



# National Infrastructure Protection Center NIPC Daily Open Source Report for 28 January 2003

Current Nationwide  
Threat Level is



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[www.whitehouse.gov/homeland](http://www.whitehouse.gov/homeland)

## Daily Overview

- Reuters reports the U.S. Southeast has set records for power use as ongoing single-digit temperatures cause an all-time record demand for power. (See item [2](#))
- The Daily News reports four counties surrounding the Indian Point nuclear plants have said the proposed evacuation plans are not realistic, especially in the new age of domestic terrorism, and have refused to support them. (See item [5](#))
- MSNBC reports that if lawmakers crack down on illegal Internet gambling, they could further a greater menace: an untraceable form of electronic cash that could undermine the ability of governments to tax their citizens and trace the flow of money around the globe. (See item [13](#))
- The New York Times reports cyberspace crime is flourishing as technically skilled thieves and rank-and-file employees are stealing millions if not billions of dollars a year from businesses in the United States and abroad. (See item [28](#))

### NIPC Update *Fast Jump*

**Production Industries:** [Energy](#); [Chemical](#); [Defense Industrial Base](#)

**Service Industries:** [Banking and Finance](#); [Transportation](#); [Postal and Shipping](#)

**Sustenance and Health:** [Agriculture](#); [Food](#); [Water](#); [Public Health](#)

**Federal and State:** [Government](#); [Emergency Services](#)

**IT and Cyber:** [Information and Telecommunications](#); [Internet Alert Dashboard](#)

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## Energy Sector

**Current Electricity Sector Threat Alert Levels:** Physical: Elevated, Cyber: Elevated

Scale: LOW, GUARDED, ELEVATED, HIGH, SEVERE [Source: ISAC for the Electricity Sector (ES-ISAC) – <http://esisac.com>]

1. *January 27, Reuters* — **TECO-Panda 550 MW plant comes on line in Arkansas.** A new 550 megawatt natural gas-fired power plant in Arkansas has started putting electricity onto the Southeast regional grid, joint-venture owner TECO Panda Generating Co. said on Monday. **TECO Power Services, a unit of Florida-based TECO Energy Inc. and privately held Panda Energy said the first 550 MW unit of the \$1.25 billion Union Power Station in El**

**Dorado, AR, is selling power to the wholesale market and working to line up long-term contracts. The Union Power Station will have a total of four units with capacity of about 2,200 MW, or power for more than 2 million homes, according to a TECO spokeswoman. The remaining units are to be phased in and on line by June, in time for peak summer air conditioning demand.**

Source: [http://biz.yahoo.com/rf/030127/utilities\\_teco\\_plants\\_1.html](http://biz.yahoo.com/rf/030127/utilities_teco_plants_1.html)

- 2. *January 24, Reuters* — Cold U.S. Southeast sets records for power use.** Parts of Mississippi, Alabama and Georgia shivered in single-digit temperatures early Friday, while readings hovered only in the upper 30s Fahrenheit (3 C) as far south as Miami. The Southeast is forecast to warm up this weekend but expected to continue on the chilly side. **The Tennessee Valley Authority (TVA), the biggest public power producer in the nation, said it posted an all-time record demand of 29,866 megawatts of power early Friday when temperatures averaged a bone-chilling 6 degrees (minus 14 C).** TVA, based in Knoxville, TN, said that before this week, the record was 29,344 megawatts set in August 2000 when temperatures soared to nearly 100 degrees (38 C). One megawatt is power for about 1,000 homes. This was the first time in several years that winter demand for electricity topped summer peaks, TVA said. **Dominion Energy, the Richmond, Virginia-based utility unit of Dominion , estimated a record 16,133 megawatts Thursday night, topping the previous winter peak in January 2000 of 15,072 megawatts. In Florida, customers of the Progress Energy Florida unit of Raleigh, North Carolina-based Progress Energy , used about 10,076 megawatt hours of electricity early Friday, eclipsing the old January 2002 record of 9,045 megawatts.**

Source: [http://www.energycentral.com/sections/newsroom/nr\\_article.cf m?id=3593914](http://www.energycentral.com/sections/newsroom/nr_article.cf m?id=3593914)

- 3. *January 24, Reuters* — U.S. utilities buy distillates as gas prices soar. Utility companies in the frigid U.S. Northeast have started buying distillates like heating oil and kerosene to fuel their power plants as they turn away from costly natural gas, market sources said Friday. The shift could worsen U.S. heating oil stockpiles and support already lofty prices, as utilities compete with residential heating oil consumers for supply during an abnormally cold winter, dealers said.** Con Edison of New York, generally the first to switch to distillates when gas prices surge, reportedly purchased 20,000 barrels of jet kerosene late last week, while Reliant Resources booked a similar volume of heating oil this week, a number of traders and brokers confirmed. The buying comes as spot natural gas prices in New York surged to about \$12.50 per million British thermal units (mmBtu), or about double the price of heating oil or fuel oil, due to a stubborn cold snap on the East Coast. **Utility switching to residual fuel oil, which is made from a lower quality part of the barrel than distillates like heating oil, jet fuel and diesel, has already hit pace, with demand for the product up 70 percent last week, according to the Energy Information Administration.** Fuel oil stocks have been pushed down to their lowest levels since 1954, according to the EIA data, bringing prices for the lower quality product near par with normally more expensive heating oil.

