

## NATIONAL INFRASTRUCTURE ADVISORY COUNCIL

### BUSINESS MEETING AGENDA

J.W. Marriott Hotel  
Capitol Ballroom (Salon H)  
1331 Pennsylvania Avenue, NW  
Washington, DC 20004  
September 8, 2009  
1:30 PM – 4:30 PM EDT

- I. OPENING OF MEETING** *Nancy J. Wong*, Designated Federal Officer (DFO), NIAC, Department of Homeland Security (DHS)
- II. ROLL CALL OF MEMBERS** *Nancy J. Wong*, DFO, NIAC, DHS
- III. OPENING REMARKS AND INTRODUCTIONS** NIAC Chairman *Erle A. Nye*, Chairman Emeritus, TXU Corp.
- PARTICIPATING BUT NOT EXPECTED TO MAKE REMARKS:** *James L. Snyder*, Deputy Assistant Secretary for Infrastructure Protection, DHS
- IV. APPROVAL OF JULY 2009 MINUTES** NIAC Chairman *Erle A. Nye* Presiding
- V. WORKING GROUP FINAL PRESENTATION AND NIAC DELIBERATION OF FINAL REPORT** NIAC Chairman *Erle A. Nye* Presiding
- A. THE CRITICAL INFRASTRUCTURE RESILIENCE WORKING GROUP** *Wesley Bush*, President and COO, Northrop Grumman, NIAC Member; and *Margaret E. Grayson*, Principal, Essential<sub>2</sub>Management, NIAC Member
- VII. CLOSING REMARKS** *James L. Snyder*, Deputy Assistant Secretary for Infrastructure Protection, DHS (*invited*)
- VIII. ADJOURNMENT** NIAC Chairman *Erle A. Nye*, Presiding

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### **MINUTES**

#### **NIAC MEMBERS PRESENT IN WASHINGTON:**

Mr. Alfred R. Berkeley III; Mr. Edmund Archuleta; Lt. Gen. (ret.) Albert J. Edmonds; Ms. Margaret E. Grayson; Mr. Thomas E. Noonan; Dr. Linwood H. Rose; and Mr. Matthew Rose.

#### **NIAC MEMBERS ATTENDING VIA CONFERENCE CALL:**

Mr. Erle A. Nye; Mr. Wesley Bush; Hon. Tim Pawlenty; Mr. James A. Reid; Mr. Bruce A. Rohde; Mr. John Thompson; Mr. John Williams; and Ms. Martha Wyrsh.

#### **MEMBERS ABSENT:**

Chief (ret.) Gilbert G. Gallegos; Mr. Phillip Heasley; Mr. D.M. Houston; Commissioner Raymond W. Kelly; Mr. David E. Kepler; Ms. Martha H. Marsh; Mr. Jim Nicholson; Mr. Gregory Peters; Mr. Greg Wells; and Mr. Michael Wallace.

#### **SUBSTANTIVE POINTS OF CONTACT PRESENT IN WASHINGTON:**

Mr. Brent Balgien (for Mr. Bruce A. Rohde); Mr. Bill Fisher (for Mr. Jim Nicholson); Mr. Ed Goetz (for Mr. Mike Wallace); Ms. Tiffany Jones (for Mr. John W. Thompson); Ms. Brooke Lundquist-Beebe (for Mr. David Kepler); Dr. Ronald Luman (for Vice Chairman Berkeley); Mr. Bill Muston (for Chairman Nye); Ms. Frances Paulson (for Mr. David Bronczek); Ms. Nora Scheller (for Mr. D.M. Houston); and Mr. Stan Szemborski (for Mr. Wesley Bush).

#### **SUBSTANTIVE POINTS OF CONTACT ATTENDING VIA CONFERENCE CALL:**

Mr. Jerry Buckwalter (for Mr. Wes Bush).

#### **OTHER DIGNITARIES PRESENT:**

MG James L. Snyder, DHS; Mr. James Caverly, Director, Partnership and Outreach Division (POD); and Ms. Nancy Wong, Designated Federal Officer (DFO), National Infrastructure Advisory Council (NIAC), Department of Homeland Security (DHS).

