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September 8, 2005

The Special Counsel

The President
The White House
Washington, D.C. 20500

Re: OSC File No. DI-04-1279

Dear Mr. President:

I received disclosures from Ms. Ramona Swann, a whistleblower at Bonneville Power Administration (BPA), alleging that officials violated contracting regulations in the award of e-procurement contracts. Ms. Swann alleged that contracts between BPA and Pantellos Group Limited Partnership (Pantellos) for electronic purchasing services did not comply with BPA guidance, were not reasonable, and that Pantellos was paid for two projects that were not performed.

I required the Secretary of Energy to conduct an investigation into these disclosures pursuant to 5 U.S.C. § 1213(c) and (d). The Secretary delegated authority to the Administrator and Chief Executive Officer of BPA, who tasked the BPA Internal Audit Division with conducting the investigation and writing the report.

As discussed further in the enclosed Analysis of Disclosures, BPA did not substantiate Ms. Swann's allegations that violations of law, rule, or regulation occurred. Rather, BPA identified deviations from agency policies and procedures during 2001 and 2002, in connection with the Pantellos and other BPA contracts, which did not rise to the level of a violation of law, rule, or regulation. Ms. Swann did not provide comments on the report. As required by law, 5 U.S.C. § 1213(e)(3), I am now transmitting the report to you.

I have reviewed the original disclosures and the BPA report. Based on that review, I have determined that the agency's report contains all of the information required by statute and that its findings appear to be reasonable.

As required by law, 5 U.S.C. § 1213(e)(3), I have sent a copy of the report to the Chairman of the Senate Committee on Energy and Natural Resources and to the Chairman of the House Committee on Energy and Commerce. I have also filed a copy of the agency report in our public file and closed the matter.

Respectfully,

Scott J. Bloch

Enclosures