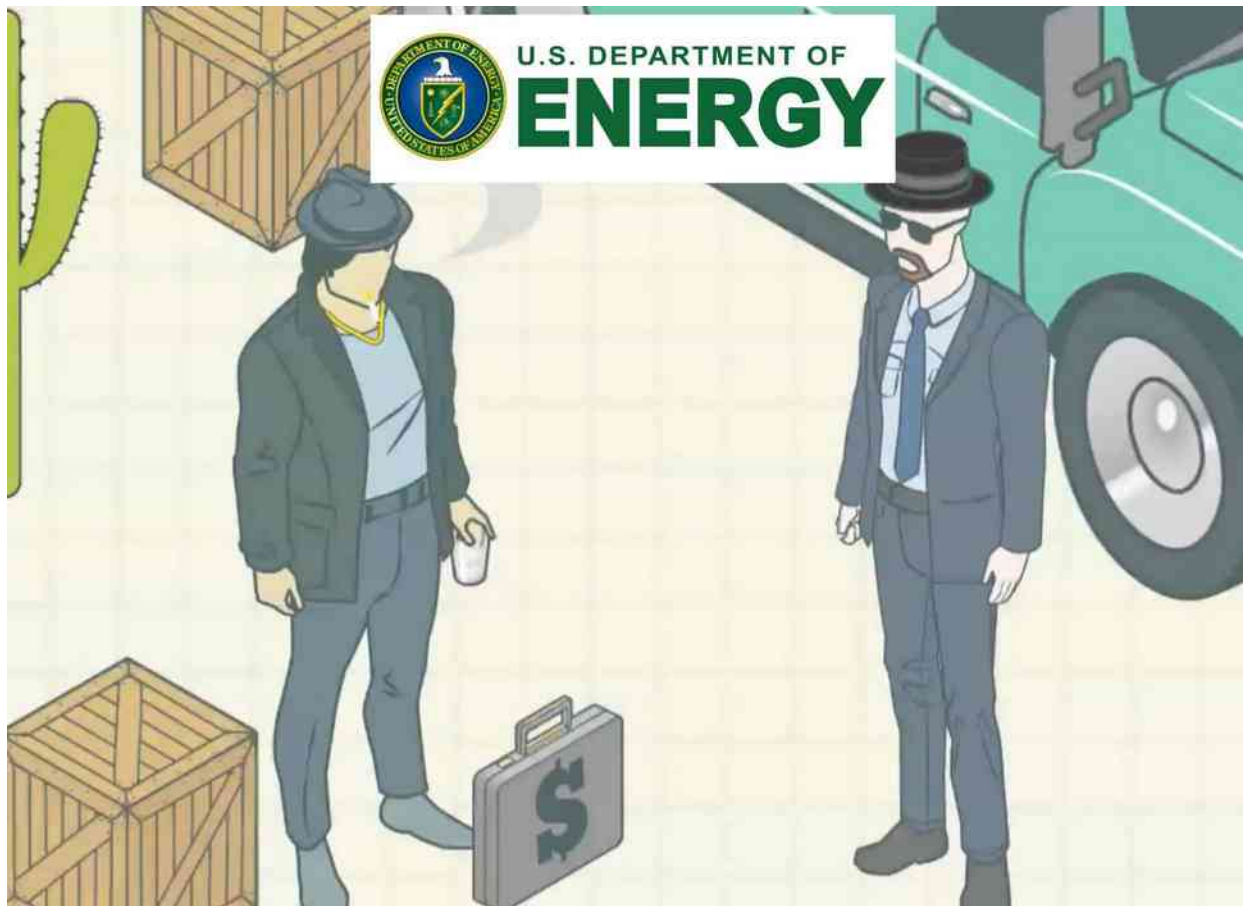


THE SLUSH FUND

A Felony Organized Crime Using Taxpayer Funds And Stock Market Manipulation For Quid Pro Quo Payola And Money-Laundering



A crime investigation provided to the public and to every federal law enforcement agency

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We lost tens of millions of dollars because the White House, the Department of Energy and their tech financiers defrauded us and then put a hit-job on us for reporting this crime. State and Federal officials are still covering this up and refusing to allow our case into a jury trial. Congressional, private and federal investigators hunted every single one of the crooks and attackers down for us and we are shaming every single one of them FOREVER!

Table of Contents

THE SLUSH FUND.....	1
Overview:.....	5
The Whorehouse Lender.....	6
The Whores And Pimps At KPCB.....	12
The Solyndra Due Diligence Lie.....	18
Goldman Sachs Was The Devil In All Of The Details.....	21
The George Mason University Study.....	25
Official Report By The U.S. House of Representatives.....	33
The Revolving Green Door Payola Scams.....	74
. Google.....	74
. Nancy Ann DeParle.....	74
. Michael Froman.....	75
. Steve Westly.....	76
. David Sandalow.....	76
. Sanjay Wagle.....	77
. Steve Spinner.....	79
. Peter Weeks.....	80
. Bruce Khouri.....	81
. Lou DiNardo.....	82
. F. William Capp.....	82
. Senate Majority Leader Harry Reid.....	89
. Aptera.....	106
. Bright Automotive.....	107
. Severstal.....	108
. Fisker.....	109
Why the Government Should Stay Out of “Green Energy”.....	115
According To An Insider.....	117
The Senator Feinstein Corruption.....	120
. Dianne Goldman Berman Feinstein.....	120
How The Democrats Ate Their Own Children.....	148
. Who is Dianne Feinstein?.....	151
. More On The Dianne Feinstein Corruption.....	171
. More On The Elon Musk Corruption.....	172
The Worst Case Scenario.....	176
Charges against the Department of Energy that are supported by the factual evidence.....	180
The White House Dirty Tricks Team.....	185
The Silicon Valley Corrupt ‘Greentech’ VC Control Over Washington DC.....	187
The Elon Musk And Tesla Motors Bribes.....	190
The Department of Energy And The White House Attacks Anybody Who Exposes This.....	202
. 60 MINUTES top reporter proves that Silicon Valley Media Cartel targets people.....	212
Public Record Documents Now Prove The Existence Of Many Obama Hit-Job Services.....	214
Saving Billions For America.....	216

DOE Corruption—Appointed And Elected Officials Should Face Prison Time.....	218
How the bribes were paid.....	221
A Historical Perspective.....	232
The White House Sponsored Attackers.....	260
Manipulating Global Elections.....	263
Government Agencies Are Used As Attack Services Against Citizens.....	266
A Personal Note To The Department Of Energy From Some Of The Victims:.....	271
A case study in pay-to-play cronyism.....	274
Copy, Paste, Legislate.....	278
The Solyndra Corruption.....	291
The Hell Of Silicon Valley Douche-Bags.....	293
. The Silicon Valley Blacklist.....	307
Crony-Corruption.....	321
Today’s Tech Oligarchs Are Worse Than the Robber Barons.....	329
Corruption In The Energy Department Is Built-in On A Permanent Basis.....	333
CONCLUSION.....	357
. Stay tuned for updates and revisions based on new evidence.....	358

Overview:

Trillions of dollars of stock trades and direct payola bribes were exchanged using the White House as a broker and the United States Department of Energy as a stock market manipulation platform.

That's right! Your public officials use federal agencies as dark-money laundering operations for their friends.

If you are a taxpayer: You suffered damages!

If you are an American business: You suffered damages!

If you are Democracy: You were broken!

If you were a tech mobster: You made out like a bandit!

This is how it worked.

No public official wants these crimes to end because most of those officials profit from these crimes!

Forget about any allegiance you might have to one political party over another. This is not about parties, this is about racketeering crimes!

The Solyndra taxpayer, technology, financial and political disasters that began during the reign of Steven Chu at the Department of Energy typified the overt, organized crime, corruption and crony malfeasance of the public funds.

This trend was created via the back-door deals between 1.) the U.S. Department of Energy and audacious kick-back schemes created by 2.) Silicon Valley campaign financiers and the 3.) White House. This is the story of the racketeering schemes and scams that set out to steal trillions of dollars of taxpayer cash, in plain sight, under the cover of a national "economic" or "health" emergency "stimulus" scam.

The Whorehouse Lender

By [Bruce Krasting](#)

If you want to find out what happened with [Solyndra](#) you have to follow the money. I did. The half billion dollars of taxpayer dough that is probably lost in Sol came from the Federal Financing Bank (“FFB”). It’s worth a look at this bank to see what else is going on.

FFB is a bank that is owned and controlled by the US Treasury. The chairman of the Board is the TSec. ([Tim Geithner](#)). With the (big) exception of the Post Office all of the loans at FFB are guaranteed by government agencies. Technically speaking, FFB has no risks on loans guaranteed by an agency like the DOE. But I don’t think that should absolve Tim Geithner of any responsibility regarding the losses the country faces with Solyndra. If he, (*or anyone else at Treasury*) puts their pen to a ½ billion loan, **they better well know where the taxpayers money is going.** That didn’t happen.

FFB has been around for 40+ years. I believe it has always been a bank that has been used and abused by whoever happened to be running the show at Treasury. For example; from 9/30/2008 (*Pre - Tim and O*) to 9/30/3009 (*Post - Tim and O*) the FFB lent out \$17.1 billion to the nice folks at the National Credit Union Administration’s “**Liquidity Fund**”. NCU is the guarantor of the deposits in the country’s Credit Unions (similar to FDIC). They were up against it in 2009. They had no money left in the till to insure that those deposits would be safe. A bailout was needed to avoid a crisis. But rather than have a public debate about this, the FFB just borrowed some money and wrote a check to NCU. **Problem solved.**

The following are the balance sheet assets of the FFB for fiscal year end 2008 and 09. **Note that there were no outstanding loans guaranteed by the DOE in 08.** But a year later the number had jumped up to nearly a Bil. It was clear back then that the FFB was rapidly becoming a policy tool of the new administration. By June 30th 2011 the DOE-guaranteed loans at FFB has grown to \$5.2B. Clearly the Administration is (*was?*) using the bank to facilitate its objectives.

FEDERAL FINANCING BANK

Notes to Financial Statements
September 30, 2009 and 2008
(Dollars in thousands)

Loans receivable at September 30, 2009 and 2008, consist of the following:

Agency	2009	2008
Rural Utilities Service, Department of Agriculture	\$ 25,391,164	22,693,499
Credit Liquidity Fund, National Credit Union Administration	18,384,062	1,109,161
U.S. Postal Service	10,200,000	7,200,000
Rural Utilities Service, Department of Agriculture certificates of beneficial ownership	3,047,025	3,632,550
General Services Administration	2,037,215	2,097,731
Department of Energy	907,680	-
Low Rent Public Housing, Department of Housing and Urban Development	586,372	691,412
Foreign Military Sales, Department of Defense	545,376	680,365
Historically Black Colleges and Universities, Department of Education	453,298	338,466
Ship Leasing, Department of Defense, Navy	-	16,623
Small Business Administration	5,379	10,046
Veteran Administration Transitional Housing Program	4,889	4,940
Federal Railroad Administration, Department of Transportation	1,786	2,035
Total loans receivable	\$ 61,564,851	38,476,868

The borrowers identified as the beneficiaries of the FFB's deep pockets include:

- Abound Solar**
- Arizona Solar – UNC**
- Beacon**
- Great Basin Transmission**
- Kahuku Wind Power**
- Solyndra**
- Solar Partner I**
- Solar Partner II**
- And Solar Partner(s) III – VIII**

The names on this list are the problems-to-be for the DOE. (*I can't wait to find out who we are partnering up with on the I – VIII deals*)

The FFB/DOE has also been lending big bucks to some well know names.

- Fisker Automotive, Inc.**
- Tesla Motors, Inc.**
- Ford Motors**

These successful companies owe the FFB a total of \$3.8 billion. There is one company that I don't recognize. But they got \$35mm in May at a real fine rate:

GOVERNMENT-GUARANTEED LOANS						
DDE ADV TECHNOLOGY VEHICLES MPG						
Tesla Motors, Inc.	3/03	\$1,034,718.00	9/16/19	2.380%	Qtr.	
Tesla Motors, Inc.	3/03	\$5,735,723.00	9/15/22	2.860%	Qtr.	
Vehicle Production Group	3/16	\$24,975,308.00	3/15/18	1.932%	Qtr.	
Ford Motor Company	3/18	\$341,300,000.00	8/15/22	2.581%	Qtr.	
Ford Motor Company	3/18	\$64,600,000.00	8/15/22	2.581%	Qtr.	
Tesla Motors, Inc.	3/18	\$1,369,012.00	9/16/19	2.139%	Qtr.	
Tesla Motors, Inc.	3/18	\$8,330,348.00	8/15/22	2.829%	Qtr.	
Fisker Automotive, Inc.	3/24	\$9,268,000.00	4/24/17	1.788%	Qtr.	

Who's VPG? Nice rate on 35 mil!

The Post Office has \$12.9 large out with FFB. The PO has a debt limit of \$14b. They will hit that in 2012 (and then go broke). The FFB has been funding the operating deficits at the PO for years. When O took office it was \$7b. Playing, "Hide the losses at the PO" is a very old game in D.C.

The FFB also has an active role in providing the much needed lucre for Foreign Military Sales. As of June 30 there was \$349mm of IOUs. (I wonder who those "I"s are. Probably stable governments, right?) If you're keeping score, the amount outstanding when Bush left office was 50% higher than today.

\$33 billion (61% of FFB's book) is out to Rural Electrics. It would appear that many parts of the country don't have adequate utilities. Nor do they have the resources to fix the problems. The solution has been to lend them dirt-cheap money with functionally no maturity. This is just a silly accounting game to avoid recognizing that needed infrastructure expense(s) should have been in the budget long ago. This is a close-up of a section of the FFB report:

RURAL UTILITIES SERVICE						
People's Coop. Svcs #2694	5/23	\$1,500,000.00	12/31/43	3.948%	Qtr.	
Sumter Elec Coop. Inc. #2554	5/23	\$38,500,000.00	12/31/43	3.784%	Qtr.	
East Kentucky Power #2322	5/24	\$1,813,000.00	12/31/40	3.829%	Qtr.	
East Kentucky Power #2531	5/24	\$12,668,000.00	12/31/40	3.829%	Qtr.	
East Kentucky Power #2768	5/24	\$24,000,000.00	1/03/45	3.942%	Qtr.	
• High Plains #2924	5/24	\$9,300,000.00	1/02/46	3.813%	Qtr.	
• Lake Region Elec. #2921	5/24	\$5,000,000.00	1/02/46	3.968%	Qtr.	

I wanna go!

Note the long maturities and % rates. 35-year money for Lake Land (sounds like a nice place) at Treasuries +30. The following is a pic of all the re-financings for May and June. I shrunk it because it would just clutter the page; it's that long. Blow it up on your own or go to the FFB site and look up Press Releases. This goes on every month of the year. This stinks of boondoggle and pork. What are the administrative costs to oversee this? There has to be a better way.

I'm all for education. We're dead in the water without it. I think there is a role for the government to assist in this. But the FFB? Why are they making loans? Is this just another way to avoid an expense? What are these guys in D.C. thinking? Is everything "on the arm" down there? Again, a close up and the totals for two months. This is silly, right?

A minor bad loan is the \$493mm of Hope Now Bonds. A good chunk of this is still in cash. But not for long. Treasury is going to use some of this money for the big mortgage ReFi that is in the offing. When that happens there will be hope of repayment of the Hope Bonds.

There is one more attractive feature for the Chairman of the FFB. With the exception of the notes from the PO, it's all off balance sheet. When the "Debt to the Penny" calculation is made by the Treasury, the (net of PO) \$33b at FFB borrowings are excluded.

In Wall Street terms, that makes the FFB a SPIV and it's a whorehouse.

