



April 29, 2013

Alfred Lee
Office of Policy Analysis and Development
National Telecommunications and Information Administration
U.S. Department of Commerce
1401 Constitution Avenue N.W., Room 4725
Washington, DC 20230

RE: Incentives To Adopt Improved Cybersecurity Practices

Dear Mr. Lee:

The American Gas Association (AGA) is pleased to submit comments in response to the Request for Information issued by the U.S. Department of Commerce in the Federal Register (78 FR 18954, pages 18954 -18955) on March 28, 2013, seeking input on *Incentives To Adopt Improved Cybersecurity Practices*.

AGA, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 71 million residential, commercial and industrial natural gas customers in the U.S., of which 92 percent — more than 65 million customers — receive their gas from AGA members. AGA is an advocate for local natural gas utility companies and provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international gas companies and industry associates. Today, natural gas meets almost one-fourth of the United States' energy needs. For more information, please visit www.aga.org.

AGA surveyed a number of its natural gas distribution and transmission utility companies, and their collective comments are incorporated below.

For all stakeholders the Department of Commerce requests comments on any of the following questions:

AGA has provided comments on the following indicated questions relevant to our industry.

- Are existing incentives adequate to address the current risk environment for your sector/company?
 - Properly structured, incentives may be beneficial to many companies. Reviewing the proposed incentive categories, one that seems absent is liability protection for information sharing.

- How do businesses/your business assess the costs and benefits of enhancing their cybersecurity?
 - AGA member survey respondents prioritize the risks and implement the controls that provide the most benefit for mitigating the risks.

- What are the best ways to encourage businesses to make investments in cybersecurity that are appropriate for the risks that they face?
 - Protect information that the utilities share with any branch of the government (including state and local governments and state public service commissions) from accidental release to the public. The potential for releasing information through the Freedom of Information Act (FOI) is one of our major concerns.
 - Inclusion of cybersecurity in rate cases, both federal and state, to help recover the expense of implementing the new cybersecurity controls.
 - Grants to help implement new cybersecurity architecture.
 - Expedited Security Clearance to get access to government cybersecurity intelligence.

- How do businesses measure success and the cost-effectiveness of their current cybersecurity programs?
 - By tracking metrics around the effectiveness of the cybersecurity controls and benchmarking our cybersecurity program against the programs at other utilities.

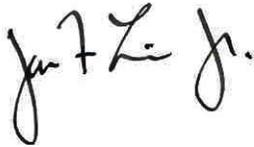
- For American businesses that are already subject to cybersecurity requirements, what is the cost of compliance and is it burdensome relative to other costs of doing business?
 - Cybersecurity compliance does not necessarily equate to better cybersecurity. Money spent on compliance could often be spent more effectively if it was left up to the utility how they spent their cybersecurity dollars.

- Voluntary industry sector governance mechanisms are sometimes used to stimulate organizations to conform to a set of principles, guidelines, and operations based on best practices, standards, and conformity assessment processes that collectively increase the level of assurance while preserving organizations' brand standing and the integrity of products and services.
 - Do organizations participate in voluntary governance mechanisms?

- Some AGA member survey respondents actively participate in the Electricity Subsector CyberSecurity Capability Maturity Model (ES-C2M2).

AGA and its members are eager to continue to engage with the U.S. Department of Commerce in the development of the Incentives To Adopt Improved Cybersecurity Practices.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James F. Linn, Jr." with a stylized flourish at the end.

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