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National Association of Regulatory Utility Commissioners



Electric Power Sector Views On Senate & House Homeland Security & Governmental Affairs Approach to Bulk Electric System Cyber Security

Protecting the North American electric grid and ensuring a reliable supply of power is the electric power industry's top priority. Reliability is more than a buzzword for the electric industry - it's a mandate. In fact, electric companies can be assessed substantial penalties for failure to comply with reliability standards.

This focus on reliability, resiliency and recovery requires the power sector to take an all-hazards approach, recognizing risks from natural phenomena such as hurricanes or geomagnetic disturbances to intentional cyber attacks. The electric power sector works closely with the North American Electric Reliability Corporation (NERC) and federal agencies to enhance the cyber security of the bulk power system. This includes coordination with the Federal Energy Regulatory Commission (FERC), the Department of Homeland Security (DHS), and the Department of Energy (DOE), as well as federal intelligence and law enforcement agencies, and various federal and provincial authorities in Canada.

To complement its cyber security efforts and to address rapidly changing intelligence on evolving threats, the industry welcomes a cooperative relationship with federal authorities to protect against situations that threaten national security or public welfare, and to prioritize the assets that need enhanced security. A well-practiced, public-private partnership utilizes all stakeholders' expertise, including the government's ability to gather and share timely and actionable threat information with critical infrastructure asset owners and operators, upon which they can formulate appropriate mitigation strategies to prevent significant adverse consequences to utility operations or assets. Comprehensive cyber security legislation advancing in the Senate and House Homeland Security and Governmental Affairs Committee, **S. 3480/H.R. 5548, the Protecting Cyberspace as a National Asset Act of 2010**, attempts to create such a cooperative relationship by:

- Taking steps to improve information sharing between the federal and private sectors as well as international partners.

- Utilizing a risk-based prioritization model that secures truly critical assets against imminent threats and vulnerabilities.
- Establishing a process for issuing emergency measures of reasonable duration in Presidentially-declared national cyber emergencies, backed by limited liability protection for owners and operators of covered critical infrastructure.
- Assuring that industry expertise is involved in developing and selecting appropriate emergency measures, security measures and best practices designed to address both cyber emergencies and vulnerabilities.

The North American electric power sector looks forward to continuing to work with the Committee and other Committees of jurisdiction as the Congress progresses with legislation that will leverage the strengths of the government and the private sector to improve bulk electric system cyber security.