



City of Needles

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Vice Mayor Edward T. Paget, M.D
Councilmember Tona Belt
Councilmember Tim Terral
Councilmember Zachery Longacre
Councilmember Kirsten Merritt
Councilmember Ellen Campbell
City Manager Rick Daniels

August 24, 2021

VIA ELECTRONIC MAIL

Lee Palmer
Director for Safety and Enforcement Division
California Public Utilities Commission
505 Van Ness Avenues
San Francisco, CA 94102

Danjel Bout,
Director for Safety Policy Division
California Public Utilities Commission
505 Van Ness Avenues
San Francisco, CA 94102

Edward Randolph,
Deputy Executive Director for Energy and Climate Policy
California Public Utilities Commission
505 Van Ness Avenues
San Francisco, CA 94102

Re: Notice of Adoption of [POU] Utility Security Plan

Dear Mr. Palmer, Mr. Bout, and Mr. Randolph:

In accordance with Ordering Paragraphs 3 and 4 of California Public Utilities Commission ("Commission") Decision ("D.") 19-01-018, Needles Public Utility Authority ("NPUA") hereby provides notice that NPUA's Utility Security Plan was adopted by the City Council of the City of Needles on July 13, 2021. The City Council's signed resolution adopting NPUA's Utility Security Plan is included as Attachment A to this letter.

Sincerely,

Rainie Torrance Digitally signed by Rainie Torrance
Date: 2021.08.24 13:27:46 -07'00'

Rainie Torrance
Assistant Utility Manager
rtorrance@cityofneedles.com

cc: Richard Kyo, Senior Utilities Engineer, Safety Policy Division
James Cho, Program Manager, Safety Policy Division
Junaid Rahman, Senior Regulatory Analyst, Safety Policy Division

Attachment A

RESOLUTION NO. 2021-33

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF NEEDLES, CALIFORNIA, ADOPTING THE UTILITY PHYSICAL SECURITY
PLAN

WHEREAS, City of Needles provides retail utility electric, water and wastewater services to the City of Needles in the name of the Needles Public Utility Authority (NPUA); and

WHEREAS, the NPUA is required by the California Public Utilities Commission (CPUC) to develop and submit annually a Utility Physical Security Plan (Plan) addressing its electrical distribution facilities security; and

WHEREAS, the Plan is to be developed in accordance with the 2019 CPUC Decision (D.) 19-01-018 (Decision); and

WHEREAS, NPUA has determined it serves no critical "Covered Distribution Facilities" as defined by the Decision; and

WHEREAS, NPUA has obtained an "Independent Third-Party Review" of the Plan as required by the Decision; and

WHEREAS, NPUA has submitted the Plan for review to the California Office of Emergency Services (CalOES), where CalOES has been deemed a "Qualified Authority" in performing Plan review.

NOW, THEREFORE, BE IT RESOLVED THAT:

The City Council adopts the Needles Public Utility Authority Plan dated July 6, 2021 and accepts the third party review.

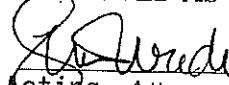
PASSED AND ADOPTED by the City Council on this day of July 13, 2021, by the following vote:

AYES: Council Members Campbell, Terral, Merritt, Belt and Longacre
NOES: None
ABSENT: Mayor Williams
ABSTAIN: None


Vice Mayor

ATTEST:  (SEAL)
City Clerk, Secretary

APPROVED AS TO FORM:


Acting Attorney

MEMORANDUM

June 24, 2021

TO: Board of Public Utilities/Needles Public Utility Authority

FROM: City of Needles Emergency Response Coordinator; Patrick Martinez

RE: Review of NPUA Utility Security Plan

California Public Utilities Commission (CPUC) Decision (D.) 19-01-018 directs all electric utilities to develop a Utility Security Plan assessing the physical security risks to certain significant, distribution-level substations that are operated by the utility and identifying mitigating measures for those risks. These Utility Security Plans must be evaluated by a qualified third party, and any recommendations of that third party must be addressed in the Utility Security Plan. As an additional level of review, the Utility Security Plan of any publicly owned utility (POU) must be submitted to a "qualified authority," which must make a recommendation on the overall adequacy of the plan. After the review by the qualified authority, the finalized plan of a POU is submitted to its governing board for adoption.

