

How DOE LPO is Driving American Competitiveness Featuring Ultium Cells and Lithium Americas

Lithium Americas President and CEO Jonathan Evans recently joined the Department of Energy Loan Programs Office (LPO) Director, Jigar Shah, and Ultium Cells Vice President of Operations, Thomas Gallagher on a SAFE (Securing America's Future Energy) webinar to discuss how the Department of Energy's (DOE) LPO works with private industry to drive an energy transition and reindustrialization strategy that serves the long-term economic and security needs of the U.S.

The DOE's LPO has provided billions in loans to advance efforts to secure reliable, sustainable domestic supply chains for a range of energy technologies, from critical minerals to final vehicle assembly.

Lithium Americas recently received a conditional commitment for a $2.26 billion loan from the DOE's Advanced Technology Vehicles Manufacturing (ATVM) Loan Program. The ATVM Loan Program is helping to finance projects that are essential to onshoring the manufacturing of materials on which we rely, such as lithium for energy storage.

Mr. Evans explained the challenges of advancing projects like Thacker Pass into production, "The bigger picture here with the LPO Office and DOE is that they realize lithium is an immature sector and there are a lot of ups and down. If you want to go somewhere in 5 to 10 years, you have to start now. The asset that we're working on now [Thacker Pass] first started in 2007. Here we are in 2024: fully permitted and ready for construction. Our main focus is execution to get into production and supply GM for their needs and support their strategy, as well as the strategy of our government."

Lithium Americas is committed to sustainably developing Thacker Pass and committed to doing things right. Mr. Evans added, 'what was done 50 years ago, you can't do today. I'm old enough to remember no seatbelts, no airbags, all those things. You don't build like that today. We went through the NEPA (National Environmental Policy Act) process and the Environmental Impact Statement, and there's a lot of due diligence that's done during the LPO process to check all of that. The DOE looks at everything before a decision is made."

Mr. Evans highlighted, "We have a community benefits agreements [with the Fort McDermitt Paiute Shoshone Tribe] and local training in place for our community members and the local Tribe. When construction is done, they'll be trained and will be skilled tradespeople who could serve the community that they live in."

While this conditional commitment indicates the DOE's intent to finance Thacker Pass, Lithium Americas must satisfy certain technical, legal, environmental, and financial conditions before the DOE enters into definitive financing documents and funds the loan.

If the DOE loan is finalized, Lithium Americas expects to move forward expeditiously to advance to major construction at Thacker Pass, expected in the second half of 2024. Mechanical completion of Phase 1 is expected in 2027, targeting annual production capacity of 40,000 tonnes of battery-quality lithium carbonate to support up to 800,000 electric vehicles per year.

At the peak of construction, Thacker Pass will employ as many as 1,800 skilled workers. Lithium Americas and its engineering, procurement and construction management contractor, Bechtel, entered into a National Construction Agreement (Project Labor Agreement) with North America's Building Trades Unions for construction of Thacker Pass.

To hear and learn more, watch the SAFE webinar:
[embed video on blog page] youtube.com/watch?v=EZKqRV-NL5c

About SAFE:

SAFE unites prominent military and business leaders to develop and advocate for policies that improve America's energy security by significantly curtailing our dependence on oil and promoting responsible use of our domestic energy resources. SAFE relies on the knowledge and experience of four-star retired military officers, Fortune 500 CEOs, and its expert staff to produce high-quality, fact based analysis and policy recommendations for lawmakers, regulatory agencies, and the public.

Armed with a deep understanding of the issues, SAFE leads the conversation on energy and transportation policy with the goal of bolstering America's economic and national security. Agile and multidisciplinary, SAFE maintains a strategic ability to adapt to the rapidly evolving energy and transportation landscape with real-time, up-to-date analysis and recommendations.