The infrastructure that provides electricity to homes and businesses throughout the country is nearing the breaking point because of increased energy demands, and it remains vulnerable to cyber and terrorist attacks. (See item 2)

European terrorists are trying to enter the U.S. with European Union passports. In addition, terrorists could use small boats or private aircraft sneak radiological material into the country. (See item 14)

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**Energy Sector**

1. **July 18, Bloomberg** – (International) *Chevron says Nigeria’s Pennington oil output starting gradually*. Chevron Corp., the second-largest U.S. oil producer, said it is gradually resuming oil production from Nigeria’s Pennington field, shut more than a year ago following a militant attack. “We have started a gradual re-entry program for production at the Pennington facilities, which was shut in May 2007,” a Chevron spokeswoman said. Production of Pennington crude was stopped in May 2007 following an attack by militants. Output from the fields which supply the blend is normally about 20,000 barrels a day, according to Chevron’s Web site. Militant attacks on oil installations and pipelines have cut Nigeria’s crude production by as much as 20 percent since 2006. The nation, which was Africa’s biggest producer until this year, typically
pumps the light, sweet variety of oil favored by U.S. refiners for the amount of gasoline it produces.
Source: http://www.bloomberg.com/apps/news?pid=20601072&sid=aSoYOk2EIWxc&refer=energy

2. July 17, Martinsburg Journal – (National) **Electrical infrastructure faces crisis, experts say.** The infrastructure that provides electricity to homes and businesses throughout the country is nearing the breaking point because of increased energy demands, and it remains vulnerable to cyber and terrorist attacks, according to industry and homeland security experts who gathered Wednesday at a forum in Shepherdstown to discuss the need for an improved electric transmission infrastructure system in West Virginia and the Mid-Atlantic region. “If we want to continue to meet our current and future electricity requirements reliably, we’ve got to expand our electricity infrastructure,” said a spokesperson for the Edison Electrical Institute (EEI), who previously served as chief of staff for the Federal Energy Regulatory Commission. A vice president at EEI said people have to understand that the nation is not just facing a gasoline crisis, but a full-fledged energy crisis. Government estimates speculate that the country will see a 30 percent increase in the demand over the next few decades. “The biggest issue that we face in addition to trying to build this infrastructure is the rising cost of doing it,” he said. PJM Interconnections has determined that major transmission expansions are needed to resolve numerous reliability concerns in the coming years. The grid also faces threats from attacks and natural disasters. “The grid is an easy target,” said the president of Global Homeland Security Advisors and former assistant deputy undersecretary for the U.S. Department of Defense. “What’s the bottom line here? The grid is brittle, it is centralized. We all know here the capacity is strained, and it’s largely unprotected from physical attack,” he said.
Source: http://www.journal-news.net/page/content.detail/id/508583.html?nav=5006

3. July 17, Platts – (National) **Constraints, basis disruptions may emerge from gas surplus: study.** Excess natural gas supply that could build as early as 2010 in the Southeast and Gulf Coast regions of the U.S. may cause pipeline constraints and basis disruptions because capacity is not keeping up with burgeoning output from the region’s shale plays, said a Bentek Energy study released Thursday. Higher gas prices, favorable market conditions, significant cash flow, and investment capital are spurring an unprecedented increase in natural gas production activity in the unconventional Barnett and Deep Bossier shales in Texas, the Woodford Shale in Oklahoma, and Arkansas’ Fayetteville Shale, the report noted. “Over the next five years, we expect new gas-fired power generation facilities, industrial load and some residential/commercial demand to drive a modest annual 1.5% demand growth from Texas to Virginia. However, this demand growth is seriously outstripped by the 6.9% average annual supply growing projected in the Southeast/Gulf during the same period,” said Bentek’s managing director. The consequence is that pipeline capacity out of the Southeast/Gulf region will fill in less than two years. “The unmistakable conclusion is that more outbound pipeline capacity infrastructure and debottlenecking projects are needed sooner rather than later to be able to move increasing supplies out of the region into higher demand markets that
can absorb the increased gas flow,” he said.
Source:  

4. **July 17, Reuters** – (Texas) **Texas approves plan for 18,500 MW of wind power.** Texas regulators on Thursday approved a plan to lure $5 billion in new investment to build power lines to move electricity from the state’s windiest areas to power-hungry cities. Texas utility regulators advanced a plan to build transmission lines to accommodate about 18,500 megawatts of wind generation by 2012. The cost for the plan approved by the Texas Public Utility Commission in a 2-1 vote exceeds $5 billion. While the plan could add $4 a month to Texans’ power bills, regulators hope that additional wind power will reduce the state’s reliance on costly natural gas-fired power plants.
Source:  
http://www.reuters.com/article/rbssIndustryMaterialsUtilitiesNews/idUSN1732334220080717?pageNumber=1&virtualBrandChannel=0

5. **July 17, Charlotte Observer** – (North Carolina) **Duke will fight any Cliffside delay.** Duke Energy Corp. said Thursday morning it would fight any delay to its Cliffside coal-fired power plant project that an environmental group is trying to shut down. The Southern Environmental Law Center, which has fought the Rutherford County project on behalf of several groups, filed a federal lawsuit Wednesday asking a judge to halt construction. The groups say the project violates the federal Clean Air Act because of the mercury that would be emitted from the coal-fired plant’s smokestacks. Duke says its coal-fired project is state-of-the-art and would remove 90 percent of the mercury from emissions. The law center says Duke can do better and is required by the federal law to search for the best possible mercury-removal technology. “Duke Energy will fight any delay to the project, which was determined necessary by the North Carolina Utilities Commission, to serve our customers’ need for reliable, affordable, clean electricity,” the utility said in a Thursday morning press release.
Source:  

