

Questions from the Honorable Bob Latta, Chairman, Subcommittee on Energy, House Energy and Commerce Committee

1. How do supply chain risks affect a co-op's ability to recover from an event?

Supply chain security is a concern we take very seriously. We strive to deliver affordable, reliable, and secure electricity to our member-consumers. Electric co-ops employ a layered defense strategy to protect our critical infrastructure from physical or cyberattacks. We also leverage resources from our federal and industry partners, including through mutual assistance, to build resiliency and better understand and mitigate supply chain risk.

Due to a number of compounding factors, electric utilities are waiting 18-36 months, and in some cases longer, to obtain a transformer, whether for routine maintenance, natural disasters, or intentional attacks. While electric co-ops work collaboratively to overcome these challenges, NRECA has strongly advocated for the creation of a dedicated federal fund to expand U.S.-based transformer manufacturing capacity. This will help address increasingly long lead times facing electric cooperatives by alleviating transformer shortages, ensuring better reliability of our grid in rural communities.

2. Does E-ISAC or any other body have sufficient information about which electric supply chain risks are most critical?

Information sharing is the backbone of our ability to defend the grid and mitigate risk, and E-ISAC plays a central role in ensuring electric cooperatives have timely vulnerability information. While the E-ISAC does have visibility into supply-chain-related risks, it depends heavily on voluntary reporting, federal-government intelligence sharing, and information provided by vendors. Co-ops augment this through partnerships with government agencies, including working with the Department of Energy's Cybersecurity Risk Information Sharing Program (CRISP) and Energy Cyber Sense Program, which help identify and engineer out cybersecurity risks and vulnerabilities across the energy supply chain. DHS CISA also issues alerts related to supply chain vulnerabilities and provides guidance on mitigating known issues. Finally, the Electricity Subsector Coordinating Council (ESCC) brings together industry leaders to highlight critical supply chain challenges and provides recommendations to government agencies on actions to address them.