### **I. OPENING OF MEETING**

*Nancy J. Wong, DFO, NIAC, DHS*

The NIAC Designated Federal Official (DFO), Ms. Nancy Wong, opened the meeting by welcoming NIAC Chairman Erle Nye,; NIAC Vice Chairman Al Berkeley,; Under Secretary Rand Beers, Deputy Assistant Secretary of Infrastructure Protection, James L. Snyder, members of the NIAC, Federal government representatives , and members of the press and public in attendance.

Ms. Wong continued, stating that the NIAC Council is a presidential advisory committee created by Executive Order 13231 and amended by Executive Order 13286, Executive Order 13385 and Executive Order 13446. The NIAC is composed of members appointed by the president; membership includes senior executive expertise throughout the critical infrastructure in key resource areas identified in the Homeland Security Presidential Decision Directive 7 (HSPD-7).

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This Council provides the President and the Secretary of the Department of Homeland Security (DHS) with advice on the security of physical and cyber infrastructure. During its seven year history, this Council has conducted extensive studies advising the President and other Federal officials on matters ranging from the partnership--securing the national critical infrastructure, policies and strategies involving risk assessment, and information sharing and other protection strategies.

### **II. ROLL CALL**

*Nancy J. Wong, DFO, NIAC, DHS*

Next, after formally bringing the meeting to order, Ms. Wong called roll to record NIAC member attendance.

### **III. OPENING REMARKS AND INTRODUCTIONS**

*NIAC Chairman Erle A. Nye,  
Chairman Emeritus, TXU Corp.*

Chairman Nye thanked Ms. Wong and the NIAC members present. Chairman Nye noted that the meeting was special in order to accommodate the expiration of the NIAC's charter at the end of the month.

Chairman Nye voiced expectation that the White House and DHS will continue the NIAC's work in some form or fashion, adding that the matter is under active discussion.

The NIAC will try to complete the Resilience Study prior to September 30, 2009. Chairman Nye informed the NIAC that the list of NIAC reports contained in the meeting binders lists the 17 studies that NIAC had undertaken to date. This listing speaks for itself and the NIAC can take pride in its accomplishments.

Chairman Nye acknowledged the government officials expected to participate in the meeting, including Under Secretary Rand Beers for the National Protection and Programs Directorate (NPPD) and Major General James Snyder, Deputy Assistant Secretary for Infrastructure Protection (DASIP). Chairman Nye noted that DASIP Snyder will share some comments with the NIAC later in the meeting, and then moved to deliberate the previous meeting's minutes.

### **IV. APPROVAL OF JULY 2009 MINUTES**

*NIAC Chairman Erle A. Nye  
Presiding*

Noting that the Council had copies of the minutes for some time, Chairman Nye encouraged members to offer any necessary changes, modifications, or corrections.

Mr. Thomas Noonan asked Chairman Nye to change the recorded manner of his participation at the July meeting, noting that he had attended in person. Mr. Bruce Rohde requested the same modification regarding his participation.

Receiving no further corrections, Chairman Nye entertained a motion to approve the minutes.

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Vice Chairman Berkeley made a motion to approve, and this was seconded by Governor Tim Pawlenty. The NIAC voted and the motion carried approving the minutes.

### **V. WORKING GROUP FINAL PRESENTATION**

NIAC Chairman *Erle A. Nye*  
Presiding

Chairman Nye commented that he expected this meeting would be relatively short, but wanted to make sure the Council gave thorough consideration to the Resilience Study, noting that the Working Group that put the well written study together completed a championship undertaking on short notice: Mr. Wes Bush, Ms. Peg Grayson, Mr. John Thompson, Mr. Al Berkeley, and many others.

Chairman Nye encouraged members to offer changes or amendments to the presented report during the meeting today, because the NIAC did not have time to commission further study for changes and approval before the charter expiration on September 30, 2009.

#### **A. THE CRITICAL INFRASTRUCTURE RESILIENCE WORKING GROUP**

*Wesley Bush*, President and COO, Northrop  
Grumman, NIAC Member; and  
*Margaret E. Grayson*, Principal,  
Essential<sub>2</sub>Management, NIAC Member

Chairman Nye yielded the floor to Mr. Wes Bush, co-chair to the study Working Group along with Ms. Peg Grayson.

