

Unofficial Comment Form for Disturbance and Sabotage Reporting (Project 2009-01)

Please **DO NOT** use this form to submit comments. Please use the electronic comment form located at the link below to submit comments on the Second Posting of EOP-004-2, Impact Event Reporting (Project 2009-01). The electronic comment form must be completed by **April 8, 2011**.

[Project 2009-01 Disturbance and Sabotage Reporting](#)

If you have questions please contact Stephen Crutchfield at Stephen.Crutchfield@nerc.net or by telephone at 609-651-9455.

Background Information

The Disturbance and Sabotage Reporting Drafting Team posted the first draft of EOP-004-2 – Impact Event Reporting for a 30-day informal comment period from September 15, 2010 through October 15, 2010. Based on stakeholder comments, and also on the results of the observations made by the Quality Review team, the drafting team made the following significant changes to the standard following the posting period that ended on October 15, 2011.

Scope: A common thread through most of the comments was that the DSR SDT went beyond the reliability intent of the standard (reporting) and concentrated too much on the analysis of the event. The DSR SDT agrees with this response, and revised the purpose as follows:

Original Purpose: Responsible Entities shall report impact events and their known causes to support situational awareness and the reliability of the Bulk Electric System (BES).

Revised Purpose: To improve industry awareness and the reliability of the Bulk Electric System by requiring the reporting of Impact Events and their causes, if known, by the Responsible Entities.

Definitions:

Impact Event: The DSR SDT had proposed a working definition for “impact events” to support EOP-004 - Attachment 1 as follows:

“An impact event is any event that has either impacted or has the potential to impact the reliability of the Bulk Electric System. Such events may be caused by equipment failure or mis-operation, environmental conditions, or human action.”

Many stakeholders indicated that the definition should be added to the NERC Glossary and the DSR SDT adopted this suggestion. The types of Impact Events that are required to be reported are contained within EOP-004 - Attachment 1. *Only the events identified in EOP-004 – Attachment 1 are required to be reported under this Standard.*

Sabotage:

FERC Order 693, paragraph 471 states in part: “. . . the Commission directs the ERO to develop the following modifications to the Reliability Standard through the Reliability Standards development process: (1) further define sabotage and provide guidance as to the triggering events that would cause an entity to report a sabotage event.” The DSR SDT made a conscious, deliberate decision to exclude a strict definition of sabotage from this standard and sought stakeholder feedback on this issue. Some suggested adopting the NRC

definition of the term sabotage, and the DSR SDT did consider adopting the NRC definition shown below but determined that the definition is too narrowly focused.

Any deliberate act directed against a plant or transport in which an activity licensed pursuant to 10 CFR Part 73 of NRC's regulations is conducted or against a component of such a plant or transport that could directly or indirectly endanger the public health and safety by exposure to radiation.

Most respondents agreed that in order to be labeled as an act of sabotage, the intent of the perpetrators must be known. The team felt that it was almost impossible to determine if an act or event was that of sabotage or merely vandalism without the intervention of law enforcement after the fact. This would result in further ambiguity with respect to reporting events, and the timeline associated with the reporting requirements does not lend itself to the in-depth analysis required to identify a disturbance (or potential disturbance) as sabotage. The SDT felt that a likely consequence of having to meet this criterion, in the time allotted, would be an under-reporting of events. Accordingly, all references to sabotage have been deleted from the standard. Instead, the SDT concentrated on providing clear guidance on the events that should trigger a report. The SDT believes that this more than adequately meets the reliability intent of the Commission as expressed in paragraph 471 of Order 693 in an equally efficient and effective manner.

Situational Awareness versus Industry Awareness: Some commenters correctly pointed out that "situational awareness" is a desirable by-product of an effective event reporting system, and not the driver of that system. Accordingly, all references to "situational awareness" have been deleted from the standard. The more generic "industry awareness" has been substituted where appropriate.

Applicability: The DSR SDT had protracted discussions on the applicability of this standard to the LSE. Per the Functional Model, the LSE does not own assets and therefore should not be an applicable entity (no equipment that could experience a "disturbance"). However, the Registry Criteria contains language that could imply that the LSE does own assets, or is at least responsible for assets. In addition, the DSR SDT modified Attachment 1 to include reporting of damage or destruction of Critical Cyber Assets per CIP-002. The LSE, as well as the Interchange Authority and Transmission Service Provider are applicable entities under CIP-002 and should be included for Impact Events under EOP-004.

