WHEREAS, the Board has adopted proposed Reliability Standards CIP-005-6, CIP-010-3, and CIP-013-1, addressing cyber security supply chain risk management issues (the “Supply Chain Standards”), and approved the associated implementation plans;

WHEREAS, the Board has solicited and considered policy input from NERC stakeholders in connection with the adoption of the Supply Chain Standards, including soliciting recommendations (i) to support effective implementation of the Supply Chain Standards, (ii) to evaluate the effectiveness of the Supply Chain Standards, (iii) on risks and related issues for continued study by NERC on a collaborative basis, and (iv) for other actions NERC should take, potentially in collaboration with trade forums and small system representatives, to address potential supply chain risks;

WHEREAS, the Board, in response to the foregoing policy input and input from NERC management, desires to request certain actions by NERC management and stakeholders to assist in the implementation and evaluation of the Supply Chain Standards and other action to address potential supply chain risks for assets not currently subject to the Supply Chain Standards;

NOW, THEREFORE, BE IT RESOLVED, the Board hereby requests that NERC management promptly commence appropriate preparations for implementation of the Supply Chain Standards, utilizing methods similar to those utilized for the implementation of the CIP v 5 reliability standards as deemed appropriate by NERC management, and regularly report to the Board on such activities.

FURTHER RESOLVED, that the Board hereby requests that (i) NERC management, in collaboration with the appropriate NERC technical committees, industry representatives and appropriate experts, including representatives of industry vendors, further study the nature and complexity of cyber security supply chain risks, including risks associated with low impact assets not currently subject to the Supply Chain Standards, and develop recommendations for follow-up actions that will best address any issues identified, and (ii) NERC management provide an interim report to the Board related to the foregoing by no later than approximately 12 months after the adoption of these resolutions and a follow-up final report to the Board no later than approximately 18 months after the adoption of these resolutions.

FURTHER RESOLVED, the Board hereby requests that the NERC management, utilizing information it is authorized to use and other information collected through interactions with industry and governmental authorities, communicate supply chain risk developments and risks to industry and in connection with the efforts contemplated by the foregoing resolutions.

FURTHER RESOLVED, that the Board hereby requests that each of the North American Transmission Forum and the North American Generation Forum (the “Forums”) develop white papers to address best and leading practices in supply chain management, including procurement, specifications, vendor requirements and existing equipment management, that are shared across the membership of each
Forum, and to the extent permissible under any applicable confidentiality requirements, distribute such white papers to industry.

**FURTHER RESOLVED**, that the Board hereby requests that each of the National Rural Electric Cooperative Association and the American Public Power Association (the “Associations”) develop white papers addressing issues contemplated by the immediately preceding resolution, focusing on smaller entities that are not members of the Forums, for the membership of the Associations, and to the extent permissible under any applicable confidentiality requirements, distribute such white papers to industry.

**FURTHER RESOLVED**, that the Board hereby requests that NERC management, collaborating with the appropriate NERC technical committees and other experts as deemed appropriate by management, develop a plan to evaluate the effectiveness of the Supply Chain Standards, including seeking input from registered entities subject to the Supply Chain Standards, and report back to the Board as appropriate.