# Infrastructure Protection and Reliability of New Jersey's Electric and Natural Gas Sectors

James P. Giuliano, Director Division of Reliability & Security

State of New Jersey Board of Public Utilities



**NJBPU** 

January 26, 2003 - February 2, 2003

Newark, New Jersey

1

# The Reliability Formula

- > N.J.S.A. 48:2-23. Safe and adequate service.
- > Recognition that utilities are critical.
- > Making reliability an imperative industry and government.
- > All hazards Disaster Response & Business Continuity planning.
- Other: PJM, One-Call, Pipeline Safety.
- "Lessons Learned" mentality.
- > Since 9/11/01
  - · Commitment to infrastructure protection.
  - Uniform infrastructure assessment & protection measures.

January 26, 2003 -February 2, 2003 Newark, New Jersey

## Lessons Learned – Pre-9/11

- > 1994 Edison natural gas explosion.
- ➤ 1996 Water main mishap impacts 750,000 water users.
- > 1997 Extended electric outages severe weather.
- > 1998 Labor Day storm 250,000 electric outages.
- > 1999 Heat-wave equipment failures utility reliability issues broadly examined.
- ➤ 1999 Hurricane Floyd 500,000 electric outages.
  Central Office & Water Treatment plant down good recovery.
- > 2000 Successful Y2K transition interdependencies addressed.
- > 2000 Electric Reliability Standards driven by past experience.

January 26, 2003 -February 2, 2003 Newark, New Jersey

3

# BPU General Role in Reliability & Emergency Management

- <u>State Emergency Operations Plan</u> Primary agency coordinating energy emergencies to normalize community functions. BPU President advises Governor.
- NJ OEM Obligations during disasters affecting provision of utility services, e.g. gas explosions, floods, severe weather events and major system failures.
- PJM Monitoring conditions of PJM during summer usage peak.
- Other State emergency obligations.

January 26, 2003 -

February 2, 2003

Newark, New Jersey

### **State & Federal Security Groups**

### • State

- Office of Counter Terrorism (OCT)
- > NJ State Police Office of Emergency Management (OEM)
- Domestic Security Preparedness Task Force
  - > Domestic Security Preparedness Planning Group
  - > Weapons of Mass Destruction (WMD) Advisory Committee
  - Infrastructure Advisory Committee (IAC)
    - ✓ All Utilities Represented

### • Federal

- > Office of Homeland Security
- > FBI
- > US DOE
- > US DOT
- **≻** EPA

January 26, 2003 -February 2, 2003 Newark, New Jersey

5

# Best Practices – Infrastructure Protection

### **Energy**

- <u>Criticality</u> All assets examined to determine the consequence that the loss of each facility would have on company personnel, public welfare, companies assets, revenue stream and disruption to operations. (PSE&G Model)
- > <u>Vulnerability</u> Determination made as to how vulnerable each asset is to terrorism and other elements.
- Risk Mitigation Best Practices were then developed by the Energy Group.
- Other Industries Petroleum, Chemical, etc. also included under OCT.

January 26, 2003 -February 2, 2003 Newark, New Jersey

# Confidentiality

- At the direction of the NJ Domestic Security Preparedness Task Force, pursuant to its authority under the Act, information developed within the Task Force is CONFIDENTIAL, and shall not be deemed a public record under the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.) or the common law concerning access to public records.
- OPRA The Governor's Office is currently drafting regulations. Steps are being taken to add language to any final rule adoption that would protect sensitive information.

January 26, 2003 -February 2, 2003 Newark, New Jersey

7

### Threat Assessments & Alerts

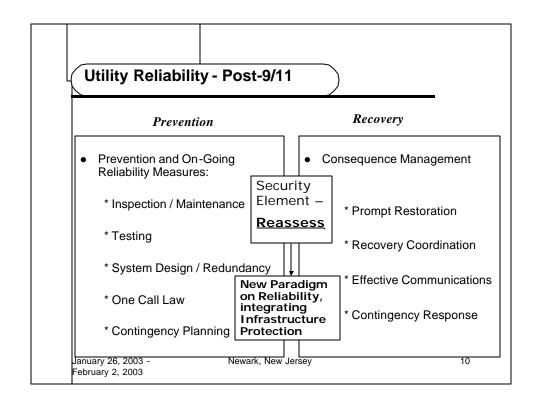
- Interim communications protocols established between industry and government.
- State government alert proposals under development. Coordinate with Federal threat levels USDOT, USDOE.
- "Homeland Security Threat Advisory System" released NJ input.
- Utilities will match up key practices and actions to threat levels.
- New "steady state."

January 26, 2003 -February 2, 2003 Newark, New Jersey

# **Next Steps**

- Infrastructure protection and reliability remains high priority.
- Coordinate with OCT, State Police, Task Force and industry.
- Understandable threat alerts.
- BPU and other jurisdictions will be involved in on-going compliance / auditing / drill process and training with utilities.
- Examination of utility interdependencies and interdependencies with business.
- Working to achieve proper balance between prevention and recovery.

January 26, 2003 -February 2, 2003 Newark, New Jersey



# Additional Information

- www.bpu.state.nj.us
- james.giuliano@bpu.state.nj.us

January 26, 2003 -February 2, 2003

Newark, New Jersey