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ARIZONA CORPORATION COMMISSION
OFFICE OF COMMISSIONER LEA MÁRQUEZ PETERSON

August 28, 2020

**RE: Generic Investigation into Cyber Threats to Critical Infrastructure and Data
(Docket No. ACC-00000A-20-0008)**

Chairman Burns and Arizona Public Service Company,

As we work to shore Arizona's critical infrastructure from physical and cyber attacks, I write to voice concerns regarding a series of events that took place at Palo Verde Nuclear Generating Station last September and respectfully request an opportunity to discuss the incident at the next available Open Meeting.

Recently, I read a few articles that described two consecutive nights where multiple unmanned drones flew over secure and sensitive areas of Palo Verde Nuclear Generating Station. Specifically, on the night of September 29, 2019, there were "report[s] that a number of drones were flying over around a restricted area near the nuclear power plant's Unit 3," and on the night of September 30, 2019, "four drones were observed" flying in and around sensitive and secure areas.¹

Because of concerns of "adversarial attack," I was pleased to read that "officials at the plant were working [with] resident NRC personnel, as well as local law enforcement, the FBI, [Homeland Security], and the Federal Aviation Administration" to investigate the situation.² I was also pleased to read that "the potential for damage from a drone is small compared with natural hazards that the plants were built to handle."³ However, I wanted to express my concerns regarding these events in relation to the public health and safety of Arizonans, our critical infrastructure, and any potential cyber threat.

As you know, the Palo Verde Nuclear Generating Station is the nation's largest nuclear power plant, which provides over 32 million megawatt-hours of baseload power a year to over 4 million people⁴ across Arizona, California, New Mexico, and Texas.⁵ For Arizona, Palo Verde Nuclear Generating Station

¹ Tyler Rogoway & Joseph Trevithick, *The Night A Mysterious Drone Swarm Descended On Palo Verde Nuclear Power Plant - The Drive, The Drive* (2020), <https://www.thedrive.com/the-war-zone/34800/the-night-a-drone-swarm-descended-on-palo-verde-nuclear-power-plant> (last visited Aug 7, 2020).

² Tyler Rogoway & Joseph Trevithick, *The Night A Mysterious Drone Swarm Descended On Palo Verde Nuclear Power Plant - The Drive, The Drive* (2020), <https://www.thedrive.com/the-war-zone/34800/the-night-a-drone-swarm-descended-on-palo-verde-nuclear-power-plant> (last visited Aug 7, 2020).

³ Rudy Rivas, *Report: FBI contacted after mysterious drones fly over Palo Verde for two nights | Arizona News | azfamily.com*, AZ Family (2020), https://www.azfamily.com/news/report-fbi-contacted-after-mysterious-drones-fly-over-palo-verde-for-two-nights/article_007d0444-d361-11ea-b69b-f75c4189d5ec.html?_twitter_impression=true (last visited Aug 7, 2020).

⁴ Rudy Rivas, *Report: FBI contacted after mysterious drones fly over Palo Verde for two nights | Arizona News | azfamily.com*, AZ Family (2020), https://www.azfamily.com/news/report-fbi-contacted-after-mysterious-drones-fly-over-palo-verde-for-two-nights/article_007d0444-d361-11ea-b69b-f75c4189d5ec.html?_twitter_impression=true (last visited Aug 7, 2020).

⁵ Ryan Randazzo, *Arizona clean-energy ballot measure could close Palo Verde nuclear plant (2018)*, <https://www.azcentral.com/story/money/business/energy/2018/04/12/palo-verde-nuclear-plant-could-close-if-renewable-energy-measure-passes-aps-says/491088002/> (last visited Aug 7, 2020).



also represents our state's largest clean air generator, which provides more than 70% of our state's carbon-free energy.⁶

Regarding articles mentioned above, I have a few outstanding questions.

First is whether Corporation Commission officials were notified of the incident after it had occurred; and, if not, then why. In June of last year, I voiced concerns regarding situations where "it is the media," "rather than our own Staff," who informs members of the Commission about issues regarding public health and safety.⁷ The articles represent the first time I have heard of the incident. This is concerning because, as public utility commissioners, we have a duty to ensure incidents at our state's largest power plants don't jeopardize the comfort, convenience, health, and safety of customers and employees.

Second is a general report of the incident and information regarding what happened on those nights. What was the drones' purpose for being there? Who was operating the drones? Was the drones' operator found after the incident? And what was the severity of the threat?

Third is a status update on the progress of all stakeholders involved to continue protecting our state and national interests in the power plant. It is my understanding that DOE is working to get the power plant's airspace protected under FAA regulations. What is the status of this initiative? Knowing that drones are becoming popular among recreation and militaries alike, what aerial security protections are currently being used at the plant and at our other critical energy sites?

I respectfully ask Chairman Burns to include this item on a future Open Meeting Agenda so the Commissioners, Staff, and APS can discuss this incident.

In coordination, I ask Arizona Public Service Company as the owner and operator of the plant to bring forward any information they have about this event and describe to the Commission what is being done in order to ensure the security of our critical infrastructure.

Thank you,

A handwritten signature in blue ink that reads "Lea Márquez Peterson".

Lea Márquez Peterson

Commissioner



⁶ Victoria Harker & Graham Bosch-Chamber Business News, *Palo Verde — inside the nation's largest nuclear power plant*, AZ Big Media (2019), <https://azbigmedia.com/business/palo-verde-inside-the-nations-largest-nuclear-power-plant/> (last visited Aug 7, 2020).

⁷ Commissioner Lea Marquez Peterson-Arizona Corporation Commission, *Correspondence from Commissioner Lea Marquez Peterson*, (Jun. 28, 2019) (referring to knowledge of the death of an APS customer and to the number of utility disconnects that had occurred in 2018).