

Standard Authorization Request (SAR)

Complete and please email this form, with attachment(s) to: sarcomm@nerc.net

The North American Electric Reliability Corporation (NERC) welcomes suggestions to improve the reliability of the bulk power system through improved Reliability Standards.

Requested information	
SAR Title:	Critical Infrastructure Protection Reliability Standard CIP-003-7 – Cyber Security – Security Management Controls
Date Submitted:	April 24, 2018
SAR Requester	
Name:	Jordan Mallory
Organization:	NERC
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SAR Type (Check as many as apply)	
<input type="checkbox"/> New Standard <input checked="" type="checkbox"/> Revision to Existing Standard <input type="checkbox"/> Add, Modify or Retire a Glossary Term <input type="checkbox"/> Withdraw/retire an Existing Standard	<input type="checkbox"/> Imminent Action/ Confidential Issue (SPM Section 10) <input type="checkbox"/> Variance development or revision <input type="checkbox"/> Other (Please specify)
Justification for this proposed standard development project (Check all that apply to help NERC prioritize development)	
<input checked="" type="checkbox"/> Regulatory Initiation <input type="checkbox"/> Emerging Risk (Reliability Issues Steering Committee) Identified <input type="checkbox"/> Reliability Standard Development Plan	<input type="checkbox"/> NERC Standing Committee Identified <input type="checkbox"/> Enhanced Periodic Review Initiated <input type="checkbox"/> Industry Stakeholder Identified
Industry Need (What Bulk Electric System (BES) reliability benefit does the proposed project provide?):	
On April 19, 2018, the Federal Regulatory Energy Commission (Commission) issued Order No. 843 approving CIP-003-7 and directing NERC to develop modifications to Reliability Standard CIP-003-7 to mitigate the risk of malicious code that could result from third-party transient electronic devices.	
Purpose or Goal (How does this proposed project provide the reliability-related benefit described above?):	
The purpose of this project is to address the Commission directive regarding third-party transient electronic devices contained in Order No. 843. These revisions will improve the security posture of responsible entities by clarifying compliance expectations.	
Project Scope (Define the parameters of the proposed project):	
The proposed project will address the Commission directive regarding third-party transient electronic devices in Order No. 843 through modifications to CIP-003-7 Reliability Standard. The work will include development of Violation Risk Factors, Violation Severity Levels, and an Implementation Plan for the modified standard.	

Requested information
Detailed Description (Describe the proposed deliverable(s) with sufficient detail for a drafting team to execute the project. If you propose a new or substantially revised Reliability Standard or definition, provide: (1) a technical justification ¹ which includes a discussion of the reliability-related benefits of developing a new or revised Reliability Standard or definition, and (2) a technical foundation document (e.g. research paper) to guide development of the Standard or definition):
The SDT shall address the Order No. 843 directive by developing modifications to Reliability Standard CIP-003-7. The Commission directed the following: <i>Per paragraph 37, “[The Commission] ...direct[s] that NERC develop modifications to Reliability Standard CIP-003-7 to address our concern and ensure that responsible entities implement controls to mitigate the risk of malicious code that could result from third-party transient electronic devices. NERC could satisfactorily address the identified concern, for example, by modifying Section 5 of Attachment 1 to CIP-003-7 to clarify that responsible entities must implement controls to mitigate the risk of malicious code that could result from the use of third-party transient electronic devices.”</i>
Cost Impact Assessment, if known (Provide a paragraph describing the potential cost impacts associated with the proposed project):
No additional cost outside of the time and resources needed to serve on the Standard Drafting Team are expected. However, a question will be asked during the SAR comment period to ensure all aspects are considered.
Please describe any unique characteristics of the BES facilities that may be impacted by this proposed standard development project (e.g. Dispersed Generation Resources):
None
To assist the NERC Standards Committee in appointing a drafting team with the appropriate members, please indicate to which Functional Entities the proposed standard(s) should apply (e.g. Transmission Operator, Reliability Coordinator, etc. See the most recent version of the NERC Functional Model for definitions):
Balancing Authority, certain Distribution Providers, Generator Owner, Generator Operator, Interchange Coordinator or Interchange Authority, Reliability Coordinator, Transmission Owner, Transmission Operator
Do you know of any consensus building activities ² in connection with this SAR? If so, please provide any recommendations or findings resulting from the consensus building activity.
No consensus building has been completed to date.
Are there any related standards or SARs that should be assessed for impact as a result of this proposed project? If so which standard(s) or project number(s)?
Project 2016-02 is currently working on addressing CIP directives and the V5TAG Transition document.

¹ The NERC Rules of Procedure require a technical justification for new or substantially revised Reliability Standards. Please attach pertinent information to this form before submittal to NERC.

² Consensus building activities are occasionally conducted by NERC and/or project review teams. They typically are conducted to obtain industry inputs prior to proposing any standard development project to revise, or develop a standard or definition.

Requested information

Are there alternatives (e.g. guidelines, white paper, alerts, etc.) that have been considered or could meet the objectives? If so, please list the alternatives.

NA

Reliability Principles

Does this proposed standard development project support at least one of the following Reliability Principles ([Reliability Interface Principles](#))? Please check all those that apply.

<input type="checkbox"/>	1. Interconnected bulk power systems shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions as defined in the NERC Standards.
<input type="checkbox"/>	2. The frequency and voltage of interconnected bulk power systems shall be controlled within defined limits through the balancing of real and reactive power supply and demand.
<input type="checkbox"/>	3. Information necessary for the planning and operation of interconnected bulk power systems shall be made available to those entities responsible for planning and operating the systems reliably.
<input type="checkbox"/>	4. Plans for emergency operation and system restoration of interconnected bulk power systems shall be developed, coordinated, maintained and implemented.
<input type="checkbox"/>	5. Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk power systems.
<input type="checkbox"/>	6. Personnel responsible for planning and operating interconnected bulk power systems shall be trained, qualified, and have the responsibility and authority to implement actions.
<input type="checkbox"/>	7. The security of the interconnected bulk power systems shall be assessed, monitored and maintained on a wide area basis.
<input checked="" type="checkbox"/>	8. Bulk power systems shall be protected from malicious physical or cyber attacks.

Market Interface Principles

Does the proposed standard development project comply with all of the following [Market Interface Principles](#)?

Enter
(yes/no)

1. A reliability standard shall not give any market participant an unfair competitive advantage.	yes
2. A reliability standard shall neither mandate nor prohibit any specific market structure.	yes
3. A reliability standard shall not preclude market solutions to achieving compliance with that standard.	yes
4. A reliability standard shall not require the public disclosure of commercially sensitive information. All market participants shall have equal opportunity to access commercially non-sensitive information that is required for compliance with reliability standards.	yes

Identified Existing or Potential Regional or Interconnection Variances

Region(s)/ Interconnection	Explanation
e.g. NPCC	

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SAR Status Tracking (Check off as appropriate)	
<input checked="" type="checkbox"/> Draft SAR reviewed by NERC Staff <input type="checkbox"/> Draft SAR presented to SC for acceptance <input type="checkbox"/> DRAFT SAR approved for posting by the SC	<input type="checkbox"/> Final SAR endorsed by the SC <input type="checkbox"/> SAR assigned a Standards Project by NERC <input type="checkbox"/> SAR denied or proposed as Guidance document

Version History

Version	Date	Owner	Change Tracking
1	June 3, 2013		Revised
1	August 29, 2014	Standards Information Staff	Updated template
2	January 18, 2017	Standards Information Staff	Revised
2	June 28, 2017	Standards Information Staff	Updated template