The Securities and Exchange Commission announced on Sunday that it and other regulators would begin examining rumor-spreading intended to manipulate securities prices. The timing of the announcement was meant to warn broker-dealers, hedge funds, and investment advisers to quell any spreading of rumors before trading started Monday. (See item 11)

A new study commissioned by the World Wildlife Fund and conducted by scientists from the U.S. Forest Service says global warming and population growth threaten the Southeast’s already precarious water supplies by fueling more extreme weather and degrading water quality. (See item 29)

---

**DHS Daily Open Source Infrastructure Report Fast Jump**

**Production Industries:** Energy; Chemical; Nuclear Reactors, Materials and Waste; Defense Industrial Base; Dams

**Service Industries:** Banking and Finance; Transportation; Postal and Shipping; Information Technology; Communications; Commercial Facilities

**Sustenance and Health:** Agriculture and Food; Water; Public Health and Healthcare

**Federal and State:** Government Facilities; Emergency Services; National Monuments and Icons

---

**Energy Sector**

- **Current Electricity Sector Threat Alert Levels:** Physical: ELEVATED, Cyber: ELEVATED


1. **July 14, Bloomberg** – (International) **Crude oil falls as dollar’s rise cuts appeal of commodities.** Crude oil fell as the dollar climbed against the euro, reducing the appeal of commodities as a currency hedge for investors. Crude oil for August delivery fell 62 cents, or 0.4 percent, to $144.46 a barrel at 11:22 a.m. on the New York Mercantile Exchange. Futures reached a record $147.27 a barrel on July 11 and have risen 96 percent in the past year. Earlier, oil touched $146.37 a barrel, amid concern that supplies from Brazil may be disrupted. Employees of Petroleo Brasileiro SA, Brazil’s state-
controlled oil company, began a five-day labor action Monday in the Campos Basin, the source of about 82 percent of Brazil’s output of 1.8 million barrels a day. A strike would have “a pretty meaningful impact, especially given that it’s a source of crude from the Western Hemisphere from a regime that has a fairly friendly relationship with us,” said an analyst at Natixis Bleichroeder Inc. in Houston. Petrobras has lost about 400,000 barrels a day of output because of the strike, the country’s main oil union said Monday. Petrobras exports some of the heavy crude oil from Campos because its refineries are not fully equipped to handle the heavy grades. Sunday, the company sought and won an injunction from a Brazilian labor court preventing strikers from taking control of platforms or preventing management from doing necessary work to maintain platforms and the integrity of wells during the strike.

Source: http://www.bloomberg.com/apps/news?pid=20601072&sid=az6hO_sVXMgU&refer=energy

2. **July 14, Associated Press – (National) Bush calls on Congress to lift oil drilling ban.** Putting pressure on congressional Democrats to back more exploration for oil, President Bush Monday called on Congress to join him in lifting a ban on offshore drilling that has stood since his father was president. There are two prohibitions on offshore drilling, one imposed by Congress and another by executive order signed by the first President Bush in 1990. The current president, trying to ease market tensions and boost supply, called last month for Congress to lift its prohibition before he did so himself. “Now the ball is squarely in Congress’ court,” Bush said in a statement in the Rose Garden. Bush says offshore drilling could yield up to 18 billion barrels of oil over time, although it would take years for production to start. Bush also says offshore drilling would take pressure off prices over time. In addition, the president has proposed opening the Arctic National Wildlife Refuge for drilling, lifting restrictions on oil shale leasing in the Green River Basin of Colorado, Utah, and Wyoming, and easing the regulatory process to expand oil refining capacity.

Source: http://www.msnbc.msn.com/id/25674571/

3. **July 13, Associated Press – (National) Governors talk of moving beyond corn-based ethanol.** Governors from West Virginia to Iowa talked Sunday at their summer meeting about moving beyond ethanol produced just from food sources. They sometimes have different priorities in reaching this conclusion – priorities that can be as simple as who grows corn and who feeds it to livestock. They are also not talking about replacement so much as supplementing: using switchgrass or wood waste products, for example, along with corn. The conversation – including an energy forum Sunday – has big implications. The nation has 134 ethanol plants in 26 states with 77 more under construction or expanding, according to the Renewable Fuels Association. This year’s corn crop, expected to be a record, is worth about $52 billion. “Corn-based and commodities-based ethanol for states like Minnesota has been a success story,” said the state’s governor. “But we recognize that this has to now move to phase two,” he said. The current buzz is cellulosic ethanol, or ethanol made from plant matter. Michigan’s governor pitched the idea Sunday of using more wood products because of the large number of forests in her state. Iowa’s governor said he welcomed the debate as a way to reduce the country’s
dependence on foreign oil. But he said that “you can’t get to cellulosic ethanol until you do ethanol first.” He pointed to the construction of a plant in Emmetsburg, Iowa, by ethanol maker Poet where the company hopes to produce cellulosic ethanol on a large scale. Minnesota’s governor says biofuels will be a big part of the nation’s energy future, but the type of biofuels will evolve and change.