Note: I've written about the FFB before. I smelled trouble with this bank. My nose was working, per:

<http://www.zerohedge.com/contributed/going-postal>

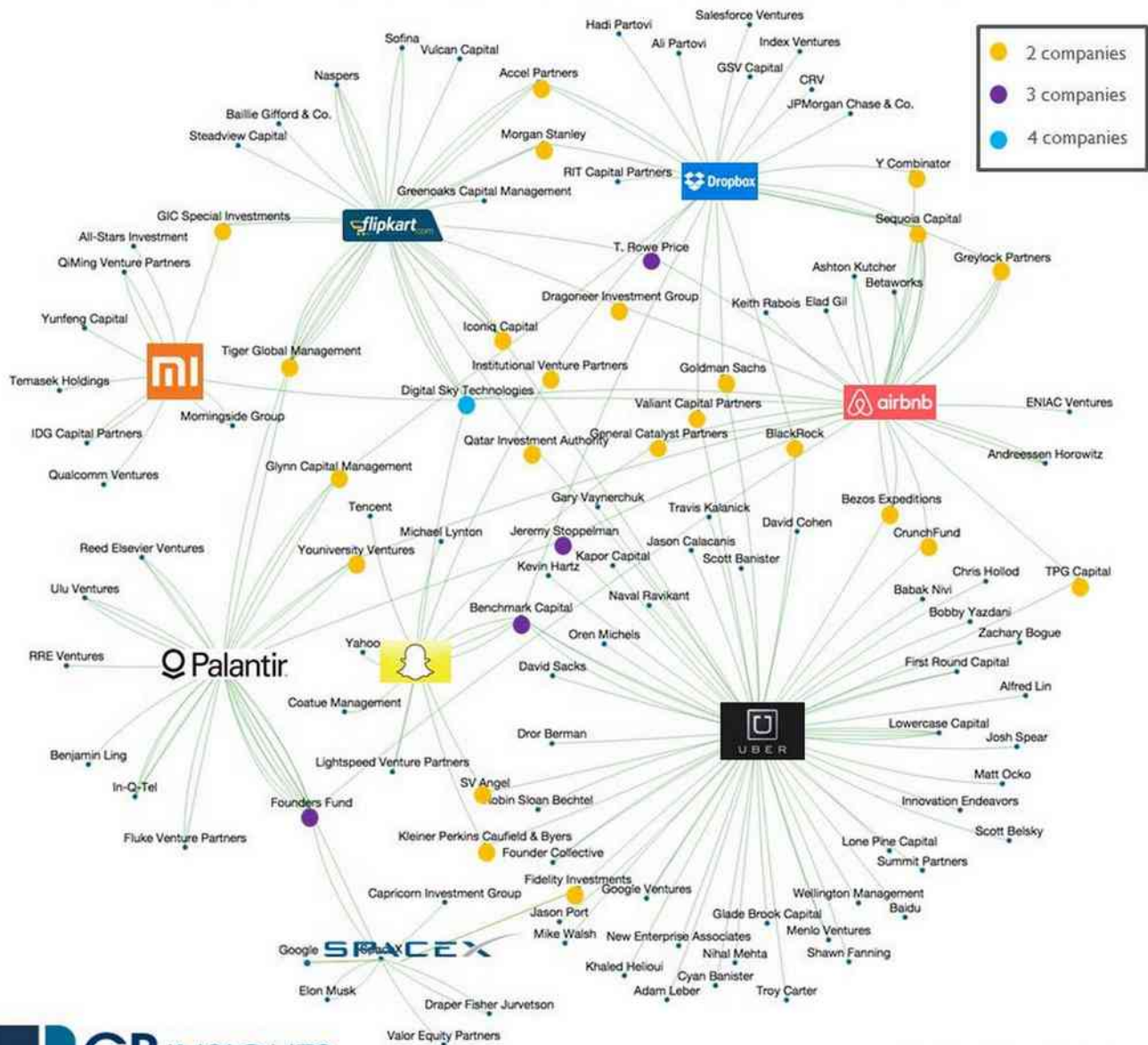
<http://www.zerohedge.com/article/tims-bank-looking-20-haircut>

<http://brucekrasting.blogspot.com/2009/09/biz-at-geithners-bank-ffb-booming-bad.html>

<http://brucekrasting.blogspot.com/2011/04/tim-gs-bank-ive-got-secret.html>

THIS CHART SHOWS YOU HOW THE CROOKS WERE FINANCIALLY CONNECTED:

The \$10 Billion Club Investor Network Map



www.cbinsights.com

How the crooks hooked up together (above)

TOP OF THE CROP

FIRMS THAT SCORE BIG EXITS PUT THE MOST PARTNERS ON THE MIDAS LIST.

PARTNERS ON LIST



EXITS >\$200M IN 2012



Illustration 1: Mob Bosses

The Whores And Pimps At KPCB



Above -John Doerr and his partner Ellen Pao. He arranged much of the Cleantech Scam. She later sued him in a famous sex abuse lawsuit.

KPCB venture capital has been charged with a massive number of financial crimes, bribes and stock market manipulations. Police records show that their offices were broken into, physically and digitally, by high end hackers who acquired very incriminating data. Their executives have horrific links to sex and abuse scandals (as shown on pacer.gov and private investigation files). They bribe Stanford University to get good grades for their snot nose kids. John Denniston from the firm was under surveillance by a “major entity”. Tom Perkins, from KPCB, became a whistle-blower (to us) just before he died. Doerr is one of the biggest promoters (and beneficiaries) of lithium batteries and one of the biggest covert attackers of fuel cells, the competing technology. Doerr is one of the “Godfathers” of the “Silicon Valley Mafia”.

KPCB pretty much only retains front office interns and receptionists that look like Victoria’s Secret models. It is said that the Rosewood Hotel, across from their offices, was created at the behest of KPCB executives for them to trot over to for sex.

KPCB brought the Russians to Silicon Valley and promoted Russian “business-man” involvement in U.S. political campaign PACS and tech companies. KPCB played both sides of the fence with contacts at the Russian FSB and the American IN-Q-Tel spy agencies. KPCB was instrumental in getting IN-Q-Tel to open an office on Sand Hill Road just walking distance from the KPCB offices.

In leaked DNC emails and communications, KPCB and the Doerr’s are acknowledged as some of the biggest financiers of the Obama and Biden campaigns.

The news media reports that “Every millionaire from Silicon Valley”: *“Cheats on their taxes; Has*

either a mistress, gay sex rent boys or cheats on their spouse; Hires hookers on a regular basis; Lies about who actually created their company; Bribes politicians; Has a fake charity to hide from taxes; Screws their interns and nannies; Is an alcoholic; Is addicted to drugs and can't pass a full-range drug test; Is a narcissist; Is a sociopath; Has lobbyists, lawyers and staff, who are actual criminals, that do their dirty work; Hates anyone who is black or brown; Abuses their staff; Is a latent homosexual; Treats women like tools; Has a sex addiction involving using sex to control others; Hates Laurene Powell Jobs because she intimidates them; Wears khaki's because they want to appear "humble"; Has had weird sex at the Rosewood Hotel or the Palo Alto Four Seasons; Still buys more stuff than they can afford so that they leverage themselves out; Is entirely focused on superficial appearances; Uses fake and exaggerated "mugging" facial expressions and reactions when interacting in public; Won't do business with anyone outside of the Yale/Stanford frat boy circuit; Was trained by asshole parents to be an asshole; Is brainwashed by the media; Only gets married so their "optics" will superficially fit it to their frat boy social bubble; Feels compelled to join exclusionary "mens clubs"; Gets an expensive car to make up for their feelings of sexual inadequacy..."

So far, the reality of Silicon Valley seems to prove all of that to be true!



Illustration 2: DOA

Department of State: Division of Corporations

[Frequently Asked Questions](#) [View Search Results](#)

Entity Details

THIS IS NOT A STATEMENT OF GOOD STANDING

File Number:	8017141	Incorporation Date / Formation Date:	07/28/2011 (mm/dd/yyyy)
Entity Name:	BOLYNDRA SOLAR II LLC		
Entity Kind:	LIMITED LIABILITY COMPANY (LLC)	Entity Type:	GENERAL
Residency:	DOMESTIC	State:	DE

REGISTERED AGENT INFORMATION

Name:	CORPORATION SERVICE COMPANY		
Address:	2711 CENTERVILLE ROAD SUITE 400		
City:	WILMINGTON	County:	NEW CASTLE
State:	DE	Postal Code:	19808
Phone:	(302)636-5401		

Handwritten red annotations: A red circle around the date '07/28/2011' and three red question marks '???' to the right of the entity name.

Illustration 3: Steven Chu Allowed Solyndra To Lie I

2005	May	<ul style="list-style-type: none"> Solyndra founded. 	
	July	<ul style="list-style-type: none"> Bush Administration signs the Energy Policy Act of 2005, creating the DOE 1703 Loan Guarantee Program. 	
2006	December	<ul style="list-style-type: none"> Solyndra applies for 1703 loan. 	
2007	Late 2007	<ul style="list-style-type: none"> DOE approves Solyndra loan as one of 16 companies ready to move forward with application process. 	
2008	November	<ul style="list-style-type: none"> Silicon prices remain high. Solyndra is very attractive to investors. Raising \$144 million, total now \$450 million. 	
	January	<ul style="list-style-type: none"> Bush administration takes Solyndra before a DOE credit review committee that remands the loan back to DOE for more information. 	
2009	March	<ul style="list-style-type: none"> The committee moves the strengthened loan application forward. 	
	June	<ul style="list-style-type: none"> Chinese silicon begins to hit the market and prices begin to drop. In the next two years PV prices would drop 50%. 	
	September	<ul style="list-style-type: none"> Solyndra raises an additional \$219 million venture capital. The DOE closes on the \$535 million loan guarantee after six months of due diligence. Application to closing the process took 3 years. 	
	January-June	<ul style="list-style-type: none"> PV prices continue to slide Investors and analysts question Solyndra's ability to compete. Solyndra pulls its IPO. Raises another \$175 million from investors. 	
	May	<ul style="list-style-type: none"> Obama visits Solyndra facility, is photographed holding tubes while talking with founder Chris Gronet. 	
	July	<ul style="list-style-type: none"> Gronet replaced as CEO. 	
	November	<ul style="list-style-type: none"> Solyndra closes Fab 1 facility. Company concentrates on DOE funded Fab 2, on time and on budget. 	
	2011	February	<ul style="list-style-type: none"> Liquidity crisis. Investors provide \$75 million to restructure loan guarantee. DOE chooses to give the company a fighting chance.
		March	<ul style="list-style-type: none"> Republican Representatives complain that DOE funds are not being spent quickly enough. House Energy and Commerce Committee Chairman Fred Upton (R-MI): "despite the Administration's urgency and haste to pass the bill [the American Recovery and Reinvestment Act] ... billions of dollars have yet to be spent."
		August	<ul style="list-style-type: none"> Amidst falling PV prices, analysts worry that Solyndra cannot compete. DOE refuses to restructure the loan a second time.
September		<ul style="list-style-type: none"> Solyndra declares bankruptcy. Closes manufacturing facility and lays off 1,100 workers. 	

Illustration 4: Timeline To Hell - Solyndra

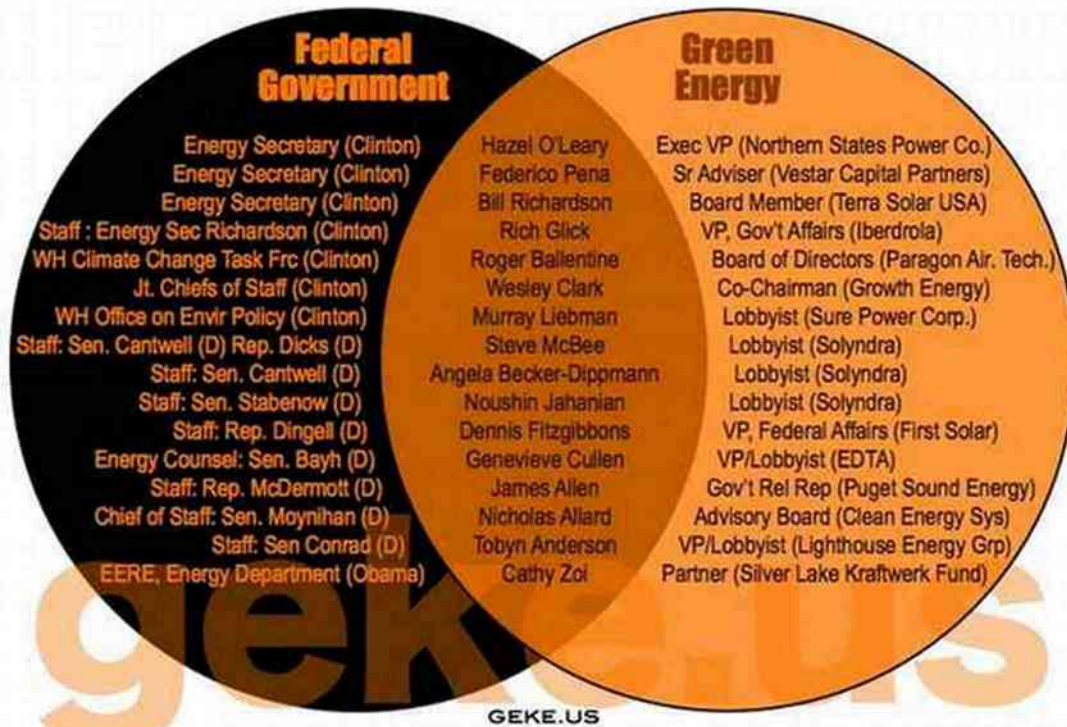


Illustration 5: Can You Say Conflict-Of-Interest?

The Solyndra Due Diligence Lie

How could the biggest, most expensive, most "thorough investigation" in DOE history have resulted in all of the biggest failures in DOE history unless Solyndra, and the rest, were entirely just campaign finance kickback scams? Steven Chu allowed Solyndra to lie so he could pay off Obama's financiers. DOE knew, from Day One that Solyndra was a sham!

U.S. Department of Energy

Page 1 of 2



United States Department of Energy
Office of Public Affairs
Washington, D.C. 20585

News Media Contact(s):
(202) 586-4940

For Immediate Release
March 20, 2009

Obama Administration Offers \$535 Million Loan Guarantee to Solyndra, Inc.

Investment Could Lead to Thousands of New Jobs

Washington, DC – Energy Secretary Steven Chu today offered a \$535 million loan guarantee for Solyndra, Inc. to support the company's construction of a commercial-scale manufacturing plant for its proprietary cylindrical solar photovoltaic panels. The company expects to create thousands of new jobs in the U.S. while deploying its solar panels across the U.S. and around the world.

"This investment is part of President Obama's aggressive strategy to put Americans back to work and reduce our dependence on foreign oil by developing clean, renewable sources of energy," Secretary Chu said. "We can create millions of new, good paying jobs that can't be outsourced. Instead of relying on imports from other countries to meet our energy needs, we'll rely on America's innovation, America's resources, and America's workers."

Secretary Chu is moving aggressively to accelerate important Department of Energy investments that can create jobs and transform the way America uses and produces energy. This allows the Department of Energy to offer its first loan guarantee within the first two months of the Obama Administration. This loan guarantee will be supported through the President's American Recovery and Reinvestment Act, which provides tens of billions of dollars in loan guarantee authority to build a new green energy economy.

Solyndra's photovoltaic systems are designed to provide the lowest installed cost and the highest solar electricity output on commercial, industrial and institutional roof tops, which are a vast, underutilized resource for the distributed generation of clean electricity. Solyndra's proprietary design transforms glass tubes into high performance photovoltaic panels which are simple and inexpensive to install. By replacing power generated from fossil fuel sources, the electricity produced from the solar panels will reduce emissions of greenhouse gases.

Based in Fremont, CA, Solyndra is currently ramping up production in its initial manufacturing facilities. Once finalized, the DOE loan guarantee will enable the company to build and operate its manufacturing processes at full commercial scale.

Solyndra estimates that:

- The construction of this complex will employ approximately 3,000 people.
- The operation of the facility will create over 1,000 jobs in the United States.
- The installation of these panels will create hundreds of additional jobs in the United States.
- The commercialization of this technology is expected to then be duplicated in multiple other manufacturing facilities.

