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ONE HUNDRED TENTH CONGRESS

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

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February 16, 2007

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The Honorable David M. Walker
Comptroller General
Government Accountability Office
441 G Street, NW
Washington, D.C. 20548

Dear Mr. Walker:

Over the past eight years the Subcommittee on Oversight and Investigations of the Committee on Energy and Commerce has held 12 hearings regarding security failures, safety breaches, and mismanagement at the Los Alamos National Laboratory (LANL). The most recent hearing held by the Subcommittee on January 30, 2007, confirmed that these problems still continue.

The hearing highlighted the latest debacle regarding a LANL subcontractor who removed 1,588 pages of classified documents from a classified vault and also accessed open USB ports on classified computers to download documents onto a portable thumb-drive. Mr. Glenn Podonsky, Director of the Department of Energy's Office of Health, Safety, and Security, testified that "our recent oversight inspection resulted in the worst set of performance ratings for safeguards, security, cyber security and emergency management collectively that we have seen at the Los Alamos Laboratory in many years." Mr. Gregory H. Friedman, Inspector General for the U.S. Department of Energy, concluded: "the full extent of damage or dispersion of classified material may never be known. Other classified documents could have been removed in the same way, but there is absolutely no way to know."

These recent findings follow a long history of multiple security failures at LANL. Some of the more serious included the mishandling of classified material in 1999; the 2000 NEST team hard drive incident; and several incidents in 2003 and 2004 relating to the improper handling and accounting for classified removable electronic media (or "CREM"). In 2004, operations at LANL were shut down for a seven-month period in an attempt to deal, in part, with many of these security problems. The shutdown cost the taxpayers up to \$370 million and delayed

important national security work. As our recent hearing demonstrated, the 2004 shutdown at LANL did little to resolve ongoing security problems. At each Subcommittee hearing, Los Alamos officials have promised to solve these persistent security issues, but they have failed to follow through.

At the January 30 hearing, the Subcommittee learned that the volume of classified information and the massive size of the security footprint at LANL make safeguarding classified information especially challenging. LANL has 2,700 classified computing areas, 139 classified vault-type rooms, and more than 1,700 security areas. LANL manages more than 10 million classified documents.

The repeated failures to protect national security assets have cast doubt on whether Los Alamos National Security, LLC (LANS), the LANL site contractor, and the National Nuclear Security Administration (NNSA) are capable of assuring adequate safety, security, and sound business management practices. More dramatic steps are necessary, and we intend to develop and implement a range of options to solve the problems at LANL. We ask that the Government Accountability Office (GAO) assist us in these efforts.

First, we ask that GAO develop a comprehensive inventory of all major program activities and services performed at Los Alamos National Laboratory, which is estimated at \$2.2 billion per year, including defense programs, science programs, energy programs and work for others. This inventory should include the annual operating budget for each program activity, the mobility of infrastructure associated with each program activity, and the number of employees in each program activity.


Second, we request that GAO evaluate how LANS and NNSA can reduce and consolidate the volume of classified material and the size of the security footprint at LANL as a means to make it more manageable, and whether it is feasible to move classified activities to other weapons laboratories where there is a better track record with respect to security. Please detail whether classified material and security areas can be readily consolidated, and what program activities can be readily moved without impairing national security activities.

Third, we request that GAO also examine how NNSA, as part of Project 2030 (restructuring the nuclear weapons complex), is assessing a facility's capacity and track record with respect to physical and cyber security in making restructuring decisions.


If there are any questions regarding this request, please contact us, or have your staff contact Chris Knauer or Richard Miller of the Committee majority staff at (202) 225-2927, or Dwight Cates of the Committee minority staff at (202) 225-3641. Your attention to this request is appreciated.

The Honorable David M. Walker
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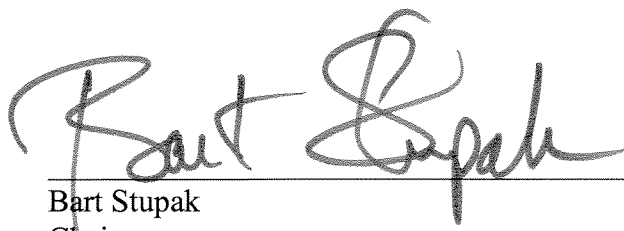
Sincerely,



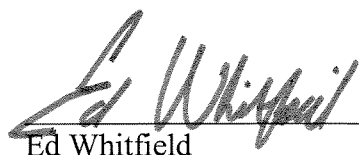
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