

Congress of the United States
House of Representatives
Washington, DC 20515-1604

December 2, 2015

The Honorable Ernest Moniz
Secretary of Energy
United States Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

The Honorable Jack Lew
Secretary of the Treasury
United States Department of the Treasury
1500 Pennsylvania Ave., NW
Washington, DC 20220

Dear Secretary Moniz and Secretary Lew:

Recent news that Abengoa, a Spanish green energy company, is entering into bankruptcy proceedings this last week has shed light on an issue of extreme concern for the American taxpayer. Records show that *Abengoa's single largest creditor is the United States government*, with the U.S. Federal Financing Bank (FFB) reporting a total exposure of roughly \$2.34 billion as of September this year. By comparison, Abengoa's second largest creditor, Santander Bank, has only about \$1.65 billion in exposure.

Since 2007, Abengoa has received over \$2.7 billion in Department of Energy (DOE) loan guarantees for two solar projects and a cellulosic biofuels plant. According to DOE, of the three loan guarantees made for these projects, only the biofuel project has been repaid.

Even more troubling is the fact that FFB's exposure to Abengoa's bankruptcy is solely in the financing of projects approved in the DOE green loan program, the very same program that exposed taxpayers to \$535 million in losses during the Solyndra bankruptcy. However, in the case of Abengoa, the American taxpayers are at risk of losing not millions, but billions of dollars in loans guaranteed to a foreign company. To put this in perspective, the Abengoa bankruptcy exposes taxpayers to losses four times greater than Solyndra, making it the largest failure of the DOE green loan program to date.

To that end, I request that you provide the following information:

1. Exactly how much debt does the FFB hold in DOE loans made to Abengoa?
2. What is the Department of Energy and Department of Treasury's plan for recovering the reported \$2.3 billion in Abengoa's DOE loans held by FFB?
3. Is the Department of Energy or Department of Treasury planning on investigating whether the financial documents provided by Abengoa in relation to their accuracy for assessing the possible risk associated in the issuing of these loan guarantees?

4. What oversight was conducted of Abengoa's financial well-being during the lifetime of these loans?
5. Was there significant risk found in the review of Abengoa's financial statements?
6. Was any action taken by either the Department of Energy or the Department of Treasury to mitigate the risk associated with these loan guarantees?
7. Was either agency informed by Abengoa of its potential financial instability at any point before, during, or after the approval of these loan guarantees?
8. Has there been any communication between Abengoa, or agents acting on behalf of Abengoa, to either agency in regards to its bankruptcy filing?
9. Will both the Department of Energy and Department of Treasury be carrying out any additional risk assessment analysis of current DOE green loan guarantees pending, approved or held by the FFB to ensure taxpayer dollars are not put at further risk?

I look forward to reviewing the information your agencies provide in response to the above questions. If you should have any questions please do not hesitate to contact Aaron Ringel on my staff directly.

Sincerely,



Mike Pompeo
MEMBER OF CONGRESS