Chemical Industry Sector

4. July 11, Occupational Health & Safety – (Texas) Report calls on petroleum industry to develop improved safety practices. A massive fire that injured four workers and caused the total shutdown and evacuation of the Valero McKee Refinery in Sunray, Texas, in February 2007 likely occurred after water leaked through a valve, froze, and cracked an out-of-service section of piping, causing a release of high-pressure liquid propane, the U.S. Chemical Safety Board (CSB) stated in a final investigation report. The CSB’s final report concluded the root causes of the accident were that the refinery did not have an effective program to identify and freeze-protect piping and equipment that was out of service or infrequently used; that the refinery did not apply the company’s policies on emergency isolation valves to control fires; and that current industry and company standards do not recommend sufficient fireproofing of structural steel against jet fires. The CSB made recommendations to the American Petroleum Institute (API), a leading oil industry trade association that develops safety practices that are widely followed in the U.S. and overseas. The report also called on Valero Energy Corporation, the nation’s largest refiner, to improve freeze protection, fireproofing, hazard analysis, and emergency isolation procedures at its 17 North American refineries. Source: http://www.ohsonline.com/articles/65303/

Nuclear Reactors, Materials, and Waste Sector

5. July 14, Reuters – (New York) Entergy reduces NY Fitzpatrick reactor for work. Entergy Corp. reduced the Fitzpatrick nuclear power station to about 55 percent power to work on a feedwater pump seal, a spokesman for the company said Monday. He said the unit would return to full power after workers make the repairs. Electricity traders guessed that would be in the next few days or so. Source: http://www.reuters.com/article/marketsNews/idUSN1443202320080714

6. July 14, Associated Press – (Colorado) NIST gets black eye over plutonium spill. An internal investigation found that sloppy safety procedures and poor training and response contributed to the mishandling of a plutonium spill at the federal National Institute of Standards and Technology (NIST) lab last month. An investigation by experts found that the vial probably cracked while three scientists were performing an experiment
involving a spectroscopy system used to detect radiation. One of the scientists, a visiting researcher from India, then washed his hands in the sink, sending a small amount of the plutonium down the drain into Boulder’s public sewer system. The researcher also left the lab with a contaminated notebook. Other researchers who entered and left the lab in the meantime were also exposed. Even though the use of radioactive materials has increased over the years, the investigation found there were no procedures for handling plutonium or a plutonium spill. One of the experts, a retired supervisory health physicist, said he would not describe what happened as an accident. “It was the inevitable (or at least highly likely) and foreseeable end result” of problems in the lab, said the expert, who worked at the lab for 21 years. “These researchers are highly intelligent. Ignorance should not be an issue but certainly it was in this incident.”


7. **July 13, U.S. Nuclear Regulatory Commission** – (Vermont) **NRC sends specialists to Vermont Yankee to review cooling tower leak.** The U.S. Nuclear Regulatory Commission (NRC) launched a special inspection Sunday into the circumstances surrounding Friday’s leak in one of the cooling towers at the Vermont Yankee nuclear power plant, sending structural specialists to the plant. The inspectors will begin work at the site Monday. On Friday, July 11, plant operator Entergy informed the NRC that plant personnel discovered a pipe joint leaking an estimated 60 gallons per minute in a non-safety-related cooling cell in the east cooling tower. The leak occurred when the supply header, which carries 90,000 gallons per minute of water, sagged after the underlying horizontal support beam broke away from the vertical column to which it was bolted. Minor cracks were also found to supporting members on two of the west cooling tower cells, including one that sustained a pipe break and partial collapse last August. The company reduced power to ensure the plant met Vermont cooling water discharge temperature limits for water being returned to the Connecticut River. The safety-related cell was not affected. Entergy’s initial review indicates Friday’s leak does not share the same cause as the August 2007 cooling tower collapse, which was attributed to degradation of the wood in the cooling tower. The plant owner is conducting a root cause analysis of the problem.


8. **July 12, Huntsville Times** – (Alabama) **Browns Ferry Unit 3 shut down after leak.** The Unit 3 reactor at the Browns Ferry Nuclear Plant was shut down around 1 a.m. Friday following a steam leak that could not be repaired with the unit running. The leak involved a steam jet air injector that controls pressure for steam entering the turbine and did not involve radioactive steam, said a Browns Ferry spokesman. He said the repair had been planned, but there was too much steam in the small area where the leak originated for workers to find the source, so TVA decided to shut down the reactor. He said TVA expects a fairly quick turnaround for the repair and return of Unit 3 to service.

Defense Industrial Base Sector

9. *July 13, Military & Aerospace Electronics* – (National) **ITT to supply multi-spectral imaging capability to Army’s night-vision goggles.** The ITT Corp. Night Vision segment in Roanoke, Virginia, is supplying the U.S. Army with the AN/PSQ-20 multispectral enhanced night vision goggle – a helmet-mounted night-vision monocular that combines image intensification and infrared (IR) technologies. The monocular uses image intensification for target identification and IR for target detection. Source: http://mac.pennnet.com/Articles/Article_Display.cfm?Section=ONEWS&PUBLICATION_ID=32&ARTICLE_ID=334212&C=ONEWS&dcmp=rss

Banking and Finance Sector

10. *July 13, USA Today* – (National) **Banks at risk of failing almost double since 2006.** Rising losses from bad mortgages and low capital levels are threatening the viability of a small, but growing, number of U.S. banks. The Federal Deposit Insurance Corp. says 90 institutions, about one percent of those it insures, are on its list of “problem banks” at greater risk of failing. That is up from 50 at the end of 2006. On Friday, IndyMac, a mortgage lender with $32 billion in assets, became the fourth-largest financial institution to be taken over by regulators, based on inflation-adjusted assets. The entire banking system is under “an increasing and very high level of stress,” says a chief economist at Moody’s Economy.com. At the end of March, real estate loans that were delinquent or in default accounted for 25 percent of banks’ available capital to cover such losses, he says. By comparison, troubled loans made up less than 10 percent of banks’ capital from 1995 through 2005. Source: http://www.usatoday.com/money/industries/banking/2008-07-11-indymac-shut-down_N.htm?loc=interstitialskip

