




Encryption in OT Environments

Challenges and Implementation Strategies for
Industrial Systems

OT Security Learning Series

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1 Introduction

i Information

Encryption protects data confidentiality and integrity, but implementing it in OT environments presents unique challenges. Real-time requirements, legacy systems, resource-constrained devices, and the need for deterministic communication create obstacles that don't exist in typical IT environments. This document examines these challenges and practical approaches to deploying encryption in industrial settings.

While encryption is standard practice in IT networks, OT environments have historically operated without it. Many industrial protocols were designed decades ago when networks were isolated and security was not a concern. Today, increased connectivity and evolving threats make encryption necessary, but implementation requires careful consideration of OT-specific constraints.

2 OT-Specific Challenges

- 1 Real-time and latency requirements
- 2 Resource-constrained devices
- 3 Legacy protocol compatibility
- 4 Deterministic communication needs
- 5 Key management complexity
- 6 Network inspection requirements
- 7 Long device lifecycles

Figure 1: Key challenges for encryption in OT environments

2.1 Real-Time Requirements

Industrial processes often require deterministic, low-latency communication:

- › **Safety Systems** – Response times measured in milliseconds
- › **Motion Control** – Microsecond-level synchronization
- › **Process Control** – Consistent cycle times for stability

Warning

Encryption adds processing overhead and can introduce variable latency. For safety-critical systems, the additional delay from cryptographic operations may be unacceptable or require careful engineering.

2.2 Resource Constraints

Many OT devices have limited computational resources:

Constraint	Impact on Encryption
Limited CPU	Cannot perform complex cryptographic operations quickly
Small memory	Cannot store large certificates or key material
No hardware acceleration	Software-only crypto is slow and power-intensive
Fixed firmware	May not support modern cipher suites

Table 1: Resource constraints affecting encryption capability

2.3 Legacy Protocol Limitations

Many industrial protocols lack native encryption support:

- › **Modbus** – No built-in security; Modbus/TCP transmits in cleartext
- › **DNP3** – DNP3 Secure Authentication adds integrity, not encryption
- › **EtherNet/IP** – CIP Security is relatively recent addition
- › **PROFINET** – Security extensions still maturing
- › **OPC Classic** – DCOM-based, limited encryption options

3 Encryption Approaches by Layer

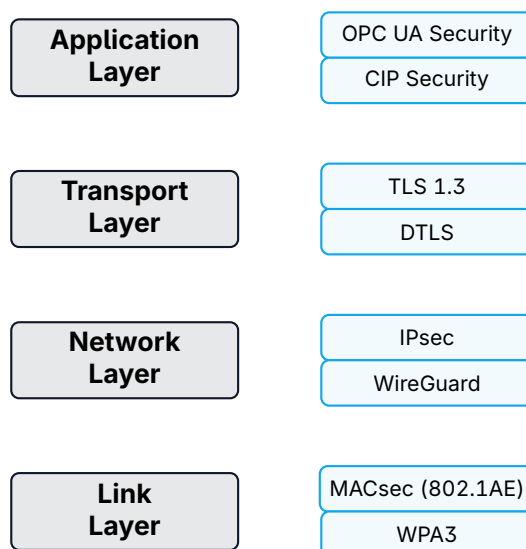


Figure 2: Encryption technologies by OSI layer

3.1 Link Layer Encryption

MACsec (IEEE 802.1AE) provides encryption at Layer 2:

- › Encrypts all traffic between switches
- › Minimal latency impact (hardware-based)
- › Requires MACsec-capable network equipment
- › Does not protect traffic end-to-end through Layer 3 boundaries

✓ Key Point

MACsec is well-suited for OT environments where low latency is critical and traffic stays within a Layer 2 domain. Industrial Ethernet switches increasingly support MACsec.

3.2 Network Layer Encryption

IPsec encrypts at Layer 3:

- › **Transport Mode** – Encrypts payload, preserves original IP headers
- › **Tunnel Mode** – Encrypts entire packet, used for VPNs
- › Supported by most modern operating systems
- › Can add 10–20% overhead; hardware acceleration helps

3.3 Transport Layer Encryption

TLS/DTLS encrypts at Layer 4:

Protocol	Use Case	OT Considerations
TLS 1.3	TCP-based protocols	Reduced handshake latency
DTLS 1.2/1.3	UDP-based protocols	Handles packet loss, reordering
Modbus/TCP + TLS	Securing Modbus	Requires TLS-capable devices

Table 2: Transport layer encryption options

3.4 Application Layer Encryption

Some modern industrial protocols include native security:

- › **OPC UA** – Built-in security with signing and encryption profiles
- › **CIP Security** – EtherNet/IP security extension with TLS and DTLS
- › **MQTT** – Supports TLS for broker connections
- › **IEC 62351** – Security standard for power system protocols

4 Protocol - Specific Solutions

4.1 OPC UA Security

OPC UA was designed with security from the start:

- › Multiple security policies (None, Sign, SignAndEncrypt)
- › X.509 certificate-based authentication
- › Support for AES-128/256 encryption
- › User authentication via certificates, username/password, or tokens

Tip

OPC UA is the preferred protocol for new OT deployments requiring encryption. Its security model aligns with IEC 62443 requirements and supports defense-in-depth strategies.

