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January 31, 2023

Jennifer M. Granholm  
Secretary, U.S. Department of Energy  
1000 Independence Ave. SW  
Washington, DC 20585

Dear Secretary Granholm,

We are writing about the potential misuse of assessment fees on propane sales collected by the Propane Education and Research Council (PERC), a federally-chartered trade association, for the purposes of an “anti-electrification campaign.” We are concerned about these allegations recently published in *The New York Times* article, “[The New Soldiers in Propane’s Fight Against Climate Action: Television Stars](#)” (Jan. 11, 2023). We respectfully request that the Department of Energy (DOE) exercise its statutory oversight responsibilities to ensure that funds collected by PERC are being appropriately used, and that you answer the questions included in this letter.

The [Propane Education and Research Act of 1996](#) (PERA) created PERC to “enhance safety, training, research and development, and safety education in the propane gas industry for the benefit of propane consumers and the public, and for other purposes.” According to PERA (Section 5(k)), PERC is required to submit its publicly reviewed annual budget to DOE for “all programs, projects, and contracts,” and DOE may recommend activities and programs it considers appropriate. Section 5(l) of PERA also states that DOE “shall receive notice of meetings and may require reports on the activities of the Council, as well as reports on compliance, violations, and complaints regarding the implementation of this Act.” DOE is also authorized to request reimbursement of oversight costs incurred by the federal government (Section 5(j)(2)).

According to a 2015 U.S. Government Accountability Office (GAO) report ([GAO-15-769T](#)), GAO found “limited oversight” of PERC and that DOE had not used its oversight authority to review budgets or make recommendations to PERC, as authorized by law. This lack of oversight was longstanding, and GAO had recommended corrective action as early as 2003.

DOE’s oversight is critical to ensure that PERC complies with the law and spends its funds appropriately. While using PERC funds for marketing may be allowable under PERA, the clear priorities in PERA are for research and development and safety as stated in Section 5(h) in PERA and [Senate Report 104-298](#). According to *The New York Times* article, in 2023, PERC “plans to spend \$13 million on its anti-electrification campaign,” which is a significant portion of

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their ~\$40 million budget, and from 2021 – 2023, marketing and communications was the largest spending category. The 2015 GAO report expressed concerns with disproportionate spending on “consumer education” relative to research and development, and a previous [Senate Hearing \(111-718\)](#) indicated that liberties were taken in defining “consumer education” in a way that “most of us would call lobbying.”

For these reasons, we would appreciate a timely response to the following questions by February 24, 2023:

1. Over the last 5 years, has the Department of Energy received PERC's annual budget pursuant to 15 USC 6404 (k)? If so, has the Department of Energy reviewed PERC's annual budget and provided comments and/or requested changes? Which staff or office is assigned this role?
2. Does the Department of Energy have a formal policy describing its oversight responsibilities of PERC?
3. Have any DOE staff attended a PERC Council meeting in the last five years?
4. After the GAO issued its GAO-10-583 report raising concern over DOE's lack of oversight of PERC, has DOE taken any steps to oversee or monitor PERC's operations?
5. Has DOE ever reviewed PERC produced materials, including advertisements, for factual accuracy, particularly as it pertains to statements about electrification?
6. Has DOE ever taken any steps to review PERC materials, including advertisements, that might mislead consumers about home heating options?

Thank you for your prompt consideration.

Sincerely,



MARTIN HEINRICH  
United States Senator



SHELDON WHITEHOUSE  
United States Senator

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