11. *July 13, New York Times* – (National) **S.E.C. warns Wall Street: Stop spreading the false rumors.** The Securities and Exchange Commission announced on Sunday that it and other regulators would begin examining rumor-spreading intended to manipulate securities prices. The timing of the announcement, made before the markets opened in Asia, was meant to warn broker-dealers, hedge funds and investment advisers to quell any spreading of rumors before trading started Monday. “Traders know there is false information in the market. They need to think twice if they are going to pass it on,” said the director of the S.E.C.’s Office of Compliance Inspections and Examinations. The examinations are expected to begin Monday and will focus on what policies firms have in place to prevent the passing of false information. These examinations will focus on compliance and supervisory policies. In addition, continuing investigations will look at potential wrongdoing. The intent is to stop malicious rumors without hampering the natural exchange of information in the marketplace. Lehman Brothers, for example, faced rumors last week that two major clients had stopped doing business with the firm. Lehman’s stock dived almost 20 percent before recovering somewhat as both clients
denied the rumors.
Source: http://biz.yahoo.com/nytimes/080713/1194794604121.html?v=1

12. **July 13, San Francisco Chronicle** – (National) **Lender can tap accounts if debt payments lapse.** Banks, credit unions and other financial institutions commonly exercise their legal right to appropriate money from a borrower’s checking, savings or other accounts to settle outstanding debts. If an overdue borrower has funds on deposit, the lender can get its hands on that money without going through the trouble of getting a court order. As the economy has turned sour and more borrowers have fallen behind, lenders have apparently stepped up their use of offsets to collect overdue loans. Consumer complaints and inquiries about offsets filed with the Office of the Comptroller of the Currency, the agency that regulates nationally chartered banks such as Bank of America and Wells Fargo, ballooned to 576 in the first half of 2008 from 151 such cases in the first half of 2007, according to a spokesman. Federal banking regulations prohibit unilateral offsets with consumer credit cards and other personal loans, said an attorney with Morrison & Foerster in San Francisco. But lenders get around that by putting language in consumer loan agreements giving them permission to draw on delinquent borrowers’ other accounts. Few consumers read the fine print that spells out a lender’s right to seize funds. But lawyers and credit counselors are well aware of the practice. They say lenders rarely take funds from accounts when they have collateral. When a mortgage borrower falls behind, the remedy is foreclosure. When a customer fails to repay an auto loan, the lender repossesses the vehicle. Lenders draw on other accounts most often when there is no other asset they can seize.
Source: http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/07/12/BUS411LMH3.DTL

13. **July 12, BaltimoreNews.net** – (National) **Large oil company charged with fraud.** The Texas-based El Paso Corporation, a major energy firm, has been charged with fraud for improperly overstating its oil and gas reserves to investors. Misleading financial statements from 1999 to 2003 caught the eye of the US Securities and Exchange Commission (SEC) because El Paso had inflated the company’s proved oil and gas reserves. The company has agreed to settle the SEC’s civil legal action. El Paso owns North America’s largest natural gas pipeline network which transports over a quarter of the natural gas used in the United States every day.
Source: http://www.baltimorenews.net/story/381442

14. **July 11, Associated Press** – (Missouri) **Mortgage chief charged with $35 million fraud.** The former president of First Bank Mortgage in St. Louis is facing federal fraud charges for allegedly funneling $35 million from the bank over nearly two decades. A U.S. Attorney says that over the years, the suspect falsified bank documents to hide the loss. She says he also borrowed money from Bear Stearns in New York to provide cash to his division, then told his bosses the borrowed money was actually income.
Source: http://www.businessweek.com/ap/financialnews/D91RP1381.htm

[Return to top]
Transportation Sector

15. **July 14, Associated Press** – (International) **5 men plead guilty in trans Atlantic airline plot.** Five men accused of plotting to detonate liquid explosives on board trans-Atlantic passenger jets have pleaded guilty to lesser offenses but maintain they never intended to destroy airliners, a jury was told Monday. Prosecutors say they were close to carrying out their plan when they were arrested in August 2006 and that they had created “martyrdom” videos to be shown after the suicide-bombings were carried out. The officials say the men planned to strike at the height of the summer vacation season and that they had gathered vast quantities of hydrogen peroxide for use as explosives. Although they had not yet been able to create a viable bomb, prosecutors maintain the attacks were not far off when the men were arrested. The defendants allegedly identified seven flights from Heathrow airport to Chicago, New York, San Francisco, Washington, District of Columbia, Toronto and Montreal, although prosecutors say no specific date had been selected.


16. **July 14, WFAA 8 Dallas** – (Texas) **D/FW emergency landing shakes up passengers.** Just minutes after an American Airlines jet took off from a Dallas-Fort Worth International Airport runway Sunday, pilots were forced to make an emergency landing. Firefighters were called to inspect the jet at the gate after Flight 808, which was heading to Washington Dulles, returned to D/FW because of mechanical problems. Pilots originally believed there was an engine fire on the plane that was carrying 130 passengers. The whole incident turned out to be a false alarm. Eventually, inspectors discovered there was a problem with the plane’s engine indicator light. The MD-80 jet has been taken out of service.


