

NATIONAL SECURITY

Sandia acknowledges problems with security, vows action

Security at the Energy Department's Sandia National Laboratories has been marked by guards falling asleep on duty and theft of government property, according to several recent reviews of the system, but lab officials said security operations are being overhauled to keep problems from recurring.

At a press conference at Sandia on Thursday, President C. Paul Robinson acknowledged there were "some disturbing concerns about the management of our security force." An internal Sandia investigation and another by the Sandia Site Office of the National Nuclear Security Administration have found significant problems, Robinson said, but added, "there is no evidence that at any time classified or sensitive material has been compromised, and our lab is secure." NNSA is the semi-independent DOE agency that oversees the department's three primary weapons labs — Sandia, Los Alamos and Lawrence Livermore National Laboratories.

The investigations examined allegations within the security force of "a breakdown of discipline, lax security, theft of government property, threats of retaliation, inconsistent and inadequate disciplinary actions, and mistrust of mismanagement to take action when problems are brought to its attention," according to a Sandia statement.

In a letter obtained by *Inside Energy*, Sen. Charles Grassley, R-Iowa, wrote to Secretary Spencer Abraham on March 11 warning that information he had received "clearly indicates that security" at SNL "is lax or essentially nonexistent, and nothing is being done to fix it. In view of the terrorist threat to our country and especially to places like Sandia, lax security is unacceptable. The security problem at Sandia must be addressed and corrected without delay." The senator wrote to Abraham twice last fall raising similar questions about security at the lab.

Grassley said he met with two SNL security investigators, Pat O'Neill and Mark Ludwig, on Feb. 25, and had concluded from their statements that "in the existing climate at Sandia, investigations get quashed — or effectively side-tracked

— with alarming regularity. Management views every investigation as a potential 'embarrassment to the lab,'" according to the senator's letter to Abraham. Grassley said O'Neill and Ludwig had indicated that security investigators were barred from using covert video surveillance, and that O'Neill and Ludwig had been threatened with retaliation and "effectively fired as investigators and told to find 'new work' outside the security organization," the senator said.

Sandia officials said that security problems at the lab date back three years or more, and that "a few Sandia employees raised awareness of the issue." The problem is not simply a few bad apples, lab managers conceded; the internal review and NNSA site office inquiry "suggest some of the problems are systemic," lab representatives said.

Robinson acknowledged at the news conference that some employees had voiced concerns, but that "regrettably, some of their concerns initially did not receive an adequate response when the employees brought them to management's attention. As a result, one of the employees took his concerns to Sen. Charles Grassley, who made sure Sandia management was aware of the severity of the issues brought forward." Along with the lab's recently completed self-assessment, Robinson said he had initiated "a thorough independent investigation of security issues" by two former federal prosecutors, who are expected to issue their findings next month.

A Sandia spokesman suggested that the Iowa senator might have gotten an inaccurate impression of the problems at the lab. "One of the things that perhaps occurred over time was that some of the issues that were brought to Sen. Grassley's office came in dribbles, many of which were taken care of," he said. But he also credited Grassley with taking "strong steps to crystallize in the minds of Sandia management" that action needed to be taken.

The spokesman said he had no knowledge of threats of retaliation against O'Neill and Ludwig, but added that under the lab's reorganization of its security operations, "those two gentleman

are [now] working directly for the chief of the executive office. That's the value of their concerns."

A summary of the SNL internal review, which was launched in January, found four "root causes" of the lab's security problems:

- Communications suffered a breakdown in the chain in command;
- Job performance was not uniformly enforced nor standards communicated;
- Managers were not trusted to take action when problems were brought to their attention; and
- Inadequate funding produced staff shortfalls and degradation in training and equipment.

In response, lab officials have proposed more than a dozen changes to security operations. Robinson said that two significant changes had already been put into effect: the lab's waste, fraud and abuse investigators will now report directly to Sandia's executive office, and SNL security official Dennis Miyoshi has been named to lead a new lab organization to oversee the security force.

But some watchdog groups say the security breakdowns at Sandia, coming on the heels of employee theft and charges of retaliation against security whistleblowers at Los Alamos, indicate problems that require more sweeping changes at DOE. "It looks like a rerun of a bad movie, but it's not surprising given the lax oversight from DOE," said Danielle Brian, director of the Project on Government Oversight, a Washington-based organization that helped expose many of the problems at Los Alamos.

DOE could duck criticism of management at Los Alamos, she said in an interview on Thursday, because investigators from Congress and the department's inspector general focused on the University of California, which runs Los Alamos and two other DOE labs. But Sandia is run by a subsidiary of Lockheed Martin, which earlier this year had its contract to manage the lab extended by DOE for another five years. In a speech at the lab in which he announced the extension, Abraham told lab employees that he generally favored

competition in contracting, but that “where performance has been outstanding, we think it should be rewarded. Through the excellence of your performance, you’ve earned an extension.” Sandia had received top-ranked evaluations from

the department for its operations.

NNSA, which Congress created in the late 1990s in the wake of the Wen Ho Lee case, must shoulder some of the blame for the problems at Los Alamos and Sandia, Brian said. Con-

gress has “moved toward giving NNSA labs greater autonomy, and this is what you get. These labs are like children without parental supervision, and NNSA’s the parent.”

— *David Jones*