

NERC News

June 2020

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ERO Executive Spotlight – Manny Cancel

E-ISAC Data Platform Improves Analysis Capabilities

The Electricity Information Sharing and Analysis Center (E-ISAC) reached an important milestone this year in the execution of its [Long-Term Strategic Plan](#) with the launch of the E-ISAC Data Platform (EDP). Through the thoughtfully developed EDP, E-ISAC analysts are working more efficiently and effectively because they no longer face the task of integrating data from a wide variety of sources. EDP does it for our



analysts, which means they can spend their time producing the high-quality analysis that E-ISAC members deserve and have come to expect.

Before the EDP launch, E-ISAC analysts manually gathered data from more than half a dozen different sources — including notes from phone calls, emails and spreadsheets. This arduous process slowed down analysts in providing asset owners and operators across North America with timely, actionable intelligence on potential cyber and physical security threats. The EDP was a logical next step for the E-ISAC, creating significant value for staff, NERC, the electricity industry and — most importantly — the security of the bulk power system. [Continued on page 2](#)

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E-ISAC Data (cont'd)

The basic architecture of the EDP consists of three components: an automated data capture function, a data storage function and an end-user data search and access capability. These components work together seamlessly to automate our manual data collection process. The data collected and made available via the EDP includes utility members' cyber and physical security information shares, cyber indicators of compromise, E-ISAC Portal user activity data, operational work case-ticket data and organization and contact profile information from the E-ISAC Salesforce system. The technology leveraged is open source, which is no-to-low cost for NERC. The scalable productivity gains the EDP creates based on current information sharing levels is estimated at 10-to-20 staff hours per week, mostly achieved by eliminating manual collection of disparate data sets from multiple sources. The automated nature of the EDP will scale as information sharing grows. Just as important, E-ISAC analysts can now more rapidly and consistently categorize and correlate data across sources and can search, visualize and drill into detailed observations of interest.

Next, the E-ISAC is striving to automate data exchange between utilities and the E-ISAC, reducing manual data re-entry and speeding up the rate by which information is shared across the industry. We recently took the first step toward achieving this goal by initiating a pilot project with five volunteer utilities.

Essential to the success of the EDP and the E-ISAC future with automated information sharing is our talented team of analysts. No matter how efficiently data is shared, collected and accessed, the human intelligence factor in producing world-class context and analysis is imperative to assuring a secure, resilient grid in North America.

Manny Cancel is senior vice president and chief executive officer of the E-ISAC at NERC. ■■■

Headlines

FERC Issues Letter Order Approving Financing for ERO Secure Evidence Locker Development

On June 22, FERC issued a delegated letter order approving NERC's financing request for the development of the ERO Secure Evidence Locker (SEL). The ERO SEL is a key component of the NERC's reimagined suite of Compliance Monitoring and Enforcement Program (CMEP) work and data management tools and will be implemented in conjunction with Align Release 1 in early 2021. It will be used for the collection and analysis of evidence provided by registered entities in connection with CMEP activities.

The need for this highly secure evidence repository comes at a time when the security of the bulk power system (BPS) is constantly under attack by threat actors seeking information to compromise the system. The ERO SEL will be designed to provide an isolated environment for off-premise evidence analysis across the ERO Enterprise.

The ERO Enterprise appreciates FERC's quick action on this key reliability initiative. For more information on the ERO SEL, visit the "Secure Evidence Locker Functionality" section on the [Align FAQs page](#).

Robb Speaks at NEPOOL Summer Meeting

Jim Robb was a panelist at the [New England Power Pool's 19th Annual Participants Committee Summer Meeting](#) on June 24. The meeting focused on the challenges and opportunities for the future associated with the transitioning grid. Panelists discussed the potential future implications for the BPS in connection with efforts to satisfy decarbonization goals. Robb's presentation focused on "BPS Reliability Perspectives for 2050."

Statement on FERC's June Open Meeting Action

At its monthly open meeting on June 18, 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.

Kelly Higgins Hanson Joins NERC as SVP, CAO

NERC is pleased to announce that Kelly Hanson is joining NERC as senior vice president (SVP) and chief administrative officer (CAO), effective July 6. As CAO, Hanson will be responsible for executing the company's long-term Information Technology, Finance and Human Capital strategic plans.

"I'm excited to have Kelly join our leadership. She has a long track record of success in different roles inside and outside of the electricity industry," said Jim Robb, NERC president and chief executive officer. "I am confident she will bring new energy and perspective to many of the opportunities in front of us."

