

June 19, 2015

Mr. William H. Allerton, P.E. Director, Division of Dam Safety and Inspection Federal Energy Regulatory Commission 888 First Street, NE Washington, D.C. 20426

RE: Security Program for Hydropower Projects – Revision 3

Mr. Allerton,

Please find below the Hydraulic Power Committee's (HPC) comments on the Division of Dam Safety and Inspection's (D2SI) Security Program for Hydropower Projects – Revision 3 (Draft February 13, 2015) (Revision 3). These comments are intentionally high-level and we direct you to the more detailed and substantive comments of our individual members for specific recommendations.

The HPC and members of the hydropower industry place the highest priority on security and safety is always a top priority for project owners and operators. As such, the HPC recognizes that continual evaluation and updating of security procedures, both physical and cyber, is needed and is a valuable exercise. For example, Revision 3 identified that uncontrolled releases are not covered in existing Critical Infrastructure Protection (CIP) standards and we agree that uncontrolled releases should be evaluated for cyber vulnerabilities.

However, the HPC also believes any new requirements or additional procedures proposed by the Federal Energy Regulatory Commission (Commission), such as Revision 3 requirements related to National Institute of Standards and Technology (NIST) standards, must take into account the existing security programs and reliability requirements imposed and managed by other agencies, like the North American Electric Reliability Corporation's (NERC) CIP standards. To that end, the HPC encourages the Commission to closely coordinate with these other agencies in order to avoid unnecessary duplication and inconsistencies with these regulatory regimes.

The HPC is concerned that aspects of Revision 3 will require hydropower licensees to comply with multiple standards focused on the same security and cyber functions, which has the potential to add redundancy and possibly conflicting requirements that may increase the risk of unintentional noncompliance. As

NERC's CIP standards rapidly evolve Revision 3 could soon be outdated. For example, Table 9.1 in Revision 3 references "Critical Cyber Assets", but this term is being phased out with NERC's CIP Version 5 standards that will go into effect in 2016. Under CIP Version 5, assets will be classified as High, Medium, or Low-Impact. We encourage D2SI to review Revision 3 for additional discrepancies.

The HPC is also concerned about elements of Revision 3 that reference functions that traditionally fall under NERC's jurisdiction, such as: impacts to electric reliability; grid stability; and power generation. Although Revision 3 states that these functions are "covered under different programs" licensees would still be required to incorporate compliance with different programs into their security plans. We encourage D2SI to clarify what "different programs" includes and what compliance with other programs means in the context of Revision 3. For example, if a SCADA asset is covered under the NERC CIP will it be deemed compliant for Revision 3 purposes.

The HPC appreciates the opportunity to provide comments on Revision 3. We look forward to continuing our collaboration with D2SI in the future.

Respectfully Submitted,

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National Hydropower Association