



OFFICE OF INSPECTOR GENERAL

U.S. Department of Energy

INSPECTION REPORT

DOE-OIG-24-01

November 2023

**ALLEGED DISCLOSURE OF SENSITIVE
INFORMATION AT THE DEPARTMENT
OF ENERGY**



Department of Energy
Washington, DC 20585

November 2, 2023

MEMORANDUM FOR THE DIRECTOR, OFFICE OF INTELLIGENCE AND
COUNTERINTELLIGENCE; AND THE DIRECTOR, OFFICE OF
ENVIRONMENT, HEALTH, SAFETY AND SECURITY

SUBJECT: Inspection Report on Alleged Disclosure of Sensitive Information at the
Department of Energy

The attached report discusses our review of an alleged disclosure of sensitive information, and whether the Department took appropriate action regarding the alleged incident. This report contains three recommendations that, if fully implemented, will strengthen the incidents of security concern reporting process. Management concurred with our recommendations.

We conducted this inspection from November 2022 through June 2023 in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation* (December 2020). We appreciated the cooperation and assistance received during this inspection.

A handwritten signature in black ink, appearing to read "Anthony Cruz", is located on the right side of the page.

Anthony Cruz
Assistant Inspector General
for Inspections, Intelligence Oversight,
and Special Projects
Office of Inspector General

cc: Deputy Secretary
Chief of Staff



Department of Energy Office of Inspector General

Alleged Disclosure of Sensitive Information at the Department of Energy (DOE-OIG-24-01)

WHY THE OIG PERFORMED THIS INSPECTION

The Office of Inspector General received an allegation that classified information was disclosed during a routine, unclassified National Nuclear Security Administration (NNSA) meeting held with a mix of in-person, video conference, and telephonic attendees at the Department Headquarters' Forrestal Building. According to the allegation, the NNSA incident was reported to an Office of Intelligence and Counterintelligence (IN) official who conducted a formal review, but the report was then allegedly "buried" by senior IN management.

We initiated this inspection to determine the facts and circumstances regarding the alleged: (1) disclosure of classified information during an open NNSA unclassified, mixed-media teleconference meeting, and (2) failure to properly report the security incident.

What Did the OIG Find?

We did not substantiate the allegation that classified information was disclosed during an open NNSA unclassified, mixed-media teleconference meeting at the Department Headquarters' Forrestal Building, but we did substantiate the allegation that the suspected incident was not properly reported. An IN Headquarters Security Officer conducted an inquiry review and produced a report in August 2022 that concluded classified information was not disclosed during this meeting, and that it was a non-incident.

Additionally, we determined that the IN report was not "buried" by senior IN management. However, we found that the former IN Headquarters Security Officer did not notify the Headquarters Security Incidents Program Manager before or after the incident inquiry was conducted, as required by the *Headquarters Facilities Master Security Plan*. The failure to properly report this incident occurred because the information that was allegedly disclosed did not fall within the purview of IN. During our inspection, we also identified a discrepancy between expectations and the written policy contained in a chapter of the *Headquarters Facilities Master Security Plan*.

What Is the Impact?

The purpose of the incidents of security concern reporting process is to ensure the appropriate graded response to security incidents. Without appropriate notification to the Headquarters Security Incidents Program Manager, potential security incidents will not receive the required review, characterization, notification (including to cognizant program management for appropriate action), assignment of qualified inquiry officers, and assurance that the incident is tracked to closure as required.

What Is the Path Forward?

We have made three recommendations that, if fully implemented, will strengthen the incidents of security concern reporting process.

BACKGROUND

The Department of Energy's mission is to ensure U.S. security and prosperity by addressing its energy, environmental, and nuclear challenges through transformative science and technology solutions. The National Nuclear Security Administration (NNSA) is a semi-autonomous agency within the Department responsible for, among other things, maintaining and enhancing the safety, security, and effectiveness of the U.S. nuclear weapons stockpile. The Department's Office of Intelligence and Counterintelligence (IN) is responsible for all intelligence and counterintelligence activities throughout the Department, and it protects vital national security information and technologies. The Department's Office of Environment, Health, Safety and Security (EHSS) has responsibility for health, safety, environment, and security for the Department. EHSS is also responsible for policy development and technical assistance, safety analysis, and corporate safety and security programs.

