All for One: Supporting Cybersecurity Efforts in Public Power Utilities

- Moderator
 - Alyse Taylor-Anyikire, PhD, Senior Policy Analyst, NGA
- Speakers:
 - Richard Mroz, Senior Advisor, Protect our Power
 - Mike Hyland, Senior Vice President of Engineering Services, American Public Power Association



Richard S. Mroz

Managing Director,
Resolute Strategies
Senior Advisor,
Protect Our Power

CYBERSECURITY & THE ELECTRIC & PUBLIC POWER SECTORS

National Governor's Association, Energy Policy Institute
July 2019

EXPERIENCES WITH CYBERSECURITY

Former President, NJBPU
Former Chairman, NARUC Critical Infrastructure Committee
Former NARUC Representative, ESCC
Member, USDOE Electric Advisory Committee
Senior Advisor, Protect Our Power

CYBERSECURITY & RESILIENCE IN ELECTRIC & POWER SECTOR

The ability to defend against and then respond and recover from a threat or difficulty... whether natural threats or intentional

SUPERSTORM SANDY RESPONSE

NJBPU issued Order with 103 separate measures

- Web based outage maps
- Mutual Aid
- Communications Plans

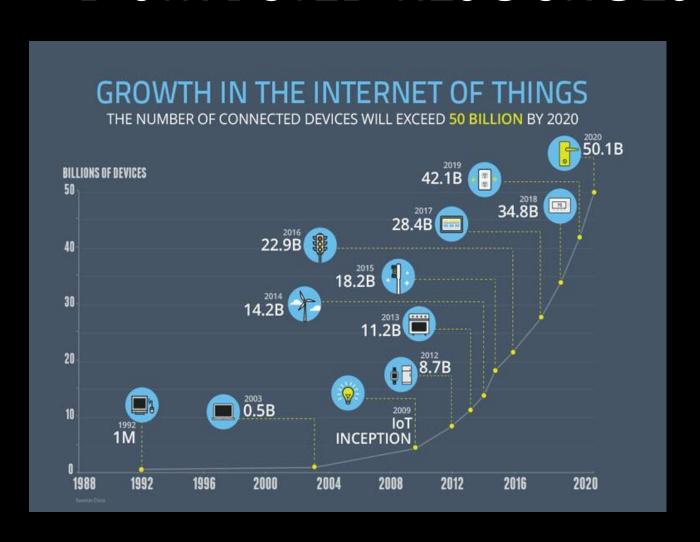
Federal Response

- State Fuel Assurance Plans
- Energy Government Sector Coordinating Council
- Electric Sector Coordinating Council

CYBERSECURITY IS LIKE NO OTHER THREAT

- No predictions like storms
- Faceless nameless
- Nature of grid and interconnectivity
- Bifurcation of Bulk System vs. Distribution Federal vs. State jurisdiction
- No common state standard
- Concerns about how the investments fit in ratemaking framework
- No standard for devices
- And the proliferation...

DISTRIBUTED RESOURCES AND IOT



CYBERSECURITY IN NEW JERSEY

New Jersey always took "All Hazards" Approach

2009 - NJBPU Initiative with EDCs & GDCs and State & Federal Partners

2011 – First public utility commission to issue Cybersecurity Order

2016 – Order Directing All Elec Gas & Water Cos to Establish a Plan

- NERC CIP Standard
- Protective Measures
- Planning and Exercises
- Workforce
- Join State Fusion Center
- Certified in C- Suite & need Board of Directors Governance

https://nj.gov/bpu/pdf/boardorders/2016/20160318/3-18-16-6A.pdf?inf_contact_key=ad617a8a83a53c8af15682f492f33f91f17e6f7a98a7beced0d19ec1422a6256

CYBERSECURITY EFFORTS NATIONALLY

- Electric Sector Coordinating Council & Tri Sector Group
- NERC and DOE National Exercises GridEx
- USDOE Office of Electric Reliability and CESER
- FERC alone and with USDOE
- State Actions or Regional Initiatives
- NARUC Resource Repository
- NGA Continuing Cybersecurity Initiative
- NGOs Protect Our Power <u>www.protectourpower.org</u>



