

## Consideration of Comments

### Interpretation 2012-INT-06 CIP-003 for Consumers Energy

The drafting team thanks all commenters who submitted comments on the interpretation of CIP-003. This interpretation was posted for a 45-day comment period from February 6, 2013 through March 22, 2013. Stakeholders were asked to provide feedback on the interpretation and associated documents through a special electronic comment form. There were 15 sets of comments, including comments from approximately 47 different people from approximately 35 companies representing 6 of the 10 Industry Segments as shown in the table on the following pages.

All comments submitted may be reviewed in their original format on the standard's [project page](#).

If you feel that your comment has been overlooked, please let us know immediately. Our goal is to give every comment serious consideration in this process! If you feel there has been an error or omission, you can contact the Vice President and Director of Standards, Mark Lauby, at 404-446-2560 or at [mark.lauby@nerc.net](mailto:mark.lauby@nerc.net). In addition, there is a NERC Reliability Standards Appeals Process.<sup>1</sup>

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<sup>1</sup> The appeals process is in the Standard Processes Manual: [http://www.nerc.com/comm/SC/Documents/Appendix\\_3A\\_StandardsProcessesManual.pdf](http://www.nerc.com/comm/SC/Documents/Appendix_3A_StandardsProcessesManual.pdf)

**Index to Questions, Comments, and Responses**

- 1. Do you agree with this interpretation? If not, what, specifically, do you disagree with? Please provide specific suggestions or proposals for any alternative language. .... 7
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**The Industry Segments are:**

- 1 — Transmission Owners
- 2 — RTOs, ISOs
- 3 — Load-serving Entities
- 4 — Transmission-dependent Utilities
- 5 — Electric Generators
- 6 — Electricity Brokers, Aggregators, and Marketers
- 7 — Large Electricity End Users
- 8 — Small Electricity End Users
- 9 — Federal, State, Provincial Regulatory or other Government Entities
- 10 — Regional Reliability Organizations, Regional Entities

Group/Individual		Commenter	Organization	Registered Ballot Body Segment											
				1	2	3	4	5	6	7	8	9	10		
1.	Group	Guy Zito	Northeast Power Coordinating Council												X
Additional Member		Additional Organization		Region	Segment Selection										
1.	Alan Adamson	New York State Reliability Council, LLC		NPCC	10										
2.	Carmen Agavrioloai	Independent Electricity System Operator		NPCC	2										
3.	Greg Campoli	New York Independent System Operator		NPCC	2										
4.	Sylvain Clermont	Hydro-Quebec TransEnergie		NPCC	1										
5.	Chris de Graffenried	Consolidated Edison Co. of New York, Inc.		NPCC	1										
6.	Gerry Dunbar	Northeast Power Coordinating Council		NPCC	10										
7.	Mike Garton	Dominion Resources Services, Inc.		NPCC	5										
8.	Kathleen Goodman	ISO - New England		NPCC	2										
9.	Michael Jones	National Grid		NPCC	1										
10.	David Kiguel	Hydro One Networks Inc.		NPCC	1										

Group/Individual	Commenter	Organization	Registered Ballot Body Segment																	
			1	2	3	4	5	6	7	8	9	10								
11. Christina Koncz	PSEG Power LLC	NPCC	5																	
12. Randy MacDonald	New Brunswick Power Transmission	NPCC	9																	
13. Bruce Metruck	New York Power Authority	NPCC	6																	
14. Silvia Parada Mitchell	NextEra Energy, LLC	NPCC	5																	
15. Lee Pedowicz	Northeast Power Coordinating Council	NPCC	10																	
16. Robert Pellegrini	The United Illuminating Company	NPCC	1																	
17. Si-Truc Phan	Hydro-Quebec TransEnergie	NPCC	1																	
18. David Ramkalawan	Ontario Power Generation, Inc.	NPCC	5																	
19. Brian Robinson	Utility Services	NPCC	8																	
20. Brian Shanahan	National Grid	NPCC	1																	
21. Wayne Sipperly	New York Power Authority	NPCC	5																	
22. Donald Weaver	New Brunswick System Operator	NPCC	2																	
23. Ben Wu	Orange and Rockland Utilities	NPCC	1																	
24. Peter Yost	Consolidated Edison Co. of New York, Inc.	NPCC	3																	
2.	Group	Dave Francis	MISO		X															
<b>Additional Member Additional Organization Region Segment Selection</b>																				
1.	Charles Yeung	SPP	SPP	2																
2.	Ben Li	IESO	NA - Not Applicable	2																
3.	Stephanie Monzon	PJM	RFC	2																
3.	Group	Jamison Dye	Bonneville Power Administration	X		X		X	X											
<b>Additional Member Additional Organization Region Segment Selection</b>																				
1.	Forrest Krigbaum	IT Specialist(INFOSEC)	WECC	1																
4.	Group	Randi Heise	Dominion NERC Compliance Policy	X		X		X	X											
<b>Additional Member Additional Organization Region Segment Selection</b>																				
1.	Michael	Crowley	SERC	1, 3																
2.	Connie	Lowe	RFC	5, 6																
3.	Mike	Garton	MRO	5, 6																
4.	Louis	Slade	NPCC	5, 6																
5.	Individual	Pamela R. Hunter	Southern Company: Southern Company Services, Inc.; Alabama Power Company; Georgia Power Company; Gulf Power	X		X		X	X											

