



Manuel J. Cancel
Vice President

March 3, 2014

The Honorable Michael McCaul
Chairman
House Committee on Homeland Security
H2-176 Ford House Office Building
Washington, DC 20515

The Honorable Bennie G. Thompson
Ranking Member
House Committee on Homeland Security
H2-176 Ford House Office Building
Washington, DC 20515

Dear Chairman McCaul and Ranking Member Thompson:

Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. (the “Companies”) are subsidiaries of Consolidated Edison, Inc., one of the nation's largest investor-owned energy companies, providing electric, gas and steam service to 3.3 million customers in New York City and Westchester, Orange, and Rockland Counties of New York. In aggregate, the Companies employ almost 15,000 people.

I am writing today to thank you and your colleagues for your outreach in drafting H.R. 3696, the “National Cybersecurity and Critical Infrastructure Protection Act of 2013” (the “NCCIP Act”). We share your belief that a cooperative approach between the private sector and the federal government will help protect our nation’s assets from cyber attack. The utility industry has a long history of working with regulators on protecting critical infrastructure assets. In fact, we remain the only infrastructure sector with mandatory, enforceable standards for cyber security.

Of particular concern for the Companies is the need for timely threat intelligence information. Current methods provide only outdated, declassified information and no procedures exist to even notify utilities that this information is available. Threat information sharing is one of the most effective ways that industry and government can work together to protect critical infrastructure. Awareness of potential threats to the industry could allow the Companies to develop proactive measures to identify an attack. The NCCIP Act represents a positive first step in that it codifies and strengthens the National Cybersecurity and Communications Integration Center (NCCIC), the primary resource for real-time cyber threat information sharing across sectors.

A secondary and evolving concern is that no matter how advanced a company’s cyber protection systems and practices, it could still face costly and unnecessary litigation in state or federal courts after a cyber event. As a result, we were pleased to see Section II of the NCCIP Act, specifically the section seeking to clarify the scope of the Support Anti-Terrorism By Fostering Effective Technologies Act of 2002 (the “SAFETY Act”).

Utilities have yet to actively utilize the SAFETY Act to protect against federal claims arising out of cyber attacks due in part to the requirement that the attack be deemed an “act of terrorism” by the Secretary of Homeland Security before liability protections become available. Removing the link between an “act of terrorism” and a cyber attack is a good start towards making the SAFETY Act more effective.

We share your goal of protecting the nation’s critical infrastructure from cyber threats and appreciate your efforts to address this important issue. We look forward to continuing to work together to ensure H.R. 3696 remains focused on these principles as it moves through the legislative process.

If I can be of further assistance, please do not hesitate to contact me or Mary Sprayregen, Manager of Federal Government Relations, at (202)289-7804).

Sincerely,

A handwritten signature in blue ink, appearing to read "Manuel J. Cancel", written over a horizontal line.

Manuel J. Cancel
Vice President, Information Resources
Con Edison