17. **July 13, SWTexaslive.com** – (Texas) **Fourth of July airport security breach begs question: How did this happen?** Only minutes before midnight on the Fourth of July an unidentified motorcyclist entered the fenced grounds of Del Rio International Airport (DRT) for a ride. A Border Patrol pilot spotted the biker from the agency’s flightline facilities, and immediately notified the airport’s director. A police officer noted that the driver “Possibly had access code.” According to the airport official, DRT has five vehicle access entry gates, each opened with keypad combinations that are changed every six to nine months. But upwards of 60 people have access to the combinations in use at any time.

Source: [http://www.swtexaslive.com/node/7120](http://www.swtexaslive.com/node/7120)

18. **July 13, Associated Press** – (Minnesota) **Report: St. Cloud Bridge could have been repaired.** Minnesota State transportation officials are replacing a St. Cloud bridge even though engineers believed a repair to strengthen its steel plates would be adequate in the
short run, the St. Cloud Times reported on Sunday. The DeSoto Bridge shares the same design as the Minneapolis bridge that fell on August 1, and like other Minnesota bridges it was re-inspected after the collapse. On March 20 the bridge was hastily closed after inspectors found that four of the steel plates that help hold the bridge together had bowed by about a quarter inch. The same so-called “gusset plates” are blamed in part for the collapse of the Minneapolis bridge. A few days later, an engineering firm hired by MnDOT to inspect the gusset plates determined that the bowing probably stemmed from a problem with the original design, not any changes to the bridge’s load. The report by Wiss Janney Elstner Associates stated that the distorted plates are likely due to “original fit up issues,” such as mismatched pieces of different thicknesses. The firm said the gusset plates are adequately sized and have “sufficient strength” to carry current bridge loads, which were about half that of the I-35W bridge before it collapsed. The mayor and a state engineer said the city’s push to build a new bridge rather than repair DeSoto was a significant factor in MnDOT’s decision to replace it.


19. July 13, WEEK 25 East Peoria – (Illinois) Morton couple talks about bridge collapse. Rushing waters from heavy rains caused a bridge to collapse sending two Morton, Illinois, residents and their car head first into a waterway in Menard County. It happened around 3:40 Saturday morning. Other roads in Menard County are now closed do to Saturday morning’s storm. Police encourage drivers to not get behind the wheel during times of such heavy rainfall and flash flooding.


20. July 12, Associated Press – (New York) Second near collision at JFK prompts changes. Two airborne planes — one landing and the other taking off — came within a half-mile of colliding at John F. Kennedy International Airport on Friday in the second such incident at the airport in a week, the Federal Aviation Administration (FAA) said. An FAA spokeswoman said a Delta Flight 123 was arriving at the airport Friday when the pilot decided to abort his landing and execute a “go-around” — a routine procedure often used during heavy congestion. That caused the Delta flight to intersect with the flight path of Comair Flight 1520, a regional jet that was taking off on another runway. The FAA ordered new procedures Friday afternoon to change the way takeoffs and landings on perpendicular runways are sequenced, the official said in an interview with the Associated Press. The new procedures are designed to ensure “that aircraft of one runway clear out of the path of the other runway before the second flight comes down on the other runway,” she said.

Source: http://ap.google.com/article/ALeqM5iiAjlTEJW4S1Jh624EFK-cLPspGQD91S9PK80

21. July 12, Caller-Times – (Texas) Officials set up buffer zone after ship’s leak. A one-mile safety zone surrounded the vessel Venusgas most of Friday, a day after Coast Guard personnel discovered it had released cancer-causing vinyl chloride monomer. Coast Guard investigators are looking into why air monitor alarms onboard the vessel
and near Occidental Chemical Corp.’s plant in Ingleside, Texas, where it was loading the gas, did not sound. A crew ventilated the ship Friday and there should be no impact to the outlying community, Coastal Guard officials said. The buffer zone around the ship will remain in place until the Coast Guard determines it is safe for a team to look for the leak and plug it, said Corpus Christi’s sector commander. He said the ship will remain docked at Occidental’s pier until it is safe to transport the gas. About 30 people sought medical attention, including two members of the Coast Guard, the official said. The others treated were aboard the leaking ship.


---

**Postal and Shipping Sector**

22. **July 12, KXAN 36 Austin** – (Texas) **IRS building evacuated after suspicious package found.** Crews had to evacuate a room at the “Internal Revenue Service” Complex in south Austin on Saturday, after a worker opened an envelope with a suspicious, powdery substance. But the initial analysis on the scene showed that the substance was not harmful and none of the employees were hurt. The workers packaged the envelope back up after finding the mysterious substance and then called police. Police, firefighters, EMS, and the bomb squad responded to the building, secured the package, and ran tests on the scene. Austin Police Department officials say the substance tested negative for any dangerous, poisonous, or explosive materials. Although the material tested negative on the scene, they are still sending the package to a lab for further analysis.


