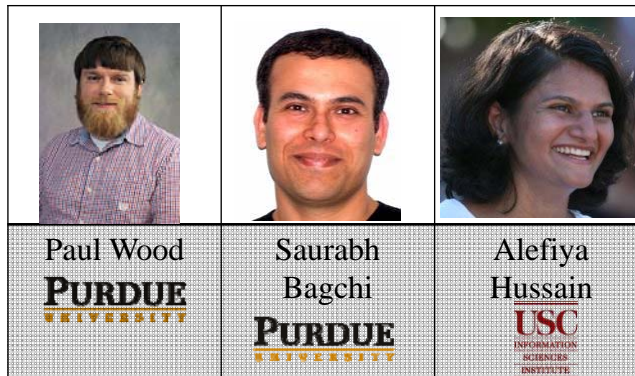


Profiting from Attacks on Real-Time Price Communications in Smart Grids



Slide 1/26



Outline

- Smart Grid (SG) and real-time pricing (RTP)
- Profit through arbitrage
- Attack model overview
 - Practical instantiation of attack
 - Experimental results and profit analysis
- Defensive techniques
 - Moving target defense
 - Experimental results and sensitivity analysis
- Conclusions



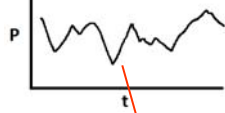
Slide 2/26



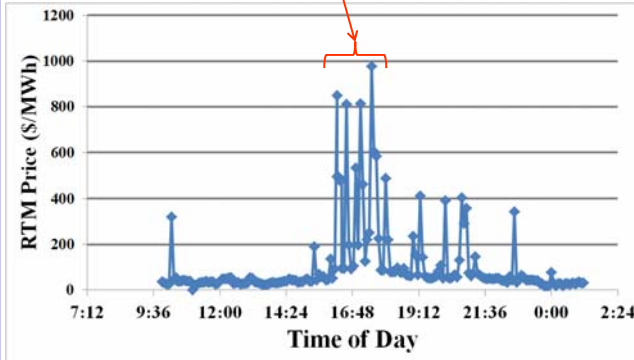
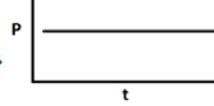
Grid Challenges: Uncertainty of Renewables



Unpredictable



Predictable



U.S. Power by Source:
Coal = 33%
Natural gas = 33%
Nuclear = 20%
Hydropower = 6%
Other renewables = 7%
 Wind 4.7%
Source: eia.gov

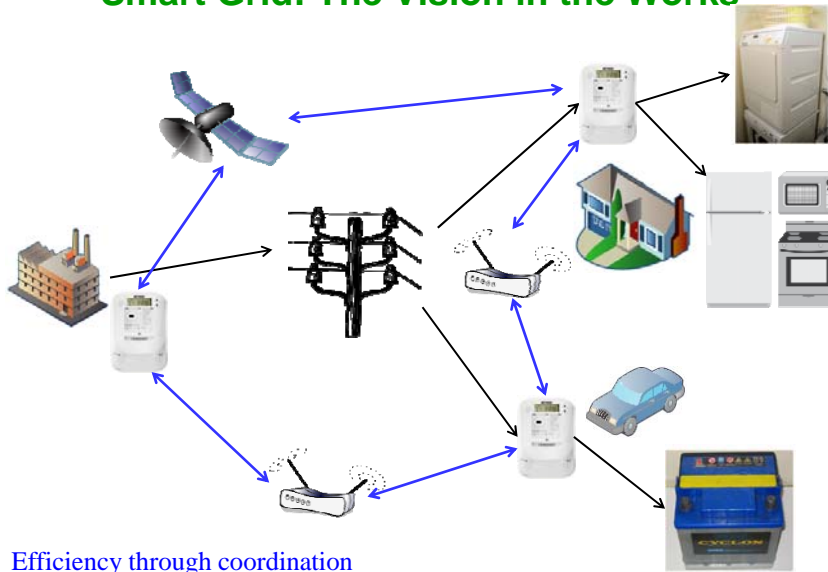
Source: nyiso.com



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Smart Grid: The Vision in the Works

