

National Infrastructure Advisory Council (NIAC)



Critical Infrastructure Partnership Strategic Assessment Study

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Overview

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For Deliberation: Resiliency
Study

Findings:

Criticality of Partnership to
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Partnership Growth in Recent
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Preserve the Partnership

Strengthening the Partnership

Report Findings: Four Categories

1. General

2. Partnership Principles and
Concepts

3. Partnership Structure and
Design

4. Partnership Implementation

Report Recommendations: Three
Themes

1. Reaffirm the Critical
Infrastructure Protection
Mission and the Public-Private
Partnership

2. Reinforce Key Principles of a
Successful Partnership
Structure

3. Update the Sector Partnership
Model to Be More Efficient and
Effective

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Objective

The Study examined the Sector Partnership Model for critical infrastructure protection to identify opportunities to strengthen public-private collaboration.

To achieve this, the Study:

- Assessed the effectiveness of the partnership model in achieving its stated objectives

- Identified options to improve the efficiency and effectiveness of the partnership

- Identified opportunities to update the partnership model to respond to changing requirements

- Sought to strengthen executive level participation in the private sector

Study Purpose

Assess the effectiveness of the sector partnership model

Identify options to improve the efficiency and effectiveness of the partnership

Identify opportunities to update the partnership model to respond to changing requirements

Scope

The Study Focused On:

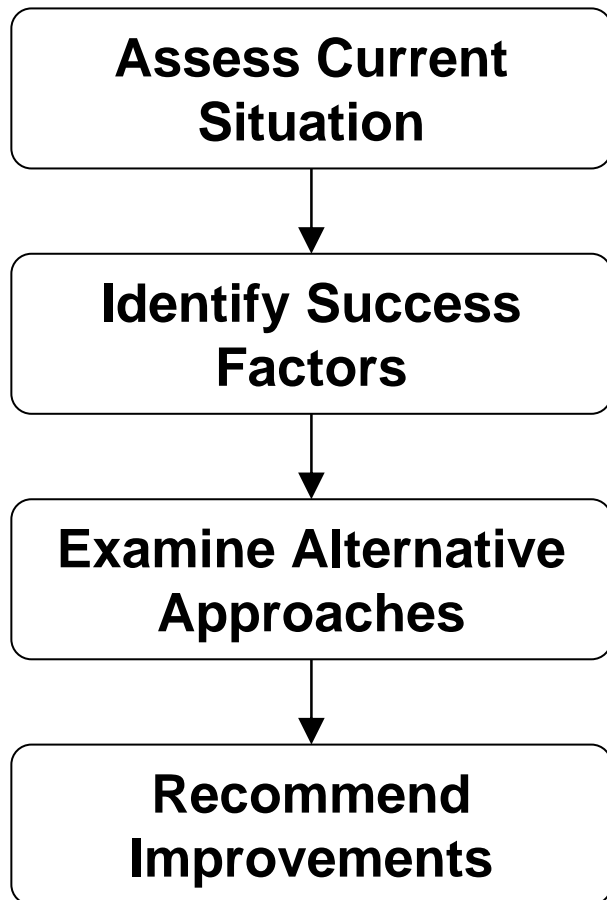
The Sector Partnership Model, as described in the National Infrastructure Protection Plan (NIPP July 2006)

The Critical Infrastructure Partnership Advisory Council (CIPAC), which provides the legal framework through which Sector Coordinating Councils (SCC) and Government Coordinating Councils (GCC) engage in collaborative activities

Limited to the 18 sectors identified as “critical infrastructures and key resources (CIKR)” by the NIPP.

Included investigations of the design, governance structure, processes, operations, and implementation approaches used to accomplish partnership activities

Study Approach



38 one-hour interviews with experts from industry and government

30+ documents reviewed

Facilitated session with the Partnership for Critical Infrastructure Security (PCIS)

26 Study Group meetings

7 CEO Roundtable meetings

NIAC Participation

Working Group Members

Al Berkeley, Chairman & CEO, Pipeline Trading Systems,
Working Group Chair

Chief Gilbert Gallegos, Retired Chief of Police, Albuquerque,
NM, Working Group Co-Chair

Margaret E. Grayson, President, Coalescent Technologies,
Inc., Working Group Co-Chair

Mike Wallace, Vice Chairman, Constellation Energy, Study
Group Chair

David Bronczek, President and CEO, FedEx Express

Wesley Bush, President and COO, Northrop-Grumman

Jim Nicholson, President and CEO, PVS Chemicals

Denny Houston, Executive Vice President, ExxonMobil

David Kepler, Senior Vice President, Dow Chemical Company

Jim Reid, President U.S. Eastern Division, CB Richard Ellis

Study Group - Core Group

Core Study Group (weekly conference calls):

