ONE HUNDRED EIGHTEENTH CONGRESS

## Congress of the United States

## House of Representatives COMMITTEE ON ENERGY AND COMMERCE

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WASHINGTON, DC 20515-6115

Majority (202) 225-3641 Minority (202) 225-2927

January 26, 2024

Mr. Zi Chou President and CEO Energy Foundation China 55 Second Street, 24<sup>th</sup> Floor San Francisco, CA 94105

Dear Mr. Chou,

We write to you seeking more information about Energy Foundation China's (EFC) efforts to influence United States energy policy.

While EFC lists a United States headquarters in addition to its Beijing office and previously operated jointly with another public charity, the United States Energy Foundation, it possesses concerning ties to China. Per EFC's website, this organization has been working in China since 1999 to further China's sustainable energy development. Its China office "is registered with the Beijing Municipal Public Security Bureau and supervised by the National Development and Reform Commission of China." EFC employs staff with significant ties to the Chinese government. For example, you previously served as Deputy Director General of China's National Center for Climate Change Strategy and International Cooperation, under the Chinese government's National Development and Reform Commission. Additionally, EFC's Environmental Management Program director, Mr. Liu Xin, previously served as Deputy Director of the Regional Air Quality Management Division of the Beijing Municipal Environmental Protection Bureau.

<sup>&</sup>lt;sup>1</sup> ENERGY FOUND. CHINA, *Introduction*, https://www.efchina.org/About-Us-en/Introduction-en (last visited Dec. 19, 2023).

<sup>&</sup>lt;sup>2</sup> *Id*.

<sup>&</sup>lt;sup>3</sup> *Id*.

<sup>&</sup>lt;sup>4</sup> Thomas Catenacci, *CCP-Tied Group Is Quietly Fueling US-Based Climate Initiatives: Tax Filings*, FOX NEWS, Dec. 18, 2023, https://www.foxnews.com/politics/ccp-tied-group-quietly-fueling-us-based-climate-initiatives-tax-filings.

<sup>&</sup>lt;sup>5</sup> ENERGY FOUND. CHINA, *Staff, CEO and President*, https://www.efchina.org/About-Us-en/Staff-en/JiZOU-en (last visited Dec. 19, 2023).

<sup>&</sup>lt;sup>6</sup> ENERGY FOUND. CHINA, *Staff, Program Director, Environmental Management*, https://www.efchina.org/About-Us-en/Staff-en/XinLIU-en (last visited Dec. 19, 2023).

Although EFC's website states it has been working in China since 1999 to further China's sustainable energy development, it has awarded substantial funding to other organizations seeking to shape United States energy policy. For example, according to tax records, in 2021, EFC provided \$195,000 to the Natural Resources Defense Council (NRDC) "to support education, analysis, and outreach to build a clean energy future." The NRDC highlights its public policy "victories" in the United States, 8 includes a policy advocacy center that "helps win policy objectives at the local, state, and federal levels—building NRDC's long-term power and influence with policymakers." It also boasts of its "landmark court battles" against parties, such as government agencies and fossil fuel companies. <sup>10</sup> In 2021, EFC also gave the Rocky Mountain Institute (RMI) \$820,000 to, among other things, "support education and analysis to phase out coal."<sup>11</sup> The RMI has produced a study that it and other advocates for electrification have cited in pushing to eliminate the use of gas stoves. 12 The Department of Energy cited this study in one of its recent energy efficiency proposed rulemakings, <sup>13</sup> and Secretary of Energy Jennifer Granholm also posted it to her account on X, formerly called Twitter, stating that Americans would have greater access to electric and induction cooktops. <sup>14</sup> Reports indicate that EFC provided additional funding to these organizations in 2022.<sup>15</sup>

China could greatly improve its economic and geopolitical position should renewable energy resource use and electrification increase in the United States. China dominates global renewable energy product supply chains, such as those for batteries, solar panels, and electrolyzers. The Office of the Director of National Intelligence also observed, "China is central to global supply chains in a range of technology sectors, including semiconductors, critical minerals, batteries, solar panels, and pharmaceuticals." It concluded, "China's dominance in these markets could pose a significant risk to U.S. and Western manufacturing and consumer sectors if the Government of China was able to adeptly leverage its dominance for political or economic gain." China has already attempted to influence United States policy and

<sup>&</sup>lt;sup>7</sup> Form 990, Return of Organization Exempt from Income Tax, 2021, Energy Foundation 123 (retrieved from the website of the Internal Revenue Serv.) (last visited Dec. 19, 2023).