Mr. Bush thanked Chairman Nye, adding that it was a pleasure to work with co-chair, Ms. Peg Grayson, and with Working Group members Al Berkeley and John Thompson on the report. Their leadership on the effort was key to the tremendous success that the Working Group had in pulling together a meaningful outcome.

Mr. Bush thanked all the subject-matter experts who contributed so meaningfully to the Working Group's understanding, bringing forth the set of findings and recommendations together. In particular, he thanked all the Critical Infrastructure and Key Resources (CIKR) executives and managers who took the time to speak with the Working Group and share their thoughts and perspectives on this important topic.

Stepping back from the report and the material, Mr. Bush offered a couple of perspectives. In thinking about all the work that the Working Group has conducted to date, he stated his belief that the most important idea that resurfaced repeatedly throughout the process is the importance of partnership between the government and owners and operators of the Nation's critical infrastructures. This idea of partnership is absolutely vital to informed risk management on the private sector side and it is even more important to the development of effective and informed policy on the government side. The existing public-private partnership is absolutely critical to getting the resilience policy issue put together in the correct way.

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Second, is the importance of resilience to the security of the Nation, which most of us understand intuitively. Going through this process really brought that importance out in an extraordinary way, and getting the input from so many folks in the CIKR space put a fine point on it.

DHS is moving quickly to address the resilience issue itself, but it is important that DHS policy reflects the concerns of public and private sector CIKR owners and operators. The Working Group's report and its recommendations map out a good process to achieve that goal. Collectively, a lot of ground has been covered on infrastructure protection since the Department of Homeland Security (DHS) was established in 2003. However, resilience policy must reflect and embrace the resilience strategies that many CIKR owners and operators use to actually manage risk on a daily business.

Mr. Bush turned the meeting over to Ms. Peg Grayson and his colleague Adm. Stan Szemborski to walk the NIAC through the Working Group's final presentation.

Ms. Peg Grayson thanked Mr. Bush, the Chairman, the members of the NIAC, and member of the audience for the opportunity to present the study on Critical Infrastructure Resilience. The study was undertaken to consider resilience and its appropriate role within the critical infrastructure protection plans of our government and in the private sector.

Recalling the NIAC's Critical Infrastructure Partnership Strategic Assessment Report from last year, the NIAC's recommendations focused on the role of resilience in infrastructure security. Mr. Bush and she agreed to co-chair the effort, and organized a Working Group comprised of several other NIAC members and supported by several significant points of contact.

The Working Group maintained a very aggressive study schedule and a comprehensive set of tasks. Adm. Szemborski will walk the NIAC through the framework of the study and the approach used that led to the major findings from the study group's research.

Adm. Stan Szemborski thanked Ms. Grayson And explained that the NIAC partnership study, completed in 2008, was designed to examine the partnering strategies that enable Critical Infrastructure and Key Resources (CIKR) to reach its highest potential. During the study, it became clear that resilience is an integral component of all CIKR protection strategies and is of such importance that the NIAC proposed it as a worthy study in its own right.

Adm. Szemborski continued, stating that the resilience study presented today contains tremendous amount of information and insight on the topic of critical infrastructure resilience. There is rich detail in the information uncovered. The Working Group found that critical infrastructure resilience is an enormously complex topic and can be difficult to contain within predefined boundaries. Industry has a long history of resilience practices that balance the risks associated with day-to-day business operations, and each sector accomplishes it in a different manner. All the research and conversations affirmed that critical infrastructure resilience is an important topic for all vested parties.

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The scope of the study was limited to addressing the resilience of critical infrastructures, themselves, rather than the communities served by these infrastructures. The Working Group also focused on resilience at the sector and cross-sector level, and avoided recommendations that would be inherently company or site-specific. Lastly, both the near-term and long-term implications are associated with resilience due to the life-cycle nature of resilience.

During the information collection and analysis phase of the report, the study sought to identify and collect information and perspective from a wide variety of relevant sources, including existing research, government programs for resilience, subject-matter experts and panel discussions with key sectors on existing resilience practices and gaps.

The study reviewed and compiled an open-source library of more than one hundred documents, including academic works, commercial products and government studies. A series of executive-level interviews capped this effort, providing a balanced, strategic-level perspective to the group's operational level of knowledge.

