FOR IMMEDIATE RELEASE September 27, 2018

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Pallone Remarks at Energy Security Hearing

Washington, D.C. – Energy and Commerce Ranking Member Frank Pallone, Jr. (D-NJ) delivered the following opening remarks today at a Subcommittee on Energy hearing on "DOE Modernization: The Office of Cybersecurity, Energy Security and Emergency Response:"

I want to welcome Assistant Secretary Evans here today and thank the Chairman for holding this important hearing.

As a Committee, we need a deeper analysis of cybersecurity issues at the Department of Energy so members can truly understand the challenges and threats facing our grid and the energy sector as a whole. I also continue to believe that the Committee should hold a closed-door hearing to look at the cybersecurity risks to our electricity grid. There are classified aspects of this issue that cannot be discussed in a public hearing like this, and Members deserve the opportunity to be briefed on this high-level information in order to ensure we are adequately protecting the grid from threats.

To date, the energy sector has done a good job of guarding consumers against losses caused by a cyber or physical attack. But make no mistake: the threats are out there.

In December 2015, Russian state hackers successfully compromised Ukraine's electric grid, shutting down multiple distribution centers and leaving more than 200,000 residents without power for their lights and heaters. It was a sophisticated and synchronized attack, and it stands as the only recognized cyberattack to successfully take down a power grid.

We owe it to the American people to ask whether anything about that attack could be replicated here, whether it be the electric system, the gas system, on dams, or on the railways that carry coal to power plants. Russia hacked the 2016 election, and it's clear that the Trump Administration is not doing enough to prevent Russia from a repeat performance on election day this November. So, what are we doing to prevent them from attacking our energy sector the way they did our electoral process two years ago? What are we doing today to stop Russia from hacking our energy systems the way they hacked Ukraine's grid? How can we

make our energy sector more secure and utility workers more vigilant of cyber and physical security threats? These are important questions that this Committee must ask.

I'm pleased we finally have an Assistant Secretary in place at DOE to oversee cyber threats to our electricity grid. But I am seriously concerned that the Trump Administration does not have a senior official in the White House taking the lead on our nation's cyber defense. In May, President Trump eliminated the job of national cybersecurity coordinator. Four months later, there is still no senior official in the Administration coordinating a response to the Russian cyberattacks. While DOE's role in cybersecurity is clearly important, a national response to these coordinated attacks cannot be done agency by agency.

And the Administration must not use cyber threats to our nation's grid as an excuse to abuse emergency authorities in the name of justifying subsidies to favored industries or companies. Too often, officials in this Administration have touted the notion that the natural gas system is somehow unreliable or not able to fuel electricity production in as secure a manner as coal. All forms of electric generation and their fuels are vulnerable to disruption, whether manmade or due to extreme weather and other natural events. Coal piles freeze, trains de-rail. A dam or the line carrying power from a nuclear plant can be every bit as vulnerable as a natural gas pipeline or a wind turbine. There are serious threats we should be looking to guard against, but we shouldn't be questioning the security of the system just to boost plants that are not economic in the marketplace.

In early May, the Committee passed four bipartisan bills to enhance the Department of Energy's authorities with regard to the cybersecurity of our nation's energy infrastructure. This includes H.R. 5174, the Energy Emergency Leadership Act, sponsored by Ranking Member Rush and Representative Wahlberg. This bill would formally authorize a DOE Assistant Secretary position with jurisdiction over all energy emergency and security functions related to energy supply, infrastructure, and cybersecurity. Mr. Chairman, I am disappointed that these four bipartisan bills have yet to receive consideration before the House. I would like to work with you to pass these proposals before the end of the 115th Congress.

Again, I look forward to the discussion today and yield back.

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