

January 4, 2018

The Honorable Greg Walden
Chairman
Energy and Commerce Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Frank Pallone
Ranking Member
Energy and Commerce Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Fred Upton
Chairman
Subcommittee on Energy
U.S. House of Representatives
Washington, DC 20515

The Honorable Bobby Rush
Ranking Member
Subcommittee on Energy
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Walden, Ranking Member Pallone, Subcommittee Chairman Upton, and Subcommittee Ranking Member Rush:

As the Congress considers how to fund the government through fiscal year (FY) 2018 and beyond, we urge you to support the Department of Energy's (DOE) Loan Programs Office (LPO). As executives of 17 companies, we are investing in projects with pending loan guarantee applications or preparing for new applications based on the good faith notion that this DOE program would function as stipulated in law and as Congress intended. We are deeply concerned that proposals to eliminate authority for this critical program, which largely funds itself and mobilizes private capital, will destroy thousands of pending jobs and hinder the growth of critically-needed U.S. domestic energy production. Eliminating it also defeats America's effort to maintain a leadership position with regard to energy innovation and "Dominance."

Our companies represent a wide range of innovative energy and efficient manufacturing technologies including advanced fossil, nuclear, and vehicle technologies, as well as renewable energy technologies such as advanced energy storage and grid management solutions for reliability. The DOE LPO represents the best and often only way to cross the barrier from developing innovative technologies to deploying those technologies commercially here in the U.S. and ultimately for export.

The LPO is a win-win-win for taxpayers, American energy innovation, and the communities and states where these investments are being made. The program's real costs are paid by the companies that submit applications, and each federal dollar of loan guarantees leverages approximately \$10 in private capital investment, which exceeds the Trump Administration's plans to leverage infrastructure investment at a ratio of 5:1. For these reasons, there are zero savings associated with removing loan authority, only the loss of American jobs and injury to American competitiveness.

This program has already proven its ability to deliver: It has closed more than \$30 billion of loans, loan guarantees, and conditional commitments covering more than 30 projects that represent \$50 billion in total project investment in the U.S. economy. These investments

represent 56,000 direct and indirect jobs across 20 states. Projects still in the pipeline for approval that would be killed by the spending bills proposed in the House of Representatives and Senate for FY 18 amount to an additional \$40 billion in near-term investments in America's energy infrastructure that would put another 75,000 Americans to work in good, high paying jobs. These are not hypothetical jobs of the future; these are jobs on projects that are ready to begin construction near-term – as soon as their loan guarantees are issued. Further, the current \$41 billion of authority in the LPO, with its focus on important energy infrastructure, represents a significant here-and-now down payment on the \$1 trillion goal the President has set for U.S. infrastructure spending.

LPO financing for innovative energy projects has proven its ability to de-risk these innovative technologies and to unlock commercial investment in future projects. For instance, before 2009, there were zero utility-scale solar farms located in the U.S. But after the LPO provided project financing to five first-of-a-kind installations, today 50 such solar farms are going forward with commercial financing.

Many of our companies have already spent tens of millions of dollars in connection with our applications to meet the government's stringent requirements for a loan guarantee. Our companies have hired engineers, acquired land, complied with environmental reviews, and negotiated power purchase or other off-take agreements. Eliminating funding at this late stage would literally pull the rug out from underneath our projects, just when we are ready to move forward with the LPO.

Unless appropriation bills for FY 18 and beyond protect authority for the program, our economy could sacrifice a generation of innovations in energy technology. Longer-term, future projects that will seek private sector lending once they have been proven commercial with the help of the LPO would be jeopardized, damaging U.S. competitiveness and domestic job growth. These technologies will eventually be proven, but that proof may be forced offshore. We are in a competitive race with China and other countries for leadership of the multi-trillion dollar global industry in energy innovation, and the LPO is one of the country's best tools to enhance U.S. competitiveness with superior leverage on federal commitments.

We hope you will support the DOE Loan Program, by maintaining its authority and monitoring its progress, and ensure that these private sector investments are made to build and modernize our domestic energy infrastructure.

Respectfully yours,



Michael C. Darcy

Michael C. Darcy
Chief Executive Officer



Michael Oster

Michael Oster
Chief Executive Office

D'Arcinoff Group



Philip L. Smith
Chief Executive Officer
EnRevo Pyro

Eos Energy Storage LLC



Michael A. Crosby
President
Green Life US



Ray Crabbs
President & CEO
Chesapeake Integrated BioEnergy
Complex, LLC



Alberto Morales
Legal Representative
Ionic-Fuels International Holdings, S.A.P.I. de C.V.



Jeffrey Brown
President & CEO
Novvi LLC



Steven Estes
Chief Executive Officer
Star Energy Holdings, LLC



A handwritten signature in black ink, appearing to read "Daniel A. Burciaga".

Daniel A. Burciaga
President & CEO
ThermoChem Recovery International, Inc.



A handwritten signature in black ink, appearing to read "Peter Heinzelman".

Peter Heinzelman
Chief Financial Officer
Alevo USA Inc.



A handwritten signature in black ink, appearing to read "Fabrice Orecchioni".

Fabrice Orecchioni
President
BioAmber Inc.



A handwritten signature in blue ink, appearing to read "Simon Irish".

Simon Irish
Chief Executive Officer
Terrestrial Energy Inc.



A handwritten signature in blue ink, appearing to read "Robert D. Trout".

Robert D. Trout
President & CEO
Siluria Technologies, Inc.

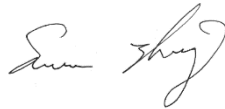


A handwritten signature in black ink, appearing to read "John W. Schultes".

John W. Schultes
Founder & CEO
New Steel International, Inc.



Brett Hauser
Chief Executive Officer
Greenlots



Simon Zhang
Chief Executive Officer
NW Innovation Works



Steven B. Hedrick
Chief Executive Officer
Appalachia Development Group, LLC