Department of Energy Order 470.4B, *Safeguards and Security Program*, establishes that incidents of security concern must be addressed and reported in accordance with requirements and applicable laws and regulations. The occurrence of an incident of security concern must prompt the appropriate graded response, to include an assessment of the potential impacts, appropriate notification, extent of condition, and corrective actions. For Department Headquarters, the EHSS *Headquarters Facilities Master Security Plan* (HQ Facilities Master Security Plan) implements the requirements of Department Order 470.4B. The HQ Facilities Master Security Plan requires all Headquarters employees to report suspected incidents of security concern, and it details requirements for identifying and reporting security incidents at Headquarters.

In September 2022, the Office of Inspector General received an allegation that classified information was disclosed during a routine, unclassified NNSA meeting at the Department Headquarters' Forrestal Building held with a mix of in-person, video conference, and telephonic attendees—some of whom did not have a need-to-know regarding the classified information. According to the allegation, the NNSA incident was reported to an IN official who conducted a formal review of the matter, but the report was subsequently “buried” by senior IN management. We initiated this inspection to determine the facts and circumstances regarding the alleged: (1) disclosure of classified information during an open NNSA unclassified, mixed-media teleconference meeting, and (2) failure to properly report the security incident.

REPORT CONCLUSION OF NON-INCIDENT

We did not substantiate the allegation that classified information was disclosed during an open NNSA unclassified, mixed-media teleconference meeting at the Department Headquarters' Forrestal Building. The HQ Facilities Master Security Plan requires Headquarters personnel to promptly report suspected incidents of security concern to EHSS, their respective Headquarters Security Officer (HSO), or a protective force officer. Concerns about the incident were raised not to the NNSA HSO, but instead to an IN HSO (now former IN HSO) who initiated an inquiry review of the incident. The former IN HSO told us that they performed the review because of familiarity with the information in question. We obtained and reviewed IN's August 2022 report regarding the incident, which stated that a routine monthly NNSA meeting was conducted in an

unclassified setting using a mix of in-person attendees and attendees that participated with unclassified teleconference equipment in July 2022.

The IN report, confirmed by discussions with the report's author, concludes that the reported suspected incident was a non-incident. According to the IN report, the meeting included approximately 40 Federal and contractor personnel from an NNSA office. During the meeting, two NNSA officials discussed an upcoming event involving the Secretary of Energy. The report states that according to witnesses, the level of detail discussed during the meeting rose to the level of classified information based on classification guidance. However, when the IN HSO and their supervisor reviewed the report and the applicable classification guidance and witness statements, it was determined that the information discussed was not classified; therefore, the report concludes that it was a non-incident.

REPORTING REQUIREMENTS WERE NOT FOLLOWED

We did substantiate the allegation that the suspected incident was not properly reported. We found that IN's review was not compliant with the incident reporting requirements of the HQ Facilities Master Security Plan. Specifically, the HQ Facilities Master Security Plan requires HSOs to receive and report incidents of security concern to the Headquarters Security Incidents Program Manager (HQ Security Incidents Program Manager). Per the HQ Facilities Master Security Plan, the HQ Security Incidents Program Manager reviews the suspected incident and determines whether it should be handled as a security incident or an administrative matter. If confirmed as a security incident, the HQ Security Incidents Program Manager: (1) categorizes it; (2) makes appropriate notifications; and (3) logs the confirmed incident into the Safeguards and Security Information Management System to be tracked until closure. Once notified, the HQ Security Incidents Program Manager coordinates evaluation of and response to Headquarters incidents and ensures that critical elements of the incident review and follow-up process are accomplished. Security incidents require follow-up to:

- Ensure management awareness;
- Determine the facts and circumstances of the incident;
- Ensure corrective actions are taken to mitigate the incident;
- Develop actions to correct underlying weaknesses and prevent recurrence;
- Track and trend incidents to improve the health of the security program; and
- Document whether a security infraction or other disciplinary action is needed.