Source: [http://www.energycentral.com/sections/newsroom/nr\\_article.cf m?id=3593915](http://www.energycentral.com/sections/newsroom/nr_article.cf m?id=3593915)

- 4. *January 24, Platts Global Energy News* — U.S. gas-producer group says market 'functioning properly' .** The Natural Gas Supply Association on Friday responded to growing concerns over the rising price of natural gas, insisting that the market continues to function properly. "The natural gas market continues to be strong and it works," said

**Skip Horvath, president of the NGSA, explaining that spot prices are rising because of market fundamentals.** "We understand that consumers are concerned about increasing natural gas prices," Horvath said at a press conference hosted by the United States Energy Association. "First, natural gas demand is up. Manufacturing has expanded, increasing industrial and commercial demand for natural gas." Also, "it's cold outside, increasing weather-related demand. From November through mid-January the weather in the [U.S.] was 15% colder than last year," Horvath said. **Horvath also said the balance between supply and demand is unusually tight "because it takes time for exploration-and-production activity to increase in response to higher prices. And therefore it takes time for additional supply to flow through to consumers."**

Source: <http://www.platts.com/stories/gas4.html>

- 5. January 24, Daily News, New York — Neighboring counties are critical of plans for New York-area nuclear site.** So far, four counties surrounding the Indian Point nuclear plants have said the evacuation plans are just not realistic, especially in the new age of domestic terrorism. Putnam County is the latest to reject the plan. Its legislature voted Wednesday night to direct the county executive not to sign off on Putnam's readiness under the Indian Point emergency plan. **The 5-to-3 vote on the resolution, which County Executive Robert Bondi said he would honor, means that none of the four counties within 10 miles of the Indian Point nuclear power plants is willing to tell the state that it is prepared to implement the evacuation plan. County executives in Westchester, Rockland and Orange, citing a new report that calls the plan inadequate, had decided not to send the state the usual, annual checklist of readiness.** Bondi had said he would send it, but then the Legislature stepped in. That leaves Governor Pataki with a decision: whether to tell the Federal Emergency Management Agency that there is a workable plan despite the counties' reluctance, or to agree that the plan is inadequate. If the state does not certify the plan, that would set in motion a long process that could eventually lead to a shutdown of the nuclear plants, because an adequate plan is a condition for a nuclear license. **A 500-page report commissioned by Pataki and produced by a firm headed by ex-Federal Emergency Management Agency chief James Lee Witt, says the emergency plans for Indian Point, just 35 miles from midtown, are inadequate to protect people "from an unacceptable dose of radiation."** The report notes that more than a quarter-million people live within 10 miles of the Westchester site, and an estimated 11.8 million within a 50-mile radius of the Buchanan facilities. The plants' problems include outmoded or nonexistent technology, inadequate drills, insufficient public education on evacuation procedures and, basically, lack of "a strategy ... to protect from radiation exposure," the report found. Pataki is urging the agency and the Nuclear Regulatory Commission to see that federal standards are "strong enough to meet the post-September 11 reality."

Source: [http://www.energycentral.com/sections/newsroom/nr\\_article.cfm?id=3593240](http://www.energycentral.com/sections/newsroom/nr_article.cfm?id=3593240)

- 6. January 24, Reuters — Bush releases \$200 million in home heating aid. On Friday, President George W. Bush authorized the release of \$200 million in emergency aid to help poor Americans pay their heating bills, responding to high heating oil prices and a winter cold snap.** "These funds will help keep our fellow citizens warm in a time of great need and bitter cold," Bush said in a statement. "This program is an important source of support for millions of low-income families across the nation." **Temperatures in the Midwest and the Northeast, the biggest regional consumer of heating oil in the world, have stayed below**

**freezing for nearly two weeks.** With the additional \$200 million, the White House said the administration has released \$1.5 billion in funding for the Low Income Home Energy Assistance Program (LIHEAP) this heating season. The program helps more than 4 million poor U.S. households pay for energy costs.

Source: [http://www.energycentral.com/sections/gasnews/gn\\_article.cfm?id=3593921](http://www.energycentral.com/sections/gasnews/gn_article.cfm?id=3593921)

7. *January 23, Chattanooga Times/Free Press* — **TVA to raise rates for first time in six years.** The Tennessee Valley Authority (TVA) is preparing to raise electric rates this fall for the first time in six years, TVA distributors were told Wednesday. **The proposed rate changes, which must still be approved by TVA directors, would boost wholesale rates to residential and commercial customers by 8.1 percent on October 1. At the same time, firm wholesale charges to TVA's biggest industrial customers would be cut 2 percent under the preliminary plan outlined Wednesday.** "The time has come when we simply need more money to meet the important environmental commitments we have made," TVA Chief Financial Officer David Smith said. "In order to offset the costs of installing emissions control equipment needed to cover the requirements of the existing Clean Air Act, we are proposing a rate increase for fiscal year 2004." **The rate increase is projected to yield an additional \$365 million a year for the federal utility. TVA is spending about \$1 million a day, or about \$3 billion during the current decade, on pollution controls for its aging coal-fired plants.** The proposed rate changes would raise the monthly electric bill for the average Chattanooga homeowner about \$5, EPB President Harold DePriest said. The typical residential customer of EPB currently pays about \$88 a month for electricity under a rate schedule that is 22 percent below the national average, DePriest said. "Power rates by utilities surrounding us here in Kentucky are already lower than TVA so we are very concerned about any rate increase," said Larry Wilcutt, general manager for Russellville Electric Plant Board, a 4,000-customer distributor in Russellville, Ky. "It could be a hardship on a lot of people." Wilcutt said most Kentucky distributors of TVA gathered at a meeting in Glasgow, KY on Wednesday said they were opposed to the proposed rate changes. Louisville Gas & Electric, Kentucky Utilities and Appalachian Power to the north of TVA's service territory all have lower rates than TVA. With winter heating bills already going up this year because of colder weather, social service workers also worry that higher bills could be costly for many families. TVA must give its distributors at least six months notice of any rate restructuring plan. TVA directors are expected to vote on any rate increase for fiscal 2004 in August, TVA spokesman John Moulton said.

