

address virtualization.⁶ Because of the increasing use of virtualization in industrial control system environments, the Project 2016-02 standard drafting team is considering modifications to the CIP Reliability Standards and associated definitions to address permitted architecture and the security risks of virtualization technologies. The Project 2016-02 standard drafting team is working on proposed virtualization modifications to currently enforceable Reliability Standards CIP-004-7, CIP-005-7, CIP-006-6, CIP-007-6, and CIP-010-4, with conforming changes to Reliability Standards CIP-002-5.1a, CIP-003-8, CIP-008-6, CIP-009-6, CIP-011-3, and CIP-013-2.

In the February 20 Order, the Commission directed NERC to submit, within 30 days of the issuance of the Order, an informational filing that includes project schedules for Projects 2016-02 and 2019-02.⁷ The Commission stated that these schedules should include the status of the projects, interim target dates, and the anticipated filing date for new or modified Reliability Standards. In addition, the Commission directed NERC to file quarterly informational status updates, beginning in June 2020, until NERC files new or modified standards with the Commission.⁸

NERC provided the initial informational filing regarding the schedules on March 19, 2020⁹ and 15 additional quarterly informational filings with updated schedules and one supplemental informational filing within the abovementioned docket. NERC filed for Commission approval the

⁶ “Virtualization is the process of creating virtual, as opposed to physical, versions of computer hardware to minimize the amount of physical computer hardware resources required to perform various functions.” *Virtualization and Cloud Computing Services*, Notice of Inquiry, 170 FERC ¶ 61,110 at P 4 (2020) (citing the National Institute of Standards and Technology, *Guide to Security for Full Virtualization Technologies, Special Publication 800-125* (Jan. 2011), <https://nvlpubs.nist.gov/nistpubs/Legacy/SP/nistspecialpublication800-125.pdf>).

⁷ February 20 Order, *supra* note 1, at P 5. Project 2019-02 has concluded, and FERC approved the Reliability Standards revised as part of that project (CIP-004-7 and CIP-011-3) on December 7, 2021.

⁸ *Id.*

⁹ NERC, *Informational Filing of the North American Electric Reliability Corporation Regarding Standards Development Projects*, Docket No. RD20-2-000 (March 19, 2020).

standards revised under Project 2019-02 (CIP-004-7 and CIP-011-3) on September 15, 2021,¹⁰ and the Commission approved CIP-004-7 and CIP-011-3 on December 7, 2021.¹¹

II. PROJECT SCHEDULE

The schedule for Project 2016-02, shown below, reflects one minor change from the previous informational filing in this docket. While the final ballot is now planned for April, the projected NERC Board adoption date and the projected FERC filing date remain unchanged from the previous informational filing in this docket. At the close of the most recent additional ballot on November 29, 2023, all Reliability Standards in Project 2016-02 have passed additional ballot, and the standard drafting team is reviewing comments received to determine next steps, which include the following:¹²

Project 2016-02 Modifications to CIP Standards

- Additional 45-day formal comment period and ballot: Posted October 2023
- Final ballot: To be posted ~~March~~ **April** 2024
- NERC Board Adoption: May 2024
- FERC Filing: June 2024

III. CONCLUSION

At the time of this filing, Project 2016-02 remains on schedule as described herein. If any changes occur to the project's status, target dates, or anticipated filing dates, NERC will provide

¹⁰ NERC, *Petition of the North American Electric Reliability Corporation for Approval of Proposed Reliability Standards CIP-004-7 and CIP-011-3 Addressing Bulk Electric System Cyber System Information Access Management*, Docket No. RD21-6-000 (Sep. 15, 2021).

¹¹ FERC, *Petition of the North American Electric Reliability Corporation for Approval of Reliability Standards CIP-004-7 and CIP-011-3*, Letter Order, Docket No. RD21-6-000 (Dec. 7, 2021).

¹² Ballot results may be found on the Project 2016-02 webpage here:
<https://www.nerc.com/pa/Stand/Pages/Project%202016-02%20Modifications%20to%20CIP%20Standards.aspx>.

these changes in its quarterly informational filings submitted pursuant to the directive in the February 20 Order.

Respectfully submitted,

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March 13, 2024

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing document upon all parties listed on the official service list compiled by the Secretary in the above-referenced proceeding.

Dated at Washington, D.C. this 13th day of March 2024.

/s/ Marisa Hecht

Marisa Hecht
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