

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

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Board of Public Utilities



NJBPU

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Newark, New Jersey

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## 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.**

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## 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*.

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## BPU General Role in Reliability & Emergency Management

- **State Emergency Operations Plan** - 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.

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## 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**

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## Best Practices – Infrastructure Protection

### **Energy**

- **Criticality** – 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)
- **Vulnerability** – 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.

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## 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.

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## 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.”

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## 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.

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## Utility Reliability - Post-9/11

### *Prevention*

- Prevention and On-Going Reliability Measures:
  - \* Inspection / Maintenance
  - \* Testing
  - \* System Design / Redundancy
  - \* One Call Law
  - \* Contingency Planning

Security  
Element –  
**Reassess**

**New Paradigm  
on Reliability,  
integrating  
Infrastructure  
Protection**

### *Recovery*

- Consequence Management
  - \* Prompt Restoration
  - \* Recovery Coordination
  - \* Effective Communications
  - \* Contingency Response

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### Additional Information

- [www.bpu.state.nj.us](http://www.bpu.state.nj.us)
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