Panel discussions with groups of experts from key infrastructure sectors formed a strong base for understanding resilience practices and needs in critical infrastructure sectors. The study designated the five sectors: Banking and Finance, Communications, Chemical, Oil and Natural Gas, and Transportation, for panel discussions because of their potential to offer crucial insights into critical infrastructure resilience for all sectors.

Along the way, research efforts also led to other organizations with experience or perspectives on subjects. Some of these sources are listed as well. The study established early in the process that it would, like many previous NIAC studies, seek out the perspective and counsel of critical infrastructure CEOs and executives through a peer-to-peer interview process. The study made significant progress toward that end.

A crucial starting point for the study was to identify a functional definition for resilience; a definition that would provide a common starting point for all future discussions and that would be testable and useful from a policy-implementation perspective.

Any recommendation for resilience must first establish the meaning of "resilience." The study found some variation among sectors and operators on the applied definition of resilience, and even some variation of terms, but all the definitions fit comfortably within the parameters of the definition provided in the study.

The resilience definition was completed in draft form in early March. This allowed the study to test the definition in all of our subsequent conversations with the different sectors and subject matter experts (SME's). The Study Group did not seek to establish a distinct definition for each sector, but rather a common starting point. There is no one-size-fits-all approach. The definition is not specifically applicable to all sectors. Each sector has unique characteristics and, accordingly, each sector will have a derivative definition with emphasis on those aspects that are most meaningful to their application.

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Adm. Szemborski then presented the NIAC an overview of the major findings of this study.

First among these was that a common definition of resiliency is needed, to help guide policy development. Strong Federal policies and programs must be based on a common definition and understanding of infrastructure resilience. Without this, resources may be allocated ineffectively and programs may not be properly aligned with security goals. As well, in order to be meaningful, each sector and sub-sector will need to develop its own definition appropriate to sector needs.

Second, the policy framework and mechanism that DHS has established in the area of infrastructure security is fundamentally sound, but could be improved to better reflect the principles of resilience. Homeland Security Presidential Directive 7 (HSPD-7) and the National Infrastructure Protection Plan (NIPP) heavily emphasize infrastructure protection while including some resilience concepts. Strengthening the policy framework to fully incorporate resilience principles would better guide the development and execution of federal activities.

Third, the public-private sector partnership framework provides an excellent collaborative mechanism for improving infrastructure resilience. Although initially developed for the purpose of improving infrastructure protection, the public-private partnership has proved to be an effective tool for collaboration planning, coordination and communication. The Working Group received strong support for the idea of using the partnership to cultivate infrastructure resilience programs and efforts.

Fourth was that resiliency should be an activity that both public and private sectors embrace and adopt. Government activity should support CIKR in these activities. Resilience activities can achieve success by identifying issues where the government can promote and enable resilience activities or remove barriers to achieve it.

The business case for infrastructure resilience is well-suited for a Federal government role as an enabler and facilitator for owners and operators. Owners and operators are motivated by market forces to maintain operations despite disruptions. The Federal government can help the private sector strengthen resilience by removing barriers, improving risk transparency and facilitating learning.

Fifth among the findings was that current market mechanisms may be inadequate to achieve the level of resilience needed to ensure public health, safety and security. Adm. Szemborski then turned the presentation back over to Ms. Grayson to present the Working Group's recommendations.

Ms. Peg Grayson thanked the Admiral, and then presented the following segment of the Working Group's presentation on final recommendations.

Two significant areas for recommendation emerged from the major findings that, if implemented, would make critical infrastructures more resilient.

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At the macro-level, the first step is to put in place all necessary changes within government to support resilience-focused policy and resilience practices in the private sector. This includes a policy framework that supports resilience approaches to managing operational risks, clarification and roles for both government and private-sector actors during disaster or CIKR outage events and improved coordination among regulating government agencies for more focused and unified interaction with the private sector.

Second, the government must work in partnership to develop mechanisms for achieving critical infrastructure resilience. While market mechanisms are highlighted, government programs are also necessary to accomplish the goal of a resilient nation.