NPUA has determined that the City of Needles Emergency Response Coordinator has sufficient familiarity with relevant federal, state, and local standards relating to critical asset protection and emergency response in order to serve as the "qualified authority" for the review of NPUA's Utility Security Plan. Needles Emergency Response Coordinator has relevant experience in its role as to local emergency or safety response.

On June 21, 2021, the NPUA submitted its draft Utility Security Plan to Needles Emergency Response Coordinator for review. The scope of the Qualified Authority review is to assess the overall adequacy of the plan, based on the reviewer's expertise.

In this review, Needles Emergency Response Coordinator makes no claims regarding the compliance of NPUA's Utility Security Plan with any specific requirement or standard. Further, the Emergency Response Coordinator has not assessed, and makes no claim regarding, NPUA's Utility Security Plan's conformance to D.19-01-018 or any other CPUC standards. Finally, Needles review is limited to the information contained within NPUA's Utility Security Plan, and Needles Emergency Response Coordinator has not performed any additional audits of any identified facilities or reviewed any documents outside of the information directly included within the Utility Security Plan.

The third-party review concludes that while NPUA has identified 0 facilities that are subject to this identification analysis as a "Covered Distribution Facility". The distribution system review and assessment did identify three (3) customers that could be considered sensitive to power interruptions:

1. Colorado River Medical Center
2. Needles Public Utility Authority Primary Well No. 15

3. Needles Public Utility Authority Wastewater Plant

A recommendation is encouraged to the NPUA to visit each customer to ensure proper back-up generation in on site in the event of an extended outage.

The review also identified several distribution facilities that lack alarm controls and fully screened fencing around the Substations. A recommendation to invest in increased security measures.

Based on this review, Needles Emergency Response Coordinator deems the NPUA's Utility Security Plan adequate and recommends that the Board of Public Utilities and Needles Public Utility Authority adopt the NPUA's Utility Security Plan.



Patrick Martinez
Needles Emergency Response Coordinator
pmartinez@cityofneedles.com
(760)326-5700 X126



This document was developed by the CMUA Physical Security Working Group and is intended is for general information only and is not offered or intended as legal advice. This document does not reflect minimum or mandatory elements for a Utility Security Plan, nor does this document reflect industry standards or best practices. Readers should seek the advice of an attorney when confronted with legal issues and attorneys should perform an independent evaluation of the issues raised in this document.

NEEDLES PUBLIC UTILITY AUTHORITY (NPUA) UTILITY SECURITY PLAN

**PUBLIC REPORT ON NPUA'S PHYSICAL SECURITY
PROGRAM FOR DISTRIBUTION-LEVEL FACILITIES**

July 6, 2021

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I. OVERVIEW

A. GOAL OF UTILITY SECURITY PLAN

Ensuring the safety of its facilities is a top priority for the NPUA, and the NPUA prioritizes safety in all aspects of its design, operation, and maintenance practices. The overarching goal of this Utility Security Plan is to describe NPUA's risk management approach toward distribution system physical security, with appropriate consideration of resiliency, impact, and cost.

NPUA recognizes the importance of securing the safety and reliability of its electric system and, therefore, NPUA voluntarily participated in the California Public Utilities Commission's (CPUC) Physical Security proceeding and has undertaken this assessment. In the spirit of continued voluntary cooperation, NPUA offers the following in response to CPUC Decision 19-01-018.

B. DESCRIPTION OF NPUA

The NPUA provides electric service to approximately 3,000 customers within the City and certain contiguous areas from the Nevada state line, south of Laughlin, Nevada, to the vicinity of Topock, Arizona. The NPUA has 75 miles of primary, 34 miles of transmission, 4 substations, 649 transformers and 1,865 poles.

