

National Infrastructure Advisory Council (NIAC)



Regional Resilience Working Group

April 8, 2013– Report #3

Constance H. Lau

*President and Chief Executive Officer,
Hawaiian Electric Industries, Inc.*
Co-Chair

Dr. Beverly Scott

*General Manager
Massachusetts Bay Transportation Authority*
Co-Chair

Agenda for Regional Resilience Study Update

- Study Purpose and Objectives
- Status Update
- Philadelphia Case Study on Superstorm Sandy
- Work Plan and Schedule
- Executive-Level Engagement in the Electricity Sector Case Study
- Next Steps

Regional Resilience Study

Purpose: Identify ways regions can become more resilient and the steps the Federal Government can take to help regions accomplish resilience goals.

Objectives

- 1. Best Practices:** Identify the characteristics that make a region resilient and the steps that can be taken to improve resilience within a region.
- 2. Process Improvements:** Determine how public and private critical infrastructure partners can work together to improve regional resilience.
- 3. Federal Role:** Recommend how Federal Government capabilities and resources can help accomplish resilience goals and address any gaps that can help regions become more resilient.

Status Update

- ❑ Philadelphia Case Study on Superstorm Sandy initiated
- ❑ Working Group Work Plan revised
- ❑ Working Group Federal interviews scheduled

Philadelphia Case Study Refocused

- ❑ NIAC Philadelphia Case Study had planned to examine infrastructure failures that could extend beyond the Philadelphia metro area and which could provide insights and recommendations applicable to other regions across the country
- ❑ Superstorm Sandy created an unfortunate opportunity to examine how a major disaster stresses lifeline infrastructures
- ❑ The Philadelphia Case Study was refocused to examine the impact of Superstorm Sandy on the lifeline sectors and its implications for regional resilience

