

COVER PAGE

This posting contains sensitive information regarding the manner in which an entity has implemented controls to address security risks and comply with the CIP standards. NERC has applied redactions to the Spreadsheet Notice of Penalty in this posting and provided the justifications that are particular to each noncompliance in the table below. For additional information on the CEII redaction justification, please see [this document](#).

Count	Violation ID	Category 1	Category 2	Category 3	Category 4	Category 5	Category 6	Category 7	Category 8	Category 9	Category 10	Category 11	Category 12	CEII PROTECTION (YEARS)
1	TRE2016016184	Yes		Yes	Yes	Yes				Yes				Category 1: 3 years; Category 2 – 12: 2 year

NERC Violation ID	Reliability Standard	Req.	Violation Risk Factor	Violation Severity Level	Violation Start Date	Violation End Date	Method of Discovery	Mitigation Completion Date	Date Regional Entity Verified Completion of Mitigation
TRE2016016184	CIP-002-5.1	R1	High	Lower	7/1/2016 (when the Standard became mandatory and enforceable)	Present	Self-Certification	11/7/2019 (approved completion date)	TBD
Description of the Violation (For purposes of this document, each violation at issue is described as a “violation,” regardless of its procedural posture and whether it was a possible, or confirmed violation.)			<p>On [REDACTED], the Entity submitted a Self-Certification stating that, as a [REDACTED], it was in noncompliance with CIP-002-5.1 R1. Specifically, the Entity did not have or implement a process that considers [REDACTED] for the purposes of CIP-002-5.1 R1, Parts 1.1 through 1.3. As a result, the Entity did not identify each asset that contains a BES Cyber System. This issue began when CIP-002-5.1 became enforceable and continued after CIP-002-5.1a R1 became enforceable.</p> <p>The root cause of this issue is that the Entity did not have any documented process for compliance with CIP-002-5.1 during the period leading up to CIP-002-5.1 becoming enforceable. As a result, the Entity did not document or implement processes necessary for compliance with CIP-002-5.1.</p> <p>This noncompliance started on July 1, 2016, when CIP-002-5.1 R1 became enforceable and is currently ongoing.</p>						
Risk Assessment			<p>This issue posed a moderate risk and did not pose a serious or substantial risk to the bulk power system based on the following factors. The failure to properly identify and classify a BES Cyber System increases the potential that the BES Cyber System will not receive the appropriate cyber security protections. The duration of this issue was approximately three years, lasting from July 1, 2016, when CIP-002-5.1 became enforceable, until the present. In addition, during the noncompliance, the Entity’s [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] In addition, the Entity’s initial review of its assets indicates that the Entity [REDACTED] BES Cyber Systems.</p>						
Mitigation			<p>To mitigate the noncompliance, the Entity:</p> <ol style="list-style-type: none">created a draft process for compliance with CIP-002-5.1a, which includes a preliminary draft of the identifications required by CIP-002-5.1a R1;approved a documented internal compliance program, which includes a process for identifying applicable current and new Reliability Standards;established a compliance committee, as described in the documented internal compliance program, which determines upcoming deadlines at regular meetings and implements the Entity’s process for identifying applicable Reliability Standards; andconducted training regarding the Entity’s process for compliance with CIP-002-5.1a and regarding the Entity’s overall compliance program. <p>Furthermore, the Entity submitted a Mitigation Plan to address the following actions that will be completed by November 7, 2019:</p> <ol style="list-style-type: none">finalize and have CIP Senior Manager approve the draft identifications required by CIP-002-5.1a R1. <p>The Entity requires [REDACTED] and intends to complete this change before finalizing its process for compliance with CIP-002-5.1a R1.</p>						
Other Factors			<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Texas RE considered the Entity’s compliance history and determined there were no relevant instances of noncompliance.</p>						