

OEIS Director Joe McClelland
Senate Committee on Homeland Security and Governmental Affairs Hearing
February 27, 2019

Thank you Chairman Johnson and Ranking Member Peters for your leadership and interest in this subject, and with the invitation to this roundtable discussion today. I'm here today as a member the Commission staff and my remarks do not necessarily represent the views of the Commission or any individual Commissioners.

The Commission's authorities to oversee the development of mandatory standards to protect the reliability of the bulk power system fall under the Federal Power Act. Under this authority FERC cannot author or modify reliability standards but must depend upon an electric reliability organization to perform this task. The Commission certified the North American Electric Reliability Corporation, or NERC, as the ERO.

The ERO develops and proposes new reliability standards or modifications to existing standards with industry for the Commission's review, which can then either approve or remand. However, the consequences of a severe, naturally occurring event or a national security threat by entities intent on attacking the United States by exploiting its vulnerabilities and its electric grid, or using physical or cyber means, stands in stark contrast to major reliability events that have caused regional blackouts and reliability failures in the past.

Widespread disruption of electric service can undermine the security of the United States government, its military, the economy, as well as endanger the health and safety of its citizens. Given the national security dimension of this threat, it is imperative that action be taken quickly and effectively to protect America's infrastructure.

For these reasons, the Commission uses a dual-fold approach, employing both mandatory standards to establish foundational practices while also working collaboratively with industry, the states and federal agencies to identify and promote best practices to mitigate advanced threats.

Because EMP and GMD events pose serious threat to the electric grid and its supporting infrastructure that serve our nation, the Commission has found it necessary to use both standards and a collaborative approach to address these threats as is detailed in my written testimony.

Thank you, and I look forward to our discussion.