- Build consensus among government and industry to strengthen our electric grid against all potential attacks
- Independent, not-for-profit organization
 501 (c)(3) and (c)(4) status
- Robust, highly-experienced Board of Directors, Staff and Advisory Panel from across government, industry and private sectors





Goals

- Define and prioritize Best Practices that must be implemented in short- and long-term to make the electric grid more robust and resilient
- Identify the measures to ensure that urgent improvements and upgrades be implemented
- Develop innovative proposals to fund improvements, including methods that incentivize utilities to accelerate making grid more resistant to attacks

PROTECT OUR POWER CYBERSECURITY INITIATIVES

- Best Practices in OT / IT
 - 97 Separate Functionalities
 - "Peer Review" by University Partners

http://www.EnergyCollection.us/POP-BP-Overview.pdf

- Supply Chain Issues Ridge Global
 - Smart Inverters 2018
 - Survey of Supply Chain Efforts with Industry & Regulators

https://protectourpower.org/wp-content/uploads/2018/11/Ridge-Global-and-Potential-Electric-Grid-Vulnerability.pdf

PROTECT OUR POWER CYBERSECURITY INITIATIVES

Vermont Law School Research

- Need for Continued Investment
- Costs Not Always Clear
- Cost Recovery and Legal Constraints
- Inconsistent Oversight by State Regulators
- Municipal and Rural Systems Challenged for Capital & Human Resources https://www.protectourpower.org/resources/vls-iee-pop.pdf

Funding and Investments

- Vermont Law School Phase 2 Fall 2019
 - Best Practices in Regulatory Decisions
 - Recommendations or Proposed Legislation
- Federal Funding Infrastructure and Cybersecurity Legislation
- Policy Discussions Potential Entity to Capitalize Investments

THANK YOU



Powering Strong Communities

2019 Energy Policy Institute: Navigating A Changing Energy Landscape

July 18-19, 2019

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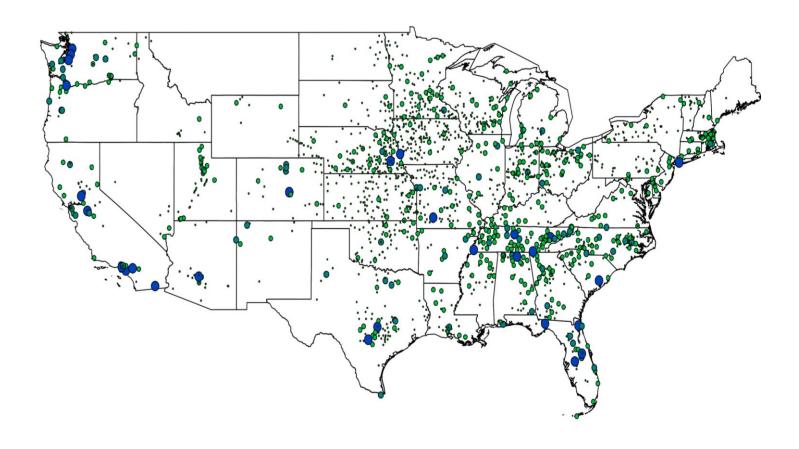
"American Public Power Association's Cybersecurity Services Program" Michael Hyland, P.E. SVP – Engineering Services

APPA Members

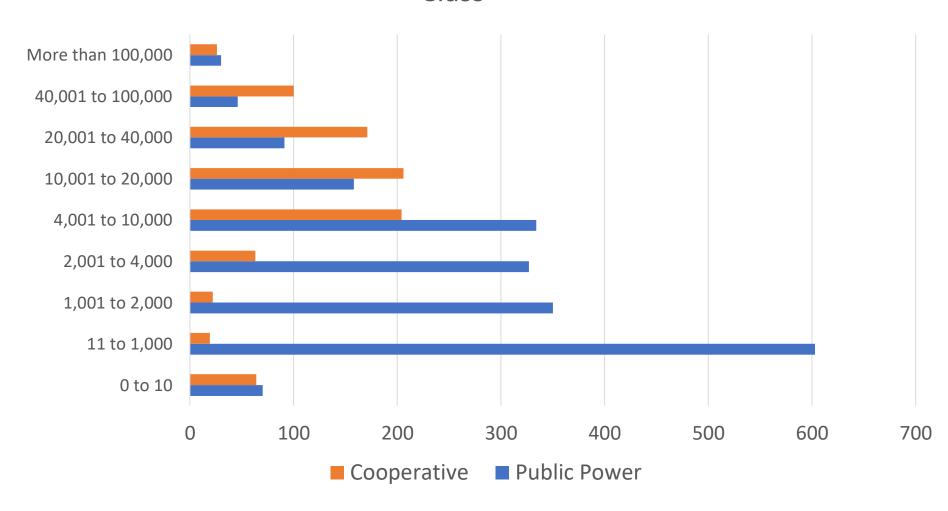
- 1450+ public power utilities
- Retail service in 49 states
- Very large to very small systems
- Median size: 1,977 meters
- 14.4% of sales to electric consumers



