



February 9, 2001

The Honorable Spencer Abraham
Secretary
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, DC 20585

Subject Risk to Special Nuclear Materials in the Department of Energy's
Sites and Transportation.

Dear Mr. Secretary:

RETA Security, Inc has provided security engineering and analysis services to the DOE and its contractors since 1984. Since 1994 we have been designated as "key persons" in the prime support contract to the Headquarters Office of Safeguards and Security. In 1997 we were assigned a Quality Assurance role to review Safeguards and Security Site Plans for the 11 Class A nuclear sites in DOE. We have been the principal analysts for review of all SSSPs for DOE Headquarters since 1997. We have received numerous written commendations from DOE for our security efforts.

The clear possibility of a nuclear detonation or explosion with the spread of radioactive contamination has been documented in numerous studies and from numerous sources. The risk of abrupt theft of Special Nuclear Materials (SNM) has also been demonstrated, particularly during transit. However, time has shown that the existing bureaucracy at DOE have not adequately acted upon the issue of risk to the public other than in ineffective and reactive ways. I am writing this letter to bring this to your immediate attention. When the country's Special Nuclear Materials stockpile is at risk, the health and safety of American citizens is at risk. The primary mission of the DOE is the safeguard and security of the nation's nuclear inventory. This mission was a key point in your testimony in your confirmation hearing which I attended when I was in Washington for the inauguration.

Presidential Decision Directives (PDD) order protection against the terrorist risk to assets of societal importance of which Special Nuclear Materials in DOE is a primary element. Approximately \$1.3B of taxpayer dollars are spent annually toward fulfilling this mission. Recent reports and several commissions have highlighted the threat to the US by terrorists using a weapon of mass destruction. Considering the lax security at DOE, and the resultant vulnerability of Special Nuclear Materials,

terrorists have a ready supply of Special Nuclear Materials already existing and available within our borders. The DOE has avoided addressing this serious fact for the past eight years. In January 2000 we sent a letter to General Habiger, the recently named "Security Czar," entitled "Lying and Retaliation in the SO-20 Department." General Habiger forwarded the letter to the Inspector General (IG) for investigation and a report "Summary Report on Allegations Concerning the Department of Energy's Site Safeguards and Security Planning Process" (IG-0482) was published in classified and unclassified versions. During the ensuing Inspector General investigation we provided over 200 classified documents clearly exposing the risk at Rocky Flats, the Transportation System Division (TSD), and Los Alamos National Laboratory (LANL). These documents were prepared by a consortium of senior DOE officials, senior RETA analysts/engineers, senior Sandia National Laboratory analysts, and DOD Special Forces personnel as part of an Office of Security & Safeguards nuclear security quality assurance program. In our letter to General Habiger we referred to "risk" to Special Nuclear Materials nine times, yet the resulting Inspector General report avoided any serious consideration of risk. Unfortunately, in the unclassified version, the Inspector General minimized the severity of the problem. The Inspector General addressed this risk as the last bulleted item in the executive summary! However, the classified version of the Inspector General report, both in the body and appendices, cited clear evidence of actual risk to Special Nuclear Materials at key DOE sites and in transit. Unfortunately, both versions of the report leave the existence of risk to the reader, rather than explicitly stating "Special Nuclear Materials at risk." When we read the Inspector General report we assumed that any uninformed reader could see the persistent issue of vulnerabilities to Special Nuclear Materials across the complex - yet, shockingly, nothing was done.

The Inspector General's solution to the chronic vulnerabilities was to endorse implementation of a nebulous "new" and seriously "dumbed down" analytical process at some time in the future; a process that was proposed by the management that avoided the problem of risk in the first place. Special Nuclear Materials were at risk then, Special Nuclear Materials are at risk today, and, without significant changes, Special Nuclear Materials will be at risk in the future. The issue of risk to Special Nuclear Materials cannot be avoided by a "new" process that does not provide protection (detection, delay, and response) at the affected sites. Insufficient processes failed the USS Cole, Dahrhan Barracks, and Oklahoma City. Loss prevention processes were available to, but not practiced by, senior personnel who are steeped in national defense or law enforcement backgrounds. Such experience does not prepare them for proactive planning or implementation practices.

