



Department of Energy

Washington, DC 20585

May 15, 2008

Mr. George H. Miller
President
Lawrence Livermore National Security, LLC
Lawrence Livermore National Laboratory
7000 East Avenue
Livermore, California 94551

Dear Mr. Miller:

In our recent dialogue via televideo with your Deputy, safeguards and security director, and other key managers of your staff, we discussed our reasons for sending this enforcement letter to Lawrence Livermore National Security, LLC; the purpose of this letter; and our concerns about the protection of classified information at the Lawrence Livermore National Laboratory (LLNL). Accordingly, this is not a formal enforcement action and imposes no requirements. We appreciate the laboratory's perspectives and your ongoing efforts to address these concerns.

We recognize that the timing of our discussion may not have been ideal as you were intensely engaged in responding to the recent Office of Independent Oversight safeguards and security inspection. However, we believe that it is advantageous to you to have this information and be able to develop corrective actions to comprehensively address all security deficiencies. As you develop the corrective action plans in response to the inspection, we encourage you to evaluate the inspection findings that involve the control and protection of classified information for compliance with Department of Energy (DOE) security requirements. We will also be evaluating the report from a regulatory (enforcement) perspective as well as monitoring your progress on your corrective action plans. When the inspection report is finalized, we welcome having a discussion with you about the inspection results from an enforcement viewpoint.

As mentioned in our first paragraph, our concerns stem from an Office of Enforcement analysis of 2007 security incidents across DOE, as reported in the Safeguards and Security Information Management System. The analysis consisted of reviewing each incident to determine whether the circumstances indicate a potential deficiency in the protection of classified information, such as classified e-mails sent by unapproved methods, failure to properly implement classified cyber security requirements, introduction of controlled articles into security areas where classified information was being processed or discussed, or improper handling and storage of classified information. The Office of Enforcement considered the classification level and category of the information involved, the approximate size of the site's classified holdings, and the number of employees possessing security clearances that could potentially process/handle classified information in determining the appropriate perspective and significance of reportable incidents. After consideration of these factors and in order to place the number of incidents at LLNL in context, the number of



events involving classified information on e-mail raised concern and indicated that corrective actions taken to date are not being effective.

As background, the Department's enforcement program has used enforcement letters for potential nuclear safety violations for a decade. Enforcement letters will be used in the security area in a similar manner, with the overarching goal of promoting improvements and correcting deficient conditions before a significant event or violation occurs. Additional information on the enforcement process and enforcement letters can be found in the *DOE Enforcement Process Overview*, dated December 2007, which can be found on the Office of Health, Safety and Security website under the Office of Enforcement at: http://www.hss.energy.gov/Enforce/EPO_1207.pdf.

The Office of Enforcement and the National Nuclear Security Administration recognize that the enforcement program is relatively new to the security community. Therefore, the Office of Enforcement is taking a number of steps to assist contractors in understanding and better implementing DOE's expectations for self-identifying noncompliances, reporting and categorizing incidents appropriately, trending incidents of security concern, implementing corrective actions that address the root causes of incidents, and assessing the effectiveness of corrective actions.

As one of these steps, the Office of Enforcement will conduct a series of program reviews of contractor regulatory compliance processes at major DOE sites. To reduce the impact on DOE sites, these program reviews will be integrated to address classified information security, nuclear safety, and worker safety and health during a single site visit. The first set of integrated program reviews will be performed at selected DOE sites in 2008. Currently, the Office of Enforcement is scheduled to perform an integrated program review at LLNL in August 2008. For your information, the *DOE Enforcement Process Overview* document, mentioned above, contains our protocols for conducting these reviews.

No response to this letter is required. Should you have any questions, please contact me at (301) 903-2178 or have your staff contact Mr. Steve Crowe, Director, Office of Security Enforcement, at (301) 903-0107.

Sincerely,



Arnold E. Guevara
Director
Office of Enforcement
Office of Health, Safety and Security

cc: See attached list

SUBJ: To George H. Miller, Lawrence Livermore National Security, LLC
From Arnold Guevara, Office of Enforcement, re: Enforcement Letter

cc: Dave Leary, LLNS
Garry Holman, LLNS
All Enforcement Coordinators
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