23. **July 11, Courier News** – (Illinois) **Feds offer reward for mailbox pipe bombs.** The U.S. Postal Inspection Service is offering a reward of up to $100,000 for information about who set off pipe bombs in two residential mailboxes last month in rural West Dundee. The incidents occurred on two consecutive days – on June 15 and 16, according to the postal service. The Kane County Sheriff’s Department bomb squad was called to both locations after the mailboxes exploded. The public information officer with the Chicago division of the U.S. Postal Inspection Service said the bombs – which have been described as improvised explosive devices – had fuses and were placed in the mailboxes, not sent through the mail. There were no injuries reported. Postal inspectors – along with personnel from the Kane County bomb squad and the U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives – are still investigating the bombings.

Source: [http://www.suburbanchicagonews.com/couriernews/news/1050882,3_1_EL11_A1REWARD_S1.article](http://www.suburbanchicagonews.com/couriernews/news/1050882,3_1_EL11_A1REWARD_S1.article)

---

**Agriculture and Food Sector**

24. **July 14, EmpireStateNews.net** – (New York) **20,000 farms enrolled in state animal ID**
The New York State Agriculture commissioner announced that more than 20,000 New York farms have enrolled in the New York State Animal Health Identification System, a program that will help protect the state’s livestock industry in the event of an emergency. The New York Animal Health Information System provides producers and animal health officials with the infrastructure needed to not only respond to animal disease outbreaks, but also improves disease eradication and control efforts, reduces the impact of possible deliberate disease introductions, and helps protect the state’s animal health certification status. Animal identification is also useful in non-disease emergencies, such as floods, ice storms, or fires. Possessing key information about farms and livestock owners in advance of an emergency helps authorities to direct appropriate resources, and saves valuable time that can result in the life or death of an animal.

Source: [http://www.empirestatenews.net/News/20080714-8.html](http://www.empirestatenews.net/News/20080714-8.html)

**25. July 12, Associated Press – (National) TB testing.** North Dakota’s Board of Animal Health has expanded restrictions on imports of California and New Mexico livestock in response to confirmed cases of bovine tuberculosis in those states. North Dakota’s state veterinarian said the move is aimed at helping preserve North Dakota’s status as a TB-free state. All beef cattle, bison, and goats six months or older, except castrated males and spayed females must test negative for TB within 60 days prior to entering North Dakota from California or New Mexico. Animals that originate from accredited TB-free herds need not be individually tested, but must be individually identified on a health certificate and have an entry permit prior to crossing the North Dakota border. The new rules take effect Monday, July 14.


**26. July 11, Associated Press – (National) USDA to name retailers during meat recalls.** Consumers may be told if their local grocery store received tainted meat during a recall under a new policy announced Friday by the U.S. Department of Agriculture (USDA). The planned rule change comes in the wake of the nation’s biggest-ever beef recall — 143 million pounds from a slaughterhouse in Southern California. Under the new rule, which is expected to be published next week and take effect 30 days later, retailers’ names will be posted on the USDA Web site during so-called “Class I” meat and poultry recalls — those deemed to pose a definite public health risk. Currently when there is a meat recall, the USDA makes public the name of the establishment recalling the meat, a description of the recalled product, and any identifying brand names or product codes, but the public is not told where it is being sold. Because the new rule is limited to Class I recalls, the Southern California recall would not actually have been affected. It was classified as “Class II” because authorities determined there was minimal health risk.


**27. July 11, Associated Press – (North Carolina) Salmonella investigation focuses on NC restaurant.** Health investigators have converged on a Charlotte-area restaurant suspected of being a source of multiple salmonella illnesses, and they are analyzing the facility’s suppliers for any possible link to a national outbreak that has sickened more
than 1,000 people, officials said Friday. State food protection experts took 42 samples from the restaurant, including a variety of vegetables, fruits, and spices. By analyzing the samples and those who ate at the restaurant in the second week of June, investigators hope to identify specific connections between the food and any bacteria. None of the items taken this week from the unidentified restaurant came from North Carolina, but officials declined to further discuss their origins until tests are completed next week. The sicknesses reported from the restaurant were relatively recent compared to others during the outbreak, providing investigators with a newer caseload and a small scene to investigate. Ongoing studies by the Centers for Disease Control and Prevention (CDC), which just finished comparing 144 people who got sick in June with 287 people who live near them but did not fall ill, have so far proved inconclusive. Having a specific site in Charlotte has allowed investigators to consider a wide variety of foods that could be tainted. Looking beyond the CDCs’ top suspects of tomatoes and peppers, North Carolina labs are testing everything from onions to avocados to paprika. Six people in Charlotte’s Mecklenburg County have confirmed cases of the salmonella subtype Saintpaul that has spread across the country. In total, health officials have identified 14 people in North Carolina with that strain.

Source: http://www.fayobserver.com/article_ap?id=125957

Water Sector

28. July 13, Tampa Tribune – (Florida) **Chemicals at school’s doorstep.** A U.S. senator is expected to call on the federal government’s help in cleaning up the toxic groundwater plume of chemicals that has spread to Azalea Elementary School from the Raytheon defense plant in west St. Petersburg, Florida. The chemical plume was discovered in 1991 on a site then owned by E-Systems and later purchased by Raytheon, both defense contractors. Most area residents, though, did not find out about the contaminated groundwater until March from news reports. Raytheon’s environmental scientists have said there is no threat to public health and that the risk of developing cancer from exposure to the plume is less than one in a million. The state has asked Raytheon officials for more testing that will better define the distance and depth of the groundwater plume.

