

Congress of the United States

Washington, DC 20515

February 13, 2025

The Honorable Chris Wright
Secretary of Energy
Department of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585

Dear Secretary Wright:

We write to express our concern regarding alarming reports that the Department of Energy (DOE), under your leadership, is considering canceling loans issued by the DOE Loan Programs Office (LPO).¹ Not only would this renegeing of contracts hurt American economic competitiveness and waste taxpayers' investment in critical next-generation energy technologies, it would also be illegal because the projects are governed by legally binding contracts.²

The LPO, established under President George W. Bush,³ provides guarantees and direct financing for innovative energy projects that create American jobs, enhance U.S. competitiveness in the booming global market for clean energy technology, expand our all-of-the-above energy dominance technology portfolio, and reduce greenhouse gases and other forms of pollution. This vital office has a proven track record of success.

Over the years, for example, DOE has issued a \$5.9 billion loan to the Ford Motor Company to support the manufacture of more efficient vehicles⁴ and a \$465 million loan to Tesla Motors to assist in the production of the Model S, the first full-size electric vehicle.⁵ To date, the LPO has finalized more than \$90 billion in financing for innovative clean energy projects and advanced technology vehicle manufacturing facilities across the United States.⁶ Moreover, the program has made more than \$5 billion in interest for the federal government.⁷

A few examples will illustrate the breadth and critical importance of the energy technologies supported by the LPO today – projects that will be in jeopardy if the Department attempts to renege on the contracts:

¹ <https://www.bloomberg.com/news/articles/2025-02-05/trump-mulls-revoking-loans-from-400-billion-clean-energy-office>

² 10 CFR § 609.14.

³ <https://georgewbush-whitehouse.archives.gov/infocus/energy/>

⁴ <https://www.energy.gov/lpo/ford>

⁵ <https://www.energy.gov/lpo/tesla>

⁶ Estimated based on Loan and Loan Guarantees issued as calculated as of 12/31/24 (<https://www.energy.gov/lpo/portfolio>) and public announcements of closed loans in January 2025. See:

- <https://www.energy.gov/lpo/articles/doe-announces-166-billion-loan-guarantee-plug-power-produce-and-liquify-clean-hydrogen>
- [https://www.energy.gov/lpo/articles/doe-announces-2897-million-loan-guarantee-sunwealth-deploy-solar-pv-and-battery-energy#:~:text=As%20part%20of%20the%20Biden,LLC's%20\(Sunwealth\)%20Project%20Polo.](https://www.energy.gov/lpo/articles/doe-announces-2897-million-loan-guarantee-sunwealth-deploy-solar-pv-and-battery-energy#:~:text=As%20part%20of%20the%20Biden,LLC's%20(Sunwealth)%20Project%20Polo.)
- [https://www.energy.gov/lpo/articles/doe-announces-5845-million-loan-guarantee-subsidiaries-convergent-energy-and-power-inc#:~:text=The%20U.S.%20Department%20of%20Energy%20Loan%20Programs%20Office%20\(LPO\)%20today,Convergent%20Energy%20and%20Power%20Inc.](https://www.energy.gov/lpo/articles/doe-announces-5845-million-loan-guarantee-subsidiaries-convergent-energy-and-power-inc#:~:text=The%20U.S.%20Department%20of%20Energy%20Loan%20Programs%20Office%20(LPO)%20today,Convergent%20Energy%20and%20Power%20Inc.)
- <https://www.energy.gov/lpo/articles/doe-announces-167-billion-montana-renewables-significantly-expand-us-sustainable>
- <https://www.energy.gov/lpo/polaris>
- <https://www.energy.gov/lpo/articles/doe-announces-657-billion-loan-rivian-support-construction-ev-manufacturing-facility>
- <https://www.energy.gov/lpo/articles/doe-announces-996-million-loan-guarantee-ioneer-rhyolite-ridge-advance-domestic>

⁷ <https://www.energy.gov/lpo/portfolio>

- The Holtec Palisades Nuclear Plant in Michigan (closed loan): The repowering and upgrading of the Palisades Nuclear Plant will mark the first of its kind in U.S. history. The project is expected to support or retain up to 600 high-quality jobs, along with over 1,000 additional jobs during the plant's scheduled refueling and maintenance periods every 18 months. Upon its restart, approximately 45% of the workforce will be union members, with wages significantly higher than the area's median household income.⁸
- Arizona Public Service (APS) Electricity Transmission Upgrades (conditional commitment): The loan guarantee will help finance APS's investments in several new and upgraded transmission projects, including new infrastructure technologies, to meet expected demand growth while saving the 1.4 million APS customers money on their electricity bills. The project is expected to support roughly 960 construction jobs.⁹
- AEP Rebuilding or Reconducting almost 5000 miles of Electricity Transmission Lines in Indiana, Michigan, Ohio, Oklahoma, and West Virginia (conditional commitment): The upgrades will increase overall transmission capacity by approximately 70%, saving customers money on their electricity bills and improving service reliability. The project is expected to create 1,100 good-paying construction jobs.¹⁰
- Wisconsin Electric Power Company (WEPCO) Hydropower Rehabilitation and Utility-Scale Renewable Energy Generation (conditional commitment): DOE's loan guarantee will help finance the addition of over 1,650 megawatts of utility-scale energy storage and renewable power generation in Wisconsin. Under the project agreement, WEPCO will pass the financial benefits of the loan guarantee to its customers. At full deployment, WEPCO's investments are expected to support thousands of construction jobs and dozens of full-time positions.¹¹
- Entek Advanced Vehicles and Components, Indiana (closed loan): DOE's loan will finance a new facility to manufacture lithium-ion battery separators, used primarily in electric vehicles. The project is expected to create 763 construction and 635 operational jobs.¹²
- Montana Renewables, LLC (MRL) Converting Biomass into Sustainable Aviation Fuel (SAF) (closed loan): DOE's loan guarantee will fund the expansion of an existing facility to produce about 315 million gallons per year of biofuels, mostly as SAF, helping U.S. airlines meet international obligations to reduce their net emissions. The project is expected to create up to 450 construction jobs and 40 new operations jobs, the majority of which will be union jobs. Once at full capacity, MRL will be a leading global producer of SAF.¹³