Previously, Hanson was at Southwire Company, a wire and cable developer, manufacturer and supplier. She held numerous leadership positions over her seven years with the company. Since 2017, Hanson has been

president and corporate senior vice president of their Canadian operations. She also served as vice president of Power Systems and Solutions Marketing and director of Energy Marketing during her tenure. Hanson also spent 11 years at Unisource Energy Corporation as director of Business Development and director of Marketing.

"I am honored to be joining NERC and the extraordinary team of experts who are helping to shape the energy transition necessary to ensure the safe, reliable energy services that contribute to improving community resilience and healthy economies," Hanson said.

Hanson earned a bachelor's degree in Business Administration from Saint Mary's College in Indiana and a master's degree in Business Administration from the University of Phoenix.

NERC Finds Resources Sufficient to Meet Demand; COVID-19 Response Impacts Summer Preparation and Critical Workforce

NERC's [2020 Summer Reliability Assessment](#) finds that projected resources are at or above the levels needed to satisfy summer peak demand under anticipated weather in nearly all assessment areas. However, the unprecedented coronavirus pandemic has led to heightened uncertainty in demand projections, has disrupted preparation (i.e., preventative maintenance, supply stocking and training) for the summer peak operating season and threatens the health and safety of critical industry workforce.

Although the pandemic introduces significant uncertainty into demand and some risk to generation resource availability, the Anticipated Reserve Margins, which were based on pre-pandemic demand forecasts and anticipated resources, indicate that the assessment areas are prepared to meet potential peak demand with or without pandemic-related demand reductions. Further, in its continuing outreach and coordination with system operations and Reliability Coordinators, NERC did not identify any specific threat or degradation to the reliable operation of the bulk power system for the spring time frame.

“Industry appears well-positioned for the coming summer season,” said John Moura, director of Reliability Assessment and Performance Analysis. “As pandemic-related restrictions continue through the summer, we may see electricity peak demand lower than forecast, which could help offset potential challenges with unexpected generation outages or extreme weather impacts.

The extensive pre-season preparation efforts that normally are conducted by generator and transmission owners and operators have been impinged by the global pandemic, with many deferring or canceling pre-summer maintenance. Monitoring the progress of ongoing efforts to prepare staff and equipment for summer will be important to ensuring the availability of anticipated resources to meet electricity demand.

The assessment’s key findings include:

- Sufficient capacity resources are expected to be in-service for the upcoming summer.
- Maintenance and preparations for summer operations impacted by pandemic.
- Protecting critical electric industry workforce during the COVID-19 pandemic remains a priority for reliability and resilience.
- Late-summer wildfire season in western United States and Canada poses risk to BPS reliability.

The assessment also finds that electricity and other critical infrastructure sectors face elevated cyber security risks arising from the COVID-19 pandemic, in addition to ongoing risks. At NERC, the E-ISAC continues to exchange information with its members and has posted communications and guidance from the Electricity Subsector Coordinating Council (ESCC) and government partners.

NERC develops its independent assessments to identify potential bulk power system reliability risks. The reliability assessment process is a coordinated reliability evaluation between the Reliability Assessment

Subcommittee, the Regional Entities and NERC staff. The 2020 Summer Reliability Assessment reflects NERC’s independent assessment and informs industry leaders, planners, operators and regulatory bodies so they are better prepared to take necessary actions to ensure BPS reliability. ■■■

Compliance

Compliance Guidance Update

A key factor in the success of compliance monitoring and enforcement of mandatory standards rests on a common understanding among industry and ERO Enterprise CMEP staff of how they can achieve and demonstrate compliance. For many standards, this is straightforward. For others, a variety of approaches may achieve the same objective. Industry develops Implementation Guidance, for industry, and the guidance requires ERO Enterprise endorsement. This guidance provides examples for implementing a standard.

The NERC Compliance and Certification Committee (CCC) 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).

Additionally, NERC posted three new proposed Implementation Guidance documents to [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 \(MRO CMEPAC\)](#)

NERC Receives New Alignment Issue via Consistency Reporting Tool

NERC received a new alignment issue pertaining to disposition of noncompliance described in the March 18, 2020 joint FERC/NERC industry guidance to ensure grid

reliability amid potential coronavirus impacts. The alleged issue has been resolved.

NERC also added a self-identified alignment issue pertaining to the CMEP practice guide on considerations for ERO Enterprise CMEP staff on physical security (CIP-014) and updated [the Issues and Recommendations Tracking](#) document.