Source: http://www2.tbo.com/content/2008/jul/13/me-chemicals-at-schools-doorstep/

29. July 11, Associated Press – (National) **Warming, growth threaten Southeast’s water.** A new study says global warming and population growth threaten the Southeast’s already precarious water supplies by fueling more extreme weather and degrading water quality. The report’s summary says the changes will probably end the region’s traditionally inexpensive access to water. The study was commissioned by the World Wildlife Fund and conducted by scientists from the U.S. Forest Service. It looked at four major river basins that run through Alabama, the Carolinas, Georgia, Kentucky, Mississippi, and Tennessee. Models show that anticipated higher temperatures will generate more volatile weather, with more extreme storms, flooding, and erosion. Between those storms, hotter conditions could help dry up river flows and contribute to more severe droughts. Adding to the strain is the Southeast’s population growth, which
has led the nation in recent years. Parts of the Southeast suffered one of the worst
droughts on record last year, and conditions have only slightly improved, with much of
the region still under the government’s worst drought ratings.

Public Health and Healthcare Sector

30. July 14, Medill News Service – (Illinois) Chicago TB cases overall declines; increases
among foreign-born residents. The Chicago Department of Public Health’s soon to be
released Tuberculosis (TB) Morbidity Report for 2007 shows a downward trend in TB
cases throughout Chicago. But the proportion of cases among foreign-born Chicagoans
is growing. Of all TB cases reported in 2007, 51.4 percent occurred among foreign-born
Chicago residents, compared with 45.2 percent a year earlier. Last year, there were 20.8
cases of TB per 100,000 foreign-born residents compared with a 2006 figure of 21.1
cases per 100,000. With a rate of 8.9 cases per 100,000 people, TB occurrences in
Chicago are lower than those in New York City and Los Angeles, according to
comparable data from 2006.
Source: http://www.windycitizen.com/news/the-loop/2008/07/14/chicago-tb-cases-
overall-declines-increases-among-foreign-born-residents

31. July 13, Los Angeles Times – (California) Report raises red flag on infection control
at Burbank’s Providence hospital. An inspection last fall found ‘serious deficiencies’
that could threaten the federal funding for Burbank’s Providence medical center, which
says it is aggressively addressing the issues. On November 27, one patient had a wound
infection in her groin after an operation. Another patient had a drug-resistant form of
staphylococcus bacteria detected in his urine. Yet the hospital employee assigned to
track and prevent the spread of infections and communicable diseases was unaware that
the two patients were in the hospital, according to state inspectors working on behalf of
the U.S. Centers for Medicare and Medicaid Services. An inspection the next day
revealed other problems. Citing such problems, the state inspectors said the hospital, the
largest serving the San Fernando Valley, had “serious deficiencies,” and federal officials
said it did not meet Medicare’s standards for infection control.
Source: http://www.latimes.com/features/health/medicine/la-me-infection13-
2008jul13,0,6379001.story

of forgery, data fraud. The U.S. government has filed a complaint against India’s
largest pharmaceutical company Ranbaxy Laboratories and its U.S.-based consultant
Parexel Consulting, for forgery and concealing data. The U.S. government filed the
motion in a Maryland court for procuring relevant documents to investigate a case
against Ranbaxy. It alleges the pharma giant had tried to forge and conceal data in order
to get a favorable judgment in an ongoing investigation into the sale of sub-standard
drugs in that country. A Ranbaxy spokesperson told Indo-Asian News Service that a
motion has been filed seeking documents and no legal proceedings for prosecution had
been started. “We deny the allegations contained in the motion, but will cooperate with
the inquiry,” he said. He said the allegations of systematic fraudulent conduct about drugs manufactured in the company’s plant in India were baseless. If proved, the allegations could have a serious impact on Ranbaxy’s U.S. operations.


**Government Facilities Sector**

33. *July 14, Associated Press* – (International) **Molotov cocktail thrown at US Consulate General in Japan, no one injured.** An assailant threw a homemade firebomb into the U.S. consulate compound on the southern Japanese island of Okinawa, home to most of the American troops based in Japan, but nobody was injured in the attack, police said. The Molotov cocktail fell in the garden inside the compound and burned itself out, an Okinawan police official said. A local resident told police that a person driving a black motorbike fled the scene after the attack.


34. *July 14, Associated Press* – (National) **E-mail public documents get erased, disappear.** Laws in all but a handful of states give the public access to government e-mail. But what if that e-mail was intentionally deleted or routinely purged? This has happened in several states, including Hawaii, North Carolina, and Missouri. These and other cases raise concerns that millions of public records in the form of e-mails may be disappearing before anyone outside government can read them. Experts say e-mail archiving systems and better training for state employees will help ensure e-mail is not lost. A 50-state survey by the Associated Press of government e-mail retention earlier this year found a wide variety of laws and practices, with the vast majority of states officially treating e-mail like printed documents. But most of the states with e-mail laws allow officials to choose which ones to turn over in Freedom of Information requests and to decide on their own when e-mail records are deleted.