Source: [http://www.energycentral.com/sections/newsroom/nr\\_article.cfm?id=3593732](http://www.energycentral.com/sections/newsroom/nr_article.cfm?id=3593732)

8. *January 23, Reuters* — **California power grid proposes anti-manipulation plan.** California's electricity grid operator on Thursday approved a plan to impose stiffer penalties against energy companies that try to manipulate the state's power prices. **The California Independent System Operator (ISO), which ran the state's electricity market during the power crisis of 2000-01, urged federal energy regulators to quickly approve the plan.** The ISO has clashed with the Federal Energy Regulatory Commission (FERC) over how the Western wholesale electricity market should be reformed. "We urge the (FERC) to approve this proposal as quickly as possible," said Michael Kahn, chairman of the ISO board of directors, which approved the plan. **Companies that violate the proposed rules would be punished with fines of double the amount of their unfair profits, according to the California ISO.** The California ISO's proposed rules are designed to prevent a repeat of trading schemes like those carried out by former top Enron Corp. trader Timothy Belden. He pleaded

guilty in October to conspiring to inflate California electricity prices with schemes nicknamed "Death Star" and "Fat Boy" on the grid controlled by the California ISO. The FERC ordered the ISO to redesign its market rules, and in August sued the ISO to force it to change its board of directors.

Source: [http://www.energycentral.com/sections/newsroom/nr\\_article.cfm?id=3593855](http://www.energycentral.com/sections/newsroom/nr_article.cfm?id=3593855)

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## **Chemical Sector**

Nothing to report.

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## **Defense Industrial Base Sector**

- 9. *January 27, Washington Post* — Aircraft device can detect poison gas. Federal researchers have developed an early warning device small enough to mount on a drone aircraft to detect deadly airborne gas – a weapon officials fear Iraq may use against U.S. forces. Once the device, known as SnifferSTAR – which has not yet been tested on an airborne drone – is mounted, it can sample the air for various contaminants, Sandia National Laboratories spokesman Neil Singer said Sunday. "It's a gas detector. It would fit in with a grouping of sensors that have been developed at Sandia and other places. Presumably, it could monitor those gases we suspect that (Iraqis) have," Singer said. The flow of air past the moving aircraft would channel the gases through the device. Contaminants stick to quartz surfaces that vibrate at pre-set frequencies. The weight of the contaminants alter the frequencies and reveal their chemical signature. "We have very few false positives," said researcher Doug Adkins. Adkins says **other gas monitors exist but are not this small – tiny sensors sitting on a mini-platform about the size of a pat of butter, which in turn rests on a microprocessor board smaller than a credit card. It requires little power to operate and offers rapid analysis**, he said. "Rapid analysis currently is not possible with any other package near this size," Adkins said in a statement released by the lab.**

Source: <http://www.washingtonpost.com/wp-dyn/articles/A48217-2003Jan 27.html>

- 10. *January 23, United States Department of Defense News Release No. 034-03* — DOD announces top contractors for fiscal year 2002. The Department of Defense released their annual report titled "100 Companies Receiving the Largest Dollar Volume of Prime Contract Awards (Top 100)" for fiscal year 2002. This report presents summary data on the 100 companies receiving the largest dollar volume of Department of Defense (DOD) prime contract awards during fiscal year (FY) 2002. The report is comprised of the following sections: Index of Top 100 Parent Companies; Top 100 Companies and Their Subsidiaries; Top 100 Companies by Category of Procurement; and Top 50 Companies by Reporting Component. **In fiscal 2002, DOD prime contract awards totaled \$170.8 billion, \$26.2 billion more than in fiscal 2001.** The web site address for locating the report and other DOD contract statistics is <http://www.dior.whs.mil/peidhome/procstat/p01/fy2002/top100.htm>. Source: [http://www.defenselink.mil/news/Jan2003/b01232003\\_bt034-03.html](http://www.defenselink.mil/news/Jan2003/b01232003_bt034-03.html)**

## **Banking and Finance Sector**

11. *January 27, Sky News* — **Net worm slows markets.** A resilient two-day-old computer worm is continuing to infest computer networks in Europe, Asia and America. Despite efforts over the weekend by companies to patch their networks and stop the 'SQL Slammer' worm in its tracks, the infestation continues. South Korea, the world's most wired country, was hit hardest by the worm. **The association representing Korean insurers said it is expecting to pay out more than £500,000. The worm impacted stock trading in the Korean market as investors shied away from placing orders over the Internet, sending volumes to a 13-month low.**