<sup>&</sup>lt;sup>8</sup> See NATURAL RES. DEF. COUNCIL, Fighting Polluters Since the 1970's, https://nrdc50.org/#site-footer (last visited Dec. 19, 2023).

<sup>&</sup>lt;sup>9</sup> See NATURAL RES. DEF. COUNCIL, Center for Policy Advocacy, https://www.nrdc.org/center-policy-advocacy (last visited Dec. 19, 2023).

<sup>&</sup>lt;sup>10</sup> See NATURAL RES. DEF. COUNCIL, Court Battles, https://www.nrdc.org/court-battles (last visited Dec. 19, 2023).

<sup>&</sup>lt;sup>11</sup> Form 990, Return of Organization Exempt from Income Tax, 2021, The Energy Foundation, *supra* note 6, at 123. <sup>12</sup> See ROCKY MOUNTAIN INST., *Population Attributable Fraction of Gas Stoves and Childhood Asthma in the United States*, https://rmi.org/insight/population-attributable-fraction-of-gas-stoves-and-childhood-asthma-in-the-united-states/ (last visited Dec. 22, 2023); see also Brady Seals, Reality Check: Gas Stoves are a Health and Climate Problem, Feb. 15, 2023, https://rmi.org/gas-stoves-health-climate-asthma-risk/

<sup>&</sup>lt;sup>13</sup> Energy Conservation Program: Energy Conservation Standards for Consumer Conventional Cooking Products, 88 Fed. Reg. 6818, 6863 (Feb. 1, 2023).

<sup>&</sup>lt;sup>14</sup> Social Media Post, Secretary Jennifer Granholm, X, Jan 4, 2023, 3:30 PM, https://twitter.com/SecGranholm/status/1610735318340075544?lang=en (last viewed Dec. 12, 2023).

<sup>&</sup>lt;sup>15</sup> See Catenacci, supra note 4.

<sup>&</sup>lt;sup>16</sup> INT'L ENERGY AGENCY, ENERGY TECHNOLOGY PERSPECTIVES 2023 19-20 (2023), available at https://iea.blob.core.windows.net/assets/a86b480e-2b03-4e25-bae1-da1395e0b620/EnergyTechnologyPerspectives2023.pdf.

<sup>&</sup>lt;sup>17</sup> Office of the Dir. of Nat'l Intelligence, Annual Threat Assessment of the U.S. Intelligence Community 9 (2023).

<sup>&</sup>lt;sup>18</sup> *Id*.

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opinion regarding China through covert influence and exploit perceived societal divisions. <sup>19</sup> As such, we are alarmed by reports of China-affiliated organizations attempting to influence United States energy policy.

Pursuant to the House Energy and Commerce Committee's responsibility to oversee United States energy policy,<sup>20</sup> we request that you provide the following documents and information by no later than February 9, 2024:

- 1. For all grants and financial assistance to United States organizations awarded between January 26, 2019 and January 26, 2024:
  - a. Documents sufficient to show the amount, purpose of, and all activities performed using each grant or financial award funding;
  - b. All contracts or agreements between EFC and the recipient organization; and
  - c. All progress reports or final reports submitted by the recipient organization.
- 2. For the period between January 26, 2023, and January 26, 2024, all communications with the United States Energy Foundation.

Additionally, please answer the following questions:

- 3. What is EFC's relationship with the United States Energy Foundation?
- 4. Does EFC share any staff or advisory board members with the United States Energy Foundation?

Thank you for your cooperation with this request. Should you have any questions, please contact the Energy and Commerce Committee Majority staff at (202) 225-3641.

Sincerely,

Cathy McMorris Rodgers

Chair

Committee on Energy and

Commerce

Frank Lucas

Chair

Committee on Science, Space, and

Technology

<sup>&</sup>lt;sup>19</sup> *Id.* at 10.

<sup>&</sup>lt;sup>20</sup> R. X, Cl. 1(f)(11), Rules of the House of Representatives, 118th Cong (2023).

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Bruce Westerman

Chair

Committee on Natural Resources