

140 FERC ¶ 61,066
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Philip D. Moeller, John R. Norris,
Cheryl A. LaFleur, and Tony T. Clark.

Reporting On North American Energy Standards Board Docket No. EL12-86-000
Public Key Infrastructure Standards

ORDER REQUIRING REPORTING ON
NORTH AMERICAN ENERGY STANDARDS BOARD
PUBLIC KEY INFRASTRUCTURE STANDARDS

(Issued July 20, 2012)

1. On July 21, 2008 in Order No. 676-C, the Commission incorporated by reference certain standards adopted by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB) including a standard on Public Key Infrastructure (PKI).¹ In this order, pursuant to section 307(a) of the Federal Power Act (FPA),² the Commission directs all Certification Authorities who have acquired or are seeking to acquire NAESB certification,³ whether or not they are otherwise subject to the Commission's jurisdiction as a public utility, to report on the use of PKI standards by utilities. Allegations have been made regarding improper use of the NAESB PKI standards and the Commission is seeking information in order to assess this issue.

¹ *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-C, FERC Stats. & Regs. ¶ 31,274, *order on clarification and reh'g*, Order No. 676-D, 124 FERC ¶ 61,317 (2008).

² 16 U.S.C. § 825f(a) (2006). *See also* 16 U.S.C. § 825j.

³ According to NAESB's website, these entities include Shift Systems, LLC, Systrends, Open Access Technology International, Inc., and GMO GlobalSign Inc. *See* http://www.naesb.org/pdf4/ac_authorities_041012.pdf.

Background

2. On July 21, 2008 in Order No. 676-C, the Commission incorporated by reference certain standards adopted by the WEQ of NAESB including a standard on PKI.⁴ PKI deals with managing public keys within a cryptographic system. As originally incorporated by reference in Order No. 676-C, the NAESB PKI standards describe: (1) the requirements that an Authorized Certification Authority must meet in order to issue certificates that are compliant with the NAESB PKI Standards; and (2) the minimum physical characteristics that a certificate must meet in order to achieve compliance with the NAESB PKI standards.

3. According to Order No. 676-C, NAESB adopted its PKI standards (WEQ-012) to create greater security for business transactions taking place over the Internet. Pursuant to the Commission's regulations, WEQ-012 applies to "any public utility that owns, operates or controls facilities used for the transmission of electric energy in interstate commerce or for the sale of electric energy at wholesale in interstate commerce and to any non-public utility that seeks voluntary compliance with jurisdictional transmission tariff reciprocity conditions."⁵ Also, the PKI standards state that "end entities that wish to use the public key infrastructure established by these standards must attest to their understanding of and compliance with their Authorized Certification Authority's Certificate Policy or Certification Practice Statements, and agree to be bound to electronic transactions entered into by the end entity using a valid Certificate issued in the name of the end entity."

Discussion

4. Section 307(a) of the FPA provides that the Commission has authority to investigate any facts, conditions, practices, or matters it may deem necessary or proper to obtain information to serve as a basis for recommending further legislation.

5. Allegations have been raised that Certification Authorities are issuing certificates that are not compliant with the NAESB PKI standards. Specifically, it has been suggested that entities are issuing certificates without NAESB authorization, without adequate identity authentication, or for too long a duration. If true, this would affect how these standards may be implemented by public utilities. Thus, the Commission hereby institutes a proceeding pursuant to section 307(a) of the FPA to investigate the facts and

⁴ *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-C, FERC Stats. & Regs. ¶ 31,274, *order on clarification and reh'g*, Order No. 676-D, 124 FERC ¶ 61,317 (2008).

⁵ 18 C.F.R. § 38.1 (2012).

practices surrounding Certification Authorities' implementation of the NAESB PKI standards. This data request is to determine the nature of any current practices under these standards and whether the Commission should propose or recommend any changes in applicable law.

6. Accordingly, pursuant to section 307 of the FPA, the Commission is requiring that all Certification Authorities who have acquired or are seeking to acquire NAESB certification submit a report containing the following information:

- (a) Are you authorized by NAESB as an Authorized Certification Authority, or have you claimed such status previously? If so, please provide all documents demonstrating the authorization.
- (b) Are you issuing certificates to electric utilities or to others to use in communicating with electric utilities? If so, please identify all such entities and the dates of certificate issuance.
- (c) It has been suggested that there is a concern with how entities are validating and certifying the identity of individuals requesting or requiring PKI certificates. Please explain the process and procedures that your organization follows when you validate the identity of an individual who requests/requires a PKI certificate, and provide all documents describing your process and procedures.
- (d) What key lifetimes do you adhere to for the various certificates that you create and administer?

7. The entities listed in n.3, and any other entities who have or are seeking NAESB certification, should submit the report by July 27, 2012 to the Commission. Consistent with the Commission's regulations that apply to any filings made with the Commission, contained in 18 C.F.R. § 385.2005,⁶ the report should be verified by a corporate officer. Any claims of confidentiality for information supplied in the responses must meet the standards specified in 18 C.F.R. § 388.112 (2012).

⁶ 18 C.F.R. § 385.2005 requires the signer of a filing to verify that: the signer has read the filing signed and knows its contents; the contents are true as stated, to the best knowledge and belief of the signer; and the signer possess full power and authority to sign the filing.

The Commission orders:

All Certification Authorities who have acquired or are seeking to acquire NAESB certification are directed to submit to the Commission, by July 27, 2012, a report on the facts and practices surrounding the NAESB PKI standards, as discussed in the body of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.