We determined that the IN report was not "buried" by senior IN management. We found that the report was completed, signed, and filed in IN's system. However, the former IN HSO did not notify the HQ Security Incidents Program Manager before or after the incident inquiry was conducted. While the IN report was signed and closed in August 2022 by the former IN HSO, neither the alleged incident of security concern nor the results of IN's review were reported to the HQ Security Incidents Program Manager, as required. Absent the required review and characterization by the HQ Security Incidents Program Manager, we could not ensure that the review and follow-up process occurred. Additionally, feedback was not provided to the HQ Security Incidents Program Manager or NNSA management, a key step in the HQ Facilities

Master Security Plan process, to prevent similar instances from occurring and to allow management to take any appropriate actions it deems necessary.

The reporting requirement was not followed because the information that was allegedly disclosed did not fall within the purview of IN. As stated earlier, the suspected incident was reported to an IN HSO rather than an NNSA HSO. According to the HQ Security Incidents Program Manager, IN normally only conducts reviews of incidents relating to the areas of intelligence, counterintelligence, or sensitive compartmented information (SCI). The HQ Security Incidents Program Manager stated that due to the level of sensitivity of these areas, IN does not report these incidents to the HQ Security Incidents Program Manager. IN informed us that they post significant security incidents in the Safeguards and Security Information Management System, although without elaboration, to protect intelligence-related sources and methods or security vulnerabilities. However, the classified information that was alleged to have been disclosed during the NNSA meeting was not SCI, and it did not relate to intelligence or counterintelligence.

OTHER MATTER

During our inspection, we noted a discrepancy between expectations and the written policy contained in Chapter 11 of the HQ Facilities Master Security Plan, *Incidents of Security Concern*. Specifically, we identified that Chapter 11, which contains requirements for incident reporting, did not contain a requirement for an individual receiving a suspected incident report to forward it to the HQ Security Incidents Program Manager for appropriate review and processing. However, the HQ Security Incidents Program Manager informed us that this was the intention of the HQ Facilities Master Security Plan. Chapter 17 of the HQ Facilities Master Security Plan, *Headquarters Security Officer Program Duties and Responsibilities*, specifically requires HSOs to "... receive and report incidents of security concern to the HQ [Security Incidents] Program Manager..." In contrast, Chapter 11 is written to apply to any Headquarters personnel (including non-HSOs) receiving reports of suspected incidents and would likely be referred to as the guide for anyone witnessing a suspected incident or receiving a suspected incident report, while Chapter 17 is specific to HSO duties and responsibilities. The HQ Security Incidents Program Manager agreed that a revision to clarify the requirement in Chapter 11 to report incidents of security concerns is needed as the current language is vague.

IMPACT

The purpose of the incidents of security concern reporting process is to ensure the appropriate graded response and that incidents are assessed relative to the impact on national security and the collateral impact with other programs and security interests. Without appropriate notification to the HQ Security Incidents Program Manager, potential security incidents will not receive the required review, characterization, notification to include the cognizant program management for appropriate action, assignment of qualified inquiry officers, and assurance that the incident is tracked to closure as required.

Noncompliance with the incidents of security concern process could result in failure to ensure that appropriate actions are taken in response to: (1) address identified security incidents,

including disciplinary actions or policy/program changes; (2) mitigate the incident and correct underlying weaknesses; and (3) prevent future occurrences which could impact national security.

RECOMMENDATIONS

We recommend that the Director, IN:

1. Ensure that IN HSOs at Headquarters refer suspected incidents of security concern that do not contain either SCI or information related to intelligence and counterintelligence to the EHSS HQ Security Incidents Program Manager, as required.

We recommend that the Director, EHSS:

2. Consider reviewing the suspected incident of security concern that was reported to IN in accordance with the HQ Facilities Master Security Plan; and
3. Ensure that the HQ Facilities Master Security Plan and HSO Program are updated to clarify: (1) the EHSS HQ Security Incidents Program Manager is to be notified about security incident occurrences, and (2) if a potential incident crosses multiple program or staff office jurisdictions, then an office must take primary responsibility and execute the necessary reporting and notification processes, to include entry into the Safeguards and Security Information Management System.

