

Consideration of Comments on Initial Ballot — Project 2010-09 — Cyber Security Order 706B — Nuclear Plant Implementation Plan — 05/19/10 — 06/01/10

Summary Consideration:

During the initial ballot, NERC received 9 sets of comments from 12 individuals representing 5 of the 10 registered ballot body segments. These comments centered on two main themes: that the impact of these proposed standards cannot be fully understood without the bright-line determination of the scope of systems, structures, and facilities for each plant; and that NERC should consider granting a waiver of compliance to Versions 2 and 3 of the current CIP standards with the understanding that Version 4 of the CIP standards would be implemented on a schedule as aggressive as contained in this proposal.

Regarding the bright-line determination process, as outlined in its January 19, 2010 compliance filing to FERC, NERC committed to completing the bright-line determination within eight months following the approval of the proposed implementation plan. FERC granted such approval on March 18, 2010. As such, NERC is on target for completing this effort by the October/November 2010 timeframe. To this end, NERC engaged representatives from nuclear power plants on preliminary drafts of the bright-line survey forms and, as a follow-up, conducted four workshops in which each of the US nuclear power plants was represented. Individual nuclear power plant surveys were distributed in June and responses are due back in July with NERC and the NRC collaboratively finalizing the systems scope for each plant by the fall milestone target. Given this engagement, greater certainty in the scope of impacted systems has been provided and will be further finalized in the upcoming months leading to the completion of the effort in the fall.

With regard to the discussion on CIP Version 4, it is premature to consider the impacts of Version 4 as the standards remain to be finalized, approved by stakeholders, accepted by the NERC Board, filed for regulatory approval, and approved by FERC and other applicable governmental authorities. Additionally, the implementation of the CIP Version 4 standards will take place on its own timeline that may be years in the future, perpetuating a gap in cyber coverage if a waiver were permitted. Members of the nuclear community have been added to the Version 4 drafting team for the express purpose of ensuring the implementation plan is appropriate. Therefore, conditioning approval of this implementation plan on those CIP Version 4 activities is not useful at this point in time. The CIP Version 4 drafting team is mindful of the transition from the existing versions of the standards to the proposed Version 4 standards with the goal to the extent possible to preserve the existing foundational work and build upon it in Version 4. Furthermore, a request for waiver of CIP Versions 2 or 3 would not alleviate the need to implement Version 1 of the CIP standards currently approved for implementation.

If you feel that the drafting team overlooked your comments, please let us know immediately. Our goal is to give every comment serious consideration in this process. If you feel there has been an error or omission, you can contact the Vice President and Director of Standards, Gerry Adamski, at 609-452-8060 or at gerry.adamski@nerc.net. In addition, there is a NERC Reliability Standards Appeals Process.¹

¹ The appeals process is in the Reliability Standards Development Procedure: http://www.nerc.com/files/RSDP_V6_1_12Mar07.pdf.