4.2 Securing Legacy Protocols

For protocols without native encryption:

Approach	Description
TLS Wrapper	Encapsulate protocol in TLS tunnel (e.g., stunnel)
VPN Tunnel	Route traffic through IPsec or WireGuard VPN
Bump-in-the-Wire	Hardware device that encrypts/decrypts transparently
Protocol Gateway	Convert to secure protocol at zone boundary
MACsec	Encrypt at switch level within network segment

Table 3: Approaches for securing legacy protocols

5 Key Management

Critical

Key management is often the most challenging aspect of OT encryption. Poor key management undermines even the strongest encryption algorithms. Many OT breaches exploit weak or default keys rather than breaking encryption itself.

5.1 Key Management Challenges

- › **Scale** – Large deployments may have thousands of devices
- › **Accessibility** – Devices in remote or hazardous locations
- › **Lifecycle** – 15–25 year device lifecycles exceed typical key validity
- › **Availability** – Key renewal must not disrupt operations
- › **Recovery** – Lost keys can render devices inaccessible

5.2 Key Management Strategies

- › **Centralized PKI** – Certificate authority for OT environment
- › **Hardware Security Modules** – Secure key storage and operations
- › **Automated Renewal** – Protocols like EST, CMP, or SCEP
- › **Offline Procedures** – Manual key distribution for air-gapped systems
- › **Key Escrow** – Backup keys for recovery scenarios

6 Implementation Considerations

6.1 Where to Encrypt

Not all OT traffic requires encryption. Prioritize based on risk:

Traffic Type	Priority	Rationale
Zone boundary crossings	HIGH	Highest exposure to threats
Remote access sessions	CRITICAL	Traverses untrusted networks
Engineering workstations	HIGH	Sensitive configuration data
Historian data transfer	MEDIUM	Business-sensitive information
Intra-zone Level 0/1	LOW	May impact real-time performance

Table 4: Encryption prioritization by traffic type

6.2 Performance Testing

Before deploying encryption in production:

1. Measure baseline latency and throughput
2. Test encryption overhead in lab environment
3. Verify timing requirements are still met
4. Test failover and key renewal procedures
5. Validate with actual process conditions

6.3 Monitoring Encrypted Traffic

Encryption can blind security monitoring tools:

- › Deploy decryption points at zone boundaries
- › Use endpoint detection on encrypted endpoints
- › Monitor metadata (connection patterns, volumes)
- › Consider TLS inspection where appropriate

7 Summary

Key Takeaways

- › **OT Constraints:** Real-time requirements, legacy protocols, and resource limitations make encryption more challenging than in IT environments
- › **Layer Selection:** Choose encryption layer based on requirements—MACsec for low-latency Layer 2, IPsec/TLS for flexibility, application-layer for protocol-native security
- › **Modern Protocols:** OPC UA and CIP Security provide built-in encryption; prefer these for new deployments
- › **Legacy Approaches:** Use TLS wrappers, VPNs, or bump-in-the-wire devices to secure protocols without native encryption
- › **Key Management:** Plan for the full device lifecycle; poor key management undermines encryption effectiveness
- › **Prioritize:** Focus encryption on zone boundaries and remote access; assess real-time impact before encrypting control traffic

8 Further Reading

Standards

- › **IEC 62351** – Security for power system communication protocols
<https://webstore.iec.ch/publication/6912>
- › **IEEE 802.1AE** – MACsec standard
https://standards.ieee.org/standard/802_1AE-2018.html

Resources

- › **OPC UA Security Model** – OPC Foundation
<https://opcfoundation.org/about/opc-technologies/opc-ua/>
- › **NIST SP 800-82** – Guide to ICS Security
<https://csrc.nist.gov/pubs/sp/800/82/r3/final>

Books

- › Knapp & Langill – *Industrial Network Security* (Syngress)
- › Ferguson, Schneier & Kohno – *Cryptography Engineering* (Wiley)

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