The ERO Enterprise Program Alignment Process enhances 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 — anonymously, if desired.

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.

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. ■■■

Reliability Risk Management

Webinar Resources Posted

NERC posted the [presentation slides](#) and [recording](#) from the June 8, 2020 Inverter-Based Resource Performance Task Force (IRPTF) webinar on BPS-Connected Inverter-Based Resource Modeling and Studies.

Two Lessons Learned Posted

NERC posted two new Lessons Learned to the [Lessons Learned](#) page.

The [Preventing Energy Emergency Alerts](#) Lesson Learned addresses incidents in which, as several energy emergency alerts (EEAs) were issued over the course of several months, key items were identified that could have prevented the EEAs from being issued and, in some cases, prevented the Balancing Authorities from unnecessarily shedding firm load to maintain system reliability. This is of primary interest to Balancing Authorities, Generator Owners, Generator Operators, Reliability Coordinators and Reserve Sharing Groups.

The [Unanticipated Wind Generation Cutoffs during a Cold Weather Event](#) Lesson Learned addresses an incident in which a registered entity experienced

extreme cold weather January 29–31, 2019. Unplanned wind generation outages contributed to a maximum generation event, resulting in the entity calling on load management resources (including demand response, behind-the-meter generation and voluntary reductions) to avoid using emergency power purchases. This is of primary interest to Reliability Coordinators, Balancing Authorities, Transmission Operators, Generator Owners, Generator Operators and Reserve Sharing Groups.

A successful Lesson Learned document clearly identifies the lesson, contains sufficient information to understand the issues, visibly identifies the difference between the actual outcome and the desired outcome and includes an accurate sequence of events, when it provides clarity.



Standards

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.

Align Project Update

The coming months are packed with communications and training activities to ensure that the ERO Enterprise and registered entities are fully prepared for a smooth transition to Align and the ERO Secure Evidence Locker (SEL). While NERC and regional staff have tested Align Release 1 functionalities extensively, the Align project team has organized a registered entity testing exercise in July as an opportunity for select registered entities to test entity-specific functionality.

Additionally, the Align team is hosting a series of adoption workshops starting in August to prepare regional staff for Release 1 pre-launch activities. In addition to offering direct interaction with the Align tool and a live Q&A, these workshops will be used to preview training materials, discuss access-provisioning protocols, share the data migration strategy and walk through the standardized ERO Enterprise business processes. This will help each Region identify any changes required to regional business processes as part of Release 1.

Please email AskAlign@nerc.net with any questions about the project or the activities mentioned above. The project team updates the [Align FAQs page](#) with answers to questions received on a weekly basis.

Webinar 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.

2020 Registered Ballot Body Self-Select Attestation Process Begins

NERC Standards staff has initiated the 2020 Annual Registered Ballot Body (RBB) Self-Select Process.

- **June 8, 2020** – Each RBB voting member should have received a notification with a [link](#) to the Standards Balloting and Commenting System (SBS) attestation page to confirm there have been no material changes in the last 12 months that affect the entity's current Segment selection(s), thus the entity continues to meet the Segment qualifications (as outlined in the qualifications in Appendix 3D: *RBB Criteria* referenced above). Each RBB member must log into the system first, and then click the [link](#) to open the attestation page.
- **August 10, 2020** – Deadline for all RBB members to self-select their segment via the SBS.

All RBB members are required to submit a Self-Select Attestation. Therefore, NERC must receive a response for all segments represented in the RBB by **August 10, 2020**. Entities with segment(s) not attested for will be removed from the system. Anyone removed (un-vetted) can re-apply at any time. For more information or assistance, contact [Wendy Muller](#).

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.

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 participate actively 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.

Supplemental Nomination Period Open for Project 2020-04 – Modifications to CIP-012 SAR Drafting Team Members

Standards is seeking additional nominations for Standard Authorization Request (SAR) drafting team members for Project 2020-04 – Modifications to CIP-012 through **July 20, 2020**. The time commitment for this project is expected to be two face-to-face meetings per quarter (on average two full working days each meeting) with conference calls scheduled as needed to meet the agreed upon timeline the team sets forth. Team members may also have side projects, either individually or by sub-group, to present for discussion and review. Lastly, an important component of the team effort is outreach. Members of the team will be expected to conduct industry outreach during the development process to support a successful ballot. Previous drafting team experience is beneficial but not required.