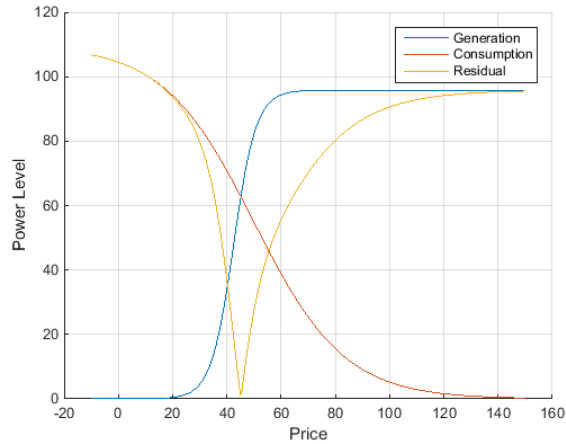


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ECON 101: Balance Demand and Supply

- Consumers use less with high price (\$)
- Producers supply more with high \$
- Residual Power = Supply - Demand
- + RP \Rightarrow Power is wasted
- - RP \Rightarrow Blackouts, voltage drops



Goal: Minimize RP



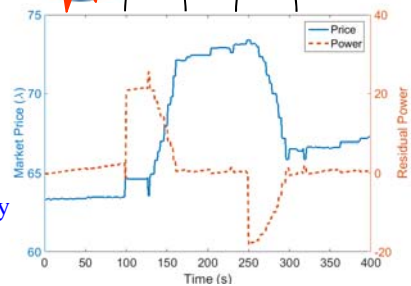
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Iterative Market Solution



- Real-time communication of price signal by ISO to consumers used for controlling the market
 - Lower latency means better efficiency



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Related Work

- In [1], latency impacts in real-time communication in DR is evaluated but without any economic incentives
- In [2], economic incentives are introduced but without real-time communications
- In [3], we combined real-time DR with game theory for theoretical strategies
- This work introduces practical strategies for adversaries participating in a real-time pricing market and practical defense measures

[1] Tan, Rui, et al. "Impact of integrity attacks on real-time pricing in smart grids." *Proceedings of the 2013 ACM SIGSAC conference on Computer & communications security (CCS)*. ACM, 2013.

[2] Barreto, Carlos, et al. "CPS: market analysis of attacks against demand response in the smart grid." *Proceedings of the 30th Annual Computer Security Applications Conference (ACSAC)*. ACM, 2014.

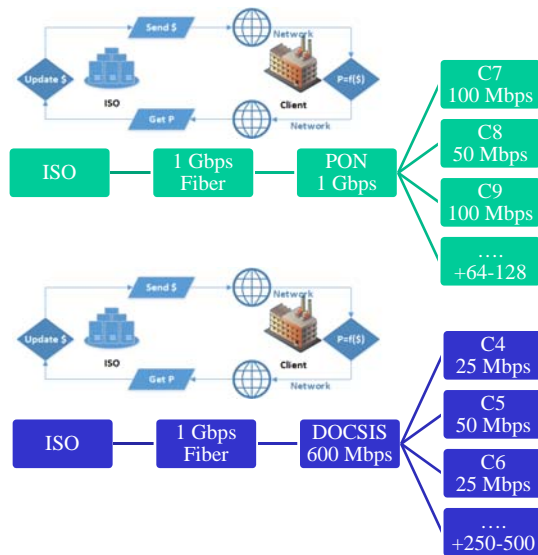
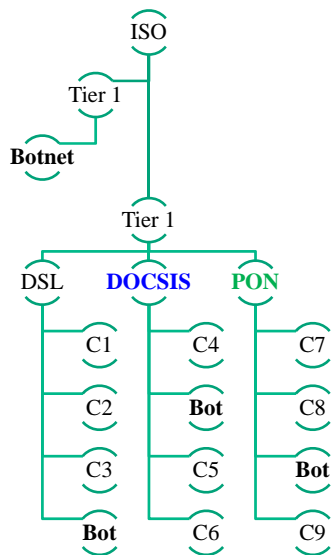
[3] Wood, Paul, et al. "Defending against strategic adversaries in dynamic pricing markets for smart grids." *2016 8th International Conference on Communication Systems and Networks (COMSNETS)*. IEEE, 2016.



