

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074
MINORITY (202) 225-5051

<http://oversight.house.gov>

March 19, 2015

Mr. Thomas Meade
Chairman
Energy Resources International, Inc.
1015 18th Street, NW
Suite 650
Washington, D.C. 20036

Dear Mr. Meade:

Energy Resources International, Inc. (ERI) produced studies for the Department of Energy (DOE) related to the Excess Uranium Inventory Management Plan (“Plan”). The Plan allows DOE to transfer surplus uranium—a government asset that belongs to American taxpayers—into the commercial market in exchange for cleanup of retired uranium enrichment sites.¹ In order to gauge the effect of DOE uranium transfers on the commercial market, DOE contracted ERI to conduct studies on at least three occasions.² The 2012 and 2013 ERI studies found that DOE’s transfers would not disrupt the domestic uranium market.³

The Government Accountability Office (GAO) subsequently reviewed two of ERI’s reports. GAO raised concerns as to whether DOE met its obligation to “ensure the technical quality of ERI’s market impact studies.”⁴ Moreover, GAO found that ERI failed to provide information regarding the methodology and data sources for the two studies.⁵ We are concerned that the DOE relied on flawed reports to make determinations about uranium transfers in May 2012 and March 2013.

¹ U.S. Dep’t of Energy, Excess Uranium Inventory Management Plan (July 2013).

² Energy Resources International, Inc., Quantification of the Potential Impact on Commercial Markets of Introduction of DOE Excess Uranium Inventory in Various Forms and Quantities During Calendar Years 2012 through 2033 (Apr. 23, 2012); Energy Resources International, Inc., Quantification of the Potential Impact on Commercial Markets of Introduction of the Enrichment Services Component of DOE Low Enriched Uranium Inventory During Calendar Year 2013 (Jan. 28, 2013); Energy Resources Inc., 2014 Review of the Potential Impact of DOE Excess Uranium Inventory on the Commercial Markets (Apr. 25, 2014).

³ U.S. Gov’t Accountability Office, Department of Energy Enhanced Transparency Could Clarify Costs, Market Impact, Risk, and Legal Authority to Conduct Future Uranium Transactions (May 2014). [hereinafter GAO Report]

⁴ *Id.*

⁵ *Id.*

ERI's reports may not have met the peer review standards set forth in the DOE Guidelines for Information Quality, developed in accordance with the Information Quality Act and Office of Management and Budget guidelines. The DOE Guidelines state: "If the data and analytical results have been subjected to formal, independent, external peer review, the information may generally be presumed to be of acceptable objectivity."⁶ GAO found that the 2012 and 2013 ERI studies were not subject to external peer review, which calls their reliability into question.⁷

Additionally, the DOE Guidelines advise "a high degree of transparency of data and methods should be ensured to facilitate the reproducibility of such information by qualified third parties."⁸ GAO found that while ERI's methodology and data may fall within protected provisions for proprietary information, ERI described this information only in a brief footnote and did not provide source references for the data used in its studies.⁹

The Committee is concerned that the Secretary's determination that DOE's 2012, 2013, and 2014 uranium transfers had no adverse material impact on the uranium market may have been based in part on studies that failed to adhere to the Department's Guidelines for Information Quality. We are writing to request documents and information that will help us understand how DOE communicated its quality standards to ERI with respect to the uranium transfer studies. We are also seeking documents and information that will show the methodology and data that ERI used in those studies. To assist the Committee, please produce the following:

1. All documents and communications between or among ERI employees and DOE employees referring or relating to the studies on the market impact of uranium transfers, including, but not limited to, any document or communication referring or relating to the decision not to issue a conclusion as to whether DOE's proposed transfers would have an adverse impact on the uranium industry.
2. All contract agreements between ERI and DOE for any work related to DOE uranium transfers, including, but not limited to, all amendments or modifications to the contracts.
3. All documents referring or relating to the underlying data and methodology that ERI analyzed for its reports regarding the DOE's transfers of uranium.

Please provide the requested information as soon as possible, but no later than March 31, 2015. When producing documents to the Committee, please deliver production sets to the Majority staff in Room 2157 of the Rayburn House Office Building and the Minority staff in Room 2471 of the Rayburn House Office Building. The Committee prefers, if possible, to receive all documents in electronic format.