Looking at the recommendations, one of the critical findings of the study was initially identified during the Critical Infrastructure Partnership Strategic Assessment Study completed last year. The concern, that the existing infrastructure protection policy framework did not adequately support resilience-focused risk-management approaches employed by the private-sector CIKR operators to address their threats and risks, was carried forward into this study to yield very significant information.

Although DHS has made progress in recent years, and clearly supports private-sector critical infrastructure owner-operator efforts to secure their systems against all hazards, some elements of policy and programs must be better constructed to support both a protection-based and a resilience-based approach.

To accomplish both of these approaches, the Working Group recommends that the President adopt the NIAC definition for resilience for development of resilience policy; that resilience goals be developed through a collaborative dialogue with the CIKR sectors; that White House leadership is vital to development of national resilience policy; and that the President issue an HSPD-level authority to develop a national policy on resilience in a manner similar to the HSPD-7 policy for protection, but in that step, ensure the authorities under this guidance and the public-private infrastructure protection partnership are retained.

Under this new HSPD authority for infrastructure resilience, DHS should develop a national strategy for resilience, in a manner similar to the National Infrastructure Protection Plan. The new resilience authority should retain the public-private partnership model as well as maintain similar relevant authorities. Resource allocation criteria should be expanded to include resilience-focused risk management.

The third opportunity for government to improve critical infrastructure resilience centers on a need for greater coordination among government agencies responding and responsible for regulating the different sectors. CIKR owners and operators explained that the different regulators in their sectors often regulate to achieve a different set of goals – goals that can conflict or run counter to resilience goals. Many of the owners and operators incorporate resilience into their business practices, but competing regulations can impede the success of these efforts during times of crisis.



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The White House should coordinate and adjudicate conflict among regulatory agencies and actions in each sector to support the established resilience goals. This effort should also strengthen participation and coordination among government-coordinating council agencies to support improved Sector Coordinating Council (SCC) and Government Coordinating Council (GCC) communication and coordination.

In speaking with the panel groups from the different critical infrastructure sectors, one of their key concerns was the lack of clarity around governance, that is, the respective roles and responsibilities of government and critical infrastructure owners and operators in response to a disaster event or critical infrastructure services interruption.

CIKR owners and operators need to have a better understanding of what they and government will be expected to do, respectively, during a crisis. The government can become an enabler of resilience for the private sector by reviewing current incident management documents, including the national response framework, the national incident management system, and identify opportunities to expand training and outreach activities to the CIKR owners and operators. Such activities provide Federal, state and local entities a better understanding of the components of resilience during an event and allow for increased information-sharing. Using the Critical Infrastructure Partnership Advisory Council (CIPAC) framework, all involved government agencies should collaborate with the CIKR owners and operators to incorporate their insights and establish a common understanding on national resilience goals.

Upon establishment of goals, government must work with the private sector to identify areas where the market will not support achievement of Federal and regional resilience goals, and then develop a commonly agreed-upon approach to address the gaps.

The Federal government must support and collaborate with state and local governments for the development of state and regional goals for resilience. DHS should take the role of monitoring, measuring and reporting resilience at the sector level for all CIKR tiers. This process should include establishment and support of a feedback mechanism to address CIKR owner and operator concerns in all critical infrastructure sectors.

Government should accept ownership and responsibility for the resilience of public infrastructures, and thereby develop a better understanding of the role that repair and maintenance funding can have on CIKR, and prioritize funding for these activities as a component of their resiliency activities and efforts.

The study also identified different mechanisms to achieve critical infrastructure resilience. Primary among the findings is that partnership and collaboration in developing resilience goals and objectives is vitally important to the success of any critical infrastructure resilience effort.

The study found a good example for government to follow in the Banking and Finance Sector with a paper called “Interagency Paper and Sound Practices to Strengthen the Resilience of the U.S. Financial System.” Private-sector operators expressed concern that government needs to

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work with them when establishing policy, objectives, or regulation in any area concerning resilience. If enacted policies are truly to enhance CIKR resilience, then the interaction is critically important for the success of this resilience effort.

Government should apply partnership principles and collaborate with CIKR owners and operators throughout the resilience policy development process. Development must be an interactive process, with bi-directional communication and a clear understanding of how to reach consensus.