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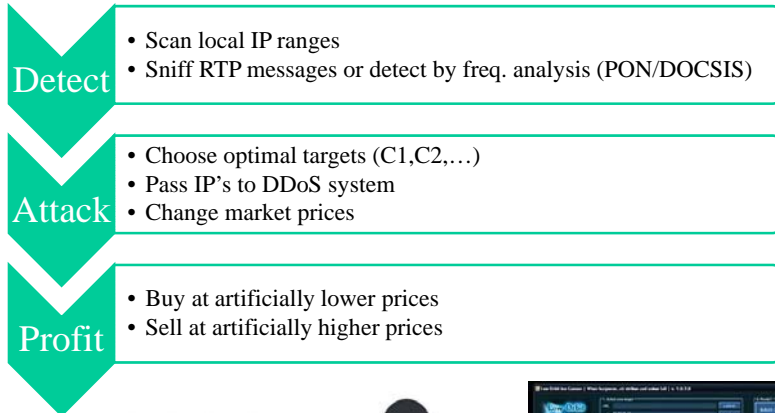
Consumer Communication Topology



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Attacker's Model



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Attack Operating Principle

$$f(\lambda_{t=T}) = \lambda_{t=T} \cdot D_i$$

$$D_1 = 2$$

$$D_2 = 3$$

$$\lambda_{t=1} = 5$$

$$\lambda_{t=1} \cdot D_1 + \lambda_{t=1} \cdot D_2 + P(t) = 9$$

$$5 \cdot 2 + 5 \cdot 3 - 16 = 9 \text{ RP}$$



$$\lambda_{t=2} = 4$$

$$4 \cdot 2 + 4 \cdot 3 - 16 = 4$$



$$\lambda_{t=3} = 3.2$$

$$3.2 \cdot 2 + 3.2 \cdot 3 - 16 = 0$$



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Attack Operating Principle

$$f(\lambda_{t=T}) = \lambda_{t=T} \cdot D_i$$

$$D_1 = 2$$

$$D_2 = 3$$

$$\lambda = 3.2$$

$$\lambda^* = 2$$

Market price reduced by
\$1.2 by attacking client #1

$$\lambda_{t=1} = 5$$

$$\lambda_{t=1} \cdot D_1 + \lambda_{t=1} \cdot D_2 + P(t) = 9$$

$$5 \cdot 2 + 5 \cdot 3 - 16 = 9$$



$$\lambda_{t=2} = 4$$

