

## Compliance Application Notice — DRAFT

Compliance Application: Completion of Periodic Activity Requirements Prior to  
a Standard's Effective Date

**Posted: DATE**

### Primary Interest Groups

NERC  
Regional Entities  
Registered Entities

### Issue: Requirement for a periodic<sup>1</sup> action or event to be completed prior to a Standard's Effective Date

Registered entities and Regional Entities have requested that NERC provide clarification on whether a registered entity must provide evidence that it completed a periodic action or event required by a NERC Reliability Standard (Standard) prior to the registered entity's Effective Date<sup>2</sup> for the Standard.

### Reliability Objective

The reliability objective is to ensure periodic actions or events required by a Standard have been completed during the registered entity's "Substantially Compliant" or otherwise identified ramping up period to demonstrate that the registered entity is compliant<sup>3</sup> upon the Standard's Effective Date.

### Compliance Application

Where a Standard's requirements include a requirement for a periodic action or event, the first occurrence of the recurring requirement must be completed by the registered entity prior to the Effective Date of the standard.

Therefore, to be in compliance with the Standard:

- 1) A registered entity's must have conducted the required periodic action or event prior to the standard's Effective Date, and
- 2) A Responsible Entity must have sufficient evidence for an auditor to validate that the action or

<sup>1</sup> The period may be annual or another specified period.

<sup>2</sup> A registered entity's Effective Date is dependent upon the Effective Date of the Standard, the entity's registration date, and the Standard's implementation plan, as applicable. In the NERC Critical Infrastructure Protection (CIP) Reliability Standards CIP-002 through CIP-009 versions 1, 2 and 3, a registered entity's Effective Date is the Compliant Date that is applicable to the registered entity in either the original Implementation Plan for CIP version 1 Standards or the *Newly Identified Critical Cyber Asset Implementation Plan* for version 2 and 3 Standards.

<sup>3</sup> "Compliant", as defined in 1) *The (Revised) Implementation Plan for Cyber Security Standards CIP-002-1 through CIP-009-1* and 2) *The Implementation Plan for Newly Identified Critical Cyber Assets and Newly Registered Entities for Cyber Security Standards CIP-002-2 through CIP-009-2 and CIP-002-3 through CIP-009-3*, means the registered entity meets the full intent of the requirements and is beginning to maintain required "data," "documents," "documentation," "logs," and "records."

event was completed.

Following its Effective Date, the registered entity is required to collect and maintain required “data,” “documents,” “documentation,” “logs,” and “records” to demonstrate compliance with the requirement for the recurring periodic actions or events.

**Examples:**

1. A Standard became effective on July 1 and required an annual activity. In the event that, on January 1, a registered entity was completing a self-certification for this standard, it would look at the date that it completed the activity.
  - a. If the registered entity completed the required annual activity on October 1, it would be in violation of the standard from July 1 (the effective date of the standard) through October 1 (the date it performed the activity).
  - b. If the registered entity performed the activity on June 15, the entity would be in compliance with the Standard because it had performed the activity prior to the effective date and, because the requirement was for an annual activity, the registered entity had until the next June 15 to complete the recurring activity.
2. A Standard became effective on July 1 and required a periodic activity that was required to be completed every 90 days. In the event that, on January 1, a registered entity was completing a self-certification for this standard covering the prior year, it would look at the date that it completed the activity.
  - a. If the registered entity completed the required periodic activity on October 15, it would be in violation of the standard from July 1 (the effective date of the standard) through October 15 (the date it performed the activity). The entity would have until January 15 before the next activity needed to be performed.
  - b. If the registered entity performed the periodic activity on June 15 and again on October 15, the entity would be in violation from September 15 (the date that the next activity should have been completed) through October 15 (the date the activity was completed). Again, the entity would have until January 15 before the next activity needed to be performed.
  - c. If the registered entity performed the activity on June 15, September 15 and December 15, the entity would be in compliance with the Standard because it had performed the activity prior to the effective date and every subsequent 90 day period.

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*This document is designed to convey compliance guidance from NERC’s various activities. It is not intended to establish new requirements under NERC’s Reliability Standards or to modify the requirements in any existing NERC Reliability Standards. Compliance will continue to be determined based on language in the NERC Reliability Standards as they may be amended from time to time. Implementation of this compliance application notice is not a substitute for compliance with requirements in NERC’s Reliability Standards.*