Who's APPA? Public Power By Location



Public Power and Cooperative Utilities by Customer Class



Seven External Initiatives

- Communicate the value of public power
- Address technological change Public Power Forward
- Address adverse impacts of federal regulation
- Improve physical preparedness/reliability, cyber & physical security,
- Focus on research and development
- Help meet utility workforce challenges
- Promoting association excellence



Cyber & Physical Preparedness

- Help members develop "all-hazards" approach to disaster preparation and response
- Show federal policymakers public power's commitment to security and mutual aid
- Strengthen government/industry partnerships
- Minimize new federal regulation

DOE Cooperative Agreement Overview

Goal:

Develop a culture of cyber security within public power utilities.

Objective:

Engage with public power distribution utilities to understand their cyber security awareness, capabilities and risks. Move each utility from its existing state to a public power target profile.

Tasks:

- 1. Cybersecurity risk assessments (Cybersecurity Scorecard)
- 2. Onsite cyber vulnerability assessments
- 3. Pilot existing and emerging security technologies
- 4. Information sharing between utilities and APPA, E-ISAC, MS-ISAC, other partners

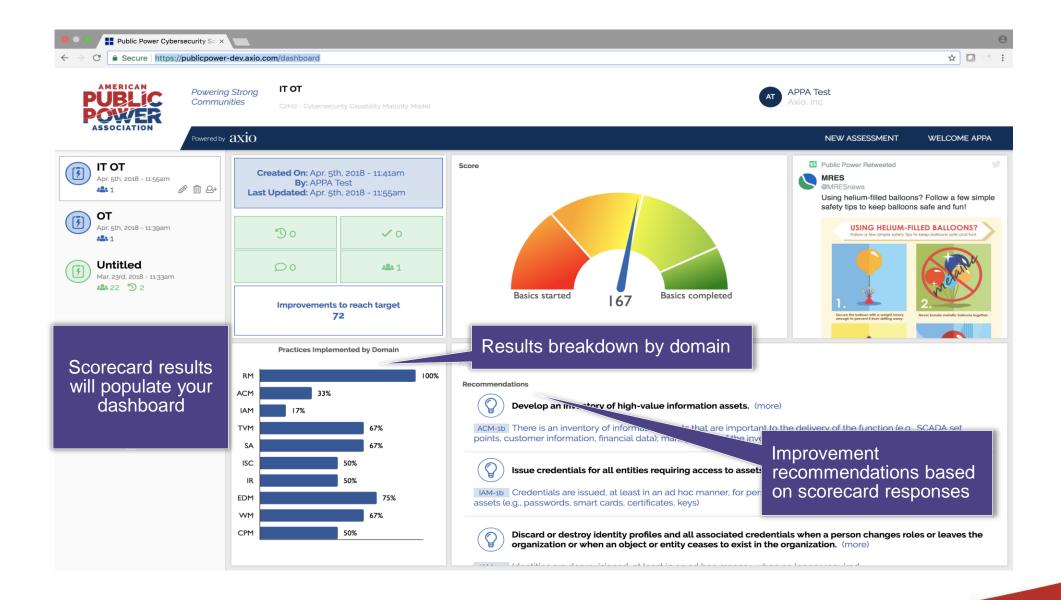
Acknowledgment: These activities are based upon work supported by the Department of Energy under Award Number DE-OE0000811.

