TDi

The Leader in IT Foundation Management

Technologies

Beating the Compliance Nightmare
IT Foundation Management

Challenges

Providing reliable power to homes, businesses and mission-critical establishments where lives are at stake and commerce is essential through:

- Meeting strict regulatory requirements requiring real-time documentation on an ongoing basis. Audits are frequent.

- Delivering 24/7 service on a tight budget.

- Delivering quality service with minimal margin for error.

- Avoiding escalating penalties for non-compliance.

- Safeguarding the company and community against insider threats that could jeopardize customers, businesses and the 100-year reputation of quality service.

Solutions

This energy customer uses IT Foundation Management because it will:

- Discreetly monitor targeted IT functions to ensure each system administrator (SA) is working on an approved system at an approved time of day.

- Document every action taken by an SA on tamper-proof logs accepted by NERC/FERC in a court-related incident.

- Provide real-time compliance logs that simplify and confirm reporting accuracy.

- Review security events in real-time, meeting (exceeding) the minimum 90 days as required by recent NERC/FERC regulations.

Benefits

- Enables the company to focus on delivering reliable, cost-effective electricity instead of becoming bogged down meeting regulatory guidelines.

- Saves the IT department precious time and resources that can be refocused on solving technical challenges and enhancing customer service.

- Protects the company against the potential for malicious acts perpetrated by disgruntled employees, vendors or suppliers.

- Enables the electricity provider to avoid expensive fines and penalties thereby saving money for consumers and local businesses.

- Positions the electricity company to experience additional growth and extend its 100-year heritage of providing meaningful employment in the community.

QUICK FACTS

Industry: Electric Energy Provider

Worldwide Revenue: $1.8 Billion

Company: US provider— 500k+ customers

Website: www.tditechnologies.com

Product: IT Foundation Management

The strain of timely compliance places an ever-increasing burden on most energy providers. The sheer volume of reporting required by state and federal agencies often absorbs resources desperately needed for other functions within a utility company. In addition, penalties associated with non-compliance are steep. Fortunately, this state-wide electric company found a robust solution that dramatically reduces the burden of regulatory compliance and documentation. The solution?

IT Foundation Management

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> "Any utility company that installs IT Foundation Management is way ahead of the game when it comes to NERC compliance. We're happy with the support we receive from TDI. When we need it, it's there."
>
> IT Director

FERC Compliance is Serious Business

The Energy Policy Act increased both the Federal Energy Regulatory Commission's jurisdiction and its penalty authority, thereby increasing the importance and scope of the Commission's enforcement program. As a direct result of this Act and other subsequent legislation, Congress established the maximum civil penalty of $1 million per violation for each day that it continues.

In addition, Congress continues increasing the maximum fines and imprisonment time that apply of FPA, NGA and NGPA by when the Commission refers the case to the Department of Justice for criminal prosecution.

Deploying IT Foundation Management to Monitor Events and Document FERC Compliance

When energy executives were confronted with the realities of FERC compliance penalties, they knew they needed a solution for their IT infrastructure. "We initially integrated IT Foundation Management as a pure systems monitoring application. As a result of FERC, we quickly came to realize that it could handle our compliance documentation… on the fly… real-time…with no manual intervention or error," stated a manager from the IT department. "We were pleased and provided a demonstration at a Siemens Conference. We were proud to spotlight this break-through solution," he added.

#1: Lock Down the Logs and Batten Down the Hatches.

Long ago, naval officers realized the best time to prepare for rough weather was before the clouds rolled in. When they spotted a storm front on the horizon, they fastened canvas over every potential opening with strips of wood called "battens." Energy companies face the same potential for stormy weather. Reaction time is non-existent once an energy-related catastrophe becomes a public spectacle. They need to batten down the IT hatches.

Recognizing the ever-present potential for danger, this electric company proactively implemented IT Foundation Management to lock down its IT logs in advance, ensuring no one can manipulate the logs after the fact. When it comes to courtroom documentation, records that can't be altered provide the strongest defense.

#2: Monitor the premises. Trust, but Verify

The term "unauthorized successful login" is a key phrase throughout the FERC regulatory landscape. Internal IT Security practices must control access to electronically stored data regarding generation, data collected by an Emergency Management System (EMS), and data gathered directly from substation equipment.

"NERC compliance requires that we track 'successful logins' as these individuals may still pose an internal threat," said a senior management official at this energy company. "We have implemented IT Foundation Management to help ensure anyone who logs into our systems is: 1) in an approved system 2) logging on in an approved timeframe. Without this verification capability, we would be at risk to steep fines."

#3: Remain Flexible. Create Your Own Events from Flawless Execution of EFTs

While many of the issues related to FERC compliance and security matters are common across various sectors of the energy spectrum, the ability to tailor system specifications and reporting practices is crucial. This electric energy provider continues to evolve in its use of IT Foundation Management.

"We are looking at a vast array of fresh options as we continue creating our own events that respond to the changing times in which we operate," said a key official. "IT Foundation Management adapts with us."

Supporting the Energy Sector with a Powerful Foundation Management Solution

TDi representatives asked this long-time client to explain how the company intends to use these Foundation Management tools in the future. Without hesitation, key executives stated they fully intended to add more devices to the networks monitored by IT Foundation Management. "We'll be adding more and more data. It makes our company stronger and ensures we maintain a good relationship with our colleagues at the Federal Energy Regulatory Commission. We know the issue of regulatory compliance is gaining momentum and we intend to stay ahead of the curve."

"Our relationship with TDi is good for our employees, our customers, and the communities we serve."