

United States Senate

WASHINGTON, DC 20510

March 29, 2017

President Donald Trump
The White House
1600 Pennsylvania Ave. NW
Washington, DC 20500

Dear Mr. President:

We are extremely disappointed that your Fiscal Year 2018 Budget (2018 Budget) proposes to slash funding and, in some cases, eliminate several important Department of Energy (Department) programs. Your budget proposes to reduce spending on the Department's activities outside of the National Nuclear Security Administration by almost 18 percent. The "Budget Blueprint to Make America Great Again" is misnamed. Instead, it would kill jobs and weaken America's competitiveness.

During your Energy Secretary's confirmation process, Secretary Perry said: "the Department can be a great resource in cooperating with the private sector to spur innovation, particularly by investing in cutting-edge research." And he further stated "I hope to explore all the avenues available to transfer more of the great work performed at our national laboratories to the marketplace." The Department is a science and technology leader, with an unrivaled network of national laboratories, accelerating innovation in energy, manufacturing, and nuclear security. Your budget proposal would jeopardize the very science and technology programs that you value, undermining U.S. energy leadership and killing American jobs.

Your 2018 Budget proposes to eliminate the Advanced Research Projects Agency-Energy (ARPA-E), the Title 17 Innovative Technology Loan Guarantee Program, the Advanced Technology Vehicle Manufacturing (ATVM) Program, the Weatherization Assistance Program, and the State Energy Program.

ARPA-E advances high-potential, high-impact energy technologies that are too early for private-sector investment. ARPA-E has provided approximately \$1.5 billion in funding across more than 580 projects. Over 70 project teams have attracted more than \$1.8 billion in private sector follow-on funding since the agency's founding in 2009, which illustrates ARPA-E's critical role in supporting high-potential, high-impact technologies to the point where additional investment can be leveraged for continued development and deployment in the marketplace. Your Energy Secretary put it best himself when he tweeted on March 8 "Innovators like the ones supported by our @ARPAE program are key to advancing America's energy economy."

The ATVM Program is designed to help create American manufacturing jobs and develop designs for the next generation of fuel-efficient vehicles. Supported by ATVM loans, 18 facilities in 8 states were retooled or built and directly employ almost 38,000 people. ATVM loans have helped companies like Tesla get started and develop an all-electric vehicle. Eliminating the program now, which has \$16 billion in remaining loan authority, would cut pending projects that would spur further innovation and create jobs.

The Title 17 Innovative Technology Loan Guarantee Program is designed to help bridge the financing gap between research and development and commercial deployment for innovative technology with a high degree of risk. The program has \$24 billion remaining in loan authority and is open to all innovative

technologies, not just renewables. In fact, in December 2016, the Department offered a conditional commitment for the first Advanced Fossil Energy Loan Guarantee to Lake Charles Methanol.

Your 2018 Budget also proposes eliminating the Weatherization Assistance Program and the State Energy Program to, as the Administration claims, reduce “Federal intervention in State-level energy policy and implementation.” These programs provide critical technical assistance and state-controlled competitive grant funding to all 50 states to support state- and county-level energy projects. Federal dollars in both programs are highly leveraged with matching state and utility grants. The weatherization program supports approximately 8,500 direct and indirect jobs each year. Weatherization programs have trained more than 200,000 American workers for jobs that can’t be outsourced, boosting their skillset and helping to grow the energy workforce.

Your 2018 Budget also contains dramatic cuts in a number of other valuable areas. For instance, the Office of Science’s budget would be reduced by 17 percent. The Office of Science is the largest federal sponsor of basic research in the physical sciences, supporting over 24,000 investigators at over 300 U.S. academic institutions and the national laboratories. Their facilities support more than 31,000 researchers from universities, national laboratories, industry, and international partners. The proposed budget cuts jeopardize the research and jobs of over 9,000 scientists and engineers.

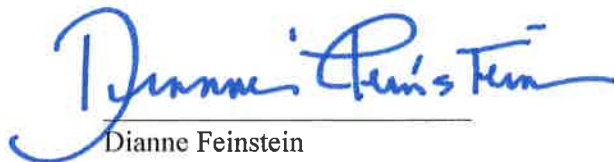
The budget also proposes to cut \$2 billion, or nearly 53 percent, from the Office of Energy Efficiency and Renewable Energy, the Office of Nuclear Energy, the Office of Electricity Delivery and Energy Reliability, and the Fossil Energy Research and Development program. These programs invest in all stages of innovation across a diverse portfolio of energy technologies to enhance economic competitiveness and secure America’s long-term energy security. They reduce technology costs and other barriers to market through partnerships with universities, research institutions, and businesses.

Your 2018 Budget directly contradicts the statements and assurances your Energy Secretary provided to us during his confirmation process. We will vigorously oppose these draconian proposals and urge you to change course immediately.

Sincerely,



Maria Cantwell
United States Senator



Dianne Feinstein
United States Senator



Al Franken
United States Senator

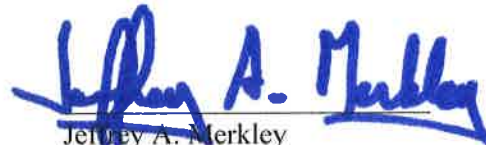


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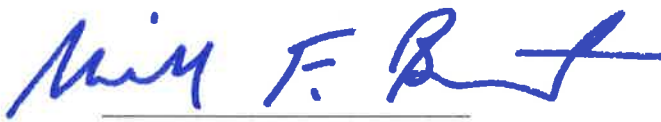

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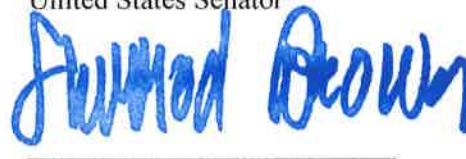

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