

**From:** [Guy V. Zito](#)  
**To:** [rsballot](#)  
**Cc:** [rscmembers](#)  
**Subject:** NERC CIP Virtualization Initial Ballot  
**Date:** Wednesday, March 17, 2021 3:39:54 PM  
**Importance:** High

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NPCC Members and Entities of the NERC Registered Ballot Body,

The NPCC Regional Standards Committee (“RSC”) has been engaged in reviewing and following the drafting activities of the Critical Infrastructure Protection (“CIP”) Project 2016-02 Modifications to CIP Standards (Virtualization) team. The Project, involving 11 revised standards, an Implementation Plan, and non-binding poll, is currently posted for an **Initial Ballot ending at 8 pm EDT on March 22, 2021**. The RSC has not reached consensus on a recommended ballot position. The NPCC Task Force Infrastructure Security and Technology (“TFIST”) has conducted a thorough review of the Project and is recommending the following for this initial ballot and has submitted comments to the NPCC RSC for review:

- CIP-002 recommend a NO vote
- CIP-003 recommend a NO vote
- CIP-004 recommend a NO vote
- CIP-005 recommend a NO vote
- CIP-006 recommend a NO vote
- CIP-007 recommend a NO vote
- CIP-008 recommend a NO vote
- CIP-009 recommend a NO vote
- CIP-010 recommend a NO vote
- CIP-011 recommend a NO vote
- CIP-013 recommend a NO vote

The main issues the TFIST has pointed out are related to a lack of clarity with the updated definitions from the team as they relate to virtualization. The revisions made to the draft standards to accommodate virtual CIP environments also are reported to not be “backwards” compatible for those entities not choosing, or having deployed this technology. TFIST also informed us there are currently guidelines on virtualization allowing the current approved and in force CIP Standards to allow compliance for entities who have already deployed virtualization. We were also informed that there are auditor practice guides that will help auditors effectively determine compliance with existing CIP standards if the entity being audited has already deployed virtualization on their BES Cyber Systems so these revisions may not be needed at this time.

In recognition of the issues TFIST has raised, while also being cognizant of the increasing amounts of virtualized platform deployment, NPCC as the Regional Entity will be casting an Abstention on the posted materials. Additionally, from a Regional Entity compliance perspective there is concern with the draft Implementation Plan, which as written, would allow an entity to choose to comply early with the new set of standards e.g. upon regulatory approval, and any time prior to the effective date of the first day of the first calendar quarter 24 months after approval, and only with a simple notification to the Region of the entity’s compliance date.

The NPCC RSC will be submitting helpful comments to NERC to address the concerns and these Regional comments will be posted shortly. Additionally, NPCC members who serve on the drafting team for this project will be raising NPCC TFIST concerns with the team. Please contact me with any questions.

Thanks,

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