

Biden's DOE Funnel \$50 Million Taxpayer Bucks to Green Energy Company That Sources Materials From China

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Energy Department said funding would 'ensure our clean energy future is American-made'



Energy Secretary Jennifer Granholm, President Joe Biden, and energy adviser Amos Hochstein / Getty Images

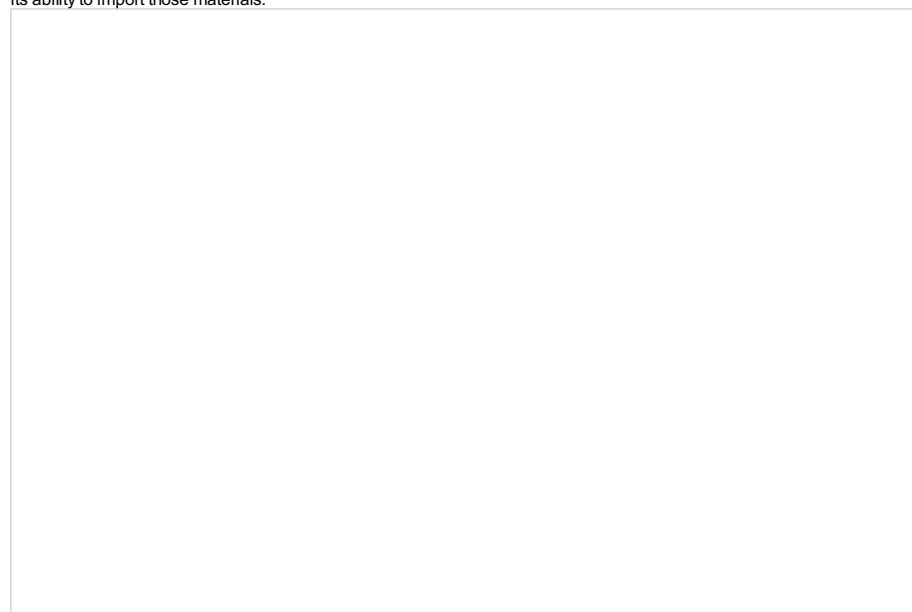
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The Biden Energy Department announced in October that a \$50 million grant to a lithium battery company would "ensure our clean energy future is American-made." But the company sources its battery materials in China, highlighting the difficulty the administration faces in ushering in any sort of green energy transition without boosting America's top geopolitical foe.

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The Energy Department's lucrative award went to Amprius Technologies, a California-based company that has leaned on Chinese manufacturing. The company built a battery factory in the Chinese city of Wuxi in 2014 after striking a \$40 million joint venture with the city's public investment arm, a move that Amprius CEO Kang Sun said at the time would help the company cut costs. Amprius also uses a spin-off company in Nanjing to produce its battery materials, while [acknowledging](#) in corporate filings that U.S. sanctions could one day threaten its ability to import those materials.



Amprius's dependence on China reflects the broader challenges facing the Biden administration as it attempts to spur growth in the Chinese-dominated green energy industry. President Joe Biden's so-called Inflation Reduction Act, for example, offers tax credits to electric vehicles made in North America. But starting next year, vehicles that are made with Chinese battery materials won't qualify for the credits, and American car manufacturers say they can't meet the deadline. Ford, for example, plans to use Chinese batteries for its electric Mustang and F-150—models [Biden himself](#) has [showcased](#)—and the company and others are [fighting](#) the rule change.

If the Biden administration applied such a rule to Amprius, the company would also struggle to comply with it. That's because Amprius, according to a [December SEC filing](#), has purchased hundreds of thousands of dollars in "raw materials and development materials" from its two Chinese spin-off companies, Amprius Wuxi and Amprius Nanjing, purchases the company acknowledges "may continue" going forward. Removing China from that supply chain won't be easy: In its December filing, Amprius says such an effort "may not yield immediate results or may be ineffective" and could force the company to increase prices.

An Energy Department spokeswoman said the Amprius grant will help "build a clean energy supply chain here at home" and "increase our national and energy security." Amprius did not return answers to detailed questions on its foreign business dealings and instead pointed the *Washington Free Beacon* to its [corporate announcements](#) webpage.



Biden has long [pledged](#) to usher in a "clean energy revolution," a priority he is now putting hundreds of billions of dollars behind through the Bipartisan Infrastructure Law and Inflation Reduction Act. That money, Biden says, is supposed to create a "clean energy economy" full of "good-paying, union jobs" that help the United States ease China's iron grip on the green energy supply chain. Instead, in many cases, the Biden administration has used the money to reward companies with deep ties to Beijing.

Three months ago, for example, Biden's Energy Department awarded \$200 million to another lithium battery company, Microvast Holdings, which the department called a "majority U.S.-owned company ... headquartered in Stafford, Texas." But Microvast, the *Free Beacon* [reported](#) in December, operates primarily from China, and in April, SEC regulators added the company to a list of foreign entities that fail to comply with U.S. auditing requirements.

Such grants have infuriated Republican lawmakers. Sen. John Barrasso (R., Wyo.) has argued that Biden has misused federal funds, telling Energy Secretary Jennifer Granholm in a [December letter](#) that "the Bipartisan Infrastructure Law was ostensibly intended to develop robust domestic manufacturing bases and supply chains free from the predations of the [People's Republic of China]" and that "DOE's actions directly undermine the United States' position in its race against China for technological supremacy."

House Republicans have shared Barrasso's concerns and are [expected](#) to use their newly obtained subpoena power to probe Biden's green energy grants, investigations that could provide a window into the administration's assessment of foreign investment risks—or lack thereof—when determining recipients.

Beyond its spin-off companies in Wuxi and Nanjing, Amprius's [website](#) lists Beijing-based investment firm IPV Capital as an investor. The firm's managing partner, Tingru Liu, [previously served](#) as director of the Economic Policy Department within China's Ministry of Information Industry, a government regulatory agency. Following that role, Liu served as a department head at China's largest sovereign wealth fund, the China Investment Corporation, which manages some of the communist nation's foreign exchange reserves.

Amprius's CEO, Sun, is also no stranger to China's green energy industry. Sun serves on the boards of both Amprius Wuxi and Amprius Nanjing, and prior to joining Amprius, he [led Shanghai-based solar company JA Solar](#). Researchers at Britain's Sheffield Hallam University later [accused](#) the company of using forced labor through China's concentration camps in Xinjiang.

Amprius also received [millions of dollars in grants](#) under the Obama administration, which like the Biden administration invested billions of dollars in the green energy industry in an attempt to accelerate the industry's viability. Some of the Obama administration's top loan and grant recipients, including electric car manufacturer Fisker Automotive and lithium battery startup A123 Systems, went bankrupt and sold to China, a fate Biden will now hope to avoid.

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