$$5 \cdot 2 + 4 \cdot 3 - 16 = 6$$



$$\lambda_{t=3} = 3$$

$$5 \cdot 2 + 3 \cdot 3 - 16 = 3$$



$$\lambda_{t=4} = 2$$

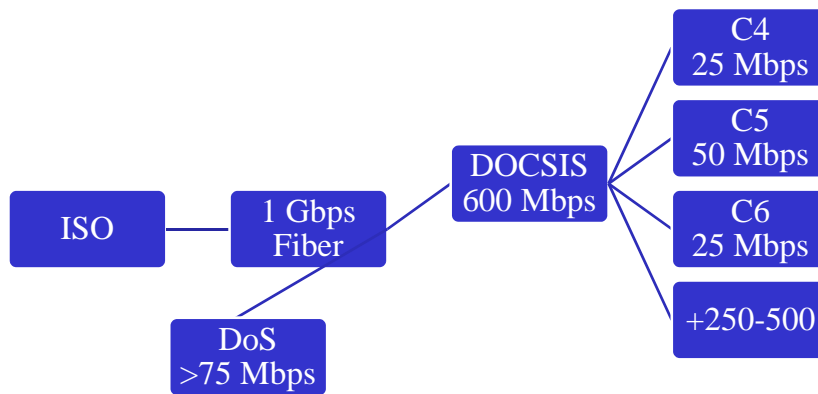
$$5 \cdot 2 + 2 \cdot 3 - 16 = 0$$



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DoS Attack Method



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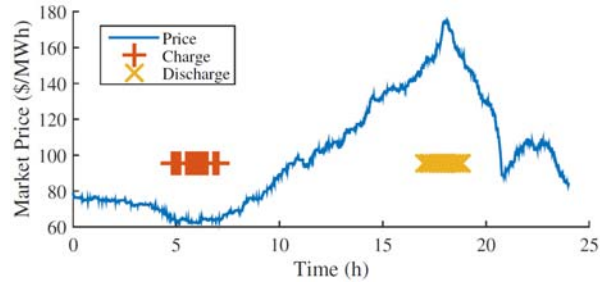
Arbitrage Profit Model

Sample system:

- Power from 2014 NYISO load data
- 100 Consumers
- 2 Generators

Attacker's Battery:

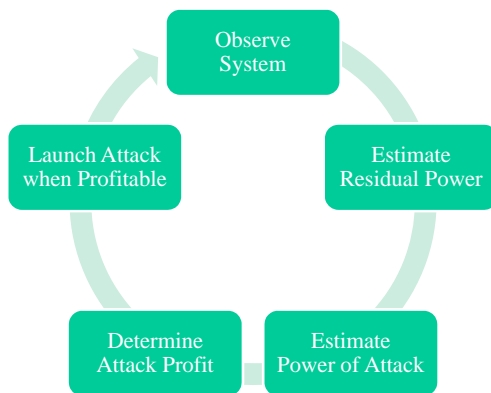
- 1200 kWh
- 2 hour dis/charge



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Optimizing Attacker Strategy



Power of Attack

- Estimate change in market price for attacking client C at current time

Buying Threshold

- Market price under which power is purchased

Selling Threshold

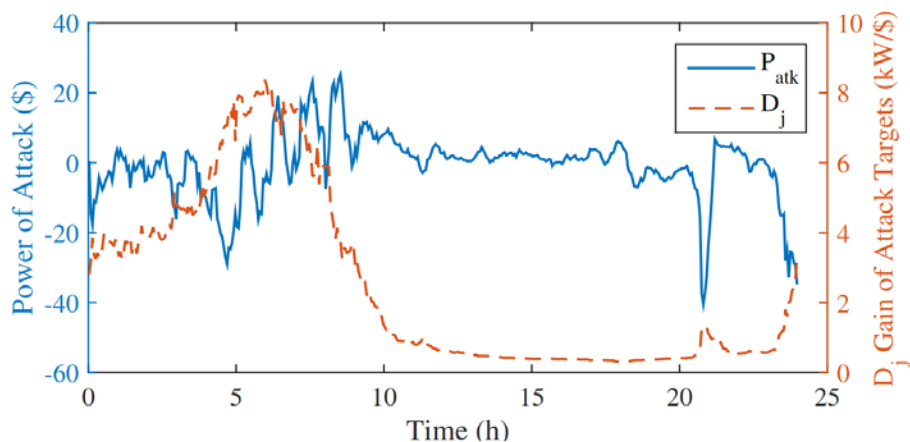
- Market price over which power is sold



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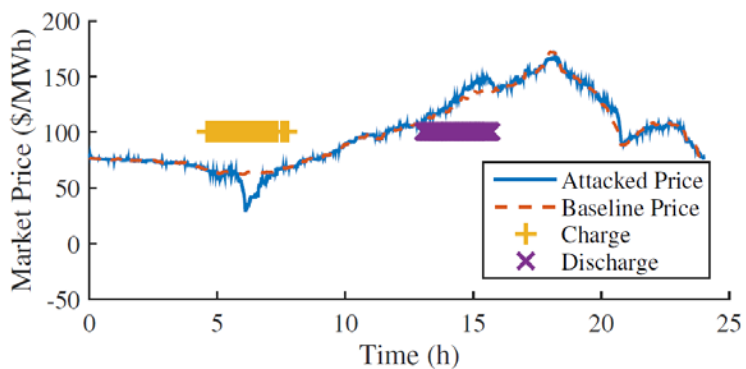
Projected Power of Attack over Time



