

Supply Chain Subcommittee Scope

Purpose

NERC reports, policy documents, and assessments have described supply chain concerns that impact the security and resilience of the transforming grid. The supply chain threat landscape is dynamic and continuously evolving. The Supply Chain Subcommittee (SCS) enhances bulk power system (BPS) reliability by proposing mitigation strategies for risks facing the supply chain. Supply chain risk management (SCRM) is one of NERC's four strategic risks and one of the elements of the Reliability and Security Technical Committee (RSTC) Strategic Plan. SCRM processes start with contracting/procurement and span the entire supply chain - from delivery to maintenance and support. The goal of the SCS is to work with stakeholders throughout industry and government to identify and propose mitigation measures to address all supply chain risks. In so doing, the SCS plays an important role in protecting the reliability and security of the BPS.

Activities

SCS activities are intended to help industry address issues associated with supply chain management from a cyber and physical perspective to ensure reliability, security, and resilience of the BPS.

The SCS will:

- Identify and assess potential risks to the BPS regarding supply chain.
- Provide guidance to industry with recommendations for supply chain risk mitigation strategies.
- Coordinate with the Electricity Information Sharing and Analysis Center (E-ISAC), applicable governmental entities, and other stakeholders as appropriate.
- Collaborate with other NERC stakeholder groups within the RSTC to improve efficiencies.
- Provide input to NERC on matters such as advisories, draft Reliability Standards, or other efforts as requested by providing input and feedback.
- Developing, reviewing, and updating SCRM best practices.
- Providing feedback to NERC Standard Drafting Teams as appropriate in support of any modification of supply chain Reliability Standards

Deliverables

The SCS will develop work products in the following areas to support industry efforts relating to integrating emerging technologies and security enhancements into the mitigation of supply chain risks:

- Managing quarterly supply chain disruption summary or reports describing grid-related supply chain risk events
- Technical reference documents, technical reports, white papers, and tools
- Reliability Guidelines and Security Guidelines as assigned by the RSTC or through periodic review



- Compliance Implementation Guidance
- Standard Authorization Requests
- Supporting materials to other NERC work products (e.g., NERC Long Term Reliability Assessment)
- Other educational materials (webinars, workshops, conferences, etc.)

Membership

The SCS shall maintain a roster of technical cyber and operations security experts that possess knowledge and understanding of physical and cybersecurity matters, and the applicable NERC Reliability Standards that address the associated supply chain risks. SCS members must commit their service to the subcommittee, preparing for and actively participating in all subcommittee meetings in person or on conference calls. As needed, members must also write and review draft reports, and convey issues to Regional Entities, trade organizations, and utilities to promote discussion and further insight.

NERC staff will be assigned as Coordinator(s). Decisions made by the membership will be consensus-based according to a vote by the members, led by the chair and staff coordinators. Any minority views will be documented, as necessary. The RSTC will assign a Sponsor to help advocate SCS activities and to coordinate with RSTC and its other sub-groups.

Officers

The RSTC chair appoints the SCS officers (chair and vice chair) for a specific term (generally two years). The subcommittee officers may be reappointed for additional terms. The SCS chair expectations include attending regular standing committee meetings to report on assignments, providing a summary report of the group's activities as requested, and advising the RSTC on essential issues. The vice chair position, which supports the chair with these duties, is also considered important for succession planning with the anticipation that the RSTC will appoint the vice chair as SCS chair for the next term; the SCS may recommend vice chair candidates for the RSTC chair's consideration.

Reporting and Duration

The SCS reports to the NERC RSTC. The group will submit a work plan to the RSTC (targeted by each fall) and maintain its work plan throughout its existence. The duration of the SCS is expected to be indefinite so long as the group is deemed by the RSTC to be effectively accomplishing its purpose.

Meetings

The SCS will hold three to four meetings (in-person or remote) per year, supplemented with regular conference calls to support workload as needed. Advance notices of these meetings will be posted on the NERC website. SCS meetings are open to members and guests. Observers may actively participate in discussion. Individuals can request to be added to the SCS mailing list.

The SCS follows the meeting procedures explained in the following:

• NERC Antitrust Compliance Guideline and Participant Conduct Policy¹ applicable to the NERC RSTC and its subgroups

Confidential Sessions

The SCS chair may limit attendance at a meeting or portion of a meeting based on confidentiality of the information to be disclosed at the meeting. Such limitations should be applied sparingly and on a non-discriminatory basis as needed to protect information that is sensitive to one or more parties.

Subgroups

The SCS may form subgroups as needed to assist in carrying out standing or ad hoc assignments. Subgroup chairs (or delegates) are expected to attend the regular SCS meetings to report on assignments or provide a summary report of the group's activities.

¹ <u>NERC Antitrust Compliance Guidelines, Public Announcement, and Participant Conduct Policy</u>