June 22, 2010

The Honorable David Obey
Chairman
Appropriations Subcommittee on
Labor, Health and Human Services,
Education, and Related Agencies
2358-B Rayburn HOB
Washington, DC 20515

Dear Chairman Obey,

We write today to urgently request you oppose the inclusion of $18 billion in loan guarantee authority for the Department of Energy (DOE) Loan Guarantee Program in the Emergency Supplemental Appropriations bill. It has come to our attention that the DOE Loan Guarantee Program may receive an additional $9 billion in authority for both nuclear reactors and renewable energy projects.

The loan guarantee program has already been awarded $51 billion in loan guarantee authority. Given this significant existing authority, fast-tracking an increase for the program in an emergency spending bill is unwarranted.

The money slated for nuclear reactors is particularly egregious given that an $8.3 billion loan guarantee offer is currently awaiting industry acceptance. The loan guarantee recipient has already been granted a one-month extension on the original 90-day decision period. If DOE would have let the 90 days expire, as dictated by the program rules, there would already be nearly $9 billion available to the program right now. If the $8.3 billion is accepted, the program still has an additional $10 billion in existing authority for nuclear projects.

Furthermore, the other reactors in line to receive loan guarantees are facing legal and technical hurdles and not scheduled to begin construction this year. Therefore, dealing with any program increase in the normal appropriations process will allow plenty of time for the projects to move forward.
While we may have different perspectives on the projects that can receive this additional authority, we feel that an emergency spending bill is not the appropriate place to legislate this issue.

Thank you for your attention to this matter.

Sincerely,

Donna F. Edwards
Member of Congress

Dennis J. Kucinich
Member of Congress

Peter DeFazio
Member of Congress

Raúl M. Grijalva
Member of Congress

Peter Welch
Member of Congress

Carol Shea Porter
Member of Congress

John J. Hall
Member of Congress

Shelley Berkley
Member of Congress

Lloyd Doggett
Member of Congress