The City has entered into a contract (Contract No. 87-BCA-10098) with the United States Department of Energy Western Area Power Administration ("WAPA") to purchase Federal hydropower from the Parker-Davis generating facility. Approximately 55% of the City's current electric energy is purchased from WAPA. Needles' peak electric demand is 22.41 megawatts (MW), established in August 2018.

C. RESULTS OF UTILITY SECURITY PLAN ASSESSMENT

The third-party review concludes that while NPUA has identified 0 facilities that are subject to this identification analysis as a "Covered Distribution Facility". However, the NPUA has identified customers that could be considered sensitive to power interruptions and improvements to make to distribution facilities to increase security.

II. BACKGROUND

On April 16, 2013, one or more individuals attacked equipment located within Pacific Gas and Electric Company's (PG&E) Metcalf Transmission Substation, ultimately damaging 17 transformers. These individuals also cut nearby fiber-optic telecommunication cables owned by AT&T. In response to the attack, the Federal Energy Regulatory Commission (FERC) directed the North American Electric Reliability Corporation (NERC) to develop new physical security requirements, resulting in the creation of CIP-014.

At the state level, Senator Jerry Hill authored SB 699 (2014), directing the CPUC to "consider adopting rules to address the physical security risks to the distribution systems of electrical corporations." In response to SB 699, the CPUC's Safety and Enforcement Division, Risk Assessment and Safety Advisory Section (RASA) prepared a white paper proposing a new requirement for investor owned utilities (IOUs) and publicly owned utilities (POUs) to develop security plans that would identify security risks to their distribution and transmission systems, and propose methods to mitigate those risks. The CPUC hosted a series of workshops to better understand the state of utility physical security protections and to seek input on refining their proposal.

In order to support a statewide improvement of how utilities address distribution level physical security risks, the California Municipal Utilities Association (CMUA), which is the statewide trade association for POUs, coordinated with the state's IOUs to develop a comprehensive Straw Proposal¹ (Joint IOU/POU Straw Proposal) for a process to identify at-risk facilities and, if necessary, develop physical security mitigation plans. As a member of CMUA, [POU] staff participated in the development of the Joint IOU/POU Straw Proposal through a CMUA working group as well as through direct meetings with the IOUs. The Joint IOU/POU Straw Proposal set out a process for the following: (1) identifying if the utility has any high priority distribution facilities; (2) evaluating the potential risks to those high priority distribution facilities; (3) for the distribution facilities where the identified risks are not effectively mitigated through existing resilience/security measures, developing a mitigation plan; (4) obtaining third party reviews of the mitigation plans; (5) adopting a document retention policy; (6) ensuring a review process established by the POU governing board; and (7) implementing information sharing protocols.

RASA filed a response² to the Joint IOU/POU Straw Proposal that recommended various modifications and clarifications, including a six step process. Additionally, RASA recommended that the utility mitigation plans include: (1) an assessment of supply chain vulnerabilities; (2) training programs for law enforcement and utility staff to improve communication during physical security events; and (3) an assessment of any nearby communication utility infrastructure that supports priority distribution substations.

¹ Straw Proposal available at: https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/Safety/Risk_Assessment/physicalsecurity/R1506009-Updated%20Joint%20Straw%20Proposal%20and%20Cover%20083117%20Filing.pdf.

² RASA Response available at: https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/Safety/Risk_Assessment/physicalsecurity/Final%20Staff%20Recommendation%20for%20Commission%20Consideration%2010318.pdf.

