

## Critical Infrastructure Protection Committee

Thursday, December 13, 2007 — 8 a.m. to 5 p.m.

Buena Vista Palace Hotel & Spa  
1900 Buena Vista Drive  
Lake Buena Vista, Florida

***(PLEASE BE PREPARED TO STAY FOR THE ENTIRE MEETING.)***

### Meeting Agenda

- 1. Administrative Matters** 20 min
- a) Arrangements — Stan Johnson
  - b) Announcement of quorum — Stan Johnson
  - c) Procedures — Stan Johnson
  - \*d) NERC Antitrust Compliance Guidelines — Stan Johnson
  - e) Parliamentary procedures — Stan Johnson
  - f) Introduction of members, alternates, and associates — Stan Johnson
  - g) **Approval** of agenda — Stuart Brindley
  - h) **Approval** of September 27–28, 2007 CIPC meeting minutes — Stuart Brindley  
(Note: September 27–28, 2007 CIPC meeting minutes will be sent under separate cover.)
  - \*i) **Election** of Executive Committee — Larry Dolci
- 2. Information Items**
- a) CIPC Executive Committee report — Stuart Brindley 30 min
    - 1. Board of Trustees highlights — Stuart Brindley
    - 2. Electricity Sector Coordinating Council and PCIS update
    - 3. All CIPC members — participate and contribute
  - b) NERC Update report — Stan Johnson 30 min
    - 1. CIP standards — Scott Mix
      - a. 10/17 hearings
      - b. NOPR status
      - c. New Cyber Security Commission
    - 2. CIP 002-009 compliance survey — Scott Mix
    - 3. Strategic plan for NERC
    - 4. NERC update
  - c) ES-ISAC report — Stan Johnson 60 min
    - 1. TopOff 4 Exercise – 2007
    - 2. June 21 ES-ISAC advisory results survey
    - 3. Recent incidents

\*Background materials included.

- 3. Security Operating** 30 min
- a) ES-ISAC Working Group — Larry Bugh
    - 1. Update on guideline development
    - 2. CEA perspective
- 4. Security Planning** 20 min
- a) Security Guidelines Working Group — Scott Webber
    - 1. Updated guidelines in progress
    - 2. CEA SIPC initiative
    - 3. Plan for 2008
  - b) Control Systems Security Working Group — Robin Goatey
    - 1. Work in progress
    - 2. Plan for 2008
- 5. DHS Chemical Facility Anti-terrorism Standards** 45 min
- a) Presentation — This will be a high-level summary of the standards. For more detailed information, CIPC members are invited and encouraged to attend the November 12 DHS-EEI session in the afternoon at the Embassy Suites Lake Buena Vista.
  - b) Discussion
- 6. Roadmap for Control System Security** — Hank Kenchington 60 min
- a) Presentation
  - b) Discussion
- 7. June 21 ES-ISAC Advisory – Cyber Security from Manufacturers’ Perspective** 120 min
- a) Panel discussion with moderator
    - Participants
      - ABB
      - ArcSight
      - Areva
      - Cooper
      - GE
      - Schweitzer
- 8. Agency Reports** 45 min
- a) Department of Homeland Security
  - b) Department of Energy
  - c) Public Safety Canada
  - d) Federal Energy Regulatory Commission

## 9. Closing

- a) Follow-up items and future actions — Stuart Brindley 10 min
- b) Future meetings — Stan Johnson 5 min

### 2008

March 13–14 — Dallas, Texas

June 5–6 — Toronto, Canada

September 11–12 — Boulder or Denver, Colorado

December 4–5 — Orlando, Florida

## **NERC Antitrust Compliance Guidelines**

### **I. General**

It is NERC's policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or that might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition.

It is the responsibility of every NERC participant and employee who may in any way affect NERC's compliance with the antitrust laws to carry out this commitment.

Antitrust laws are complex and subject to court interpretation that can vary over time and from one court to another. The purpose of these guidelines is to alert NERC participants and employees to potential antitrust problems and to set forth policies to be followed with respect to activities that may involve antitrust considerations. In some instances, the NERC policy contained in these guidelines is stricter than the applicable antitrust laws. Any NERC participant or employee who is uncertain about the legal ramifications of a particular course of conduct or who has doubts or concerns about whether NERC's antitrust compliance policy is implicated in any situation should consult NERC's General Counsel immediately.

### **II. Prohibited Activities**

Participants in NERC activities (including those of its committees and subgroups) should refrain from the following when acting in their capacity as participants in NERC activities (e.g., at NERC meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants' expectations as to their future prices or internal costs.
- Discussions of a participant's marketing strategies.
- Discussions regarding how customers and geographical areas are to be divided among competitors.
- Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.

### **III. Activities That Are Permitted**

From time to time decisions or actions of NERC (including those of its committees and subgroups) may have a negative impact on particular entities and thus in that sense adversely impact competition. Decisions and actions by NERC (including its committees and subgroups) should only be undertaken for the purpose of promoting and maintaining the reliability and

adequacy of the bulk power system. If you do not have a legitimate purpose consistent with this objective for discussing a matter, please refrain from discussing the matter during NERC meetings and in other NERC-related communications.

You should also ensure that NERC procedures, including those set forth in NERC's Certificate of Incorporation and Bylaws are followed in conducting NERC business. Other NERC procedures that may be applicable to a particular NERC activity include the following:

- Reliability Standards Process Manual
- Organization and Procedures Manual for the NERC Standing Committees
- System Operator Certification Program

In addition, all discussions in NERC meetings and other NERC-related communications should be within the scope of the mandate for or assignment to the particular NERC committee or subgroup, as well as within the scope of the published agenda for the meeting.

No decisions should be made nor any actions taken in NERC activities for the purpose of giving an industry participant or group of participants a competitive advantage over other participants. In particular, decisions with respect to setting, revising, or assessing compliance with NERC reliability standards should not be influenced by anti-competitive motivations.

Subject to the foregoing restrictions, participants in NERC activities may discuss:

- Reliability matters relating to the bulk power system, including operation and planning matters such as establishing or revising reliability standards, special operating procedures, operating transfer capabilities, and plans for new facilities.
- Matters relating to the impact of reliability standards for the bulk power system on electricity markets, and the impact of electricity market operations on the reliability of the bulk power system.
- Proposed filings or other communications with state or federal regulatory authorities or other governmental entities.
- Matters relating to the internal governance, management and operation of NERC, such as nominations for vacant committee positions, budgeting and assessments, and employment matters; and procedural matters such as planning and scheduling meetings.

Any other matters that do not clearly fall within these guidelines should be reviewed with NERC's General Counsel before being discussed.

## **Nominating Committee Report**

The Nominating Committee has reviewed all of the candidates nominated by CIPC members and proposes the following slate of Executive Committee members:

1. Dave Baumken (CEA) – Hydro One
2. Mark A. Engels (SERC) – Dominion
3. Robert H. McClanahan (SPP) – Arkansas Electric Cooperative Corporation
4. Scott Webber (RFC) – Allegheny Power

It is proposed these four nominees will join

Barry R. Lawson (Chairman)  
Robert D. Canada (Vice Chairman)  
Thomas R. Glock (Vice Chairman)

and constitute the CIPC Executive Committee for 2008 and 2009.

Larry Dolci  
Chairman  
NERC CIPC Nominating Committee