

Intelligence

Executive Summary

Mission

The Intelligence mission is to provide the Department, other U.S. Government policy makers, and the Intelligence Community with timely, accurate, high impact foreign intelligence technical analyses, including support to counterintelligence; ensure that the Department's facilities are able to handle classified intelligence information securely; provide quick-turnaround, tailored technology applications to meet near-term requirements; and ensure that the Department's technical, analytical and research expertise is accessible to the Intelligence Community. The Office of Intelligence is included in the Corporate Management business line in the DOE Strategic Plan.

Goals and Objectives

Executive Order 12333 calls on the Office of Intelligence to bring the technical expertise of DOE and its laboratories to bear on issues of national concern. As part of that mandate, the Office of Intelligence makes DOE and laboratory capabilities available to the broader Intelligence Community by providing the technical capabilities for analysis on nuclear issues; serving as the Intelligence Community conduit for intelligence analysis at the labs; providing technical training for analysts, collectors, and operators across the Intelligence Community; and connecting the Intelligence Community directly and effectively to the Department's intelligence needs. The Director of the Office of Intelligence serves as the Department's Senior Intelligence Officer responsible for the implementation of Executive Order 12333 for all DOE intelligence and intelligence related activities.

Strategic Objective

CM5: Reduce adverse security incidents, worker injuries, and environmental releases through policy development, counterintelligence, intelligence, and oversight of the Nation's energy infrastructure, nuclear weapons, materials, facilities and information assets.

This strategic objective is supported by the Program Strategic Performance Goals that follow:

CM5-3: Satisfy diverse customer demands for timely, high-impact intelligence necessary to secure the DOE complex and ensure national energy security.

Strategy

The nature and scope of the Department's intelligence activities is influenced by a variety of international events and trends. Proliferation of nuclear weapons and materials into the hands of states of concern and terrorist groups continues to be a growing danger. The Office of Intelligence is committed to preserving a modus operandi that allows its resources and programs receptive on short notice to changing world situations. Timely, relevant analysis and technical support will be critical to such U.S. National Security objectives as anticipating the prospects for disruption of energy supplies worldwide due to political, economic, and social instabilities; improving nuclear materials protection, control, and accountability in the former Soviet Union; assisting in the safe and secure dismantlement of former Soviet nuclear weapons; verifying foreign compliance with international treaties and other commitments in the nuclear arena; assessing international terrorism and supporting DOE assets and interests against foreign-based and transnational threats; addressing the challenge of global nuclear proliferation through the innovative and broad application of DOE assets; encouraging and facilitating the application of DOE laboratory expertise to Intelligence Community technology development requirements.

The Office of Intelligence will continue to make the Department's unique expertise available to the other Intelligence Community members and policy agencies. We will use the unique expertise in the National Laboratory complex to analyze foreign nuclear capabilities and address issues of nuclear proliferation. The security of intelligence activities throughout the DOE complex will be sustained commensurate with the growing terrorist-based threat. The FY 2004 strategic focus for this office is to continue to be a center of excellence for support to national policy makers.

President's Management Agenda

The Office of Intelligence will support the Management of Human Capital by continuing to invest in technology and training to ensure its staff has the proper skills to provide timely intelligence support across the Department and the Intelligence Community. Expanding Electronic Government will be supported by continuing to invest in technology and training to ensure maximum availability of and access to information across the Departmental intelligence activities and will incorporate knowledge and content management capabilities for "mining" of information. The Department will aggressively participate in the newly launched electronic government architectural and standardization activities of the Intelligence Community Chief Information Officer. In addition, the Office of Intelligence will support Budget and Performance Integration by further refining its performance measures.

Major Changes

The FY 2004 funding decrease is the result of forgoing lower priority foreign intelligence activities. FY 2004 represents the first year the Office of Intelligence assumes budgetary responsibility for the Communications Center/Special Facility.