Secretary Chu is offering the loan guarantee by signing a "conditional commitment" today, following approval this week by the Department of Energy's Credit Review Board. Just as homebuyers who have been approved for a loan are

<http://www.igprogram.energy.gov/print/032009.html>

5/19/2009

required to meet certain conditions before closing, the conditional commitment will require Solyndra to meet an equity commitment as well as other conditions prior to closing. Today's action signals the Department's intent to move forward on Solyndra's application for \$535 million loan guarantee provided the company meets its obligations.

Before offering a conditional commitment, DOE takes significant steps to ensure risks are properly mitigated for each project prior to approval for closing of a loan guarantee. The Department performs due diligence on all projects, including a thorough investigation and analysis of each project's financial, technical and legal strengths and weaknesses. In addition to the underwriting and due diligence process, each project is reviewed in consultation with independent consultants.

Secretary Chu initially set a target to have the first conditional commitments out by May – three months into his tenure - but today's announcement significantly outpaces that aggressive timeline. Secretary Chu credited the Department's loan team for their work accelerating the process to offer this conditional commitment in less than two months, demonstrating the power of teamwork and the speed at which the Department can operate when barriers to success are removed.

U.S. Department of Energy, Office of Public Affairs, Washington, D.C.

\$olyndra Received More \$timulus \$\$\$ than 35 States Received for Highways, Roads, and Bridges

\$olyndra's Bill: \$535,000,000

State	Total Distribution	State	Total Distribution
Alabama	513,692,083	Mississippi	354,564,343
Alaska	175,461,487	Montana	211,793,391
Arizona	521,958,401	Nebraska	235,589,279
Arkansas	351,544,468	Nevada	201,352,460
Colorado	403,924,130	New Hampshire	129,440,556
Connecticut	302,053,956	New Mexico	252,644,377
Delaware	121,828,650	North Dakota	170,126,497
D.C.	123,507,842	Oklahoma	464,655,225
Hawaii	125,746,380	Oregon	333,902,389
Idaho	181,934,631	Rhode Island	137,095,725
Iowa	358,162,431	South Carolina	463,081,483
Kansas	347,817,167	South Dakota	183,027,359
Kentucky	421,094,991	Utah	213,545,653
Louisiana	429,859,427	Vermont	125,791,291
Maine	130,752,032	Washington	492,242,337
Maryland	431,034,777	West Virginia	210,852,204
Massachusetts	437,865,255	Wisconsin	529,111,915
Minnesota	502,284,177	Wyoming	157,616,058

Source: U.S. Department Transportation Federal Highway Administration

Apportionment of Funds for Highway Infrastructure Investment Pursuant to the American Recovery and Reinvestment Act



Illustration 7: A Scam Political Campaign Payola Conduit Just Like Tesla

Goldman Sachs Was The Devil In All Of The Details

PROOF DISCLOSED SHOWING THAT GOLDMAN SACHS AND TESLA ARE RUNNING A PONZI SCHEME AND THAT SACHS RAN SCAMS WITH SOLYNDRA AND OTHERS

- Goldman Sachs was involved in *each of the dirty Steven Chu Department of Energy Cleantech Crash Schemes* that lost America taxpayers nearly a trillion dollars but gained Goldman Sachs billions of dollars of personal profits from stock market pumps and fee skims
- Investigators have long charged Tesla and Sachs with running a criminal banking scam but Obama Administration officials continue to protect them because they funded the Obama Administration.
- Goldman Sachs and Tesla were the key promoters of the invasion of Afghanistan for the purpose of taking over the lithium mines in Afghanistan for Musk's cars.

Goldman's tangled Corrupt relationship with Tesla draws fire

By [Claudia Assis](#) and [Ciara Linnane](#)

Goldman was co-lead on \$2 billion Tesla share sale just hours after upgrading stock*But since the Obama Administration has ordered the SEC to NOT investigate it's campaign backers, nothing is expected to happen.)*

Tesla Motors Inc. announced that Goldman Sachs Group Inc. [GS, -3.28%](#) is one of the *But since the Obama Administration has ordered the SEC to NOT investigate it's campaign backers, nothing is expected to happen.)* lead book runners on [the electric-car maker's \\$2 billion secondary offering of shares.](#)

That news arrived just hours after [Goldman analysts upgraded the stock to buy](#), predicting that Tesla [TSLA, +1.91%](#) would need to raise about \$1 billion from capital markets to be able to fuel its expansion. That includes [making 500,000 vehicles a year by 2018](#) and getting [its mass-market all-electric sedan, the Model 3](#), off the factory floor by late next year.

While secondary stock offerings aren't subject to the same blackout period that prevents investment banks from publishing research on a stock during an initial public offering, the timing of the two announcements looks uncomfortably close.

But since the Obama Administration has ordered the SEC to NOT investigate it's campaign backers, nothing is expected to happen.) Investment banks are obliged to keep a "Chinese Wall" between their research and investment-banking teams to avoid any potential conflict of interest. Goldman said it has fully complied with that rule.

“Our research is independent,” the bank said in emailed comments. “We followed all of our standard policies and procedures with respect to our research publication on Wednesday.”

Tom Gorman, a partner at law firm Dorsey & Whitney LLP and former lawyer for the Securities and Exchange Commission, said the timing of the two announcements is likely a coincidence, although he acknowledged the appearance is troubling. (*But since the Obama Administration has ordered the SEC to NOT investigate it’s campaign backers, nothing is expected to happen.*)

“The whole question of research overlapping with investment banking has long been a hot topic and one that is regularly looked at by the SEC,” he said. “I would fully expect that Goldman has such policies in place.”

Goldman has worked hard in recent years to improve its reputation, which was battered by the 2008 financial crisis and [Rolling Stone magazine’s](#) infamous description of the bank as a “vampire squid wrapped around the face of humanity.”

Chief Executive Lloyd Blankfein has become a regular fixture on financial TV and at conferences as the bank strives to present itself in a warmer light.

But that hasn’t stopped it from being the poster child for corporate villainy, with the name popping up regularly in the [presidential campaigns](#) of both political parties as a term to describe the dark side of boardroom politics.

Twitter Inc. users responded to the two developments with a mix of acrimony and sass:

[\\$GS](#) Goldman upgrades [\\$TSLA](#) this morning...Secondary comes out after the close...leading underwriter...Goldman [@ajwilliams](#)

— Stephen Catignani (@scatignani) [May 18, 2016](#)

Lol who wants to bet Goldman is an underwriter ? <https://t.co/7dFmBxnxBy>

— Chris Muoio (@cpmuoio) [May 18, 2016](#)

Dear Goldman Sachs:

We're glad you're bullish on our stock.

Because we need to sell \$1.4b more of it.

Love, Tesla[\\$TSLA](#)

— Kayla Tausche (@kaylatausche) [May 18, 2016](#)

Tesla upgraded by Goldman Sachs earlier in day. [\\$GS](#) named as one of underwriters for [\\$TSLA](#) stock offering after bell. Circle of life. Sachs and Tesla are, clearly practicing Flash Boy pump-and-dump skims enabled by Google search engine rigging.

Rolling Stone

The People vs. Goldman Sachs

Matt Taibbi: A Senate committee has laid out the evidence. Now the Justice Department should bring criminal charges



Illustration 8: Ask Matt Taibbi About Goldman Sachs Crimes

U.S. House of Representatives
Committee on Oversight and Government Reform



The Department of Energy's Disastrous Management of Loan Guarantee Programs

STAFF REPORT
U.S. HOUSE OF REPRESENTATIVES
112TH CONGRESS
March 20, 2012

THE U.S. CONGRESS REPORTED:

"After conducting a substantial review of the Department of Energy's (DOE) loan guarantee program, it is clear that the significant losses absorbed by taxpayers as a result of Solyndra's collapse is just the beginning. The investigation conducted by the House Committee on Oversight and Government Reform has uncovered numerous examples of dysfunction, negligence and mismanagement by DOE officials, raising troubling questions about the leadership at DOE and how it has administered its loan guarantee programs. ... DOE has overseen a process wrought with misdirection, changing and expanding requirements, unexplained delays, gross mischaracterizations, and a never-ending cycle of excuses. Not only does it appear that DOE purposely directed taxpayer funds at a failing enterprise, DOE's action robbed taxpayers of genuine investment toward renewable energy."

The George Mason University Study



MERCATUS CENTER
George Mason University

Bridging the gap between academic ideas and real-world problems

TESTIMONY

ASSESSING THE DEPARTMENT OF ENERGY LOAN GUARANTEE PROGRAM

VERONIQUE DE RUCY

Senior Research Fellow

In his famous book *Economics in One Lesson*, economist Henry Hazlitt wrote, "Government encouragement to business is sometimes as much to be feared as government hostility."¹

In 2009, renewable energy company Solyndra received \$535 million through the federally backed 1705 loan guarantee program of the Department of Energy (DOE). Two years later the firm filed for bankruptcy and had to lay off its 1,100 employees, leaving taxpayers bearing the cost of the loan.

For obvious reasons, more than any other recent events, the waste of taxpayers' money due to Solyndra's failure has attracted much attention. However, the problems with loan guarantees are much more fundamental than the cost of one or more failed projects. In fact, the economic literature shows that (1) every loan guarantee program transfers the risk from lenders to taxpayers, (2) is likely to inhibit innovation, and (3) increases the overall cost of borrowing. At a minimum, such guarantees distort crucial market signals that determine where capital should be invested, causing unmerited lower interest rates and a reduction of capital in the market for more worthy projects. At their worst, they introduce political incentives into business decisions, creating the conditions for businesses to seek financial rewards by pleasing political interests rather than customers. This is called cronyism, and it entails real economic costs.²

Yet, these loan programs remain popular with Congress and the executive. That's because in general most of the financial cost of these guaranteed loans will not surface for many years. That means that Congress can approve billions of dollars to benefit special interests, with little or no immediate impact to federal appropriations in the short term, because they are almost entirely off-budget.

HOW DO THESE LOAN GUARANTEES WORK?

The DOE Loan Programs Office (LPO) administers three separate loan programs: (1) Section 1703 loan guarantees, (2) Section 1705 loan guarantees, and (3) Advanced Technology Vehicle Manufacturing (ATVM) loans. Here are descriptions of the three loan programs, as explained by DOE:³

1. Henry Hazlitt, *Economics in One Lesson*, in Chapter VI Credit Diverts Production, Laissez-Faire Books, Benicia, CA, 1946, p. 27.

2. Matt Mitchell, *The Pathology of Privileges* (working paper, Mercatus Center at George Mason University, July 2012).

3. United States Department of Energy, accessed June 13, <https://lpo.energy.gov/>.

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The ideas presented in this document do not represent official positions of the Mercatus Center or George Mason University.

- Section 1703 of Title XVII of the Energy Policy Act of 2005 authorizes the U.S. Department of Energy to support innovative clean energy technologies that are typically unable to obtain conventional private financing due to high technology risks.
- Advanced Technology Vehicles Manufacturing (ATVM) loans support the development of advanced technology vehicles (ATV) and associated components in the United States. They also meet higher efficiency standards.
- The Section 1705 Loan Program authorizes loan guarantees for U.S.-based projects that commenced construction no later than September 30, 2011 and involve certain renewable energy systems, electric power transmission systems, and leading edge biofuels.

According to LPO's website, DOE's loan guarantee authority originated from Title XVII of the Energy Policy Act of 2005 (P.L. 109-58).⁴ Under Section 1703, the federal government can guarantee 80 percent of a project's total cost. The American Recovery and Reinvestment Act of 2009 (P.L. 111-5) amended the Energy Policy Act of 2005 by adding Section 1705.⁵ Section 1705 was created as a temporary program, and 1705 loan guarantee authority ended on September 30, 2011.

The dollar volume of loans that can be guaranteed under DOE's authority is predetermined by congressional appropriations that oversee the program. A simple way to explain how these loans work is the following: If a recipient defaults on its loan, the federal government pays the remainder of the debt to the lenders and repossesses all of the assets from the unfinished projects.⁶

As with other loan programs, to prevent taxpayers' exposure, the federal government has established a credit subsidy fee. In this case, the cost of the fee is determined by DOE, with guidance from OMB. The lenders usually charge the up-front guarantee fee to the borrower after the lender has paid the fee to DOE and has made the first disbursement of the loan.

This is not the case for 1705 loans, however. Under the stimulus bill, DOE received appropriated funds to pay for credit subsidy costs associated with Section 1705 loan guarantees, which, after rescissions and transfers, was \$2.435 billion. As the Congressional Research Service rightly puts it, "Section 1705 loan guarantees were very attractive as they provided an opportunity to obtain low-cost capital with the required credit subsidy costs paid for by appropriated government funds."⁷

DOE does not provide loans directly. Instead, borrowers have to apply to qualified finance organizations. These lenders are expected to perform a complete analysis of the application. Then DOE reviews the lender's credit analysis rather than conducting a second analysis. DOE still makes the final credit and eligibility decision.

DO LOAN GUARANTEES DO WHAT THEY CLAIM TO DO?

Leaving aside the question of whether the government should encourage the production of certain goods or services, the economic justification for any government-sponsored lending or loan guarantee program must rest on a well-established failure of the private sector to allocate loans efficiently (meaning that deserving recipients could

4. Section 1703 of the Energy Policy Act of 2005 (P.L. 109-58).

5. Section 1705 of the Energy Policy Act of 2005 (P.L. 109-58). Section 1705 was created by amending the Energy Policy Act of 2005 through the American Recovery and Reinvestment Act of 2009 (P.L. 111-5).

6. However, the Office of Management and Budget has calculated that only 55 percent of loan can be recouped from the sale of assets.

7. Phillip Brown, "Solar Projects: DOE Section 1705 Loan Guarantees," (Congressional Research Service, October 25, 2011), accessed June 13, 2012, [http://op.bna.com/eew.nsf/id/jsta-8mzsy/\\$File/CRSSolar.pdf](http://op.bna.com/eew.nsf/id/jsta-8mzsy/$File/CRSSolar.pdf).

not have gotten capital on their own). Absent such a private-sector deficiency, the DOE's activities would simply be a wasteful at best, politically motivated at worst subsidy to this sector of the economy.

Yet, many argue that some public policy objectives require the sacrifice of marketplace efficiency. It is an accepted feature of modern American government that some public interests or social policy gains outweigh economic losses. In the case of green energy, the government's lending programs could fulfill specific public policy objectives that the marketplace on its own would not otherwise serve or would supply at suboptimal levels. But do they?

In describing its role in the economy, the DOE proclaims that its loans help save the planet⁸ by helping to secure funding for the earlier-stage technologies or the later commercialization stage—known as the manufacturing “Valley of Death.”⁹ It also claims that the loan recipients will generate economic growth and “green” jobs that otherwise would not appear. DOE can thus be judged on its ability to meet these public policy goals—namely, to fill the supply-and-demand gap in the clean energy loan market, particularly for startups.

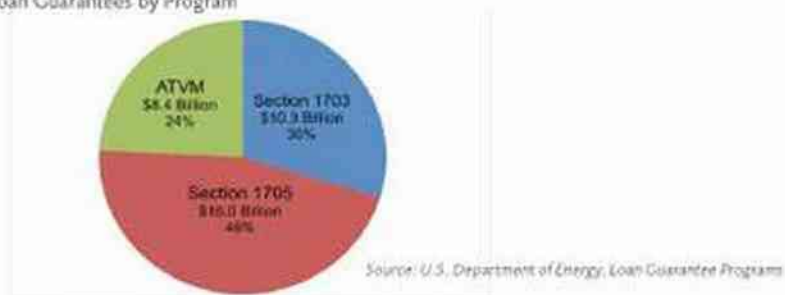
To measure the DOE results, I looked at the flow of DOE credits to evaluate who receives them and whether the DOE is meeting its stated policy objectives of promoting new startups and encouraging the creation of green jobs.

A close examination demonstrates that neither stated DOE policies nor its actual lending patterns provide evidence that its loan guarantees serve any of its defined public policy purpose.