Additionally, government should use the existing sector partnership framework to plan and implement resilience efforts. The achievements of the past seven years have validated the promise of the public-private partnership model as a highly effective strategy. The Council strongly recommends that this approach be strengthened to build greater resilience in our society. In doing so, government should provide maximum flexibility for each sector to develop and adapt resilient strategies that match their business model, their asset base and risk profile.

The study found that information-sharing across operationally-dependent critical infrastructure operators and between private sector and government on strategic risks as well as operational recovery information would allow CIKR operators to develop stronger, more focused and cost-efficient continuity plans for the risks that they are most likely to face.

Information-sharing remains at the top of the list for both protection and resilience. It is an enabler of trust, and necessary to forward progress. The government's potential role as a neutral facilitator enables companies to share information without fear of antitrust issues. The Working Group examined Protected Critical Infrastructure Information (PCII) and other information protections to encourage the private sector to share information on intrusions, threats and vulnerabilities with the government.

Acting as a neutral party, government can facilitate conversations between and among sectors and companies that can better their infrastructure resilience and provide each stakeholder with a clear perspective of the risks they face. In so doing, government can enable CIKR to have full information on the risks their sector or specific entities will face.

The study found that stronger trust and relationships between executive leadership of the government and industry will help to strengthen the partnership, communicate key recovery information, and resolve issues during a crisis event. Relationships must be built and established long before a crisis comes to the forefront.

Government should engage the new infrastructure executive council in order to build institutional and personal relationships that can be leveraged to mitigate or recover from crisis situations. By incrementally building personal relationships across and among CIKR sectors, executive leaders will be able to use their personal connections to access critical goods and services that mitigate an incident. Additionally, executive leadership and government will also be able to leverage personal relationships with CIKR sectors to assure rapid recovery.

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The Study found that some sectors possess significant sector-level resilience simply due to the market incentives and mechanisms already in place in that sector. These market mechanisms can involve high levels of cooperation or competition, and customer demand for reliable services. Incentives identified by the study include: tax incentives, procurement practices, financial disclosure requirements, insurance-based incentives, and increased funding for repairs and maintenance.

One major risk area identified was critical infrastructure operator understanding of cross-sector dependencies and supply-chain risks. The study learned from discussions with operators that supply-chain risk is a significant factor and focus area among major corporations, but that cross-sector critical infrastructure dependency can pose significant and unknown levels of risk. Operators voiced interest in participation in exercises and in discussions that would help to grow these understandings and help all involved to better plan, support dependent sectors and prepare for a more visible set of risks.

It is necessary to engage CIKR owners and operators to conduct more cross-sector emergency planning exercises to unveil interdependencies, improve preparedness, and establish relationships between sectors, local, state and Federal government. As resilience practices become more influential in business, government should expand exercise scenarios to embrace resilience issues, including the staff necessary to address and understand continuity-of-operations issues.

Further, the results of these studies should be accessible to all related sectors and facets of government, regardless of whether or not they participated in the exercise, so that the full benefits of resilience and business-continuity planning can be realized. Government should also identify opportunities in each sector where DHS can support or coordinate existing programs to enhance resilience efforts. Each of these areas for action represents distinct opportunities where carefully crafted, effective policy could help strengthen the resilience of the Nation's critical infrastructures.

Ms. Grayson then closed the recommendations segment presentation and asked Working Group co-chair Mr. Wes Bush for his final comments.

Mr. Bush thanked Ms. Grayson and Adm. Szemborski for the presentation, adding that he thought it was a good report on the study efforts and the Working Group's key conclusions. Emphasizing the point about DHS' key role for enabling an effective resilience approach for our nation was incredibly important. The Working Group's hope is that the study findings provide a helpful framework for DHS to adopt and then implement the recommendations.

Chairman Nye thanked Mr. Bush, Ms. Grayson, and Adm. Szemborski for their participation, and then asked Resilience Working Group members Mr. John Thompson and Vice-Chairman Al Berkeley if they had any final comments.

Mr. John Thompson commented on the critical importance of the study, and added that he fully supported what had just been presented to the Council. In particular, the idea of a broader

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relationship linking the public and private sector on certain issues like information sharing goes a long way to create a more secure infrastructure for the public and private sector with the recommendations from this report.

