

# Standards, Compliance, and Enforcement Bulletin

June 22–28, 2020

## INSIDE THIS EDITION

[Active Standards Postings](#) | [Other Active Comment Periods](#) | [Standards News](#) | [General Compliance and Enforcement News](#) | [Other News](#) | [Standards Subject to Future Enforcement](#) | [Board of Trustees and FERC Action](#) | [Upcoming Events](#) | [About the SC&E Bulletin](#)

## ACTIVE STANDARDS POSTINGS

### Current and Upcoming Ballots (ballot periods close at 8:00 p.m. Eastern)

Project	Action	Start Date	End Date
<a href="#">Project 2019-03 – Cyber Security Supply Chain Risks</a>   CIP-005-7, CIP-010-4, and CIP-013-2	<a href="#">Additional Ballot and Non-binding Poll</a>	06/12/20	06/22/20
<b>NEW</b> <a href="#">Project 2015-09 – Establish and Communicate System Operating Limits</a>	<a href="#">Initial/Additional Ballots and Non-binding Polls</a>	07/24/20	08/03/20
Join Ballot Pools			
	Action	Start Date	End Date
<b>NEW</b> <a href="#">Project 2015-09 – Establish and Communicate System Operating Limits</a>	<a href="#">Join Ballot Pools</a>	06/19/20	07/20/20

Posted for Comment			
Project	Action	Start Date	End Date
<a href="#">Project 2019-03 – Cyber Security Supply Chain Risks</a>   CIP-005-7, CIP-010-4, and CIP-013-2	<a href="#">Comment Period</a>	05/07/20	06/22/20
<a href="#">Regional Reliability Standard</a>   PRC-006-5 WECC Variance	<a href="#">Comment Period</a>	05/21/20	07/06/20
<a href="#">Project 2019-04 – Modifications to PRC-005-6</a>   Standard Authorization Request	<a href="#">Comment Period</a>	06/02/20	07/08/20
<b>NEW</b> <a href="#">Northeast Power Coordinating Council, Inc. Regional Standard Processes Manual</a>	<a href="#">Comment Period</a>	06/15/20	07/29/20
<b>NEW</b> <a href="#">Project 2015-09 – Establish and Communicate System Operating Limits</a>	<a href="#">Comment Period</a>	06/19/20	08/03/20

#### OTHER ACTIVE COMMENT PERIODS

Posted for Comment			
Posting	Action	Start Date	End Date
<p><b>Comment Period Open for First Draft of NERC’s 2021 Business Plan and Budget:</b> The first draft of NERC’s 2021 business plan and budget and the first drafts of the <a href="#">Regional Entities’ 2021 business plans and budgets</a> are now available on NERC’s website. A presentation providing a summary of the NERC 2021 business plan and budget and ERO Enterprise combined 2021 budgets and assessments are posted as part of these materials. Presentations providing a summary of each Regional Entity business plan and budget are also posted.</p> <p>NERC has posted the following documents for review and/or comment:</p> <ul style="list-style-type: none"> <li>• <a href="#">Cover Letter</a> from Andy Sharp, Vice President and Interim CFO</li> </ul>	Submit comments and/or questions to <a href="#">Erika Chanzas</a> .	05/19/20	06/26/20

