

July 24, 2020

Anne N. Granlund, Foreperson
2019-2020 Contra Costa County Civil Grand Jury
725 Court Street
P.O. Box 431
Martinez, CA 94553-0091

SUBJECT: Response to Contra Costa County Civil Grand Jury Report No. 2002,
Securing Our Water Supply From Cyberattack

Dear Foreperson Granlund:

This letter is in response to the Contra Costa County Civil Grand Jury (Grand Jury) Report No. 2002, Securing Our Water Supply From Cyberattack (Report), issued on April 27, 2020. The Grand Jury examined the vulnerability of the county's water supply to cyberattack, including whether or not the East Bay Municipal Utility District (EBMUD) and the Contra Costa Water District as water districts serving Contra Costa County, were taking all required measures to secure against such attacks. The report also examined the water districts' efforts to inform the public and customers about efforts made to maintain the safety of public water systems.

On behalf of EBMUD's Board of Directors and staff, I want to commend the Grand Jury for its diligent efforts to assess and evaluate the work of public agencies in the public's interest. The report's findings and recommendations help improve cybersecurity and protect the public.

The review of the water districts by the Grand Jury reflects growing concerns over increasing instances of cyberattacks nationally and locally. Recent ransomware attacks in Contra Costa County, including attacks on the Contra Costa Library and the Pittsburg Unified School District, highlighted local cybersecurity vulnerability. Additionally, the 2018 American Water Infrastructure Act (AWIA), as federal law, mandates assessment and development of strategies to improve resilience of infrastructure to malevolent acts, including cyberattacks.

The Grand Jury concluded both districts have plans in place to protect Contra Costa County's water supply from cyberattacks and meet federal requirements. Recommendations from the report suggest updating existing assessments using the latest federal guidelines, updating and publishing security policies, and taking advantage of grant funding to offset implementation costs.

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BOARD OF DIRECTORS JOHN A. COLEMAN . ANDY KATZ . DOUG LINNEY

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For EBMUD, the report outlined six (6) findings and three (3) recommendations. Accordingly, this letter presents EBMUD's review of Findings F1 through F6 and provides EBMUD's response to Recommendations R1 through R3. This letter also identifies two corrections in the report.

FINDINGS

The report makes the following findings regarding EBMUD:

Finding 1 (F1). EBMUD's response to the American Water Infrastructure Act is timely and conforms to all requirements of this Act.

EBMUD agrees with Finding F1.

Finding 2 (F2). EBMUD's use of staff rather than an outside consultant for the Risk and Resilience Assessment complies with the American Water Infrastructure Act requirements.

EBMUD agrees with Finding F2.

Finding 3 (F3). EBMUD expects to reuse existing plans to comply with the American Water Infrastructure Act Emergency Response Plan. The Act does not discuss the reuse of existing plans, and the impact on EBMUD's certification cannot be determined.

EBMUD partially disagrees with Finding F3. EBMUD plans to utilize an existing assessment of its cyber vulnerability to comply with the AWIA Emergency Response Plan submittal planned later this year. EBMUD agrees that the AWIA does not offer guidance regarding use of existing security assessments relative to compliance. However, EBMUD believes there to be no impact to EBMUD's certification associated with the use of an existing document based on the comprehensiveness of existing security assessments to date and implementation of Industrial Control System equipment supply chain management practices per the National Institute of Standards and Technology (version 1.1) formalized by the Cybersecurity Enhancement Act (2014).

Finding 4 (F4). EBMUD's public security notice on its website does not include a discussion about previous risk assessments.

EBMUD agrees with Finding F4.

Finding 5 (F5). EBMUD's public security notice on its website does not discuss the American Water Infrastructure Act requirements, or how EBMUD intends to comply with this Act.

EBMUD agrees with Finding F5.

Finding 6 (F6). Federal funding is available through the Drinking Water Infrastructure Risk and Resilience Program that could strengthen EBMUD's cybersecurity infrastructure. These grants help offset water rate increases that customers might otherwise pay.

EBMUD agrees with Finding F6.

RECOMMENDATIONS

The report makes the following recommendations:

Recommendation 1 (R1). EBMUD Board of Directors should consider publishing a cyber policy acknowledging the cyberattack threat and informing the public of its programs to overcome and prevent attacks on the public water supply by December 31, 2020.

This recommendation has not yet been implemented, but will be implemented by December 31, 2020. The District expects to complete and present a policy to the Board of Directors this fall for consideration and adoption.

Recommendation 2 (R2). EBMUD Board of Directors should consider publishing its conformance with the American Water Infrastructure Act on its public webpage by December 31, 2020.

This recommendation was implemented on June 26, 2020.

Recommendation 3 (R3). EBMUD Board of Directors should consider applying for a grant to offset new technology costs and strengthen its cybersecurity infrastructure under the Drinking Water Infrastructure Risk and Resilience Program by December 31, 2020.

This recommendation has been implemented. The District regularly pursues federal funding to offset implementation costs to ratepayers and will actively consider grant funding under the Drinking Water Infrastructure Risk and Resilience Program as opportunities become available.

CLARIFICATIONS

In addition to the comments on the specific findings and recommendations, EBMUD would like to clarify and correct the following statements in the Grand Jury Report.

Page 1, 3rd paragraph:

Emergency Response Plans, per the AWIA, are due September 30, 2020, not August 31, 2020.

Multiple Pages:

Reference should be made to East Bay Municipal Utility District, not East Bay Municipal Utilities District.

CONCLUDING REMARKS

In conclusion, we thank the Grand Jury for its thoughtful review of EBMUD's cyber security preparedness and compliance. We appreciate your recognition that EBMUD's assessments and documentation comply with all applicable laws. We also appreciate your recommendations for improving and increasing engagement with customers regarding their water supplier's preparedness. These recommendations align with EBMUD's ongoing commitment to public transparency and continuous improvement.

We again express appreciation for the hard work and careful review of the Grand Jury.

Sincerely,



Clifford C. Chan
General Manager

CCC:jmj