



SERC Reliability Corporation
2815 Coliseum Centre Drive | Suite 500
Charlotte, NC 28217
704.357.7372 | Fax 704.357.7914 | www.serc1.org

MEMO

VIA EMAIL

TO: Primary Compliance Contacts and Secondary Compliance Contacts of SERC Registered Entities

FROM: SERC Comply

DATE: June 12, 2009

RE: Announcement Regarding Self-Certifications for CIP-002 through CIP-009 Reliability Standards

NERC has added a "Supplemental Questions" section to the January - June 2009 CIP-002-1 through CIP-009-1 Self-Certification, as described in the attached "Critical Infrastructure Protection Self-Certification – Supplemental Questions" letter from NERC to Registered Entities dated June 10, 2009, signed by David Hilt, NERC Vice President and Director of Compliance (See Attachment I).

All Registered Entities responsible for completing the semi-annual CIP-002-1 through CIP-009-1 Self-Certification are also required to complete the Critical Infrastructure Protection Self-Certification – Supplemental Questions ("Supplemental Questions"). The NERC letter includes the Supplemental Questions and instructions. SERC will be posting the instructions and Supplemental Questions on the SERC Portal for secure submittal by Registered Entities in support of this new requirement. The anticipated date of posting of the Supplemental Questions and instructions to the Portal will be July 1, 2009.

Because of the addition of the Supplemental Questions, the filing due date for the CIP-002-1 through CIP-009-1 Self-Certification, including the Supplemental Questions, has been extended from July 15, 2009 to July 31, 2009.

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

June 10, 2009

TO: Registered Entities

RE: Critical Infrastructure Protection Self-Certification – Supplemental Questions

Ladies & Gentlemen,

In order to gain the perspective needed to inform NERC's ongoing cyber security standards development efforts, plan educational outreach, and determine next steps for NERC's other cyber security and critical infrastructure protection activities, NERC is seeking a more granular view of the implementation of Reliability Standard CIP-002 and the resulting determination of critical assets (“CAs”) and critical cyber assets across the bulk power system. In order to collect this information, NERC has added a Supplemental Questions section to the January — June 2009 CIP-002 self-certification. The CIP Self-Certification response window will commence on July 1, 2009, and has been extended through July 31, 2009, to allow sufficient time for Registered Entities to respond to the Supplemental Questions.

Concerns raised by the July 2008 – January 2009 self-certification, as highlighted in Chief Security Officer Michael Assante’s April 7 letter to industry, and the desire to better understand how the standards are being applied have specifically prompted this request. NERC’s efforts on this front are consistent with direction provided by the U.S. Federal Energy Regulatory Commission in its discussion of the proposed self-certification framework for the Critical Infrastructure Protection Standards in Order 706, where it stated: “it is important that the ERO and the Commission know whether industry, or segments of industry, are having difficulty implementing the CIP Reliability Standards.” The Commission further specified that the information gathered as part of the self-certification process could be streamlined, but “must be useful for the ERO and the Commission to assess industry’s progress toward achieving compliance with the CIP Reliability Standards.”

The Supplemental Questions will gather information regarding the total *number* of nuclear generating units, conventional generating stations, transmission substations, and blackstart units owned by a given entity and those that have been determined to be CA’s. **No information will be collected regarding the identity of any of these facilities.**

NERC will create a high-level summary of the data collected, presenting observations and data only in aggregate and by function on a Regional basis. Individual responses will not be included or referred to in a developed summary or report. Due to the limited number of Reliability Coordinators, this data will be aggregated across all Reliability Coordinators in the United States. In accordance with the above procedures, any release of this aggregated data will require the approval of the Chief Security Officer at NERC prior to any distribution, with explicit

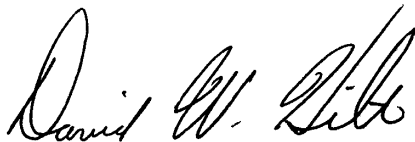
instructions on how to handle the data, including the level of data classification required. All data will be collected through the regions and stored and communicated in a secure environment.

Summary reports provided to government authorities will be made in accordance with the specific agencies' rules for the receipt of non-public, NERC Confidential information and will include designation of material provided as Critical Energy Infrastructure Information ("CEII"), as appropriate.