<ul style="list-style-type: none"> <li>• <a href="#">NERC 2021 Business Plan and Budget Overview</a></li> <li>• <a href="#">ERO Enterprise Combined 2021 Budgets and Assessments Overview</a></li> <li>• <a href="#">First Draft of NERC's 2021 Business Plan and Budget</a></li> </ul>			
<p><b>Comment Period Open for Proposed Changes to NERC Rules of Procedure:</b> NERC is proposing revisions to section 1003 and Appendix 4B of its Rules of Procedure (ROP) in accordance with the directive in FERC’s order accepting NERC’s Five-Year Performance Assessment.</p> <p>Section 1003 of the ROP describes NERC’s infrastructure security program, including, among other things, its operation of the Electricity Information Sharing and Analysis Center and its relationship with the Electricity Subsector Coordinating Council. The purpose of the proposed revisions is to update section 1003 to correct inconsistencies and accurately reflect current operational practices related to NERC’s infrastructure security program.</p> <p>Appendix 4B of the ROP describes the NERC Sanction Guidelines, which NERC and the Regional Entities use to determine appropriate monetary and non-monetary sanctions for violations of the NERC Reliability Standards and Regional Reliability Standards by registered entities. The purpose of the proposed revisions is to update Appendix 4B to reflect the current practices of NERC and the Regional Entities in levying monetary and non-monetary sanctions for violations of the NERC Reliability Standards and Regional Reliability Standards and address specific directives from FERC in its order accepting NERC’s Five-Year Performance Assessment. NERC requests comments on the proposed revisions to the NERC Rules of Procedure. The posted sections are:</p> <ul style="list-style-type: none"> <li>• <a href="#">Summary of Proposed Revisions to Section 1003</a></li> </ul>	<p>Submit comments electronically to <a href="mailto:ROPcomments@nerc.net">ROPcomments@nerc.net</a>.</p>	<p>05/21/20</p>	<p>07/10/20</p>

<ul style="list-style-type: none"> <li>• <a href="#">Summary of Proposed Revisions to Appendix 4B</a></li> <li>• <a href="#">Redlined Text of Proposed Revisions to Rules of Procedure Section 1003</a></li> <li>• <a href="#">Redlined Text of Proposed Revisions to Appendix 4B of the NERC Rules of Procedure</a></li> </ul>			
<p><b>Comment Period Open for Second Posting of Proposed Organization Registration, Organization Certification, and BES Exceptions Revisions to the Rules of Procedure:</b> NERC is proposing changes to its Rules of Procedure (ROP) as a part of a modernization initiative to reflect current business practices and provide further clarification and transparency to Industry stakeholders.</p> <p>This is NERC’s second posting regarding the proposed revisions to the Registration and Certification Procedures within Section 500, and Appendices 2, 5A, 5B, and 5C. The redlines of this posting are “clean” versions of the materials from the initial posting and show the revisions that were made after the initial 45-day comment period. This is in order to show the difference between what was originally proposed and what is now being proposed based on the comments that NERC received. Since NERC did not receive any comments regarding Appendix 5C, it will not be included in this second posting. NERC requests comments on the proposed revisions to the NERC ROP.</p> <ul style="list-style-type: none"> <li>• <a href="#">NERC’s Consideration of Comments of Initial ORCP Posting</a></li> <li>• <a href="#">Updated Redline Text of Section 500</a></li> <li>• <a href="#">Updated Redline Text of Appendix 2</a></li> <li>• <a href="#">Updated Redline Text of Appendix 5A</a></li> <li>• <a href="#">Updated Redline Text of Appendix 5B</a></li> </ul> <p>NERC intends to submit these changes to the NERC Board of Trustees for approval at their August 2020 meeting.</p>	<p>Submit comments electronically to <a href="mailto:ROPcomments@nerc.net">ROPcomments@nerc.net</a>.</p>	<p>06/10/20</p>	<p>07/13/20</p>

## STANDARDS NEWS

With the implementation of the [Align Project](#) in 2020, there will be changes to the [Reliability Standards web page](#) and associated reports, including the One-Stop Shop, U.S. Effective Date Status/Functional Applicability spreadsheet, and VRF and VSL matrices. More details will be provided in the coming months.

### **NEW Resources Posted**

NERC posted the [streaming webinar](#) and [slide presentation](#) from the June 11 Project 2016-02 – Modifications to CIP Standards Virtual Machines and Containers webinar.

NERC also posted the [streaming webinar](#) and [slide presentation](#) from the May 28 Project 2016-02 – Modifications to CIP Standards Hypervisor and Storage Systems webinar.