There were several comments that the asset owners (GO/TO) would be less likely than the asset operators (GOP/TOP) to be aware of an impact event. The DSR SDT recognizes that this may be true in some cases, but not all. In order to meet the reliability objectives of this requirement, the applicability for GO/TO will remain as per Attachment 1.

Requirement R1: Based on stakeholder comments, Requirement R1, which assigned the ERO the responsibility for collecting and distributing impact event reports was deleted. There was strong support for a central system for receiving and distributing impact event reports ("one stop shopping"). There was general agreement that NERC was the most likely, logical entity to perform that function. However several respondents expressed their concern that the ERO could not be compelled to do so by a requirement in a Reliability Standard (not a User, Owner or Operator of the BES). In their own comments, NERC did not oppose the concept, but suggested that the more appropriate place to assign this responsibility would be the NERC Rules of Procedure. The DSR SDT concurs. The DSR SDT has removed the requirement from the standard and is proposing to make revisions to the NERC Rules of Procedure as follows:

812. NERC will establish a system to collect impact event reports as established for this section, from any Registered Entities, pertaining to data requirements identified in Section 800 of this Procedure. Upon receipt of the submitted report, the system shall then forward the report to the appropriate NERC departments, applicable regional entities, other designated registered entities, and to appropriate governmental, law enforcement, and regulatory agencies as necessary. These reports shall be forwarded to the Federal Energy Regulatory Commission for impact events that occur in the United States. The ERO shall solicit contact information from Registered Entities appropriate governmental, law enforcement and regulatory agencies for distributing reports.

Requirement R2 (now R1 in the revised standard)

There were objections to the use of the term "Operating Plan" to describe the procedure to identify and report the occurrence of a disturbance. The DSR SDT believes that the use of a defined term is appropriate and has revised Requirement R1 to include Operating Plan, Operating Process and Operating Procedure.

Many commenters felt that the requirements around updating the Operating Plan were too prescriptive, and impossible to comply with during the time frame allowed. The DSR SDT agrees, and Requirement R2, Parts 2.5 through 2.9 have been eliminated. They have been replaced with Requirement R1, Part 1.4 to require updating the Impact Event Operating Plan within 90 days of any change to content.

R1. Each Responsible Entity shall have an Impact Event Operating Plan that includes: [*Violation Risk: Factor Medium*] [*Time Horizon: Long-term Planning*]:

- 1.1. An Operating Process for identifying Impact Events listed in Attachment 1.
- 1.2. An Operating Procedure for gathering information for Attachment 2 regarding observed Impact Events listed in Attachment 1.
- 1.3. An Operating Process for communicating recognized Impact Events to the following:
 - 1.3.1 Internal company personnel notification(s).
 - 1.3.2. External organizations to notify to include but not limited to the Responsible Entities' Reliability Coordinator, NERC, Responsible Entities' Regional Entity, Law Enforcement, and Governmental or Provincial Agencies.
- 1.4. Provision(s) for updating the Impact Event Operating Plan within 90 days of any change to its content.

Other requirements reference the Operating Plan as appropriate. The requirements of EOP-004-2 fit precisely into the definition of Operating Plan:

Operating Plan: A document that identifies a group of activities that may be used to achieve some goal. An Operating Plan may contain Operating Procedures and Operating Processes. A company-specific system restoration plan that includes an Operating Procedure for black-starting units, Operating Processes for communicating restoration progress with other entities, etc., is an example of an Operating Plan.

Requirement R3: Requirement R3 (now R2 in the revised standard) has been re-written to exclude the requirement to "assess the initial probable cause". The only remaining reference to "cause" is in the Impact Event Reporting Form (Attachment 2). Here, there is no longer a requirement to assess the probable cause. The probable cause only needs to be identified, and only if it is known at the time of the submittal of the report.

- R2. Each Responsible Entity shall implement its Impact Event Operating Plan documented in Requirement R1 for Impact Events listed in Attachment 1 (Parts A and B).