Source: <http://www.sky.com/skynews/article/0,,31500-12235326.00.html>

12. *January 27, Sunday Times South Africa* — **Computer worm hits Standard Bank in South Africa.** Credit card merchants and customers were affected to varying degrees for more than two hours on Saturday when its processing contractor, Electronic Data Systems (EDS), was struck by an Internet worm. EDS, a US-based company, says a "denial of service" attack worm slowed traffic across the Internet around the world. It says this type of attack does not attack or damage data, but slows or stops service by flooding the network with volume. Dow Jones reported on Monday that computer experts were trying to determine if the virus-like attack on the Internet over the weekend originated in Hong Kong as the president of South Korea, the hardest hit nation, ordered officials to safeguard that nation's computer networks. **While Standard Bank card merchants were unable to obtain electronic authorization for transactions from about 10:10 AM to 1 PM on Saturday and sporadically throughout the afternoon, emergency measures were put in place to grant manual authorizations during this period. All systems are now operating normally.**

Source: <http://www.sundaytimes.co.za/zones/sundaytimes/business/business1043666532.asp>

13. *January 24, MSNBC* — **Net gambling bill fans e-cash fears.** After seven years of trying, lawmakers are widely expected to crack down on illegal Internet gambling during the current session of Congress. But in doing so, some observers say, **they could breathe life into a greater menace than the one they are trying to strangle – an untraceable form of electronic cash that could undermine the ability of governments to tax their citizens and trace the flow of money around the globe.** Concern about the possible unintended consequences of anti-gambling legislation comes amid signs that Congress is serious about putting the brakes on the rapidly growing online wagering industry. The legislation considered most likely to win approval aims to knock the financial legs out from under the offshore betting Web sites by prohibiting Americans from using credit cards or other financial instruments – electronic fund transfers, wire transfers, checks, money orders and the like for Internet wagering. That has gambling site operators scrambling for other means that can't be easily blocked, such as digital e-cash, that will allow them continued access to their biggest market, the United States. Most experts say e-cash – a digital form of money capable of being stored on hard drives and transferred over the Internet – will eventually become the coin of the realm for online commerce because it is instantaneous, inexpensive enough to be used for payments as small as a few cents and does not require third-party clearance. **Despite e-cash's promise, regulators and law enforcement officials have warned that its anonymous nature could provide new opportunities to commit numerous crimes, including tax evasion, money**

**laundering and financing of terrorism.** The U.S. Treasury Department warned in its 2002 Money Laundering Strategy that **widespread use of e-cash or smart card payment systems would "make it more difficult for law enforcement to trace money laundering activity and potentially easier for money launders to use, move and store their illegitimate funds."**

Source: <http://www.msnbc.com/news/862204.asp?cp1=1>

14. *January 24, Associated Press* — **New York Metropolitan Police say that banks need tougher security. New York Police Commissioner Ray Kelly said New York City's banks take security too lightly, attracting robbers responsible for a spate of unarmed heists in January. Banks have begun to stay open longer and use fewer security measures such as bulletproof plastic teller windows and exploding dye packs hidden in stolen money,** Kelly said. The changes are attracting robbers looking for an easy take, he said. As banks become more customer-friendly, they also become more robber-friendly," he said. "Some in the banking industry take the position that robberies are simply a cost of doing business. That view is unacceptable." Many banks also fail to capture usable images of robbers, with some wearing out videotapes with repeated use. An industry spokesman said that banks already are working hard to balance convenience with security. **Robbers armed only with notes have robbed at least 36 banks in New York so far this year, nearly three times as many as in January 2002.**

Source: <http://worknews.pwpl.com/content/btcc/btcc%200103/b012703s1.htm>

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## Transportation Sector

15. *January 27, Pittsburgh Post-Gazette* — **New airport baggage scan to bring back curbside check-in. The U.S. Transportation Security Administration has approved plans to integrate explosive detection equipment into the automated baggage system used by US Airways at Pittsburgh International Airport. Once completed, the new system will allow travelers to check their luggage at curbside again, and to avoid waiting to have their baggage scanned by the explosive detection equipment now located on the ticketing level of the airport's landside building.** Curbside check-in was halted December 31, when the agency, which oversees security at the airport, began screening all checked luggage for explosives under a mandate from Congress. Travelers now have to bring their luggage inside the landside building and wait to have it screened by explosive detection units the size of sport utility vehicles or by smaller machines that look for residue used in making explosives. **With the new system, all screening will be done in the confines of the terminal.** The equipment will be tied right into US Airways' existing automated baggage system. The downside is that any luggage search will be done outside of the view of the traveler. With the current screening, travelers stay with their bags as they are scanned and can watch if hand searches are needed.

Source: <http://www.post-gazette.com/nation/20030124baggage0127bp5.as.p>

16. *January 26, ABC13 Eyewitness News* — **Computer worm creates havoc at Houston airport.** The FBI is searching for the source of a fast-spreading computer worm that affected systems all over the world. The worm forced a handful of flights to be delayed and even canceled at Bush Intercontinental Airport. Many passengers waited around Saturday morning for hours before they could get back on the move. **The airport's systems were bogged down by the**

worm, and when it's backup system failed to kick in, the problem got even worse. The worm also affected hubs in Cleveland, OH and New Jersey.

