

Secretary Jennifer M. Granholm
U.S. Department of Energy

1000 Independence Ave SW
Washington, DC

DELIVERED VIA EMAIL

January 18th 2023

Dear Secretary Granholm:

We are writing on behalf of eight national consumer and environmental advocacy groups to request the Department of Energy (“DOE”) exercise its oversight responsibilities of the Propane Education and Research Council (“PERC”) in order to investigate improper political advocacy and to protect consumers from climate disinformation and wasteful spending.

For over two decades, PERC has spent hundreds of millions of dollars on marketing campaigns with dubious benefits for propane consumers or the general public. The New York Times (“NYT”) reported on January 11th, 2023 that PERC’s most recent spending includes efforts to attack building and vehicle electrification, a priority in the Administration’s efforts to decarbonize the US economy.¹

Congress never intended for PERC to spend the majority of its funding on marketing when it passed the 1996 Propane Research and Education Act (“PERA”), a fact that the Government Accountability Office (“GAO”) has highlighted in reports in 2003, 2010, and 2015.² Congress permitted the propane industry to form its own checkoff program for the primary purpose of promoting safety and research and development.³ As of 2023, however, PERC is poised to spend the largest proportion of its budget on marketing campaigns since its inception, which comes at the expense of millions in budget cuts for safety and research and development.⁴

¹ Hiroko Tabuchi, *The New Soldiers in Propane’s Fight Against Climate Action: Television Stars*, The New York Times (Jan. 11, 2023), <https://www.nytimes.com/2023/01/11/climate/climate-propane-influence-campaign.html>.

² GAO-03-762, *Propane: Causes of Price Volatility, Potential Consumer Options, and Opportunities to Improve Consumer Information and Federal Oversight*, Rep. to the Hon. Tom Udall, House of Representatives (June 2003), <https://www.gao.gov/assets/gao-03-762.pdf>; GAO-10-586, *Propane and Heating Oil: Federal Oversight of the Propane Education and Research Council and National Oilheat Research Alliance Should Be Strengthened*, Rep. to the Chairman, Comm. on Energy and Natural Res., U.S. Senate (June 2010), <https://www.gao.gov/assets/gao-10-583.pdf>; and GAO-15-769T, *Check-Off Programs: Observations from the Propane and Heating Oil Programs*, Testimony Before the Subcommittee on Commerce, Manufacturing, and Trade, Comm. on Energy and Commerce, House of Representatives (July 10, 2015), <https://www.gao.gov/assets/gao-15-769t.pdf>.

³ S. Rept. 104-298, *Propane Education and Research Act of 1996*, Senate Energy and Natural Resources Committee (June 27, 1998) (“S. Rept. 104-298”), <https://www.congress.gov/congressional-report/104th-congress/senate-report/298/1>.

⁴ PERC, *2023 Budget Program Spending Comparison By Classification*, at 201 (July 19 and 20, 2022), <https://www.documentcloud.org/documents/23129250-july-2022-perc-slides#document/p201>.

PERA explicitly relies on the DOE to provide oversight of PERC.⁵ Unfortunately, DOE has yet to intervene in PERC's abuse of federally sanctioned spending, despite the urging of the GAO. In response to numerous issues highlighted in the NYT's reporting, DOE must swiftly claim its oversight responsibilities as Congress intended.

We would welcome a meeting to hear about DOE's efforts to investigate PERC's compliance with PERA and review its 2023 budget. Corrective action must be taken to prevent millions of US propane consumers from unwittingly being made to fund PERC's disinformation about electric vehicles and home appliances and millions more from receiving it. Additionally, we believe DOE must investigate whether PERC is violating its prohibition on lobbying activities as it spends millions of dollars on state level campaigns to block electrification policies.

Extracting, processing, transporting and burning propane contributes to the climate crisis, and exacerbates environmental justice harms. In contrast, building electrification will help protect public health, lower costs for homeowners, and combat global warming.⁶

DOE has a responsibility to ensure that federally-mandated fees paid by millions of working families are being allocated lawfully.

Sincerely,

Center for Biological Diversity
Earthjustice
Friends of the Earth
Public Citizen
Rewiring America
Sierra Club
Union for Concerned Scientists
US PIRG

⁵ S. Rept. 104-298.

⁶ Mina Lee and Sherri Billimoria, *Eight Benefits of Building Electrification for Households, Communities, and Climate*, Rocky Mountain Institute (Mar. 29, 2021), <https://rmi.org/eight-benefits-of-building-electrification-for-households-communities-and-climate/>.