Requirement R4: (Now R3 in the revised standard.) The DSR SDT did a full review based on comments that were received. R3 now is stream lined to read:

- R3. Each Responsible Entity shall conduct a test of its Operating Process for communicating recognized Impact Events created pursuant to Requirement R1, Part 1.3 at least annually, with no more than 15 months between such tests.

The testing of the Operating Process for communicating recognized Impact Events (as stated in R1) is the main component of this requirement. Several commenters provided input that too much "how" was previously within R3 and the DSR DST should only provide the "what". The DSR SDT did not provide any prescriptive guidance on how to accomplish the required testing within the rewrite. Testing of the entity's procedure (R1) could be by an actual exercise of the process (testing as stated in FERC Order 693 section 471), a formal review process or real time implementation of the procedure. The DSR SDT reviewed Order 693 and section 465 directs, with respect to processes, that entities "verify that they achieve the desired result". This is the basis of R3, above.

Requirement R5: Note R5 has been moved to R4 due to rearranging of requirements. The DSR SDT did a full review based on comments that were received. The major issues that were provided by commenters involved the inclusion of Requirement R5, Part 5.3 and Part 5.4.

- 5.3 If the Operating Plan is revised (with the exception of contact information revisions), training shall be conducted within 30 days of the Operating Plan revisions.
- 5.4 For internal personnel added to the Operating Plan or those with revised responsibilities under the Operating Plan, training shall be conducted prior to assuming the responsibilities in the plan.

Upon detailed review the DSR SDT agrees with the majority of comments received regarding Requirement R5, Parts 5.3 and 5.4 and has removed Parts 5.3 and 5.4 completely from the Standard. Training is still the main theme of this requirement (now R4) as it pertains to the personnel required to implement the Impact Event Operating Plan (R1). R4 now is stream lined to read:

- R4. Each Responsible Entity shall review its Impact Event Operating Plan with those personnel who have responsibilities identified in that plan at least annually with no more than 15 calendar months between review sessions.

Requirement R6: Note R6 been moved to R5 due to rearranging of requirements. The DSR SDT did a full review based on comments that were received. Many comments received identified concerns on the reporting time lines within Attachment 1. Several commenters wanted the ability to report impact events to their responsible parties via the DOE Form OE-417. Upon discussions with the DOE and NERC, the DSR SDT has added the ability to use the DOE Form OE-417 when the same or similar items are required to be reported to NERC and the DOE. This will reduce the need to file multiple forms when the same or similar events must be reported to the DOE and NERC. The reliability intent of reporting impact events within prescribed guidelines, to provide industry awareness and to

start any required analysis processes can be met without duplicate reporting. R5 now is stream lined to read:

R5. Each Responsible Entity shall report Impact Events in accordance with its Impact Event Operating Plan pursuant to Requirement R1 and Attachment 1 using the form in Attachment 2 or the DOE OE-417 reporting form.

Requirements R7 and R8: The DSR SDT did a full review based on comments that were received. The DSR SDT has determined that R7 and R8 are not required to be within a NERC Standard since Section 800 of the Rules of Procedure already assigns this responsibility to NERC.

Attachment 1: The DSR SDT did a full review based on comments that were received. The DSR SDT, the Events Analysis Working Group (EAWG), NERC Staff (to include NERC Senior VP and Chief Reliability Officer) had an open discussion involving this topic. The EAWG and the DSR SDT aligned Attachment 1 with the Event Analysis Program category 1 analysis responsibilities. This will assure that impact events in EOP-004-2 reporting requirements are the starting vehicle for any required Event Analysis within the NERC Event Analysis Program. The DSR SDT reviewed the “hierarchy” of reporting within Attachment 1. To reduce multiple entities reporting the same impact event, the DSR SDT has stated that the entity that performs the action or is directly affected by an action will report per EOP-004-2. As an example, during a system emergency, the TOP or RC may request manual load shedding by a DP or TOP. The DP or TOP would have the responsibility to report the action that it took if it meets or exceeds the bright-line criteria established in Attachment 1. Upon reporting, the NERC Event Analysis Program would be made aware of the impact event and start the Event Analysis Process which is outside the scope of this Standard. Several bright-line criteria were removed from Attachment 1. These criteria (DC converter station, 5 generator outages, and frequency trigger limits) were removed after discussions with the EAWG and NERC staff, who concurred that these items should be removed from a reporting standard and analysis process.