In early 2019, the CPUC approved Decision (D.) 19-01-018, which adopted the Joint IOU/POU Straw Proposal as modified by the RASA proposal, with additional clarifications and guidance. D.19-01-018 clarified that where there is a conflict between the Straw Proposal and the RASA proposal, then it is the rule in the RASA proposal that controls.³

D.19-01-018 asserted that the POUs should utilize the Utility Security Plan process described therein. [POU] is following the process and issuing this report at this time to reflect its existing commitment to safety and to protecting its ratepayers' investment by taking reasonable and cost-effective measures in an effort to safeguard key assets of its distribution system.

³ D.19-01-018 at 43, footnote 58 ("Should there be any question of which shall predominate should there be any incongruity or conflict between a utility or SED RASA recommended rule, the SED RASA rule shall apply.").

III. PLAN DEVELOPMENT PROCESS

A. PHYSICAL SECURITY PRINCIPLES

The Joint IOU/POU Straw Proposal seeks to support the creation of a risk management approach toward distribution system physical security, with appropriate considerations of resiliency, impact, and cost. In order to accomplish this risk-based approach, the Joint IOU/POU Straw Proposal identifies several principles to guide the development of each individual utility's program. These principles are the following:

1. Distribution systems are not subject to the same physical security risks and associated consequences, including threats of physical attack by terrorists, as the transmission system.
2. Distribution utilities will not be able to eliminate the risk of a physical attack occurring, but certain actions can be taken to reduce the risk or consequences, or both, of a significant attack.
3. A one-size-fits-all standard or rule will not work. Distribution utilities should have the flexibility to address physical security risks in a manner that works best for their systems and unique situations, consistent with a risk management approach.
4. Protecting the distribution system should consider both physical security protection and operational resiliency or redundancy.
5. The focus should not be on all Distribution Facilities, but only those that risk dictates would require additional measures.
6. Planning and coordination with the appropriate federal and state regulatory and law enforcement authorities will help prepare for attacks on the electrical distribution system and thereby help reduce or mitigate the potential consequences of such attacks.

B. Utility Security Plan Development Process

NPUA utilized a multi-step process to develop this Utility Security Plan that is consistent with the Joint IOU/POU Straw Proposal and D.19-01-018. The relevant six steps of that process are the following:

STEP 1: ASSESSMENT/PLAN DEVELOPMENT

NPUA staff prepare a Draft Utility Security Plan through the process set forth in Steps 1A, 1B, and 1C.

STEP 1A: IDENTIFY COVERED DISTRIBUTION FACILITIES

NPUA will evaluate all distribution-level facilities in its service territory that are subject to its control to determine if any facility meets D.19-01-018's definition of a "Covered Distribution Facility" using the seven factors identified in the Joint IOU/POU Straw Proposal.

STEP 1B: PERFORM RISK ASSESSMENT

For every individual Covered Distribution Facility identified pursuant to Step 1A, NPUA will perform an evaluation of the potential risks associated with a successful physical attack on that Covered Distribution Facility, and whether existing grid resiliency, back-up generation, and/or physical security measures appropriately mitigate identified risks.

STEP 1C: DEVELOP MITIGATION PLAN

If there are any individual Covered Distribution Facilities where the Risk Assessment performed pursuant to Step 1B finds that the existing mitigation and/or resiliency measures do not effectively mitigate the identified risks, then NPUA will develop a Mitigation Plan for that Covered Distribution Facility. The Mitigation Plan will use a risk-based approach to select reasonable and cost-effective measures that can either be security focused (e.g., walls or alarms) or resiliency focused (e.g., adequate spare parts).

STEP 2: INDEPENDENT REVIEW

For every Utility Security Plan cycle, NPUA will document the results of the identification process, risk assessment, and Mitigation Plan development performed pursuant to Steps 1A, 1B, and 1C. This documentation in combination with narrative description in Section IX below, constitutes NPUA's Draft Utility Security Plan. Each Draft Utility Security Plan is submitted to a Qualified Third Party for Independent Review. The Qualified Third Party Reviewer will then issue an evaluation that identifies any potential deficiencies in the Draft Utility Security Plan as well as recommendations for improvements. NPUA will then modify its plan to address any identified deficiencies or recommendations, or will document the reasons why any recommendations were not adopted. The combination of the Draft Utility Security Plan, the non-confidential conclusions of the Qualified Third Party Reviewer, and NPUA's responses to the Qualified Third Party Review will constitute NPUA's Utility Security Plan.