See the [project page](#) and nomination form for additional information. By submitting a nomination form, you are indicating your willingness and agreement to participate actively in face-to-face meetings and conference calls. Use the [electronic form](#) to submit a nomination. Contact [Linda Jenkins](#) regarding issues using the electronic form. An unofficial Word version of the nomination form is posted on the [Standard Drafting Team Vacancies](#) page and the [project page](#). The Standards Committee is expected to appoint members to the SAR drafting team in August 2020. Nominees will be notified shortly after they have been appointed. ■■■

Regional Entity Events

Midwest Reliability Organization (MRO)

- [Webinar: High Impact Misoperations](#) – July 21
- [MRO 2020 CMEP Virtual Conference](#) – July 28

- [MRO Protective Relay Subgroup Meeting](#) – August 11
- [Reliability Advisory Council Meeting](#) – August 25
- [MRO Virtual Reliability Conference 2020](#) – August 26
- [Organizational Group Oversight Committee OGOC](#) – September 16
- [CMEP Advisory Council Meeting](#) – September 16
- [MRO Board of Directors Meeting](#) – September 17

[Northeast Power Coordinating Council, Inc. \(NPCC\)](#)

- [Compliance Webinar](#) – July 14

[ReliabilityFirst \(RF\)](#)

- [Reliability and Compliance Open Forum Call](#) – July 20

[SERC Reliability Corporation](#)

- [Q3 Open Forum Webinar](#) – July 27
- [System Operator Conference #3](#) – August 25–27

[Texas RE](#)

- **Reliability 101 Webinar Series**
 - [History and Introduction to Texas RE](#) – July 8
 - [Update on COVID-19](#) – July 9
 - [Registration and Certification](#) – July 14
 - [Standards Development](#) – July 16
 - [Compliance Monitoring](#) – July 21
 - [The Risk-Based Approach to Reliability](#) – July 23
 - [Foundations of Critical Infrastructure Protection](#) – July 29
 - [Foundations of Operations and Planning Programs](#) – July 30
 - [Why the Texas Reliability Monitor is Unique](#) – August 4
 - [Initial Engagement Submissions](#) – August 6
 - [Navigating Noncompliance Resolution](#) – August 11
 - [NERC Data Collection, Events Analysis and Guidelines](#) – August 14

[WECC](#)

- [Operating Committee virtual meeting](#) – July 13–15
- [Joint Standing Committee virtual meeting](#) – July 17 ■■■

[Upcoming Events](#)

For a full accounting of NERC events, such as meetings and conference calls for standard drafting teams, other standing committees, subcommittees, task forces, and working groups, please refer to the [NERC calendar](#).

- **Project 2016-02 – Modifications to CIP Standards | SuperESP Webinar** – 1:00–2:00 p.m. Eastern, July 2 | [Register](#)
- **Member Representatives Committee Pre-Meeting Conference Call and Informational Webinar** – 11:00 a.m.–12:00 p.m. Eastern, July 22 | [Register](#)
- **Standards Committee Conference Call** – 1:00–3:00 p.m. Eastern, July 22 | [Register](#) ■■■

[Filings](#)

NERC Filings to FERC in June

June 1, 2020

NERC submits its compliance filing in response to the FERC Order on the 5-year Performance Assessment | [Compliance Filing on 5-Year Order](#)

June 8, 2020

Request of NERC to expend funds to develop the ERO Enterprise Secure Evidence Locker | [Petition for Financing ERO SEL](#)

June 11, 2020

NERC submits a motion to intervene and comments regarding a complaint about Reliability Standard CIP-013-1 | [Motion to Intervene and Comment of NERC](#)

June 12, 2020

NERC submits a petition for approval of proposed Reliability Standard CIP-002-6 | [Petition for Approval of CIP-002-6](#)

NERC submits a petition for approval of its amended Compliance and Certification Committee Charter | [Petition for Approval of Amended CCC Charter](#)

June 19, 2020

NERC submits to FERC an informational compliance filing as directed by FERC in its February 20, 2020 Order. This filing contains a status update on two standards development projects relating to CIP Reliability Standards | [CIP SDT Schedule June Update Informational Filing](#)

NERC Canadian Filings to FERC in June

June 23, 2020

[Notice of Filing of CIP-002-6 Exhibits A-B, D-G](#)

June 24, 2020

[Notice of Filing Revised CCC Charter](#) ■ ■ ■

Careers at NERC

Senior Bulk Power Critical Infrastructure Protection Technical Advisor

Location: Atlanta, GA

[Details](#)

Senior Auditor Internal Audit and Corporate Risk Management

Location: Atlanta, GA

[Details](#) ■ ■ ■