6. **July 16, WJXT 4 Jacksonville** – (National) **Despite law, JEA not allowing guns at work.** While Florida law states it is OK for residents to pack a pistol in their car, a Jacksonville utility has told its employees that bringing guns onto its property is prohibited. JEA officials said the utility company is adding its name to the list of other Florida companies that are refusing to allow employees and visitors to bring guns onto their property despite the new law. There are exceptions to the new law, and a spokesman for JEA said they qualify. Under the statute that went into effect 14 days ago, schools, correctional institutions, and businesses with combustible or explosive materials can still prohibit employees from bringing guns to work. The exemption also covers any property used for national defense or homeland security – JEA believes that includes them. JEA officials said normal operation of the sheriff’s office and fire and rescue units depend on their utilities, making their company a very valuable asset to homeland security. However, a former National Rifle Association president and other gun owners said JEA’s interpretation of the law could be considered unconstitutional. If
a gun owner files a complaint, the state’s attorney general would look into the objection. JEA said thus far their employees have been OK with the decision not to allow guns onto their property. Source: http://www.news4jax.com/news/16905707/detail.html

Chemical Industry Sector

Nothing to report

Nuclear Reactors, Materials, and Waste Sector

7. *July 18, Patriot-News* – (National) **Report doesn’t urge guards at nuclear plants’ entrances.** Federal regulators, who have done much to beef up security at commercial nuclear power plants in the last seven years, are stopping short of requiring armed guards at the front door. That decision should be left to plant owners, according to a 548-page U.S. Nuclear Regulatory Commission document that recommends several new security enhancements and would make permanent policies implemented in the aftermath of the 9/11 attacks. Among the new requirements are policies intended to protect against cyber, or computer, assaults, and aircraft attacks. Those recommendations await the approval of the commissioners of the NRC. The refusal to require guards at plant entrances disappointed the Harrisburg-area watchdog group Three Mile Island Alert, which filed the petition asking for the requirement nearly seven years ago. The group argued that an unguarded entrance could encourage an attack by giving the impression that the plants are not protected, he said. Entrance guards could also provide an early warning of suspicious activity, said a security consultant to TMI-Alert, and main author of the petition. “A prescriptive requirement for armed security personnel… may not always be the most effective approach for every licensee,” the NRC report said. Source: [http://www.pennlive.com/news/patriotnews/index.ssf?/base/news/121634520439900.xml&coll=1&thisspage=1](http://www.pennlive.com/news/patriotnews/index.ssf?/base/news/121634520439900.xml&coll=1&thisspage=1)

8. *July 17, Gannett News Service* – (National) **Man gives testimony to halt relicensing of NJ nuclear facility.** An opponent of renewing the Oyster Creek Generating Station’s license said Wednesday the U.S. Nuclear Regulatory Commission’s (NRC) relicensing and safety compliance procedures are woefully inadequate. A spokesman of the Eastern Environmental Law Center made those remarks in written testimony he provided to a subcommittee of the Senate Environment and Public Works Committee. The subcommittee held a hearing broadly on the NRC’s relicensing procedures, not Oyster Creek in particular. He said the government’s relicensing process limits public input and focuses too little on safety issues at aging plants. The NRC chairman defended the relicensing procedures. The agency insists on plants seeking a 20-year extension to
operate just as safely as they have been, the chairman said. Each relicensing application is thoroughly reviewed, and NRC staff members spend more than 10,000 hours per reactor, the chairman said, adding that the NRC is following through on improvement recommendations issued last year by the agency’s in-house watchdog, the inspector general. A U.S. senator from New Jersey also appeared at the hearing, which he requested. He released a statement in which he criticized the NRC and cited an inspector general report that said the NRC “probably” does safety analyses as part of the relicensing process.


9. **July 17, U.S. Nuclear Regulatory Commission** – (Pennsylvania) **NRC proposes $6,500 fine against Pennsylvania company for violations of NRC requirements.** The U.S. Nuclear Regulatory Commission is proposing a $6,500 fine against Precision Calibration and Testing Corporation in York, Pennsylvania, for willful violations of NRC requirements. NRC identified the violations during inspections and investigations conducted from March of 2007 through February of this year. Those violations include failure to report the company’s bankruptcy to the NRC as required; failure to implement security requirements in a timely manner; and failure to provide complete and accurate information to the NRC. While the details of these violations are being withheld because they are related to security of the facility, NRC concluded that the violations were willful. The problems associated with the violations, which did not pose a threat to public health and safety, have been appropriately addressed.