Group/Individual		Commenter	Organization	Registered Ballot Body Segment									
				1	2	3	4	5	6	7	8	9	10
			Company; Mississippi Power Company; Southern Company Generation; Southern Company Generation and Energy Marketing										
6.	Individual	John Falsey	Invenergy LLC					X					
7.	Individual	Shannon Fair	Colorado Springs Utilities	X	X	X		X					
8.	Individual	Nazra Gladu	Manitoba Hydro	X		X		X	X				
9.	Individual	Michael Falvo	Independent Electricity System Operator		X								
10.	Individual	Wryan J. Feil	Northeast Utilities	X									
11.	Individual	RoLynda Shumpert	South Carolina Electric and Gas	X		X		X	X				
12.	Individual	Brian S. Millard	Tennessee Valley Authority	X		X		X	X				
13.	Individual	Warren Cross	ACES	X				X	X				
14.	Individual	Thad Ness	American Electric Power	X		X		X	X				
15.	Individual	Cheryl Moseley	Electric Reliability Council of Texas, Inc.		X								

If you support the comments submitted by another entity and would like to indicate you agree with their comments, please select "agree" below and enter the entity's name in the comment section (please provide the name of the organization, trade association, group, or committee, rather than the name of the individual submitter).

**Summary Consideration:**

N/A

Organization	Agree	Supporting Comments of "Entity Name"
MISO	Agree	MISO, PJM, SPP, IESO

1. Do you agree with this interpretation? If not, what, specifically, do you disagree with? Please provide specific suggestions or proposals for any alternative language.

**Summary Consideration:**

One commenter raised questions regarding the applicability section of the standard. The team notes that the flexibility of the registration process and thus the Responsible Entity is given further flexibility in how best to assign a single senior manager appropriate for their specific organization.

There was a comment that the standard should read “per registered entity ID”. The IDT notes an interpretation may not be used to change an approved Reliability Standards or its applicability.

Organization	Yes or No	Question 1 Comment
Electric Reliability Council of Texas, Inc.	No	The interpretation is inconsistent with the plain language of the standard. There is nothing ambiguous or unclear about the plain language of the standard. Accordingly, the IDT's reliance on and interpretation of other documents (e.g. Rules of Procedure) to support the interpretation is misplaced, inappropriate and inconsistent with the plain language and scope of the standard.1. The applicability section defines Responsible Entity in terms of specific functions, not the Registration ID of an entity. According to the Standards Process Manual, “Generally, each Requirement of a Reliability Standard shall identify, “What functional entity shall do what under what conditions to achieve what reliability objective.” This is addressed to the functional entity, not a Registration ID.2. There are inconsistencies in the registration processes. Some entities are assigned one Registration ID while others are assigned multiple Registration IDs. A review of the NERC Compliance Registry Matrix shows the discrepancies in how Registration IDs are assigned. 3. The standards are developed to identify “what” a Responsible Entity is to do, not “how” the entity manages their organization. R2 then states the "Responsible Entity" shall assign a single manager for the CIP implementation. Accordingly, a registered entity responsible for multiple

Organization	Yes or No	Question 1 Comment
		<p>functions can have a single manager for the CIP implementation related to each of its functions. That is a right under the standard, and the interpretation impermissibly compromises that right. 4. The interpretation compromises the effectiveness of the CIP implementation. If an entity believes that the CIP implementation is best supported by the assignment of different senior managers for each function that it performs, then it should be allowed to implement that structure. This provides the construct to allow true experts to be responsible for the CIP implementation related to the structure best suited for their particular circumstances and business needs. The position noted herein, is supported by FERC’s discussion of this requirement in Order 706: The Commission adopts its CIP NOPR interpretation that Requirement R2 of CIP-003-1 requires the designation of a single manager who has direct and comprehensive responsibility and accountability for implementation and ongoing compliance with the CIP Reliability Standards. The Commission’s intent is to ensure that there is a clear line of authority and that cyber security functions are given the prominence they deserve. The Commission agrees with commenters that the senior manager, by virtue of his or her position, is not a user, owner or operator of the Bulk-Power System that is personally subject to civil penalties pursuant to section 215 of FPA.</p>
<p><b>Response: The IDT thanks you for your comments. In forming the interpretation, the IDT recognized the flexibility inherent in the NERC registration process, and that the Responsible Entity is given further flexibility in how best to assign a single senior manager appropriate for their specific organization. The IDT believes the allowance for delegation in CIP-003-3-R2.3 gives entities the appropriate level of granularity to effectively utilize the skills of true experts for the implementation and ongoing management of their CIP program.</b></p>		
American Electric Power	No	
ACES	Yes	<p>ACES supports the interpretation that a Registered Entity cannot assign different CIP Senior Managers for different applicable functions if those functions are included under one registration (NERC ID). It would be better if the standard said, "per registered entity ID".</p>