Source: [http://abclocal.go.com/ktrk/news/12603\\_local\\_flights.html](http://abclocal.go.com/ktrk/news/12603_local_flights.html)

17. *January 24, Reuters* — **U.S. airports scramble to pay for security costs. U.S. airports, already under financial stress due to declining passenger air travel, are grappling with another worry: how to fund new security measures that could tally up to \$5 billion.** That's what it could cost airports for capital improvements involving security that aren't currently being paid for by the federal government, said Steve Van Beek, senior vice president of the Airports Council International, North America. New federal requirements that were mandatory by the beginning of this year called for all luggage to be screened at the nation's 429 commercial airports. **While the federal government is paying for the screening machines, many of the nation's largest airports are hoping to build new facilities to accommodate bulky Explosive Detection System (EDS) machines away from ticketing areas, to what is called "in-line" screening.** The Transportation Security Administration (TSA), the new Department of Transportation agency responsible for airport security, is reviewing security funding proposals from airports on a case-by-case basis, said Brian Doyle, a spokesman for the TSA. "We're well aware of the strain on the aviation industry and airports in general," Doyle said. Airports are hopeful the federal government will include a "letter of intent" program in next year's budget, which would allow airports to borrow money for security projects, backed by future federal fund disbursements.

Source: <http://www.forbes.com/business/newswire/2003/01/24/rtr858483.html>

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## **Postal and Shipping Sector**

Nothing to report.

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## **Agriculture Sector**

18. *January 26, Times Herald* — **County to watch livestock. Pennsylvania's Montgomery county health department intends to enlist area veterinarians in the war against terrorism. "It is much easier to start an epidemic among the animal population, where there is less surveillance, than in the human population," said Dr. Margaret Alonso, a veterinarian who is employed by the county health department. "The rapid spread of diseases among livestock and poultry is scary," said Montgomery, Pennsylvania Health Director Dr. Joseph M. DiMino. Although many of these diseases do not impact humans, "they can wreak havoc with the economy," said DiMino. Also, there are many diseases, viruses and bacteria such as "mad cow" disease, E. coli, and listeria that can cause serious illness and even death among humans, DiMino said. "Unlike bio-terrorism weapons such as smallpox, anthrax, and Ebola, diseases, viruses and bacteria that attack livestock and crops are more readily accessible," said DiMino. **Surveillance in identifying these situations also is a problem, he said. Veterinarians often are not brought in until a farmer exhausts all measures of their own to address the problem," said Alonso. In addition, there is very little coordinated****

**communication among veterinarians and farmers from one county to another and one state to another, DiMino said.** DiMino said that Montgomery County is working with Chester County, which also has a large farm industry, to coordinate agro-terrorism efforts and define the health department's role in such efforts. The joint effort will be looking at at least three options. **These options include: information source for the public and professionals, actively soliciting information from primary reporters such as veterinarians and farm agents and the state's agricultural department to compile and analyze data, and investigational agent similar to that that parallels current reportable human disease functions.**

Source: <http://www.timesherald.com/site/news.cfm?BRD=1672380AG=461>

19. *January 26, Inland Valley Daily Bulletin* — **Exotic Newcastle hits sixth poultry farm. A commercial poultry ranch in Riverside, CA has been found to be infected with Exotic Newcastle Disease, bringing the number of infected commercial farms to six in recent weeks.** The location of the ranch was not disclosed. **The ranch contains approximately 250,000 birds, bringing the number of commercial poultry in Southern California slated for slaughter by a federal-state task force to 2 million.** So far, about 1.5 million birds at six commercial establishments – including two apiece in San Bernardino and Riverside counties – have been slaughtered in an attempt to stem the outbreak, officials said. Officials have thus far declined to identify the affected premises, saying public disclosure inhibits their efforts to contain the spread of the virus.

Source: <http://www.dailybulletin.com/Stories/0,1413,203~21481~113713,8.00.html>

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## **Food Sector**

Nothing to report.

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## **Water Sector**

20. *January 26, USA Today* — **Water shortages forecast. More than half of humanity will be living with water shortages, depleted fisheries, and polluted coastlines within 50 years because of a worldwide water crisis, warns a United Nations report out Monday.** Waste and inadequate management of water are the main culprits behind growing problems, particularly in poverty-ridden regions, says the study, the most comprehensive of its kind. The United Nations Environment Program, working with more than 200 water resource experts worldwide, produced the report. **Based on data from NASA, the World Health Organization, and other agencies, the report finds: severe water shortages affecting at least 400 million people today will affect 4 billion people by 2050, adequate sanitation facilities are lacking for 2.4 billion people, about 40% of humankind, half of all coastal regions, where 1 billion people live, have degraded through overdevelopment or pollution.**

Source: [http://www.usatoday.com/news/nation/2003-01-26-water-usat\\_x.htm](http://www.usatoday.com/news/nation/2003-01-26-water-usat_x.htm)

