NERC CIPC Update

SPP RE Trustees Meeting

January 24, 2011

Overview

- CIPC Activities
- CIP Standards Update
- Summary of NERC's Aurora Survey
- Potential Federal Legislation
- SmartGrid Standards

CIPC Activities

- Work continues on revision of security guidelines developed by CIPC post 9/11
- Four task forces are actively engaged in this work
- The existing guidelines are on the ESISAC.com website

Cyber Attack TF

- NERC is currently soliciting members for the Cyber Attack TF
  - A task force of the CIPC CSSWG
- The CATF will consider the impact of a coordinated cyber attack on the reliable operation of the bulk power system, and identify opportunities to enhance existing protection, resilience, and recovery capabilities
- A spin-off from the HILF effort

CIP-002-4

- Passed by Industry at start of year
- Includes “bright line” criteria directed by FERC
- Will eliminate individual entities’ risk-based assessments
- Awaiting approval by NERC Board of Trustees
- Will be filed with FERC thereafter, possibly by the end of January

“Bright Line” Criteria

- Generation stations >= 1500 MW
- Reactive resources >= 1000 MVAR
- Generation necessary to avoid adverse long-term impacts
- Designated blackstart resources
- Facilities in the cranking path of a blackstart resource
- Transmission Facilities >= 500 kV
- Transmission Facilities >= 300 kV with >= 3 interconnections
- Transmission facilities critical to the derivation of IROLs
- FACTS critical to derivation of IROLs
- Transmission Facilities interconnecting critical generation
- Transmission Facilities essential to Nuclear Plant Interface Requirements
- Special Protection Systems (SPS), Remedial Action Schemes (RAS) or automated switching systems that could cause IROL violations
- Systems or Facilities that perform automatic load shedding of >=300 MW implementing UVLS or UFLS
- Control centers (primary or backup)

CIP-003-4 through CIP-009-4

- While CIP-003 through CIP-009 received new version numbers, no substantive changes were made to these standards
- All still apply to the Critical Cyber Assets supporting the Critical Assets identified by CIP-002-4

CIP SDT

- Standards Drafting team met last week in Columbus, Ohio to develop goals and objectives for CIP-010 and CIP-011
  - Would replace CIP-002 through CIP-009
- Will be incorporating results-based standards (RBS) methods in the next version
- Team has been tasked to complete this effort by end of 2011
- Working to post draft by end of June

Aurora Survey

- NERC released to FERC the results of the Aurora survey done in conjunction with the most recent Aurora alert
- Report was generally positive, stating that the industry was taking steps to mitigate the vulnerability
  - Explained away most of the “No” answers
- Referenced “Sufficiency Reviews” to ensure mitigation
  - What that means is yet to be determined

Federal Legislation

- Grid-related security bills continue to circulate in both Houses of Congress
- Senator Reid announced plans to introduce a bill based on the Lieberman-Rockefeller bill which circulated last year
- Addresses all critical infrastructure sectors
- Would give DHS primary oversight over cybersecurity in critical infrastructures
  - Includes authority to issue civil penalties

Federal Legislation (cont)

- Senator Murkowski, Ranking Member on the Senate Energy and Natural Resources Committee, intends to revisit grid security in this Congress
- Has stated that last year's GRID Act, passed by the House, will not be used as a starting point
- Has scheduled committee hearngs and will draft new language

GRID Act

- Passed by the House in 2010
- The GRID Act would have given FERC more authority in setting and enforcing standards
- Would have moved farther into distribution
- Also required mitigation of GMD/EMP effects

SmartGrid Standards

- GAO recently released its report on the NIST SmartGrid standards
- GAO was critical of the standards
  - Do not address coordinated cyber/physical attack
  - Standards are voluntary; FERC lacks enforcement authority
- GAO recommends that FERC work with state regulators to develop means to enforce

Questions?