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# Novel Approaches to Risk and Security Management for Utility Providers and Critical Infrastructures

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Workshop Introduction  
Stefan Schauer

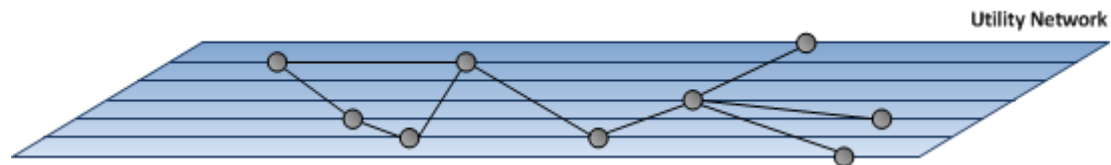
HyRiM End User Workshop  
Vienna, 02.11.2015

# Risk Management

- Risk assessment and risk management is a **core duty** for utility providers
  - Utility providers operate **critical infrastructures**
  - Responsible for the supply of large number of people with different goods
  - Incidents within/affecting utility providers might have **huge economic and societal impacts**
- Numerous risk assessment and risk management tools already exist
  - Based on **well-established standards and guidelines** (e.g. ISO 31000)
  - Often focusing on a specific field (e.g. IT Security – ISO 27005, Supply Chain Management – ISO 28000, Port Security – ISO 20858)
  - Often **designed for businesses** and not the special requirements of utility providers or critical infrastructures
  - Mostly a matter of best practices

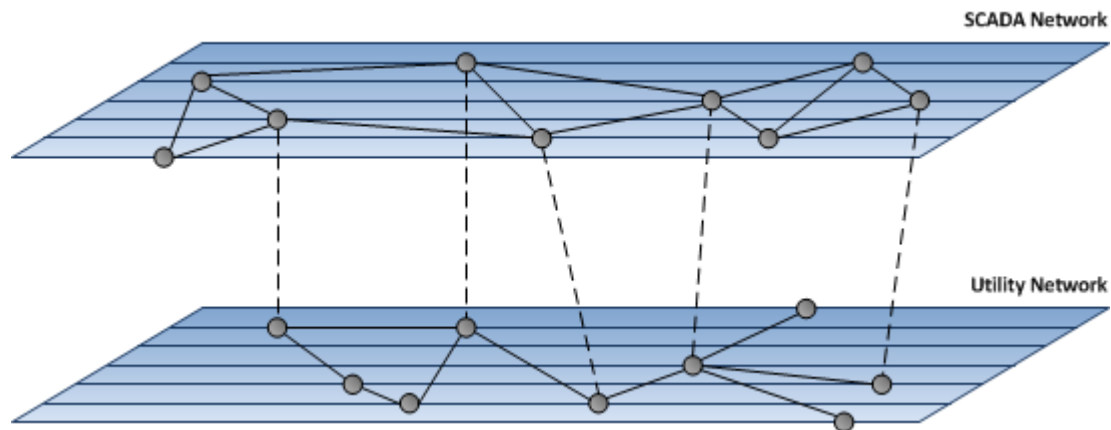
# Interconnected Networks

- Networks operated by utility providers become **more and more interconnected**
  - Utility network (e.g. power lines, water pipes, oil pipelines, etc.)



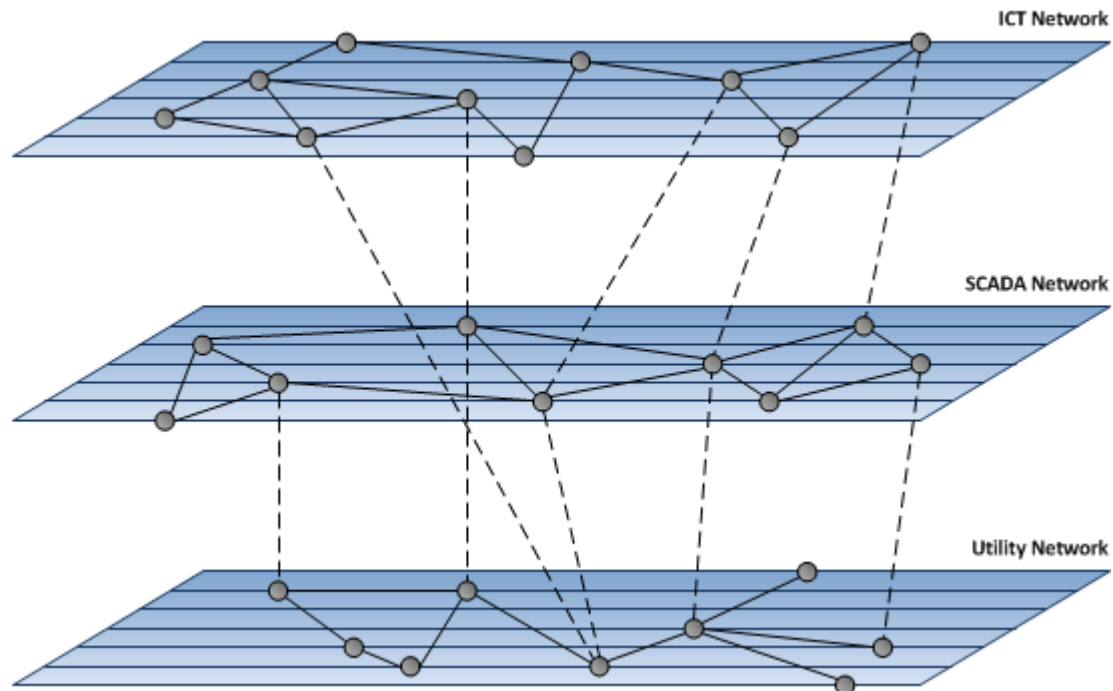
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  - Control networks (e.g. SCADA networks, smart grids, etc.)



