

Announcement

MRC Elects New Board Member; Board Initiates Cyber Security Standards Project, Releases Annual Report

February 6, 2020

MANHATTAN BEACH, California – NERC’s first Board of Trustees meeting of 2020 focused on governance actions, enhanced effectiveness, cyber standards and achievements. Specific actions included the initiation of a project to modify the Cyber Security Standards to include controls for low-impact cyber systems; approval of the 2020 work plan priorities; and the adoption of several standards modifications.

During their meeting Wednesday, the Member Representatives Committee (MRC) elected Jim Piro to serve on the Board of Trustees. Previously, Piro served as president and CEO for Portland General Electric from 2009 until his retirement in 2017. Prior to that, he was executive vice president and chief financial officer, among other roles, initially joining the company in 1980. Roy Thilly and Suzanne Keenan were re-elected to the Board. All terms are for three years.

The MRC also thanked outgoing Board members Janice Case, David Goulding and Fred Gorbet for their many years of service to NERC and its stakeholders. The Board presented them with resolutions in recognition of their contributions.

Pedro Pizarro, president and CEO of Edison International, welcomed the Board to California. Pizarro discussed how protecting the bulk power system is a shared priority, stressing that collaboration is the most important tool in our toolkit. He also urged industry to focus on striving for the gold standard with regard to cyber security efforts, which must continue getting “more gold” as we go forward, he said.

Also in attendance was Chair Neil Chatterjee of the Federal Energy Regulatory Commission (FERC). In his remarks, Chatterjee noted that reliability and security are at the core of FERC’s mission, highlighting the positive collaboration between FERC and NERC.

Other opening remarks were given by Chuck Kosak, deputy assistant secretary of the Department of Energy (DOE); David Morton, chair of the British Columbia Utilities Commission and CAMPUT representative to NERC; and Bill Fehrman, vice chair of the Member Executive Committee and CEO of Berkshire Hathaway Energy, who updated the Board on the National Infrastructure Advisory Committee report.

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In his president's remarks, Jim Robb, NERC's president and CEO, announced the signing of a memorandum of understanding (MOU) between NERC's Electricity Information Sharing and Analysis Center (E-ISAC) and DOE, which outlines a shared commitment to information sharing and analysis and further solidifies our ongoing relationship.

"This is a great milestone in our already successful partnership," Robb said. "This MOU will help us better serve industry with more in-depth and timely information to protect against security threats and vulnerabilities and respond to incidents. I'm pleased with the continued progress we are making and our mutual commitment to protecting the grid."

Robb also noted the accomplishments of the ERO Enterprise over the last year, highlighting the [2019 Annual Report](#). "We are transforming the ERO Enterprise, and 2019 was a pivotal year for us," Robb said. "NERC and the Regional Entities have different — yet equally important and complementary — roles in delivering ERO Enterprise programs, which allows us to work as one synchronous machine — effectively, efficiently, and collaboratively."

The Board approved NERC staff's recommendation to initiate a project modifying the Cyber Security Standards to include controls for vendor access and detection of malicious communication for low-impact BES Cyber Systems. This action was in response to a previous directive by the Board to further study the nature and complexity of supply chain risks associated with low-impact assets. Prospective modification to the existing Cyber Security Standards is based on analysis of a Section 1600 data request conducted by NERC.

Following direction from the Board at its November 2019 meeting, NERC staff identified recommendations to prioritize in the [Electromagnetic Pulse Task Force](#) report. Staff identified short-term priorities, which included a recommendation that the EMP Task Force report to the Reliability and Security Technical Committee.

The Board approved the appointment of sector and at-large representatives for the [Reliability and Security Technical Committee](#), a newly formed committee drawing from diverse industry stakeholder expertise to study, mitigate and/or eliminate emerging risks to the bulk power system. Greg Ford serves as chair, and David Zwergel serves as vice chair.

In other action, the Board adopted multiple ERO Enterprise-wide standards modifications and one regional standard modification:

- The applicability of the following Reliability Standards was modified to align these Reliability Standards with appropriate registered entities based on the recent Risk-Based Registration initiatives:
 - FAC-002-3 – Facility Interconnection Studies
 - IRO-010-3 – Reliability Coordinator Data Specification and Collection
 - MOD-031-3 – Demand and Energy Data
 - MOD033-2 – Steady-State and Dynamic System Model Validation
 - NUC-001-4 – Nuclear Plant Interface Coordination
 - PRC-006-4 – Automatic Underfrequency Load Shedding
 - TOP-003-4 – Operational Reliability Data
- **PRC-024-2** was modified to clarify expected system responses and correct technical issues for inverter-based resources.
- **TPL-007-4** was modified to require the development and implementation of corrective action plans (CAP) to mitigate assessed supplemental geomagnetic disturbance event vulnerabilities and require ERO approval for CAP extensions.

- **BAL-001-TRE-1** was modified to remove the governor deadband and droop setting requirements for steam turbines for combined cycle units and clarifies the responsible entity for Frequency Measurable Event exclusion requests.

Board presentations are located on [NERC's website](#). The next Board of Trustees meeting is May 14, in Washington, D.C.

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Electricity is a key component of the fabric of modern society and the Electric Reliability Organization (ERO) Enterprise serves to strengthen that fabric. The vision for the ERO Enterprise, which is comprised of NERC and the six Regional Entities, is a highly reliable and secure North American bulk power system. Our mission is to assure the effective and efficient reduction of risks to the reliability and security of the grid.