STEP 3: VALIDATION

NPUA will submit its Utility Security Plan to a qualified authority for review. Such entity will provide additional feedback and evaluation of NPUA's Utility Security Plan and, to the extent that this entity is authorized, such entity deems the Utility Security Plan as adequate.

STEP 4: ADOPTION

NPUA's Utility Security Plan will be presented to and adopted by NPUA's governing board at a public meeting.

STEP 5: MAINTENANCE

NPUA will refine and update the Utility Security as appropriate and as necessary to preserve plan integrity.

STEP 6: REPEAT PROCESS

NPUA will repeat this six step process at least once every five years.

IV. IDENTIFICATION OF COVERED DISTRIBUTION FACILITIES (STEP 1A)

As described in Section III, Step 1A of the Utility Security Plan process involves assessing all distribution-level facilities that are subject to the control of NPUA to determine which facilities are "Covered Distribution Facilities" subject to the need for a risk assessment. This Section describes the factors that NPUA used to evaluate its distribution facilities and the results of its evaluation.

A. IDENTIFICATION FACTORS

The Joint IOU/POU Straw Proposal defines seven screening factors to determine if a facility is a "Covered Distribution Facility." Some factors require additional definitions and/or clarifications in order to be applied to NPUA's facilities. The following Table provides the Joint IOU/POU Straw Proposal's Factors as modified/clarified by NPUA.

Factor	Joint IOU/POU Straw Proposal Description	Additional Clarification
1	Distribution Facility necessary for crank path, black start or capability essential to the restoration of regional electricity service that are not subject to the California Independent System Operator's (CAISO) operational control and/or subject to North American Electric Reliability Corporation (NERC) Reliability Standard CIP-014-2 or its successors	No additional clarification.
2	Distribution Facility that is the primary source of electrical service to a military installation essential to national security and/or emergency response services (may include certain airfields, command centers, weapons stations, emergency supply depots)	No additional clarification.
3	Distribution Facility that serves installations necessary for the provision of regional	An installation provides "regional drinking water supplies and wastewater

	drinking water supplies and wastewater services (may include certain aqueducts, well fields, groundwater pumps, and treatment plants)	services" if it is the primary source of drinking water supply or wastewater services for over 40,000 customer accounts for an area with a population of over 100,000.
4	Distribution Facility that serves a regional public safety establishment (may include County Emergency Operations Centers; county sheriff's department and major city police department headquarters; major state and county fire service headquarters; county jails and state and federal prisons; and 911 dispatch centers)	[POU] defines "regional public safety establishment" as any of the following: (1) Headquarters of a major police or fire department serving 1.5 million population with at least 1,000 sworn officers; (2) County Sheriff's Department Headquarters; (3) County Emergency Operations Center; (4) County/State Fire headquarters; (5) a California State Prison; (5) a United States Penitentiary; or (6) a Federal Correctional Institute.
5	Distribution Facility that serves a major transportation facility (may include International Airport, Mega Seaport, other air traffic control center, and international border crossing)	In addition to the facilities listed in the Joint IOU/POU Straw Proposal, [POU] defines a "major transportation facility" as any transportation facility that has (1) an average of 600 or more flights per day; or (2) over 50,000 passengers arriving or departing per day.
6	Distribution Facility that serves as a Level 1 Trauma Center as designated by the Office of Statewide Health Planning and Development	No additional clarification.
7	Distribution Facility that serves over 60,000 meters	No additional clarification.

B. IDENTIFICATION ANALYSIS

In performing this identification analysis, NPUA is assessing all distribution level facilities that are subject to its exclusive control, or if the facility is jointly owned, the joint ownership agreement identifies NPUA as the entity responsible for operation and maintenance. The specific types of facilities include substations and primary distribution.