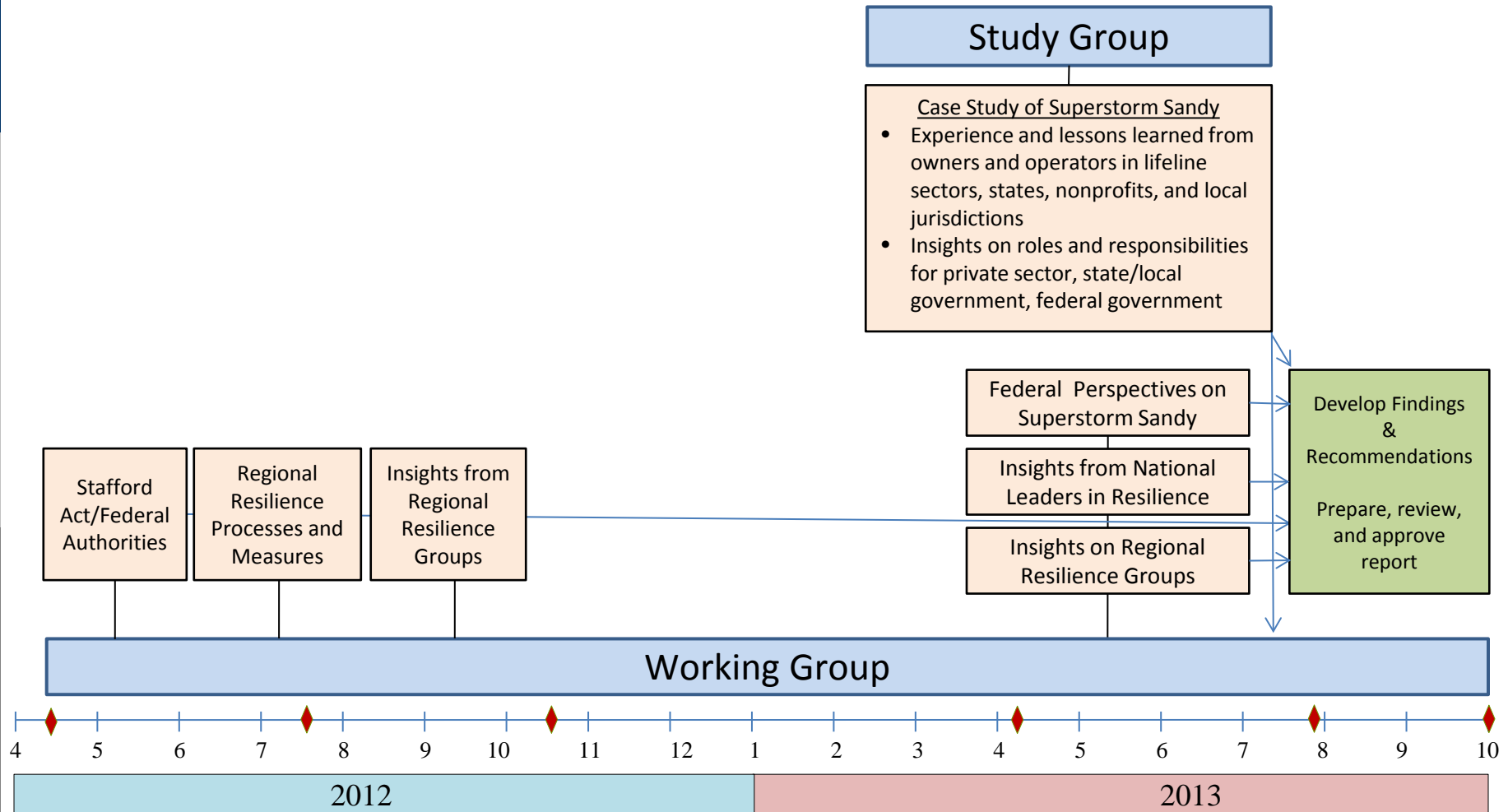
Study Group Members

Company	Sector
Hawaiian Electric Company	Electricity
Exelon Corp	Electricity
PECO	Electricity
Metrolink Southern California Regional Rail Authority	Transportation/Rail
Airports Council International	Transportation/Aviation and Maritime
Owner-Operator Independent Drivers Association	Transportation/Highway Motor Carrier
Phillips 66 Company	Oil and Natural Gas
Frontier Communications	Telecom
MTN Government Services	Telecom
New Jersey Office of Homeland Security and Preparedness	State Government
City of Philadelphia	Local Government/Emergency Operations
City of Philadelphia	Local Government/Water

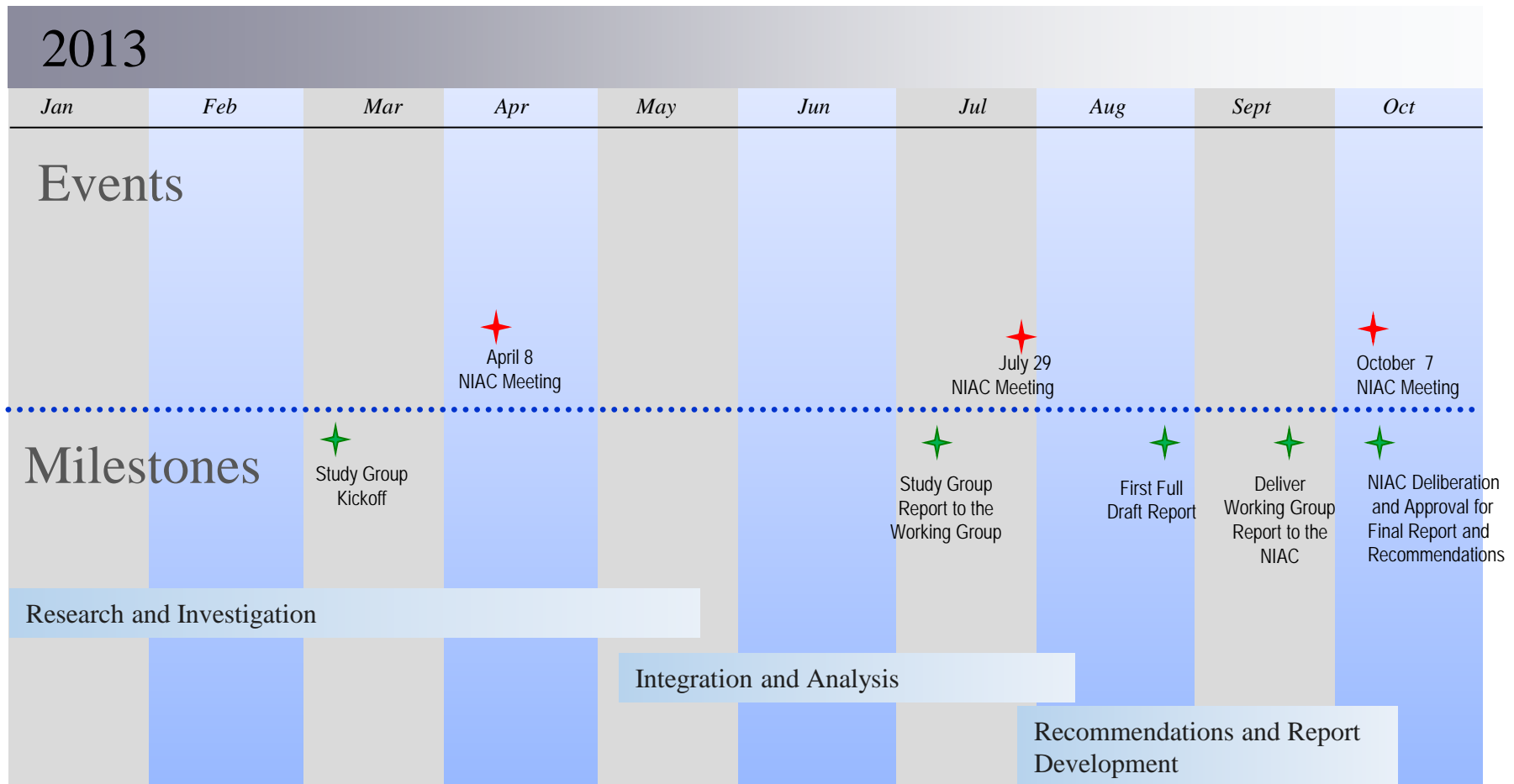
Initial Insights on the Hurricane Sandy Experience

