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United States Senate

COMMITTEE ON ENERGY AND NATURAL RESOURCES WASHINGTON, DC 20510-6150

WWW.ENERGY.SENATE.GOV

October 11, 2023

The Honorable Joseph R. Biden President of the United States The White House 1600 Pennsylvania Avenue, NW Washington, D.C. 20500

Dear President Biden,

I write to request the immediate removal of Gareth Joyce, the CEO of Proterra Inc., from your Export Council. As you know, Proterra filed for Chapter 11 bankruptcy protection on August 7, 2023.¹ As of October 11, 2023, according to the official website of the President's Export Council, Gareth Joyce continues to retain his seat on the council.²

As you know, the President's Export Council "advises [you] of government policies and programs that affect U.S. trade performance; promotes export expansion; and provides a forum for discussing and resolving trade-related problems among the business, industrial, agricultural, labor, and government sectors."³ It is unclear why Joyce, having overseen the failure of Proterra, should continue to advise you on issues of such great importance to our nation's economic security and wellbeing.

It appears that by retaining Joyce, you are continuing to play political favorites with a company your administration has systematically promoted time and again since you took office. During a virtual tour of Proterra's electric battery facility just two years ago, you pointedly highlighted the company's potential, saying that Proterra would help the United States "own the future."⁴

Just a few days after your tour of Proterra, you joined Special Presidential Envoy for Climate John Kerry, White House National Climate Advisor Gina McCarthy, and Transportation Secretary Pete Buttigieg in hosting Proterra's former CEO, Jack Allen, to speak at your administration's 2021 Leaders Summit on Climate.⁵

¹ Proterra, Electric-Bus Maker Touted by President Biden, Goes Bankrupt - WSJ

² President's Export Council Members (trade.gov)

³ Proterra CEO Gareth Joyce Appointed By President Biden To The President's Export Council | Proterra

⁴ President Biden Participates in a Virtual Tour of the Proterra Electric Battery Facility - YouTube

⁵ Climate Summit 2021 | Biden administration hosts Day 2 of Climate Leaders' Summit | LIVE - YouTube

Also, in 2021, Vice President Harris visited Thomas Built Buses, an electric school bus manufacturer and partner of Proterra that uses Proterra's battery and drivetrain technology. She touted Thomas Built Buses as recently as last year.⁶

Furthermore, in February 2022, you promoted Proterra in your comments on a new government purchasing rule, saying that Proterra "really impressed [you]" during your virtual tour of Proterra and meeting with Proterra's CEO.⁷

It's concerning to note that just before your tour of Proterra's facility, Proterra strategically hired former Obama-Biden administration officials from Boundary Stone Partners to lobby the White House. Brandon Hurlbut, a top lobbyist at this firm, was the former chief of staff at the Obama-Biden Department of Energy and the top White House energy advisor. Hurlburt co-chaired a significant fundraising initiative that raised millions of dollars for your presidential campaign.⁸

Proterra has received substantial support from multiple others within your political circle as well. Your Secretary of Energy, Jennifer Granholm, served on Proterra's board just months before her appointment. During her tenure as Secretary, she made \$1.6 million from the sale of her Proterra shares.⁹ In 2017, former Vice President Al Gore's investment firm injected a \$55 million investment into the company.¹⁰ George Soros' investment firm bought millions of shares of Proterra, possessing 7.75 million shares worth over \$132 million at the time Proterra went public in June 2021.¹¹

Shareholders saw this blatant promotion and favoritism of Proterra as a guarantee of the company's future success. Following the announcement of Mr. Joyce's appointment to your Export Council, a user of Proterra's investment thread on Reddit posted, "Isn't this great news? The way I see it Proterra is now even more likely to benefit from government investments in ev business from infrastructure to the vehicles themselves."¹²

