

Subj: **WE comments on NERC SARS**
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The following are brief comments from Wisconsin Electric (d/b/a We Energies) on the NERC SARS as requested in the May 16th email.

Coordinate Operations:

1. The NERC Standard may establish obligations on owners of generators for generation availability and maintenance outages. This should be coordinated with the RTO's. Obligation to improve coordination is a good idea, but mandatory authority should not be incorporated into that obligation. What about confidentiality? What about the financial impacts of a cancelled outage? Who pays for cancelled/changes to contracts (contracts for maintenance work on the generators' equipment) due to timing changes?

2. Differing degrees and types of RA authority (e.g., RTO tariff, RRO contract) over generation availability and outage timing, may impact commercial markets in various ways. Where an Independent Market Monitor is not present, how will gaming of the market be controlled in relation to outages of generators?

3. Potential confidentiality of business information associated with generation availability and maintenance outages and other information needed by an RA. Gaming could occur without confidentiality. Need market monitor oversight.

Cyber Security Standard:

The following two comments were sent to NERC for response to this SAR. These are the business related portions of those comments.

1. Sec 1207 - There are real costs of screening personnel, and considerations for bargaining unit/non-bargaining unit, new/existing employees, and other HR related issues concerning hiring and job duties. Section 1207 - Updating an access control list for users added within a 24 hour period may not be feasible during non business hours or over a holiday period. The requirement to have background checks performed for employees, service vendors and contractors during an emergency outage or after hours emergency support would negatively impact our service level agreements and extend EMS outage times. Section 1207 establishes a requirement for background investigations with no guidance on what to do with the information and with no authority upon which the company can rely in implementation of the requirement. For instance, a background investigation process presumes that upon developing significant derogatory information, the company will make a determination whether the individual is deemed trustworthy and reliable enough to retain access to critical cyber systems. If not, then the individual must be removed. This will create huge labor and HR issues. Without the force of law (which we have through the DOT and NRC in other arenas) it will be challenging to implement this. The elements of the

background investigation, the retrospective periods and those who should be subject to the investigation were all ill-defined. Section 1207 sets a difficult standard when it requires access be canceled within 24 hours.

2. Sec 1208 - Entities will assess which cyber assets are at risk and needing protection. Depending upon how an entity defines its cyber-security assets at risk, access control would vary and costs may vary from one entity to the next. Section 1208 requires monitoring physical access to the critical cyber systems but gives no guidance on where the perimeter should be established. At the gate? The front door to the building? Entry to the room? Access to the work station? Access to the server?

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