Cyber Security
A growing threat to the energy sector

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Partner
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What is a “cyber attack”? 

- A **cyber attack** is an incident that:
  - uses computer technology to commit a crime, or
  - is directed at computer technology to cause damage
Should we be worried about a cyber attack?

- Attacks can be:
  - malicious;
  - target intellectual property;
  - compromise critical infrastructure; and
  - damage physical facilities
The energy industry is particularly vulnerable to cyber risks

- 29% of incidents reported to CERT Australia
- US Cyber Security Response Team issued specific warnings to the gas industry
- Potential damage to:
  - assets;
  - shareholder wealth;
  - revenue; and
  - domestic security
- Increased risk through use of OT and SCADA
Responding to the risks: “Cyber resilience”?

- **Cyber resilience** is the ability to prepare for, respond to and recover from a cyber attack.
Why is cyber resilience important?

• Commercial reasons
• Theft of core intellectual property
• Disruption or damage to physical plant
• Your business partners may require it
• Critical infrastructure may be affected
Cyber Security is a regulatory compliance issue

- Regulatory requirements depend on the nature of business
- Failure to manage cyber risk has penalties
- Energy companies should:
  - have strong compliance programs;
  - be prepared to report potential issues or offences;
  - have systems to mitigate the risk; and
  - have systems to respond to and recover from an attack
Hogan Lovells Cyber Summit

• March, 2016
• Washington, USA
Thank you

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