FOLLOWING THE 1705 LOAN GUARANTEE PROGRAM MONEY

Since 2009, DOE has guaranteed \$34.7 billion, 46 percent of it through the 1705 loan program, 30 percent through the 1703 program, and 14 percent through the ATVM.¹⁰

Loan Guarantees by Program



The 1705 (under which Solyndra received funding) authorized loan guarantees for programs for “certain renewable energy systems, electric power transmission systems and leading edge biofuels projects that commence construction no later than September 30, 2011.” This program is a product of the economic stimulus bill of 2009. As mentioned before, this program offered borrowers better terms than the 1703—in some cases the government paid for a substantial fee out of appropriated funds, one that is the borrower’s responsibility under the 1703. Also, many 1703-eligible projects were also eligible under the 1705.

The data shows that:

8. Mike King and W. David Montgomery, “Let’s Reset Our Energy Policy Starting with Loan Guarantees,” in *Pure Risk: Federal Clean Energy Loan Guarantees*, ed. Henry Sokolski (Nonproliferation Policy Education Center, 2012).

9. Sustainablebusiness.com, “Clean Energy: Crossing the Valley of Death,” June 2010, <http://www.sustainablebusiness.com/index.cfm/go/news.display/id/20544>.

10. U.S. Department of Energy, Loan Programs Office: https://lpo.energy.gov/?page_id=45

panies with vast resources. This includes loans such as the \$90 million guarantee granted to Cogentrix, a subsidiary of Goldman Sachs. Currently, Goldman Sachs ranks number 80 on the list of America's Fortune 500 companies.¹¹

This probably means that if there were an actual gap between the supply and demand for loans for energy companies, startups, or others, this program wouldn't be filling it. In fact, most of these loans look like government transfers of the worst kind: subsidies to very large corporations very much resembles cronyism.

Third, there seems to be an even more troubling trend of "double dipping" by large companies that received loan guarantees from the DOE program. Many of the companies that have benefitted from subsidized loans under the 1705 guarantee program also received additional grants under the American Recovery and Reinvestment Act (ARRA). For example, Prologis (which benefitted from \$1.4 billion in subsidized loans) received a grant for \$68,000 for the purpose of "rent for warehouse space" under the Recovery Act.

Green Mountain Energy, a company of NRG Energy, received two grants under the ARRA in the second quarter of fiscal year 2011. Likewise, Reliant Energy and Reliant Energy Tax Retail LLC, two other NRG Energy companies, reported receiving at least 37 grants under the ARRA. These grants augmented the \$3.8 billion in loan guarantees for NRG Energy distributed under the Section 1705 Loan Program.

NRG will also be eligible to receive \$430 million from the Department of the Treasury.¹² In addition, many companies benefitted from the Department of Treasury 1603 grants.¹³

Quoted in the *New York Times* recently, NRG's chief executive, David W. Crane, explained how his company and its partners have secured \$5.2 billion in federal loan guarantees, plus hundreds of millions in other subsidies for four large solar projects. "I have never seen anything that I have had to do in my 20 years in the power industry that involved less risk than these projects," he said in a recent interview. "It is just filling the desert with panels."¹⁴

Examples of companies benefitting from multiple assistance programs initiated during this period abound. For instance, in addition to the \$538 million it received under the 1705 loan program, Solyndra benefited from a \$10.3 million loan guarantee that the Ex-Im Bank extended to a Belgian company (described in the Ex-Im deal data as "Zellik Ii Bvba") to finance a sale of Solyndra products.¹⁵

Solyndra isn't alone. First Solar's Antelope Valley project received a \$646 million 1705 loan in 2011 through its partner Exelon, and per my calculation from the Ex-IM Bank FOIA deal data information for FY2011,¹⁶ the company also scored \$547.7 million in loan guarantees to subsidize the sale of solar panels to solar farms abroad.

More troubling is the fact that some of the Ex-Im money went to a Canadian company named St. Clair Solar, which is a wholly owned subsidiary of First Solar.¹⁷ St. Clair Solar received a total of \$192.9 million broken into

11. CNN Money, America's Fortune 500 Companies. <http://money.cnn.com/magazines/fortune/fortune500/2012/snapshots/10777.html>

12. Eric Lipton and Clifford Krauss, "A Gold Rush of Subsidies in Clean Energy Search," *New York Times*, November 11, 2011

<http://www.nytimes.com/2011/11/12/business/energy-environment/a-cornucopia-of-help-for-renewable-energy.html?pagewanted=all>.

13. Department of Treasury: 1603 <http://www.treasury.gov/initiatives/recovery/Pages/1603.aspx>

14. Eric Lipton and Clifford Krauss, "A Gold Rush of Subsidies in Clean Energy Search," *New York Times*, November 11, 2011

<http://www.nytimes.com/2011/11/12/business/energy-environment/a-cornucopia-of-help-for-renewable-energy.html?pagewanted=all>.

15. Export-Import Bank of the United States, 2011 Annual Report, <http://www.exim.gov/about/reports/arf/2011/index.html>, p. 30.

16. <http://www.exim.gov/open/>

17. Tim Carney, Firm Sells Solar Panel to Itself – Taxpayers Pay, *The Washington Examiner*, March 18th 2010.

<http://campaign2012.washingtonexaminer.com/article/firm-sells-solar-panels-itself-taxpayers-pay/434251>.

two loans to buy solar panels from First Solar. In other words, the company received a loan to buy solar panels from itself. Incidentally, First Solar also received a \$16.3 million loan from the government in 2010 to expand its factory in Ohio.¹⁸

This double-dipping by energy companies isn't new, unfortunately. While there is no doubt that the deals are lucrative for the companies involved, taxpayers have a lot to lose. Further, double-dipping provides evidence that businesses will be tempted to steer away from productive value creation for society and instead work on narrowly serving political interests for financial gain.

THE CASE AGAINST CLEAN ENERGY LOAN GUARANTEES

A great deal of attention has been focused on Solyndra, a startup that received \$528 million in federal loans to develop cutting-edge solar technology before it went bankrupt, had to lay off over a thousand workers, and left taxpayers to foot the bill. Obviously, the considerable waste of taxpayers' money is upsetting. But it is only one aspect of the fundamental problems caused by loan guarantee programs in general, and DOE's clean energy loan programs in particular.

1. Socialized Losses and Privatized Gains

Historically, loans guaranteed by the government have had a higher default rate than the loans issued by the private sector without government guarantee. For instance, the Small Business Administration (SBA) has a long-term default rate of roughly 17 percent.¹⁹ This compares to 4.3 percent for credit cards and 1.5 percent for bank loans guaranteed by the Federal Deposit Insurance Corporation.

Also, the Congressional Budget Office has calculated that the risk of default on the DOE's nuclear loan guarantee program, for example, is well above 50 percent.²⁰ In 2011, the CBO updated its study and replaced the embarrassing default rate with a list of variables affecting the rate.²¹ While it doesn't provide a specific rate, the report asserts that higher equity financing of these projects would reduce the risk of default. However, this is rarely the case, as most loan guarantee programs cover 80 percent of their financing through debt rather than equity.

Moreover, according to the CBO, when the federal government extends credit, the associated risk of those obligations is effectively passed along from private lenders onto taxpayers who, as investors, would view this risk as costly. In other words, when the federal government encourages a risky loan guarantee it is "effectively shifting risk to the members of the public."

Also, if the loan isn't repaid, then the cost of the investment is to taxpayers. However, if the loan is repaid as expected, the lender will benefit from all the interest payments it collected thanks to a fairly risk-free loan, and the borrower will collect the fruit of its successful business venture. In other words, loan guarantee programs are yet another way that the federal government socializes losses while privatizing benefits.²²

18. Tim Carney, *Firm Sells Solar Panel to Itself – Taxpayers Pay*, *The Washington Examiner*, March 18th 2010, <http://campaign2012.washington-examiner.com/article/firm-sells-solar-panels-itself-taxpayers-pay/434251>.

19. Veronique de Rugy, "Banking on the SBA" (Mercatus on Policy, 2007, Mercatus Center at George Mason University) accessed on June 13, 2012, <http://mercatus.org/publication/mercatus-policy-banking-sba>.

20. Pamir Wang, "Federal Clean Energy Loan Guarantees: Their Moral Hazards," in *Pure Risk: Federal Clean Energy Loan Guarantees* ed. Henry Sokolski (Nonproliferation Policy Education Center, 2012).

21. Congressional Budget Office (CBO), "The Cost-Effectiveness of Nuclear Power for Navy Surface Ships," (May 12, 2011), <http://www.cbo.gov/publication/41454>.

22. Russ Roberts, "Gambling with Other people's money" Mercatus Center at George Mason University, April 28, 2010, accessed June 13, 2012, <http://mercatus.org/publication/gambling-other-peoples-money>.

2. Moral Hazard

Federally backed loans create a classic moral hazard. Because the loan amount is guaranteed, banks have less incentive to evaluate applicants thoroughly or apply proper oversight. In other words, the less skin the lender has in the game, the less likely the lender will effectively vet the quality of the project. Also, the company that borrows the money has less skin in the game than it would if its loan weren't guaranteed. In addition, each time the government bails out a firm or has to shoulder the cost of a loan guarantee that got into financial trouble, it reinforces the signal to borrowers and bankers alike that it's OK to take excessive risks.

In a March 2012 report, the Government Accountability Office (GAO) found that the DOE loan guarantee program was riddled with program inefficiencies, putting the fairness of decisions about what firms receive loan guarantees into question.²³ When GAO requested data from the DOE on the status of the applications, the DOE did not have consolidated data readily available and had to assemble these data over several months from various sources. Inadequate documentation and out-of-date review processes reduce the assurance that the DOE has treated applicants consistently.

These findings do not prove the ability of the DOE to fully assess and mitigate project risks. Moreover, while in the absence of government intervention the private sector builds the infrastructure to assess risk, the federal government has neither the expertise nor the incentive to build such a safety net. This increases the likelihood that loan guarantees will be awarded based on factors other than the ability of the borrower to repay the loan, such as political connections and congressional interest in local pork.²⁴

The moral hazard of loan guarantees increases when rules intended to prevent the program from being a pure giveaway to companies are removed. This is the case, for instance, when as part of the stimulus bill of 2009, the government lifted the subsidy fees for 1705 loans. This move increases the cost to taxpayers and attracts high-risk companies.

3. Mal-investments

Loan guarantee programs can also have an impact on the economy beyond their cost to taxpayers.

Mal-investment—the misallocation of capital and labor—may result from these loan guarantee programs. In theory, banks lend money to the projects with the highest probability of being repaid. These projects are often the ones likely to produce larger profits and, in turn, more economic growth. However, considering that there isn't an infinite amount of capital available at a given interest rate, loan guarantee programs could displace resources from non-politically motivated projects to politically motivated ones. Think about it this way: When the government reduces a lender's exposure to fund a project it wouldn't have funded otherwise, it reduces the amount of money available for projects that would have been viable without subsidies.

This government involvement can distort the market signals further. For instance, the data shows that private investors tend to congregate toward government guarantee projects, independently of the merits of the projects, taking capital away from unsubsidized projects that have a better probability of success without subsidy and a more viable business plan. As the Government Accountability Office noted, "Guarantees would make projects [the

23. Government Accountability Office [GAO], *DOE Loan Guarantees: Further actions are needed to improve tracking and review of applications*, (March 2012), accessed June 13, 2012, <http://www.gao.gov/assets/590/589210.pdf>.

24. King and Montgomery, "Let's Reset," 22.

federal government] assists financially more attractive to private capital than conservation projects not backed by federal guarantees. Thus both its loans and its guarantees will siphon private capital away."²⁵

This reallocation of resources by private investors away from viable projects may even take place within the same industry—that is, one green energy project might trade off with another, more viable green energy project.

More importantly, once the government subsidizes a portion of the market, the object of the subsidy becomes a safe asset. Safety in the market, however, often means low return on investments, which is likely to turn venture capitalists away. As a result, capital investments will likely dry out and innovation rates will go down.²⁴

In fact, the data show that in cases in which the federal government introduced few distortions, private investors were more than happy to take risks and invest their money even in projects that required high initial capital requirements. The Alaska pipeline project, for instance, was privately financed at the cost of \$35 billion, making it one of the most expensive energy projects undertaken by private enterprise.²⁷ The project was ultimately abandoned in 2011 because of weak customer demand and the development of shale gas resources outside Alaska.²⁸ However, this proves that the private sector invests money even when there is a chance that it could lose it. Private investment in U.S. clean energy totaled \$34 billion in 2010, up 51 percent from the previous year.²⁹

Finally, when the government picks winners and losers in the form of a technology or a company, it often fails. First, the government does not have perfect or even better information or technology advantage over private agents. In addition, decision-makers are insulated from market signals and won't learn important and necessary lessons about the technology or what customers want. Second, the resources that the government offers are so addictive that companies may reorient themselves away from producing what customers want, toward pleasing the government officials.

4. Crowding Out

To some (for example, those lucky enough to receive the loan guarantee), government money may seem to be free. But it isn't, of course. The government has to borrow the money on the open market too. This additional borrowing comes from Americans' savings, as does the money that Americans invest in the private sector's growth. There comes a point when there just aren't enough savings to satisfy both masters. In other words, when government runs a deficit to finance its preferred projects, it can affect private sector access to capital, and lead to a reduction in domestic investment.

Economists use the term "crowding out" to describe the contraction in economic activity associated with deficit-financed spending.³⁰

In addition, the competition between public and private borrowing raises interest rates for all borrowers, including the government, making it more expensive for domestic investors to start or complete projects.

Over time, this could mean that American companies will build fewer factories, cut back on research and develop-

25. Wang, "Federal Clean Energy"

26. Wang, "Federal Clean Energy," 15.

27. Peter Bradford, "Taxpayer Financing for Nuclear Power: Precedents and Consequences" (Nonproliferation Policy Education Center, 2008); http://www.npolicy.org/article_Ple/Taxpayer_Financing_for_Nuclear_Power-Precedents_and_Consequences.pdf.

28. Ben Casselman, Alaska Pipeline Scrapped, May 18, 2011, Wall Street Journal, <http://online.wsj.com/article/SB10001424052748703509104576329541913338186.html>.

29. The Center for the Next Generation website, "Advanced Energy and Sustainability," accessed June 13, 2012, <http://www.cnrg.org/programs/advanced-energy-and-sustainability>.

30. Matthew Mitchell and Jakina Debnam, "In the End, We're all Crowded Out," (working paper, Mercatus Center at George Mason University, 2010), <http://mercatus.org/publication/long-run-we-re-all-crowded-out#ct7>.

ment, and generate fewer innovations. As a result, our nation's future earning prospects will dim, and our future living standards could suffer.

5. Cronyism

In a 2003 speech to the National Economists Club in Washington, D.C., then-Federal Reserve Governor Edward M. Gramlich argued that loan guarantee programs are unable to save failing industries or to create millions of jobs, because—he explained—the original lack of access to credit markets is caused by serious industrial problems, not vice versa. If an applicant's business plan cannot be made to show a profit under reasonable economic assumptions, private lenders are unlikely to issue a loan. And they would be right not to.

Then why is the federal government still guaranteeing loans? One reason is it serves three powerful constituencies: lawmakers, bankers, and the companies that receive the subsidized loans.

Politicians are able to use loan programs to reward interest groups while hiding the costs. Congress can approve billions of dollars in loan guarantees with little or no impact to the appropriations or deficit because they are almost entirely off-budget. Moreover, unlike the Solyndra case, most failures take years to occur, allowing politicians to collect the rewards of granting a loan to a special interest while skirting political blame years later when or if the project defaults. It's like buying a house on credit without having a trace of the transaction on your credit report. It is also easy to understand why companies and company executives benefit from these loans and may seek them out. However, this shouldn't obscure the fact that this preferential treatment comes at the expense of the taxpayer, and ultimately at the expense of our market and political system.