Based on this scope, NPUA has identified 0 facilities that are subject to this identification analysis. The distribution system review and assessment did identify 3 customers that could be considered sensitive to power interruptions:

1. Colorado River Medical Center
2. Needles Public Utility Authority Primary Well No. 15
3. Needles Public Utility Authority Wastewater Plant

NPUA did not classify these facilities as "Covered Distribution Facilities" as these facilities have mitigation measures in place with on-site back-up generation except for Well No. 15.

All other customers within the NPUA's service territory are either residential, general commercial and light industrial.

The following table summarizes the results of NPUA's identification analysis.

Facility ID	1. Crank Path, Black Start	2. Military Installation	3. Regional Drinking Water/Wastewater Services	4. Regional Public Safety	5. Major Transportation Facility	6. Level 1 Trauma Center	7. Over 60,000 Meters
Substation 1	0	0	0	0	0	0	0
Substation 2	0	0	0	0	0	0	0
Substation 3	0	0	0	0	0	0	0
Substation 4	0	0	0	0	0	0	0

V. RISK ASSESSMENT (STEP 1B)

A. METHODOLOGY

Pursuant to the process identified in the Joint IOU/POU Straw Proposal and D.19-01-018, NPUA will assess the potential risks associated with a successful physical attack on each of the Covered Distribution Facilities identified in Section IV above. For purpose of this analysis, a physical attack is limited to the following: (1) theft; (2) vandalism; and (3) discharge of a firearm. A "successful physical attack" is limited to circumstances where a theft, vandalism, and/or the discharge of a firearm has directly led to the failure of any elements of the Covered Distribution Facility that are necessary to provide uninterrupted service to the specific load identified in Section IV.

In order to perform this risk analysis, NPUA evaluates the relative risk that (1) a physical attack on a Covered Distribution Facility will be successful considering the protective measures in place; or (2) that the impacts of a successful attack will be mitigated due to resiliency and other measures in place.

B. MITIGATION MEASURES

D.19-01-018 identifies the specific mitigation measures that a utility should consider when performing this risk analysis. The following table lists these mitigation measures and provides NPUA's additional clarifications that are necessary to apply these measures to the NPUA's territory.

Measure	D.19-01-018 Description	Additional Clarification
1	The existing system resiliency and/or redundancy solutions (e.g., switching the load to another substation or circuit capable of serving the load, temporary circuit ties, mobile generation and/or storage solutions).	No additional clarification.
2	The availability of spare assets to restore a particular load.	No additional clarification.
3	The existing physical security protections to reasonably address the risk.	No additional clarification.
4	The potential for emergency responders to identify and respond to an attack in a timely manner.	Each facility is evaluated based on the likelihood that a law enforcement officer would generally be able to arrive at the Covered Distribution Facility within 15 minutes of a report from the public of a break-in or attack, or of NPUA notifying the law enforcement agency of triggering of an alarm at the facility.
5	Location and physical surroundings, including proximity to gas pipelines and	NPUA evaluated this element based on the proximity of the Covered Distribution Facility to populated areas

	geographical challenges, and impacts of weather.	and the extent to which the interior of the facility is shielded from view and access due to walls, vegetation, or other physical obstructions.
6	History of criminal activity at the Distribution Facility and in the area.	NPUA evaluated the property crime rates in the immediate vicinity of the Covered Distribution Facility and compared those crimes rates to property crime rates for the county and the state to determine if the area is subject to a higher than average incidence of property related crimes.
7	The availability of other sources of energy to serve the load (e.g., customer owned back-up generation or storage solutions).	No additional clarification.
8	The availability of alternative ways to meet the health, safety, or security.	No additional clarification.
9	Requirements served by the load (e.g., back up command center or water storage facility).	No additional clarification.

