



Department of Energy
Washington, DC 20585

November 13, 2018

Mr. Morgan Smith
President & Chief Executive Officer
Consolidated Nuclear Security, LLC
301 Bear Creek Road
P.O. Box 2008
Oak Ridge, Tennessee 37831

Dear Mr. Smith:

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 nuclear criticality control weaknesses identified between May 2017 and May 2018 at the Y-12 National Security Complex. Consolidated Nuclear Security, LLC (CNS) reported potential noncompliances associated with these concerns into the Department of Energy's (DOE) Noncompliance Tracking System.

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 and interviews with contractor personnel.

A request for documents to support this investigation will be provided separately via e-mail. Your cooperation to ensure timely submission of all requested documents to our office by the requested date is appreciated.

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, CNS 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.

Sincerely,

A handwritten signature in black ink that reads "Kevin L. Dressman". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Kevin L. Dressman
Acting Director
Office of Enforcement
Office of Enterprise Assessments

cc: Geoffrey Beausoleil, NA-NPO-1
Kathy Brack, CNS