### **NEW Nomination Period Open for Project 2019-06 – Cold Weather SAR Drafting Team**

NERC is seeking nominations for additional Standard Authorization Request (SAR) drafting team members through **July 2, 2020**. This nomination period is being implemented to solicit small entity representation for the SAR drafting team. NERC is seeking individuals who possess experience with cold weather preparation through performing or developing processes to address the following tasks:

- Implementing freeze protection measures and technologies;
- Performing periodic adequate maintenance and inspection of freeze protection measures and technologies;
- Ensuring gas-fueled generating units' Reliability Coordinator and Balancing Authority are provided notification of firm transportation capacity for natural gas supply; and
- Conducting winter-specific and plant-specific operator awareness training;
- Develops a procedure for determining the operating temperatures for generating unit availability for extreme cold weather performance;
- Communicates with the appropriate entities on the operating temperatures for generating unit availability for extreme cold weather performance and when expected temperatures are forecasted within the determined generating unit availabilities, expected availability of the generating units, and fuel assurance for the appropriate next day operating horizon.

### Quick Links

- [Register in the SBS](#)
- [Projected Standards Posting Schedule](#)
- [Project Tracking Spreadsheet](#)
- [2019–2021 Reliability Standards Development Plan](#)
- [Quality Review Application](#)
- [One-Stop Shop \(Status, Purpose, Implementation Plans, FERC Orders, RSAWs\)](#)
- [CIP Standards Efficiency Review](#)

NERC is also seeking individuals who have facilitation skills or legal/technical writing backgrounds as well as those who have experience with developing standards inside or outside the NERC development process (e.g., IEEE, NAESB, ANSI, etc.). Such experience should be highlighted in the information submitted, if applicable. Previous drafting or periodic review team experience is beneficial, but not required.

Use the [electronic form](#) to submit a nomination. Contact [Wendy Muller](#) regarding issues with the system. An unofficial Word version of the nomination form is posted on the [Drafting Team Vacancies](#) page and the [project page](#). By submitting a nomination form, you are indicating your willingness and agreement to actively participate in conference calls. Face-to-face meetings will resume at a later date.

The Standards Committee is expected to appoint additional members to the team during the July 22, 2020 meeting. Nominees will be notified after they have been selected.

## GENERAL COMPLIANCE AND ENFORCEMENT NEWS

### **NEW** ERO Enterprise Releases New Guidance Temporarily Expanding Self-Logging Program Due to Coronavirus Impacts

On May 28, 2020, the ERO Enterprise released new [guidance](#) providing additional regulatory relief related to registered entities' coronavirus response. The relief temporarily expands the Self-Logging Program to allow all registered entities to self-log instances of potential noncompliance with minimal or moderate risk related to their coronavirus response. While registered entities remain responsible for maintaining compliance with NERC Reliability Standards, this expansion allows them to focus their immediate efforts and resources on maintaining the safety of their workforce and communities to assure the reliability of the bulk power system during this public health emergency. Under this temporary expansion of the Self-Logging Program, potential noncompliance related to coronavirus impacts and logged consistently with this guidance is expected to be resolved without further action. During this challenging time, the ERO Enterprise recognizes the importance of prioritizing the health and safety of personnel and the continued reliability and security of the bulk power system and will continue to evaluate the circumstances to determine whether additional guidance is needed.

### **NEW** Compliance Guidance Update

The NERC Compliance and Certification Committee (CCC) has approved the NERC Reliability and Security Technical Committee (RSTC) as a [pre-qualified organization](#), replacing the retired NERC Planning Committee (PC), Operating Committee (OC), and Critical Infrastructure Protection Committee (CIPC).

### Quick Links

- [Risk-Based CMEP](#)
- [CIP V5 Transition Program](#)
- [ERO Enterprise Program Alignment Process](#)
- [Consistency Reporting Tool \(EthicsPoint\)](#)
- [Risk-Based Registration Initiative](#)
- [Reliability Standard Audit Worksheets](#)
- [Enforcement & Mitigation: Enforcement Actions](#)
- [Align Project \(formerly CMEP Technology Project\)](#)

There are three new proposed Implementation Guidance documents posted to the Proposed Implementation Guidance section of [the NERC Compliance Guidance web page](#):

- [TOP-001-4 and IRO-002-5 Data Exchange Infrastructure and Testing Requirements \(OC\) - 2020](#)
- [CIP-008-6 Incident Reporting and Response Planning \(2018-02 SDT\) - 2020](#)
- [PRC-002-2 Clarification of Fault Recorder Trigger Setting Requirements \(MRO CMEPAC\)](#)

#### **NEW ERO Enterprise Revised CIP Evidence Request Tool Version 4.5 Posted**

NERC posted a revised [ERO Enterprise CIP Evidence Request Tool \(ERT\)](#), which is a common request for information tool for CIP Compliance monitoring engagements. The purpose of the CIP ERT is to help the ERO Enterprise with consistency and transparency in its audit approach. It will also help Responsible Entities (especially those that operate in multiple Regions) fulfill these requests more efficiently, by understanding what types of evidence are useful in preparation for an audit.

