

RELIABILITY CORPORATION

July 29, 2013

The Honorable John D. Rockefeller IV Chairman Senate Committee on Commerce, Science, and Transportation 254 Russell Senate Office Building Washington, DC 20510-6125

The Honorable John Thune Ranking Member Senate Committee on Commerce, Science, and Transportation 254 Russell Senate Office Building Washington, DC 20510-6125

Dear Chairman Rockefeller and Ranking Member Thune:

I want to thank you for your efforts on S. 1353, the Cybersecurity Act of 2013. Specifically important is the bill's recognition of ongoing industry standards, requirements, and processes to address cybersecurity and to ensuring no duplication of or conflict with these efforts, while providing a platform to further enhance and secure our nation's critical infrastructure.

As you know, the North American Electric Reliability Corporation (NERC) is the electric reliability organization (ERO) for the bulk-power system (BPS). As part of this responsibility, NERC works in a consensus manner with industry to develop mandatory and enforceable cybersecurity standards. Version 5 of NERC's critical infrastructure protection standards, which currently is waiting Federal Energy Regulatory Commission approval, represents a continuation and enhancement of the comprehensive, mandatory cyber standards for the BPS.

In addition, NERC supports the Electricity Sub-sector Coordinating Council (ESCC) and operates the Electricity Sector Information Sharing and Analysis Center (ES-ISAC). The purpose of the ESCC is to foster and facilitate the coordination of sector-wide, policy-related activities and initiatives among industry senior executives designed to improve the reliability and resilience of the electricity sub-sector, including physical and cybersecurity infrastructure; while the ES-ISAC establishes situational awareness, incident management, coordination, and communication capabilities within industry through timely, reliable, and secure information exchange.

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While standards provide important foundational security for the grid, the fast-evolving nature of cyber threats requires key coordination and information sharing efforts with our public and private partners. The ESCC, which NERC's chief executive officer currently chairs, is a key component of this effort working with our federal government partners to address security and resilience issues, while the ES-ISAC issues alerts and provides secure information sharing between industry and the federal government on key cyber threats. Your bill recognizes that these important public-private partnerships already exist and provides further direction to enhancing critical infrastructure protection through voluntary practices, while ensuring no wasteful duplication or conflict. Finally, the bill recognizes the importance of working with international organizations and governments, which is helpful to the ERO's ongoing efforts as a North American organization working to secure an international, interconnected grid.

NERC, as the ERO, takes seriously cyber threats to the grid. Much remains to be done, but the bill's recognition of current standards, ongoing information sharing efforts, and processes allows us to continue to work with our public and private sector partners in a coordinated approach to advance critical infrastructure protection.

NERC appreciates your attention to this important issue and remains committed to ensuring the reliability and resilience of our nation's BPS.

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Gerry Cauley President and CEO NERC