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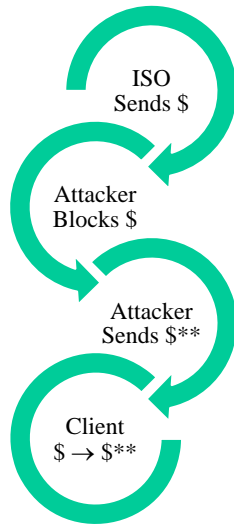
DDoS Attack Profits



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Stronger Adversary



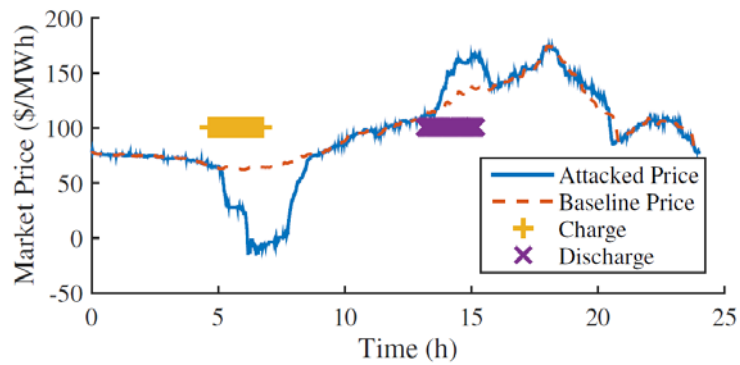
- Integrity attack
- More difficult than DoS
 - Compromised software
 - Race conditions
 - (e.g. DNS spoofing)
 - Compromised comms
 - (e.g. Man-in-the-Middle)



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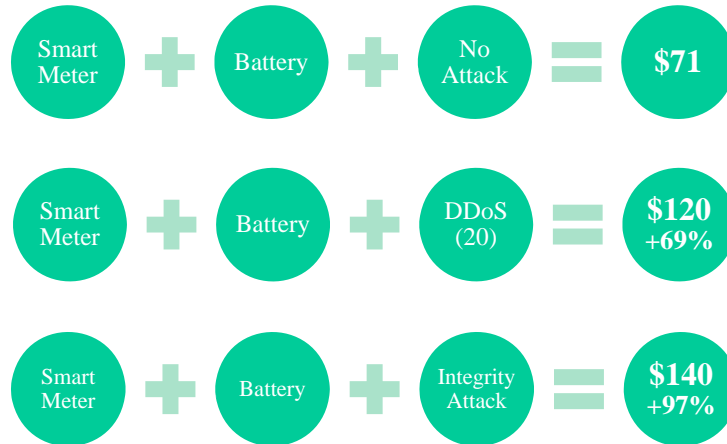
Integrity Attack Profits



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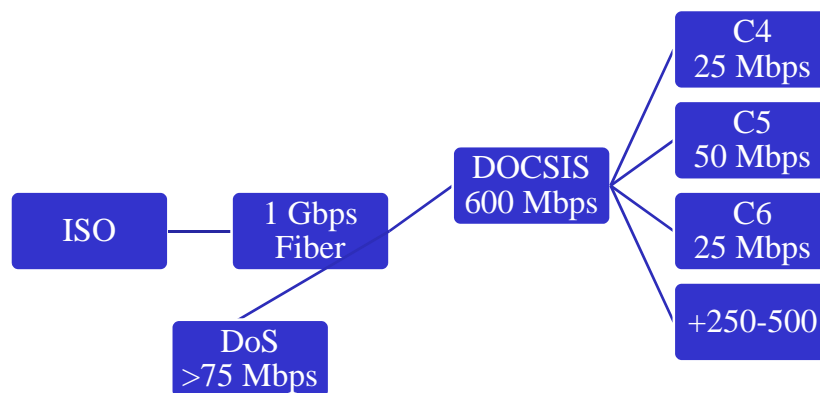
Daily Attack Profitability