#### **NEW Program Alignment Spreadsheet Updated**

NERC added a self-identified alignment issue pertaining to CMEP practice guide on considerations for ERO Enterprise CMEP staff on physical security (CIP-014). The ERO Enterprise Program Alignment Process is intended to enhance efforts to identify, prioritize, and resolve alignment issues across the ERO Enterprise. Using this process, NERC captures identified issues from the various resources in a [centralized repository](#). The Consistency Reporting Tool uses a third-party application, EthicsPoint, which allows stakeholders to submit consistency issues—anonously, if desired.

#### **NEW 2020 ERO Enterprise CMEP Practice Guide Posted**

CMEP Practice Guides are developed solely by the ERO Enterprise to reflect the independent, objective professional judgment of ERO Enterprise CMEP staff, and, at times, may be initiated following policy discussions with industry stakeholders. Following development, they are posted for transparency on the NERC website. It is to be noted, especially to registered entities using this guide as a reference, that while some aspects of this guide may assist CMEP staff directly in determining compliance, some parts of the guide are to assist CMEP staff in understanding how an entity mitigates risk in order to inform risk-based compliance monitoring. This understanding of the controls to mitigate risk can affect monitoring activities, such as substation walk-downs, requests for information, and adjustments to an entity's compliance oversight plan.

The purpose of this [CMEP Practice Guide](#) is to provide guidance to CMEP staff on practices for evaluating an entity's determination and use of Facility Ratings, although the guidance is not limited to FAC-008 and other standards identified. Recent years' audit experience and data suggest generally that registered entities with strong controls and asset change management procedures typically have more accurate ratings, and those

entities that have not taken meaningful steps to develop strong controls, change management focus, and/or validated field conditions with Facility Ratings databases are most prone to discrepancies that may support noncompliance. While specific facts and circumstances ultimately shape compliance monitoring determinations, CMEP staff will consider and apply the practices identified within.

### STANDARDS SUBJECT TO FUTURE ENFORCEMENT

Please refer to the [U.S. Effective Dates page](#) for more detail on the standards listed below.

U.S. Effective Dates for Reliability Standards	
U.S. Effective Date	Standard(s)
October 1, 2020	<a href="#">CIP-005-6 – Cyber Security – Electronic Security Perimeter(s)</a>
	<a href="#">CIP-010-3 – Cyber Security – Configuration Change Management and Vulnerability Assessments</a>
	<a href="#">CIP-013-1 – Cyber Security – Supply Chain Risk Management</a>
	<a href="#">TPL-007-4 – Transmission System Planned Performance for Geomagnetic Disturbance Events (Requirements R1, R2, R5, 5.1–5.2, R9, 9.1–9.2)</a>
January 1, 2021	<a href="#">CIP-008-6 – Cyber Security – Incident Reporting and Response Planning</a>
	<a href="#">PRC-002-2 – Disturbance Monitoring and Reporting Requirements (50% compliance for Requirements R2–R4, R6–R11)</a>
	<a href="#">PRC-012-2 – Remedial Action Schemes</a>
	<a href="#">PRC-025-2 – Generator Relay Loadability (phased-in implementation of Attachment 1: Relay Settings, Table 1 Options 5b, 14b, 15b, and 16b)</a>
April 1, 2021	<a href="#">PER-006-1 – Specific Training for Personnel</a>
	<a href="#">PRC-027-1 – Coordination of Protection Systems for Performance During Faults</a>
July 1, 2021	<a href="#">TPL-007-4 – Transmission System Planned Performance for Geomagnetic Disturbance Events (Requirements R12 and R13)</a>
January 1, 2022	<a href="#">TPL-007-4 – Transmission System Planned Performance for Geomagnetic Disturbance Events (Requirements R6, 6.1–6.4, R10, 10.1–10.4)</a>
July 1, 2022	<a href="#">CIP-012-1 – Cyber Security – Communications between Control Centers</a>
	<a href="#">PRC-002-2 – Disturbance Monitoring and Reporting Requirements (100% compliance for Requirements R2–R4, R6–R11)</a>
January 1, 2023	<a href="#">TPL-007-4 – Transmission System Planned Performance for Geomagnetic Disturbance Events (Requirements R3, R4, 4.1.4.1.1–4.1.2, 4.2, 4.3, 4.3.1, R8, 8.1, 8.1.1–8.1.2, 8.2, 8.3, 8.3.1)</a>



