

ONE HUNDRED TWELFTH 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) 225-2927
Minority (202) 225-3641

June 27, 2011

The Honorable Lisa Jackson
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator Jackson:

Pursuant to Rules X and XI of the United States House of Representatives, the Committee on Energy and Commerce is examining the management of the Environmental Protection Agency's (EPA) grant programs, and specifically those grants awarded to foreign recipients. According to EPA's Grant Awards Database online, 320 grants to foreign recipients totaling more than \$99 million in award money have been approved over the past decade.¹ The grant information and work descriptions provided by this database suggest that federal tax dollars are being doled out to oftentimes obscure projects conducted by overseas grantees that provide little, if any, measureable benefit for the American people.

We hope you would agree that in these challenging economic times, with unemployment at over 9 percent, federal spending should reflect the priorities of the American people. This includes investment in the American economy and its greatest assets – the American worker and those who create the jobs they fill. Assisting the Chinese mining industry or the Chinese government with methane recovery would probably not occur to most Americans as the most valuable use of these funds – especially as China holds over \$1.1 trillion in United States Treasury Securities. We are concerned that, more broadly, EPA's awarding of foreign grants reflects a surprising detachment from our nation's foremost priorities, including those in the environmental realm. Please consider the following examples:

¹ http://yosemite.epa.gov/oarm/igms_egf.nsf/HomePage?ReadForm.

- In 2010, \$150,000 was awarded by EPA's Office of Enforcement and Compliance Assurance to Interpol, "an international criminal police organization," in "support of a climate change project which will ensure that markets operate properly, and that fraud is detected promptly with regard to carbon trading. . . ."
- Beginning in 2009, \$397,000 was awarded by EPA's Office of International and Tribal Affairs to the Kingdom of Jordan Ministry of Environment to support "Jordanian participation in this good governance capacity-building cooperation, including training on inspections, criminal enforcement and judicial awareness raising. . . ."
- Beginning in 2009, \$180,000 was awarded by EPA's Office of Air and Radiation to the China Coal Information Institute to "conduct an analysis of Coal Mine Methane (CMM) utilization technologies used in Chinese coal mines. . . . The goals of the project are to improve CMM recovery and utilization technologies that currently are being used in China."

In addition to the examples of foreign recipients of EPA grants cited above, the database indicates that additional grant money has been directed to assist foreign countries and their industries indirectly via U.S.-based not-for-profits and universities. Among these grants, we were surprised to see that several were aimed at promoting landfill gas energy projects in Brazil.² Noting that the Obama Administration had previously offered to finance exploration by Brazil's state-owned oil company, Petrobras, of an offshore discovery in Brazil's Tupi oil field to the tune of billions of dollars, the thought that additional federal resources are going to promote energy exploration in Brazil at a time of unprecedented restrictions on domestic energy exploration struck us as odd. Would these tax dollars not be more properly spent to promote energy resources at home?

In order to give the Committee a better understanding of the criteria used by EPA in its award of grants to foreign recipients, as well as any benefit obtained as a result of the awarding of such grants, we ask that you provide within two weeks of the date of this letter:

1. The original written proposals for the three grants cited above.
2. Decision memoranda discussing anticipated results of these three grants and how these results will be measured.
3. Where available, interim and final performance reports submitted by the recipients of these three grants.
4. A list of all grants going to recipients in China relating to the recovery of CMM.
5. A list of all grants going towards projects to be conducted outside the U.S.
6. Documents relating to any EPA investigation of a foreign grantee in the last decade.

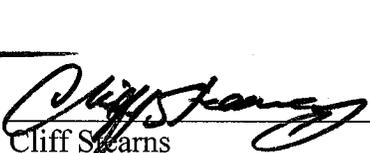
² We draw your attention in particular to Grant ID Numbers XA – 83444701-0 (\$120,000) to Appalachian State University and XA – 83444601-0 (\$150,029) to the National Association of Regulatory Utility Commissioners.

An attachment to this letter provides additional information on how to respond to the Committee's request. If you have any questions regarding this request, please contact Sam Spector with the Committee staff at (202) 225-2927.

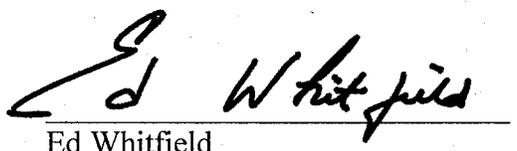
Sincerely,



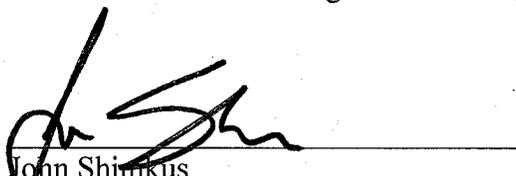
Fred Upton
Chairman



Cliff Stearns
Chairman
Subcommittee on Oversight and Investigations



Ed Whitfield
Chairman
Subcommittee on Energy and Power



John Shimkus
Chairman
Subcommittee on Environment and the Economy

cc: The Honorable Henry A. Waxman, Ranking Member

The Honorable Diana DeGette, Ranking Member
Subcommittee on Oversight and Investigations

The Honorable Bobby L. Rush, Ranking Member
Subcommittee on Energy and Power

The Honorable Gene Green, Ranking Member
Subcommittee on Environment and the Economy

Attachment