Several respondents expressed concern that the reporting requirements were redundant. The general sentiment was that unclear responsibility to report a disturbance could trigger a flood of event reports. Attachment 1 has been modified to assign clear responsibility for reporting, for each category of Impact Event.

Some commenters indicated a concern that the list of events in Attachment 1 isn't as comprehensive as the existing standard since the existing standard includes bomb threats and observations of suspicious activities. Others commented that the impact event list should include deliberate acts against infrastructure. The DSR SDT believes that “observation of suspicious activity” and “bomb threats” are addressed in Attachment 1 Part B – “Risk to BES equipment from a non-environmental physical threat”. The SDT has added the phrase, “and report of suspicious device near BES equipment” to note 3 of the “Attachment 1, Potential Reliability – Part B” for additional clarity.

Attachment 2: The proposed Impact Event Report (Attachment 2) generated comments regarding the duplicative nature of the form when compared to the OE-417. The DSR SDT has added language to the proposed form to clarify that NERC will accept a DOE OE-417 form in lieu of Attachment 2 if the responsible entity is required to submit an OE-417 form. In collaboration with the NERC Event Analysis Working Group (EAWG) the DSR SDT modified the attachment to eliminate confusion. This revised form will be Attachment 2 of the Standard and collects the only information required to be reported for EOP-004-2.

Further information may be requested through the Events Analysis Process (NERC Rules of Procedure), but the collection of this information is outside of the scope of EOP-004.

The DSR SDT has also clarified the form's purpose with the following addition to the form:

"This form is to be used to report impact events to the ERO."

Other Standard Issues:

The DSR SDT proposed that combining EOP-004 and CIP-001 would not introduce a reliability gap between the existing standards and the proposed standard and the industry comments received confirms this.

Several entities expressed their concern with the fact that Attachment 1 contained most of the elements already called for in the OE-417. The DSR SDT agrees, and Attachment 1 part 1 has been modified to even more closely mirror the Department of Energy's OE-417 Emergency Incident and Disturbance Report form. Additionally, the standard has been modified to allow for the use of the OE-417.

There was some concern expressed that there could be confusion between the reporting requirements in this standard, and those found in CIP-008. The DSR SDT agrees, and Attachment 1 Part B, has been modified to provide the process for reporting a Cyber Security Incident.

The DSR SDT also believes NERC's additional concern about what data is applicable is addressed by the revisions to Attachment 1, and the inclusion of the OE-417 as an acceptable interim vehicle.

Implementation Plan:

The DSR SDT asked stakeholders to provide feedback on the proposed effective date which provided entities at least a year following board approval of the standard. Most stakeholders supported the one year minimum, however based on the revisions made to the requirements, the drafting team is now proposing that this time period be shortened to between six months and nine months. The current CIP-001 plan is adequate for the new EOP-004 and training should be met in the proposed timeline. Note that the Implementation Plan was developed for the revised Requirements, which do not include an electronic "one-stop shopping" tool. The tool for "one stop shopping" will be addressed in the proposed revisions to the NERC Rules of Procedure.

You do not have to answer all questions. Enter All Comments in Simple Text Format.

Insert a "check" mark in the appropriate boxes by double-clicking the gray areas.

1. Do you agree with the revised Purpose Statement of EOP-004-2, Impact Event Reporting? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments: The addition of "industry awareness" adds to the scope of this Standard. Whereby an entity is required to inform the RC and others of actual and potential Impact Events.

2. Do you agree with the proposed definition of Impact Event? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments: The proposed definition is not supported by any of the established "bright line" criteria's that are contained within attachment 1. This Results Based Standard should close any loop-poles that could be read into any section, especially the definition. According to rules of writing a definition, a definition should not contain part of the word that is being defined. Recommend the definition be enhanced to read: "Impact Event: Any Contingency which has either effected or has the potential to effect the Stability of the BES as outlined per attachment 1. Within this enhanced recommendation, presently defined NERC terms are used (Contingency and Stability), thus supporting what is current used within our industry. There is also a quantifiable aspect of "as outlined per attachment 1" that clearly defines Impact Events.

