

Quarterly NGA Energy Security Brief – Winter 2020

Released February 28, 2020

Energy security planning is critically important to governors and practices are ever evolving. To keep governors' offices apprised of the latest news, NGA will feature periodic spotlights on notable resources and opportunities.

The Latest in Energy Assurance News

Escalated tensions with Iran heighten security concerns in the energy industry

After the killing of Iran Major General Qasem Soleimani in January 2020, there were concerns that Iran would retaliate with a domestic cyber-attack. Despite military de-escalation in the following weeks, there continues to be a heightened cybersecurity concern, particularly for the energy and critical infrastructure industry. Members of the intelligence community highlight the need for government and critical infrastructure owners to be vigilant, especially smaller municipal utilities and rural electric cooperatives.

Takeaway: State officials should engage with their local utilities, especially smaller municipal utilities and co-ops, to understand their cybersecurity posture and preparedness for attacks.

Utility Dive: <https://www.utilitydive.com/news/utilities-caught-in-the-crosshairs-as-us-iran-tensions-rise-experts-say/569864/>

Van Ness Feldman Security Alert: <https://www.vnf.com/escalated-tensions-with-iran-heightens-cybersecurity-threat>

The Latest with NGA

Energy Assurance Virtual Resource Center – NGA is developing a new virtual resource center to serve governors' energy and homeland security staff. This virtual resource center will be an online site housing NGA tools and papers, external resources and reports and other pertinent materials, and will be launched in February 2020.

GridEx V State Technical Assistance and Workshop – GridEx is a grid security exercise hosted by the North American Electric Reliability Corporation (NERC) to test utilities' abilities to respond and recover from a simulated, coordinated cyber and physical security incident. This past November, NGA supported participation for four competitively selected states: Colorado, Hawaii, Idaho, and Maryland. These states contributed to a report documenting challenges and lessons learned and attended a workshop in which they developed action plans to improve their electric grid security and emergency preparedness. The meeting materials can be found [here](#).

State Resilience Assessment and Planning Tool Revisions and Final Release in 2020 -

In 2018, NGA developed and piloted a State Resilience Assessment and Planning Tool (SRAP Tool) to provide governors with a quantitative and qualitative framework to assess their states' energy security and resilience and identify strategies to improve planning, coordination and investments. NGA subsequently beta tested this tool with three states (**Idaho**, **Maryland** and **Oregon**), and we are in the process of revising the SRAP Tool based on that feedback. Stay tuned for a public version this spring!

New NGA Resources

NEW: [State Energy Toolkit](#)

This toolkit offers ideas to help governors respond to market, policy, and technology trends in four critical areas — with a chapter dedicated to cyber and physical protection.

Contact Emma Cimino (ecimino@nga.org) for more information

Smart & Safe: State Strategies For Enhancing Cybersecurity In The Electric Sector

Cybersecurity threats have increased in the last few years and the electric sector has become a prime target for those attacks. This white paper outlines seven actions governors can take in order to protect electricity infrastructure and personally identifiable information from cyberattacks.

What We're Working On (and How You Can Help)

State Energy Cybersecurity Governance Bodies – Does your state have a governing body (i.e. Council, Task Force, Working Group, Advisory Council, Committee, etc.) tasked with addressing or assessing state cybersecurity preparedness? NGA is writing a paper to document how these governing bodies are addressing the energy industry and critical infrastructure and highlight how other states can replicate those models. Please let us know if your states cybersecurity governance bodies address energy or critical infrastructure. Email Alyse Taylor-Anyikire (amtaylor@nga.org) to provide input or share ideas.

GridEx V Participation – Did your office or another agency in your state participate in the North American Electric Reliability Corporation (NERC) GridEx V exercise? NGA would like to hear about your experience and what your state learned.

Email amtaylor@nga.org to share

If you have comments, question, best practices to share with your peers, or would like us to feature your state, please contact Alyse Taylor-Anyikire at amtaylor@nga.org.

State Energy Security Profiles



California

Following the devastating wildfires in the last three wildfire seasons, **California** has been pursuing many initiatives to increase resilience in wildfire vulnerable communities and reduce the impact of public safety power shutoffs.

The California Public Utilities Commission (CPUC) is focusing on utilizing the Self-Generation Incentive Program (SGIP) to promote resilience in wildfire vulnerable communities. SGIP funds are meant to provide funding for customer side disturbed energy resources in California, including energy storage systems, wind turbines, waste heat to power, and fuel cells. The CPUC recently approved an additional \$830 million for the SGIP, bringing the total funding to \$1.2 billion. The [proposal](#) also expanded the original parameters of the SGIP eligibility criteria to specifically include wildfire vulnerable communities effected by public safety power shut off events.

PG&E has been focusing on microgrids to reduce the impact of public safety power shut offs in wildfire vulnerable communities. In December 2019, PG&E issued a [request for offers](#) for distributed generation-enabled microgrid services that could power targeted locations during future safety shut-offs, as well as provide broader reliability to its electric system. PG&E intends to deploy 300 MW of temporary generation for the upcoming wildfire season, most of which will be met by microgrids.



Massachusetts

In the 2020 State of the Commonwealth, **Massachusetts** Governor Charlie Baker highlighted Massachusetts Municipal Vulnerability Program ([MVP](#)). The MVP provides support for municipalities and cities to begin planning for resiliency. So far 285 communities have joined the program and Gov. Baker intends to extend that to all 351 communities in the commonwealth. Gov. Baker pledged to invest over \$1 billion in climate resiliency by 2022.

The MVP has been a great opportunity for the state to encourage cities and municipalities to think critically about what resilience means for their territory, assess vulnerabilities and create an action plan to begin to improve resilience. The MVP is split into two parts. The first utilizes planning grants to help municipalities and cities pursue a community-led planning process to identify vulnerabilities to resilience and priority actions. After a municipality has completed the planning process, they are eligible to receive an action grant. The action grants are used to help cities implement projects identified during the planning process. In 2019, Massachusetts added energy resilience projects as a new project type for these action grants to incorporate resilience-enabling technologies such as energy storage, distributed generation energy management systems, black start, islanding technology, and microgrids.



Oregon

In mid-2019, Oregon published the [Oregon Guidebook for Local Energy Resilience](#). The guide was created to help consumer-owned utilities (public power and rural electric cooperatives) and their communities improve resilience by improving business continuity planning, developing a framework to prioritize investments in distributed energy resources, and improving their coordination with federal and state emergency management planning. The guidebook addresses a range of solutions, from personnel preparedness and facility hardening to grid modernization and microgrid deployment.

The guidebook and its companion website serve as a centralized resource for local utilities that identifies existing local energy resilience efforts in the state and across the country, highlights innovative projects and practices, and offers suggestions for incremental actions that can be taken.



Texas

The **Texas** legislature passed a pair of bills to strengthen the state’s electric grid security. [SB 475](#) establishes the Texas Electric Grid Security Council to “facilitate the creation, aggregation, coordination, and dissemination of best security practices for the electric industry.” The three-member council will have the ability to create and disseminate grid security best practices, revise the state emergency plan to ensure coordinated restoration efforts, and prepare for grid-related security threats. [SB 936](#) creates a cybersecurity monitor program through the public utility commission (PUC). The monitor will manage a comprehensive cybersecurity outreach program, gather and disseminate best practices around electricity cybersecurity, review utility voluntary cybersecurity self-assessments, and report to the PUC about electric utility industry cybersecurity preparedness level. The bill also directs the PUC to allow the recovery of reasonable and necessary costs related to findings/activities of the cybersecurity monitor.