Vice-Chairman Berkeley asked Mr. Bush and Ms. Grayson if the study included any content that deserves further exploration, noting the considerable density and work already poured into the report. Like so many of the NIAC reports, it covers a certain level of the topic and consequently uncovers other, important issues that require follow-ups and that the NIAC should consider investigating further.

Ms. Grayson replied that the Working Group had identified several areas for potential continuation of study. One of the areas looked at was the different approaches for funding where gaps existed between market mechanisms for the private sector and what the government would need for a resilience-based nation. A study focusing on the different types of funding available and potentially incorporating that into the regulatory proceedings to encourage existing private sector work would make a good study.

Chairman Nye thanked Vice-Chairman Berkeley, Mr. Thompson, and Ms. Grayson for their comments. He added that this review suggested that perhaps more detail could have been added, but given that the NIAC was working under severe time constraints, that accommodations were required. More detail might have been added to amplify the report, but certainly the report is worthy in its own right. Chairman Nye then asked the Council for final comments.

Mr. Tom Noonan requested the opportunity to speak and complimented Ms. Grayson, Mr. Thompson, and Mr. Bush, and the entire team for the great work on this report. Mr. Noonan added that he agreed with Chairman Nye that more can always be added to NIAC reports, but as a final report, this was the most comprehensive work he had seen on resiliency in industry. It is a tough subject to get defined and tough operationally for businesses to measure and manage resiliency. The Working Group did a great job, and for the task, I believe that it is more than complete.

### **V. NIAC DELIBERATION OF FINAL REPORT**

NIAC Chairman *Erle A. Nye* Presiding

Chairman Nye asked if any other members had comments. Hearing none, he added that the lack of discussion did not reflect disinterest, but that the report had been the single focal point for the NIAC for the last several months. Chairman Nye asked the Council for final comments, and, hearing none, he asked for a motion to deliver the report in its final form to the White House.

With that, the NIAC voted unanimously to approve the Critical Infrastructure Resilience Final Report and Recommendations. The NIAC will ready the report for transmittal to the President before September 30, 2009.

Chairman Nye said there is a good basis for extending the work of the NIAC and that he expects the Council will be renewed in some form or fashion. There may be need to replace some of the

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members, which is an appropriate thing to do, and he expects the administration will likely have some people to add, but that he feels it is most important that the work of the Council continue.

### VI. CONTINUING BUSINESS

NIAC Chairman *Erle A. Nye*, Vice Chairman *Alfred R. Berkeley III*, NIAC Members

Chairman Nye informed the Council and attending audience that Under Secretary Rand Beers was not able to attend due to another important activity in Washington that demanded the presence of several DHS executives.

Regarding prospects for the NIAC's continuation, the likelihood is that the Council will go forward in some form or fashion. The NIAC worked down to closing and deliberated the approval of the 18<sup>th</sup> report today because the charter is set to expire.

Although it is probably not appropriate for the NIAC to come up with additional projects at this point, we do need to prepare to do this at the next meeting. Each member has received a list of previously proposed and discussed projects from past deliberations, with some added background information.

Chairman Nye encouraged the Council members to review the material for consideration for future projects when and if the Council is recommissioned. If any members didn't receive a copy, please ask the Secretariat, who will ensure a copy is distributed to all.

### VII. CLOSING REMARKS

*James L. Snyder*, Deputy Assistant Secretary for Infrastructure Protection, DHS

In closing, Chairman Nye said that he expects the White House and DHS will have some thoughts about issues they will want to have the NIAC consider, adding that the NIAC has the prerogative to bring projects forward on its own, typically with the approval of DHS. He encouraged members to review the one page aggregated list of the NIAC's Studies to prepare for the October meeting to deliberate what to do next. Chairman Nye asked Vice Chairman Berkeley if he had any comments.

Vice Chairman Berkeley said that he too appreciated the good work done by the last Working Group, and that everybody understands how much work went into that report.

Chairman Nye agreed, adding that it was a pressure-cooker undertaking. The study was very worthwhile, but there is more detail that could be fleshed out, and perhaps the NIAC will do that in another iteration. He then called on DASIP Snyder to share his comments with the NIAC.

