Minutes
Standards Oversight and Technology Committee

May 10, 2017 | 8:30–9:30 a.m. Central

The Ritz-Carlton, St. Louis
100 Carondelet Plaza
St. Louis, MO 63105

Mr. Kenneth G. Peterson, Chair, called to order a duly noticed meeting of the Standards Oversight and Technology Committee (the "Committee") of the Board of Trustees ("Board") of the North American Electric Reliability Corporation ("NERC") on May 10, 2017, at 8:30 a.m. Central, and a quorum was declared present. The agenda is attached as **Exhibit A.**

Present at the meeting were:

Members	**Board Members**
Kenneth G. Peterson, Chair	Janice Case
Kenneth W. DeFontes, Jr.	Gerry W. Cauley, President and Chief Executive Officer
David Goulding	Robert G. Clarke
Roy Thilly	Frederick W. Gorbet
	Deborah S. Parker
	Jan Schori

Committee Member Not Present
George S. Hawkins

NERC Staff
Charles A. Berardesco, Senior Vice President, General Counsel, and Corporate Secretary
Tina Buzzard, Associate Director
Howard Gugel, Senior Director of Standards
Stan Hoptroff, Vice President, Chief Technology Officer, and Director of Information Technology
Mark Lauby, Senior Vice President and Chief Reliability Officer
Ken McIntyre, Vice President and Director of Standards and Compliance
Marcus Sachs, Senior Vice President and Chief Security Officer
Janet Sena, Senior Vice President and Director of Policy and External Affairs
Michael Walker, Senior Vice President and Chief Financial and Strategic Development Officer

NERC Antitrust Compliance Guidelines
Mr. Peterson directed the participants' attention to the NERC Antitrust Compliance Guidelines included with the agenda materials, and stated that any additional questions regarding these guidelines should be directed to Mr. Berardesco.

RELIABILITY | ACCOUNTABILITY

Minutes

Upon motion duly made and seconded, the Committee approved the minutes of the February 8, 2017 meeting as presented at the meeting.

Registered Entities and ERO Enterprise IT Applications

Mr. Hoptroff provided an overview of the ERO Enterprise IT projects that were focused on registered entity interactions as well as the ERO Enterprise, referencing the detailed materials that had been included in the advance agenda package. With respect to projects focused on registered entity interactions, he reviewed completed projects and those underway, including an update of the NERC website and the entity registration application. He reviewed ongoing and planned ERO Enterprise projects, focusing on the CMEP technology program, summarizing the program objectives and current activities, including requirements gathering, RFP development and selection criteria. Mr. Hoptroff provided an update on E-ISAC related projects, including the enhanced portal platform and CRISP data management tools.

Mr. Hoptroff provide an overview of the IT projects costs benefits initiative, summarizing categories of analysis and the scorecard for key projects. He then reviewed planned 2017-2018 IT-related expenditures and projections for 2019-2010. Mr. Hoptroff finished his presentation by reviewing key priorities looking ahead.

Guidelines and Technical Basis

Mr. Gugel provided an overview of the Guidance and Technical Basis ("GTB") information included as background for some standards, noting that the purpose of GTB was to allow a standard drafting team to articulate the technical basis for requirements, but not to provide specific guidance on compliance with requirements (the original GTBs contained a disclaimer to this effect). He noted that confusion as to the purpose of GTB had developed over time, and that NERC staff was working with the Standards Committee to provide additional clarity and to present the results of that effort to this Committee at its August meeting.

Cyber Security Supply Chain Risk Management Standard

Mr. Gugel provided an update on the development of the cyber security supply chain standard, noting the low approval vote in the initial ballot. NERC staff and the Standards Drafting Team worked to understand the comments, and conducted outreach to industry, and will be posting a new standard that seeks to address the comments, using a risk-based approach that focuses on high and medium risk cyber assets. Draft implementation guidance will be posted with the next draft. Management and the Standard Drafting Team expect a much higher approval vote in the next ballot, and management and the Standards Committee are prepared to continue to work to have the proposed standard presented at the Board's August meeting.

Reliability Standards Quarterly Status Report

Mr. Gugel presented the Reliability Standards Quarterly Status Report, referencing the detailed materials that had been included in the advance agenda package. He reviewed the status of FERC standards-related directives and the schedule for the upcoming submission of standards to the Board; he also noted that the information on the trend of the actual number of requirements is being updated

to provide more useful information, and should be included in the next quarterly report. Mr. Gugel noted that more information on the cost effectiveness initiative will be presented at the MRC meeting.

In response to a question from the Chair, Mr. Murphy provide an update on the enhanced periodic review effort, which he noted is moving at a measured pace and overall working well.

Adjournment
There being no further business, and upon motion duly made and seconded, the meeting was adjourned.

Submitted by,

Charles A. Berardesco
Corporate Secretary

Agenda
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100 Carondelet Plaza
St. Louis, MO 63105

Conference Room: Ritz-Carlton Ballroom (Lobby Level)

Call to Order

Introductions and Chair's Remarks

NERC Antitrust Compliance Guidelines

Agenda Items

1. **Minutes* — Approve**

    a. February 8, 2017 Meeting

2. **Registered Entities and ERO Enterprise IT Applications* — Update**

3. **Guidelines and Technical Basis* — Update**

4. **CIP-013-1 – Cyber Security - Supply Chain Risk Management* — Update**

5. **Reliability Standards Quarterly Status Report* — Review**

6. **Adjournment**

*Background materials included.