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**Defense Industrial Base Sector**

10. **July 16, Montgomery Advertiser** – (Alabama) **Internet’s effects on military discussed.** About 250 people, including civilians, contractors, and military educators, are at Maxwell Air Force Base this week to explore how modern society’s dependency on the Internet could impact future military operations. Nearly all aspects of modern life, from banking to social networking, depend on cyberspace, said the commander of Air University, who hopes the symposium will help participants understand how integral the Internet is to modern military operations. The Air Force’s cyber infrastructure is controlled by military and commercial entities and it is vulnerable to attack said commander of the Eighth Air Force and Joint Functional Component Commander for Global Strike and Integration, U.S. Strategic Command, citing the 2007 Air Force Cyber Study. Or a military installation’s computer communications network could crash from increased demand. The Air Force is in the process of establishing its newest command – Cyber Command. Currently, Maxwell-Gunter is one of 18 locations nationwide being considered as the permanent home of the new command.

Source: http://www.montgomeryadvertiser.com/apps/pbcs.dll/article?AID=/20080716/NEWS0...
11. *July 16, American Forces Press Service* – (National) **Iranian threat justifies missile defense, general says.** Iran’s launch of a missile with a 2,000-kilometer range last week is a concrete example of the threat the world faces from missile proliferation, the chief of the Missile Defense Agency (MDA) said. He said the United States is concerned specifically about the threat posed by developments North Korea and Iran are making in their missile programs. The layered missile defense strategy melds boost-phase defense, mid-course defense, and terminal-stage defense together. Thirty interceptor missiles at bases in Alaska and California make up the only defense the United States has against long-range missiles. As time goes on, he said, U.S. defense planners are concerned where countries like Iran and North Korea will go. They worry that the missile proliferators will develop more and more complex countermeasures to go along with their missiles. The agency is working to counter those moves, the MDA chief said. The agency prepares to deploy the Terminal High Altitude Air Defense system. The THAAD, which will come on line in the next year, shoots down missiles just inside and outside the atmosphere.


### Banking and Finance Sector

12. *July 18, New York Times* – (National) **New offshore bank limits for U.S. clients, UBS says.** Faced with a federal investigation into its private banking practices, the Swiss banking giant UBS said on Thursday that it would stop offering offshore banking services to clients in the U.S. The chief financial officer of the UBS global wealth management group told a Senate subcommittee that the company would provide banking or securities services to U.S. residents only through companies licensed in this country and that it would help the federal government identify American citizens engaging in tax fraud. On Wednesday, a Senate permanent subcommittee on investigations released a report saying that UBS’s offshore practices helped American citizens hide an estimated $18 billion in 19,000 accounts from the Internal Revenue Service.

Source: [http://www.nytimes.com/2008/07/18/business/worldbusiness/18ubs.html?_r=2&adxnnl=1&oref=slogin&adxnnlx=1216386436-9Bt2XPbopeOjbYEXP+GpHg&oref=slogin](http://www.nytimes.com/2008/07/18/business/worldbusiness/18ubs.html?_r=2&adxnnl=1&oref=slogin&adxnnlx=1216386436-9Bt2XPbopeOjbYEXP+GpHg&oref=slogin)

13. *July 17, KMSB 11 Tucson* – (Arizona) **Better Business Bureau warns of credit fix scams.** The Better Business Bureau (BBB) of Southern Arizona is warning consumers to be wary of miracle credit cures, as fraudulent companies try to take advantage of the credit crunch. The number of consumers in southern Arizona inquiring about credit counseling services has nearly doubled in 2008 compared to last year. A BBB spokesperson says consumers should not confuse credit repair with legitimate credit counseling services. “Virtually everything a credit repair company claims they can do for you, you can do for yourself at little or no cost,” she says. Before contacting a credit repair or credit counseling service, consumers can check out the company’s reliability report with the BBB.

Source:
14. July 18, Associated Press – (National) **Chertoff: European terrorists trying to enter U.S.** European terrorists are trying to enter the U.S. with European Union passports, and there is no guarantee officials will catch them every time, the Homeland Security Secretary said Thursday. The official’s comments on Capitol Hill come as the country is entering a potentially vulnerable period with the presidential nominating conventions coming up next month; the presidential election in November; and the transition to a new administration in January – all of which may be attractive targets for terrorists. He also reiterated his concern that terrorists could use small boats or private aircraft sneak radiological material into the country that could be used to create a “dirty bomb.”

Source: http://news.yahoo.com/s/ap/20080718/ap_on_go_ca_st_pe/terror_threat;_ylt=AjgdMwP 28ZxLhPpqX2MuYWs0NUE

15. July 18, Shanghai Daily – (International) **Test paper used for extra security checks at airports.** Security staff at Shanghai’s two airports will use a special test paper to detect whether people entering terminals have any explosives, flammable items or chemical substances in their bags starting on Sunday. Security officials will put the U.S.-imported test papers on people or their luggage, which can tell immediately whether they have recently touched any of these prohibited items, the Shanghai Airport Authority said at a meeting Friday morning. All entrances to the terminal buildings at Shanghai airports will be subject to the new security checks from July 20, as ordered by the national civil aviation authority in a move to upgrade air security for the Beijing Olympics. Airports in 18 cities and regions - Beijing, Shanghai, Qingdao, Tianjin, Shenyang, Qinhuangdao, Shijiazhuang, Taiyuan, Jinan, Hangzhou, Nanjing, Hefei, Changchun, Harbin, Hohhot, Dalian, Xinjiang and Tibet - are required to implement the new security measure.

