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**United States Senate**  
SPECIAL COMMITTEE ON AGING  
WASHINGTON, DC 20510-6400  
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December 10, 2021

**VIA ELECTRONIC TRANSMISSION**

The Honorable Teri L. Donaldson  
Inspector General  
U.S. Department of Energy Office of Inspector General  
1000 Independence Avenue, SW  
Washington, D.C. 20585

Dear Inspector General Donaldson:

As Ranking Member of the Senate Special Committee on Aging, I am writing to request information on the Department of Energy's (DOE) evaluation of the Administration's inflationary policies and their impact on energy prices. Surging gas prices and sizable predicted increases in home heating costs are a dangerous threat to vulnerable Americans. DOE's considerations of the underlying inflation driving these trends will shed important light on effective policy responses.

Over the last year, gas prices rose by almost 60%, the largest increase in over 40 years.<sup>1</sup> Painfully high prices are a tax on single parents, seniors, and people living paycheck to paycheck. The most vulnerable Americans pay over \$500 more a year for each dollar increase in gas prices, absorbing almost 3% of their incomes.<sup>2</sup> Ordinary Americans cannot easily respond to high prices by cutting back on use of equipment requiring gas, including vehicles. They depend on it to make a living, reach medical care, and buy food. In fact, recent reports describe ordinary Americans struggling at the pump, like a rideshare driver forced to reduce his trips and a mom spending \$50 to make a three-hour hospital trip for her special-needs children.<sup>3</sup> Adding to these already substantial burdens, heating bills are expected to rise by as much as 54% this winter, according to the Energy Information Administration.<sup>4</sup>

While DOE has pointed to pandemic-related disruptions as the driver of these immense energy price increases, it has not addressed inflation. By hiking demand so significantly beyond available supply, the Administration's reckless injection into the economy of \$2 trillion in new spending has led to energy price spikes. Energy production has simply not been able to match excess spending and inflated demand. With core inflation speeding to 4.9%, vulnerable Americans like seniors and minority communities are paying more for almost everything on top of increasingly unaffordable basic necessities like food and energy.

The Administration received ample warning about the likely inflationary impact of its policies. In February 2021, for example, former Treasury Secretary and economic adviser Lawrence "Larry" Summers cautioned that the

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<sup>1</sup> Bureau of Labor Statistics (BLS). *Consumer Price Index – November 2021*. BLS News Release. <https://www.bls.gov/news.release/pdf/cpi.pdf>

<sup>2</sup> Sawhill, I.V. *How Higher Gas Prices Hurt Less Affluent Consumers and the Economy*. Brookings. <https://www.brookings.edu/opinions/how-higher-gas-prices-hurt-less-affluent-consumers-and-the-economy/>

<sup>3</sup> Singh, H. (2021, November 30). *Gas Prices Pressure Drivers' Finances*. Wall Street Journal. <https://www.wsj.com/articles/gas-prices-pressure-drivers-finances-11638241233>

<sup>4</sup> Energy Information Administration (EIA). (2021, October 13). *Short-Term Energy Outlook: Winter Fuels Outlook, October 2021*. EIA. <https://www.eia.gov/outlooks/steo/report/WinterFuels.php>

proposed American Rescue Plan could “set off inflationary pressures of a kind we have not seen in a generation.”<sup>5</sup> The Administration failed to heed this warning, and it is clear that inflation has now run much hotter and longer than it expected. Given DOE’s role in securing and promoting abundant energy supplies, there are questions regarding the extent to which it factored the Administration’s inflationary policies, and related warnings, into analyses of energy price trends and fluctuations.

Accordingly, I respectfully request all records, including draft documents, draft document comments, and draft document redlining responsive to a search of the following keywords within the Department of Energy’s control, hosted by the following custodians, dating from January 20, 2021 to December 10, 2021.

**Custodians:**

- Secretary of Energy, Jennifer Granholm
- Deputy Secretary of Energy, David M. Turk
- Chief of Staff, Tarak Shah

**Keywords:**

- Inflation, inflationary, and other similarly sounded words
- Interest and interest rates
- Consumer Price Index
- CPI
- Cost of Living Adjustment
- COLA
- Federal Reserve
- The Fed
- Personal Consumption Expenditures
- PCE and PCE Index
- Mr. Lawrence Summers, Mr. Larry Summers, and Summers

For any record captured by the preceding search parameters withheld from production, please provide a log articulating a description of the record(s) at issue, the privilege being asserted, the respective custodian(s) of the record(s) being described, and the date each record was created.

Please direct all correspondence to [REDACTED]@aging.senate.gov by January 7, 2022. As we prepare to turn the calendar to 2022, inflationary concerns will remain at the forefront for anxious American households. By understanding DOE’s 2021 approach to inflation, Congress will be able to examine what steps need to be taken to address rising energy prices and their economic impact on ordinary Americans. Thank you for your attention to this matter and I look forward to your reply.

Respectfully,



Senator Tim Scott  
Ranking Member

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<sup>5</sup> Summers, L.H. (2021, February 4). The Biden stimulus is admirably ambitious. But it brings some big risks, too. Washington Post. <https://www.washingtonpost.com/opinions/2021/02/04/larry-summers-biden-covid-stimulus/>