

FOR IMMEDIATE RELEASE

**ELECTRIC GRID REMAINS UNPROTECTED NINE YEARS AFTER 2005 CYBERSECURITY ACT;
SENATE NEEDS COMMITMENT TO ENFORCE LAW BEFORE FERC CONFIRMATION VOTE**

NASHUA, NH—July 14, 2014—The Energy Policy Act of 2005 contained specific provisions requiring cybersecurity protection of electric grid communications networks. Nine years later, communications between grid control centers and transformer substations are still not protected against cyber-attack. Instead, the Federal Energy Regulatory Commission (FERC) has directed the North American Electric Reliability Corporation (NERC) to define the term “communications network.” NERC is the private organization designated by FERC to set and enforce grid security standards.

On Tuesday, July 15, the U.S. Senate is scheduled to vote on confirmation for two nominees for FERC Commissioner, Cheryl LaFleur and Norman Bay. As Acting Chair of FERC, Ms. LaFleur presided over a [November 2013 order](#) to approve NERC cybersecurity standards that exempt protection of electric utility communications networks.¹

Some electric utilities are using the public internet as a cheap communications network between control centers and transformer substations. In contrast, other utilities have constructed more expensive dedicated communications networks to control transformer substations.

On June 30, 2014, security firm [Symantec disclosed](#) that foreign attackers have breached electric utility defenses and could use internet communications to disrupt control of grid operations.

“When Congress passes a law requiring utilities to protect their communications against cyber-attack and nine years later this is not completed, any reasonable person would say that FERC has not followed the direction of Congress,” said Thomas Popik, chairman of the Foundation for Resilient Societies. “We ask the appropriate oversight body, the Senate Energy Committee, to get a commitment from the FERC Commissioner nominees that they will promptly require utilities to comply with specific provisions of the Energy Policy Act of 2005 regarding cybersecurity for electric grid communications networks.”

On July 11, 2014 the Foundation for Resilient Societies wrote a letter to Senator Mary Landrieu and Senator Lisa Murkowski, Chair and Ranking Member of the Senate Energy and Natural Resources Committee, asking that the committee get a commitment from FERC nominees LaFleur and Bay to enforce specific cyber protection provisions of the Energy Policy Act of 2005. A cloture vote is scheduled for noon on Tuesday, July 15 and a full Senate confirmation vote is scheduled for 3pm on the same day. The text of the [Resilient Societies letter to Congress](#) is attached to this press release and available on our website.

Starting in 2006, NERC has set five sequential sets of cybersecurity standards. None of the NERC standards has included a requirement for protection of communications networks. FERC has approved all versions of the NERC cybersecurity standards as being “reasonable” and “in the public interest.”

The Energy Policy Act of 2005 requires that FERC and the designated Electric Reliability Organization (NERC) develop reliability standards to protect against “cybersecurity incidents” disrupting “programmable electronic devices and communication networks.” In [FERC Order 791](#) on November 22, 2013, the FERC approved removal of the phrase “communication networks” from NERC’s definition of equipment needing cyber protection, saying it was “confusing.” FERC also gave NERC another year to create a definition of “communication networks.”

Foundation for Resilient Societies is a Nashua, New Hampshire based non-profit research group. For interviews, contact William Harris at williamh@resilientsocieties.org, 978-255-2203. ###

¹ Ms. LaFleur was Commissioner during the vote for FERC Order 791, but Acting Chair when it became effective.