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Houston law firms invest in energy cybersecurity

Cybersecurity and attacks on the nation's energy infrastructure are occurring with more frequency, and the issue has caught much of corporate America off guard

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Jordan Blum Reporter-Houston Business Journal

with many rushing to catch up to the threats they face.

"What's more critical than keeping the lights on?" asks Bill Garner, a shareholder and energy partner in the Houston office

of Greenberg Traurig LLP.

Likewise, energy law firms are quickly deciding they need experts in the subject, Garner said, and large international firms like Greenberg Traurig are trying to stay ahead of the pack. Garner said his firm is currently looking for lawyers with the "highly specialized set of expertise" in understanding cybersecurity needs, risks, contracts, laws and the potential litigation.

"If the power goes down in Houston, there's a lot of finger pointing," he said.

Matters can be especially troubling because many power grids use specialized transformers that only have replacement parts in Europe and other continents.

"Even in an emergency basis, you're talking days and weeks," Garner said, before everything is fully restored.

The U.S. Department of Homeland Security has said that – depending on the timeframe reviewed – about 40 percent of cyberattacks target the energy sector.

The Wall Street Journal reported this year that snipers attacked PG&E Corp.'s Metcalf transmission substation in San Jose, Calif., and showed how vulnerable the nation's

energy infrastructure is in terms of potential terrorist and cybersecurity attacks.

"(Corporate) boards have begun to add this to the things they worry about," Garner said. "They're all thinking about this now."

When it comes to home utilities, more companies are offering "smart meters" and thermostats that rely on wireless Internet connectivity, Garner said, all of which can be susceptible to hacking.

"How secure is that? They believe it's secure," Garner said. "Like anything, I'm sure some companies would get an A-plus, but some would grade out at an F-minus."