But another potential beneficiary of these loans is the financial institutions that issue them. With other loan programs such as the SBA, there is evidence that lenders may have an incentive to favor borrowers that qualify for a loan with a government guarantee over those that do not. When a small business defaults on its obligation to repay a loan, bankers do not bear most of the cost; taxpayers do. Meanwhile, lenders make large profits on SBA loans by pooling the guaranteed portions and selling investors trust certificates that represent claims to the cash flows. How profitable is this? Testifying before Congress in April 2006, David Bartram, the president of the SBA Division of U.S. Bancorp, the nation's sixth-largest financial services company, explained that "return on equity of SBA loans can exceed 70 percent."³¹ A 70 percent return on equity (RoE) is remarkably high. Right now, the five-year average RoEs for the two biggest banks in America—Citigroup and Bank of America—are 16.2 percent and 14.5 percent, respectively.

More study is required to determine whether a similarly outsized return to financial institutions occurs with the DOE program, but the parallels between the DOE and SBA programs suggest this is a possibility.

CONCLUSION:

The Department of Energy's loan guarantee programs have been the focus of much public attention since energy company Solyndra went bankrupt last year, leaving taxpayers with a \$538 million bill. Of equal concern to the significance of this waste, however, is the distortion and incentives experienced by both lenders and companies that participate in the government loan program, as well as the distortion of market signals. Further looking at where the money is going, the evidence seems to go solidly against the idea that they are achieving their goals. And the systematic economic harm done by rewarding companies that forgo value creation in favor of pursuing financial benefit through the political system creates long term consequences for our economy and our country.

31. Veronique de Rugy, "Banking on the SBA," *Mercatus on Policy*, Mercatus Center at George Mason University, Arlington, VA, 2007, <http://mercatus.org/publication/mercatus-policy-banking-sba>.

Official Report By The U.S. House of Representatives

- Committee on Oversight and Government Reform

Note: Evidence and proof-of-charges items shown in boxed paragraphs like this box

The Department of Energy's Disastrous Management of Loan Guarantee Programs

STAFF REPORT - U.S. HOUSE OF REPRESENTATIVES - 112TH CONGRESS

Executive Summary

After conducting a substantial review of the Department of Energy's (DOE) loan guarantee program, it is clear that the significant losses absorbed by taxpayers as a result of Solyndra's collapse is just the beginning. The investigation conducted by the House Committee on Oversight and Government Reform has uncovered numerous examples of dysfunction, negligence and mismanagement by DOE officials, raising troubling questions about the leadership at DOE and how it has administered its loan guarantee programs.

By the expiration of § 1705 program in September 2011, the DOE had approved 27 projects totaling more than \$14.5 billion in guaranteed loans. Inexplicably, DOE management has turned a blind eye to the risks that have been glaringly apparent since the inception of the program.

This report will demonstrate how DOE loan commitments exposed taxpayer funds to excessive risk as a result of DOE's bias toward approving loans without regard to warning signs.

The Committee identified many cases where the DOE disregarded their own taxpayer protections, ignored lending standards and eligibility requirements and, as a result, amassed an excessively risky loan portfolio. After review of internal emails, staff have identified instances demonstrating that when DOE faced barriers that placed loan approvals at risk, DOE staff simply sought to justify and overcome the barriers, rather than giving the barriers due consideration.

DOE has overseen a process wrought with misdirection, changing and expanding requirements, unexplained delays, gross mischaracterizations, and a never-ending cycle of excuses. Not only does it appear that DOE purposely directed taxpayer funds at a failing enterprise, DOE's action robbed taxpayers of genuine investment toward renewable energy.

Key Findings

- The Committee has identified a pattern indicative of poor management and a bias toward unconstrained lending that resulted in the creation of a high risk, speculative and undiversified loan portfolio that could ultimately result in substantial loss of taxpayer dollars. (pg. 3)
- From the very inception of the program, warnings signs existed pointing to a likely loss of taxpayer dollars that went ignored by Administration officials. (pg. 7)
- DOE invested a disproportionate amount of its funds into solar technology leaving taxpayers

vulnerable by overemphasizing a single technology. 16 of the 27 1705-backed projects employed solar technology – that represented 80 percent of DOE’s funds. (pg. 7)

- The billions of dollars in loan guarantees and cash grants directed at a Spanish firm, Abengoa, reveal the excessive risks associated with directing that volume of subsidy to a single firm. Abengoa managed to obtain a DOE loan commitment for the lowest rated project across the entire DOE Junk portfolio – which received an extraordinarily low CCC rating and was still approved by DOE for a direct loan to the project. This over-investment in this single firm will likely cause substantial harm to the taxpayer. (pg.12)

- DOE’s failure to diligently oversee costs and set prudent limitations on executive compensation while it distributed billions of dollars in loan commitments has created a significant moral hazard that has created enormous risks for DOE and taxpayer funds. (pg. 14)

- Beacon Power Corp, the second recipient of a § 1705 loan guarantee, paid three executives more than a quarter million dollars in bonuses in March 2010. Eighteen months later, Beacon declared bankruptcy – leaving taxpayers to repay the loan. (pg. 13)

- BrightSource Energy, recipient of a \$1.6 billion loan guarantee to build a solar generation facility, has spent more than \$56 million on a desert tortoise relocation program. BrightSource has indicated that the exploding cost of tortoise relocation program threatens to derail the entire \$1.6 billion project – leaving taxpayers on the hook for the enormous sums on money spent on construction thus far. (pg. 14)

- DOE has engaged in a disturbing pattern of suspending the approval of a credible project that adheres to all stated standards, only to later approve massive funding for a project proven to be nowhere nearly as far along in the process as DOE purported. DOE’s favoritism significantly harmed numerous companies that had relied on the promise of 1705 financing. The perception is that DOE actively misleads applicants about the status of their loan application, thereby encouraging these firms to misallocate capital, which has led to financial harm. (pg. 17-19)

- DOE loan commitments exposed taxpayer funds to excessive risk as a result of DOE’s bias toward approving loans without regard to warning signs. The Committee identified many cases where the DOE disregarded their own taxpayer protections, ignored lending standards and eligibility requirements and, as a result, amassed an excessively risky loan portfolio. After review of internal emails, staff have identified instances showing that when DOE faced barriers that placed loan approvals at risk, DOE staff simply sought to justify and overcome the barriers, rather than giving the barriers due consideration. (pg.22)

- Substantial evidence indicates that in two cases officials in the Loan Programs Office deliberately mischaracterized substantively identical technologies as dissimilar. Additionally, there is evidence that applicants, with the encouragement of department officials, intentionally mischaracterized their projects as “innovative” in an effort to access the Federal Financing Bank and defeat these prudential requirements. (pg. 23-28)

- There appears to be a significant amount of evidence indicating that DOE manipulated analysis and strategically modified evaluations in order to issue loans to First Solar that would qualify under the statutory guidelines. An application that should otherwise fail, but instead passes under improper influence and through manipulation of analysis, results in the defrauding of taxpayers and misappropriation of assets. (pg. 32)

- DOE Violated the Statutory Requirement that Projects Commence Construction September 30, 2011.

(pg. 32)

- In almost every public statement about its loan guarantee program, DOE touts job creation. DOE's Loan Programs Office webpage proudly proclaims that DOE expects the loans and loan guarantees to "employ" over 60,000 people. The site also breaks down the number of jobs created or saved by each loan or loan guarantee, and issues press releases for specific projects discussing job creation. These figures are misleading and attempt to pass off jobs that already existed as new jobs. (pg. 37-40)
- Solopower accepted \$40 million of Oregon taxpayer money in addition to DOE's approval of a \$197 million loan via the Federal Financing Bank (FFB). They received this federal assistance despite a rather dire prediction of Solopower's prospects by Standard & Poor's (S&P) which predicted that Solopower will fail to meet its debt obligations. (pg. 47)
- Despite warnings from both S&P and its own internal analysis regarding risky business models, DOE proceeded with a \$25 million grant for Beacon Power. In April 2010, S&P evaluated the loan guarantee project and assigned it a dismal CCC+ credit rating noting that "Beacon is currently an unprofitable start-up" and that "significant exposure to commodity price volatility" could significantly hurt the company. S&P ran two default scenarios, both of which demonstrated that taxpayers would lose millions. (pg. 49)
- Fitch Ratings evaluated the Abound Solar project, which was approved for a \$400 million conditional loan guarantee, and assigned it a junk credit rating. Fitch gave the project a credit rating of "B" (worse than Solyndra's) with a recovery estimate of only 45%. Fitch labeled the project "highly speculative" and described Abound as lagging in technology relative to its competitors, failing to achieve stated efficiency targets, and expecting that Abound Solar will suffer from increasing commoditization and pricing pressures. Abound Solar announced on March 1 st that it would stop producing solar panels and would fire 180 employees, even though it has already received \$70 million from DOE. (pg. 50-51)
- On June 15, 2010, DOE announced that it would conditionally issue a \$98.5 million partial loan guarantee to Nevada Geothermal Power Company. The loan did not finance any new construction and therefore did not help to create a single new job. Yet, in the press release for the project, Secretary Chu and Senate Majority Leader Harry Reid touted Blue Mountain's potential, with Senator Reid stating, "I am glad to see economic recovery funding being used to put Nevadans to work on a project that will help us achieve energy independence..." DOE's awarding of this loan guarantee raises questions about why DOE was investing significant taxpayer resources in an entity with well- established financial difficulties. Nevada Geothermal has a well documented history of major financial problems. By the time DOE conditionally approved the loan guarantee, Nevada Geothermal had already violated contract terms and debt covenants relating to financing from its primary lender, TCW. According to Nevada Geothermal's financial statements, the firm would not avoid default without the benefit of a loan guarantee. (pg. 53-54)

I. Introduction

A. A History of Federal Government Loan Guarantees

For decades federal loan guarantees supported a variety of policy objectives, "including home ownership, university education, small business growth, international development, and others."

1 In 1976, the Congressional Budget Office (CBO) defined loan guarantees as "a loan or security on which the federal government has removed or reduced a lender's risk by pledging to repay principal

and interest in case of default by the borrower.”

2 Loan guarantees supporting “clean” energy-related projects began in the 1970s as a response to the perception of record high oil prices for the foreseeable future and the notion that the country was in the midst of an “energy crisis.”

3 The Energy Security Act of 1980 authorized \$20 billion for the development of a synthetic fuels industry via a new government enterprise, the U.S. Synthetic Fuels Corporation (SFC).

4 Loan guarantees were among the public finance tools available to SFC. The Great Plains coal gasification project was the only one of the five SFC projects to utilize a loan guarantee. The Great Plains project (located in Beulah, ND), “which converts lignite coal into pipeline-quality methane (the primary component of natural gas), received a \$2 billion federal loan guarantee (approximately \$1.5 billion of the loan guarantee was actually used) to construct the plant.”

5 Because the value proposition of the project hinged on gas prices remaining high for a long period of time, in 1985, when gas prices dropped below the level at which Great Plains was cost competitive, the project “was not able to meet debt service requirements and subsequently defaulted on its loan obligations.”

6 The Office of Alcohol Fuels at DOE, created by the Energy Security Act of 1980, had the authority to issue \$265 million in loan guarantees for projects related to alcohol fuels.

7 Three projects received loan guarantees. Of them, “one had to refinance its loan, one experienced technology performance complications, and one ceased operations.”

8 After the failures of loan guarantees via the Energy Security Act of 1980, clean energy loan guarantees were not again funded until the American Recovery and Reinvestment Act of 2009.

9 A recent report from the Congressional Research Service points out that in 1976 the Congressional Budget Office (CBO) identified inherent problems with loan guarantees that were relevant then and are still relevant today. The background paper, titled “Loan Guarantees:

PHILLIP R. BROWN, CONGRESSIONAL RESEARCH SERVICE, LOAN GUARANTEES FOR CLEAN ENERGY TECHNOLOGIES: GOALS, CONCERNS, AND POLICY OPTIONS (Jan. 17, 2012), available at <http://www.crs.gov/pages/Reports.aspx?PRODCODE=R42152&Source=search>, [hereinafter Brown]

CONGRESSIONAL BUDGET OFFICE, LOAN GUARANTEES: CURRENT CONCERNS AND ALTERNATIVES FOR CONTROL (Aug. 1978). Brown, supra note 1.

Title XVII of the Energy Policy Act of 2005 created the renewable energy loan guarantee program at the Department of Energy but did not provide funding for loan guarantees. See generally 42 U.S.C. §§ 16511-16514. Current Concerns and Alternatives for Control,” explains that loan guarantees distort risk evaluation:

When commercial lenders originate loans that are guaranteed by the government, these lenders may be more concerned with the adequacy of the loan guarantee agreement than by the actual risk of the project. As a result, projects may not receive an adequate amount of due diligence by the lender, therefore increasing the federal government's risk exposure. The CBO also notes that “while such guarantees reduce the risk of loss to lender and borrower, they cannot reduce the project's risk of economic failure.” Furthermore, the paper explains that loan guarantees can be attractive to Congress

because the costs, on paper, appear small but fail to fully account for unforeseen risks. 12 Failing to heed these warnings has led to widespread taxpayer losses from loan guarantees, from Great Plains in 1985 to Solyndra and Beacon Hill in 2011.

B. An Overview of the DOE Section 1703 and 1705 Loan Programs

Congress first authorized the Department of Energy's Loan Guarantee Program under title XVII of the Energy Policy Act of 2005. 13 The program purportedly incentivizes energy innovation by making it easier for companies to secure loans for projects that employ new technologies to promote energy efficiency, renewable energy, and advanced transmission. Section 1703 specifically authorizes the Secretary of Energy to make loan guarantees for projects that employ innovative technology to reduce greenhouse gas emissions. To date, the DOE has conditionally approved three projects under § 1703, totaling \$10.4 billion in guaranteed loans.

The American Recovery and Reinvestment Act of 2009 significantly expanded the Secretary's loan guarantee authority under a newly-created § 1705. 17 This section authorized the Secretary to issue loan guarantees for renewable energy projects – including those employing non-innovative technologies – that commenced construction no later than September 30, 2011. Additionally, in contrast to loan guarantees issued under § 1703, the project sponsor did not have to pay for the cost of the loan guarantee because the government covered the credit subsidy

Brown, supra note 1. 42 U.S.C. §§ 16511-16514.

U.S. DEPT OF ENERGY LOAN GUARANTEE PROGRAM , LOAN GUARANTEE SOLICITATION ANNOUNCEMENT : FED . LOAN GUARANTEES FOR PROJECTS THAT EMPLOY INNOVATIVE ENERGY EFFICIENCY , RENEWABLE ENERGY , AND ADVANCED TRANSMISSION AND DISTRIBUTION TECH . (July 29, 2009) [hereinafter Innovative Solicitation].

42 U.S.C. § 16513(a)

U.S. Dep't of Energy Loan Programs Office, List of Programs, available at https://lpo.energy.gov/?page_id=45

42 U.S.C. § 16516

42 U.S.C. § 16516(a)

costs. The short time-frame for eligibility and the congressional appropriation of the credit subsidy cost reflect § 1705's primary purpose: economic stimulus. The DOE issued its first § 1705 loan guarantee solicitation on July 29, 2009. By the expiration of § 1705 program in September 2011, the DOE had approved 27 projects totaling over \$14.5 billion in guaranteed loans. The DOE's Loan Programs Office awards and administers loan guarantees under three sets of official rules: the statutory requirements of §1703 and 1705, the departmental regulations issued pursuant to statute, and the department's formal solicitations for loan guarantee applications. Naturally, these rules describe the eligibility requirements with increasing specificity. The redundancy and specificity of these criteria testifies to their importance; such prudential regulations make the difference between responsible stewardship of the program and a taxpayer-financed earmark.