Source: http://news.xinhuanet.com/english/2008-07/18/content_8568009.htm

16. July 18, Christian Science Monitor – (California) **Fuel costs strain U.S. mass transit, too.** Even as more Americans pile onto city buses, subways, and suburban trains, the increase at the pump is also hitting transit agencies hard. In many cases this means fare hikes and service cuts. So far this year, nearly half of metropolitan bus operators surveyed by the American Public Transportation Association (APTA) said they had increased prices to address the strains of rising fuel costs; 19 percent said they had reduced service. As the country’s third-largest public-transit network, behind New York and Chicago, respectively, the Los Angeles Metro needs to expand faster than it is to meet the demands of a rapidly increasing population, says a Metro spokesman. “Our dilemma now is to pay for service.” The Metro board’s solution is to increase the county sales tax by a half penny, a controversial proposal that could go to Los Angeles voters in November.

Source:
17. **July 18, Associated Press** – (Iowa) **Last of 4 engines removed from Mississippi River.** Train service has been restored on a rail line along the Mississippi River near Guttenberg after the last of 4 locomotives was pulled from the river. The Iowa, Chicago & Eastern Railroad locomotives plunged into the river on July 9 after a boulder and landslide tore up a section of the track. Workers using a barge-mounted crane removed the last of the locomotives Tuesday evening. An IC&E spokesman says all the damaged locomotives and rail cars are in storage. He says service on the line was restored Wednesday morning. The engines, which were pulling a freight train, had been leaking oil and fuel into the river. The official says the railroad’s environmental team continues to work with state and federal officials on the cleanup.


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### Postal and Shipping Sector

Nothing to report

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### Agriculture and Food Sector

18. **July 18, Associated Press** – (California; Florida) **Tiny bug threatens California citrus industry.** Asian citrus psyllid could wipe out the $1.3 billion citrus industry in California. Border agents have stepped up searches and California agricultural officials have placed 1,065 traps in a 120-square-mile grid at the border in San Diego and Imperial counties. Growers say the bug has the potential to be more damaging than the Mediterranean fruit fly because entire groves are at risk. The psyllids are the only transmitters of a disease, officially known by its Chinese name, huanglongbing, or “yellow dragon disease” for its visual effect on leaves. In the U.S., growers call it “citrus greening” disease because fruit fails to ripen. More than 22 years of research by the U.S. Department of Agriculture has not yet revealed genetic or biological controls for the disease. Costly spraying of a variety of insecticides toxic to bees and beneficial insects and wildlife have been used to combat the disease’s spread in an effort to protect the state’s $9 billion a year industry. Increased spraying alone increases production costs by one-third, said the chairman of the University of Florida’s food and resource economics department and one of the country’s three citrus economists. Florida growers have contributed more than $20 million for research this year.

Source: [http://news.yahoo.com/s/ap/20080718/ap_on_bi_ge/farm_scene_citrus_panic;_ylt=Av2xk1EK8KnnIVDuHmWe5nis0NUE](http://news.yahoo.com/s/ap/20080718/ap_on_bi_ge/farm_scene_citrus_panic;_ylt=Av2xk1EK8KnnIVDuHmWe5nis0NUE)

19. **July 18, Associated Press** – (National) **FDA declares it’s OK to eat tomatoes again.** On Thursday, the U.S. government lifted its salmonella warning on the summer...
favorites amid signs that the record outbreak, while not over, may finally be slowing. Hot peppers still get a caution: The people most at risk of salmonella should avoid fresh jalapenos and serranos, and any dishes that may contain them such as fresh salsa, federal health officials advised. Investigators still do not know what caused the salmonella outbreak, which now has sickened 1,220 people in 42 states. But Thursday’s move, coming as the tomato industry estimates its losses at more than $100 million, does not mean that tomatoes harvested in the spring are cleared. It just means that the tomatoes in fields and stores today are safe to eat, said the Food and Drug Administration’s food safety chief. Early on, there was good evidence linking certain raw tomatoes to the sick, he stressed. Yet inspectors have not found the outbreak strain of salmonella Saintpaul on any farms in suspect areas of south Florida and parts of Mexico. As the outbreak stretched into last month, more evidence emerged against fresh jalapenos. The agency sent inspectors to a Mexican packing house that supplied peppers linked to a cluster of those illnesses. Also still on the suspect list is fresh cilantro.

Source: http://ap.google.com/article/ALeqM5ijaaf9rEEqIJFRl_zJo1YK8TYcBFgD9207F6O0

20. July 17, WRAL 5 Raleigh – (North Carolina) N.C. officials recall produce tainted with salmonella. After two positive salmonella tests from a Charlotte food distributor, state officials on Thursday announced a recall of jalapeno peppers and avocados distributed in North Carolina. The North Carolina Department of Agriculture and Consumer Services asked the food distributor to recall jalapeno peppers and Hass avocados it received from a specific Texas food-supply company. Officials have also requested the Texas supplier, who has not been named, to recall all of the implicated products distributed in North Carolina. An Agriculture department spokesman identified the Charlotte firm as El Campo Produce Inc. He said it distributed to about 100 restaurants and a few small markets around the state in 25 counties. The department’s Food and Drug Protection Division and the North Carolina Division of Environmental Health staff are working to determine how many North Carolina food distributors, restaurants, grocery stores, and other food-sellers received the produce.