⁶ U.S. Dep't of Energy, "Final Report Implementing Office of Management and Budget Information Dissemination Quality Guidelines," 6450-01-p, *available at* <http://energy.gov/sites/prod/files/cioprod/documents/finalinfoqualityguidelines03072011.pdf> (last accessed Mar. 17, 2015). [hereinafter DOE Guidelines]

⁷ GAO Report.

⁸ DOE Guidelines.

⁹ GAO Report.

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The Committee on Oversight and Government Reform is the principal oversight committee of the House of Representatives and has broad authority to investigate “any matter” at “any time” under House Rule X. An attachment to this letter provides additional information about responding to the Committee’s request.

Please contact Joe Brazauskas or Bill McGrath of the Committee staff at (202) 225-5074 with any questions about this request. Thank you for your prompt attention to this important matter.

Sincerely,



Jason Chaffetz
Chairman



Cynthia Lummis
Chairman
Subcommittee on the Interior

Enclosure

cc: The Honorable Elijah E. Cummings, Ranking Minority Member

The Honorable Brenda L. Lawrence, Ranking Minority Member
Subcommittee on the Interior

Responding to Committee Document Requests

1. In complying with this request, you are required to produce all responsive documents that are in your possession, custody, or control, whether held by you or your past or present agents, employees, and representatives acting on your behalf. You should also produce documents that you have a legal right to obtain, that you have a right to copy or to which you have access, as well as documents that you have placed in the temporary possession, custody, or control of any third party. Requested records, documents, data or information should not be destroyed, modified, removed, transferred or otherwise made inaccessible to the Committee.
2. In the event that any entity, organization or individual denoted in this request has been, or is also known by any other name than that herein denoted, the request shall be read also to include that alternative identification.
3. The Committee's preference is to receive documents in electronic form (i.e., CD, memory stick, or thumb drive) in lieu of paper productions.
4. Documents produced in electronic format should also be organized, identified, and indexed electronically.
5. Electronic document productions should be prepared according to the following standards:
 - (a) The production should consist of single page Tagged Image File ("TIF"), files accompanied by a Concordance-format load file, an Opticon reference file, and a file defining the fields and character lengths of the load file.
 - (b) Document numbers in the load file should match document Bates numbers and TIF file names.
 - (c) If the production is completed through a series of multiple partial productions, field names and file order in all load files should match.
 - (d) All electronic documents produced to the Committee should include the following fields of metadata specific to each document;

BEGDOC, ENDDOC, TEXT, BEGATTACH, ENDATTACH,
PAGECOUNT, CUSTODIAN, RECORDTYPE, DATE, TIME, SENTDATE,
SENTTIME, BEGINDATE, BEGINTIME, ENDDATE, ENDTIME, AUTHOR, FROM,
CC, TO, BCC, SUBJECT, TITLE, FILENAME, FILEEXT, FILESIZE,
DATECREATED, TIMECREATED, DATELASTMOD, TIMELASTMOD,
INTMSGID, INTMSGHEADER, NATIVELINK, INTFILPATH, EXCEPTION,
BEGATTACH.
6. Documents produced to the Committee should include an index describing the contents of the production. To the extent more than one CD, hard drive, memory stick, thumb drive, box or folder is produced, each CD, hard drive, memory stick, thumb drive, box or folder should contain an index describing its contents.