C. RISK ASSESSMENT

Based on the process described in the Joint IOU/POU Straw Proposal and the direction provided in D.19-01-018, NPUA has determined that of the [Y] Covered Distribution Facilities identified in Section IV, the existing programs and measures effectively mitigate the risks of a physical attack for [Z] of those Covered Distribution Facilities.

[Provide a general description of the POU's overall approach to security at substations and the specific protective and mitigating measures that are in place at these specific facilities. Also describe by facility or category why the existing measures are sufficient].

The follow table provides a summary of NPUA's assessment of each mitigation measure for each Covered Distribution Facility.

Facility ID	1. Existing Resiliency	2. Spare Assets	3. Existing Physical Security	4. Emergency Responders	5. Location	6. Criminal History	7. Back up Generation	8-9. Alternate Solution	Risk Level
Substation 1	YES	YES	EXHIBIT A	N/A	N/A	N/A	EXIBIT A	N/A	1
Substation 2	YES	YES	EXHIBIT A	N/A	N/A	N/A	EXIBIT A	N/A	1
Substation 3	YES	YES	EXHIBIT A	N/A	N/A	N/A	EXIBIT A	N/A	1
Substation 4	YES	YES	EXHIBIT A	N/A	N/A	N/A	EXIBIT A	N/A	1

As identified above, [A] of the Covered Distribution Facilities do not have existing mitigating measures sufficient to effectively mitigate the identified risks of a physical attack. These facilities are discussed in Section VI.

VI. COVERED DISTRIBUTION FACILITY MITIGATION PLANS (STEP 1C)

Pursuant to the process identified in the Joint IOU/POU Straw Proposal and D.19-01-018, NPUA has determined that for [A] of the Covered Distribution Facilities that are subject to NPUA's control, the existing mitigation measures do not effectively reduce the risk of a physical security attack. This section describes the Mitigation Plan that [POU] has developed for each of these Covered Distribution Facilities.

A. SUBSTATION 1 MITIGATION PLAN

[describe in more detail the identified fault in the existing mitigation measures and the specific actions that NPUA will make to further reduce the risk of a physical attack or mitigate the impacts of a successful attack. Include a specific timeline. D.19-01-018 also states that a cost estimate should be included. This requirement was likely focused on the IOUs, but to the extent that a cost estimate can be included, it may be beneficial.]

B. SUBSTATION 5 MITIGATION PLAN

[describe in more detail the identified fault in the existing mitigation measures and the specific actions that NPUA will make to further reduce the risk of a physical attack or mitigate the impacts of a successful attack. Include a specific timeline. D.19-01-018 also states that a cost estimate should be included. This requirement was likely focused on the IOUs, but to the extent that a cost estimate can be included, it may be beneficial.]

VII. INDEPENDENT EVALUATION AND RESPONSE (STEP 2)

A. REQUIREMENTS FOR QUALIFIED THIRD PARTY REVIEW

D.19-01-018 specifies the following criteria for a Qualified Third Party Reviewer:

Independence: A Qualified Third Party Reviewer cannot be a division of the POU. A governmental entity can select as the third-party reviewer another governmental entity within the same political subdivision, so long as the entity has the appropriate expertise, and is not a division of the POU that operates as a functional unit, i.e., a municipality could use its police department as its third-party reviewer if it has the appropriate expertise.

Adequate Qualifications: A Qualified Third Party Reviewer must be an entity or organization with electric industry physical security experience and whose review staff has appropriate physical security expertise, which means that it meets at least one of the following: (1) an entity or organization with at least one member who holds either an ASIS International Certified Protection Professional (CPP) or Physical Security Professional (PSP) certification; (2) an entity or organization with demonstrated law enforcement, government, or military physical security expertise; or (3) an entity or organization approved to do physical security assessments by the CPUC, Electric Reliability Organization, or similar electrical industry regulatory body.

