House Committee on Energy and Commerce
Subcommittee on Energy, Climate, and Grid Security
June 16, 2023, Hearing
"Enhancing America's Grid Security Awareness"

Replies to Additional Questions for the Record
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Attachment—Additional Questions for the Record

The Honorable Richard Hudson

1. **One issue revealed following the Moore County attack was the length of time it takes to get parts necessary to repair a station. How does either Duke Energy or the state of North Carolina mitigate supply chain challenges that may keep communities in the dark after grid failures? What happens if the parts you need to replace critical energy transmission infrastructure are not available?**

   In North Carolina, we utilize a whole of community approach to meeting our all-hazards mission. Our utility providers, to include Duke Energy, Dominion, the North Carolina Electric Cooperatives, and municipal providers, are active participants and partners in the North Carolina State Emergency Response Team (SERT). This includes daily operations partnership and collaboration on infrastructure protection, as well as during activations of the SERT and the State Emergency Operations Center (SEOC).

   In addition to the utility providers, we have representation and participation from over 1,500 private businesses and associations through our private sector engagement program and our Business Emergency Operations Center (BEOC). When the SEOC is activated, the BEOC is also activated as an operational component.

   Having engagement of both providers and the private sector that manufactures or distributes related equipment, parts, or materials has allowed us to mitigate supply chain or supply availability challenges in the past for a variety of incidents. We would utilize the same concept of operations during an incident that impacts the functionality and operation of the grid.

   During an activation of the SERT and the SEOC, we have emergency procurement powers that go into effect that also allow NCEM to expedite procurement for critical needs.

   If critical parts were not available through all available channels above, we have the capability to work with other SERT partners and agencies to procure or deploy resources to the jurisdiction that would mitigate or support response to the impacts of the incident. We also have federal partners that are engaged in the SERT that could assist with critical supply chain shortages, such as DHS, FEMA, DOE, or DOD.

2. **What are the security gaps and challenges associated with delivering government aid and emergency services during a black out, as opposed to during some other hazard or disaster? What changes to your authorities should Congress make to better support your mission?**

   While there are logistical challenges that may be different from an incident that causes a black out to a natural hazard incident as an example, the operational and security challenges are similar. We are deploying equipment, resources, personnel, or commodities into an austere environment that is under stress due to an incident event and we need to maintain operational security and support the provision for the public safety of that impacted community. Our local, state, and federal law enforcement agencies, are also a part of the SERT and are engaged in pre-planning efforts, as well as active deployment during response. The National Guard is also similarly engaged, focused on infrastructure protection versus law enforcement actions.

   The Robert T. Stafford Disaster Relief and Emergency Assistance Act is the major governing authority for federal emergency response and recovery. By extension, this Act has influenced many

of the state disaster declaration acts in place, to include North Carolina General Statute 166a which is the governing emergency management statute. Currently, this federal act is not structured in a way that can support response and recovery for incidents such as the Moore County event on its own. The structure and operational focus of the Act remains largely still focused on the impacts of a natural hazard event. As an example, the Act does not fully take into account needed authorities to address critical infrastructure incidents or cybersecurity incidents across the full spectrum of mitigation, preparedness, response, and recovery.

If we are going to support the emergency management and homeland security apparatus across the Country in responding to the consequence management needs of communities and individuals in need, we need a modernized federal disaster relief act.

As I stated above, the private sector is an essential part of effective preparedness, response, and recovery operations in North Carolina. The percentage of the Department of Homeland Security-defined critical infrastructure sectors owned by the private sector is significant. We must continue the evolution, in both legal authorities and operational structure, that incentivize and support the engagement and transparency of the members of those sixteen sectors.

Part of the value of the emergency management and homeland security enterprises is we come largely without a regulatory role. The information sharing protections currently in place do not adequately support open, honest, and transparent dialogue between public and private sector. We must be able to work together in an environment that addresses the needs of both public and private sector in information and intelligence sharing. The current federal or state information sharing and intelligence protections do not fully address the need for open dialogue, while protecting all parties engaged, as well as limiting information sharing due to classification requirements.

3. **There are many humanitarian and national security risks posed by rapidly electrifying sectors like transportation, industry, space heating, and agriculture. How has NCEM built these risks into their emergency management strategies?**

The electrification of new sectors has had an impact on operational planning at both the state and local levels. Our local first responder agencies are the initial personnel on scene to an emergency or incident and our focus needs to be on supporting their capability and capacity development. As an example, our Regional Response Teams for hazardous materials response are refining existing mission capabilities to be able to effectively respond to electric vehicle incidents, as well as to provide best-practice training and expertise to local agencies on similar response.

As critical infrastructure sectors become more interdependent and the national security threat picture becomes more complex, we are increasing our focus on our homeland security apparatus in the state, to include increasing cybersecurity resources, critical infrastructure protection support, and improving intelligence collection, analysis, and dissemination.

We are also focused on increasing the federal funding amounts that we are able to pass-through to partners and local jurisdictions. Currently, our funding levels do not support this effort, due to both a reduction in federal preparedness grant allocations from DHS and FEMA, as well as a need for increased state funding. This is a long-term focus of NCEM to increase state-appropriations for our Division operations and allow us to continue to support local jurisdictions in a meaningful way.

4. **How do you think North Carolina can better leverage innovative technology, like microgrids, in the face of grid failures? Could this improve the time it takes to get a substation back online?**

   Energy technology diversification is important for building more resilient communities. Heavy reliance on a single source or technology presents a risk to our communities. Redundancy or diversification in this arena could contribute to improved response and recovery times. A microgrid, or related innovative technology, would allow communities to maintain electricity during the period of time that a substation is offline.

   The ability of the state to leverage hazard mitigation funding programs in a more creative, streamlined, and efficient manner is also going to be critical to implementation of innovative and diverse technology solutions. Currently, the program is incredibly bureaucratic and not structured in a way to move with speed, efficiency, or incentivize creative solutions to solve the mitigation issues in communities.