21. July 17, North Platte Bulletin – (National) Cattlemen fear foot, mouth disease could enter U.S. A bill to require Argentina to eliminate foot and mouth disease before shipping cattle to the U.S. is headed toward the floor of the U.S. Senate. Since January 2007, the U.S. Department of Agriculture has proposed to allow Argentine beef into the U.S., even though Argentina is not considered free of foot-and-mouth disease (FMD), as most world trading partners are. At the same time, the USDA has been promoting an animal identification program, requiring all U.S. livestock to be identified, so an outbreak of FMD in the U.S. could be quickly contained. Independent ranchers want safeguards, but the National Cattlemen’s Beef Association (NCBA), which includes beef trading companies, wants to open the border despite the danger. If the U.S. demands Argentina to be free of the disease, the NCBA said other nations might require stricter requirements of U.S. cattle and beef. The Ranchers-Cattlemen Action Legal Fund said opening the border to Argentine beef would almost certainly allow FMD into the U.S.
Water Sector

22. July 18, San Francisco Chronicle – (California) Peripheral canal urged to save the delta. According to a report by the Public Policy Institute of California, only a man-made pipeline around the Sacramento-San Joaquin River Delta estuary can both restore wildlife habitats and provide a safe water supply. Although the idea of a peripheral canal was proposed and defeated more than two decades ago, authors of the report say the clear risks posed by climate change, rising sea levels, and earthquakes call for an aggressive approach to fixing the failing delta. Instead of relying on the current labyrinth of earthen levees and channels to flush water from the Sacramento River to giant pumps in the south delta, a peripheral canal would route water around the delta from a more northerly section of the Sacramento River. Opponents, however, say a canal could worsen water quality for the 450,000 acres of farmland in the delta and would not bridge the gap between a finite supply and a booming population. With the delta funneling water to two-thirds of the state’s population, it continues to rest at the heart of any debate over water in California. It has come under increased scrutiny over the last few years amid scant rainfall, crumbling levees, and a court ruling limiting water pumping to rescue crashing fish populations.

Source: http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/07/17/BA3911QA9U.DTL

23. July 17, KBAK 29 Bakersfield – (California) Power plants and water treatment facility clogged by debris in upper Kern. Thunderstorms have hit areas recently burned by wildfires north of Kernville, California, and that run-off has ended up in the upper Kern River. Some of the river water is pulled out for treatment at the California Water Service plant in Kernville. The plant was making some water Wednesday afternoon, but only about one-third of their usual supply. Technicians say the dirt-filled water clogs the plant in-takes from the river. Cal Water said the plant usually produces 1,000 gallons of water a minute. But as of Wednesday, it was down to about 33 gallons a minute. Cal Water asked people in Kernville and Wofford Heights to cut back water-use as much as possible. But, the dirty water in the upper Kern River has also forced the closure of the hydro-electric power plant just north of Kernville. Southern California Edison says that plant was shut down on Tuesday, the first day of bad water on the upper Kern.


24. July 17, Associated Press – (Florida) Environmentalists sue EPA for cleaner water rules. Five environmental groups sued the U.S. Environmental Protection Agency (EPA) on Thursday, claiming the federal government is violating the Clean Water Act by failing to set standards for farm and urban runoff that is polluting Florida’s waterways. The plaintiffs hope a favorable ruling would force the EPA to implement
standards for every state, most of which have only vague limits on such pollution, said Earthjustice’s attorney. The groups say rain sends the runoff, which includes fertilizers and animal waste, into rivers and lakes, contaminating waterways and nourishing algae blooms that poison the ecosystems. The attorney said the runoff can also contaminate drinking water supplies and sicken or kill people. The federal lawsuit was filed in Tallahassee by the Florida Wildlife Federation, the Sierra Club, the Conservancy of Southwest Florida, the Environmental Confederation of Southwest Florida, and the St. Johns Riverkeeper.

Source: http://ap.google.com/article/ALeqM5jKXW6RjETEPEEdns9iR2le3M2N_wD91VPVHGI

25. **July 16, FortBendNow.com** – (Texas) **Sugar Land utility facilities to get added security.** In Texas, security around Sugar Land’s water treatment and production facilities is about to get a lot tighter following city council’s approval of more than $320,000 in enhanced security measures. Council members approved a contract not to exceed $323,637.40 with Metroplex Control Systems to add an additional layer of security. Although the city is not being specific about the nature of the new security measures, it was disclosed that the project involves the use of motion sensors. The director of utilities told the council the new layer of security is in line with the recommendations of a 2004 study of the city’s 17 water production, storage, and treatment facilities. The first phase, which was completed in 2005, provided the “basic footprint” for the security system and a basic level of perimeter security. This second phase adds redundancy and “additional layers of security,” while the third phase will add the remainder of sites that were determined to be least vulnerable or are still under construction.


