

Project 2023-03 Internal Network Security Monitoring (INSM)

Action

- Inform of the Standards Balloting and Comment System impact resulting from the drafting team (DT) creating a new standard after the initial ballot.
- Approve a waiver of provisions of the Standard Processes Manual (SPM) for Project 2023-03 INSM due to regulatory deadlines, as follows:
 - Additional formal comment and ballot period(s) reduced from 45 days to as few as 10 calendar days, with ballot(s) and non-binding poll(s) conducted during the last five days of the comment period (Sections 4.9, 4.12).

Background

Project 2023-03, Internal Network Security Monitoring (INSM), addresses the directives in *Internal Network Security Monitoring for High and Medium Impact Bulk Electric System Cyber Systems*, Order No. 887, 182 FERC ¶ 61,021 (2023). Order No. 887 requires NERC to submit new or modified Reliability Standard(s) that require INSM within a trusted Critical Infrastructure Protection networked environment for all high impact bulk electric system Cyber Systems with and without external routable connectivity (ERC) and medium impact BES Cyber Systems with ERC by July 9, 2024.

INSM was posted for an initial ballot that closed January 17, 2024 (January 2024 initial ballot) with 15.42% approval. At an in-person DT meeting that took place January 30, through February 1, 2024, the DT reviewed comments and in response to the comments voted to create a new CIP standard (CIP-015-1) rather than continuing with the initial approach of modifying CIP-007-X.

The creation of CIP-015-1 is the direct result of the Project 2023-03 DT's response to comments following the initial ballot that proposed revisions to CIP-007-X. In response to the comments, the DT decided that rather than moving forward with the proposed revisions to CIP-007-X, it would be preferable to create a new CIP-015-1 Reliability Standard. The SAR clearly provides the DT with the flexibility to "create new or modified existing CIP Reliability Standards".

The DT's decision to create a new CIP Reliability Standard following the January 2024 initial ballot, will be reflected in NERC's system as an initial ballot, as it is the first ballot for Reliability Standard CIP-015. Although the system will reflect the posting as an initial ballot, this posting is an additional ballot per the process laid out in the SPM. As a result, in the next posting, CIP-015-1 will be posted, consistent with the SC approved waiver timeframe for an additional ballot.

NERC Standard Processes Manual Section 16.0 Waiver provides as follows:

- The Standards Committee may waive any of the provisions contained in this manual for good cause shown, but limited to the following circumstances:
 - In response to a national emergency declared by the United States or Canadian government that involves the reliability of the Bulk Electric System or cyber attack on the Bulk Electric System
 - Where necessary to meet regulatory deadlines

- Where necessary to meet deadlines imposed by the NERC Board of Trustees
- Where the Standards Committee determines that a modification to a proposed Reliability Standard or its Requirement(s), a modification to a defined term, a modification to an Interpretation, or a modification to a Variance has already been vetted by the industry through the standards development process or is so insubstantial that developing the modification through the processes contained in this manual will add significant time delay.

At the August 2023 Standards Committee (SC) Meeting, the SC approved a waiver of certain provisions of the SPM for Project 2023-03 due to regulatory deadlines, as follows: (1) additional formal comment and ballot period(s) reduced from 45 days to as few as 20 calendar days, with ballot(s) and non-binding poll(s) conducted during the last five days of the comment period; and (2) final ballots reduced from 10 days to as few as five calendar days.

Due to the Federal Energy Regulatory Commission's July 9, 2024, deadline, and the 15% approval rating for the initial ballot, the SC is being asked to consider a waiver of these provisions for Project 2023-03 to shorten the additional comment period(s) further. This is necessary for the DT to have sufficient opportunity to obtain stakeholder feedback and develop a consensus standard by the July 9, 2024, FERC deadline.

Summary

DT leadership and NERC staff recommend shortening the additional formal comment and ballot period(s) for Project 2023-03 from 45 days to as few as 10 days, with a ballot and non-binding poll concurrent during the last 5 days of the comment period.