DASIP Snyder thanked the Chairman, Vice-Chairman, and members of the NIAC for the invitation to the meeting. He added that it was a pleasure to participate in the meeting with everyone, and noted that Chairman Nye covered the groundwork very well on describing the

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situation in which DHS and the NIAC presently reside within the advisory council process, which has been reviewed to a certain extent.

The Department of Homeland Security appreciates the great work that the NIAC has done over the years. 18 studies completed in seven years speaks well to the level of effort that everyone has committed here. The individual contributions and discussions during that process, the total work, informed DHS in the infrastructure protection role. The NIAC helped establish and improve the partnership framework, the information-sharing environment, and other elements that DHS, other departments and agencies in the Federal government, and hopefully state governments have utilized.

The resiliency report will help DHS get a grasp of the whole process, which runs the spectrum of critical infrastructure protection from the beginning through the end. That body of work, as stated by Chairman Nye, speaks well for the Council as this committee review process is going on, and it is a great thing for the Council to stand on.

DASIP Snyder said that he had received word from Under Secretary Beers that he was not going to make it to the meeting due to late-breaking DHS activities, but that he sent his personal regards and appreciation for your efforts, both today and in the past. As such, DHS plans to move the Federal Register Notification process forward for the October 13, 2009 meeting.

Thanking all the members for their work and the resiliency study's outcomes, DASIP Snyder made special note of the quality product in such a short time frame. DASIP Snyder then asked Mr. Jim Caverly to share some recent work with the Council.

Mr. Jim Caverly thanked DASIP Snyder and pointed the members' attention to a report in the NIAC Member's binders. He added that DHS will send these reports out and make them available to members not present at the venue. The report is a summary of all of the 18 studies that the NIAC has accomplished to date. The Critical Infrastructure Resilience Study was mentioned in the summary report, but is without recommendations because the NIAC had not voted on it at printing time. The summary report lists both the executive summary and the recommendations of each of the studies and the participants. It testifies to a good body of work. DHS thought it was appropriate coming to the renewal of the charter to make this available to the NIAC members as well as to the public.

DASIP Snyder thanked Chairman Nye and turned the floor back to him.

Chairman Nye thanked DASIP Snyder, and said that the NIAC appreciated not only his presence but his comments and interest as well. The NIAC is proud of the work it has done and is prepared to go forward at the pleasure of the President. Mr. Nye added that the NIAC has always appreciated the presence and efforts of Mr. Jim Caverly, who has been a stalwart throughout the NIAC's activities over the years.

Chairman Nye noted that the next meeting is tentatively scheduled for Tuesday, October 13, 2009. Assuming that that meeting is held, it will be at the Park Hyatt Hotel. The Park Hyatt is

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located at 24<sup>th</sup> and M Street in Washington, D.C.; further communication with the members about this meeting will be forthcoming.

On the chance that the NIAC is not re-chartered, Chairman Nye said that he admired everyone's participation in the Council and that in his long experience with a number of government/private industry efforts, the NIAC was the most rewarding, the most productive, and the most efficient group. He commended everyone, including the different administrations under which the Council worked.

Chairman Nye asked Vice-Chairman Berkeley for his closing remarks.

Vice-Chairman Berkeley said that he too hopes that the NIAC will be renewed, and echoed Chairman Nye's comment about the NIAC's productivity. He added that it has been a great pleasure for him to interact with and get to know so many of the members. The NIAC has a tremendous model and a strong work ethic that is not normal in Federal advisory committees. Vice-Chairman thanked everyone for their work ethic and turned the floor back to Chairman Nye.

### **VIII. ADJOURNMENT**

NIAC Chairman *Erle A. Nye*, Presiding

Chairman Nye thanked Vice-Chairman Berkeley, stating that it has been a pleasure working with him on the NIAC. He asked Ms. Wong to keep the NIAC informed going forward, and that the NIAC will keep the Tuesday, October 13, 2009, meeting on the calendar, at least on a tentative basis. The Chairman thanked each member and adjourned the meeting.

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I hereby certify the foregoing minutes accurately represent the discussion and events that transpired at the meeting held on the date first noted above.

By: \_\_\_\_\_  
Erle A. Nye, Chairman, NIAC

Date: \_\_\_\_\_