

Congress of the United States  
Washington, DC 20510

December 7, 2023

Mr. Jigar Shah  
Director  
Loan Programs Office  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20002

Dear Mr. Shah,

We write to you regarding disturbing reports about Sunnova Energy Corporation (Sunnova), a residential solar company, to which the Department of Energy’s (DOE) Loan Programs Office (LPO) recently awarded a \$3 billion partial loan guarantee.<sup>1</sup>

Billed as “the single largest commitment ever made by the Federal Government to solar power,” LPO closed this partial loan guarantee to Sunnova’s “Project Hestia” on September 28, 2023.<sup>2</sup> According to LPO, this project will make distributed energy resources and virtual power plant software available to more Americans by providing loans to approximately 75,000 to 115,000 homeowners for clean energy systems.<sup>3</sup> This project will focus on households in disadvantaged communities, aiming to provide at least 20 percent of loans to customers with FICO credit scores of 680 or less and up to 20 percent of loans to homeowners in Puerto Rico.<sup>4</sup>

We are alarmed about recent, credible reports that Sunnova has racked up numerous consumer complaints, including those alleging troubling sales practices, such as Sunnova pressing elderly homeowners in poor health to sign long-term contracts costing tens of thousands of dollars.<sup>5</sup> These reports cite interviews with individuals who struggled to deal with large contracts that their elderly parents signed shortly before passing away as well as state consumer complaints alleging maintenance delays and predatory sales strategies.<sup>6</sup> For example, one woman interviewed stated that a door-to-door Sunnova salesman sold her father—who she characterized as in hospice care—a \$60,000 solar system for his mobile home shortly before his death.<sup>7</sup>

---

<sup>1</sup> LOAN PROGRAMS OFFICE, DEP’T OF ENERGY, *DOE Announces \$3 Billion Partial Loan Guarantee to Sunnova’s Project Hestia*, Sept. 28, 2023, <https://www.energy.gov/lpo/articles/doe-announces-3-billion-partial-loan-guarantee-sunnovas-project-hestia>.

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> Alana Goodman, *Biden Admin Gave \$3 Billion Loan to Solar Company Accused of Scamming Elderly*, WASH. FREE BEACON, Nov. 22, 2023, <https://freebeacon.com/energy/biden-admin-gave-3-billion-loan-to-solar-company-accused-of-scamming-elderly/>.

<sup>6</sup> *See id.*

<sup>7</sup> *See id.*

Additional reports suggest these troubling reports are not isolated incidents. For example, while Project Hestia will target Puerto Rican homeowners for 20 percent of its loans, its residents have previously experienced major problems with Sunnova's services there. By 2017, Puerto Rico's Independent Office of Consumer Protection reportedly received over 1,000 complaints regarding Sunnova systems that include claims of misleading consumers and failing to deliver lower energy bills as promised.<sup>8</sup> In 2019, the Puerto Rican Energy Bureau also released a report confirming the validity of numerous consumer complaints it received. These included complaints of consumers accidentally signing up for 25-year contracts, consumers being misled about potential savings with solar panels, and Sunnova not fully revealing the costs of financing these solar panels to consumers.<sup>9</sup> Residents in other parts of the country have also reported problems with Sunnova systems, including deceptive sales practices.<sup>10</sup> These allegations are particularly troubling, as LPO has stated this program will focus on disadvantaged communities.<sup>11</sup>

As part of our oversight of LPO, we are requesting additional information regarding LPO's awareness of and treatment of the above concerns regarding Sunnova. We request that you provide the following documents and information by no later than December 21, 2023:

1. All documents and emails related to internal discussions regarding LPO's decision to grant a loan guarantee to Sunnova, including all documents related to the approval of the loan guarantee.
  - a. Please include all texts, emails, and correspondence between the LPO, Sunnova board members, the White House, and all political appointees at DOE or elsewhere throughout the Executive Branch.
2. All documents showing LPO policies and procedures that govern the review of risks associated with business practices or models of the financial health of LPO applicants, including assessments of any pending or past civil, criminal, or regulatory actions involving the applicant company.
3. All documents and communications exchanged between the government of Puerto Rico and any of its agencies or entities, including Independent Office of Consumer Protection and the Puerto Rican Energy Bureau, and DOE regarding the Sunnova loan.
4. All documents and communications exchanged between Sunnova and DOE regarding reports of consumer complaints against Sunnova.

---

<sup>8</sup> Elivan Martinez Mercado & Rick Jervis, "Abusive" Contracts. Defunct Solar Panels After Hurricane Maria. Texas Company Hit with More Than 400 Complaints, Investigation Finds, USA TODAY, Feb 26, 2019, <https://www.usatoday.com/story/news/nation/2019/02/26/sunnova-texas-solar-puerto-rico-hurricane-maria/2946484002/> (last updates Feb. 28, 2019).

<sup>9</sup> *Id.*

<sup>10</sup> See, e.g., Jaclyn Allen, *BBB Issued Alert for Sunnova, Citing Pattern of Complaints*, DENVER 7 ABC NEWS, June 4, 2023, <https://www.denver7.com/news/contact-denver7/bbb-issued-alert-for-sunnova-citing-pattern-of-complaints> (last updated June 5, 2024) (describing Denver area consumer complaints and Better Business Bureau complaints).

<sup>11</sup> See LOAN PROGRAMS OFFICE, DEP'T OF ENERGY, *supra* note 1.

Additionally, please provide responses to the following questions to both the House Energy and Commerce Committee and the Senate Energy and Natural Resources Committee by December 21, 2023:

1. Is LPO aware of concerns regarding consumer complaints against Sunnova, including but not limited to those cited in this letter?
2. What actions, if any, did LPO take prior to finalizing the partial loan guarantee to learn more about the nature of consumer complaints against Sunnova?
3. What requirements, if any, has LPO issued to Sunnova regarding its sales tactics and consumer protections to date?
4. How does LPO plan to monitor Sunnova's treatment of customers and potential customers and encourage Sunnova to take care that its potential customers understand the full terms of their agreements with Sunnova?
5. Who was involved in the approval of DOE's loan guarantee to Sunnova and what is DOE's process for awarding such loan guarantees?

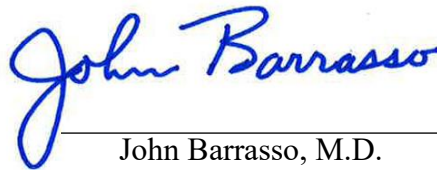
Thank you for your attention to this matter. Should you have any questions about this request, please contact House Energy and Commerce Majority staff at (202) 225-3641 or Senate Energy and Natural Resources Minority staff at (202) 224-4971. We look forward to your prompt response.

Sincerely,



---

Cathy McMorris Rodgers  
Chair  
House Committee on Energy  
and Commerce



---

John Barrasso, M.D.  
Ranking Member  
Senate Committee on Energy  
and Natural Resources

CC: The Honorable Frank Pallone, Jr. Ranking Member  
House Committee on Energy and Commerce

The Honorable Joe Manchin, Chairman  
Senate Committee on Energy and Natural Resources