Source: http://news.yahoo.com/s/ap/20080714/ap_on_hi_te/tec_saving_e_mail;_ylt=Ak.ZkJJTJhha9AQQbpBvDZWsoNUE

**Emergency Services Sector**

35. *July 14, Wilmington News Journal* – (Delaware) **Mock carbon monoxide leak at UD dorm captures real-life chaos for first responders.** Fourteen fire and emergency medical services companies from Delaware, Maryland, and Pennsylvania participated in a full-scale mass-casualty disaster exercise Sunday morning at the University of Delaware (UD) to determine how to react to a suspected carbon monoxide leak in a dormitory. In the scenario a UD ambulance responds to an emergency call about a student at a dormitory on the east campus, who reported feeling dizzy and lightheaded the morning after homecoming – a call paramedics might expect after a night of
celebrating. Drill evaluators told the responding emergency medical technicians, unaware of the mock carbon monoxide leak from a faulty heater, that they were now victims, awaiting additional help. In the following hours, other ambulances and fire companies arrived at the scene, assessing the situation and reacting accordingly, setting up a chain of command and a triage unit before carrying out the dozens of volunteer victims inside. The agencies had no prior knowledge of the type of incident they would encounter. In light of recent college campus shootings, UD has implemented several new alert systems and conducts its own “tabletop” drills, where university officials brainstorm about how they would react and take action in case of fire or a shooter on campus. The UD warning system includes text message, voice, and e-mail alerts. Officials from the state, county, and other agencies evaluated the drill using Department of Homeland security guidelines.


36. July 12, WSYR Syracuse – (New York) 174th emergency drill. Multiple organizations from the Syracuse, New York, area, including members of the Air National Guard’s 174th Fighter Wing, the Department of Defense, and the American Red Cross gathered Saturday at Syracuse’s Hancock Field Saturday to run through and refine a disaster response plan in the event of an emergency. Organizers say it is important that the community understands the importance of these drills, since this system will help them in the case of a disaster situation. Five area hospitals also participated in the drill.


Information Technology

37. July 14, IDG News Service – (National) Symantec: Microsoft Access ActiveX attacks will intensify. An easy-to-use toolkit used to hack computers has now been updated to take advantage of an unpatched security vulnerability in Microsoft’s software, which could mean attacks will intensify, according to vendor Symantec. The Neosploit toolkit is one of several on the Internet that can be used by less-technical hackers to compromise machines. Symantec said it has detected on its network of Internet sensors that Neosploit can take advantage of a vulnerability revealed early last week in Microsoft’s Access database program. Microsoft has not patched the bug yet, and the company just issued its patches for the month on July 8. The vulnerability is within the Snapshot Viewer ActiveX control, which launches a viewer for Microsoft Access reports that doesn’t require running the Access software itself. The vulnerability poses a special danger since the ActiveX control is digitally signed by Microsoft, which means that people who have Internet Explorer configured to trust ActiveX controls with that designation would run it automatically if encountered on a Web page. Some of the Web pages that have already been hacked with automated SQL injection attacks earlier this year are also hosting the Microsoft Access attack, according to a Symantec researcher. The problematic viewer accompanies all supported versions of Microsoft Office Access.
Source:
http://www.pcworld.com/businesscenter/article/148355/symantec_microsoft_access_act
ivex_attacks_will_intensify.html

38. July 14, Channel Register – (International) Relay server attack tactic dupes auto-
reporting. System administrators have begun noticing a coordinated attack on servers
with open SSH ports that tries to stay under the radar by only attempting to guess a
password three times from any compromised machine. Instead of mounting an attack
form a single compromised host, hackers have worked out a means to relay a brute force
attack between multiple assault machines. An IT consultant and developer picked up on
the attack, which started around the beginning of July, when he noticed a pattern of
assaults on a small bank of dedicated Linux servers he manages. After falling victim to a
hacking attack a few months back, the developer has diligently gone through system
logs generated by DenyHosts, a security tool for SSH servers. System administrators
often run monitoring software or intrusion detection systems that detect brute force SSH
break-in attempts. But by running only three queries from each machine, that attack may
go unrecorded because it falls below the detection thresholds of security software.
Attempts to make more guesses would result in actions such as the blocking of an IP
address and record of the attack being made. The assault is aimed at breaking into Linux
systems with easily-guessable passwords rather than exploiting any particular security
vulnerability. It is not clear who is behind the assault, which appears to originate from a
botnet network of compromised Linux boxes. Over time the assault has switched from
SSH ports to targeting the “root” account on servers. The developer believes a database
is being used to coordinate the attack between a relay of bots.
Source: http://www.channelregister.co.uk/2008/07/14/brute_force_ssh_attack/

address, which was registered by one of the writers of the TV show The Simpsons prior
to the airing of a 2003 episode in which the name appeared, is now being used to
distribute a Trojan disguised as a Simpsons movie file. A malware research director at
FaceTime said that the screen name is sending auto-reply messages promising a special
exclusive episode of the show available for download. The link in the message leads to
an executable file. On launching the Trojan, the user is presented with a fake error
message followed by several real error messages and finally a blank screen. On
restarting, the user’s system will run noticeably slower and be prone to crashes. The
malicious payload includes a rootkit and remote control software which logs the user in
a botnet. The malware was traced back to Kimya, a Turkish botnet which has been
infecting machines for the past four months. The malware is currently being spread only
by that one user name, but the botnet could easily be used to launch a much larger
malware attack in the future.
Source: http://uk.news.yahoo.com/vdunet/20080714/ttc-homer-simpson-spreading-
malware-6315470.html

