



U.S. OFFICE OF SPECIAL COUNSEL
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June 26, 2015

Mr. Todd Pederson
c/o Ms. Paula Dinerstein, Esq.
Public Employees for Environmental Responsibility
2000 P Street, N.W., Suite 240
Washington, D.C. 20036

Re: OSC File No. DI-15-2383

Dear Mr. Pederson:

The Office of Special Counsel (OSC) has completed its review of the information you referred to the Disclosure Unit. You alleged employees at the Department of Interior, Bureau of Reclamation (BOR), Mid-Pacific Region, Sacramento, California, have engaged in actions that may constitute a violation of law, rule, or regulation; gross mismanagement; and a gross waste of funds.

The Office of Special Counsel (OSC) is authorized by law to receive disclosures of information from federal employees alleging violations of law, rule, or regulation, gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health and safety. 5 U.S.C. § 1213(a) and (b). OSC does not have the authority to investigate a whistleblower's disclosure; rather, if the Special Counsel determines that there is a substantial likelihood that one of the aforementioned conditions exists, she is required to advise the appropriate agency head of her determination, and the agency head is required to conduct an investigation of the allegations and submit a written report. 5 U.S.C. § 1213(c) and (g).

Upon receipt, the Special Counsel reviews the agency report to determine whether it contains all of the information required by statute and that the findings of the head of the agency appear to be reasonable. 5 U.S.C. § 1213(e)(2). The Special Counsel will determine that the agency's investigative findings and conclusions appear reasonable if they are credible, consistent, and complete based upon the facts in the disclosure, the agency report, and the comments offered by the whistleblower under 5 U.S.C. § 1213(e)(1).

You disclosed that the BOR entered into an improper agreement with the Klamath Water and Power Agency. Specifically, you alleged that the agreement between the BOR and the Klamath Water and Power Agency does not serve a public purpose as required by the statutory authority cited in the agreement, making the agreement improper. You further alleged that the Klamath Water and Power Agency has never undertaken the goal of benefiting fish and wildlife, as stated in the agreement, and that the expenditures under the agreement that are allocated to the Klamath Water and Power Agency constitute a gross

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waste of funds because of the improper nature of the agreement with the BOR and the ongoing failure to meet stated goals.

We have concluded that there is a substantial likelihood that the information that you provided to OSC discloses a violation of law, rule, or regulation; gross mismanagement; and a gross waste of funds. Thus, we have transmitted these allegations to the Secretary of Interior for a report within 60 days pursuant to 5 U.S.C. § 1213(c).

With your consent, we identified you as the source of the information. We have requested that the agency interview you at the beginning of the agency investigation when, as in this case, you consent to the disclosure of your name. As the originator of the complaint, you can provide additional information and an explanation of your allegations, thereby streamlining the agency investigation.

You should be aware, however, that these matters may take longer than 60 days and agencies may request an extension of the reporting date. After we have reviewed the report, unless it is classified or otherwise not releasable by law, we will send you a copy and give you an opportunity to comment. The report and your comments will be transmitted to the President and the appropriate congressional oversight committees, and will be maintained by OSC in a public file, which is now online at www.osc.gov.

We emphasize that until the agency's final report is forwarded to the President and Congress, this remains an open matter under investigation. Thus, we request that all information and correspondence related to this matter be kept confidential until you receive notification that the matter has been closed.

Please contact me at (202) 254-3652 if you have any questions regarding this matter.

Sincerely,



Siobhan Smith Bradley
Attorney, Disclosure Unit