Public Health and Healthcare Sector

26. **July 18, Los Angeles Times** – (California) **California fines two health plans $13 million.** Anthem Blue Cross and Blue Shield – two of California’s biggest health plans – agreed Thursday to pay a total of $13 million in fines and to offer new health coverage to more than 2,200 Californians the companies dropped after they became ill. Neither company admitted to any wrongdoing. Blue Cross, a unit of Indianapolis-based WellPoint Inc., will pay a $10-million fine to the state Department of Managed Health Care, and it will offer new coverage to 1,770 former members it canceled since 2004. Competitor Blue Shield, a not-for-profit health plan based in San Francisco, will pay $3 million and offer new policies to 450 people whose coverage was rescinded over the last four years. The insurers also agreed to establish a process for former members to recover medical expenses they paid out of pocket after they were dropped as well as other damages, such as homes or businesses that were lost because unpaid medical debts
ruined the former members’ creditworthiness.
Source: http://www.latimes.com/business/la-fi-blue18-2008jul18,0,230916.story

Climate change will pose “substantial” threats to human health in the coming decades, the Environmental Protection Agency (EPA) said Thursday – issuing its warnings about heat waves, hurricanes, and pathogens just days after the agency declined to regulate the pollutants blamed for warming. In a new report, the EPA found “it is very likely” that more people will die during extremely hot periods in future years – and that the elderly, the poor, and those in inner cities will be most at risk. Other possible dangers include more powerful hurricanes, shrinking supplies of fresh water, and the increased spread of diseases contracted through food and water, it said.

28. July 18, Wall Street Journal – (National) U.S. scraps plan to test AIDS vaccine. The U.S. National Institutes of Health scrubbed plans to test its AIDS vaccine due to concerns about its safety and effectiveness, 10 months after the collapse of a clinical trial for a similar vaccine from Merck & Co. Thursday’s move, the latest setback in a field pummeled by recent failures, is a sober recognition that questions still trump answers in the quest to prevent the spread of HIV, the virus that causes AIDS. The director of the National Institute of Allergy and Infectious Diseases, a unit of NIH, cited concern about similarities between his agency’s experimental vaccine and Merck’s, which was shown to have made some who received it more susceptible to the disease. He also cited the continuing lack of knowledge about how to elicit immunity against the lethal virus.
Source: http://online.wsj.com/article/SB121633048504463521.html?mod=googlenews_wsj

Government Facilities Sector

29. July 18, KMPH 26 Fresno – (California) Lockdown at Madera County Government Plaza after bomb scare. Around 4 p.m. Thursday outside of the Madera County, California, library, a possible bomb was spotted. “It was about this big and it was black, looked like a bike handle and had black electrical tape on it with a couple of batteries. And if you shake it, it sounded like there was something in it like bb’s, tacs or something like that,” the person who spotted it said. The library and surrounding buildings were evacuated, and everyone was placed on lockdown. Then the Fresno Police Explosives Unit arrived and used their bomb exploding robot to detonate the device. After clearing the area of possible danger, the lockdown was lifted and people were allowed to leave. Deputies say the Fresno Explosives Unit will analyze the device and hopefully give an answer as to what it was in the next few days.

30. July 17, Wall Street Journal – (International) U.S. fears threat of cyberspying at Olympics. A debate is brewing in the U.S. government over whether to publicly warn
businesspeople and other travelers heading to the Beijing Olympics about the dangers posed by Chinese computer hackers. The Department of Homeland Security last month warned of cyber threats facing overseas travelers, but did not release the information to the public. The U.S. Cyber Consequences Unit assembled sets of guidelines for determining whether one is a likely target of cyber-espionage; how to deliver a presentation without a laptop; and securing your laptop when traveling abroad. According to government officials and security consultants, U.S. intelligence agencies are worried about the potential threat to U.S. laptops and cellphones. But others, including the State and Commerce departments and some companies, are trying to quiet the issue for fear of offending the Chinese, these people say. U.S. intelligence and security officials are concerned by the frequency with which spies in China and other countries are targeting traveling U.S. corporate and government officials. The Department of Homeland Security issued a warning last month to certain government and private-sector officials stating that business and government travelers’ electronic devices are often targeted by foreign governments.

Source: http://online.wsj.com/article/SB121625646058760485.html?mod=googlenews_wsj

31. July 17, Albuquerque Journal – (New Mexico) **Jet fuel leak discovered at Kirtland.** There is a large jet-fuel leak originating under Kirtland Air Force Base, New Mexico, which has reached the underground aquifer outside Kirtland grounds. However, it will not affect drinking water supplies any time soon, according to state and Kirtland officials. Estimates say that the jet fuel, sitting more than a foot deep on top of groundwater in some areas, will take more than 25 years to reach any wells that produce drinking water, said an environmental scientist with the New Mexico Environment Department. The leak is close to two wells inside the base, including 1,100 feet from one that serves the New Mexico Veterans Affairs Medical Center, but it is unlikely the plume would travel in that direction. The plan is to drill 11 more monitoring wells to find the exact dimensions of the leak and any other information, and to continually update plans to remove the fuel as more data is available.


32. July 18, Arizona Daily Star – (Arizona) **Pima County seeks 911 capability for 23 border towers.** Surveillance towers planned for Arizona’s border region might be equipped to receive emergency cell-phone calls as a result of a request made by the Pima County supervisors. The supervisors unanimously voted recently to require that the Department of Homeland Security (DHS) outfit all 23 towers planned in Pima County with emergency response systems in exchange for allowing the placement of one of the towers on county-owned land near Sasabe, the County Administrator said. A decision on whether to allow 911 services on the towers has not been made by DHS. The Administrator said the reasoning was twofold: To help county residents living in remote areas and provide humanitarian assistance to illegal immigrants who become
sick or lost while trying to cross illegally. More than 1,000 bodies of illegal immigrants have been found since 2004 along Arizona’s stretch of the U.S.-Mexico border, the county medical examiner’s data show. DHS is conducting a feasibility study to determine the cost and possible interference with other technology on the tower, a spokesman for U.S. Customs and Border Protection in Washington, D.C said.

