NERC
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION

Standard Authorization Request (SAR)

Complete and submit this form, with attachment(s) to the NERC Help Desk. Upon entering the Captcha, please type in your contact information, and attach the SAR to your ticket. Once submitted, you will receive a confirmation number which you can use to track your request.

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:	Supply Chain Risk Management SAR		
Date Submitted:	September 30, 2025		
SAR Requester			
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SAR Type (Check as many as apply)	
☒ New Standard	☐ Imminent Action/ Confidential Issue (SPM Section 10)
☒ Revision to Existing Standard	☐ Variance development or revision
☒ Add, Modify or Retire a Glossary Term	☐ Other (Please specify)
☐ Withdraw/retire an Existing Standard	

Justification for this proposed standard development project (Check all that apply to help NERC prioritize development)	
☒ Regulatory Initiation	☐ NERC Standing Committee Identified
☐ Emerging Risk (Reliability Issues Steering Committee) Identified	☐ Enhanced Periodic Review Initiated
☐ Reliability Standard Development Plan	☐ Industry Stakeholder Identified

What is the risk to the Bulk Electric System (What Bulk Electric System (BES) reliability benefit does the proposed project provide?):
FERC Order No. 912[1] directs NERC to submit new or modified Reliability Standards that address ongoing risks to the reliability and security of the Bulk-Power System posed by gaps in the Critical Infrastructure Protection (CIP) Reliability Standards related to supply chain risk management (SCRM) (collectively, the SCRM Reliability Standards[2]). The new or modified Reliability Standards must address the: (A) sufficiency of responsible entities' SCRM plans related to the identification of and response to supply chain risks and (B) applicability of SCRM Reliability Standards to protected cyber assets (PCA).

[1] Supply Chain Risk Management Reliability Standard Revisions, Order No 912

[2] FERC Order No. 912 provides that "[t]he phrase "SCRM Reliability Standards" as used in this final rule includes Reliability Standards CIP-005-7 (Electronic Security Perimeter(s)), CIP-010-4 (Configuration Change Management and Vulnerability Assessments), and CIP-013-2 (Supply Chain Risk Management)." Order No. 912, 192 FERC ¶ 61,230, at P1 & n.2 (2025).

Requested information
The currently effective SCRM Reliability Standards provide a baseline of protection against supply chain threats. However, there are gaps in these requirements that may lead to a responsible entity's SCRM plan being insufficient to identify, assess, and respond to SCRM risks leading to increasing opportunities for attacks posed by the global supply chain.
Purpose or Goal (What are the reliability gap(s) or risk(s) to the Bulk Electric System being addressed, and how does this proposed project provide the reliability-related benefit described above?):
Consistent with the Commission's directive, these revisions will strengthen the SCRM Reliability Standards to improve the security posture of the Bulk-Power System by addressing (A) the sufficiency of SCRM plans related to identification of, assessment of, and response to supply chain risks; and (B) the applicability of SCRM requirements to PCAs. Consistent with FERC Order No. 912, new or modified Reliability Standards must be submitted for FERC approval within 18 months of the final rule's effective date.
Project Scope (Define the parameters of the proposed project):
Create new or modify existing Reliability Standards and definitions as necessary in support of FERC Order No. 912. Develop modifications to CIP-013 (and other standards as may be necessary) that require entities to (1) establish specific timing requirements for a responsible entity to evaluate its equipment and vendors to better identify supply chain risks and (2) establish a process to document, track, and respond to all identified supply chain risks. In addition, revise CIP-013 and CIP-010 (and other standards as may be necessary) to extend the applicability of these Reliability Standards to associated PCAs.
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[3] of developing a new or revised Reliability Standard or definition, which includes a discussion of the risk and impact to reliability-of the BES, and (2) a technical foundation document (*e.g.,* research paper) to guide development of the Standard or definition):
Develop modifications to CIP-013 (and other standards as may be necessary) that require entities to establish specific timing requirements for a responsible entity to evaluate its equipment and vendors to better identify supply chain risks in a manner consistent with the following: • A maximum time frame must be established between when an entity performs its initial risk assessment during the procurement process and when it deploys the equipment. (Recommend requesting feedback from industry on this during the SAR comment period.) • If a responsible entity does not deploy the equipment or software within the specified time limit, the new or modified Reliability Standards should require responsible entities to perform an updated risk assessment prior to deployment.