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## Public Health Sector

21. *January 27, New York Times* — **Health data monitored for bioterror warning. To secure early warning of a bioterror attack, the government is building a computerized network that will collect and analyze health data of people in eight major cities, administration officials say. The U.S. Centers for Disease Control and Prevention is to lead the multimillion-dollar surveillance effort, which officials expect to become the cornerstone of a national network to spot disease outbreaks by tracking data like doctor reports, emergency room visits, and sales of flu medicine.** "Our goal is to have a model that any city could pick up and apply," a senior administration official said of the plan. Such surveillance is now possible because of an explosion in commercial medical databases that health authorities, with permission and under strict legal agreements, are starting to mine. In ambition and potential usefulness, the health network goes far beyond an environmental surveillance system, disclosed by the administration last week, that will sniff the air for dangerous germs. **The emerging health monitoring network, officials and experts say, will provide information that could save lives if terrorists strike with deadly germs like smallpox or anthrax. In detecting attacks, a head start of even a day or two can greatly lower death rates by letting doctors treat rapidly and prevent an isolated outbreak from becoming an epidemic.** Experts say the prospect of war with Iraq, and the chance that Baghdad might retaliate with germ weapons, are accelerating the effort to expand and integrate scores of rudimentary disease surveillance systems being developed by cities, states, and the federal government. **Public health experts argue that even if the United States never suffers another bioterror attack like the anthrax strikes of late 2001, the emerging network can still help doctors better track, treat and prevent natural disease outbreaks.**

Source: <http://www.nytimes.com/2003/01/27/national/27DISE.html>

22. *January 27, Associated Press* — **Mississippi surgeons protest malpractice insurance. A dozen surgeons stayed home Monday in protest of insurance companies that dropped their malpractice coverage or severely raised premiums.** The protest affected four Gulf Coast hospitals – Memorial Hospital, Garden Park Medical Center, Gulf Coast Medical Center, and Hancock Medical Center. The general surgeons handle trauma patients and assist other surgeons by handling complications. **An earlier agreement, which would have kept a surgeon on call on a rotating basis at one of the four hospitals to handle "life-threatening injuries," was scrapped over the weekend after physicians said the plan could overload surgery units at those hospitals.** "We have considered the options and have concluded that for the safety of all patients, no surgeries, emergency or otherwise, will be performed at these facilities," said a spokesman for the general surgeons, Dr. Alton Dauterive. The southern Mississippi surgeons said their hands were forced because insurance companies have either dropped their coverage or raised premiums beyond what physicians in their region can afford. **Gulfport and Harrison County earlier declared a state of emergency, which clears the way for ambulances to take patients to hospitals in neighboring Louisiana or Alabama. The Hancock County Board of Supervisors was expected to make a similar declaration. Mississippi Governor Ronnie Musgrove said in a statement Friday that he had had contacted the attorney general's office regarding the crisis. Musgrove said declaring a state of emergency would be only a temporary fix.**

Source: [http://www.usatoday.com/news/nation/2003-01-27-doctors-protest\\_x.htm](http://www.usatoday.com/news/nation/2003-01-27-doctors-protest_x.htm)

23. *January 26, Financial Times* — **U.S. warns that bioterror attack is inevitable. The U.S. warned on Sunday night that a bioterrorist attack that could kill thousands was inevitable and urged industrial and developing nations to spend tens of billions of dollars more to gear up medical systems to cope with the threat.** "There is going to be an attack. Whether it is in western Europe, the U.S., Africa, Asia, or wherever, you have got to anticipate that there is going to be a bioterrorism attack and the only way to defend yourself is by getting prepared," said Tommy Thompson, health secretary. In an interview with the Financial Times, he said the wave of arrests in Britain, France, Spain, and Italy, and the uncovering of terrorists' attempts to make the deadly poison ricin, made the issue more urgent. Countries were not doing enough, he said. **Thompson met health ministers and officials from the G20, the leading industrialised and developing countries, at the World Economic Forum in Davos, Switzerland, on Sunday night to try to step up international efforts in research and vaccine-sharing and agree mutual assistance pacts to support a country that was attacked.** Thompson said other countries were "light years" ahead of where they were a year ago in preparedness, but still had a long way to go. They too needed to purchase smallpox vaccines and develop comprehensive plans to gear up their health infrastructure to deal with an attack. "The preparation is difficult, hard, expensive, but the lack of a comprehensive plan can really damage your economy as well as your population. These poisons have the capacity of killing thousands of people," he said. An attack could come in the form of "a bioterrorism agent, a chemical dispersal, or a radiological one". Smallpox was the most devastating threat because of its contagious nature, he said, but poisoning of food with ricin was a great concern.

Source: <http://news.ft.com/servlet/ContentServer?pagename=FT.com/StoryFT/FullStory42491219998/a>

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## **Government Sector**

24. *January 26, New York Times* — **U.S. supports anti-crime group in the Caucasus and Central Asia.** With concern growing about the dangers worldwide of organized crime and terrorism, the **United States will provide financial support for law enforcement to a regional group of countries in the Caucasus and Central Asia,** officials from the United States and participating countries said last week. **The five – Georgia, Ukraine, Uzbekistan, Azerbaijan and Moldova – formed their regional group four years ago and are planning a law enforcement center linking their police forces, border guards and customs authorities.** Their model for coordinating law enforcement is based on a center in Bucharest, Romania, which links Balkan governments to combat international crime. It has been in operation for two years under the auspices of the Southeast European Cooperative Initiative, which also has substantial American support. Underscoring the increasing American interest in the wider region, John F. Markey, director of regional law enforcement programs at the State Department, said in a speech last week, **"Assistance to Southeast Europe, Central Asia and the Caucasus in 2002 is approximately \$1.8 billion – a large percentage of it focused on rule of law and good governance."**

Source: <http://www.nytimes.com/2003/01/26/international/asia/26CRIM.html?tnemail1>

25.

