

**Congress of the United States**  
**House of Representatives**

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

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<https://oversight.house.gov>

March 22, 2023

The Honorable Jennifer Granholm  
Secretary  
U.S. Department of Energy  
1000 Independence Avenue, SW  
Washington, D.C. 20585

Dear Secretary Granholm:

The Committee on Oversight and Accountability is investigating the Department of Energy's (DOE) administration of hundreds of billions of taxpayer dollars stemming from the Biden Administration's "massive spending bills."<sup>1</sup> According to a DOE Office of Inspector General (OIG) report detailing DOE's management challenges for Fiscal Year 2023, the Department's budget "will grow from managing a \$45.3 billion budget in fiscal year 2022 to \$100 billion of appropriated funds and \$336 billion in loan authorities" in fiscal year 2023.<sup>2</sup> The OIG states, "[t]hese are historic and unprecedented times at the Department of Energy" and warns about "a greatly increased risk of fraud, waste, and mismanagement."<sup>3</sup> We seek documents and information to understand the Department's plan to ensure proper oversight of its new and expanding programs and protect our country's energy security.

On November 22, 2022, the OIG wrote you explaining how DOE could not properly oversee appropriated funds and loan authorities under the Infrastructure Investment and Jobs Act (IIJA), the Inflation Reduction Act (IRA) and the Chips and Science Act.<sup>4</sup> According to OIG, "the scale and magnitude of these new spending and loan programs introduce a greatly increased risk of fraud, waste, and mismanagement."<sup>5</sup> In its report, the OIG identified a series of special reports presented to DOE which detail risks of insufficient federal staffing, potential conflicts of interest, recipient fraud, and inadequate internal controls, among others.<sup>6</sup> For example, "issued

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<sup>1</sup> Dep't of Energy, Office of Inspector General, *Management Challenges at the Dep't of Energy Fiscal Year 2023* (DOE-OIG-23-08) (Nov. 2022).

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

<sup>6</sup> Dep't of Energy, Office of Inspector General, *Special Report on Prospective Considerations for Projects Awarded Through Financial Assistance Awards* (DOE-OIG-22-40) (Aug. 2022); Dep't of Energy, Office of Inspector General, *Special Report on Prospective Considerations for Clean Energy Demonstration Projects* (DOE-OIG-22-39) (Aug. 2022); Dep't of Energy, Office of Inspector General, *Special Report on Prospective Considerations for*

reports show that key oversight functions such as invoice reviews were not performed due to limited staffing and heavy workloads of project oversight officials”<sup>7</sup> Moreover, the DOE OIG was not given adequate resources by this new spending to provide additional necessary oversight.<sup>8</sup> The OIG has warned as a result that “critical areas such as research security, clean energy, grid deployment, scientific computing, stockpile stewardship, environmental cleanup, and pit production, to name a few, will not receive appropriate OIG oversight.”<sup>9</sup>

Spending under the IJA has already raised alarming signs of waste, fraud, and abuse in the Office of Energy Efficiency and Renewable Energy (EERE), the Office of Fossil Energy and Carbon Management, and the Vehicles Technology Office. On October 19, 2022, the DOE announced the availability of \$2.8 billion under the law for manufacturing of batteries for electric vehicles and the electric grid.<sup>10</sup> Reports later indicated that DOE awarded a lithium battery company \$200 million of American taxpayer dollars despite the company’s primary operations taking place in the People’s Republic of China (PRC).<sup>11</sup> The decision to award hundreds of millions of dollars to a company primarily operating out of the PRC raises questions about DOE’s commitment to safeguard our critical mineral supply chain.

To assist the Committee in ensuring DOE’s ability to safeguard taxpayer dollars at high risk of fraud, waste, and abuse, we request the following documents and information, covering the time period January 20, 2021 to the present unless otherwise indicated, as soon as possible but no later than April 5, 2023:

1. All documents and communications containing any list of new and expanding programs at DOE receiving appropriated funds or related to loan authorities under the IJA, the IRA, and the Chips and Science Act;
2. All documents and communications containing an accounting of the funds available in each of the new and expanding programs identified as responsive to request number 1;
3. All documents and communications between DOE and the OIG related to the following reports, including but not limited to any draft reports and comments made by DOE in response to any draft report:

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*the Loan Authority Supported Under the Loan Programs Office to Improve Internal Controls and Prevent Fraud, Waste, and Abuse* (DOE-OIG-22-34) (Aug. 2022); Dep’t of Energy, Office of Inspector General, *Special Report on Prospective Considerations for the Infrastructure Law-Funded Weatherization Assistance Program* (DOE-OIG-22-30) (Aug. 2022).

<sup>7</sup> Dep’t of Energy, Office of Inspector General, *Special Report on Prospective Considerations for Projects Awarded Through Financial Assistance Awards* (DOE-OIG-22-40) (Aug. 2022).

<sup>8</sup> *Supra*, n.1.

<sup>9</sup> *Id.*

<sup>10</sup> Dep’t of Energy, *Articles, Biden-Harris Administration Awards \$2.8 Billion to Supercharge U.S. Manufacturing of Batteries for Electric Vehicles and Electric Grid* (Oct. 19, 2022).

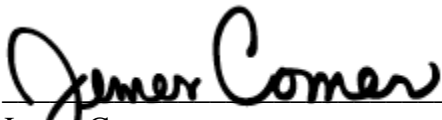
<sup>11</sup> Alana Goodman, *DOE Touts \$200M Grant to Lithium Battery Company as Boon to American-Made Clean Energy. The Company Operates Primarily From China*, FREE BEACON (Dec. 6, 2022).

- a. *Management Challenges at the Dep't of Energy Fiscal Year 2023* (DOE-OIG-23-08);
  - b. *Special Report on Prospective Considerations for Projects Awarded Through Financial Assistance Awards* (DOE-OIG-22-40);
  - c. *Special Report on Prospective Considerations for Clean Energy Demonstration Projects* (DOE-OIG-22-39);
  - d. *Special Report on Prospective Considerations for the Loan Authority Supported Under the Loan Programs Office to Improve Internal Controls and Prevent Fraud, Waste, and Abuse* (DOE-OIG-22-34);
  - e. *Special Report on Prospective Considerations for the Infrastructure Law-Funded Weatherization Assistance Program* (DOE-OIG-22-30); and
4. All documents and communications between and among the Office of Energy Efficiency and Renewable Energy (EERE), the Office of Fossil Energy and Carbon Management, the Vehicles Technology Office, and the OIG related to DOE's Bipartisan Infrastructure Law Battery Materials Processing and Battery Manufacturing & Recycling Funding Opportunity Announcement (DE-FOA-0002678).

Additionally, please provide a staff-level briefing on this matter as soon as possible, but no later than March 29, 2023. Attached are instructions for producing the documents and information to the Committee. If you have any questions, contact the Committee on Oversight and Accountability Majority staff at 202-225-5074.

The Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate, "any matter" at "any time" under House Rule X. Thank you for your attention to this important matter.

Sincerely,



James Comer  
Chairman  
Committee on Oversight and Accountability



Pat Fallon  
Chairman  
Subcommittee on Economic Growth,  
Energy Policy, and Regulatory  
Affairs

The Honorable Jennifer Granholm

March 22, 2023

Page 4

cc: The Honorable Jamie B. Raskin, Ranking Member  
Committee on Oversight and Accountability

The Honorable Cori Bush, Ranking Member  
Subcommittee on Economic Growth, Energy Policy, and Regulatory Affairs