

Counterintelligence

Executive Budget Summary

Mission

The Counterintelligence (CI) mission is to provide the Department of Energy (DOE), other United States (U.S.) Government policymakers, and the Intelligence Community (IC) with the capability to successfully identify, neutralize and deter intelligence threats directed at the Department's facilities, personnel, information and technologies.

Executive Order 12333 signed December 4, 1981, governs the conduct of intelligence activities by all agencies within the Intelligence Community. Executive Order 12333 established the Federal Bureau of Investigation (FBI) as the agency responsible for conducting counterintelligence activities within the U.S. and for coordinating the foreign counterintelligence activities of IC members within the United States. Classified Presidential Decision Directive/NSC-61 (PDD-61), "U.S. Department of Energy Counterintelligence Program", dated February 11, 1998 established and defined the Department of Energy's Counterintelligence Program. Notably, and in accordance with the above references, the PDD mandated that the Director of the Department of Energy's Office of Counterintelligence (OCI) be a senior executive from the FBI.

Strategy

DOE has long been and remains an attractive target for foreign intelligence services due to its substantial weapons and non-weapons related scientific expertise. DOE scientists interact with their international counterparts on a regular basis. This interaction, while essential, often results in concerns of a counterintelligence nature. Therefore, in order to protect against espionage and other threats, DOE established a Counterintelligence Program in 1988.

Since that time, the DOE Counterintelligence Program has been fraught with systemic problems. Several U.S. Government reports published over the past ten years, including two studies conducted by the General Accounting Office, one by the Federal Bureau of Investigation (FBI), and others by U.S. Intelligence Community (USIC) groupings, concluded that the Department was not doing enough to adequately protect its property and personnel against the collection activities of foreign intelligence services. These reports, resulted in the signing of PDD-61, which galvanized senior level USIC and DOE interest in the DOE Counterintelligence (CI) Program. The PDD mandated numerous changes to DOE's CI Program, addressing for the first time the structural flaws identified in the aforementioned U.S. Government reports.

In response to PDD-61, DOE reorganized the counterintelligence activities at the Department and created an independent Office of Counterintelligence that reports directly to the Secretary of Energy. Pursuant to PDD-61, the Office of Counterintelligence has made significant improvements to the Department of Energy's CI Program.

Major Changes

The FY 2001 President's Budget Request for the Office of Counterintelligence of \$45.2 million is \$6 million higher than the FY 2000 appropriation. This increase is primarily due to expanded capabilities in the Counterintelligence Analysis and Investigations Programs. The Office of Counterintelligence is increasing staff in those program areas to complete the improvements to the DOE Counterintelligence Program as mandated by PDD-61.

Edward J. Curran
Director
Office of Counterintelligence

Date

Counterintelligence

Program Mission

The mission of the Office of Counterintelligence (OCI) is to develop and implement an effective Counterintelligence (CI) Program throughout the Department of Energy which identifies, neutralizes and deters foreign government or industrial intelligence activities directed at or involving DOE programs, personnel, facilities, technologies, classified information and unclassified sensitive information. The DOE CI Program is established in accordance with PDD-61; Executive Order 12333, "U.S. Intelligence Activities," dated April 12, 1981; and The Atomic Energy Act of 1954, as amended. The DOE OCI is responsible for approving, conducting and coordinating all policy and investigative matters with the FBI at Headquarters and in the Field. OCI's relationship with the FBI is defined by: Executive Order 12333; PDD-61; Director of Central Intelligence Directive 5/1; Section 811(c) of the Intelligence Authorization Act of 1995; and the "Memorandum of Understanding between the Department of Energy and the FBI", dated October 7, 1992.

Program Goal

The goal of the Counterintelligence Program is to enhance the protection of sensitive technologies, information, and expertise against foreign intelligence, industrial intelligence, and terrorist attempts to acquire nuclear weapons information or advanced technologies from the National Laboratories.

Program Objectives

The Director of the Office of Counterintelligence directs six programmatic components to include the Counterintelligence Analysis Program; the Counterintelligence Investigations Program; the Counterintelligence Cyber Program; the Counterintelligence Evaluation Board; the Counterintelligence Inspections Program and the Counterintelligence Training Program.

- # The Counterintelligence Analysis Program advises its consumers of the foreign intelligence threat to DOE information, technology, and personnel. This Program also identifies counterintelligence trends and emerging concerns and helps consumers to target their counterintelligence resources most effectively. The Counterintelligence Analysis Program does this through the production of threat assessments, case studies, program reviews, formal presentations and briefings. This Program has a broad range of consumers, including DOE Headquarters, Field and Laboratory personnel, Intelligence Community personnel, and U.S. policymakers.
- # The Counterintelligence Investigations Program provides an effective defensive Counterintelligence investigative program throughout the DOE. This Program is dedicated to detecting and neutralizing foreign government and industrial intelligence activities in the United States directed at, or involving, DOE programs, facilities, technology, personnel, unclassified sensitive information and classified information. The Counterintelligence Investigations Program maintains a highly effective counterintelligence briefing and debriefing program executed by Field and Headquarters DOE Counterintelligence Officers.

- # The CI-Cyber Program gathers information and conducts activities to protect against the cyber dimensions of espionage, other intelligence activities, sabotage, or assassinations conducted on behalf of foreign powers, organizations or persons, or international terrorist activities that target or threaten DOE, its associated institutions, or the critical infrastructures of the U.S. Energy Sector.
- # The Counterintelligence Evaluation Board conducts comprehensive security and counterintelligence vetting of DOE personnel assigned to Special Access Programs, Personnel Assurance Programs, and Personnel Security and Assurance Programs to include financial disclosure, polygraph and a review of foreign travel and contacts.
- # The Counterintelligence Inspections Program provides an internal inspection function which reviews the adherence of DOE Counterintelligence elements to Presidential Decision Directive 61 and other requirements.
- # The Counterintelligence Training Program provides tailored counterintelligence training to DOE Counterintelligence professionals and provides counterintelligence awareness training designed to reach all DOE personnel.

Funding Profile

(Dollars in Thousands)

	FY 1999 Current Appropriation	FY 2000 Original Appropriation	FY 2000 Adjustments	FY 2000 Current Appropriation	FY 2001 Request
Counterintelligence	\$22,541 ^a	\$39,200	-\$1,779 ^b	\$37,421	\$45,200
Subtotal	\$22,541	\$39,200	-\$1,779	\$37,421	\$45,200
General Reductions		-\$1,636	\$1,636	0	
Total	\$22,541	\$37,564	-\$143	\$37,421	\$45,200

Budget Request

The FY 2001 budget request for the Office of Counterintelligence is \$45.2 million. The FY 2001 budget provides for mission essential counterintelligence analysis, counterintelligence investigations, counterintelligence cyber protection, vetting of DOE personnel in certain sensitive positions, internal inspections and training throughout the DOE Complex, all of which are necessary and mandated by Presidential Decision Directive 61 (PDD-61), for DOE to have a robust Counterintelligence Program. The \$45.2 million level provides funding to fully staff DOE's Counterintelligence Program to meet the requirements of PDD-61.

^a Includes \$15,641,000 as noted on page 108 of House Report 105-749 (Conference Report on H.R. 4060) and \$6,900,000 approved in reprogramming 99-R-24.

^b Includes \$686,000 contractor travel savings reduction, \$1,000,000 directed savings reduction and a 0.38 % rescission pursuant to the Consolidated Appropriations Act, FY 2000.