Source: http://www.azstarnet.com/metro/248826

33. July 18, Mid-Hudson News – (New York) **New York Guard practices response to disaster.** Members of the New York Guard, the state’s all-volunteer state defense force, are spending two days this week practicing emergency disaster response at Camp Smith outside Peekskill in the Town of Cortlandt. The Thursday and Friday drill is based on a hurricane scenario with search and rescue and chemical decontamination teams going through their training. “The New York Guard is an augmentation force to the National Guard, so when there have been various state emergency operations such as the fires, the floods, the ice storms, etc., our people have, in fact, participated right along with the National Guard in the aid to civil authorities,” the commander of the New York Guard said. The New York Guard is one of 26 state defense forces authorized under federal law and cannot be called into federal service as the National Guard can.

Source: http://www.midhudsonnews.com/News/July08/18/NYG_prac-18Jul08.html

34. July 17, University of Arkansas Terrorism Research Center – (National) **Research reveals patterns of terrorist preparation.** Analysis of an extensive terrorism database housed at the University of Arkansas has revealed patterns in activities of terrorists preparing for an attack. This information can be invaluable for law enforcement agencies seeking to prevent terrorist attacks. The director of the university’s Terrorism Research Center, reported the research results in the current issue of the National Institute of Justice Journal and will present the results at an upcoming NIJ conference. The research was funded by a series of NIJ grants. While law enforcement agencies know a great deal about the behavior of traditional criminals, until now little information has been available about how terrorists prepare for attacks. The researchers found that in general terrorists “think globally but act locally.” While 44 percent of all terrorists lived within 30 miles of their targets, there was some variation by type of terrorists. International terrorists tended to live near the target while right-wing terrorists in the United States lived in rural areas and chose targets in nearby cities. Preparation for attacks included surveillance and other intelligence gathering, robberies and thefts to raise funds, weapons violations and bomb manufacturing.

Source: http://dailyheadlines.uark.edu/13172.htm

35. July 17, Indiana Gazette – (Pennsylvania) **Pandemic drill to double as flu-shot drive.** Three high schools in Indiana County, Pennsylvania, have been selected as regional meeting points for a trial run of a disaster response plan this fall. To make the drill meaningful, emergency officials have decided to stage a massive influenza vaccination program to inoculate hundreds, possibly thousands of county residents in one day. In the master plan, all the county’s high schools have been designated as points of distribution (PODs) for inoculations and other care in the event of a pandemic or biological attack. The Indiana County Board of Commissioners and Emergency-Management Agency
have been coordinating the disaster plan and forming a network of community
volunteers to manage the PODs.
Source: http://online.indianagazette.com/index.php?option=com_content&task=view&id=32866&Itemid=52

Information Technology

36. July 17, IDG News Service – (International) New worm transcodes MP3s to try to
infect PCs. A new kind of malicious software could pose a danger to Windows users
who download music files on peer-to-peer networks. The new malware inserts links to
dangerous Web pages within Advanced Systems Format (ASF) media files. “The
possibility of this has been known for a little while but this is the first time we’ve seen it
done,” said a senior technology consultant for security vendor Kaspersky Lab. ASF is a
Microsoft-defined container format for audio and video streams that can also hold
arbitrary content such as images or links to Web resources. If a user plays an infected
music file, it will launch Internet Explorer and load a malicious Web page which asks
the user to download a codec, a well-known trick to get someone to download malware.
The actual download is not a codec but a Trojan horse, which installs a proxy program
on the PC, the consultant said. Once on a PC, it looks for MP3 or MP2 audio files,
transcodes them to Microsoft’s Windows Media Audio format, wraps them in an ASF
container, and adds links to further copies of the malware, in the guise of a codec,
according to another security analyst, Secure Computing.
Source: http://news.idg.no/cw/art.cfm?id=35FDBBD2-17A4-0F78-31E74D77F6D1CF6

37. July 17, KXRM 21 Colorado Springs – (National) Viruses sent through fake news e-
mails. Cyber-criminals have started using fake news headlines to spread computer
worms and viruses. According to the internet security site MessageLabs, some e-mails
use fake headlines from real news events, such as the recent earthquake in China. Others
are celebrity-centered. Two new “spam clusters” related to a presidential candidate
surfaced just last month. While viruses sent by email are nothing new, viruses in the
form of fake news are.