*January 23, U.S. Customs Service* — **U.S. Customs aircraft to provide security for National Capital Region.** The U.S. Customs Air and Marine Interdiction Division continues to play a crucial role in anti-terrorism and homeland security activities. **Starting this week, U.S. Customs aircraft will begin flying patrols over the National Capital Region to protect the White House, U.S. Capitol, and Pentagon. On January 27, the National Capital Region Coordination Center (NCRCC) will begin operations in the Washington, DC area to enhance airspace security for the National Capital Region.** Participants in the NCRCC include U.S. Customs, FAA, TSA, Secret Service, DOD, U.S. Park Police, FEMA, U.S. Capitol Police, and local law enforcement agencies. **The NCRCC will coordinate the activities of all agency assets and facilitate the exchange of information among participants.** Formed in the early 1970s, the mission of the Customs Air and Marine Interdiction Division (AMID) is to protect the nation's borders and the American people from illicit drugs and other contraband destined for the U.S. That mission continues. However, since the events of 9/11, Customs top priority has shifted to preventing terrorists and their tools from entering the country. As a result, the AMID mission has expanded to incorporate a much more significant role in homeland security.

Source: [http://www.customs.gov/xp/cgov/newsroom/press\\_releases/01232\\_003.xml](http://www.customs.gov/xp/cgov/newsroom/press_releases/01232_003.xml)

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## **Emergency Services Sector**

26. *January 27, Federal Computer Week* — **XML panel to help law enforcement.** A global standards consortium has created a technical committee to develop Extensible Markup Language standards to help law enforcement agencies find and share evidence on suspected criminal and terrorist activity. **The Organization for the Advancement of Structured Information Standards (OASIS) announced Jan. 23 that the LegalXML Lawful Intercept (LI-XML) technical committee was formed to help meet agencies' information-sharing needs.** XML enables agencies to tag data, facilitating information exchange among applications and systems. The committee will work on ways XML can help smooth the process of obtaining lawful intercepts and ensuring security and authenticity. Law enforcement agencies must go to several entities to obtain lawful intercepts while investigating suspected criminal or terrorist activity. The process is "slow, costly and inexplicably old-fashioned," said Tony Rutkowski, chairman of the OASIS LI-XML technical committee. **The committee is developing XML standards to structure the information to facilitate speed and trust between parties. The standards will also significantly lower operation costs, Rutkowski said.** Nearly 500 federal, state and local law enforcement agencies in the United States with intercept abilities will be able to use the standards.

Source: <http://www.fcw.com/fcw/articles/2003/0127/web-xml-01-27-03.a.sp>

27. *January 26, Associated Press* — **Gun "fingerprinting" success questioned. Two related California studies to be released this week conclude it is currently impractical to catalog the ballistic "fingerprints" of every firearm in the state.** Gun control supporters want the state to lead the way by passing legislation requiring manufacturers to provide a bullet "fingerprint" for every gun made and sold in California, which sells and produces more guns than any other state. Currently, Maryland and New York require ballistics be kept only on handguns. **California's initial study found the number of potential computer matches in**

the state "will be so large as to be impractical," that "a large proportion" of weapons couldn't be recorded, and that each gun's markings change with routine use and can be easily altered. The ATF disputed much of the California report, saying that with systems being developed by the ATF and FBI, "large-scale ballistic comparison goes from an impossibility to a valuable investigative tool." Independent ballistics expert Jan De Kinder of Belgium's National Institute for Forensic Science, supported the state study and disputed the ATF's rebuttal. **Such databases hold promise, De Kinder concluded, but not without improvements in the current technology.** Ballistics comparisons are widely used to match bullets to specific firearms, or to link bullets found at different crime scenes to the same weapon. Long before they had suspects in custody last fall in the Washington-area sniper attacks, investigators used such comparisons to conclude that bullets recovered in separate shootings came from a single rifle.

Source: <http://www.washingtonpost.com/wp-dyn/articles/A46459-2003Jan 26.html>

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## **Information and Telecommunications Sector**

28. *January 27, New York Times* — **Crime is soaring in cyberspace.** Spurred by a tightening economy, the increasing riches flowing through cyberspace and the relative ease of such crimes, **technically skilled thieves and rank-and-file employees are stealing millions if not billions of dollars a year from businesses in the United States and abroad,** according to consultants who track cybercrime. Thieves are not just diverting cash from company bank accounts, these experts say. They are pilfering valuable information like business development strategies, new product specifications or contract bidding plans and selling the data to competitors. **With budgets and personnel stretched thin, companies that added many new technologies to their computer systems during the dot-com build-up now find themselves lacking the resources to secure those systems against break-ins.** Dollar amounts are difficult to verify or compare because the definitions of loss vary so broadly. Part of the challenge in quantifying the problem is that **businesses are often reluctant to report and publicly discuss electronic theft for fear of attracting other cyberattacks or at the very least undermining the confidence of their customers, suppliers and investors – or inviting the ridicule of their competitors.** Securities and Exchange Commission rules say companies must disclose information that "a reasonable investor needs to know in order to make an informed decision about an investment."