Site Funding and Federal and Contractor Staffing Profiles

(dollars in thousands, whole FTEs)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Albuquerque Operations Office					
Kansas City.....	180	180	180	0	0%
Los Alamos National Laboratory.....	2,980	2,980	2,260	-720	-24%
Pantex.....	350	350	350	0	0%
Sandia National Laboratories.....	2,810	2,810	2,130	-680	-24%
Nonproliferation and NS Institute	350	350	350	0	0%
Chicago Operations Office					
Argonne National Laboratory.....	250	250	250	0	0%
Brookhaven National Laboratory.....	10	10	10	0	0%
Idaho Operations Office					
Idaho National Engineering Laboratory	1,194	1,194	1,194	0	0%
Oakland Operations Office					
Lawrence Livermore National Laboratory	5,518	5,540	5,540	0	0%
Lawrence Berkeley National Laboratory	10	10	10	0	0%
Oak Ridge Operations Office					
Y-12 Site, Oak Ridge.....	1,790	1,790	1,790	0	0%
Richland Operations Office					
Pacific Northwest Laboratory.....	5,038	5,053	3,827	-1,226	-24%
Savannah River Operations Office					
Savannah River Technology Center	170	170	170	0	0%
Nevada Operations Office					
Special Technologies Laboratory.....	2,853	2,853	2,353	-500	-18%
Remote Sensing Laboratory.....	2,611	2,611	1,869	-742	-28%
Nevada Operations Office.....	253	253	253	0	0%
Office of Scientific & Technical Information	157	157	157	0	0%
Washington Headquarters.....	16,693	17,130	17,130	0	0%
Total Intelligence.....	43,217	43,691	39,823	-3,868	-9%

Use of prior year balances	-542	0	0	0	0
Total, Intelligence ¹	42,675	43,691	39,823	-3,868	-9%
Full Time Equivalent					
FTE's.....	59	59	59	0	0%

¹ On December 20, 2002, the National Nuclear Security Administration (NNSA) disestablished the Albuquerque, Oakland, and Nevada Operations Offices, renamed existing area offices as site offices, established a new Nevada Site Office, and established a single NNSA Service Center to be located in Albuquerque. Other aspects of the NNSA organizational changes will be phased in and consolidation of the Service Center in Albuquerque will be completed by September 30, 2004. For budget display purposes DOE is displaying non-NNSA budgets by site in the Traditional pre-NNSA organizational format.

Intelligence

Program Mission

The Office of Intelligence mission is to provide the Department, other U.S. government policy-makers, and the Intelligence Community with timely, accurate, high-impact foreign intelligence analyses, including support to counterintelligence; ensure that the Department's technical, analytical, and research expertise is made available to the Intelligence Community; provide quick-turnaround, tailored technology applications to the Department; and ensure that DOE facilities are able to handle classified intelligence information securely. Additionally, quick-turnaround, tailored technology applications and support are provided to the intelligence, special operations, and law enforcement communities.

Program Strategic Performance Goal

CM5-3: Satisfy diverse customer demands for timely, high-impact intelligence.

Performance Indicator

Significant contributions of Office of Intelligence products (briefings, analyses, technologies, operational and counterintelligence support) to the attainment of Department of Energy and U.S. intelligence missions.

Annual Performance Results and Targets

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
<p>The reorganization of the Office of Intelligence to reflect post-September 11 intelligence priorities and threats to the DOE complex is awaiting Departmental approval.</p> <p>The materials to establish secure, high bandwidth connectivity to all major DOE sites to provide timely, mission critical intelligence support has been installed.</p>	<p>Complete reorganization of the Office of Intelligence to meet evolving DOE intelligence priorities as a result of September 11.</p> <p>Complete secure, high-bandwidth connectivity to major DOE sites and provide timely, mission-critical intelligence support.</p>	<p>Complete conversion of DOE intelligence elements to soft copy imagery dissemination and exploitation technologies to ensure that DOE can tap the full range of raw intelligence data in producing its analysis.</p> <p>Complete implementation of an office documents and information management system to ensure timely production of intelligence analysis and other policy support, and the ability to quickly and accurately tap historical analysis.</p> <p>Complete the Joint Intelligence Operations Center and provide associated intelligence analysis, processing, and dissemination tools to ensure real-time coordination and integration of intelligence analysis with Departmental and U.S. Government crisis response functions.</p> <p>Complete conversion to the high-bandwidth, global, secure connectivity of the Defense Messaging System to ensure timely delivery of intelligence analysis and products to DOE and U.S. Government arms control, nonproliferation, and energy policy makers.</p>