40. July 14, Web User – (International) Internet cafés under attack. A new piece of
malware has been spotted in China that could put internet cafés at risk from hackers and
other online criminals. Researchers at McAfee drew attention to the problem recently after spotting MachineDog circulating in China. Internet cafés are very popular in China as many people cannot afford a home PC, but slack security policies mean that they are vulnerable to attack. “One special characteristic of this malware is that it’s designed to penetrate the hard disk. This means it can infect most machines in internet bars and cafes, in some cases without too much resistance,” said a McAfee researcher. The problem is that many internet cafés do not use conventional security software, but use back-up solutions instead. If a PC picks up an infection, it is simply restored to its pre-infection state. But the Machine Dog rootkit is much more difficult to get rid of, said McAfee. “The attack is so dangerous that once it successfully loads its driver into the kernel, most hard-disk protection software will be nothing but an empty shuck, with the administrator still having no idea.”


Internet Alert Dashboard

To report cyber infrastructure incidents or to request information, please contact US−CERT at soc@us−cert.gov or visit their Website: http://www.us−cert.gov.

Information on IT information sharing and analysis can be found at the IT ISAC (Information Sharing and Analysis Center) Website: https://www.it−isac.org/.

Communications Sector

41. July 13, Associated Press – (National) Cell phone companies scramble to halt trafficking. In South Florida, New York, California, Georgia, Texas, and elsewhere, traffickers have figured out they can make big profits by purchasing thousands of low-cost phones and tweaking the software so that calls can be made on any cell network. The altered phones are then sold all over the world — costing the phone companies tens of millions of dollars. Some traffickers employ dozens of people full-time as “runners” to buy the phones at retail stores so they can later be hacked into and resold. The problem for the phone companies is that they often sell the phones at a loss, instead making their money when customers have to buy additional minutes from them — a guaranteed profit once the phone is sold. But the phone companies have no guarantee that customers will buy minutes from them after the phones are hacked or shipped to a far-off country. It is technically not illegal to unlock the software on your personal cell phone — but the companies are hoping to put a stop to traffickers that they say are siphoning away profits. Led by Miami-based TracFone Wireless Inc., makers of the low-cost prepaid cell phones are suing traffickers in federal courts around the country. One such lawsuit resulted in a criminal conviction in Houston when a man dis obeyed a court order by refusing to stop selling the phones. These phones are typically sold by traffickers for between $40 and $60 above the discounted TracFone price — and they are frequently marketed in lots of 10,000 or more. Web sites catering to these dealers boast about having huge numbers of unlocked cell phones. TracFone has filed 39 lawsuits in recent months — more than half of them in South Florida — seeking to stop
companies and individuals from trafficking in its phones. Similar lawsuits have been filed by AT&T, Nokia Corp., Virgin Mobile USA Inc., and Motorola Inc.
Source: 
http://news.yahoo.com/s/ap/20080713/ap_on_re_us/cell_phone_trafficking;_ylt=Ag2aYCO9BQ3DLwd.eUGOS9es0NUE

42. July 12, Associated Press – (National) **FCC chief hopes Comcast sanction serves as warning.** A recommendation to punish Comcast Corp. for blocking subscribers’ Internet traffic should serve as a warning to other service providers, the nation’s top telecommunications regulator said Friday. The Chairman of the Federal Communications Commission (FCC) chairman said he hopes his action will make network operators sensitive about putting “arbitrary limits on the way consumers can access information on the Internet.” The Associated Press reported Thursday night that he will recommend to his fellow commissioners that Comcast, the nation’s largest cable company, be punished for violating agency principles that guarantee customers open access to the Internet. Comcast was accused by consumer groups of blocking “peer-to-peer” Internet traffic, where users share large data files using special software. The complaint followed an AP investigation in October. Comcast denies it blocks content, but says it uses “carefully limited measures” to manage traffic on its broadband network to ensure all customers receive quality service.
Source: http://ap.google.com/article/ALeqM5huAOgy6g1S5wW-7ft0FRu1ypdzLQD91RTNT02

---

**Commercial Facilities Sector**

43. July 12, KTVN 2 Reno – (Nevada) **Man arrested in bomb scare in Northwest Reno.** A man is in custody, after a bomb scare in northwest Reno on Saturday afternoon. Reno police say a man walked up to an armored vehicle that was parked in the Savemart Shopping Center. Police say the man tried to rob the vehicle with what appeared to be an explosive device. The armed security guards with the vehicle held the man at gunpoint until police arrived and arrested the suspect. The bomb squad arrived and detonated the alleged bomb with a water cannon. It turned out to be what is described as an “electronic device.”

---

**National Monuments & Icons Sector**

Nothing to report
Dams Sector

44. July 14, Summit Daily News – (Colorado) **Dillon Dam: Target for terror?** Although probability of an attack on Dillon Dam is debatable, experts say there is no question that devastation following a dam failure would be catastrophic, ravaging the community and permanently altering a wide geography. This was among the concerns that led officials with the Denver Water Board to close the Dam Road abruptly last Tuesday after receiving undisclosed information about the dam’s security. Some experts believe that it would be difficult if not impossible to destroy the dam, and it was designed to withstand events such as earthquakes. A blast atop the structure could lead to complete dam failure in a few hours by allowing water to gush through the upper part of the dam and rapidly erode the rest of the clay, sand, and gravel structure, said an engineering professor at the University of Colorado in Boulder.