

NERC Compliance Process Bulletin #2009-008 Newly Identified Critical Assets and Critical Cyber Assets

Version 1.0

December 18, 2009 | Public Process Announcement

The purpose of this Compliance Process Bulletin is to provide guidance to affected registered entities concerning the applicability and implementation of Version 1 of the Critical Infrastructure Protection (CIP) Reliability Standards CIP-002-1 through CIP-009-1, specifically with respect to newly identified Critical Assets and Critical Cyber Assets.¹

Background

As currently written, the requirements under the CIP-002-1 through CIP-009-1 Reliability Standards require compliance by responsible entities with respect to Critical Assets and Critical Cyber Assets without regard to when such assets are identified as critical. In effect, responsible entities that have reached the compliant or auditably compliant stages of the implementation plan for such requirements would need to be fully compliant with respect to such newly identified Critical Assets and Critical Cyber Assets at the time the assets are so designated. Otherwise, responsible entities could face the prospect of reliability standard violations every time they identify a new Critical Asset or Critical Cyber Asset.

It is recognized that this aspect of the Version 1 CIP Reliability Standards may result in a disincentive for responsible entities to identify Critical Assets and Critical Cyber Assets under CIP-002-1. In fact, because of this, the Version 2 CIP Reliability Standards, which were recently approved by the Federal Energy Regulatory Commission in the U.S.,² included an implementation plan specific to newly identified Critical Assets and Critical Cyber Assets. This implementation plan was intended to implement lessons learned with respect to Version 1 CIP Reliability Standards by giving responsible entities an appropriate amount of time to come into compliance after a Critical Asset or a Critical

¹ Throughout this bulletin, references to newly identified Critical Assets and Critical Cyber Assets should be read to apply to assets so identified voluntarily by a responsible entity and not to assets identified as Critical Assets or Critical Cyber Assets by a Regional Entity or by NERC as part of an audit, CVI, mitigation plan or other compliance monitoring and enforcement activity.

² *North American Electric Reliability Corporation*, 128 FERC ¶ 61,291 (2009).

Cyber Asset has been identified. FERC approved this implementation plan, subject to the requirement that NERC submit a compliance filing clarifying particular aspects of this implementation plan. NERC is working to develop that compliance filing.

Applicability of Version 1 CIP Reliability Standards to Newly Identified Critical Assets

For some time, NERC has urged the industry to reevaluate its identification of Critical Assets and Critical Cyber Assets with an eye toward security concerns related to malicious manipulation of assets rather than only considering traditional planning notions of whether the reliable operations can survive the loss of any given asset.³ Given these important security considerations, NERC is announcing in this bulletin that it will exercise its discretion as the ERO to eliminate the disincentive in the Version 1 CIP Reliability Standards and the associated Version 1 Implementation Plan for a responsible entity to identify additional Critical Assets and Critical Cyber Assets after the date on which it is required to be “compliant” with CIP-002-1, Requirements R2 and R3, with respect to such assets.

Specifically, NERC will exercise its discretion (and directs the Regional Entities to exercise similar discretion) to defer possible violations of Reliability Standards CIP-002-1 through CIP-009-1 that are associated with assets that have been identified as Critical Assets or Critical Cyber Assets during the period from the effective date of this bulletin until the time when the Version 2 CIP Reliability Standards go into effect (April 1, 2010). Any asset that a responsible entity, required to be compliant with CIP-002-1, R2 and R3, has identified as a Critical Asset or Critical Cyber Asset during this time period will be deemed to have been identified on April 1, 2010, and responsible entities will need to come into compliance with respect to such assets in accordance with the implementation plan for the Version 2 CIP Reliability Standards. In other words, compliance milestone dates will be calculated based on an April 1, 2010 start date for any Critical Assets or Critical Cyber Assets identified during this period prior to April 1, 2010.⁴

It is NERC’s expectation that, with this bulletin, registered entities will not wait until the effective date of the Version 2 CIP Reliability Standards to reevaluate their identification

³ See Letter from NERC VP and CSO, Michael Assante, to Industry Stakeholders, <http://www.nerc.com/fileUploads/File/News/CIP-002-Identification-Letter-040709.pdf> (April 7, 2009).

⁴ Please note that registered entities seeking to rely on this bulletin should retain appropriate records to establish the date upon which the registered entity identified an asset to be a critical asset or critical cyber asset. In future audits or other compliance actions, the registered entity will need to be able to produce documentation evidencing when the newly identified Critical Asset or Critical Cyber Asset was discovered (such as a signed and dated list of Critical Assets and Critical Cyber Assets showing when the newly identified Critical Assets and Critical Cyber Assets were first added).

of newly identified Critical Assets and Critical Cyber Assets, but will begin to identify such assets now and utilize the additional time afforded by this bulletin to take steps to incorporate newly identified Critical Assets and Critical Cyber Assets into their compliance programs for the CIP Reliability Standards.

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Process disclaimer: NERC reserves the right to issue new process bulletins or modify existing process bulletins when necessary and at its discretion.

REVISION HISTORY

Version	Date	Reviewers	Revision Description
1	December 18, 2009 (effective on posting)	NERC and Regional Entity Staff	Version 1.0

Required