- ❑ The scale and scope of Sandy was much larger than many had previously seen, creating shortages of equipment and supplies not experienced in other storms.
- ❑ In NJ, preplanning and coordination focused on the lifeline sectors. Coordination during the storm was handled through a private sector desk in the state EOC and pre-event conference calls were held with the private sector.
- ❑ As a disaster escalates, companies can spend a lot of time educating outside leaders on their decisions and actions. Companies should do as much outreach up front so that state/federal partners understand the company's response rationale, operating procedures, and capabilities going into an event. Perpetual outreach is also needed between disasters as people move into new roles.
- ❑ The advanced warning of Sandy's arrival enabled preplanning and repositioning of assets. Had this type of destructive force been an unexpected terrorist attack or cyber event, the preparation would not have been as good.
- ❑ Social media played a big role in Sandy with both positive and negative implications. Rumors were more rampant and spread faster; but it also became a source of information on outages that can aid operations.

Work Plan for Regional Resilience Study



Revised Schedule



Case Study: Executive-Level Engagement in the Electricity and Nuclear Sectors

- ❑ Previous NIAC Recommendations on Executive-Level Engagement
- ❑ Past Success and Failure in Achieving Executive-Level Engagement
- ❑ Key Elements of Success
- ❑ Electricity Sector Success – A Model?

Previous NIAC Recommendations on Executive-Level Engagement

- Intelligence Information Sharing, January 2012
 - “The White House should additionally employ current or new partnership mechanisms for senior executives in the private sector to engage their government counterparts to facilitate a truly national approach that leverages public-private resources for large-scale, persistent threats.”
- A Framework for Establishing Critical Infrastructure Resilience Goals, October 2010
 - “The White House should initiate an executive-level dialogue with electricity and nuclear sector CEOs on the respective roles and responsibilities of the private and public sectors in addressing high-impact infrastructure risks and potential threats, using an established private sector forum for high-level, trusted discussions between industry executives and government leaders.”
- Critical Infrastructure Partnership Strategic Assessment, October 2008
 - “The private sector should initiate a strategic dialogue between industry CEOs and the White House soon after the inauguration to reinforce their commitment to partnership principles, followed by similar dialogues with the Congressional leadership and state governors.”

Past Success and Failure in Achieving Executive-Level Engagement

- ❑ Project Aurora – a control system vulnerability discovered in 2006 required executive-level information sharing
 - Classified but mitigated across Nuclear Sector in 4 months
- ❑ CIKR Executive Industry Council
 - Formed after 2008 Study
 - Failed due to loss of momentum/timing
- ❑ Kaleidoscope – a U.S. Secret Service effort
 - Formalized a protocol developed from incremental successes
 - The "elements for success" become clear

Key Elements of Success

- ❑ Trusted relationships
- ❑ CEO engagement
- ❑ Simple process

Electricity Sector Success – A Model?

- ❑ Builds off of Kaleidoscope success
- ❑ Inclusive of all trade groups, with clear leadership
- ❑ Key structure: Leaders in the Electricity and Nuclear Sectors worked with Edison Electric Institute to initiate regular engagement with government leaders on resilience issues through two groups:
 - **Joint Electric Executive Committee** of 23 CEOs and S-1/S-2 leaders now meeting quarterly; examining priority, policy, resources, and accountability
 - **Senior Executive Working Group** of 16 senior executives now meeting bi-weekly/monthly with Assistant Secretaries, using focused agendas and deliverables

Appendix

Working Group Members

WG Member	Sector Experience
Constance H. Lau , <i>President and Chief Executive Officer, Hawaiian Electric Industries, Inc. (HEI)</i> Co-Chair	Electricity, Financial Services
Beverly Scott , <i>General Manager, Massachusetts Bay Transportation Authority</i> Co-Chair	Transportation
Jack Baylis , <i>Executive Director and Senior Vice President for The Shaw Group</i>	Water
Glenn S. Gerstell , <i>Managing Partner, Milbank, Tweed, Hadley, & McCloy LLP</i>	Water, Telecommunications
David J. Grain , <i>Founder and Managing Partner, Grain Management</i>	Telecommunications
Margaret E. Grayson , <i>President, Grayson Associates</i>	IT, Defense Industrial Base
James A. Reid , <i>President, Eastern Division, CB Richard Ellis</i>	Commercial Facilities
Michael J. Wallace , <i>Former Vice Chairman and COO, Constellation Energy</i>	Electricity, Nuclear