

**Don't Put Taxpayers on the Hook for
\$18 Billion MORE in Taxpayer Backed
Energy Loan Guarantees in
Emergency Spending Bill**



May 27, 2010

Dear Representative:

The recently released FY2010 Supplemental Appropriations Bill Summary includes the addition of billions of dollars worth of loan guarantees for energy projects, including risky nuclear reactors. The emergency spending bill is supposed to address urgent, unforeseen war and disaster related items - adding loan guarantees for projects that won't be built for years is a fiscally reckless way to jam it through Congress without adequate scrutiny. **We urge you to oppose the addition of up to \$18 billion in new loan guarantee authority to the Supplemental Appropriations bill.**

The loan guarantee program that DOE is showering cash on needs to get its fiscal house in order before doling out any more loan guarantees. In February, DOE offered Southern Company an \$8.3 billion loan guarantee for a nuclear reactor project in Georgia. But Southern hasn't accepted, and DOE recently extended the deadline for Southern Co.'s decision, leaving the \$8.3 billion taxpayer-backed offer dangling. The nuclear reactors in line for the money, including Southern, are facing numerous financial, legal and technical troubles and taxpayers should not be asked to finance them.

Taxpayers are already on the hook for \$51 billion in energy loan guarantees under the DOE program— including \$18.5 billion for nuclear reactors and \$18.5 billion for renewable energy, plus an additional \$4 billion appropriation for renewable and energy efficiency projects in the Stimulus bill. This attempt to add new loan guarantee authority in an “emergency” spending bill not only flies in the face of the normal legislative process, it unnecessarily gives money to an ill-equipped program that is already sitting on billions in taxpayer subsidies. The Administration and lawmakers on Capitol Hill need to make sure this unjustifiable industry giveaway is removed from the bill.

We urge you to oppose the expansion of loan guarantee authority in the Supplemental Appropriations bill. Taxpayers should not be asked to swallow additional loan guarantees for risky projects under the guise of emergency spending.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Ryan Alexander', is positioned below the word 'Sincerely,'.

Ryan Alexander
President