



NASEO Energy Security Committee Quarterly Newsletter

June 30, 2023

Upcoming Events:

- NASEO Grid Resilience Call (State Agencies Only): July 21, 2:00-3:00pm ET – Virtual
- NASEO Grid Resilience Call (State Agencies and Department of Energy Only): August 11, 2:00-3:00pm ET – Virtual

In the News:

New Mexico Energy, Minerals and Natural Resources Department Hosts Energy Security Tabletop Exercise

On May 1 and 2, 2023, the [New Mexico Energy Conservation and Management Division, Energy, Minerals and Natural Resources Department](#) (EMNRD), with support from NASEO, hosted *Operation Knockout: An Energy Security Tabletop Exercise* in Santa Fe, New Mexico. The exercise included participation from several state and federal partners including the New Mexico Department of Homeland Security and Emergency Management (DHSEM), New Mexico Public Regulation Commission (PRC), Public Service Company of New Mexico (PNM), local cooperatives, the New Mexico Gas Company, and the Cybersecurity and Infrastructure Security Agency (CISA). The main objectives of the exercise were to (1) identify public and private sector roles, responsibilities, authorities, and actions during a natural gas and electrical disruption following a cyber-attack and during a period of extreme heat, (2) identify communication and coordination protocols between state agencies, the private sector, federal government, other states, and tribal nations used to facilitate energy emergency responses, (3) develop a collective understanding of how a cyberattack might impact existing energy delivery and operational coordination, and (4) identify critical impacts to local communities, including Tribal Nations, that are likely to occur following a long-term electricity disruption. The scenario focused on a cyberattack on natural gas infrastructure business and operating systems affecting natural gas supply and power generation. This was followed by physical attacks on electrical substations causing prolonged large-scale power outages. Some areas of discussion during the exercise included access to real-time outage data and restoration information, the need to establish communications protocols between the public and private sectors so there can be coordination on messaging, and specific resource needs of isolated communities. The exercise will serve as a base for more regular communication between these groups and provided valuable feedback as EMNRD continues to update the New Mexico State Energy Security Plan.

Alabama Resilience Council Formed

In early May 2023, Alabama Governor Kay Ivey established the [Alabama Resilience Council](#). The Council comprises representatives from various public and private entities, both state and federal, including the Alabama Department of Economic and Community Affairs, Alabama's State Energy Office. The purpose of the Council is "to provide a forum for coordinating activities of state government and for facilitating interactions between state government and the private sector to proactively address harmful impacts

on Alabama communities and infrastructure before they occur.” The [Alabama Resilience Council](#) will replace the State Hazard Mitigation Council, established in 2004 by Governor Bob Riley, and will also address and update the State Hazard Mitigation Plan as needed or required. Co-Chaired by the Alabama Emergency Management Agency and the Alabama Department of Insurance, the Council is charged with: helping Alabamians understand and mitigate their personal risks, empowering the private sector and other communities to direct resilience efforts that best serve their needs, and identifying risk-reduction alternatives to guide statewide strategies.

NASEO Hosts Energy Security Planning Bootcamp

NASEO, with support from the U.S. Department of Energy’s Office of Cybersecurity, Energy Security, and Emergency Response and the Kentucky Office of Energy Policy, hosted an in-person Energy Security Planning Bootcamp on April 4-6, 2023, in Louisville, Kentucky. The bootcamp convened over 100 representatives from State and Territory Energy Offices, Public Utility Commissions, Governors’ Offices, and Emergency Management Agencies involved in Energy Security Planning, and sought to enhance State Energy Security Planners’ and Energy Emergency Responders’ ability to better prepare for and respond to energy disruptions and emergencies, and to facilitate intrastate and interstate coordination and planning for energy security. Please [click here](#) to view meeting presentations (linked within the agenda).

The U.S. Department of Energy’s Wind Energy Technologies Office Funded Research on Cybersecurity and Wind Turbines

The U.S. Department of Energy’s (DOE) [Wind Energy Technologies Office \(WETO\) is funding wind energy-specific cybersecurity research and development](#) to examine and analyze the ongoing threats, vulnerabilities, and impacts of cyber and physical intrusion on the nation’s wind turbines. Teams from three national laboratories, Idaho National Laboratory (INL), National Renewable Energy Laboratory (NREL), and Sandia National Laboratories (Sandia), are leading the research to strengthen the industry’s cyber resiliency, as wind energy becomes a larger part of the nation’s energy generation. At NREL, the research team simulated attack scenarios of wind energy systems based on historical events to better understand the threats the industry is facing and to inform mitigation strategies. The Sandia research team partnered with INL to determine cost-benefit trade-offs for wind cybersecurity technologies to fill the information gap for wind power plant operators who often lack the knowledge to weigh the cyber risks versus cybersecurity technology investments.

Reports and Tools:

FERC Sector Nominator for the Department of Homeland Security Private Sector Clearance Program

Ensuring critical infrastructure security and resilience requires ongoing cooperation between Government and the private sector. While the vast majority of information that the U.S. government shares with the private sector is unclassified, there will be instances where the information to be shared will be classified, requiring a Federal security clearance for access. In recognition of this need, the President issued Executive Order (EO) 13549, directing the establishment of a “Classified National Security Information Program for State, Local, Tribal, and Private Sector Entities.”

Pursuant to EO 13549, the U.S. Department of Homeland Security (DHS) established the Private Sector Clearance Program (PSCP) for critical infrastructure to ensure that select critical infrastructure private sector owners, operators, and industry representatives are in a position to capitalize on the value of classified information.

The Federal Energy Regulatory Commission (FERC) is an energy sector nominator for the PSCP and assists interested parties in navigating the security clearance process. This security clearance enables a nominee to visit a local classified facility (often an FBI or DHS field office) and attend briefings to learn about classified threat information that they can utilize to make more risk-informed decisions about their organization's investments, security posture, and other cybersecurity related matters. In some cases, a clearance also enables nominees to attend classified briefings held in conjunction with certain cybersecurity conferences and exercises. FERC representatives nominate interested parties to the program, assist in the completion of required paperwork, and act as facilitator between nominees and local government resources once a clearance has been granted.

Please contact Justin Storms (justin.storms@ferc.gov) or Robert Thormeyer (Robert.thormeyer@ferc.gov) for additional information or to propose a nomination.

NASEO Severe Summer Weather Energy Outlook Webinar Recording

On June 8, 2023, NASEO hosted the annual [Severe Summer Weather Energy Outlook](#). Attendees received updates from NOAA on hurricane and wildfire outlooks and NERC relayed possible impacts to the grid over the summer months. Citigroup provided an update on petroleum supply and demand during the season and the implications of geopolitical actions. CESER rounded out the discussion with comments on the Situational Awareness Team's role in incident response operations and EIA's Summer Fuels Outlook.

Multinational Report on Cybersecurity Best Practices for Smart Cities

On April 19, 2023, CISA, NSA, FBI, the United Kingdom National Cyber Security Centre (NCSC-UK), the Australian Cyber Security Centre (ACSC), the Canadian Centre for Cyber Security (CCCS), and the New Zealand National Cyber Security Centre (NCSC-NZ) released [Cybersecurity Best Practices for Smart Cities](#). The report discusses the cybersecurity risk and vulnerabilities of smart cities and provides recommendations for maintaining resilient and secure operational technology systems with efficiency and innovation.

NASEO wants to highlight your energy security and resilience happenings! Please share upcoming events, announcements, publications, and relevant news stories, in the next Energy Security Quarterly Newsletter. You may direct any submissions or feedback on the Energy Security Quarterly Newsletter to Sarah Trent (strent@naseo.org).