

~~SECRET//TALENT KEYHOLE//REL TO USA, FVEY~~

Closure Memorandum

Case Number: 13-0054-I	Date of Entry: 14 May 2015
Primary Investigator: [redacted]	[redacted]

(b)(3)

Allegation Information

Narrative:
 (U//~~FOUO~~) On 21 May 2013, the National Reconnaissance Office (NRO) Office of Inspector General (OIG) received an allegation that [redacted] a technician employed by Eaton Corporation, provided defective parts and/or service of a quality less than agreed to by the NRO that caused an electrical malfunction resulting in a fire at the Aerospace Data Facility – Southwest (ADF-SW). The NRO OIG initiated an investigation since the alleged actions by [redacted] potentially violated 18 United States Code (U.S.C.) § 287, *False, Fictitious, and Fraudulent Claims*.

(b)(3)
(b)(7)(c)

Last Investigative Step:
 Closure memo drafted

Resolution:
 Unsubstantiated

Case Closure Justification

(U//~~FOUO~~) On 17 May 2013, an Uninterruptable Power System (UPS) in [redacted] at the ADF-SW experienced an electrical failure that caused a fire. As a result of the fire, the fire suppression system was activated within [redacted]. The heat and smoke activated smoke detectors and sprinkler heads. The automated emergency notification from [redacted] to the 24 hour Security Operations Center (SOC) did not occur because the fire alarm was disconnected (see below discussion). This caused a delayed notification to the on-site NASA fire department. Security contacted the NASA fire department only after an employee reported signs of fire in [redacted]. There were no injuries or loss of life; however, the fire caused damage to equipment and facilities.

(b)(3)

(U//~~FOUO~~) The point of origin of the fire was [redacted] was manufactured and maintained by Eaton, a third-tier sub-contractor on the CFOAM contract. On 17 May 2013, [redacted] completed a service call [redacted] to replace a recalled part. According to the Eaton fire forensics report, [redacted] failed to properly reconnect the positive lead from the DC filter assembly to the inductor after he completed the service of [redacted]. Energy built up within the filter assembly causing capacitors to fail resulting in an oil spill which caused the insulation on cabling in [redacted] to ignite and subsequently starting the fire. There was no evidence to suggest that defective parts were utilized or that [redacted] intended to cause the fire.

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~~(S//TK//REL)~~ The fire incident resulted in [redacted]

(b)(1)
(b)(3)

~~(S//TK//REL)~~ Boeing completed recovery activities under the NRO000-09-C-0384 (CFOAM) contract.

(b)(1)
(b)(3)

Repaired or replaced critical infrastructure equipment included [redacted]

[redacted] The total cost also included the rental of a 750-1,000 kilowatt transportable generator from Hobbs, New Mexico for [redacted] and a transportable 500 ton air-cooled chiller from Dallas, Texas for [redacted]. The cost to run and maintain the rented equipment until repairs were completed was [redacted]. Eaton replaced [redacted] at no cost to the Government.

(b)(3)

(b)(1)
(b)(3)

~~(U//FOUO)~~ In addition to investigating [redacted] potential violation of 18 U. S. C. § 287, the OIG reviewed Boeing's involvement regarding the fire alarm outage. As the prime for the CFOAM contract, Boeing is responsible for testing and maintaining the fire alarm system at ADF-SW. On 15 August 2012, a subcontractor working on a security system upgrade project disconnected the fire alarm connectivity from [redacted] to the 24 hour SOC. The subcontractor reported the disconnection to Boeing. Although the issue was discussed amongst Boeing management, Boeing failed to notify government personnel that the alarm had been disconnected and never took action to correct the situation. Boeing reconnected the fire alarm nine months later and after the fire event. The failure on Boeing's part to reconnect the alarm resulted in additional burn time before the fire department was called. (see IARs and UPS Fire Incident Review)

(b)(3)
(b)(7)(c)

(b)(3)

~~(U//FOUO)~~ The OIG concluded that since the fire was caused by [redacted] mistake during service and there is no evidence to suggest that he intended to cause harm to the Government; there is no evidence that [redacted] violated 18 U.S.C. § 287. According to Boeing legal counsel [redacted] Boeing insurance does not cover loss related to the fire based on the premise that the government is self-insured and therefore Boeing could not be held directly accountable. The NRO AIGI raised this question to NRO OGC, but was unsuccessful in resolving the issue.

(b)(6)

~~(U//FOUO)~~ The final cost of the ADF-SW [redacted] fire recovery effort was [redacted]. Boeing's fee was 8% or approximately [redacted]. The OIG briefed the CFOAM Contracting Officer on the facts of the case including the delayed fire response due to Boeing's failure to properly manage the fire safety system. As a result of the facts developed by the OIG, the the CO reviewed Boeing's prior earned award fee and reduced the subsequent award fee by the 8% or [redacted] Boeing previously received. No additional OIG actions required.

(b)(3)

~~(U//FOUO)~~ On 17 June 2013, shortly after the fire at ADF-SW, there was an electrical incident in the Uninterruptible Power System (UPS) at ADF-C, causing activation of sprinklers and fire alarms. OIG looked into the matter to determine if the two instances were related and if not, were there potential violations. OIG found that an outdated drawing was being used which caused the incorrect wiring (see [redacted] email in docs tab). There appears to be no connection between the two incidences and no potential violations. Therefore, OIG took no additional action on this matter.

(b)(3)

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