Congress of the United States Washington, DC 20515

April 2, 2025

Sarah Nelson Acting Inspector General U.S. Department of Energy Office of Inspector General 1000 Independence Avenue SW Washington, DC 20585

Dear Acting Inspector General Nelson,

We are writing to formally request an investigation into the Department of Energy's (DOE or the Department) recent comprehensive portfolio review of all financial assistance and contracts, as well as the subsequent award and contract cancellations that may occur. It is our belief that these actions not only undermine the spirit of competitive-based awards but also raise significant concerns regarding potential political motivations behind the targeting of projects in Democratic-leaning states and districts. DOE's actions to delay these programs will immediately contribute to rising energy costs for American families and businesses. These actions are also a dereliction of the Department's responsibility to carry out duly enacted laws.

It is widely understood that the integrity of DOE's contract and award processes is critical to fostering an environment of fair competition and advancing national energy goals. Competitive-based awards ensure that federal funds are allocated to projects that offer the best value to the taxpayers, based on merit and the technical and financial qualifications of applicants. That is reflected in both law and regulations. Section 989 of the Energy Policy Act of 2005 states that "research, development, demonstration, and commercial application activities carried out by the Department should be awarded using competitive procedures, to the maximum extent practicable." And the Department's financial assistance regulations (2 CFR § 910.126) state that "DOE shall solicit applications for Federal financial assistance in a manner which provides for the maximum amount of competition feasible."

However, the recent comprehensive portfolio review and the potential resulting cancellations of various awards and contracts appear to violate this principle by undermining the fairness of the process. It appears that some projects previously deemed worthy of funding are being cancelled without adequate justification, and in some cases, with no clear rationale other than administrative convenience.

Troubling reports have also surfaced suggesting that the review and subsequent cancellations may be politically motivated, targeting projects in Democratic states and districts. If this is the case, it would represent a serious abuse of power and an attempt to manipulate federal funding for partisan purposes. Additionally, these actions and the pattern of decision making could be in violation of the Hatch Act (5 U.S.C. 7323(a)(4)) that restricts any federal employee to "knowingly solicit or discourage the participation in any political activity of any person

who...has an application for any compensation, grant, contract, ruling, license, permit, or certificate pending before the employing office of such employee."

The politicization of financial assistance and contract awards is deeply concerning, as it could harm not only the progress of critical energy initiatives but also erode public trust in the impartiality of federal agencies. As a nation, we must ensure that such decisions are made based on objective criteria rather than political considerations.

Given the significant public interest and the potential ramifications of these actions, we request that your office initiate a thorough investigation into the circumstances surrounding the comprehensive portfolio review, the decision-making process that may lead to contract cancellations, and whether any political bias influenced these decisions.

It is crucial that DOE's actions be transparent and fully accountable so that all stakeholders can be confident that public funds are being used in the best interests of the nation. Unfortunately, DOE's actions create mass uncertainty, will cause energy prices to rise, risk good-paying jobs in communities across the country, and undermine the pursuit of energy dominance.

Thank you for your attention to this matter. We look forward to your prompt response and the initiation of an inquiry into these serious concerns.

Sincerely,

Rosa L. DeLauro Ranking Member

House Committee on Appropriations

Marcy Kaptur

Ranking Member, Subcommittee on Energy

and Water Development

House Committee on Appropriations

Frank Pallone, Jr.

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Ranking Member

House Committee on Energy and Commerce

Kathy Castor
Kathy Castor

Ranking Member, Subcommittee on Energy

House Committee on Energy and Commerce

Zoe Lofgren

Ranking Member

House Committee on Science, Space,

and Technology

Deborah K. Ross

Ranking Member, Subcommittee on Energy

House Committee on Science, Space,

and Technology