



Department of Energy
National Nuclear Security Administration
Washington, DC 20585



December 31, 2007

Ms. Danielle Brian
Executive Director
Project On Government Oversight
666 Eleventh Street, NW, Suite 900
Washington, DC 20001-4542

Dear Ms. Brian:

Thank you for your letter relating to the Chemistry and Metallurgy Research Replacement Project (CMRR) dated November 30, 2007. You noted that there were some quality assurance (QA) issues that were observed in the past, which caused you some concern on whether the project is being executed properly.

Let me assure you that the portion of the CMRR project that is currently under construction, the Radiological Laboratory, Utility, and Office Building (RLUOB), is being built to the highest quality assurance standards. Even though the structure is rated only as a radiological laboratory, and would not normally be constructed to the same standards as a high hazard nuclear facility, it is nevertheless, being constructed to those higher standards (10 CFR 830.120, DOE O 414.1, and NQA-1). The Austin Commercial Company Limited Partnership (ACCLP) subcontractor developed a QA program that meets these stringent contract requirements, and ACCLP is implementing their program for the RLUOB. There were some discrepancies early in the pour cycle, and these discrepancies were resolved. All completed concrete conforms to the approved RLUOB Design and associated QA requirements. To date, a total of 6,800 cubic yards of concrete have been placed of the total 16,800 cubic yards.

Your letter suggests that concrete pour cards, and the QA record associated with construction of a Department of Energy (DOE) nuclear facility, may have been falsified by a contractor to meet milestones for payment. Our implemented QA program assures QA records are accurate. Through this QA program, the project has verified and validated the veracity of the pour cards to date and will continue to do so. To date, neither the National Nuclear Security Administration (NNSA) Los Alamos Site Office (LASO) federal team, nor the Los Alamos National Security, LLC CMRR project team has identified any falsification of records.

In addition to your principal concerns about QA, you raised other issues, relating to ACCLP fees, authorization of the project, and the capabilities of the federal oversight team. I will address these points separately.



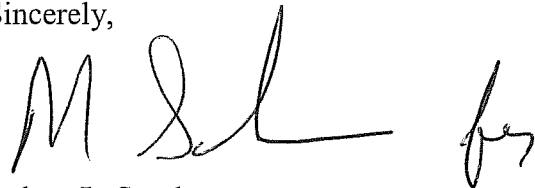
The contract with ACCLP is a Firm Fixed Price design/build contract with a current value of approximately \$127 million. There is no fixed fee associated with this contract and no fee awarded or earned associated with completion of the contract.

There is broad support for construction and operation of the RLUOB portion of the CMRR project, and the project has been authorized and funded by Congress in previous years. The balance of the CMRR project, the Nuclear Facility is still in the preliminary design stage.

LASO has a dedicated federal project team for the oversight and management of the CMRR project. There are five certified Federal Project Directors (FPD) assigned full-time to the CMRR project. A Level IV FPD (DOE's highest level of certification) is responsible for the overall project execution, with the other team members managing various portions of the CMRR project, who report to the lead FPD. There is a qualified Level III FPD/field engineer assigned full-time to construction oversight of the RLUOB portion of the CMRR project. This person is located with the Los Alamos National Laboratory project team to provide daily federal oversight of the project, and evaluate all aspects of project implementation and performance. This individual reports directly to the senior Level IV FPD, who has direct access to senior NNSA management. In addition, a LASO QA engineer is assigned full time to the project, and reports directly and independently to the LASO's Office of the QA Manager.

Please be assured that the CMRR project is and will be constructed to the highest quality and technical standards, and will provide the Nation with an enhanced capability to fulfill NNSA's national security mission. I assure you there is no need to suspend operations on the project. Your interest in these issues and the nuclear weapons program is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Smolen', followed by a small flourish or mark.

Robert L. Smolen
Deputy Administrator
for Defense Programs