

## Meeting Notes Project 2023-09 Risk Management for Third-Party Cloud Services Drafting Team

April 10, 2025 | 3:00 – 5:00 p.m. Eastern

WebEx

### **Review NERC Antitrust Compliance Guidelines and Public Announcement**

Jason Snider, NERC staff, called attention to the NERC Antitrust Compliance Guidelines and the public meeting notice.

### **Roll Call and Determination of Quorum**

A team roll call was taken and quorum was determined. The member attendance sheet is attached as Attachment 1.

### **Opening Remarks**

J. Cribb, vice chair, welcomed everyone to the meeting, explaining this meeting would give the drafting team time to review the potential approaches that had been reviewed on last week's calls with an informal straw poll taking place to gauge how the group wanted to proceed.

### **Potential revisions to CIP-002**

J. Cribb provided a review of the three options the group discussed:

1. Compartmentalization Option
2. "System" Integration Option
3. "Asset" Integration Option

L. Folkerth asked if the group could consider a "top-down" approach, and after some discussion, he determined that this option would likely fit in the "compartmentalization" approach. An informal straw poll was taken on preference for the three options, with option one receiving a majority of the votes.

The group discussed the compartmentalization approach further, noting that this would likely be an easier task, as well as more likely to be well-received by industry as it was less drastic. L. Folkerth reviewed a CIP 101 security domains document that could help guide the group in drafting requirements. There was discussion about how risks should be addressed – through contract requirements or due diligence from the entity? D. Dunn suggested the group focus on the risks that need to be addressed and then develop controls for them. It was noted that while there were similarities with CIP-013, the supply chain standard is about bringing goods and services in the Responsible Entity environment, while a cloud standard would be about

putting goods and services out of the Responsible Entity environment. Concerns were raised about how to provide evidence that the requirements were being met – this could prove difficult to develop language around. A few areas were identified that would need extra focus:

- Physical Security
- Definitions regarding service or levels of service
- Third party clarification

### **Action Items**

1. L. Folkerth to review the proposed definitions and revise as necessary.
2. Drafting team to consider how compartmentalization should be addressed in existing standards.

## Attachment 1

Name	Entity	4/10/25
Christopher Anderley	Great River Energy	Y
Jay Cribb	Southern Company Services	Y
Jeff Sykes	Utility Services of Vermont	Y
Jeremy Lyon	Evergy	N
John Dirks	Salt River Project	Y
Joseph Mosher	EDF Renewables	N
Lew Folkerth	RF	Y
Lindsey Hale	Amazon Web Services	Y
Matt Hyatt	Georgia System Operations Corporation	N
David Dunn	ddEnerCIP	Y
Stephane Pellerin	Hydro-Quebec	Y
Thad Ness	Florida Power & Light (NextEra Energy)	Y
William Vesely	New York Power Authority	Y