38. July 17, Forbes – (National) Hackable broadband left unpatched. On July 8, tech
heavyweights including Microsoft, Cisco Systems, and Sun Microsystems teamed up to
fix a fundamental flaw in the Internet, one that could allow any Web user to be invisibly
redirected to fraudulent sites designed to steal banking passwords or install malicious
software on users’ PCs. But as of Thursday, Internet providers including AT&T, Time
Warner Cable, Cablevision, and EarthLink had yet to install the software patch that
would protect their customers from a cybercriminal exploit known as Domain Name
System (DNS) Cache Poisoning, according to the findings of a Web-based analysis tool
created by the security researcher who originally found the bug. The security flaw,
found in the DNS servers used by large companies and Internet service providers, could
allow cybercriminals to perform a new, undetectable form of “phishing,” security
analysts warn. Typical phishing tactics include sending fraudulent e-mails to lure users
to look-a-like banking or government Web sites that convince them to give up their bank
codes or other sensitive information. This exploit, however, could directly hijack a
user’s browsing. A user in a network with corrupted DNS servers who types
“BankofAmerica.com” or “Wachovia.com” into an address bar, for instance, might be
invisibly redirected to exact replicas of those sites that siphon data to identity thieves.
The trick could also be used to direct users to sites that install malicious software on
their computers and could even intercept e-mail correspondence.
Source: http://www.forbes.com/technology/2008/07/17/dns-security-flaw-tech-security-

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

39. July 18, Search Security – (National) Nasty zero-day hits BlackBerry server. A
critical zero-day flaw in BlackBerry Enterprise Server could be exploited by attackers to
gain access to sensitive data, according to an advisory issued by the French Security
Incident Response Team (FrSIRT). The flaw is a PDF attachment handling error in the
BlackBerry Attachment Service, FrSIRT said. An attacker could exploit the flaw by
tricking a user to open a malicious PDF file attachment. The problem can be found in
BlackBerry Enterprise Server software version 4.1.3 through version 4.1.5 and
BlackBerry Unite software versions prior to 1.0.1. Users of BlackBerry Unite can
upgrade to the latest version. The vulnerability has a Common Vulnerability Scoring
System score of 9.0. FrSIRT has rated it “critical.” BlackBerry maker Research in
Motion has confirmed the flaw and issued a warning to customers. A patch has not been
released for Enteprise Server. As a workaround, companies can prevent the server from
processing PDF Files.
Source: http://searchsecurity.techtarget.com.au/articles/25390-Nasty-zero-day-hits-
BlackBerry-server

40. July 18, Florida Today – (Florida) CF physicist strikes GOLD. An orbiting camera
designed by a University of Central Florida (UCF) researcher could be predicting space
weather by 2013. Those predictions could help Global Positioning System users,
satellite television companies, communications businesses, and the military understand
and compensate for electromagnetic interruptions to their signals. A UCF physicist has
spent almost two years designing the Global-Scale Observations of the Limb and Disk,
or GOLD, project. As the university’s first principal investigator on a satellite project,
he leads a team that will oversee construction and launch of an imaging spectrograph that will go into orbit attached to a commercial communications satellite. The GOLD camera, riding a spacecraft in a 22,000-mile geostationary orbit, will photograph the ionosphere below at an altitude of about 62 miles, measuring its temperature and composition. The camera also will detect differences in ionized molecules by measuring the ultraviolet light they release. Practical applications for the project include helping GPS units become more accurate and predicting when communications problems will occur because of signal interruptions.


41. **July 17, TMC Net** – (Colorado) **NexHorizon Triple Play, VoIP Co., undergoing infrastructure upgrade.** NexHorizon Communications Inc. announced today that it has completed phase two of its infrastructure upgrade in its southeast Colorado systems. The company also announced that it has consolidated the Holly distribution site with Granada to help eliminate redundant operating costs. “The upgrades will enable NexHorizon to begin offering High-speed Internet and its re-branded digital phone service (VoIP) in Granada and Holly immediately. The infrastructure upgrades will enable the Company to offer various speeds at competitive prices in all of our markets for Internet service,” said chief executive officer for NexHorizon.


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**Commercial Facilities Sector**

42. **July 18, WPTA 21 Fort Wayne** – (Indiana) **Batman fans disappointed: Theater evacuated on opening day.** More than 1,400 Batman fans were disappointed this morning when the Regal Coldwater Movie Theater in Fort Wayne, Indiana, was evacuated. Police say a bomb threat was called into the theater sometime around 1 a.m. Workers evacuated each of the 14 theaters separately on the much-anticipated “Dark Knight’s” opening day. Then K-9 units scoured the parking lot for explosives.


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**National Monuments & Icons Sector**

43. **July 17, Associated Press** – (Montana) **Study: Don’t blast in Glacier National Park.** Glacier National Park officials recommend BNSF Railway not be allowed to use explosive shells that would blast snow and keep it from sliding onto tracks along the park’s southern edge. Glacier officials Thursday released a final environmental impact statement on avalanche control. The preferred alternative in that document calls for BNSF to build more snowsheds. Those are slanted structures that provide a roof to keep snow off the tracks. The impact statement now goes to the Park Service’s regional
director in Colorado.
Source:

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Dams Sector

44. **July 17, Associated Press** – (Louisiana) **Engineer: Corps’ probe of leaky levee flawed.** Contrary to public assurances, the U.S. Army Corps of Engineers appears to have done very little to investigate why a levee that broke with catastrophic effect during Hurricane Katrina is leaking, a top engineer said Thursday. Despite more than $22 million in repairs, water has been seeping through the levee on the 17th Street Canal for months. The Corps has said it spent a great deal of resources tracking down the source of the leak and that it had determined the leak was not a threat because the water was seeping through sturdy interlocking sheet pile installed after Katrina.

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To report physical infrastructure incidents or to request information, please contact the National Infrastructure Coordinating Center at nicc@dhs.gov or (202) 282–9201.

To report cyber infrastructure incidents or to request information, please contact US–CERT at soc@us–cert.gov or visit their Web page at www.us–cert.gov.

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