

Plan to Evaluate Effectiveness of Supply Chain Standards

December 16, 2019

NERC plans to measure the effectiveness of the Supply Chain Standards by performing the following actions during the first two years of implementation:

ERO staff will conduct surveys on supply chain awareness, compiling statistics on identified key risk indicators. These indicators include software validation discrepancies, information on vendors that support supply chain frameworks, entities who performed vendor risk assessments in the prior 24 months, and analysis of vendor vulnerability and cyber security incident notifications. Information compiled will be examined for trends and reported periodically to the Reliability and Security Technical Committee and posted on the website.

ERO staff will solicit comparative contractual language (pre and post Supply Chain Standards implementation) voluntarily from entities to determine whether entities have been able to successfully negotiate contracts that include required supply chain controls, or whether other controls have been required to manage the risk. This will include entities not subject to the Supply Chain Standards to determine whether there has been any incidental benefits derived from the implementation of the Supply Chain Standards.

ERO staff will compile audit and compliance information on the Supply Chain Standards to determine whether the language is clear, whether entities understand what is expected, and whether there are any reliability gaps in the standards.

Finally, ERO staff will analyze supply chain communications, education, outreach, and training to determine whether vulnerabilities have been identified and successfully communicated. This will include inquiries to the E-ISAC on supply chain issues and requests for training and outreach.

Periodically during the two years of analysis and at the conclusion of the two years, NERC staff will report to the Board on its analysis of the effectiveness and provide any recommended actions that may be determined to be necessary.