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United States Senate

COMMITTEE ON
ENERGY AND NATURAL RESOURCES

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May 1, 2023

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

Dear Secretary Granholm,

I write to you to formally request that the Department of Energy (Department) immediately terminate its award negotiations with Microvast, Inc. Since the Department's announcement of this \$200 million selection for award negotiation back in October 2022,¹ your Department has continued to ignore legitimate concerns of national and economic security associated with this award.

While you were before the Senate Committee on Energy and Natural Resources (Committee) on April 20, 2023, I presented to you clear evidence that the Founder, Chairman, and CEO of Microvast participated in a Chinese Communist Party (CCP) talent program designed to entice overseas talent to return to China for the benefit of the CCP.² This should disqualify Microvast from receiving any federal funding based on your Department's own standards. According to Deputy Secretary Turk's testimony before the Committee on February 2, 2023, "any persons participating...in a foreign government-sponsored talent recruitment program...[are] prohibited from participating in projects selected for federal funding."

Less than a year before your Department announced it would award hundreds of millions of taxpayer dollars to Microvast, its CEO bragged to Chinese media about Microvast's strong ties to the People's Republic of China (PRC). He stated, "It is a great honor that this is a technology we developed in our country, and this technology is all made by Chinese people, without any foreigners participating, it is a group of Chinese people who made this technology."³

As I stated in my letter to you in December of last year, the Bipartisan Infrastructure Law was ostensibly intended to develop robust domestic manufacturing bases and supply chains free from the predations of the PRC. DOE's distribution of \$200 million in taxpayer funds to a company

¹ [Biden-Harris Administration Awards \\$2.8 Billion to Supercharge U.S. Manufacturing of Batteries for Electric Vehicles and Electric Grid | Department of Energy](#)

² [吴扬：创新传承“湖商精神” \(huzhou.gov.cn\)](#)

³ [微宏公司首席执行官吴扬谈不燃烧电池技术【钜大锂电】 \(juda.cn\)](#)

joined at the hip with China is demonstrably antithetical to the Bipartisan Infrastructure Law's intent.

Your Department stated in its reply to my December 2022 letter that your "post-selection" security review of awardees, including Microvast, is guided by a "Pilot Research, Technology, and Economic Security" vetting process. The fact that our national and economic security hinges on a newly-instituted pilot process that occurs *after* an awardee is selected is incredibly disturbing. This process should immediately be revised so that the process occurs *before* an awardee is selected.

Again, it is imperative the Department of Energy ends its award negotiations with Microvast. Department of Energy award processes for other companies with deep ties to the PRC must also be suspended until a robust, *pre-selection* security review process for awardees is finalized by your Department with input from other members of the intelligence community.

I request that you answer the following questions and provide the requested documentation by May 15, 2023. I look forward to your timely reply.

Sincerely,



John Barrasso, M.D.
Ranking Member

Questions

1. Can you commit that the Department will immediately terminate its award negotiations with Microvast based on the evidence provided in this letter, my December 2022 letter (attached), and the testimony given by Deputy Secretary Turk to the Committee on February 2, 2023?
 - a. If not, why not?
2. Can you commit that your Department will work to immediately revise the Department's vetting process for financial awards so that this process takes place *before* the Department announces award selectees?
 - a. If not, why not?
3. Please provide all Department documentation related to the Pilot Research, Technology, and Economic Security (RTES) vetting process discussed in the Department's April 7, 2023 letter, including, but not limited to, the exact details of the process itself, as well as all communication related to this vetting process's formulation.
4. Please provide all Department documentation related to the RTES Working Group discussed in the Department's April 7, 2023 letter, including, but not limited to, the exact function and duties of the group, the roles and responsibilities of each member, and all communication related to the working group's formulation.