This initial report focuses on the Department of Energy's portfolio of loan guarantees issued under § 1705 of Title XVII. These loan guarantees were issued under two solicitations which differed in their eligibility requirements and financing method. The first solicitation

targeted projects that employed innovative technologies. Under this solicitation, the project sponsor could acquire the underlying loan from U.S. government through the Federal Financing Bank. The second solicitation created the “Financial Institution Partnership Program.” This program accepted projects that employed non-innovative (i.e., already commercialized) technology, but required the project sponsor to acquire the underlying loan from a private financial institution. Committee staff evaluated renewable energy projects that received loan commitments from DOE or from private lenders partnering with DOE. Staff identified a pattern indicative of poor management and a bias toward unconstrained lending that resulted in the creation of a high risk, speculative and undiversified loan portfolio. In this report, we consider all aspects of loan commitments in the context of the broader marketplace to reveal the extent of the risk taxpayers face as a result of competition within the domestic energy industry and the global renewable energy industry.

C. Overview and Brief History of the ATVM Program

Innovative Solicitation, *supra* note 14 (“the Recovery Act provides that five billion nine hundred sixty five million dollars (\$5,965,000,000) in appropriated funds be made available until expended to pay the Credit Subsidy Costs”).

American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, §3(a), 123 Stat. 115 (2009).

Innovative Solicitation, supra note 14.

U.S. Dep’t of Energy Loan Programs Office, List of Programs, available at https://lpo.energy.gov/?page_id=45

42 U.S.C. §§16511-16516; 10 C.F.R. § 609 (2011); Innovative Solicitation, supra note 14; U.S. DEP’T OF ENERGY

LOAN GUARANTEE PROGRAM OFFICE , LOAN GUARANTEE SOLICITATION ANNOUNCEMENT : FED . LOAN GUARANTEES

FOR COMMERCIAL TECH . RENEWABLE ENERGY GENERATION PROJECTS UNDER THE FIN . INST . P’ SHIP PROGRAM (Oct7, 2009) [hereinafter FIPP Solicitation].

Innovative Solicitation, supra note 14.

FIPP Solicitation, supra note 23.

The Advanced Technology Vehicle Manufacturing (ATVM) Program was created in 2008 as part of § 136 of the Energy Independence and Security Act of 2007. 28 According to the U.S. Department of Energy (DOE), the purpose of the ATVM Program is to provide “direct loans to support the development of advanced technology vehicles and associated components in the United States.” 29 The Energy Independence and Security Act set aside \$25 billion for direct loans and appropriated another \$7.5 billion to support these loans. To qualify for a direct loan under the ATVM Program, the project and the sponsoring company must meet several criteria.

First, in order to be eligible for a loan a company must either manufacture an advanced technology vehicle (ATV) or manufacture components for ATVs. Companies must also be “financially viable without the receipt of additional federal funding for the proposed project other than the ATVM loan.” 31 DOE defines “advanced technology vehicle” as a light duty vehicle that meets Clean Air Act regulations established by the U.S. Environmental Protection Agency (EPA) and is 125 percent of the average of the Corporate Average Fuel Economy (CAFE) for similar vehicles. The loan must finance

the reequipping, expanding, or establishing of a manufacturing facility in the United States or the costs of engineering integration performed in the United States.

As of February 2012, the ATVM Program loaned \$8.3 billion to five projects. Most notably, two of the largest companies in the country, Ford Motor Company and Nissan North America, received over \$7.3 billion to retool and upgrade manufacturing facilities for vehicles that were deemed ATVs by DOE. 35 Fisker Automotive and Tesla Motors received \$529 million and \$465 million, respectively, from the ATVM program. 36 Fisker produces plug-in hybrid electric vehicles in a manufacturing plant in Delaware. 37 Its first vehicle, the Karma, costs well over \$100,000 to purchase. 38 Tesla produces three models of plug-in electric cars at its manufacturing plant in California. Finally, The Vehicle Production Group LLC received a \$50 million loan to support the creation of a factory-built wheelchair vehicle that runs on compressed natural gas. 39 DOE had conditionally granted a loan of \$730 million to Severstal North America, a steel subsidiary of OAO Severstal, a multi-billion dollar Russian company, to produce

Advanced Technology Vehicles Manufacturing Incentive Program, 73 Fed. Reg. 66,721, 66,722 (Nov. 12, 2008) (to be codified at 10 C.F.R. pt. 611).

U.S. Dep't of Energy Loan Programs Office, Description of ATVM program, available at https://lpo.energy.gov/?page_id=43

Advanced Technology Vehicles Manufacturing Incentive Program, 73 Fed. Reg. 66,721, 66,722 (Nov. 12, 2008) (to be codified at 10 C.F.R. pt. 611).

U.S. Dep't of Energy Loan Programs Office, Description of ATVM program, available at https://lpo.energy.gov/?page_id=43

Advanced Technology Vehicles Manufacturing Incentive Program, 73 Fed. Reg. 66,721, 66,722 (Nov. 12, 2008) (to be codified at 10 C.F.R. pt. 611).

U.S. Dep't of Energy Loan Programs Office, Description of ATVM program, available at https://lpo.energy.gov/?page_id=43

U.S. Dep't of Energy Loan Programs Office, Projects: Fisker Automotive, available at <https://lpo.energy.gov/?projects=fisker-automotive>; U.S. Dep't of Energy Loan Programs Office, Projects: Tesla Motors, available at <https://lpo.energy.gov/?projects=tesla-motors>

Mike Ramsey and Neal E. Boudette, Fisker Hires Former Chrysler CEO, WALL S T. J., Feb. 29, 2012.

U.S. Dep't of Energy Loan Programs Office, Projects: The Vehicle Production Group LLC, available at <https://lpo.energy.gov/?projects=the-vehicle-production-group-llc>

advanced high strength steel (AHSS) used to make component parts for ATVs. Almost 200 companies have applied for loans through the program; however, an overwhelming majority still await a decision from DOE on the status of their applications.

II. The DOE Portfolio of Loan Commitments

DOE committed to issuing 27 loans or loan guarantees under the § 1705 program. These loan commitments total in excess of \$16 billion. At the outset, the ratings agencies rated 23 of these loans as non-investment grade categories, also known as “Junk,” due to their poor credit quality, while the other four were rated BBB, which is at the lowest end of the “investment” grade of categories. Overall,

DOE's 1705 portfolio's initial unweighted average rating was BB-, which is considered "Junk grade." According to Fitch, a 'BB' rating is speculative and indicates an elevated vulnerability to default risk. Accordingly a BB- is on the low end of what are considered to be "speculative investments," barely escaping the classification of "highly speculative" investments.

Press Release, Department of Energy Offers Severstal Dearborn, LLC a \$730 Million Conditional Loan Commitment for Michigan Project, U.S. Dep't of Energy, July 13, 2011.

Tim Logan, Loans for Green Car Plants are in Limbo, Stltoday.com, Mar. 16, 2012, available at http://www.stltoday.com/business/local/loans-for-green-car-plants-are-in-limbo/article_89f33f3c-6ebf-11e1-89a9-0019bb30f31a.html.

Fitch Ratings, Definitions of Ratings and Other Forms of Opinion (2011), available at http://www.fitchratings.com/web_content/ratings/fitch_ratings_definitions_and_scales.pdf

10FIPP

Company

Parent Recovery Date of Date of Loan Size or

Rating Rating Estimate Agency Rating Loan (Millions) FFB

Solyndra, Inc BB-

Beacon Power Corporation CCC+

Kahuku Wind Power LLC BB+

Nevada Geothermal Power Company Inc

89%

Fitch 8/7/2009 Sept 2009 535 FFB

S&P 4/30/2010 Aug 2010 43 FFB

85-90% Fitch 5/26/2010 July 2010 117 FFB

BB+ 75-80% Fitch 7/20/2010 Sept 2010 78.8 FIPP

Abound Solar B 45% Fitch 11/4/2010 Dec 2010 400 FFB

Caithness Shepherds Flat, LLC BBB- 90-95% Fitch 11/12/2010 Oct 2010 1040 FIPP

Abengoa Solar, Inc (Solana) BB+ 80% Fitch 12/2/2010 Dec 2010 1446 FFB

U.S. Geothermal, Inc (Malheur County, Oregon) BB 64% S&P 12/29/2010 Feb 2011 97 FFB

Record Hill Wind, LLC BB+ S&P 1/7/2011 Aug 2011 102 FFB

LS Power (Transmission Line project) BB+ 90-95% Fitch 1/21/2011 Feb 2011 343 FFB

BrightSource Energy, Inc - Ivanpah I BB+ 55% Fitch 1/25/2011 Apr 2011 1600 FFB

BrightSource Energy, Inc - Ivanpah II BB 55% Fitch 1/25/2011 Apr 2011 FFB

BrightSource Energy, Inc - Ivanpah III BB+ 55% Fitch 1/25/2011 Apr 2011 FFB

NRG Solar, LLC (Agua Caliente) BB+ 90-95% Fitch 5/13/2011 Aug 2011 967 FFB

SoloPower Inc CCC+ S&P 7/11/2011 Aug 2011 197 FFB

NextEra Energy Resources, LLC (Genesis Solar) BBB+ 84.50% S&P 7/21/2011 Aug 2010 681.6 FIPP

Cogentrix of Alamosa, LLC B 44-55% Fitch 7/22/2011 Sept 2011 90.6 FFB

1366 Technologies Inc B 65-70% Fitch 7/25/2011 Sept 2011 150 FFB

Abengoa Solar, Inc (Mojave Solar) BB BB 70-75% Fitch 7/27/2011 Sept 2011 1200 FFB

Granite Reliable Power, LLC BB BBB- 75-80% Fitch 8/10/2011 Sept 2011 135.12 FIPP

Ormat Nevada, Inc BB S&P 8/13/2011 Sept 2011 280 FIPP

Exelon (Antelop Valley Solar Ranch) BBB- 90-95% Fitch 8/17/2011 Sept 2011 646 FFB

SolarReserve Inc, LLC (Crescent Dunes) BB 80-85% Fitch 8/19/2011 Sept 2011 737 FFB

Prologis (Project Amp) BB B+ 80-90% Fitch 8/21/2011 Sept 2011 1120 FIPP

Mesquite Solar I, LLC (Sempra Mesquite) BB+ BBB+ 80-85% Fitch 8/23/2011 Sept 2011 337 FFB

NRG Energy (California Valley Solar Ranch) BB+ B+ 85-90% Fitch 8/23/2011 Sept 2011 1237 FFB

NextEra Energy Resources, LLC (Desert Sunlight) BBB- A- 85-90% Fitch 8/24/2011 Sept 2011 1199.2 FIPP

Abengoa Bioenergy Biomass of Kansas LLC CCC BB 65-70% Fitch 8/26/2011 Aug 2010 132.4 FFB

Within the range of non-investment grade credit risk, six of the Junk loans were rated at the lower tiers of the range. Specifically, these six projects or loans received ratings within either the “B” or “CCC” categories under the Fitch or Standard and Poor’s classifications.

Despite lending to highly speculative and troubled projects, the government only charged those green energy firms its own cost to borrow money. In other words, the government sought no profit or compensation for credit risk. Given the extent of losses already apparent, the failure to seek any compensation for credit risk inevitably means the taxpayer will lose substantial funds. This is distinguishable from normal business practices, where banks or investment firms charge a premium or require more upfront capital as a condition for agreeing to finance riskier projects; thus, if the project were to go completely under, the banks would have some capital to show for the losses.

A. DOE’s High Risk Loan Portfolio

At an October 2011 press conference, after the collapse of Solyndra, President Obama commented on the 1705 loan portfolio saying that “we knew from the start that the loan guarantee program was going to entail some risk, by definition. If it was a risk-free proposition, then we wouldn’t have to worry about it. But the overall portfolio has been successful.”

However, the risk conceded by President Obama is larger than he or Secretary Chu have publicly acknowledged. Left unsaid is the continuing and mounting risks taxpayers face with each additional

disbursement of funds.

As this report reveals, it appears that taxpayer losses associated with Solyndra are just the tip of the iceberg. Clues warning of this risk have been apparent from the inception of the program. This does not bode well for the future of DOE's loan portfolio. Moreover, most of the energy projects funded under 1705 continue construction or just plan to begin construction. As projects proceed and spend their capital, additional weaknesses will be exposed and more loan recipients will begin to fail.

Secretary Chu has done very little to mitigate these risks. In the first instance, DOE failed to abide by the number one investment rule of thumb – diversify your portfolio. Instead of making investments in a broad range of emerging technologies, DOE sunk 80% of its funds into either solar manufacturing or solar generation projects. This overemphasis on one type of technology leaves taxpayers vulnerable to changes in the market for solar energy. After Solyndra collapsed, Energy Secretary Steven Chu claimed that “this company and several others got caught in a very, very bad tsunami” and then blamed China and the recession in Europe. Secretary Chu neglected to mention the extraordinarily clear warning by Fitch Ratings (Fitch) prior to DOE's commitment. Specifically, Fitch stated:

[C]hanges in business or economic conditions center upon the intermediate and longer term pricing of PV solar panels which are now under extreme competitive pressures. Fitch expects PV pricing pressures throughout the term of the DOE loan and this factor will be the largest challenge facing Solyndra and the largest credit risk incurred in repayment of the Fab 2 loan according to its terms.

As the above excerpt reveals, prior to approving Solyndra, Fitch warned DOE that extreme competition within the solar panel market threatened pricing of solar panels in the coming months and years and that this was the greatest risk to Solyndra's survival. Even

News Conference by the President, The White House (October 6, 2011), available at: <http://www.whitehouse.gov/the-press-office/2011/10/06/news-conference-president>.

U.S. Dep't of Energy, Loan Program office, Our Projects, available at https://lpo.energy.gov/?page_id=45

Matthew Wald, Panel Hears Defense of Loan to Solyndra, N.Y. TIMES, Nov. 17, 2011, available at: <http://www.nytimes.com/2011/11/18/business/energy-environment/energy-secretary-defends-solyndra-loan.html>.

Solyndra rating report letter to Wilbur Stover, FitchRatings, p.1 (August 7, 2009).

knowing this, DOE chose to invest billions of taxpayer dollars despite the clear warning - 16 of the 27 section 1705-backed projects employed solar technology, the very technology that experts were warning about. These loans for solar projects totaled more than \$13 billion – more than 80% of the total portfolio. DOE also concentrated its investments in two solar companies in particular, Abengoa and First Solar, to such an extent that financial troubles with either company would affect a significant portion of the loan portfolio. In addition to over investing in solar, the Federal government also permitted “double dipping,” wherein a company received multiple federal grants and loans to cover the cost of a project, thereby reducing the company's “skin in the game.” DOE also allowed large and financially sound parent entities to under capitalize their loan guarantee projects, which effectively shifted the risk away from the company to the taxpayer. It appears that for most DOE loan recipients, a low cost loan, in and of itself was insufficient to attract private investors.

In compiling this report, staff considered many troubling issues that deserve attention, yet, because of

the magnitude of problems associated with this program, only a share of the concerns could be investigated. Committee staff, therefore, considers this an initial report. The following sections examine the various actions that DOE took while building its financially vulnerable portfolio that jeopardizes billions in taxpayer funds.

B. Major Risk Factors to the Loan Portfolio

1. Falling Natural Gas Prices Hurt Renewable Projects

In addition to the poor credit risk determinations of 1705 recipients, the falling price of natural gas poses a material risk to the sustainability of these renewable energy projects. This section of the report attempts to explain how the market for natural gas has evolved and how it interacts with the market for renewable technologies.

Advances in hydraulic fracturing (“fracking”) technology over recent years dramatically improved domestic natural gas and natural gas liquids production. Over the past few months, in particular, this increase in production resulted in an extraordinary decline in the domestic price of natural gas, substantially widening the efficiency gap between fossil fuels and renewable technologies. 48 In other words, natural gas has become so cheap that other energy technologies are having difficulty competing, even after federal subsidies.

The high price of oil incentivizes fracking for natural gas liquids, which supply valuable raw materials to oil refiners. 49 In areas where fracking produces both natural gas and gas liquids, frackers often produce natural gas at a loss, but, in the aggregate, profit due to the high price of gas liquids. 50 This unique result reduces the responsiveness of natural gas producers to the price

U.S. Dep’t of Energy, Loan Program office, Our Projects, available at https://lpo.energy.gov/?page_id=45

See U.S. Energy Info. Admin., Monthly Natural Gas Gross Withdrawals, available at <http://205.254.135.7/dnav/ng/hist/n9010us2m.htm>.