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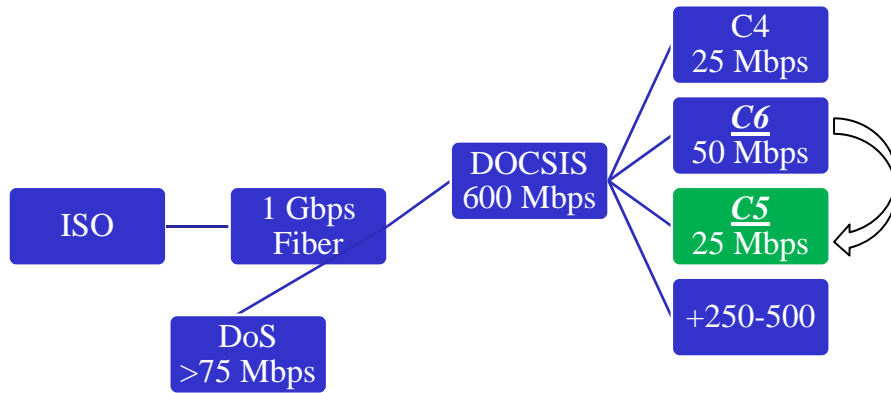
Defensive Strategy



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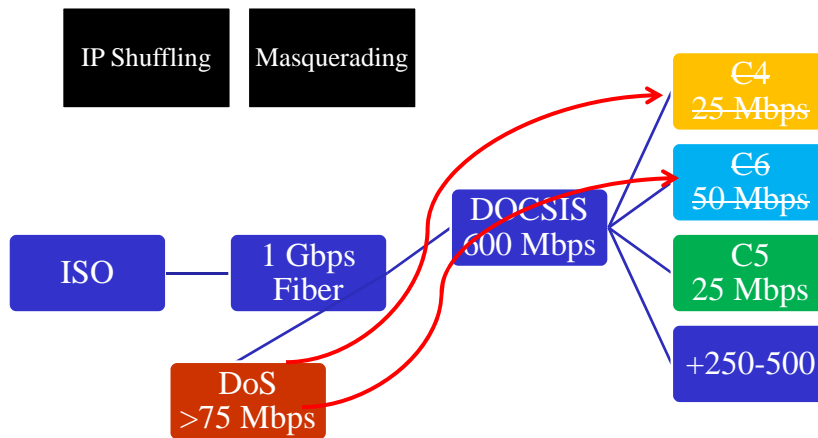
Defensive Strategy



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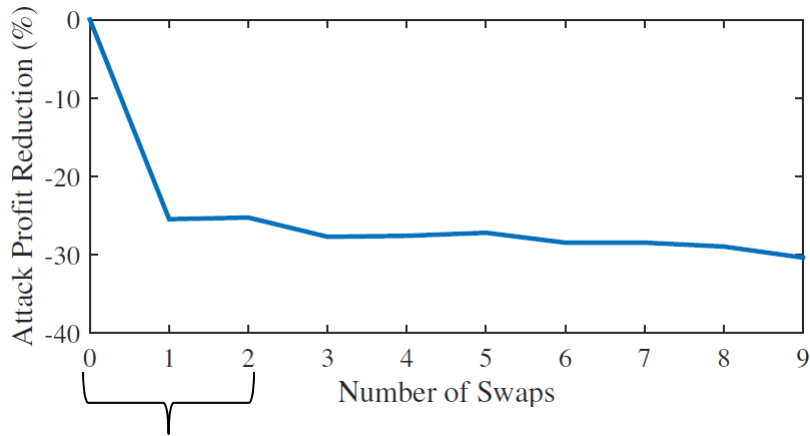
Defensive Strategy: Moving Targets



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Defensive Strategy: Moving Targets



Larger generator clients



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Conclusions & Takeaways

- RTP systems are susceptible to manipulation
 - Network interruptions (DDoS)
 - Compromised implementations (Integrity)
- Such manipulations may be profitable
 - Adversarial strategies yield substantial gains in profit
 - Other consumers suffer degraded efficiency
- Moving targets can reduce susceptibility to attacks
 - Introducing deception against the adversary
 - Concealing operational states is also effective
- Future work:
 - Defense through stochastic loading functions $f(\$)$
 - Attacks with different market models



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Most Powerful Attack Model

