

United States Senate

WASHINGTON, DC 20510-4804

COMMITTEES
APPROPRIATIONS
ENERGY AND NATURAL RESOURCES
INTELLIGENCE
VETERANS' AFFAIRS

May 2, 2018

Secretary Rick Perry
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Dear Secretary Perry:

As you know, on March 23, 2018, President Trump signed into law the FY2018 omnibus spending bill to fund the government for the remainder of the fiscal year.¹ In order to further the Department of Energy's critical mission, the omnibus agreement provides the Department with \$34.5 billion. Included in this appropriation is approximately \$33 million to fund the Loan Program Office (LPO), which issues loan guarantees under the critically important Title XVII Innovative Technology Loan Guarantee Program ("Loan Program").

Congress first authorized the Title XVII Innovative Technology Loan Guarantee Program in the Energy Policy Act of 2005. In doing so, President George W. Bush and the Republican-controlled House and Senate recognized the need for the Federal government to encourage and promote the commercialization of innovative American-led energy technologies. Their intent was to encourage the private sector to pursue the commercialization of new energy technologies and projects that could advance all aspects of America's energy sector towards a cleaner more secure energy future. Such improvements, such as increased efficiency and reduced costs, ultimately promote America's energy independence and provide meaningful benefits to the environment, including reduced greenhouse gas emissions.

In the FY2018 spending bill, Congress again confirmed the importance of the Loan Program by providing \$33 million and directing the Department of Energy to process loan applications.² I was proud to help lead this effort because I believe that the Loan Program will continue to be a driver of projects that are critical to the future of America's energy innovation. In particular, I encourage your Department to increase utilization of the approximately \$8.5 billion in remaining loan authority for Fossil Energy projects. I am proud to report that the Appalachian region is leading our nation in developing our abundant natural resources like natural gas, natural gas liquids, and coal, and I urge the Department of Energy to utilize the Loan Program as a means of supporting this ongoing innovation within the fossil energy sector that will deliver a more secure energy future for all Americans.

Furthermore, I look forward to working with you as you seek to identify and establish coordination amongst federal agencies that will play a role in streamlining the permitting application and approval processes that will be required for the development of a natural gas liquids storage hub in central Appalachia, as directed by Congress.³ As you and I have discussed

¹ Public Law 115-141, Enacted 3/23/2018

² Explanatory Statement, Division D—Energy and Water Development and Related Agencies Appropriations Act, 2018, Page 40.

³ *Id.* at pg. 37.

at length, the development of an Appalachian storage hub offers extraordinary benefits including increased energy security, as well as job creation and economic development. I encourage you to expeditiously begin this process and I look forward to collaborating with you in support of this effort.

Please do not hesitate to reach out should you wish to discuss these issues further. Thank you for your time and work on these key programs.

Sincerely,



Joe Manchin III
United States Senator