MANAGEMENT RESPONSE

IN concurred with the recommendation to ensure that IN HSOs at Headquarters refer suspected incidents of security concern that do not contain either SCI or information related to intelligence and counterintelligence to the EHSS HQ Security Incidents Program Manager, as required. IN completed the corrective action on September 13, 2023. However, IN nonconcurred with the report's statement that the suspected incident was reported to an IN HSO rather than an NNSA HSO. According to IN, the Office of Inspector General stated during a meeting that the complainant allegedly reported the incident to an NNSA HSO, who took no action on the complaint, prior to reporting the incident to the IN HSO.

EHSS concurred with our recommendations and provided corrective actions taken. According to EHSS, it conducted a review of the suspected incident of security concern and updated the HQ Facilities Master Security Plan to address potential incidents that cross multiple program or staff office jurisdictions.

Management's comments are included in Appendix 2.

INSPECTOR COMMENTS

IN's corrective action is responsive to our recommendation. However, during our meeting with IN to which they refer in their response, the Office of Inspector General did not state that the complainant reported this incident to an NNSA HSO before reporting it to the IN HSO. Rather,

the complainant reported the suspected incident to the IN HSO instead of the NNSA HSO. Additionally, we also communicated to IN officials that the NNSA HSO informed us that they did not recall anyone reporting the suspected spillage incident. This action is corroborated by the complainant who told us that they reported the suspected incident to the IN HSO only.

EHSS comments and corrective actions are responsive to our recommendations.

OBJECTIVE

We initiated this inspection to determine the facts and circumstances regarding the alleged: (1) disclosure of classified information during an open National Nuclear Security Administration unclassified, mixed-media teleconference meeting, and (2) failure to properly report the security incident.

SCOPE

The inspection was performed from November 2022 through June 2023 at Department of Energy Headquarters in Washington, DC. The scope was limited to the facts and circumstances regarding the alleged disclosure of classified information and the reporting of the security incident from July 2022 through March 2023. The inspection was conducted under Office of Inspector General project number S23HQ007.

METHODOLOGY

To accomplish our inspection objective, we:

- Identified applicable criteria (e.g., laws, regulations, and Department directives) related to the allegation;
- Reviewed available documentation regarding the alleged incident of security concern;
- Interviewed key officials from the National Nuclear Security Administration; the Office of Intelligence and Counterintelligence; and the Office of Environment, Health, Safety and Security; and
- Reviewed the actions taken by key officials.

We conducted our inspection in accordance with the *Quality Standards for Inspection and Evaluation* (December 2020) as put forth by the Council of the Inspectors General on Integrity and Efficiency. We believe that the work performed provides a reasonable basis for our conclusions.

Management officials waived an exit conference.

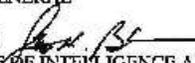
Appendix 2: Management Comments



Department of Energy
Washington, DC 20585

September 19, 2023

MEMORANDUM FOR THE INSPECTOR GENERAL

FROM: STEVEN K. BLACK 
DIRECTOR, OFFICE OF INTELLIGENCE AND
COUNTERINTELLIGENCE

SUBJECT: DRAFT INSPECTION REPORT COMMENTS: Alleged Disclosure of
Sensitive Information at the Department of Energy (S23HQ007)

The Department of Energy (DOE or Department), Office of Intelligence and Counterintelligence (IN) appreciates the opportunity to comment on the Office of Inspector General's (OIG) draft inspection report titled "Alleged Disclosure of Sensitive Information at the Department of Energy (S23HQ007)" and provides the following comments on Factual Findings and Recommendation 1:

Factual Finding: In both the "Report Conclusion of Non-Incident" and the "Reporting Requirement was not Followed" sections of the report, it is stated as a fact that the "Concerns about the incident were raised not to the NNSA HSO, but instead to an IN HSO (now former IN HSO)" and "the suspected incident was reported to an IN HSO rather than an NNSA HSO."

Management Response: Non-concur. During a meeting between DOE-IN, DOE-OGC and the DOE IG on September 5, 2023, the IG POC stated the Complainant allegedly reported the incident to an NNSA HSO, who took no action on the complaint, prior to reporting the incident to the IN HSO. The IG told us that it had been unable to substantiate that allegation and therefore did not include it in the draft report, but that same attention to propriety did not include withholding the allegation (later identified as disproven) that senior IN management "buried" the initial IN HSO report, a false allegation nevertheless repeated three times in the draft.