DOE Cooperative Agreement Overview

- In 2016 APPA partnered with the Department of Energy
- 3-year, \$7.5M Cooperative Agreement;



- 2016-17 Analysis and Data Collection
- 2017-18 Deployment and Resource Development
- 2018-19 Sustainability



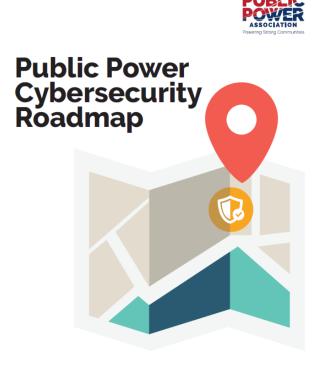
Scorecard Activity

- 256 public power utilities participating
 - (2019 Goal is to reach 400 utilities)
- 478 foundational cybersecurity self assessments and 430 users
 - (14 Questions 45 minutes)
- All public power utilities have free access to the Scorecard portal
- Utilities who have taken the assessment have reported that the Scorecard is helping to "take the guesswork out of what they should be striving to achieve"

Cybersecurity Roadmap

Cybersecurity Roadmap

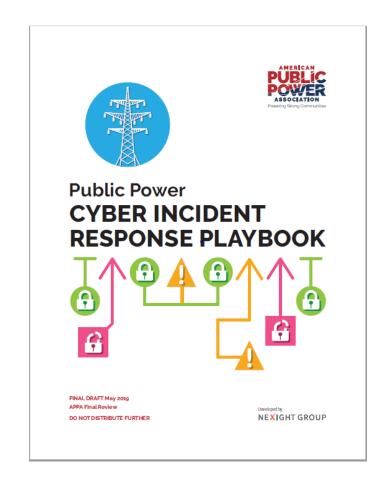
- Using the Scorecard output, provide public power utilities with clear actions to improve their cybersecurity program
- Provide information that creates a compelling business case for security investments.



Incident Response Playbook

Cyber Incident Response Playbook

- Modeled after mutual aid response network
- Cyber Mutual Assistance (CMA) being developed nationally
- Utilities sharing cyber resources and expertise in a crisis
- Exercising the playbook to be prepared



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Cybersecurity Training

- Signing up JAAs to be host sites for training
 - Cybersecurity@publicpower.org
- Deliver low cost cybersecurity training and exercises that align with the Scorecard
- Conduct Regional facilitated
 - Orlando July 10-11
 - Kearney Nebraska July 24-25
 - California Late August
- Hosting a year end public power cybersecurity summit (November 18-20, 2019 Nashville TN)

Secure Information Sharing

- Sign up for the E-ISAC at <u>www.eisac.com</u>
- Sign up for the MS-ISAC at <u>www.cisecurity.org</u>
- We continue to recommend the E-ISAC as the trusted source of public power utility's ICS threat information.
- Developing a program for Shared Cybersecurity Services
 - Joint Action Agency model as a framework to possibly provide a shared cyber analyst
 - Mature organizations mentoring others
 - Concise threat feed in our Secure Trusted Community (STC) network

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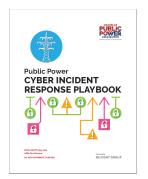
Additional Cybersecurity Resources

- Cybersecurity Scorecard
 - 256 public power utilities
- Cybersecurity Roadmap
 - Helps you develop an action plan
- Incident Response Playbook
 - Cyber Mutual Aid
 - Shared cyber resources
- Cybersecurity Training
 - We bring training to you
- Secure Information Sharing
 - Weekly Situation Report (new)





Section	Items	Source
Urgent Alerts/Vulnerabilities	- Multiple ICS-CERT Vulnerabilities	ICSA-19-178-01 ICSA-19-176-02 ICSA-19-176-03 ICSA-19-178-04 ICSA-19-178-05
Current Activity	- Microsoft Outlook Security Feature Bypass Vulnerability	CVE-2017-11774
Strategic Awareness	Rising cyber conflict between the US, Iran and Russia Multiple U.S. Cities hit by ransomware,	Dragos
Request for Information	•	





Resources page: www.publicpower.org/gridsecurity

Michael Hyland American Public Power Association 2451 Crystal Dr., Suite 1000, Arlington, VA 22202

Direct: 202.731.1810

MJHyland@publicpower.org

cybersecurity@publicpower.org