p.m. Eastern, Monday, April 2, 2021. Additionally, nominations are being sought for SAR drafting team members through 8 p.m. Eastern, Monday, April 2, 2021. There is also overlap with 2020-02 with this project.
 - l. **2020-02** – Transmission-connected Resources – L. Lynch reported that this project is on hold.
 - m. **2020-03** – Supply Chain Low Impact Revisions – M. Bussey reported that the SAR was approved by the SC at the February 17, 2021 meeting. The next scheduled meetings are during March 12 – 14.
 - n. **2020-04** – Modifications to CIP-012-1 – C. Bellville reported that this project addresses a directive issued by the Federal Energy Regulatory Commission (FERC) in Order No. 866 to develop modifications to the CIP Reliability Standards to require protections regarding the availability of communication links and data communicated between the bulk electric system Control Centers. The drafting team met on February 26 and reviewed language for proposed R2, as well as revisions to the Technical Rationale document. The drafting team plans to send to the SC for approval during its April meeting.
 - o. **2020-05** – A. Westenkirchner reported that the team was seated at the SC meeting the week of February 15th. The welcome to the team emails should be sent out soon and discussions will begin between the developer with the Chair and Vice Chair regarding when to hold the first SAR team meeting.

- p. **2020-06 – Verifications of Models and Data for Generators** - C. Godoy reported that the SAR was posted for comment and solicitation of drafting team members occurred during the week of January 14, 2021. The next steps is to present the Drafting Team nominees at the March 17, 2021 SC meeting for approval. The schedule will be prepared once the drafting team is assembled.

4. Periodic Review Projects

CIP Standards Efficiency Review - L. Harkness reported that the CIP Standards Efficiency Review team has completed the first phase of analysis to identify potential CIP Reliability Standard Requirements with potential for efficiency gains through retirement or modification. This first phase included identifying and analyzing requirements for retirement. Several requirements were proposed, and after preliminary analysis and reviews it was determined a more conducive course of action would be to consider them in the modification effort. The CIP SER team conducted the analysis by forming three sub-teams (team roster available here) to comprehensively evaluate the feedback from industry. The teams have identified potential candidates for modification; and are now engaged in further evaluation in parallel with development of modification rationale to address the justification for meeting the security and reliability objectives of the Requirements. Upon completion of draft rationale, anticipated 1st quarter of 2021, the sub-teams plan to present their findings with a recommendation for next steps to appropriate stakeholders.

- a. 2020 Periodic Review Standing Review Team – C. Larson reported that a 45-day comment period for the 2020 Periodic Review Standing Review Team - Standards Grading is open through 8 p.m. Eastern, Wednesday, May 5, 2021.
- b. Standards Efficiency Review (SER-Phase 2) – M. Brytowski reported that based on industry feedback of six efficiency concepts, the SER Phase 2 Working Team prioritized four concepts to pursue. The top 4 priorities were all addressed by the SER group.

5. Projects Under Research

- a. Technical Rationale for Reliability Standards – L. Harkness reported that there are no updates on the Project on the Technical Rationale for Reliability Standards.

6. Action Items

The secretary documented the action items on the PMOS Action Log.

7. Adjournment

- C. Yeung adjourned the meeting at 3:45 p.m. Eastern by consent.