

# Los Angeles Times

A10

SATURDAY, JANUARY 29, 2005

## A Slew of Safety, Security Weaknesses Found at Los Alamos

**Disks thought missing  
apparently didn't exist,  
but UC's management  
fee is cut by two-thirds.**

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An Energy Department investigation released Friday found severe security weaknesses at the Los Alamos National Laboratory but said the New Mexico facility did not lose secret nuclear weapons data last year.

In a report harshly critical of the University of California, which has managed Los Alamos for six decades, Energy Department officials said two classified computer disks believed to be missing from the lab last summer never actually existed.

But in what it called the largest financial penalty ever imposed on a national lab, the department announced that it had slashed UC's management fee for running the facility by \$5.1 million, leaving the university with only about a third of the \$8.7-million payment for 2004.

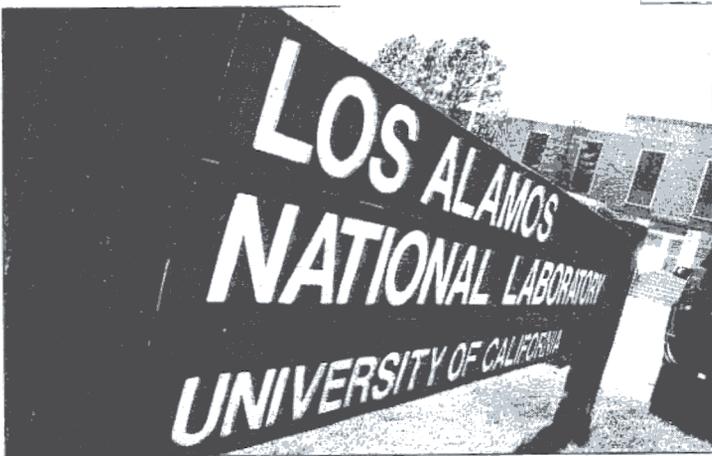
Although there was no loss of

classified material at the lab, "the cultural weaknesses revealed by this investigation are severe and must be corrected," the report said. "The root cause of the problems was a widespread ... disregard for safety and security."

Lab officials reported in July that two classified computer disks appeared to be missing, which, along with a laser accident that injured a student intern, triggered a shutdown of most of the lab's operations. The closure continued in large part through the rest of 2004, and one key area of the weapons directorate remains shuttered, although a lab spokesman said Friday that all sections should be restarted by next week.

In announcing the penalty, National Nuclear Security Administration chief Linton Brooks expressed concern about the weaknesses revealed by the incident, in which security bar codes were created for nonexistent disks.

Such lapses "are absolutely unacceptable, and the University of California must be held accountable for them," said Brooks, whose agency, a semiautonomous arm of the Energy Department, oversees the nation's



JOE RAEDLE Getty Images

**UNDER SCRUTINY:** Friday's report came after a year of controversy for Los Alamos National Laboratory in New Mexico.

nuclear weapons facilities.

UC officials accepted responsibility Friday for the lab's problems but said they had since been corrected in a detailed review of safety and security procedures.

"We got walloped," UC spokesman Chris Harrington said. "Unfortunately, we deserve this, but what we have done now is correct the problems and put systems in place so we don't take this type of hit again."

Harrington said the penalty would not affect the overall operations of the university.

Last summer's lab work stoppage represented a \$1-billion loss to taxpayers, according to the Project on Government Oversight, a Washington advocacy group that has pressed the Energy Department to take a tough stand against the lab's lapses in security and safety.

In November, the organization's executive director, Dan-

ielle Brian, wrote a letter to Energy Secretary Spencer Abraham, arguing that UC's fee should be sharply curtailed because it had failed to address broad management lapses. The letter cited 45 major nuclear safety violations at the Los Alamos lab in 2004.

The group also asked the DOE to investigate what it called exorbitant salaries paid to upper and middle management at the lab, including 60 people receiving salaries of more than \$175,000. Harrington declined to discuss the salary structure of the lab's management, though he said the lab took action against employees who were involved in security breakdowns in 2004, including reducing their salaries.

Asked what the worst thing was that the lab did to deserve the fee cuts, Harrington said that it failed to have "necessary policies and procedures to ensure safety and security."

Sen. Pete V. Domenici (R-N.M.), chairman of the Senate Energy and Natural Resources Committee, said Friday that UC had done a "good job" of running the lab and that the nuclear security agency's harsh penalty was simply a concession to critics.

The National Nuclear Security Administration "has responded to the bad headlines by cutting the university's award fee unreasonably," Domenici said.

That willingness to succumb to political pressure reveals to me that the university is doing a better job of standing up to criticism than is the NNSA."

The management lapses and resulting scandals that have surrounded Los Alamos and UC over the last two years have prompted NNSA to put the contract for managing Los Alamos up for bid. A number of potential bidders have walked away, including the University of Texas and Lockheed Martin Corp.

With final Los Alamos contract specifications due to be released in a matter of weeks, UC leaders have yet to decide whether the university will bid, although they say it is preparing as if it will. The only organization that has indicated it will apply for the contract is an alliance of two antinuclear organizations, Nuclear Watch of New Mexico and Tri-Valley Citizens Against Radiation Exposure.

"We are the only announced bidders," said Jay Coghlan, director of Nuclear Watch.