Voter	Entity	Segment	Vote	Comment
Thomas R. Glock	Arizona Public Service Co.	3	Negative	APS would like NERC to consider the option of providing a waiver on implementation of CIPS 02 through 09 with the caveat that CIPS 10 and 11 (Revision 4) would be implemented under a schedule as rigorous as was required for CIPS 02 - 09 (i.e. the 18 month clock would begin on the approval date of CIP 10 and 11 (Revision 4) APS believes that such a move would allow implementation of a more cohesive and comprehensive cyber security program as well as ensuring that work done by the industry in support of NERC CIP standards implementation was performed in accordance with the future direction of NERC.
<p>Response: Thank you for your comments. However, it is premature to consider the impacts of Version 4 as the standards remain to be finalized, approved by stakeholders, accepted by the NERC Board, filed for regulatory approval, and approved by FERC and other applicable governmental authorities. Additionally, the implementation of the CIP Version 4 standards will take place on its own timeline that may be years in the future, perpetuating a gap in cyber coverage if a waiver were permitted. Members of the nuclear community have been added to the Version 4 drafting team for the express purpose of ensuring the implementation plan is appropriate. Therefore, conditioning approval of this implementation plan on those CIP Version 4 activities is not useful at this point in time. The CIP Version 4 drafting team is mindful of the transition from the existing versions of the standards to the proposed Version 4 standards with the goal to the extent possible to preserve the existing foundational work and build upon it in Version 4. Furthermore, a request for waiver of CIP Versions 2 or 3 would not alleviate the need to implement Version 1 of the CIP standards currently approved for implementation.</p>				
John Payne	Kansas Electric Power Cooperative, Inc.	4	Negative	Judging the validity of an implementation schedule is difficult when the scope of compliance is not know. The Bright-Line should be defined first.
<p>Response: Thank you for your comments. As outlined in its January 19, 2010 compliance filing to FERC, NERC committed to completing the bright-line determination within eight months following the approval of the proposed implementation plan. FERC granted such approval on March 18, 2010. As such, NERC is on target for completing this effort by the October/November 2010 timeframe. To this end, NERC engaged representatives from nuclear power plants on preliminary drafts of the bright-line survey forms and, as a follow-up, conducted four workshops in which each of the US nuclear power plants was represented. Individual nuclear power plant surveys were distributed in June and responses are due back in July with NERC and the NRC collaboratively finalizing the systems scope for each plant by the fall milestone target. Given this engagement, greater certainty in the scope of impacted systems has been provided and will be further finalized in the upcoming months leading to the completion of the effort in the fall of 2010.</p>				
John T. Underhill	Salt River Project	3	Negative	Palo Verde Nuclear Generating Station recognizes the importance of Cyber Security and is aggressively working towards implementation of the NERC CIPS 02 through 09, Revision 3. During our review of CIPS 10 and 11 (Revision 4) it became clear that the requirements in CIPS 10 and 11 were 1) noticeably different than those in 02 through 09, Revision 3 and, 2) much more in line with the NIST Cyber Security standards (and therefore similar to the NRC's Cyber Security requirements in 10CFR 73.54). Would NERC consider the option of providing a waiver on implementation of CIPS 02 through 09 with the caveat that CIPS 10 and 11 (Revision 4) would be implemented under a schedule as rigorous as was required for CIPS 02 - 09 (i.e. the 18 month clock would begin on the approval date of CIP 10 and 11 (Revision 4)? PVNGS believes that such a move would allow implementation of a more cohesive and comprehensive cyber security program as well as ensuring that work done by the industry in support of NERC CIPS

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				implementation was performed in accordance with the future direction of NERC.?
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Robert D Smith	Arizona Public Service Co.	1	Negative	<p>PVNGS recognizes the importance of Cyber Security and is aggressively working towards implementation of the NERC CIPS 02 through 09, Revision 3. During our review of CIPS 10 and 11 (Revision 4) it became clear that the requirements in CIPS 10 and 11 were 1) noticeably different than those in 02 through 09, Revision 3 and, 2) much more in line with the NIST Cyber Security standards (and therefore similar to the NRC's Cyber Security requirements in 10CFR 73.54). Would NERC consider the option of providing a waiver on implementation of CIPS 02 through 09 with the caveat that CIPS 10 and 11 (Revision 4) would be implemented under a schedule as rigorous as was required for CIPS 02 - 09 (i.e. the 18 month clock would begin on the approval date of CIP 10 and 11 (Revision 4))? PVNGS believes that such a move would allow implementation of a more cohesive and comprehensive cyber security program as well as ensuring that work done by the industry in support of NERC CIPS implementation was performed in accordance with the future direction of NERC.</p>
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Robert Kondziolka	Salt River Project	1	Negative	<p>PVNGS recognizes the importance of Cyber Security and is aggressively working towards implementation of the NERC CIPS 02 through 09, Revision 3. During their review of CIPS 10 and 11 (Revision 4) it became clear that the requirements in CIPS 10 and 11 were 1) noticeably different than those in 02 through 09, Revision 3 and, 2) much more in line with the NIST Cyber Security standards (and therefore similar to the NRC's Cyber Security requirements in 10CFR 73.54). NERC should consider the option of providing a waiver on implementation of CIPS 02 through 09 with the caveat that CIPS 10 and 11 (Revision 4) would be implemented under a</p>

