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RANKING MEMBER

ONE HUNDRED EIGHTEENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6115

Majority (202) 225-3641

Minority (202) 225-2927

August 15, 2024

The Honorable Michael S. Regan
Administrator
U.S. Environmental Protection Agency
Mail Code 1101A
1200 Pennsylvania Avenue, NW.
Washington, DC 20460

Dear Administrator Regan,

We write to you as part of the Energy and Commerce Committee's (the Committee) continued oversight of the Environmental Protection Agency's (EPA) Greenhouse Gas Reduction (GGRF).

As you know, Committee Members have many questions regarding this first-of-its-kind, \$27 billion program,¹ including those discussed at a January 30, 2024, Subcommittee on Oversight and Investigations hearing on the GGRF, with Mr. Zealan Hoover, Senior Advisor to the Administrator, testifying on behalf of the EPA.² In numerous instances, Mr. Hoover assured Members that the award agreements that EPA would enter into with recipients that the EPA selected to receive GGRF program awards would address the concerns they raised.

For example, in response to a question from Committee Chair Rodgers about what conflicts of interest policies would govern funding recipients responsible for further distributing this money, Mr. Hoover responded that "they will be subject to all of the terms and conditions of their financial assistance agreement."³ After Representative Guthrie pressed for more information on whether organizations with foreign ties could receive GGRF funding, Mr. Hoover stated that "one of the terms and conditions in each of the award agreements is going to be a prohibition against entering into any form of contractual relationship with a foreign entity of

¹ ENVTL. PROT. AGENCY, *The Greenhouse Gas Reduction Fund*, <https://www.epa.gov/greenhouse-gas-reduction-fund> (last visited July 17, 2024).

² *Fighting the Misuse of Biden's Green Bank Giveaway: Hearing Before the Subcomm. on Oversight and Investigations of the H. Comm. on Energy and Commerce*, 118th (2024).

³ *Id.* (exchange between Rep. Cathy McMorris Rodgers, Chair, H. Comm. on Energy and Commerce, and Zealan Hoover, Senior Advisor to the Administrator, Environmental Protection Agency).

concern.”⁴ Mr. Hoover also replied to Representative Lesko, “[e]ach grantee is applying with a rigorous investment plan, proposed project pipeline, and timeline for a wide array of necessary activities covering their investment work, their governance, their organizational structure. All of that will be enshrined in our terms and conditions of the grant agreement.”⁵

Members also submitted follow-up questions for the record after the hearing. Oversight and Investigations Subcommittee Chair Griffith requested more detail about performance audits, and the EPA responded, in part, “[w]e expect that the terms and conditions of GGRF grants, as provided in 2 C.F.R. § 200.208, will authorize the project officer to closely monitor recipient performance and compliance with grant requirements.”⁶ Additionally, in response to Chair Griffith’s inquiry on how the EPA could evaluate the past performance of applicants that included new organizations or coalitions, the EPA stated that it required applicants to submit risk management plans, and that awardees would have to comply with specific terms and conditions in their award agreements.⁷ In response to a question on Build America, Buy America Act (BABA) compliance, the EPA stated that it was “including terms and conditions in the award agreements to reinforce that all grants are subject to [BABA] by statute,” and that “EPA will hold selected applicants accountable to BABA requirements through the terms and conditions of the award agreements.”⁸ Finally, the EPA also responded to a question from Representative Crenshaw, saying that “EPA will include a term and condition in all award agreements to protect against federal funds flowing to entities with certain connections to the People’s Republic of China.”⁹

In short, the EPA repeatedly sought to reassure the Committee that its award agreements with selected recipients would address the issues of concern and potential risks. The Committee seeks additional detail on how these award agreements will address the issues of concern and potential risks.

As such, please provide a complete and unredacted copy of the award agreement, including all of the attachments, appendices, and any amendments, that the EPA executes with each funding recipient under the GGRF. By no later than August 29, 2024, please provide a copy of all award agreements that have been finalized as of the date of this letter, and please provide a copy of all remaining agreements as soon as they are finalized.

Should you have any questions about this request, please contact the Committee on Energy and Commerce Majority staff at (202) 225-3641. Thank you in advance for your cooperation with this matter.

⁴ *Id.* (exchange between Rep. Brett Guthrie, Member, H. Comm. on Energy and Commerce, and Zealan Hoover, Senior Advisor to the Administrator, Environmental Protection Agency).

⁵ *Id.* (exchange between Rep. Debbie Lesko, Member, H. Comm. on Energy and Commerce, and Zealan Hoover, Senior Advisor to the Administrator, Environmental Protection Agency).

⁶ Env’tl. Prot. Agency, Additional Questions for the Record, Mr. Zealan Hoover, Senior Advisor to the Administrator 1 (2024) (on file with the Committee).

⁷ *Id.* at 4.

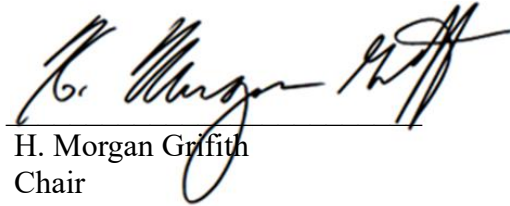
⁸ *Id.* at 5-6.

⁹ *Id.* at 11.

Sincerely,



Cathy McMorris Rodgers
Chair
House Committee on Energy and
Commerce



H. Morgan Griffith
Chair
Subcommittee on Oversight and
Investigations



Earl L. "Buddy" Carter
Chair
Subcommittee on Environment,
Manufacturing, and Critical Materials

CC: The Honorable Frank Pallone, Ranking Member, Energy and Commerce Committee
The Honorable Kathy Castor, Ranking Member, Subcommittee on Oversight and Investigations
The Honorable Paul Tonko, Ranking Member, Subcommittee on Environment, Manufacturing,
and Critical Materials