Organization	Yes or No	Question 1 Comment
<p><b>Response: Thank you for your supporting comment. In response to the suggested language modification “per registered entity ID” the IDT clarifies that Standard drafting is beyond the scope of the IDT. According to the Guidelines for Interpretation Drafting Teams, an interpretation may not be used to change an approved Reliability Standard or its applicability.</b></p>		
Colorado Springs Utilities	Yes	Colorado Springs Utilities agrees with the interpretations of the single CIP Manager per Registered Entity ID.
<p><b>Response: Thank you for your supporting comment.</b></p>		
Northeast Power Coordinating Council	Yes	
Bonneville Power Administration	Yes	
Dominion NERC Compliance Policy	Yes	
Southern Company: Southern Company Services, Inc.; Alabama Power Company; Georgia Power Company; Gulf Power Company; Mississippi Power Company; Southern Company Generation; Southern Company Generation and Energy Marketing	Yes	

Organization	Yes or No	Question 1 Comment
Independent Electricity System Operator	Yes	
Northeast Utilities	Yes	
South Carolina Electric and Gas	Yes	
Tennessee Valley Authority	Yes	

2. If you disagree with this interpretation because you believe your organizational structure has not been contemplated in developing the interpretation, please provide supporting details and proposed alternative language.

**Summary Consideration:**

The IDT only received one comment to this question, dealing with the term “Responsible Entity”, and the team responded by stating any further work within the standard or within the NERC glossary of terms is beyond the scope of the IDT. The IDT recognized the flexibility inherent in the NERC registration process and notes the allowance for delegation in CIP-003-3-R2.3 gives entities the appropriate level of granularity to effectively utilize the skills of true experts for the implementation and ongoing management of their CIP program.

Organization	Question 2 Comment
American Electric Power	<p>AEP strongly opposes the interpretation of the IDT. The standard provides various entities which could serve as a “Responsible Entity”, a majority of which are functions such as Generator Owner, Generator Operator, etc. By allowing such functions to serve as Responsible Entities, the Standard effectively allows them to designate CIP Senior Managers as necessary. Nowhere does the Standard support the IDT’s interpretation that the Registered Entity must designate a sole CIP Senior Manager. In addition, and though it may be beyond the scope of the IDT, usage of the term “Responsible Entity” needs further review. The fact that it is capitalized infers that it is included in the NERC Glossary, though it is not. As a result, the standard attempts to prescribe examples for the phrase, which has led to confusion for some and has prompted this interpretation request. The Responsible Entity Senior CIP Manager designation, as the interpretation views it, reduces flexibility and alignment within an organization’s corporate or operating structure. While the drafting team did provide some potential solutions as outlined in the unofficial comment form, changing registration to fit into the box created by this interpretation, has widespread implication outside of the CIP standards. In addition, we are concerned by the amount of supporting information included in the comment form. Though obviously well-intentioned, the information provided is, by the IDT’s own admission “for discussion and demonstration purposes”. Such</p>

Organization	Question 2 Comment
	<p>guidance cannot be relied upon by an entity during an audit, and because of this, any information deemed worthy to support in the interpretation should be included within the official interpretation itself.</p>
<p><b>Response:</b> The IDT thanks you for your comments. In response to the further review of the term “Responsible Entity”, the IDT affirms the comment by AEP in that any further work within the standard or within the NERC glossary of terms is beyond the scope of the IDT. According to the Guidelines for Interpretation Drafting Teams, an interpretation may not be used to change an approved Reliability Standard or its applicability. In forming the interpretation, the IDT recognized the flexibility inherent in the NERC registration process, and that the Responsible Entity is given further flexibility in how best to assign a single senior manager appropriate for their specific organization. The IDT believes the allowance for delegation in CIP-003-3-R2.3 gives entities the appropriate level of granularity to effectively utilize the skills of true experts for the implementation and ongoing management of their CIP program. In response to industry comments, the IDT has removed the examples provided for “discussion and demonstration purposes”.</p>	

END OF REPORT