



Agenda Report

June 14, 2021

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: ADOPTION OF THE WATER AND POWER DEPARTMENT'S UTILITY PHYSICAL SECURITY PLAN

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required; and
2. Adopt the Water and Power Department's ("PWP") Utility Security Plan ("Plan") in compliance with California Public Utilities Commission ("CPUC") Decision D.19-01-018.

BACKGROUND:

In recognition of threat to electric distribution facilities and consequential risk of long-term power outage, California legislature enacted Senate Bill 699 ("SB 699") in 2014. SB699 directed the CPUC to adopt rules to identify and address the physical security risks to distribution systems of electrical corporations.

In response to SB 699, the CPUC has issued new requirements (Decision D.19-01-018) for Investor-Owned Utilities ("IOU") and Publicly-Owned Utilities ("POU") to develop plans that identify and address security risks to distribution facilities including control centers. The CPUC security plan submittal by POUs such as PWP, is due July 10, 2021.

Generally, POUs such as PWP are not within the jurisdiction of the CPUC, however, the CPUC asserts that "Sections 8001-8057, read in light of the Polk decision, make it clear that the CPUC has the authority to apply physical security rules created through this rulemaking to the POUs."

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In working with CPUC, California's electric utilities (IOUs and POUs) jointly developed a Straw Proposal for a process to identify facilities that may be at-risk ("Covered Distribution Facilities") and, if necessary, develop physical security mitigation plans. A Covered Distribution Facility is any distribution facility that falls into one of the following categories:

- Necessary for crank path, black start, or capability essential to the restoration of regional electricity service that is not subject to the California Independent System Operator's operational control and/or subject to NERC's Reliability Standard
- Primary source of electrical service to a military installation essential to national security and/or emergency response services
- Serves installations necessary for the provision of regional drinking water supplies and wastewater services
- Serves a regional public safety establishment
- Serves a major transportation facility
- Serves a Level 1 Trauma Center
- Serves over 60,000 meters

The CPUC required utilities to follow a six-step process in development of their Plans:

- Step 1: Assessment/Plan Development
 - i. Identification of "Covered Distribution Facilities"
 - ii. Risk Assessment/Mitigation Plan Development
 - iii. Develop Mitigation Plan
- Step 2: Independent Third-Party Review and Utility Response
- Step 3: Qualified Authority Validation of the Utility Security Plan
- Step 4: Adoption of the Utility Security Plan
- Step 5: Maintenance of the of the Utility Security Plan
- Step 6: Repeat the Six-Step Process at least once every five years

PWP's Utility Security Plan

In order to comply with the CPUC requirements, PWP has developed a Plan which thoroughly analyzed all PWP distribution facilities.

Step 1: PWP determined that three of its facilities are identified as "Covered Distribution Facilities". The existing physical security and resiliency measures at those facilities have been examined and determined to be adequate in order to mitigate a potential physical threat. Due to public safety and security reasons the Covered Distribution Facilities are not identified in this agenda report.

Step 2: PWP contracted with Cooper Compliance, Incorporated to conduct an independent review as required by the CPUC order. Cooper Compliance reviewed the Plan, determined that the assessment methodology is sufficient, and that the results are accurate and consistent with good industry practices for physical security of critical infrastructure.

Step 3: PWP requested that the Pasadena Police Department (“PPD”) review and validate the Plan. The PPD Counter Terrorism Unit Supervisor conducted site inspections at PWP distribution facilities, including the Covered Distribution Facilities, and validated the Plan in addition to providing recommendations to enhance existing fencing, add additional locking devices, perimeter lighting, and numeric access keypads at the Covered Distribution Facilities. PWP is in the process of implementing the recommendations.

The Plan also incorporates the CPUC order requirement that the utility mitigation plans include a detailed narrative explaining how the utility has:

- (1) An asset management program for tracking and locating spare parts stock, ensuring availability and the rapid dispatch of available spare parts;
- (2) A robust workforce training and retention program to employ a full roster of highly-qualified service technicians able to respond to make repairs in short order throughout a utility’s service territory; and,
- (3) A preventative maintenance plan for security equipment to ensure that mitigation measures are functional and performing adequately.

The proposed Plan is fully compliant with the CPUC requirements and PWP is committed to appropriately maintaining and updating the Plan (Steps 5 and 6). The Plan is required to be reviewed and updated in intervals of no less than five years. The attached copy of the Plan (Attachment A) has been revised to exclude certain details for security reasons.

PWP respectfully recommends adoption of its unrevised Plan (Step 4) in compliance with CPUC Decision D.19-01-018.

COUNCIL POLICY CONSIDERATION:

PWP’s Plan is consistent with the City Council’s strategic goals to maintain fiscal responsibility and stability, and to ensure public safety.

ENVIRONMENTAL ANALYSIS:

The proposed action is not a project subject to CEQA in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060(c)(2), 15060(c)(3), and 15378. The adoption of the proposed Utility Physical Security Plan is an organizational and administrative action that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a “project” subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

There is no fiscal impact as a result of adopting the Plan. There will be no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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ATTACHMENT A – PWP Utility Physical Security Plan (public version)