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Charles Locke	Kansas City Power & Light Co.	3	Negative	There is sufficient uncertainty with the "Bright Line" outcome that it is premature to vote on the implementation plan proposed here until the potential systems and components that could come under the CIP Standards are known from the "Bright Line" efforts. It is recommended to postpone voting on these proposed implementation plans until the outcome of the Bright Line results are known.
Thomas Saitta	Kansas City Power & Light Co.	6	Negative	
<p>Response: Thank you for your comments. As outlined in its January 19, 2010 compliance filing to FERC, NERC committed to completing the bright-line determination within eight months following the approval of the proposed implementation plan. FERC granted such approval on March 18, 2010. As such, NERC is on target for completing this effort by the October/November 2010 timeframe. In early February, NERC made an informal solicitation of comments on an initial draft of the bright-line survey that was updated and presented to representatives of each of the 104 US nuclear plants at four workshops in late spring. Based on these activities, each nuclear power plant should fully understand the general scope of systems that are to be included for purposes of the CIP standards. Individual plant surveys were distributed in mid-June with plant responses due by the mid- to late July timeframe. NERC and the NRC have committed to reviewing these submissions beginning in August and plan to finalize the scope of systems by the previously identified milestone date. Therefore, greater certainty in the scope of impacted systems has been provided and will be further refined in the upcoming months leading to the completion of the effort in the fall.</p>				
Michael Gammon	Kansas City Power & Light Co.	1	Negative	There is sufficient uncertainty with the "Bright Line" survey outcome that it is premature to vote on the implementation plan proposed here until the potential systems and components that could come under the CIP Standards are known from the "Bright Line" efforts. It is recommended to postpone voting on these proposed implementation plans until the outcome of the Bright Line results are known.
<p>Response: Thank you for your comments. As outlined in its January 19, 2010 compliance filing to FERC, NERC committed to completing the bright-line determination within eight months following the approval of the proposed implementation plan. FERC granted such approval on March 18, 2010. As such, NERC is on target for completing this effort by the October/November 2010 timeframe. In early February, NERC made an informal solicitation of comments on an initial draft of the bright-line survey that was updated and presented to representatives of each of the 104 US nuclear plants at four</p>				

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Allen Klassen	Westar Energy	1	Negative	This is asking for approval of an implementation plan prior to us having a full understanding of the equipment that will be in scope.
<p>Response: Thank you for your comments. As outlined in its January 19, 2010 compliance filing to FERC, NERC committed to completing the bright-line determination within eight months following the approval of the proposed implementation plan. FERC granted such approval on March 18, 2010. As such, NERC is on target for completing this effort by the October/November 2010 timeframe. In early February, NERC made an informal solicitation of comments on an initial draft of the bright-line survey that was updated and presented to representatives of each of the 104 US nuclear plants at four workshops in late spring. Based on these activities, each nuclear power plant should fully understand the general scope of systems that are to be included for purposes of the CIP standards. Individual plant surveys were distributed in mid-June with plant responses due by the mid- to late July timeframe. NERC and the NRC have committed to reviewing these submissions beginning in August and plan to finalize the scope of systems by the previously identified milestone date. Therefore, greater certainty in the scope of impacted systems has been provided and will be further refined in the upcoming months leading to the completion of the effort in the fall of 2010.</p>				
Kevin Querry	FirstEnergy Solutions	3	Affirmative	No Comment
<p>Response: Thank you for your affirmative vote.</p>				
Kenneth D. Brown	Public Service Electric and Gas Co.	1	Affirmative	<p>PSE&G is voting affirmatively for the implementation plans. However, PSE&G suggests that the drafting team consider adopting the same approach as the NRC for similar activity. Identification of the plant systems and components, performance of assessments against CIP requirements, evaluation of remediation alternatives, engineering design changes associated with remediation activities along with the planning, scheduling, and implementation of the changes required for CIP compliance in conjunction with the development of a complete CIP compliance program with supporting procedures and training is a significant level of effort requiring multiple years to complete. As a point of reference, most nuclear facility licensees are seeking 3 or more years from the Nuclear Regulatory Commission (NRC) to complete all the aforementioned activities associated with protecting the plant communication systems & network components within the scope of NRC's 10CFR73.54 Rule. We feel the CIP V2 and V3 implementation schedules may not allow adequate time to properly complete all of the aforementioned activities and feel the current implementation schedules as presently worded should be simplified and suggest instead the implementation schedule modified to be 3 years after the FERC effective date.</p>
Jeffrey Mueller	Public Service Electric and Gas Co.	3	Affirmative	
David Murray	PSEG Power LLC	5	Affirmative	

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<p>Response: Thank you for your comments. The proposed implementation plan was developed by a team that included representatives from the nuclear power plant community and determined to be appropriate for implementation. The structure of the plan is identical to that agreed upon and approved for Version 1 of the CIP standards. Members of the nuclear community are involved in the drafting of the Version 4 of the CIP standards during which it would be appropriate consider the alternate approach you identify in your comments. In this regard, these comments will be forwarded to the Version 4 team.</p>				