Source: <http://www.nytimes.com/2003/01/27/technology/27ECOM.html>

29. *January 24, Associated Press* — **White House cybersecurity adviser to resign. Richard A. Clarke, a White House adviser, will resign from government soon,** people familiar with his plans said. **As the President's Special Advisor for Cyberspace Security and Chairman of the President's Critical Infrastructure Protection (CIP) Board, the nation's top cybersecurity adviser has focused most recently on preventing disruptions to important computer networks from Internet attacks.** Clarke previously led the government's secretive Counterterrorism and Security Group, made up of senior officials from the FBI, CIA, Justice Department and armed services, who met several times each week to discuss foreign threats. He is among the country's longest-serving White House staffers, hired in 1992 from the State Department to deal with threats from terrorism and narcotics. A spokesperson, Tiffany Olson,

said Clarke hasn't told White House CIP staff that he plans to leave.

Source: [http://www.washingtonpost.com/wp-dyn/articles/A38819-2003Jan\\_24.html](http://www.washingtonpost.com/wp-dyn/articles/A38819-2003Jan_24.html)

### Internet Alert Dashboard

Current Alert Levels	
 AlertCon: 3 out of 4 <a href="https://gtoc.iss.net">https://gtoc.iss.net</a>	 Security Focus ThreatCon: 2 out of 4 <a href="http://www.securityfocus.com">www.securityfocus.com</a>
Current Virus and Port Attacks	
<b>Virus:</b>	#1 Virus in the United States: <b>WORM_KLEZ.H</b> Source: <a href="http://wtc.trendmicro.com/wtc/wmap.html">http://wtc.trendmicro.com/wtc/wmap.html</a> , Trend World Micro Virus Tracking Center [Infected Computers, North America, Past 24 hours, #1 in United States]
<b>Top 10 Target Ports</b>	1434 (ms-sql-m), 137 (netbios-ns), 1433 (ms-sql-s), 80 (http), 53 (domain), 4662 (???), 445 (microsoft-ds), 139 (netbios-ssn), 135 (???), 8080 (webcache) Source: <a href="http://isc.incidents.org/top10.html">http://isc.incidents.org/top10.html</a> ; Internet Storm Center

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## General Sector

30. *January 27, Associated Press* — **UN inspectors issue tough report.** UN weapons inspection chief Hans Blix on Monday said Baghdad had not genuinely accepted the UN resolution demanding that it disarm, while nuclear inspection counterpart Mohamed ElBaradei said his teams needed an additional "few months" to complete the search. U.S. Ambassador John Negroponte said he heard nothing that "gives us any hope that Iraq will disarm" voluntarily. **ElBaradei said inspectors had found no prohibited nuclear activity at new sites visited in Iraq.** Blix said Baghdad was cooperating on access but needs to do more on substance. **"Iraq appears not to have come to a genuine acceptance, not even today, of the disarmament that was demanded of it,"** Blix said at the beginning of a crucial assessment on 60 days of weapons inspections. Blix, head of the UN Monitoring, Verification and Inspection Commission said it was not enough for the Iraqis to "open doors." **Blix noted that Iraq's 12,000 page arms declaration contained little more than old material previously submitted to inspectors.** One exception was an air force document which indicates that Iraq had failed to account for some 6,000 chemical rockets. "The finding of the rockets show that Iraq needs to make more effort to show that its declaration is currently accurate." **Blix said inspectors have also discovered a mustard gas precursor during recent inspections. On the nerve agent VX, which Iraq is believed to have weaponized on the eve of the Gulf War, Blix said the Iraqis haven't sufficiently answered questions regarding the fate of its stockpiles. On biological weapons, Blix said Iraq had failed to produce "convincing evidence" that it unilaterally destroyed its anthrax stockpiles and that there are indications that Iraq could**

**have had larger quantities than it reported to inspectors.** The full text of Inspector Blix's speech is available at <http://www.washingtonpost.com/wp-dyn/articles/A49612-2003Jan27.html>

Source: <http://www.washingtonpost.com/wp-dyn/articles/A49339-2003Jan27.html>

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## **NIPC Products & Contact Information**

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[NIPC Advisories](#) – Advisories address significant threat or incident information that suggests a change in readiness posture, protective options and/or response.

[NIPC Alerts](#) – Alerts address major threat or incident information addressing imminent or in-progress attacks targeting specific national networks or critical infrastructures.

[NIPC Information Bulletins](#) – Information Bulletins communicate issues that pertain to the critical national infrastructure and are for informational purposes only.

[NIPC CyberNotes](#) – CyberNotes is published to support security and information system professionals with timely information on cyber vulnerabilities, malicious scripts, information security trends, virus information, and other critical infrastructure-related best practices.

### **NIPC Daily Open Source Report Contact Information**

Content and Suggestions:	Melissa Conaty (202-324-0354 or <a href="mailto:mconaty@fbi.gov">mconaty@fbi.gov</a> ) Kerry J. Butterfield (202-324-1131 or <a href="mailto:kbutterf@mitre.org">kbutterf@mitre.org</a> )
Distribution Information	NIPC Watch and Warning Unit (202-323-3204 or <a href="mailto:nipc_watch@fbi.gov">nipc_watch@fbi.gov</a> )

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