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  - Utility network (e.g. power lines, water pipes, oil pipelines, etc.)
  - Control networks (e.g. SCADA networks, smart grids, etc.)
  - ICT networks (e.g. office networks, communication networks, intranet, etc.)



# Novel Threats and Challenges

- Requirements of utility providers have changed
  - Number of cyber-physical systems increases (e.g. SCADA networks)
  - Threats evolve more rapidly and become more complex (e.g. Advanced Persistent Threats – APT)
  - Intentional threats became more popular in recent years (e.g. terrorism, cyber-terrorism/hacktivists, espionage, etc.)
- Threats affecting one part of a utility provider can **propagate through the network** and affect other, distant parts, too
  - Malware infection on the ICT network might cause the failure of a SCADA system and thus affect the utility network itself
  - Security issue of a SCADA system might give access to business data handled in the ICT network
- Additionally, utility providers are interconnected and interacting with each other

# Novel Threats and Challenges

- Novel approaches towards security and risk management have to be identified to address these issues
  - Solutions for each network level exist and are applied separately
  - “Hybrid” risk management methodologies are required, providing a holistic overview (i.e. looking at several networks simultaneously)
  - Interconnections and the related cascading effects need to be considered
- Sole focus on technical threats and technical solutions is no longer adequate
  - Social engineering is a major aspect in many attack strategies
  - Organizational factors are essential for every security measure or security strategy performed in an organization
- Security and risk management methodologies explicitly have to take societal factors into account

# Workshop Goals

- Presentation of **current activities** in the field of risk management
  - Based on the EU project HyRiM, SPARKS and MEDUSA
- Presentation of **novel approaches** towards risk and security assessment for utility providers
  - Technical aspects (cyber-physical security, interconnected networks, threat propagation and cascading effects, surveillance, etc.)
  - Societal aspects (threat awareness, influence of the human factor, effects on the supply chain, etc.)
- Identification of **potential future challenges and emerging threats** in the fields of risk management and risk assessment for utility providers
- Building **awareness** among end users and creating an end user group



# Workshop Agenda

- 10:00 – 10:15** Welcome and introduction to risk management for utility providers  
*Dr Stefan Schauer, AIT Austrian Institute of Technology*
- 10:15 – 11:15** Interpreting, Preempting and Misunderstandings of Risk  
*Dr David Lund, HW Communications Ltd (UK)*
- 11:15 – 11:45** Coffee break and networking
- 11:45 – 13:15** The HyRiM Project: A Short Introduction  
*Dr Stefan Schauer, AIT Austrian Institute of Technology (AT)*
- Threat Awareness for Critical Infrastructures  
*Dr Antonios Gouglidis, Lancaster University (UK)*
- Mathematical Models for Risk Assessment in Utility Networks  
*Dr Sandra König, AIT Austrian Institute of Technology (AT)*

# Workshop Agenda

- 11:45 – 13:15** Using Vulnerable Hosts to Assess Cyber Security Risk in Critical Infrastructures  
*Xiaobing He, University of Passau (DE)*
- 13:15 – 14:15** Lunch break
- 14:15 – 15:05** Human and Organisational Aspects in Critical Infrastructures  
*Dr Mark Rouncefield, Lancaster University (UK)*
- Smartphone-based surveillance  
*Ali Alshawish, University of Passau (DE)*
- 15:05 – 15:45** The SPARKS Project: A Short Introduction  
*Dr Paul Smith, AIT Austrian Institute of Technology (AT)*
- Structured Threat Analysis for the Smart Grid  
*Dr Martin Hutle, Fraunhofer AISEC (DE)*

# Workshop Agenda

- 15:45 – 16:15** MEDUSA tool for assessing physical and cyber risks in ports' supply chains  
*Spyros Papastergiou, University of Piraeus (GR)*
- 16:15 – 16:45** Coffee break and networking
- 16:45 – 17:45** Panel Discussion:  
“Major Challenges and Emerging Trends for Utility Providers”  
*Dr David Lund, HW Communications Ltd (UK)*  
*Prof Hermann de Meer, University of Passau (DE)*  
*Alma Solar, CEA - Cooperativa Elèctrica d' Alginet (SP)*  
*Karl Rossegger, Linz AG (AT)*
- 17:45 – 18:00** Concluding Remarks and Future Engagement Opportunities
- 18:00** Networking dinner



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