3. Do you agree that the DSR SDT has provided an equally efficient and effective solution to the FERC Order 693 directive to "further define sabotage"? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments: Sabotage is usually associated with a "malicious" attack. Entities have always lacked the clinical expertise to determine if an event was malicious or not. The Impact Event bright line criteria clearly states what the minimum reporting requirements are.

4. Do you agree with the proposed applicability of EOP-004-2 shown in Section 4 and Attachment 1 of the standard? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments:

5. Stakeholders suggested removing original Requirements 1, 7 and 8 from the standard and addressing the reliability concepts in the NERC Rules of Procedure. Do you agree with the removal of original requirements 1, 7 and 8 (which were assigned to the ERO) and the proposed language for the Rules of Procedure (Paragraph 812)? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments: The ERO is not a user, owner or operator of the BES and the best place to contain their responsibilities, is in the Rules of Procedure.

6. Do you agree with the proposed revisions to Requirement 2 (now R1) including the use of defined terms Operating Plan, Operating Process and Operating Procedure? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments: This is a NERC defined term and will assist entities in maintaining compliance with this (proposed) Standard.

7. Do you agree with the proposed revisions to Requirement 3 (now R2)? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments: This clearly states that an entity's Operating Plan is to be used for reporting of Impact Events.

8. Do you agree with the proposed revisions to Requirement 4 (now R3)? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments:

9. Do you agree with the proposed revisions to Requirement 5 (now R4)? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments:

10. Do you agree with the proposed revisions to Requirement 6 (now R5) and the use of either Attachment 2 or the DOE-OE-417 form for reporting? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments: This will reduce any double reporting to the ERO and FERC.

11. Do you agree with the proposed revisions to Attachment 1? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments:

1) Section 9 of the Impact Reporting Form states: "List transmission facilities (lines, transformers, busses, etc.) tripped **and** locked out". But Part A of Attachment 1 states: "Three or more BES Transmission Elements".

a. Should section 9 state: "List transmission facilities (lines, transformers, busses, etc.) tripped **or** locked out"?

b. Should section 9 state: "List transmission **elements** (lines, transformers, busses, etc.) tripped **or** locked out"? This will align the reporting criteria with the actual reporting form.

2) Section 13 of the Impact Reporting Form states: "Identify the initial probable cause or known root cause of the actual or potential Impact Event if know at the time of submittal of Part I of this report:". Recommend that "**of Part I**" be removed since there is no Part 2.

3) Every Threshold in attachment 1 gives a clear measurable bright line, except: "Transmission Loss". As presently written "Three or more BES Transmission Elements" could imply that a Report will be required to be submitted if a BES transmission substation is removed from service to perform maintenance. Or there could be three separate elements within a large substation that are out of service (and don't effect each other) that will require a Report. Upon review of the TPL standards, there are normally planned items that our industry plans for. It is recommended that the Threshold for Reporting of Transmission Loss be enhanced to read: "Two or more BES Transmission Elements that exceed TPL Category D operating criteria or its successor". This threshold now is based on a actively enforced NERC Standard, and each RC and TOP are aware of what this bright line is.

12. Do you agree with the proposed measures for Requirements 1-5? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments:

13. Do you agree with the proposed Violation Risk Factors for Requirements 1-5? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments:

14. Do you agree with the proposed Violation Severity Levels for Requirements 1-5? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments:

15. Do you agree with the proposed Time Horizons for Requirements 1-5? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments:

16. Do you agree with the proposed Implementation Plan for EOP-004-2? If not, please explain why not and if possible, provide an alternative that would be acceptable to you.

Yes

No

Comments:

17. If you have any other comments you have not already provided in response to the questions above, please provide them here.

Comments: **On the Impact Reporting Form, number 7,8,9,10, and 11 have an astrict (*) but nothing describes what the astrict means. Recommend a foot note be added to state: * If applicable to the reported Impact Event.**