The outstanding projects are just examples of the LPO's work and potential – as of January 17, 2025, there were over 160 applicants seeking more than \$200 billion in support.¹⁴

The stakes in the continuation of the LPO could not be higher. Today, China dominates the booming global market for new energy technologies, thanks to years of on-again-off-again support for new energy technologies

⁸ <https://www.energy.gov/lpo/holtec-palisades>

⁹ <https://www.energy.gov/lpo/articles/lpo-announces-conditional-commitment-arizona-public-service-company-help-meet-local>

¹⁰ <https://www.energy.gov/lpo/articles/lpo-announces-conditional-commitment-aep-upgrade-nearly-5000-miles-transmission-lines>

¹¹ <https://www.energy.gov/lpo/articles/lpo-announces-conditional-commitment-wisconsin-electric-power-company-help-maintain>

¹² <https://www.energy.gov/lpo/entek>

¹³ <https://www.energy.gov/lpo/articles/doe-announces-167-billion-montana-renewables-significantly-expand-us-sustainable>

¹⁴ <https://www.energy.gov/lpo/articles/lpo-year-review-2024>

by the United States government. Chinese electric vehicles have established a strong and growing foothold in most other countries. China additionally maintains a commanding position over the battery supply chains used by the entire world. During this global renaissance of nuclear power, China is also significantly increasing its nuclear energy production. Finally, China has subsidized its manufacturing sector by leveraging technologies that were invented in the United States, but subsequently neglected by the United States government.

Under your leadership, by making thoughtful choices, the Department of Energy can build on the previous administration's work and seize a historic opportunity for the United States' energy economy. This would entail taking the global lead in next-generation energy technology, accelerating the renaissance in U.S. manufacturing, and meeting the sky-rocketing U.S. demand for electricity, including from the AI-driven data center boom.

To better understand your objectives in the face of this opportunity, we request answers to the following questions by March 6th, 2025:

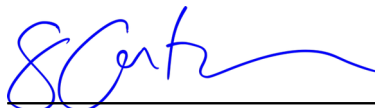
1. Is the Department of Energy considering canceling loans made through the LPO?

If so:

- a. Please provide the legal authority to justify the cancellation of the loans.
- b. Please provide the projected cost of each such cancellation, both in terms of penalties and opportunity costs.
- c. If DOE plans to cancel the loans selectively and on the basis of anything other than merit, please provide the criteria for such selectivity and the legislative authority for selective cancellation.
- d. Please provide the number of jobs that would be put at risk by canceling the loans.
- e. Please identify the community benefits that would be put at risk by canceling the loans.

Thank you for your immediate attention to this critical matter.

Sincerely,



Sean Casten
Member of Congress



Ro Khanna
Member of Congress



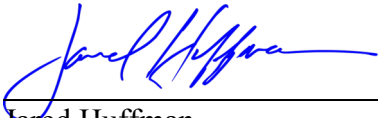
Jerrold Nadler
Member of Congress



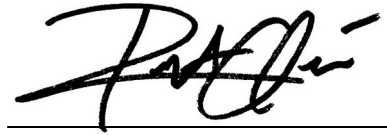
Emanuel Cleaver, II
Member of Congress



Seth Moulton
Member of Congress



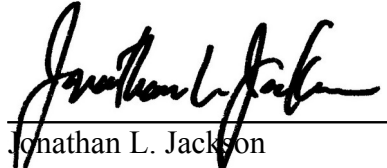
Jared Huffman
Member of Congress



Robert Garcia
Member of Congress



Bill Foster
Member of Congress



Jonathan L. Jackson
Member of Congress



Kathy Castor
Member of Congress



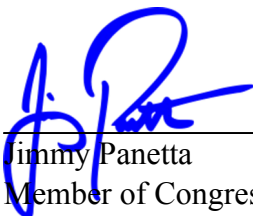
Jamie Raskin
Member of Congress



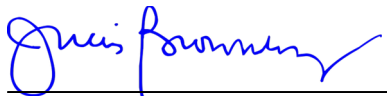
James P. McGovern
Member of Congress



Jan Schakowsky
Member of Congress



Timmy Panetta
Member of Congress



Julia Brownley
Member of Congress



Kevin Mullin
Member of Congress



Paul D. Tonko
Member of Congress



Mike Quigley
Member of Congress



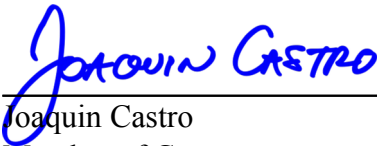
Mike Levin
Member of Congress



John Garamendi
Member of Congress



Zoe Lofgren
Member of Congress
Ranking Member, Committee on
Science, Space, and Technology



Joaquin Castro
Member of Congress



Raul Ruiz, M.D.
Member of Congress



Joseph D. Morelle
Member of Congress



Eric Sorensen
Member of Congress



Summer L. Lee
Member of Congress