

# United States Senate

WASHINGTON, DC 20510-7012

July 12, 2012

Michael Desselle, Chairman  
Rae McQuade, Executive Director & President  
North American Energy Standards Board  
801 Travis, Suite 1865  
Houston, TX 77002

Dear Chairman Desselle and Ms. McQuade:

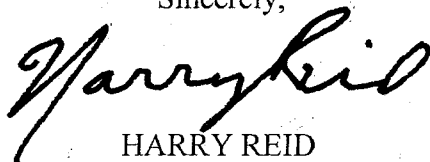
I am concerned about the reliability and security of the nation's electricity grid, particularly in light of increasingly advanced cyber threats targeting grid infrastructure. The utility industry's current process of developing and implementing rigorous cyber-security standards to protect the grid, and other critical infrastructure, seems slow and inadequate when compared to the rapidly growing risks.

Further, I understand that these standards, some of which are prepared by your organization, are mainly voluntary and thus not clearly enforceable by the Federal Energy Regulatory Commission or any other regulatory authority, though non-compliance and inadequate standards could clearly lead to catastrophic outcomes. Recently, I gather NAESB was informed that two of the companies it has credentialed as "authorized certification authorities" have openly diverged from voluntary industry security standards that relate to public key infrastructure services. I sincerely hope that reports of this non-compliance are inaccurate, because, if true, such reports would raise serious questions about the ability of the current voluntary standard-setting process to maintain the security of the nation's critical infrastructure.

Please provide me and my staff with information on the steps NAESB has taken to ensure that all the digital certificates used to provide access to applications on the bulk power system are safe, fraud-proof and compliant with applicable Federal regulations and guidance and the best industry practices in the world. More generally, I would also appreciate an update on your plans to improve cyber security practices throughout the electricity sector.

Thank you for your attention to my concerns. If you have comments or questions on this matter, please contact me or Chris Miller on my staff.

Sincerely,



HARRY REID  
Majority Leader