



**Department of Energy**  
Washington, DC 20585

July 8, 2014

The Honorable Tim Murphy  
Chairman  
Subcommittee on Oversight and Investigations  
Committee on Energy and Commerce  
U.S. House of Representatives  
Washington, DC 20515-6115

Dear Mr. Chairman:

This is in response to your letter, dated June 25, 2014, concerning the Subcommittee on Oversight and Investigations' May 30, 2014, hearing entitled, "*Department of Energy Oversight: Status of Loan Programs.*" Enclosed are answers to the Questions for the Record posed in the enclosure to your letter.

A copy of your letter was sent to Ranking Member Diana DeGette so we are sending a copy of our response to her as well.

Please do not hesitate to contact me if I may be of further assistance.

Sincerely,

A handwritten signature in black ink, which appears to read "Greg Friedman", is written over a horizontal line.

Gregory H. Friedman  
Inspector General

Enclosure

cc: The Honorable Diana DeGette  
Ranking Member  
Subcommittee on Oversight and Investigations

The Honorable Gene Green:

1. The IG Report stated that "recommendations made by the Office of Inspector General and the Government Accountability Office are statutorily requested to be tracked and implemented" whereas Independent Reviews are not. Going back to the four recommendations on which DOE has made significant progress, was there any overlap between earlier IG recommendations and the Independent Review recommendations?

For the four recommendations that the Office of Inspector General considered completed – provide long-term funding, fill key management positions, establish and effectively communicate clear management goals, and engage in long-range strategic planning – we did identify some overlap. In particular, our audit report on Loan Guarantees for Innovative Energy Technologies, (DOE/IG-0777, September 2007) concluded that there were a number of steps that should have been taken to foster the success of the Loan Guarantee Program which included the need for capable and proficient staff. The report indicated that staffing, with the right skill sets and relevant experience, should have been the first priority in the establishment of the new loan guarantee office.

2. Did the Independent Review shed new light on anything the IG hadn't already covered?

The Independent Review identified areas to enhance the future management of the program relating to long-term funding, public reporting, the structure of internal committees, and the potential for an external advisory board that had not been incorporated in prior OIG work. We thought that these were "best practices" that had merit.