B. IDENTIFICATION OF THIRD PARTY REVIEWER

NPUA has selected as its Third Party Reviewer; the City of Needles Emergency Response Coordinator

Public results of third party evaluation:

The third-party review concludes that while NPUA has identified 0 facilities that are subject to this identification analysis as a "Covered Distribution Facility". The distribution system review and assessment did identify three (3) customers that could be considered sensitive to power interruptions:

1. Colorado River Medical Center
2. Needles Public Utility Authority Primary Well No. 15
3. Needles Public Utility Authority Wastewater Plant

A recommendation is encouraged to the NPUA to visit each customer to ensure proper back-up generation in on site in the event of an extended outage.

The review also identified several distribution facilities that lack alarm controls and fully screened fencing around the Substations. A recommendation to invest in increased security measures.

C. NPUA RESPONSE

The NPUA will ensure each sensitive customer is visited and backup generation is on site. In addition, all distribution facilities will be improved with security systems and screened fencing.

VIII. VALIDATION (STEP 3)

A. SELECTION OF QUALIFIED AUTHORITY

PLACEHOLDER: THIS SECTION TO BE COMPLETED WHEN QUALIFIED AUTHORITY COMPLETES ITS REVIEW.

B. RESULTS OF QUALIFIED AUTHORITY REVIEW

PLACEHOLDER: THIS SECTION TO BE COMPLETED WHEN QUALIFIED AUTHORITY COMPLETES ITS REVIEW.

C. NPUA RESPONSE

PLACEHOLDER: THIS SECTION TO BE COMPLETED WHEN QUALIFIED AUTHORITY COMPLETES ITS REVIEW.

IX. NARRATIVE DESCRIPTIONS FOR UTILITY SECURITY PLAN

A. ASSET MANAGEMENT PROGRAM

The NPUA's asset management program includes:

1. Maintaining a working on-site inventory of key spare parts and materials including transformers, switchgear, fuses, wires, tools, and hardware to quickly effect repairs.
2. Maintaining direct access to multiple key vendors through arrangements to allow for immediate placement of material orders and timely delivery.
3. Maintaining a positive relationship with neighboring utilities to assist in the event of an outage.

B. WORKFORCE TRAINING AND RETENTION PROGRAM

The NPUA employs a full staff of highly qualified service technicians able to respond to make repairs in short order throughout a utility's service territory using spare parts stockpiles and inventory.

C. PREVENTATIVE MAINTENANCE PLAN

NPUA has an ongoing security preventative maintenance program to both maintain existing system and to improve system security and security equipment. These ongoing steps are underway and include, but are not limited to:

1. Routine facility visits to check fencing and locks
2. Routine light checks

3. Adding screened fencing
4. Adding security system
5. Removing facility visual barriers such as foliage, stored or abandoned equipment and materials.
6. Signage

D. PHYSICAL SECURITY EVENT TRAINING

The NPUA meets periodically with staff to discuss operations, security concerns and mitigations.

E. COMMUNICATION INFRASTRUCTURE RISK ASSESSMENT

The NPUA does not have in place communication systems specific to the utility distribution system.

F. FACILITY DESIGN FEATURES

Any future new facilities, or refurbishment of existing facilities, will incorporate best practices or better for low observability, sightlines, defensibility, general order and perimeter security – including screened fencing, lighting and security systems.

EXHIBIT A: NPUA's DISTRIBUTION FACILITIES DESCRIPTION

Distribution Facility	Type	Location	Service Type	Security Characteristics	Other Characteristics/Mitigation
Substation 1	12kV Substation	Eagle Pass Road	Residential, General Commercial, light industrial	Fencing, locked fencing	n/a
Substation 2	12kV Substation	Bush Street & R Street	Residential, General Commercial, light industrial	Fencing, locked entry	n/a
Substation 3	12kV Substation	Bush Street & T Street	Residential, General Commercial, light industrial	Partially Screened fencing, locked entry	n/a
Substation 4	12kV Substation	Needles Hwy	Residential, General Commercial, light industrial	Partially Screened fencing, locked entry	n/a