Mike Wallace, Vice Chairman, Constellation Energy, ***Study Group Chair***

Kevin Nietmann, Vice President, Constellation Energy Nuclear

Dr. Ronald R. Luman, National Security/Warfare Analysis Departments Head,
Johns Hopkins University/Applied Physics Laboratory

Bill Muston, Manager, Research & Technology Development, Oncor
Electric Delivery

Pete Allor, Security Director, IBM

Patricia Andrew, Director of Corporate Communications, Coalescent
Technologies

Scott Blanchette, Senior Vice President, HealthWays

Donald F. Donahue, Chairman & CEO, The Depository Trust & Clearing
Corporation

General John Gordon (USAF Retired)

David Heyman, Director & Sr. Fellow, CSIS

Mike Hickey, VP, Government Affairs, Verizon

Hugh J. Kiley, Jr., Assistant Vice President Operations, Norfolk Southern

Ken Watson, Senior Manager, Critical Infrastructure Assurance Group, Cisco
Systems

Larry Weyers, President and CEO, Integrys Energy Group

Study Group - CEO Roundtable

In addition to the NIAC members participating in the CEO Roundtable, the group has also recruited the following industry leaders:

Chuck Canterbury, National President, Grand Lodge, Fraternal Order of Police

Donald Correll, President & CEO of American Water

Donald F. Donahue, Chairman & CEO, The Depository Trust & Clearing Corporation

General John Gordon (USAF Retired)

Ben R. Leedle, President and CEO, Healthways, Inc.

Todd Ramsey, General Manager, IBM Global Government Industry

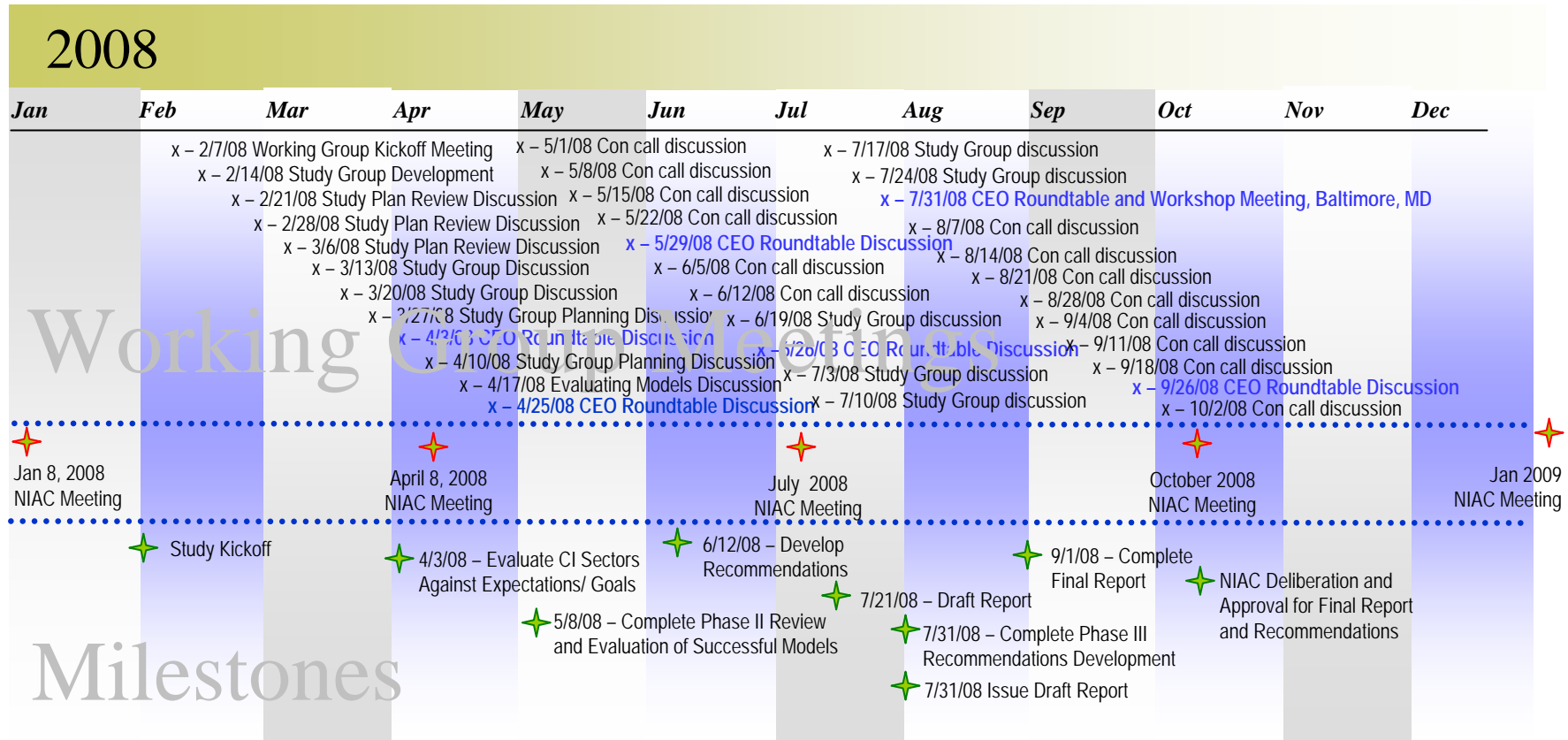
Rick Sergel, President and CEO, North American Electric Reliability Corporation