Recommendation 1: Ensure that IN HSOs at Headquarters refer suspected incidents of security concern that do not contain either sensitive compartmented information, or information related to intelligence and counterintelligence, to the EHSS HQ Security Incidents Program Manager as required.

Management Response: Concur.

Action Plan: The Office of Intelligence and Counterintelligence, Counterintelligence Directorate, Security Division (IN-23) has advised all IN and Headquarters HSOs, verbally and in writing, of the longstanding requirement to refer suspected incidents of security concern to the EHSS HQ Security Incidents Program Manager, unless the incident involves sensitive compartmented information or information related to intelligence or counterintelligence (in which case, IN should deal with the incident after coordinating with the HOSIPM).

Estimated Completion Date: Completed on September 13, 2023

Appendix 2: Management Comments

2

If you have any questions regarding this response, please contact Rick Allison, Acting Deputy Director for Counterintelligence, Office of Intelligence and at Richard.allison@in.doc.gov or (202) 586-2358.

Appendix 2: Management Comments



Department of Energy

Washington, DC 20585

September 20, 2023

MEMORANDUM FOR THE INSPECTOR GENERAL

FROM: TODD N. LAPOINTE
DIRECTOR
OFFICE OF ENVIRONMENT, HEALTH, SAFETY AND SECURITY

SUBJECT: DRAFT INSPECTION REPORT COMMENTS: Alleged Disclosure of Sensitive Information at the Department of Energy (S23HQ007)

The Department of Energy (DOE or Department) appreciates the opportunity to comment on the Office of Inspector General's (OIG) draft inspection report titled "Alleged Disclosure of Sensitive Information at the Department of Energy (S23HQ007)." The Office of Environment, Health, Safety and Security (EHSS) provides the following comments for recommendations 2 and 3:

Recommendation 2: Consider reviewing the suspected incident of security concern that was reported to IN in accordance with the HQ Facilities Master Security Plan

Management Response: Concur.

Action Plan: The Office of Headquarters Security Operations (EHSS-40) and the Office of Security (EHSS-50), conducted a review of the incident of security concern as presented in the IG draft report in accordance with requirements as outlined in the HQFMSP Chapter 11, *Incidents of Security Concern*.

Estimated Completion Date: Review completed June 27, 2023.

Recommendation 3: Ensure that the HQ Facilities Master Security Plan and HSO Program are updated to clarify: (1) the EHSS HQ Security Incidents Program Manager is to be notified about security incident occurrences; and (2) if a potential incident crosses multiple program or staff office jurisdictions, then an office must take primary responsibility and execute the necessary reporting and notification processes, to include entry into the Safeguards and Security Information Management System.

Management Response: Concur.

Action Plan: In response to Recommendation 3 from the IG, EHSS-40 updated the Headquarters Facilities Master Security Plan (HQFMSP), Chapter 11, Initial Reporting section, adding the following: "If a potential incident crosses multiple program or staff office jurisdictions, then the office that suspects that the security incident occurred must take primary responsibility and execute the necessary reporting and notification processes. After reviewing the suspected incident, the HSIPM determines whether it should be handled as an incident or an administrative matter." The changes to the Initial Reporting process strengthen the authorities of

Appendix 2: Management Comments

2

the HSIPM to ensure reporting and data collection is conducted as required by the Order which should address the intent of the recommendation by the IG.

Estimated Completion Date: Changes to the HQ Facilities Master Security Plan were posted to Energy.gov on July 5, 2023.

If you have any questions regarding this response, please contact Kurt Runge, Acting Director, Office of Headquarters Security Operations, Office of Environment, Health, Safety and Security at kurt.runge@hq.doe.gov or at (202) 287-1439.

FEEDBACK

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Office of Inspector General (IG-12)
Department of Energy
Washington, DC 20585

If you want to discuss this report or your comments with a member of the Office of Inspector General staff, please contact our office at 202-586-1818. For media-related inquiries, please call 202-586-7406.