



U.S. OFFICE OF SPECIAL COUNSEL

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The Special Counsel

September 25, 2018

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

Re: OSC File No. DI-16-2328

Dear Mr. President:

Pursuant to my duties as Special Counsel, I am forwarding to you a report provided to me in response to disclosures received from an employee at the Department of Energy (DoE), Office of Petroleum Reserves (OPR), Strategic Petroleum Reserve (SPR), Washington, D.C. The whistleblower, [REDACTED], who consented to the release of his name, is a former safety and occupational health officer with SPR. [REDACTED] alleged that employees at the Bryan Mound SPR site located at Freeport, Texas, improperly reported site accidents, failed to implement required safety measures, and incorporated prohibited safety incentives into operations contracts for the site. I have reviewed the report and [REDACTED] comments, and in accordance with 5 U.S.C. §1213(e), provide the following summary of the agency investigation, the whistleblower's comments, and my findings.¹

DoE's Office of Inspector General investigated and partially substantiated [REDACTED] allegations, finding that proper accident reporting procedures were not followed after a 2006 floating tank roof collapse, that tank filling rates were omitted from accident reports addressing roof collapses in 2015 and 2016, and that a 2015 accident report incorrectly asserted that no further evaluation was required. [REDACTED] allegations concerning the failure to implement safety measures and impermissible monetary awards were not substantiated. Notably, the tanks at issue have been decommissioned, and the identified accident reporting deficiencies were abated by multiple layers of DoE accident review, which ensured proper reporting requirements were ultimately followed. In comments to the report, [REDACTED] took issue with the investigation's findings, asserting that investigators did not properly review the matter.

I have reviewed the original disclosure, the agency report, and [REDACTED] comments and have determined that the agency's findings appear reasonable. As required by 5 U.S.C. §1213(e)(3), I have sent copies of this letter, the agency report, and the whistleblower's comments to the Chairmen and Ranking Members of the Senate

[REDACTED] allegations were referred to then-DoE Secretary Ernest Moniz on May 9, 2018 pursuant to 5 U.S.C. §1213(c) and (d). The authority to investigate the matter was delegated to DoE's Office of Inspector General. DoE Secretary Rick Perry reviewed and signed the agency's report.

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Committee on Energy and Natural Resources and the House Committee on Energy and Commerce. I have also filed redacted versions of these documents and a redacted version of the 1213(c) referral letter in our public file, which is available at www.osc.gov. This matter is now closed.

Respectfully,



Henry J. Kerner
Special Counsel

Enclosures