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## U.S. House of Representatives Committee on Energy and Commerce Washington, DC 20515-6115

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June 14, 2007

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> Honorable Samuel W. Bodman Secretary U.S. Department of Energy 1000 Independence Ave., S.W. Washington, D.C. 20585

## Dear Secretary Bodman:

The Committee on Energy and Commerce and the Subcommittee on Oversight and Investigations are very concerned with the National Nuclear Security Administration's (NNSA) failure to notify the Committee regarding a recent security incident at the Los Alamos National Laboratory (LANL). The Subcommittee convened two hearings that took place on January 30 and April 20 of this year, which reviewed ongoing security mismanagement at LANL and, specifically, the loss of 1,500 pages of classified documents discovered in October 2006.

Following our hearings, Committee staff discovered, with the help of information provided by sources outside of NNSA, that yet another serious security incident occurred in mid-January of this year that involved the loss of control of top-secret restricted data by several officials, including Board members of NNSA's LANL contractor, Los Alamos National Security (LANS).

The Committee is now aware that on January 19, 2007, an official from the University of California notified NNSA of an Impact Measurement Index 1 (IMI-1) security incident. An IMI-1 reportable incident is one, which "poses the most serious threats to national security interests and/or critical DOE assets or creates serious security situations." The Committee understands that this incident was so serious that a senior Departmental official was notified while at a White House event.

Apparently, open e-mail networks were used by several LANS officials to share classified information relating to the characteristics of nuclear material in nuclear weapons. After this incident was reported, NNSA, through Lawrence Livermore Labs, took immediate steps to identify, recover, and sanitize the computer laptops and hardware involved in the incident. Pursuant to NNSA requirements, LANS immediately initiated an investigation into the incident.

Honorable Samuel W. Bodman Page 2

That investigation was completed on May 18, 2007, and an inquiry report was prepared by LANL personnel.

We find it unacceptable that throughout this period, several NNSA, Department of Energy (DOE), and LANL officials with specific knowledge of this incident met with us on multiple occasions, and a senior LANL official testified twice before the Subcommittee without mentioning a word about this matter. The Deputy Secretary was asked at the January 30, 2007, hearing whether data on laptops had to be encrypted in case of theft and whether there was a risk of classified communications from laptops across open lines. If the Deputy Secretary had security related concerns about public disclosure of this cyber security breach, he could have volunteered this matter in closed session during the classified part of the January 30, 2007, hearing. As noted earlier, Committee staff discovered this incident from sources outside NNSA and DOE.

In order to obtain a more complete understanding of this matter, we ask that you respond to the following questions and requests for documents relating to this and other security incidents at LANL since June 1, 2006:

- 1. Please provide a briefing and access to an unredacted copy of the investigation inquiry report and damage assessment associated with this most recent incident. In addition, please provide an unclassified version of the inquiry report to the Committee.
- 2. Please explain why NNSA failed to notify the Committee regarding this incident, and whether you find NNSA's failure to provide this information acceptable in the context of the numerous briefings and hearings on cyber security at LANL.
- 3. Please provide a list and summary description of all reportable security incidents that have occurred at LANL since June 30, 2006.
- 4. Please provide a description of accountability measures that have been or will be taken with respect to this incident, including enforcement actions under Section 234B, the Atomic Energy Act, and/or the conditional payment of fee clause in the LANS contract.

Honorable Samuel W. Bodman Page 3

Please contact us, or have your staff contact Chris Knauer or John Sopko with the Committee on Energy and Commerce staff at (202) 226-2424, to arrange a briefing and access to the full, unredacted report. Please provide the unclassified inquiry report and a written response to questions by no later than two weeks from the date of this letter.

Sincerely,

John D. Dingell Chairman Bart Stupak

Chairman

Subcommittee on Oversight and Investigations

cc: William C. Ostendorff

NNSA Principal Deputy Administrator