See Natural Gas Supply Ass’n, Processing Natural Gas, available at http://www.naturalgas.org/naturalgas/processing_ng.asp#seperateng; see also Emanuel V. Ormonde, IHS Inc.,

Natural Gas Liquids, available at <http://chemical.ihs.com/CEH/Public/Reports/229.2500/>

See Peter Gardett, AOL Energy, A Little Liquid Gas and Oil Goes a Long Way for Energy Producers (Feb. 17, 2012), available at <http://energy.aol.com/2012/02/17/a-little-liquid-gas-and-oil-goes-a-long-way-for-energy-producers/>

of natural gas. This ability to continue to profit from the premium price of gas liquids changes the economics of natural gas production enabling a secular decline in natural gas prices.

The resulting low natural gas price reduces the market price for power generation in most areas, as natural gas fired generators usually set the market clearing price. Below is a chart reflecting natural gas prices since 1992. 51 Today’s low prices for natural gas have not been seen since the 1990’s and, when

adjusted for inflation are at historically low levels. While this is good news for consumers of electricity who will benefit from lower rates, this is bad news for the renewable energy industry.

a. Low Natural Gas Prices Reduce Power Purchase Agreement Revenues for Renewable Projects

As natural gas powered generation provides the market clearing price in most regions within the United States, the recent drop in natural gas prices lowered market prices for power.

These falling power prices reduce the expected value of anticipated Power Purchase Agreements (PPAs), which are agreements that provide power purchasers, such as utilities and suppliers of energy, such as renewable energy generators, with certainty over future prices. The energy industry relies on PPAs to manage risks associated with the purchase and sale of power. The pricing of PPAs largely depends on expectations with regard to future power prices. The recent

Federal Reserve Bank of St. Louis, Economic Data, Natural Gas Price: Henry Hub, Louisiana, available at <http://research.stlouisfed.org/fred2/series/GASPRICE>

collapse in natural gas prices reduced the potential revenue for PPAs that have not yet been executed.

Lower natural gas prices increase the risks of renewable energy projects that have not yet entered into long term contracts to sell the power they expect to generate because buyers of their product now have cheaper options. Project Amp and other projects that fail to meet benchmarks necessary to maintain a PPA, suffer the risk that they cannot negotiate agreements sufficient to support the cost of the renewables project, even with the benefit of multiple substantial subsidies.

Accordingly, it is reasonable to expect utilities to seek an exit from expensive PPAs whenever the renewable company fails to meet certain benchmarks, whether those benchmarks relate to commercial operation date, insufficient output, reliability or other variables. In other words, given the falling price of power in areas where natural gas is the marginal supplier, it is reasonable to expect revenues from risky renewables projects to be at risk to these falling power prices. If a PPA with a solar producer reflects a price based on markets where \$4.00 per million British thermal unit (MMBtu) of natural gas was prevalent, the utility paying for that solar power might act on any opportunity to renegotiate or exit the unprofitable PPAs now that natural gas prices are below \$3.00. Specifically, as DOE-backed projects come online over the next few years, any failure to meet the production or capacity requirements stated in the PPA may enable the power purchaser to exit or renegotiate the contract, subjecting the renewable project to lower power prices, and thus lower revenues for the company than was predicted at the time DOE negotiated the loan agreement.

In other words, given that power prices have fallen since these projects executed PPAs, there is substantial risk that the power purchasers will find a way out from the PPAs they entered into with the renewable projects. A PPA provides the renewable project security that it will earn a specific amount of revenue. If a party, such as a Utility, that is purchasing power from the renewables project can find a way out of the PPA, this places the revenue of the project at risk.

If the renewable projects are forced to renegotiate at current market prices, they will suffer a substantial loss of revenue.

This is particularly concerning in the case of newer technologies, where many of these projects may fail to achieve target operation dates, or may not generate as much power as the contract requires simply as a matter of not having enough experience with the newer technology. Given this risk, many of these projects face the danger of losing the benefit of a higher priced PPA.

One good example comes from the recent reports that First Solar’s solar panels are suffering higher failure rates in the desert. This unexpected underperformance will reduce the output of their plants. Such output is a key performance variable considered in the PPA.

b. Low Gas Prices Reduce Demand for Solar Panels

Falling market prices for power as described above impacts all aspects of renewable projects. Despite solar panel prices, the demand for solar panels declines as the relative economic benefits of their installation fall. Solar companies currently suffer from excessive competition in panel manufacturing, and also likely face decreasing demand as a result of the competition from cheaper natural gas generation. To the extent low natural gas prices persist, this represents a sea-change that threatens the viability of all solar manufacturing investment that DOE and Treasury subsidized.

2. DOE’s Failure to Diversify

a. DOE Overinvests in Solar Manufacturing despite Ample Warnings DOE should have averted some of the risks it created in its portfolio by diversifying its investments across renewable energy technologies. DOE’s investment in multiple solar manufacturers added to a heated global competition that was already creating an excessive supply of solar panels. These manufacturers were forced to compete both against each other and other solar companies worldwide. As a result, the average selling price per watt for solar panels has continued its decline.

Despite Solyndra’s fall, there remains excessive competition in the manufacturing of solar panels. Just this past month, both Abound Solar and First Solar cut solar panel production globally, reflecting this excessive supply and heated competition. While U.S. solar generation projects can take advantage of falling panel prices to offset a share of the impact of reduced power prices, it appears solar manufacturers that suffer both supply and demand shocks can only survive through continued provision of subsidies. Unfortunately for these manufacturers, there is growing evidence that the subsidies are drying up.

With regard to subsidies on a global scale, Germany, the leader in solar subsidies, having invested over \$130 billion to date, is now giving up the habit. According to news reports:

Germany once prided itself on being the “photovoltaic world champion”, doling out generous subsidies—totaling more than \$130 billion, according to research from Germany’s Ruhr University—to citizens to invest in solar energy. But now the German government is vowing to cut the subsidies sooner than planned and to phase out support over the next five years. What went wrong?

Using the government’s generous subsidies, Germans installed 7.5 gigawatts of photovoltaic capacity last year, more than double what the government had deemed “acceptable.” It is estimated that this increase alone will lead to a \$260 hike in the average consumer’s annual power bill.

According to Der Spiegel, even members of Chancellor Angela Merkel’s staff are now describing the policy as a massive money pit. Philipp Rösler,

Cassandra Sweet and Ryan Tracy, Loan Recipient Abound to Cut Jobs, Retool Colorado Factory, WALL STREET J., Feb. 29, 2012, available at <http://online.wsj.com/article/BT-CO-20120229-719672.html>; Ehren Goossens, Solar

Suppliers Head for First Demand Drop as Subsidy Cut, BLOOMBERG NEWS, Mar. 9, 2012,

available at <http://www.bloomberg.com/news/2012-03-09/solar-panel-sales-seen-dropping-first-time-in-decade-feeding-glut-energy.html>

Germany's minister of economics and technology, has called the spiraling solar subsidies a "threat to the economy." The ratings agencies fully informed the DOE of their expectations for falling panel prices due to excessive global competition. Both Germany and the U.S. appear to be phasing out subsidies over the coming years, and this should eventually help reduce the excessive supply; however, it does so at the expense of the subsidized solar firms. In other words, the apparent cure to the oversupply is the outright shuttering of a large share of solar panel manufacturers worldwide.

b. DOE Overinvested in Abengoa and First Solar Projects

As DOE failed to diversify the portfolio sufficiently across industries, DOE also failed to diversify across award recipients. A single Spanish firm, Abengoa, received an aggregate \$2.45 billion in loans and loan guarantees plus \$818 million in Treasury cash grants.⁵⁴ This reveals excessive risk and subsidies provided to a single firm via multiple subsidiaries. Abengoa has a credit rating of BB, which is considered Junk, thus making this concentration of investment in one company speculative and highly questionable. Exemplifying the risk DOE took in the case of Abengoa, Abengoa managed to obtain a DOE loan commitment for the lowest rated project across the entire DOE Junk portfolio; Abengoa Bioenergy Biomass of Kansas received an extraordinarily low CCC rating and yet the DOE approved a direct loan to the project.

Bjørn Lomborg, Germany is cutting solar-power subsidies because they are expensive and inefficient, S LATE , Feb. 18, 2012, available at

http://www.slate.com/articles/news_and_politics/project_syndicate/2012/02/why_germany_is_phasing_out_its_solar_power_subsidies_.html

See FitchRatings credit report for Mojave Solar, LLC, dated July 27, 2011, where DOE committed to an \$862 million loan and Treasury committed to a \$340 million grant; FitchRatings credit report for Abengoa Solar, Inc.'s

Solana Generating Station, dated December 2, 2010, where DOE committed to a \$1.445 billion loan guarantee and the Treasury committed to a \$455 million grant; and, FitchRatings credit report for Abengoa Bioenergy Biomass of

Kansas, dated August 26, 2011, where DOE committed to a \$130 million loan and Treasury committed to a \$23 million grant.

See FitchRatings credit report for Abengoa Bioenergy Biomass of Kansas, dated August 26, 2011.

Abengoa's prospects look dim due to its investments in Europe, particularly Spain, and suffer the risk of declining subsidies as Spain contends with its own declining credit quality and the potential need for a bailout of its own government in the coming months or years. Now that Germany and Spain cut back solar subsidies, this will undoubtedly harm the European renewable investments of Abengoa.⁵⁶ Even if Abengoa investments initially appeared attractive to DOE, overinvestment in this single firm will likely cause substantial harm to the taxpayer. DOE similarly overinvested in First Solar, as we describe in Section III; the taxpayer will undoubtedly suffer losses from that investment as well.

3. DOE Allowed “Double Dipping” – Multiple Subsidies to Single Projects

The junk quality loan portfolio of loan guarantees amassed by DOE reflects funding that substantially exceeds the amounts loaned by DOE. To understand the full extent of funds invested into these renewable firms, all state and federal subsidies need to be considered. For example, most of the 1705 projects benefitted from multiple enormous subsidies, such as grants that covered a third of the cost to build a generation facility, low interest DOE loans, state subsidies, beneficial access to power grids and mandates that require renewable production

See Ben Sills, *Spain Halts Renewable Subsidies to Curb \$31 Billion of Debts*, BLOOMBERG NEWS, Jan. 27, 2012,

available at [http://www.bloomberg.com/news/2012-01-27/spain-suspends-subsidies-for-new-renewable-energy-](http://www.bloomberg.com/news/2012-01-27/spain-suspends-subsidies-for-new-renewable-energy-plants.html)

[plants.html](http://www.bloomberg.com/news/2012-01-27/spain-suspends-subsidies-for-new-renewable-energy-plants.html). See also *Germany to Axe Solar Panel Installations by More than Half in 2012* (Jan. 19, 2012),

available at <http://www.greenworldinvestor.com/2012/01/19/germany-to-axe-solar-panel-installations-by-more-than-half-in-2012/>.

known as renewable portfolio standards. Such mandates result in premium pricing for power generated by renewable technologies.

Even with the benefit of these massive government subsidies, DOE continues to hold a portfolio of “Junk” grade loans and commitments. This defies the natural assumption that layer upon layer of government subsidies, and billions in costless equity should at some point cause an entity to become profitable; however, given the poor quality of the DOE portfolio, this has failed to occur.

4. DOE Allowed Large Energy Companies to Undercapitalize Projects and Shifted Risk to Taxpayers

Even when a company had significant assets to cover a project, DOE put the taxpayer at a greater risk because of the way they structured the guarantee. In four cases among the 27 loan guarantees and Federal Financing Bank (FFB) loans, the parent or project sponsor that sought the benefit of a loan guarantee or FFB loan had a credit rating significantly above that of the project itself. In other words, in four cases, the borrower undercapitalized the project and refused to extend a parental guarantee.

As a result, the taxpayer takes on greater risk, despite the borrowers’ ability to increase funding to the project. The most egregious use of this technique was in the case of Record Hill, LLC, where AAA rated Yale University created a project with a rating of only BB+. The idea that Yale would take a substantial taxpayer subsidy and still seek to protect its remaining assets from the liabilities of Record Hill reflects Yale’s view of the Record Hill project and its disregard for taxpayers. It is inconceivable that any normal bank would take these kinds of risk when loaning money. Banks traditionally insist on a number of provisions to “protect” their investment. Yet DOE and Treasury did just the opposite, and essentially let these companies dictate terms favorable to them and not to the taxpayer. The result is when the company defaults on their obligations, the taxpayer is left with little to no remedy.

3. Systemic Risks from “Crony Capitalism” and Wasteful Spending

There is evidence a number of loan guarantee recipients have engaged in clearly profligate spending. Such wasteful spending threatens the financial viability of the recipient companies, creating risks to both the DOE's loan commitment portfolio and taxpayer dollars. It is particularly troubling that this waste often takes the form of large cash bonuses to company executives – such payments feed the perception that taxpayer funds are being used to line the pockets of green energy executives. Beacon Power Corp, the second recipient of a § 1705 loan guarantee, paid three executives more than a quarter million dollars in bonuses in March 2010. 58 Eighteen months

See M.J. Beck Consulting LLC, Renewable Portfolio Standards, available at http://mjbeck.emtoolbox.com/?page=Renewable_Portfolio_Standards (“With few exceptions, utilities are allowed to recover the additional cost of procuring renewable power.”); see also Katerina Dobesova, Jay Apt, and Lester B. Lave, Are Renewable Portfolio Standards Cost-effective Emission Abatement Policy? (Carnegie Mellon Electricity Industry Center, Working Paper CEIC-04-06), available at

http://wpweb2.tepper.cmu.edu/ceic/pdfs/CEIC_04_06.pdf.

later, Beacon declared bankruptcy, leaving taxpayers to repay the loan. Adding insult to this injury, these bonuses were explicitly linked to the executives securing the DOE loan guarantee.

Similarly, bankruptcy records show Solyndra doled out executive payments just months prior to its late August collapse and early September bankruptcy. In Solyndra's case, former executives have stated that DOE explicitly allowed federal funds to be used to pay out executive bonuses.

The Department appears to recognize the unacceptability of this crony capitalism. DOE has stated, “We take our role as stewards of taxpayer dollars very seriously, and as such, we will make clear to loan recipients our view that funds should not be directed toward executive bonuses when the rest of the company is facing financial difficulty.” The DOE has not explained why they waited three years into the program to finally take this view, or what – if any – concrete steps they will take to protect taxpayer monies.

Good government groups have severely criticized the DOE's administration of the loan guarantees with respect to executive compensation. Citizens Against Government Waste has stated that “[g]iving a bonus to the executives under these circumstances is rewarding failure with our money with no chance of getting it back. Taxpayers need some representation here.

They didn't really get it.” Wasteful spending is not limited to executive compensation alone.

BrightSource Energy, recipient of a \$1.6 billion loan guarantee to build a solar generation facility, has spent more than \$56 million on a desert tortoise relocation program. 62 Furthermore, BrightSource will build 50 miles of intricate fencing, at a cost of up to \$50,000 per mile, designed to prevent relocated tortoises from climbing or burrowing back into the solar generation facility. BrightSource has indicated that the exploding cost of tortoise relocation program threatens to derail the entire \$1.6 billion project – leaving taxpayers on the hook for the enormous sums on money spent on

construction thus far.

The DOE's failure to diligently oversee costs and set prudent limitations on executive compensation

while it distributed billions of dollars in loan commitments created a significant moral hazard that has created enormous risks for DOE and taxpayer funds.