The additional data collected via the Supplemental Questions will not be used to assess, evaluate, or otherwise determine an individual responding entity's compliance with Reliability Standard CIP-002-1. However, U.S. entities in receipt of these Supplemental Questions are required to respond to all applicable questions. While an entity will not be subject to a monetary penalty if it is unable to certify that it is on schedule, such an entity should explain the reason it is unable to self-certify in its response. NERC and the Regional Entities will then work with such an entity either informally or, if appropriate, by requiring a remedial plan to assist such an entity in achieving full compliance in a timely manner.

The results of these Supplemental Questions will be used to help develop better reliability standards with clearer requirements, identify educational opportunities, and ensure the industry is better able to address cyber security threats and vulnerabilities to the bulk power system. The industry's dedication to getting a step ahead of these issues has been encouraging. We look forward to continued collaboration on this critical issue.

Please direct any questions or concerns related to these Supplemental Questions to Ralph Anderson, Senior Regional Compliance Auditor at NERC at 609.218.3395 or via e-mail at ralph.anderson@nerc.net.



David W. Hilt
Vice President and Director of Compliance
North American Electric Reliability Corporation
116-390 Village Blvd.
Princeton, NJ 08540
609.452.8060
dave.hilt@nerc.net
www.nerc.com

Nuclear Generation Questions	
Do you operate a nuclear generating unit?	(Yes/No)
<i>If yes, address the following:</i>	
Did you consider nuclear generating units when last applying your risk-based assessment methodology?	(Yes/No)
How many nuclear generating units do you operate?	(number)
Of those, how many nuclear units are identified as Critical Assets under CIP-002?	(number)

Non-Nuclear Generation Questions	
Do you operate a non-nuclear generating unit connected at 100kV or above?	(Yes/No)
<i>If yes, address the following:</i>	
Did the results of your risk-based assessment performed under CIP-002 identify one or more non-nuclear generating units as a Critical Asset?	(Yes/No/Assessment Not Performed)
<i>If yes, provide the following:</i>	
How many non-nuclear generating units do you operate between 20 and 299 MVA?	(number)
Of those, how many are identified as Critical Assets?	(number)
How many non-nuclear generating units do you operate between 300 and 499 MVA?	(number)
Of those, how many are identified as Critical Assets?	(number)
How many non-nuclear generating units do you operate between 500 and 999 MVA?	(number)
Of those, how many are identified as Critical Assets?	(number)
How many non-nuclear generating units do you operate 1000 MVA and above?	(number)
Of those, how many are identified as Critical Assets?	(number)

Blackstart Questions	
Do you operate any blackstart generating units or blackstart cranking path facilities?	(Yes/No)
<i>If yes, address the following:</i>	
How many of your blackstart generating units are included in your regional area or Reliability Coordinator System Restoration Plan?	(number)
Of those, how many are identified as Critical Assets?	(number)
For those blackstart generating units identified as Critical Assets, have the cranking paths been evaluated in your risk-based assessment methodology?	(Yes/No/Assessment Not Performed)
For each blackstart generating unit, have you identified one or more cranking paths as a Critical Asset?	(Yes/No)

ATTACHMENT I

Transmission Questions		
Do you operate any Bulk Electric System transmission facilities (100 kV or above)?		(Yes/No)
<i>If yes, address the following:</i>		
Did the results of your risk-based assessment performed under CIP-002 identify any transmission substations as Critical Assets?		(Yes/No/Assessment Not Performed)
How many 100-229 kV substations do you operate?		(number)
Of those, how many are identified as Critical Assets or include elements identified as a Critical Asset?		(number)
How many 230-344 kV substations do you operate?		(number)
Of those, how many are identified as Critical Assets or include elements identified as a Critical Asset?		(number)
How many 345-499 kV substations do you operate?		(number)
Of those, how many are identified as Critical Assets or include elements identified as a Critical Asset?		(number)
How many 500 kV substations do you operate?		(number)
Of those, how many are identified as Critical Assets or include elements identified as a Critical Asset?		(number)
How many substations greater than 500 kV do you operate?		(number)
Of those, how many are identified as Critical Assets or include elements identified as a Critical Asset?		(number)