Stephen Tobias, Vice Chairman & COO Norfolk Southern

Bob VanderClute, Sr. Vice President, Association of American Railroads

Larry Weyers, President and CEO, Integrys Energy Group

Study Time Line



Criticality of Partnership to Infrastructure Protection

The public-private partnership is vital to successful Protection of our Nation's Critical Infrastructures and Key Resources

90-percent of critical infrastructures and key resources owned by the private sector

Protection of these vital assets and systems is a shared responsibility

Partnership engenders needed cooperative relationships and minimizes adversarial interactions

Partnership Growth in Recent Years

The modern model for public-private partnership on infrastructure protection started with Presidential Decision Directive 63 (PDD-63) issued by President Clinton in 1998

Matured to present form under Homeland Security Presidential Directive 7 (HSPD-7) issued by President Bush in 2003

Secretary Chertoff established the Critical Infrastructure Partnership Advisory Council (CIPAC) structure pursuant to the exemption provided in the Homeland Security Act of 2002

Much has been accomplished under the partnership Relationships, information sharing, and effectiveness under the partnership continue to grow each day

Reaffirm the Partnership

Upcoming change in Administrations is a critical transition for the partnership

Regulation cannot achieve the same level of infrastructure protection success as the partnership

Sustaining achieved partnership successes requires policy continuity and government commitment

Strengthening the Partnership

Communicate the importance of the Infrastructure Protection Mission and the Partnership to both the new administration's transition team and Congress

Reaffirm the government's commitment to their private sector critical infrastructure partners

Execute the Report's recommendations for both government and private sector partners to improve effectiveness and efficiency of infrastructure protection efforts

Findings: Four Categories

1. General Observations
2. Partnership Principles and Concepts
3. Partnership Structure and Design
4. Partnership Implementation

Findings: General

Business and government alike strongly support the public-private partnership as the preferred strategy for reducing infrastructure risks

Significant progress has been made in implementing sector partnerships by effectively leveraging government and industry capabilities

Findings:

Partnership Principles and Concepts

A strong value proposition must be articulated and reaffirmed to sustain private sector participation in the partnership

Protection and resilience must be complementary elements of an integrated risk management strategy

Continued leadership, commitment, and engagement from senior executives in both government and the private sector are essential

Trusted relationships are central to an effective partnership

Findings:

Partnership Structure and Design

The overall design of the partnership is sound but additional flexibility is needed to accommodate diverse sector needs

Cross-sector interdependencies require more attention given their importance in ensuring safe, secure, and resilient infrastructures

There continues to be an imbalance between the resources available to support the current requirements of the sector partnership model and the demands placed on it

Findings: Partnership Implementation

Productive partnership efforts can get bogged down by inefficient government processes and cumbersome requirements

Better coordination among government entities will strengthen the partnership

A lack of partnership experience and skills hinders collaboration

Recommendations: Three Themes

1. Reaffirm the Critical Infrastructure Protection Mission and the Public-Private Partnership
2. Reinforce Key Principles of a Successful Partnership Structure
3. Update the Sector Partnership Model to Be More Efficient and Effective

Reaffirm the Critical Infrastructure Protection Mission and the Public-Private Partnership

1. Reaffirm the importance of critical infrastructure protection and resilience as a fundamental mission of government and a responsibility of business
2. Reinforce the partnership as a priority throughout government

Reinforce Key Principles of a Successful Partnership Structure

3. Strengthen senior leadership and commitment to the partnership in both government and industry
4. Leverage relationships to maximize engagement

Update the Sector Partnership Model to Be More Efficient and Effective

5. Increase flexibility in the sector partnership to better accommodate diverse sector needs
6. Emphasize cross-sector interdependencies and collaboration through the sector partnership model
7. Improve government practices and coordination in strengthening the sector partnership model
8. Streamline government processes and requirements on the sector partnership model and provide adequate resources to comply with them

For NIAC Consideration during New Business Discussion

Working Group recommends the NIAC initiate a study to explore the importance of ***Resiliency*** as a mechanism for achieving critical infrastructure assurance

Near-Term Implementation

Private Sector

Initiate a strategic dialogue with government leaders

Develop a scalable CEO engagement model

Establish a dedicated staff to support private sector partnership efforts

Current and Next Administration

Communicate the importance of the critical infrastructure mission to the presidential candidates and the transition team

Affirm the goals, objectives, and vision of the public-private partnership

Steps Ahead

100 Day Plan

Implementations Steps

Questions?