Significant Accomplishments and Program Shifts

- **Russian Excess Weapons-Grade Material.** Provided two companion assessments of the amount of nuclear weapons-usable material (civil and military plutonium and highly enriched uranium) that Russia has in excess of what it needs for its nuclear weapons. Our response to this senior DOE official's request provided DOE policymakers a preliminary baseline for discussions with the Russians on how to accelerate the disposal of "excess" Russian nuclear weapons-usable material.
- **National Intelligence Estimate.** Provided the core technical nuclear analytical component for three recently completed National Intelligence Estimates, both of which provided new insight into key foreign nuclear weapons programs.
- **Nuclear Testing.** Led an Intelligence Community assessment of a foreign nuclear program's capability to test its nuclear weapons in a non-testing environment. The results of this paper directly impacted U.S. policy.
- **Radioactive Dispersals Devices.** Produced a series of all-source assessments on foreign sources of materials for radioactive dispersal devices, and evaluated reports for foreign development of and intent to use radioactive dispersals devices, identifying strategies for further information gathering.
- **Today's World: Three Fears, One Hope.** This briefing provided an overview of the emerging trends in global energy markets in the wake of the September 11, 2001 terrorist attacks. It focused attention of the growing interplay of political and religious developments with energy development and distribution. It provided policymakers with a new perspective on what energy security means in the post-September 11, 2001 world.
- **Middle East Energy: The View From the United States.** This briefing considered the prospects for disruption of energy supplies from the Persian Gulf due to terrorist attack, political turmoil, regime change, or war. The impact of global energy supplies and possible remedial actions were considered.
- **European Gas/Power Markets: Changes and Challenges.** This briefing detailed the trends in European energy market deregulation, the successes and problems to date, and likely implications for the future. It provided considerable and valuable information about the European experience with deregulation and energy market reform that will prove useful to U.S. policymakers confronting many of the same problems with energy market reform.

- **Russian Energy Development: Implications for World Energy Security.** The briefing looked at the growing role of Russia as an energy supplier to the West and its contrary energy pricing policies against its OPEC competitors. The briefing concluded that Russia will continue to expand its oil exports, remain a significant provider of gas to the European market, that its energy development will continue to be challenged by poor access to Western technology, and that Russia will not become a major offset energy source against Persian Gulf oil producers.
- **Post September 11 “World Oil and Gas Review”.** This briefing detailed the impact of growing security concerns on existing and future international oil and gas development plans and concluded that the events of September 11, 2001 had little impact on near-term energy development plans. The briefing posed that risk premiums on future energy development projects, especially those in traditionally hostile quarters of the globe, are likely to rise. The implication of these events is that future oil and gas development will be focused on more secure and perhaps less promising parts of the world. Petroleum production 10 years hence may be adversely impacted by this trend.

Funding Profile

(dollars in thousands)

	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Intelligence	43,217	43,691	39,823	-3,868	-9%
Use of prior year balances	-542	0	0	0	0
Total, Intelligence	42,675	43,691	39,823	-3,868	-9%
Additional net budget authority to cover the cost of fully accruing retirement (non-add).....	(316)	(313)	(523)	(210)	(67%)

Funding by Site

(dollars in thousands, whole FTEs)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Albuquerque Operations Office					
Kansas City.....	180	180	180	0	0%
Los Alamos National Laboratory.....	2,980	2,980	2,260	-720	-24%
Pantex.....	350	350	350	0	0%
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Detailed Program Justification

(dollars in thousands)

	FY 2002	FY 2003	FY 2004
Intelligence Activities	43,217	43,691	39,823
Provide critical and timely analysis on the prospects for disruption of energy supplies worldwide due to political, economic, and social instabilities. Provide analyses supporting U.S. Government policies in foreign material and weapons security. Provide technical evaluations of foreign nuclear programs. Coordinate and obtain information on DOE intelligence requirements, support DOE policy development related to international terrorism, and provide a conduit for timely, focused, nuclear and nuclear-related intelligence reporting/assessments in support of U.S. operations. Provide salaries, benefits, travel, training, support service contracts, and other related expenses necessary to support the Office of Intelligence federal staff.			
Subtotal, Intelligence	43,217	43,691	39,823
Use of prior year balances	-542	0	0
Total, Intelligence	42,675	43,691	39,823

Explanation of Funding Changes

FY 2004 vs. FY 2003 (\$000)

Decrease is the result of forgoing lower priority foreign intelligence activities.....\$-3,868