

CIP V5 Transition Update

July 1, 2015 Meeting Summary

NERC became aware that industry continued to have concerns over the issues after it issued CIP Version 5 Memoranda dated April 21, 2015.¹ Consistent with NERC's commitment to support industry's smooth transition to the CIP V5 standards, a meeting was organized to discuss a way forward to resolve the issues and identifying remaining questions or concerns for consideration through standards development or other means. As a result:

- 1) NERC is developing an action plan with industry leaders. As part of this action plan, the memoranda will be withdrawn. Portions of their content will be included in industry guidance, as appropriate.
- 2) Guidance documents will provide approach(es) to meet requirements of the standards, though entities may have other ways to achieve the same goal. Namely, guidance does not provide the sharp-lines of meeting a standard, but present an approach.
- 3) Participants also agreed that registered entities throughout North America are committed to providing proper cyber security for their facilities based on their need for protection, beyond meeting NERC's Reliability Standard.

On July 1, 2015, NERC hosted a small, executive-focused face-to-face meeting to discuss the issues in the CIP Version 5 Memoranda. The meeting was attended by NERC and Regional Entity leadership and staff, including executive, technical, and compliance staff; industry representatives, including NERC standing committees, the CIP Version 5 standards drafting team, industry policy leaders, along with staff from the Federal Energy Regulatory Commission².

The focus from the meeting was on issue resolution and identifying next steps. Through significant discussion, as described in summary below, there was convergence on several issues and application of guidance, in addition to identifying areas that need increased guidance or clarity. There was agreement that adjusted guidance on those issues and concepts can be developed quickly through continued and focused collaboration with stakeholders. Attendees agreed that draft guidance would be provided to stakeholders for comment through the Section 11 process. In addition, the attendees recognized that efficient revisions

¹ In follow up to the [CIP Version 5 Implementation Study Final Report](#), NERC issued a set of memoranda on April 21, 2015:

1. The meaning of the phrase "programmable electronic device" in the definition of Cyber Asset.
2. The impact rating for generation interconnections Facilities under Impact Rating Criterion 2.5 of Attachment 1 to CIP-002-5.1.
3. Application of Impact Rating Criteria 2.3 and 2.6 of Attachment 1 to CIP-002-5.1 with respect to third-party notifications.
4. The categorization and protection of network and externally accessible devices under CIP-002-5.1 and CIP-005-5.
5. Application of the definition of Control Centers based on functional obligations.

²Meeting Attendees

NERC Staff: Gerry Cauley, Mark Lauby, Val Agnew, Steven Noess, Shama Elstein, Scott Mix, Tobias Whitney

FERC Staff: David DeFalaize

Industry Stakeholders: Nathan Mitchel-APPA, Barry Lawson-NRECA, Lou Oberski -EEI, Chuck Abell-CIPC, Brian Murphy-Standards Committee, Patti Metro and Ben Engleby-CCC, Ron Ciesiel-SPP RE, Steve Brain-SDT, Christine Hasha-SDT(ISO-ERCOT), Phil Huff-SDT (Arkansas Electric), Margaret Powell-SDT (Exelon), Helen Nalley-V5TAG (Southern Company)

to the standards through the established standards development process may be needed to provide clarity on certain issues. **Project plans were not developed during the meeting. As a result, NERC will continue working with the already established V5 Transition Advisory Group (V5TAG) to prioritize the issues, develop an appropriate action plan, and identify other stakeholder expertise to inform the follow up materials.**

Described below is a high-level summary of the ways forward identified in the meeting:

Programmable Electronic Devices (PED)

- **Guidance:** Criteria and examples on determining BES Cyber Assets, expanding on the results of NERC's 2014 BES Cyber Asset Survey. Participants discussed that some devices may be included in scope in some situations and not in others.
- **Standards Development:** Clarify and provide more detail surrounding the definition of Cyber Asset.

Transmission Owner (TO) Control Centers

- **Discussion:** There was general discussion surrounding the reliability significance of entities that have cyber assets that perform transmission operations and the need to protect those cyber systems according to the CIP standards.
- **Research:** Identify small or lower-risk entities that are impacted by Control Center criteria.
- **Technical Conference(s):** Hold NERC technical conferences to obtain a better understanding of the reliability impact and risk.
- **Guidance:** Share examples of effective approaches in evaluating Control Center criteria.
- **Standards Development:** Evaluate CIP-002's Attachment 1 Control Center criteria for additional clarity and for possible revisions related to small or lower-risk entities.

Network Devices and Non-Routable Communications

- **Guidance:** 1) Clarify an Electronic Access Control or Monitoring System (EACMS) is not also a BES Cyber Asset (BCA) that requires its own EACMS and 2) Approaches to identify the compliance "line of demarcation" for non-routable communications infrastructure.
- **Standards Development:** Revise the standard to provide more detail and clarity on these issues.

External Routable Connectivity (ERC)

- **Guidance:** 1) Share effective practices to demonstrate compliance for systems with ERC and to reflect the possible ways ERC can be applied and 2) Clarify approaches an entity may use to determine an "associated" Electronic Security Perimeter (ESP).
- **Standards Development:** Revise the standard to provide more detail and clarity on how IP/Serial conversion is addressed.

Impact Rating Criteria relating to third party notices (Attachment 1, criteria 2.3 and 2.6)

- **Coordination:** Coordinate with industry (through technical committees, NERC technical conferences, or other venues) to obtain a better understanding of how RC's, PC's and TP's make determinations and provide notice related to the criteria to ensure consistency.
- **Technical Conference(s):** Hold NERC technical conferences to obtain a better understanding of the reliability impact and risk.
- **Guidance:** 1) Guidance to highlight the coordination and relationship of the operations and planning standards associated with criteria 2.3 and 2.6 (reliability impacts) and the CIP standards (cyber security and protection against misuse) 2) Provide examples of approaches to identify what is to be protected at generation facilities to support the identified reliability impacts and 3) Clarify implementation timing questions associated with notice under the criteria.
- **Standards Development:** Evaluate whether the standard needs to be revised to address these issues.

Generation Interconnection

- There were no open issues for the generation Interconnection memoranda. Concepts and approach should be highlighted in a Frequently Asked Question (FAQ)