Secretary Richardson, in an effort to investigate and understand the security issues, appointed a Special Assistant for Security, Peter D. H. Stockton. From the spring of 1999 to December of 2000, Mr. Stockton prepared a series of point papers for the Secretary identifying these risks to Special Nuclear Materials. The Inspector General never interviewed Mr. Stockton. These point papers covered the period of the investigation and all of CY2000. They consistently pointed out risk to Special Nuclear Materials. The point papers were provided by the Secretary to General Habiger. Mr. Stockton's most recent paper, dated December 20, 2000, specifically referred to the "Phoney SSSP" at Los Alamos. An independent test verified the vulnerabilities there. This was the same issue in our original letter, but one year later. The DOE Orders require immediate compensatory actions when Special Nuclear Materials are vulnerable to sabotage or theft. The Secretary had to become

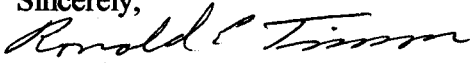
personally involved to affect any action. Accountability for this issue and other critical deficiencies is not, and has never been, a priority of the DOE bureaucracy.

The risk to Special Nuclear Materials and the public continues despite an Independent Oversight Program (OA). The program has routinely failed to address the existing risk. Both Mr. Stockton and I have briefed the Oversight Program on risk at Los Alamos and the Transportation Division. Detailed findings in the Oversight Program reports bear out the vulnerabilities, but the politicized Executive Summaries of their reports reveal little substance. The Oversight Program management decisions have been less than candid and ignored the critical quality assurance functions they are chartered to identify. A recent exception that proves the rule was at Argonne Laboratory at the Idaho Site. "In your face" problems were documented that required massive improvements in lab physical security and immediate manpower for compensatory actions. However, this site has little bureaucratic clout in the agency making it an easy target for the Oversight Program. This site is not part of the weapons complex. It is much more taboo to criticize Defense Program's (DP) sites, managed by the National Nuclear Security Agency (NNSA), or Energy Management's (EM) sites, and they have not. Los Alamos and the Transportation Division are examples of the Oversight Program seeking politically expedient prose in their executive summaries.

There have been a series of retaliations by DOE management to a variety of persons attempting to address these problems. In the summer of 2000, a Senior Security Analyst, in desperation, sent a copy of the draft Inspector General report that detailed security dangers at Los Alamos to two news organizations. As a result of this action he has been placed on temporary assignment and has had his clearance suspended pending administrative actions. This example, of an atypical act by the DOE employee, points out the frustration of attempting to address the issues of risk to the public and Special Nuclear Materials within the existing DOE bureaucracy.

The issue of risk to the public and Special Nuclear Materials has continued to fester: the security of the nation's inventory is not only in question, but the security cannot be assured by any objective measurement. Yet the status quo persists! The dysfunction in the DOE was documented by Senator Rudman and the President's Foreign Intelligence Advisory Board last year. More recently the General Accounting Office (GAO) also identified the dysfunction. A dysfunctional organization, by its very definition, is made up of personnel who continue to perpetuate their twisted agenda of least resistance and will not change. If the nation's well being remains secondary to lethargic and incompetent bureaucracy, then the risk to the nuclear inventory and the American public will persist.

I urge you to take this matter seriously and provide the leadership necessary to resolve these dangers to our nation before an accident, or deliberate terrorist action causes the loss of many lives or even the loss of one of our cities.

Sincerely,

Ronald E. Timm,
President
Certified Protection Professional

References:

- 1 “Summary Report on Allegations Concerning the Department of Energy’s Site Safeguards and Security Planning Process.” IG-0482. Sept. 2000.
2. “Summary Report on Inspection of Allegations Relating to the Albuquerque Operations Office Security Survey Process and the Security Operations’ Self-Assessment at Los Alamos National Laboratory. IG-0471. May 2000

cc:

Honorable Daniel Akaka, HI
Honorable Jeff Bingaman, NM
Honorable Richard Durbin, IL
Honorable Carl Levin, MI
Honorable Joseph Lieberman, CT
Honorable Frank Murkowski, AK
Honorable Richard Shelby, AL
Honorable Bob Smith, NH
Honorable Fred Thompson, TN
Honorable John Warner, VA
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