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FORMER PALO VERDE SOFTWARE ENGINEER SENTENCED TO FEDERAL PRISON

PHOENIX – Mohammad Reza Alavi, 51, of Huntington Beach, Calif., was sentenced here today by U.S. District Judge Neil V. Wake to 15 months in federal prison. Alavi, a former employee of the Palo Verde Nuclear Generating Station, was found guilty by a federal jury on May 27, 2008 for Unauthorized Access to a Protected Computer. On June 24, 2008, Alavi pleaded guilty to Interstate Transportation of Stolen Goods. Alavi was directed by the District Court to self report to the Bureau of Prisons on March 2, 2009 with the added release condition that he be subject to electronic monitoring.

Alavi admitted that he unlawfully transported the 3 KeyMaster software to Iran to use in future employment in the nuclear industry. The 3KeyMaster software was custom designed for the Palo Verde Nuclear Generating Station and is used as a simulator system to train employees on the operation of its nuclear reactors. The software contains detailed information on the reactor control rooms as well as maps, drawings, schematics and designs of the facility. 3 KeyMaster is owned and licensed by Western Services Corporation located in Frederick, Md. The customized software has a fair market value between \$200,000 and \$400,000.

"We are pleased that both a jury and the Judge recognized the serious nature of these crimes," stated U.S. Attorney Diane J. Humetewa. "A prison sentence is entirely appropriate to punish this defendant for his stealing of sensitive materials, given the potential threat to the security of information relating to a nuclear power plant and the potential benefit that such information could give our adversaries."

On July 19, 2006, after having given notice of his intent to resign from the Palo Verde Nuclear Generating Station, Alavi installed the customized Palo Verde version of the 3 KeyMaster software onto his personal laptop and activated the program by obtaining a registration key from the Western Services Corporation's protected website. Alavi did not have authorization from Palo Verde or Western Services Corporation to take the software with him. On August 16, 2006, Alavi took the software to Iran where he intended to reside.

While in Iran on October 10, 2006, Alavi used the internet and logged onto the Western Services protected customer web site located in the United States and successfully obtained another 3 KeyMaster software registration key. In obtaining the registration key, the Alavi falsely identified himself as another Palo Verde employee on the registration form.

The investigation in this case was conducted by the Federal Bureau of Investigation. The prosecution was handled by David A. Pimsner, Assistant U.S. Attorney, District of Arizona, Phoenix and Ryan Fayhee, Trial Attorney, National Security Division, Department of Justice.

CASE NUMBER: CR-07-0429-PHX-NVW

RELEASE NUMBER: 2008-339(Alavi)

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