<b>July 1, 2023</b>	<a href="#">TPL-001-5 – Transmission System Planning Performance Requirements</a>   <a href="#">Implementation Plan</a>
<b>January 1, 2024</b>	<a href="#">TPL-007-4 – Transmission System Planned Performance for Geomagnetic Disturbance Events (Requirements R7, 7.1–7.3, 7.3.1–7.3.2, 7.4, 7.4.1–7.4.3, 7.5, 7.5.1, R11, 11.1–11.3, 11.3.1–11.3.2, 11.4, 11.4.1–11.4.3, 11.5, and 11.5.1)</a>

## BOARD OF TRUSTEES AND FERC ACTION

### **NEW FERC Open Meeting Action**

At its monthly open meeting, the Federal Energy Regulatory Commission (FERC) released a [notice of inquiry \(NOI\)](#) seeking comment on certain potential enhancements to the currently effective Critical Infrastructure Protection (CIP) Reliability Standards. Specifically, the NOI seeks comment on whether the CIP Reliability Standards adequately address cyber security risks pertaining to data security, detection of anomalies and events and mitigation of cyber security events. The NOI also seeks comment on the potential risk of a coordinated cyber attack on geographically distributed targets and whether FERC action, including potential modifications to the CIP Reliability Standards, would be appropriate to address such risk. Initial comments are due 60 days after publication in the Federal Register, and reply comments are due 90 days after publication in the Federal Register.

The topics covered by the NOI are complementary of ongoing work by NERC. The ERO Enterprise will continue to engage with FERC and stakeholders toward assuring the reliability and security of the North American bulk power system.

## UPCOMING EVENTS

For information about other NERC events, such as meetings and conference calls for other standing committees, subcommittees, task forces, and working groups, please refer to the [NERC calendar](#).

### **Workshops and Conferences**

There are no workshops or conferences currently scheduled.

### **Webinars**

- **NEW** Project 2016-02 – Modifications to CIP Standards | SuperESP Webinar – 1:00–2:00 p.m. Eastern, July 2, 2020 | [Register](#)

### **Standing Committee Meetings and Conference Calls**

- **NEW** Standards Committee Conference Call –1:00–3:00 p.m. Eastern, July 22, 2020 | [Register](#)

### Standard Drafting Team Meetings and Conference Calls

The [Standards calendar](#) provides dial-in information for the in-person meetings below. The calendar also provides information about conference calls that drafting teams may hold in addition to in-person meetings.

- **NEW** Project 2019-03 – Cyber Security Supply Chain Risks Standard Drafting Team Conference Call – June 30–July 2, 2020 | [Register](#)

## ABOUT THE STANDARDS, COMPLIANCE, AND ENFORCEMENT BULLETIN

This weekly bulletin compiles a list of standards, compliance, and enforcement projects with actionable deadlines, as well as upcoming events, recently posted resources, other NERC documents posted for comment, and other relevant news and information. Please email [Amy Klagholz](#) with feedback on this bulletin. The current bulletin and old bulletins are available under “Program News” on both the [Standards home page](#) and the [Compliance & Enforcement home page](#).

If you would like to receive this bulletin or be added to the distribution list for a particular project, please submit a ticket through the [Help Desk](#). Select the “NERC Email Distribution List” option under the “Applications” menu. In the Description Box, please specify which lists you would like your email address to be added to or note which announcements you would like to receive. This bulletin is distributed to several lists, including the Standards distro list (Standards-specific announcements) and the NERC-info distro list (most NERC announcements).