7. Documents produced in response to this request shall be produced together with copies of file labels, dividers or identifying markers with which they were associated when the request was served.
8. When you produce documents, you should identify the paragraph in the Committee's schedule to which the documents respond.
9. It shall not be a basis for refusal to produce documents that any other person or entity also possesses non-identical or identical copies of the same documents.
10. If any of the requested information is only reasonably available in machine-readable form (such as on a computer server, hard drive, or computer backup tape), you should consult with the Committee staff to determine the appropriate format in which to produce the information.
11. If compliance with the request cannot be made in full by the specified return date, compliance shall be made to the extent possible by that date. An explanation of why full compliance is not possible shall be provided along with any partial production.
12. In the event that a document is withheld on the basis of privilege, provide a privilege log containing the following information concerning any such document: (a) the privilege asserted; (b) the type of document; (c) the general subject matter; (d) the date, author and addressee; and (e) the relationship of the author and addressee to each other.
13. If any document responsive to this request was, but no longer is, in your possession, custody, or control, identify the document (stating its date, author, subject and recipients) and explain the circumstances under which the document ceased to be in your possession, custody, or control.
14. If a date or other descriptive detail set forth in this request referring to a document is inaccurate, but the actual date or other descriptive detail is known to you or is otherwise apparent from the context of the request, you are required to produce all documents which would be responsive as if the date or other descriptive detail were correct.
15. Unless otherwise specified, the time period covered by this request is from January 1, 2009 to the present.
16. This request is continuing in nature and applies to any newly-discovered information. Any record, document, compilation of data or information, not produced because it has not been located or discovered by the return date, shall be produced immediately upon subsequent location or discovery.
17. All documents shall be Bates-stamped sequentially and produced sequentially.
18. Two sets of documents shall be delivered, one set to the Majority Staff and one set to the Minority Staff. When documents are produced to the Committee, production sets shall be delivered to the Majority Staff in Room 2157 of the Rayburn House Office Building and the Minority Staff in Room 2471 of the Rayburn House Office Building.

19. Upon completion of the document production, you should submit a written certification, signed by you or your counsel, stating that: (1) a diligent search has been completed of all documents in your possession, custody, or control which reasonably could contain responsive documents; and (2) all documents located during the search that are responsive have been produced to the Committee.

Definitions

1. The term "document" means any written, recorded, or graphic matter of any nature whatsoever, regardless of how recorded, and whether original or copy, including, but not limited to, the following: memoranda, reports, expense reports, books, manuals, instructions, financial reports, working papers, records, notes, letters, notices, confirmations, telegrams, receipts, appraisals, pamphlets, magazines, newspapers, prospectuses, inter-office and intra-office communications, electronic mail (e-mail), contracts, cables, notations of any type of conversation, telephone call, meeting or other communication, bulletins, printed matter, computer printouts, teletypes, invoices, transcripts, diaries, analyses, returns, summaries, minutes, bills, accounts, estimates, projections, comparisons, messages, correspondence, press releases, circulars, financial statements, reviews, opinions, offers, studies and investigations, questionnaires and surveys, and work sheets (and all drafts, preliminary versions, alterations, modifications, revisions, changes, and amendments of any of the foregoing, as well as any attachments or appendices thereto), and graphic or oral records or representations of any kind (including without limitation, photographs, charts, graphs, microfiche, microfilm, videotape, recordings and motion pictures), and electronic, mechanical, and electric records or representations of any kind (including, without limitation, tapes, cassettes, disks, and recordings) and other written, printed, typed, or other graphic or recorded matter of any kind or nature, however produced or reproduced, and whether preserved in writing, film, tape, disk, videotape or otherwise. A document bearing any notation not a part of the original text is to be considered a separate document. A draft or non-identical copy is a separate document within the meaning of this term.
2. The term "communication" means each manner or means of disclosure or exchange of information, regardless of means utilized, whether oral, electronic, by document or otherwise, and whether in a meeting, by telephone, facsimile, email (desktop or mobile device), text message, instant message, MMS or SMS message, regular mail, telexes, releases, or otherwise.
3. The terms "and" and "or" shall be construed broadly and either conjunctively or disjunctively to bring within the scope of this request any information which might otherwise be construed to be outside its scope. The singular includes plural number, and vice versa. The masculine includes the feminine and neuter genders.
4. The terms "person" or "persons" mean natural persons, firms, partnerships, associations, corporations, subsidiaries, divisions, departments, joint ventures, proprietorships, syndicates, or other legal, business or government entities, and all subsidiaries, affiliates, divisions, departments, branches, or other units thereof.

5. The term "identify," when used in a question about individuals, means to provide the following information: (a) the individual's complete name and title; and (b) the individual's business address and phone number.
6. The term "referring or relating," with respect to any given subject, means anything that constitutes, contains, embodies, reflects, identifies, states, refers to, deals with or is pertinent to that subject in any manner whatsoever.
7. The term "employee" means agent, borrowed employee, casual employee, consultant, contractor, de facto employee, independent contractor, joint adventurer, loaned employee, part-time employee, permanent employee, provisional employee, subcontractor, or any other type of service provider.