



Department of Energy
Office of Inspector General
Washington, DC 20585

April 3, 2024

The Honorable John Barrasso, M.D.
Ranking Member
Committee on Energy & Natural Resources
United States Senate
307 Dirksen Senate Office Building
Washington DC, 20510

Dear Ranking Member Barrasso:

Re: Department of Energy Loan Programs Office (LPO)

Thank you for your letter dated December 13, 2023, which noted your concerns regarding the Loan Programs Office (LPO). I have attached your letter for your convenience.

We have summarized your concerns as follows:

First, you raise concerns about conflicts of interests or influences within the LPO. These concerns include Director Shah's previous relationship with the Cleantech Leaders Roundtable, and the approval of the Sunnova loan guarantee. Second, you have raised the more general topic of the process that will be used by the LPO to approve loans and loan guarantees.

Regarding conflicts of interest, you will be pleased to learn that we are initiating a series of audits to examine the LPO's implementation of conflicts of interest policies and rules. Despite being underfunded for purposes of conducting oversight of the LPO, we understand the significance of this issue and agree that it should be examined as soon as possible. Additionally, we are aware of your specific concerns regarding Director Shah and the Sunnova loan guarantee and are currently evaluating these issues.

Regarding your more general concern about the process that the LPO will use to approve loans and loan guarantees, we are currently completing a procurement to acquire expert assistance to enable the OIG to conduct a more general programmatic review of the LPO. During this programmatic review, we will also be identifying and selecting specific loans and loan guarantees for further evaluation.

These OIG projects are still in the early stages. We will keep you advised as these efforts progress. If your staff has any further questions, please contact my Chief of Staff, Ryan Cocolin, at 202-586-8672 or ryan.cocolin@hq.doe.gov.

Sincerely,

A handwritten signature in cursive script, appearing to read "Teri L. Donaldson".

Teri L. Donaldson
Inspector General