



Department of Energy
Washington, DC 20585

June 4, 2015

Dr. Charles F. McMillan
President and Laboratory Director
Los Alamos National Security, LLC
Mail Stop A-100, Drop Point 03140071S
Bikini Atoll Road, TA-3
Los Alamos, New Mexico 87545-1663

Dear Dr. McMillan:

This letter serves as notification of the Office of Enterprise Assessments' Office of Enforcement's decision to conduct an investigation into the facts and circumstances associated with losses of contamination control of highly enriched uranium at the Nevada National Security Site's National Criticality Experiments Research Center at the Device Assembly Facility on June 16, 2014, and October 21, 2014. Los Alamos National Security, LLC (LANS) reported potential noncompliances associated with this event into the Department of Energy's Noncompliance Tracking System under NTS-LASO-LANS-BOP-2015-0001, dated January 14, 2015.

The Office of Enforcement will conduct this investigation pursuant to the authority set forth in 10 C.F.R. § 820.21, *Investigations*. The investigation will include an onsite visit (date to be determined) and interviews of contractor personnel. A request for documents to support the investigation will be sent separately via e-mail. This investigation will be coordinated with an investigation of National Security Technologies, LLC, for their role in the same events.

Under the Major Fraud Act (MFA), as amended, 41 U.S.C. § 4310, this investigation may be a proceeding commenced by the United States that relates to a violation of, or the failure to comply with, a Federal regulation. Costs incurred in connection with such a proceeding are subject to the reimbursement restrictions of the MFA implemented at 48 C.F.R. § 31.205-47. As a result, LANS should track any costs incurred that are directly attributable to supporting DOE's investigation, subsequent to receipt of this letter, and segregate them from other potentially allowable costs.



If you have any questions concerning this letter, please contact me at (301) 903-7707, or your staff may contact Mr. Jon Thompson, Director, Office of Nuclear Safety Enforcement, at (301) 903-1134.

Sincerely,

A handwritten signature in dark ink, reading "Steven C. Simonson". The signature is fluid and cursive, with the first name "Steven" and last name "Simonson" clearly legible.

Steven C. Simonson
Director
Office of Enforcement
Office of Enterprise Assessments

cc: Kimberly Davis Lebak, NA-LA
Alex Romero, LANS