System Control Center Related Questions		
How many Control Centers are you responsible for in terms of compliance?		(number)
Of those, how many Primary Control Centers are identified as Critical Assets that control less than 1,000 MW?		(number)
Of those, how many Back-up Control Centers are identified as Critical Assets that control less than 1,000 MW?		(number)
Of those, how many Primary Control Centers are identified as Critical Assets that control between 1,000 MW and 4,999 MW?		(number)
Of those, how many Back-up Control Centers are identified as Critical Assets that control between 1,000 MW and 4,999 MW?		(number)
Of those, how many Primary Control Centers are identified as Critical Assets that control between 5,000 MW and 19,999 MW?		(number)
Of those, how many Back-up Control Centers are identified as Critical Assets that control between 5,000 MW and 19,999 MW?		(number)
Of those, how many Primary Control Centers are identified as Critical Assets that control 20,000 MW or greater?		(number)

Instructions for the Critical Infrastructure Protection Self-Certification – Supplemental Questions

General Instructions:

- Registered Entities responsible for completing the semi-annual CIP-002-1 through CIP-009-1 Self-Certification are required to complete the Critical Infrastructure Protection Self-Certification – Supplemental Questions (“Supplemental Questions”).
- The Supplemental Questions must be completed and submitted no later than July 31, 2009.
- The Supplemental Questions are broken down into five groups. Please ensure you answer all questions in each group.
 - Exception: For the first four groups, if you answer that you do not operate any of the asset type, you may skip the rest of the questions and proceed to the next group.
 - The Supplemental Questions are only asking for quantities. No information will be collected regarding the identity of any identified Critical Assets.
- The responses to the Supplemental Questions will be handled as “Confidential Non-Public Information” and will be submitted to NERC using secure encrypted methods. Further distribution of the responses will be tightly controlled as described in the NERC letter announcing the Supplemental Questions.
- To avoid double counting of the asset, all questions are to be answered by the OPERATOR of the asset. If the operator is different than the owner and the operator did not perform the Critical Asset identification, the operator needs to consult with the owner(s) when preparing the response.
- In the rare instance where there are multiple operators of an asset, the primary operator needs to respond to the questions after consulting with the other operator(s).

Definitions:

- System Control Center – A System Control Center is defined to perform one or more of the functions listed below for multiple (i.e., two or more) BES assets such as generation plants and transmission substations. Functions of a control center typically include one or more of the following:
 - Supervisory control of Bulk Electric System (BES) assets, including generation plants, transmission facilities, substations, Automatic Generation Control systems and automatic load-shedding systems
 - Acquisition, aggregation, processing, inter-utility exchange, and display of BES reliability or operability data.
 - BES and system status monitoring and processing for reliability and asset management purposes
 - Alarm monitoring and processing
 - Support for, or coordination of, BES restoration activities

ATTACHMENT I

- Control Room – A control room is typically located within the facility and operates control systems limited to controlling:
 - A single generation plant with one or more generation units,
 - A single transmission asset such as a transmission substation.

Nuclear Generation Questions

- The Supplemental Questions refer to the nuclear asset “balance of plant” facilities referred to in FERC Order 706B.
- The Supplemental Questions seek information at the unit level, not the plant level. If a multi-unit plant has been declared a Critical Asset, report the number of units in the plant.

Non-Nuclear Generation Questions

- The Supplemental Questions are broken down by MVA ranges.
- The Supplemental Questions seek information at the unit level, not the plant level. If a multi-unit plant has been declared a Critical Asset, report the number of units in the plant.

Blackstart Questions

- The Supplemental Questions distinguish between blackstart generating units and blackstart cranking paths. Only the units should be quantified. Identification of blackstart cranking paths is a Yes/No answer.
- If you have multiple blackstart generating units identified as Critical Assets, and have not identified at least one cranking path as a Critical Asset for each unit, answer No for the question. Only answer Yes if every blackstart generating unit identified as a Critical Asset has an associated cranking path identified as a Critical Asset.

Transmission Questions

- Answer the questions based on the highest voltage present in the substation.

System Control Center Related Questions

- Answer the questions based on the total MW load and/or total MW generation controlled by the control center.
- Use the projected 2009 summer peak load MW for transmission assets controlled by the System Control Center
- Use the maximum net generation MW for generation assets controlled by the System Control Center.
- Do not include control rooms, as defined above, in your response.