Your administration ignored Proterra's clear reliability issues while still systematically promoting the company at every turn. The Southern Teton Area Rapid Transit (START) system in my home state of Wyoming has been plagued by Proterra's shortcomings. According to the Cowboy State Daily, START "...bought eight [Proterra] electric buses to complement its fleet of 31...But none of the electric buses are running, and so the town's transit system is relying on its diesel fleet."¹³

⁶ <u>Remarks by Vice President Harris on the Bipartisan Infrastructure Law Investments in Electric School Buses | The White House</u>

⁷ <u>Remarks by President Biden on Rebuilding Our Manufacturing to Make More in America | The White House</u>

⁸ Proterra Hired Obama-Connected Lobbying Firm Weeks Before Biden Visit (freebeacon.com)

⁹ Jennifer Granholm: Energy Secretary sells off Proterra stock for \$1.6 million | CNN Politics

¹⁰ Proterra Secures \$55 Million From Al Gore's Generation Investment Arm (businessinsider.com)

¹¹ Soros Firm Lost Up To \$105 Million On Now-Bankrupt Green Energy Firm Boosted By Biden | The Daily Wire

¹² Proterra CEO Gareth Joyce Appointed by President Biden to the President's Export Council : r/Proterra (reddit.com)

¹³ Jackson Buys 8 Electric Buses For Transit System, But None Are Working | Your Wyoming News Source (cowboystatedaily.com)

Proterra-powered technologies have harmed Michigan public schools as well. In a presentation before the Ann Arbor Public Schools Board of Education, the district's environmental sustainability director lamented the fact that its Thomas Built Buses electric school bus fleet, powered by Proterra's battery and drivetrain technology, experiences "a lot of downtime and performance issues." He further stated, "I have a number of colleagues in different states who are facing similar challenges."¹⁴

Mr. President, it is evident that the promotion and favoritism towards Proterra Inc. have resulted in significant losses for taxpayers and investors, including those in my home state of Wyoming. The bankruptcy of Proterra, despite the administration's support, raises serious questions about the reasoning behind these endorsements. The American people deserve accountability and transparency in matters of public policy and the businesses the President of the United States and his cabinet officials choose to promote.

Given Proterra's bankruptcy, it is clear that Mr. Joyce should be removed from your Export Council.

I am requesting answers to the attached questions surrounding your administration's promotion of Proterra and the nature of the appointment of Mr. Joyce to your Export Council.

I look forward to your response.

Sincerely, Sharas John Barrasso, M.D.

Ranking Member

¹⁴ Biden Spent \$1 Billion To Get Schools Electric Buses. This Michigan District Says Theirs Hardly Work. (freebeacon.com)

Questions

- 1. Why was Mr. Gareth Joyce appointed to the President's Export Council in the first place? What specific qualifications and achievements led to his selection?
 - a) Please provide all official communication as it relates to Mr. Joyce's selection.
- 2. Were there any other candidates considered for the position on the Export Council prior to Mr. Joyce's appointment?
- 3. Can the administration provide a detailed account of the decision-making process that led to the promotion and endorsement of Proterra Inc.? Who suggested that you take a virtual tour of the Proterra facility back in April 2021?
 - a) Please provide all official communication as it relates to these decisions.
- 4. Were any concerns or issues with Proterra's product reliability brought to the attention of the administration prior to their promotion? If so, how were these concerns addressed?
- 5. What specific actions were taken by the administration after being made aware of the reliability issues faced by transit systems using Proterra buses?
- 6. Can the administration provide clarity on the extent of involvement of political donors and allies in the decision-making process related to Proterra's promotion?
- 7. What steps are being taken to ensure that other companies promoted by the administration are vetted for product reliability and financial stability?
- 8. Are there any plans to review and possibly amend the processes by which companies are promoted by the administration to avoid similar instances in the future?
- 9. How does the administration plan to address the concerns of taxpayers and investors who have been adversely affected by the bankruptcy of Proterra?
- 10. Please provide a full account of all government funds, grants, or incentives provided to Proterra or its partners.