

HOUSE COMMITTEE ON SCIENCE, SPACE AND TECHNOLOGY  
SUBCOMMITTEE ON OVERSIGHT AND SUBCOMMITTEE ON ENERGY

“Assessing the Efficiency and Effectiveness of Wind Energy Incentives”

**Questions for the Record, Dr. Frank Rusco, Government Accountability Office**

Questions submitted by Dr. Paul Broun, Chairman, Oversight Subcommittee and The Honorable  
Cynthia Lummis, Chairman, Energy Subcommittee

- 1. Your testimony indicates that applicants and manufacturers GAO spoke with believe the costs of participating in the DOE Advanced Technology Vehicles Manufacturing (ATVM) loan program outweigh the benefits because of restrictive requirements and negative publicity surrounding DOE programs.**
  - a. What alternatives did these manufacturers find to fund their projects?**
  - b. Did GAO identify any patterns, such as perhaps need, size, or location, of the types of applicants more likely to seek ATVM assistance despite the program’s restrictive requirements?**

Response:

The objective of our review was to determine the status of DOE’s efforts to use the remaining loan authority and credit subsidy appropriations, so the work we conducted was not designed to answer these questions. However, we can provide partial answers where our work touched on the issues raised.

For question 1a, these applicants and manufacturers did not identify alternatives to fund their proposed ATVM loan projects. Subsequently, one applicant signed an agreement to fund and produce its product in China.

For question 1b, GAO did not identify any patterns among the applicants and manufacturers we spoke with. Addressing this question fully would entail analyzing all of the previous ATVM loan applications. As of January 29, 2013 DOE was not actively considering any applications. DOE had received 144 ATVM loan applications: 5 received loans, 7 were considered inactive, and the rest were either rejected or withdrew.