

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	27263	Agenda Number	20.
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Meeting Date:	October 3, 2013
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Department:	Purchasing
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## Subject

Approve ratification of Amendment No. 1 to the contract with THE ANFIELD GROUP for North American Electric Reliability Corporation Critical Infrastructure Protection audit preparation services, in an amount not to exceed \$220,000, for a total revised contract amount not to exceed \$276,000.

## Amount and Source of Funding

Funding in the amount of \$220,000 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy.

## Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Critical Business Need
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Prior Council Action:	
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For More Information:	Terry Nicholson, Senior Buyer Specialist, 512-322-6586.
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Boards and Commission Action:	September 16, 2013 - Approved by the Electric Utility Commission.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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## Additional Backup Information

The contract with The Anfield Group, Austin, TX, was administratively awarded in June 2013 as a professional services agreement to review compliance with North American Electric Reliability Corporation (NERC) requirements by Austin Energy's Information Technology Division. The review was necessary to prepare for the NERC Critical Infrastructure Protection (CIP) audit scheduled for December 2013. The contract also included collaboratively developing an internal review process for Austin Energy to monitor its compliance efforts.

The NERC CIP plan is a set of requirements designed to secure the assets required for operating North America's bulk electric system. It consists of nine standards and 45 requirements covering the security of electronic perimeters and the protection of critical cyber assets as well as training, security management, and disaster recovery planning. The CIP plan coordinates all of NERC's efforts to improve security of the North American power system. These efforts include standards development, compliance enforcement, assessments of risk and preparedness, dissemination of critical information, and raised awareness regarding key security issues.

Under NERC CIP, Austin Energy and other utilities are required to identify critical assets and regularly perform a risk analysis of those assets. NERC CIP also requires the use of firewalls to block vulnerable ports and the implementation of cyber attack monitoring tools. Systems for monitoring security events must be deployed, and utilities must have comprehensive contingency plans for cyber attacks, natural disasters, and other unplanned events. Penalties for non-compliance with NERC CIP can include fines, sanctions, or other actions.

During Austin Energy's review conducted in June and July 2013, additional services such as gathering evidence and documentation were identified to better prepare for the upcoming audit and mitigate potential sanctions. Therefore, Austin Energy declared the procurement of these additional services as a Critical Business Need and issued Amendment No. 1, increasing the contract authorization by \$220,000.

#### **CONTRACT SUMMARY**

Action	Description	Amount
Original contract awarded 06/03/2013	Original contract	\$56,000.
Contract Amendment No. 1	Increase to contract for Critical Business Need	\$220,000.
Total Revised Contract Amount		\$276,000.