[3] 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.

Requested information
• Entities must establish periodic requirements to reassess the risk associated with vendors, products, and services procured under any contracts for supply chain risks that may have developed or changed since the contract commenced. • Entities must establish periodic requirements for reassessment that are inclusive of spare equipment and emergency repairs. • Entities must establish periodic assessments that can be accomplished using a risk-based approach to reassessment based upon entity-defined criteria and/or event-based triggers or a time-based requirement. Develop modifications to CIP-013 (and other standards as may be necessary) which require responsible entities to establish a process to document, track, and respond to all identified supply chain risks. Develop modifications to CIP-013 (and other standards as may be necessary) to extend protections to PCAs. Develop modifications to CIP-010 (and other standards as may be necessary) to extend verification of software integrity and authenticity to PCAs. Consistent with FERC Order No. 912, entities will not be required to update or renegotiate existing contracts.
Cost Impact Assessment, if known (Provide a paragraph describing the potential cost impacts associated with the proposed project):
Cost impact of implementation of the proposed Reliability Standards is dependent upon the method(s) by which a Responsible Entity chooses to meet any additional Requirements. Entities may need to invest in new tools, staff training and undergo more frequent vendor reviews. However, these costs are offset by the reduced risk of supply chain-related disruptions, which can have far greater financial and operational impacts. Additionally, applicable entities already have SCRM investments in existing programs.
Please describe any unique characteristics of the BES facilities that may be impacted by this proposed standard development project (*e.g.*, Dispersed Generation Resources):
These revisions will only impact facilities containing high impact and/or medium impact BES Cyber Systems.
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 NERC Rules of Procedure Appendix 5A:
Balancing Authority, Distribution Provider, Generator Operator, Generator Owner, Reliability Coordinator, Transmission Operator, Transmission Owner.

Requested information
Do you know of any consensus building activities[4] in connection with this SAR? If so, please provide any recommendations or findings resulting from the consensus building activity.
This SAR has been developed pursuant to FERC Order No. 912. In 2025, the Supply Chain Subcommittee (SCS) formed a sub team in support of their work plan to evaluate existing applicable NERC Reliability Standards and federal supply chain guidelines and best practices (e.g., NIST and CISA) to recommend modifications addressing enhancements outlined in FERC SCRM NOPR dated September 19, 2024, or recommend new supply chain-related standards. When FERC Order No. 912 was issued, NERC staff collaborated with the SCS sub-team to develop this SAR. SCS sub-team staff who contributed are supportive of the SAR.
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)?
As described in FERC Order No. 912, the SCRM Reliability Standards consist of CIP-005, CIP-010 and CIP-013. Although it is not apparent that changes are needed, CIP-005 should be considered for impact and included in the scope of this SAR for potential changes.
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 with the benefits of using them.
None, as this SAR has been developed pursuant to FERC Order No. 912.

Reliability Principles	
Does this proposed standard development project support at least one of the following Reliability Interface Principles? Please check all those that apply.	
☐	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.
☐	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.
☐	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.
☐	4. Plans for emergency operation and system restoration of interconnected bulk power systems shall be developed, coordinated, maintained and implemented.
☒	5. Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk power systems.
☐	6. Personnel responsible for planning and operating interconnected bulk power systems shall be trained, qualified, and have the responsibility and authority to implement actions.
☒	7. The security of the interconnected bulk power systems shall be assessed, monitored and maintained on a wide area basis.

[4] 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.

Reliability Principles	
☒	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	None

For Use by NERC Only

Risk Tracking	
☐ Grid Transformation ☐ Resilience to Extreme Events ☐ Security	☐ Energy Policy ☐ Critical Infrastructure Interdependencies
CMEP Feedback	
☐ Yes ☐ No	

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
3	February 22, 2019	Standards Information Staff	Added instructions to submit via Help Desk
4	February 25, 2020	Standards Information Staff	Updated template footer
5	August 14, 2023	Standards Development Staff	Updated template as part of Standards Process Stakeholder Engagement Group
6	June 4, 2024	Standards Information Staff	Updated link to the NERC Reliability Principles
7	July 14, 2025	Standards Information Staff	Minor edits to template
8	July 28, 2025	Standards Information Staff	Updated NERC Only section to match 2025 RISC report.