C. Harm Posed to Our Economy

The DOE loan guarantee and ATVM loan programs may harm capital formation within the capital markets. As the government makes low cost loans available, private capital cannot compete with the subsidized low interest loans. As a result, many private investors and lenders cease to compete in the same space or may choose to invest in those subsidized firms that anticipate government loans. As intended, government subsidies redirect capital to less efficient

Ronnie Greene and Matthew Mosk, Green Firms Get Fed Cash, Gives Execs Bonuses, Fail, ABC NEWS , Mar. 6, 2012, available at <http://abcnews.go.com/Blotter/green-firms-fed-cash-give-execs-bonuses-fail/story?id=15851653#.T1ZAcnm8hSx>

Julie Cart, Saving desert tortoises is a costly hurdle for solar projects, L.A. TIMES , Mar. 4, 2012.

industries, causing a misallocation of capital. To the extent investors target subsidized firms, those funds that would have sought a more profitable opportunities that would have yielded greater efficiencies and benefits for the economy, instead invest in relatively less profitable industries, where the government subsidy compensates for the lost profit.

To the extent government loans programs proceed, the government must maintain the highest integrity in the allocative process. If government fails to impose a fair and impartial loan process that prioritizes genuinely eligible borrowers, then the government further misallocates capital within the subsidized industry, increasing economic harm. Relatively better businesses may suffer losses while waiting for subsidies that never materialize. Lower quality firms, with strong political ties, may succeed in gaining government support with inferior products, reflecting a multi-factored misallocation of capital.

The failure to maintain integrity and abide by the law when implementing the DOE loan program significantly impacts those that failed to receive subsidies as well.

On February 28, 2012, Bright Automotive announced it was shutting down operations. In a poignant and blunt letter to the Secretary, Bright Automotive's management team laid the blame squarely on the unprofessionalism and mismanagement of the DOE loan

guarantee program. Bright Automotive described a process wrought with misdirection, changing and expanding requirements, unexplained delays, gross mischaracterizations, and a never-ending cycle of excuses:

Bright Automotive

February 28, 2012

Secretary Steven Chu

U.S. Department of Energy

Washington, D.C.

Dear Secretary Chu,

Today Bright Automotive, Inc will withdraw its application for a loan under the ATVM program administered by your department. Bright has not been explicitly rejected by the DOE; rather, we have been forced to say “uncle”. As a result, we are winding down our operations.

Last week we received the fourth “near final” Conditional Commitment Letter since September 2010. Each new letter arrived with more onerous terms than the last. The first three were workable for us, but the last was so outlandish that most rational and objective persons would likely conclude that your team was negotiating in bad faith. We hope that as their Secretary, this was not at your urging.

The actions – or better said “lack of action” -- by your team means hundreds of great manufacturing and technical jobs, union and non-union alike, and thousands of indirect jobs in Indiana and Michigan will not see the light of day. It means our product, the Bright IDEA plug-in hybrid electric commercial vehicle, will not provide the lowest total cost of ownership for our commercial and government fleet customers, saving millions of barrels of oil each year. It means turning your back on a bona fide step forward in our national goal to wean America away from our addiction to foreign oil and its implications on national security and our economic strength.

In good faith we entered the ATVM process, approved under President Bush with bi-partisan Congressional approval, in December of 2008. At that time, our application was deemed “substantially complete.” As of today, we have been in the “due diligence” process for more than 1175 days. That is a record for which no one can be proud.

We were told by the DOE in August of 2010 that Bright would get the ATVM loan “within weeks, not months” after we formed a strategic partnership with General Motors as the DOE had urged us to do. We lined up and agreed to private capital commitments exceeding \$200M – a far greater percentage than previous DOE loan applicants. Finally, we signed definitive agreements with state-of-the-art manufacturer AM General that would have employed more than 400 union workers in Indiana in a facility that recently laid-off 350 workers. Each time your team asked for another new requirement, we delivered with speed and excellence.

Then, we waited and waited; staying in this process for as long as we could after repeated, yet unmet promises by government bureaucrats. We continued to play by the rules, even as you and your team were changing those rules constantly – seemingly on a whim.

Because of ATVM’s distortion of U.S. private equity markets, the only opportunities for 100 percent private equity markets are abroad. We made it clear we were an American company, with American workers developing advanced, deliverable and clean American technology. We unfortunately did not aggressively pursue an alternative funding path in China as early as we would have liked based on our understanding of where we were in the DOE process. I guess we have only ourselves to blame for having faith in the words and promises of our government officials.

The Chairman of a Fortune 10 company told your former deputy, Jonathan Silver, that this program “lacked integrity”; that is, it did not have a consistent process and rules against which private enterprises could rationally evaluate their chances and intelligently allocate time and resources against that process. There can be no greater failing of government than to not have integrity when dealing with its taxpaying citizens.

It does not give us any solace that we are not alone in the debacle of the ATVM process. ATVM has executed under \$50 million of transactions since October of 2009. Going back to the creation of the

program, only about \$8 billion of the approved \$25 billion has been invested. In the meantime, countless hours, efforts and millions of dollars have been put forth by a multitude of strong entrepreneurial teams and some of the largest players in the industry to advance your articulated goal of advancing the technical strength and clean energy breakthroughs of the American automotive industry. These collective efforts have been in vain as the program failed to finance both large existing companies and younger emerging ones alike.

Our vehicle would have been critical to meet President Obama's stated goal of one million plug-in electric vehicles on the road in 2015 and his commitment to buy 100 percent alternative fueled vehicles for the Federal Fleet. So, we are not the only ones who will be disappointed.

The ineffectiveness of the DOE to execute its program harms commercial enterprise as it not only interfered with the capital markets; it placed American companies at the whim of approval by a group of bureaucrats. Today at your own ARPA-E conference, Fred Smith, the remarkable leader of FedEx, made the compelling case to reduce our dependence on oil; a product whose price is manipulated by a cartel which has caused the greatest wealth transfer in our history from the pockets of working people and businesses to countries, many of whom are not our allies. And yet, having in hand a tremendous tool for progress in this critically strategic battle -- a tool that drew the country's best to your door -- you failed not only in the deployment of funds from ATVM but in dissipating these efforts against not just false hope, but false words. For us, this is a particularly sad day for our employees and their families, as well as the employees and families of our partners. We asked our team members on countless occasions to work literally around the clock whenever yet another new DOE requirement came down the pike, so that we could respond swiftly and accurately.

And, we always did.

Sincerely,

Reuben Munger

CEO

Mike Donoughe

COO

Bright Automotive is not alone in its frustration, as at least three additional companies, U.S. Geothermal, Inc., RenTech, and Tenaska, have suffered substantial harm at the hand of DOE's favoritism and blatant disregard of the law.

U.S. Geothermal, Inc.

U.S. Geothermal, Inc. submitted a DOE loan guarantee application for a geothermal power project in San Emidio, California. Like Bright Auto, U.S. Geothermal received several "clear assurances the DOE considers San Emidio a priority project and that [the] credit review Letter, Reuben Munger and Mike Donoughe, Bright Automotive, to the Honorable Steven Chu, Sec'y of Energy, Feb. 28, 2012 (on file with author).

process could be accomplished within the required timeframe.” Relying on these statements and assurances, U.S. Geothermal took action to advance the project and ensure full readiness and compliance with DOE’s stated requirements. The company incurred numerous expenses, including fees to legal counsel and engineers, as well as resources devoted to the completion of engineer reports and a term sheet. 66 Most significantly, consistent with a DOE requirement for priority treatment within the 1705 program, U.S. Geothermal executed a 25 year PPA. U.S. Geothermal has taken every step to ensure that the San Emidio project embodies the “quality” and “readiness” requirements DOE has emphasized. The project, which “would be one of the smaller and more straight-forward transactions,” was ready to enter the credit approval process by May 2011, only to be abruptly notified that DOE decided to suspend work on this loan guarantee.

DOE, in a draft letter to U.S. Geothermal, stated “there are a number of projects that are closer to the conditional commitment stage than yours, and we expect these projects, if they

reach financial close, to utilize all of our remaining appropriation.” In this draft letter, Jonathan Silver further provided that “the decision does not reflect the merits of the project, but rather the timing and funding constraints of the program.” This claim is dubious at best. As is revealed in Section III of this report, Project AMP failed to meet the eligibility requirement relating to commencement of construction; nonetheless, it received a \$1.4 billion FIPP-based DOE loan guarantee commitment on September 30, 2011. Antelope Valley Solar Ranch failed to meet the “innovativeness” requirement and the “one technology per sponsor rule.” Despite this, Antelope Valley succeeded in gaining a \$646 million FFB direct loan commitment. These two projects consumed an enormous share of DOE’s appropriation yet clearly were not “closer to the conditional commitment stage.”

According to its letter, U.S. Geothermal suffered substantial harm as a result of DOE’s decision to violate the terms of its own program in providing loan commitments to ineligible projects. The company incurred significant expenses in its efforts to meet DOE’s standards and secure the financing it needed to proceed. The greatest harm will result from the PPA U.S.

Geothermal entered into in reliance on DOE statements, which now contractually obligates them to provide power for 25 years or suffer penalties. 71 According to U.S. Geothermal’s letter, in the absence of a DOE loan guarantee, the terms of the PPA create a significant obstacle to obtaining commercial financing for their project going forward.

Rentech

Letter, Daniel Kunz, U.S. Geothermal President & CEO, to Jonathan Silver, U.S. Dep’t of Energy Loan Program Office, Executive Director (May 11, 2011).

Draft letter, Jonathan Silver, U.S. Dep’t of Energy Loan Program Office, Executive Director, to Daniel Kunz, President of U.S. Geothermal (no bates stamp and no date).

Letter, Daniel Kunz, U.S. Geothermal President & CEO, to Jonathan Silver, U.S. Dep’t of Energy Loan Program Office, Executive Director (May 11, 2011).

Rentech submitted a proposal for financing for its Northwest Florida Renewable Energy Center Project

(NWFREC). Like Bright Automotive and U.S. Geothermal, Rentech had progressed according to plan and adhered to DOE's prescribed schedule. In coordination with DOE staff, Rentech had taken such steps as signing sponsor payment letters, setting up necessary infrastructure, and entering the due diligence process.

Despite making every effort to fulfill all the requirements DOE laid out, DOE, again, unexpectedly suspended the approval process for the NWFREC Project. Given the steps Rentech took to ensure all requirements were being fulfilled, DOE seems to have made a decision based on favoritism rather than the law, choosing to fund larger, ineligible projects over a number of more suitable alternatives.

Tenaska

Tenaska sought financing for Imperial Solar Energy Center South (IESC South), a solar power project in Imperial County, California. Like the others, this company also received a letter from DOE suspending the loan approval process, indicating that other projects were closer to the conditional offer stage. Even the steps Tenaska appears to have taken prior to the suspension, this is unlikely.

Prior to receipt of DOE's letter, Tenaska had been working in coordination with DOE staff and was finalizing the execution of the required term sheet. Additionally, the company was progressing through the due diligence stage and expected its preliminary Credit Assessment from Fitch in the very near future. It appears that, once again, DOE suspended the approval of a credible project adhering to all stated standards and working closely with DOE staff, only to later approve massive funding for a project proven to be nowhere nearly as far along in the process as DOE purported. DOE's favoritism significantly harmed yet another company that had relied on the promise of 1705 financing.

The similarity of concerns and claims made by Bright Automotive, U.S. Geothermal, Rentech and Tenaska make clear that DOE actively misled applicants about the status of their

loan applications, thereby encouraging these firms to misallocate capital, which has led to financial harm. When considered in the context of the excessively large loan guarantees provided to Abengoa, First Solar and ProLogis, and the outright violations associated with Antelope Valley and Project AMP, the claims of these companies bring to light the extent of harm that can result when a regulator fails to maintain integrity and allows inappropriate bias and influence to distort its decisions.

To the extent that political connections and lobbying efforts influenced the DOE loan program, this increases the potential harm to our capital markets and our economy. The large

Letter, D. Hunt Ramsbottom, Rentech, President & CEO to Jonathan Silver, U.S. Dep't of Energy Loan Program Office, Executive Director (May 9, 2011).

Letter, David W. Kirkwood, Tenaska, Vice President & Treasurer, to Jonathan Silver, U.S. Dep't of Energy Loan Program Office, Executive Director (May 17, 2011).

Letter, David W. Kirkwood, Tenaska, Vice President & Treasurer, to Jonathan Silver, U.S. Dep't of Energy Loan Program Office, Executive Director (May 17, 2011).

number of troubling relationships between industry and government officials reflects an environment

where fair impartial loan determinations did not occur, resulting in poor decisions.

For example, First Solar gained a unique advantage relative to its peers by mastering its relationship with government as we describe in Section III. Just six months after DOE provided First Solar three loan commitments totaling \$2.4 billion, the Committee learned that DOE's prized achievement under the First Solar scheme, First Solar's Mesa solar panel manufacturing plant, will delay its startup and cut jobs while cutting back global production by 60%. We also learned Abound Solar, a solar panel manufacturer that received a \$400 million DOE loan commitment, has since failed.

Following Solyndra, such a rapid pace of failure for solar projects, including the industry leader First Solar, leads us to expect many more solar projects will follow. As a result of these failures, we should also expect supply disruptions to solar generation projects, breaches of supply contracts, job loss, and dislocation to harm other taxpayer-backed solar firms. Based on these projections, it appears the DOE loan program, in the aggregate, will place a drag on the entire economy as investors in these firms and taxpayers face losses and bankruptcies.

D. The "Independent" Review of the Loan Guarantee Program

In October 2011, the White House ordered that an independent review be conducted by outside consultants in response to emerging problems, uncovered by the Solyndra scandal, with DOE's Loan Guarantee Programs. 78 The review, led by an "independent consultant," former Obama Administration Assistant Secretary of the Treasury, Herbert Allison, found serious systemic problems related to DOE management and issuance of loan guarantees. Among the findings, Allison reported that DOE's loan program office suffers from structural weaknesses.

The report finds:

- **A lack of clarity in the lines of authority within the loan program office;**
- **A lack of balance between those with governmental experience and those with "substantial private sector experience and skill in project management and finance;"**
- **A lack of clear guidance regarding DOE's standard of "reasonable prospect of repayment;"**
- **A lack of clarity with regard to DOE's goals and tradeoffs with respect to financial goals versus policy goals; and**
- **The fees charged to companies to administer the program are not adequate to last through the duration of the loan guarantees.**

While the institutional and managerial recommendations from the independent review are appropriate and helpful, the report falls short because it fails to consider whether political pressure played a role in the decision-making process at DOE. Additionally, the review does not

THE WHITE HOUSE , REPORT OF THE INDEPENDENT CONSULTANT ' S REVIEW WITH RESPECT TO THE DEPARTMENT OF ENERGY LOAN AND LOAN GUARANTEE PORTFOLIO (Jan. 31, 2012), available at

http://www.whitehouse.gov/sites/default/files/docs/report_on_doe_loan_and_guarantee_portfolio.pdf

provide much insight into taxpayer risks – the independent review looks at “credit subsidy costs,” which represent the net present value of the expected lifetime cost to taxpayers of these loans. Credit subsidy costs, however, do not fully capture the risks to which taxpayers are subjected. According to the non-partisan Congressional Research Service, the independent review “did not calculate expected losses that may be realized by the project portfolio, and the report states that eventual losses cannot be predicted [using the accounting methods adopted by the review].” In other words, unforeseen risks exist within DOE’s portfolio which may have future budgetary implications but are incalculable using governmental accounting methods.

Furthermore, it has been widely reported that the independent review found the cost to taxpayers of the loan programs to be lower than originally projected. This reading of the report neglects to explain how these calculations came about. The independent review evaluated loans and loan guarantees, broken down into three categories created by the independent consultant: utility-linked loans and loan guarantees (“projects for the generation or transmission of alternative sources of energy”); Non-utility-linked loans and loan guarantees (generally, projects that bear greater technological risk; Beacon Power and Solyndra would fall into this category); and Ford and Nissan loans (loans to these two companies were broken out because these “projects are more typical of traditional secured corporate loans”).

When looked at in the aggregate, the costs of the program have, in fact, decreased since the DOE’s estimates at the time of origination. 83 However, this optimistic outlook is driven largely by the third category of loans and loan guarantees – those given to Ford and Nissan. The costs of the first two categories – utility-linked loans and non-utility-linked loans – increased by 14 percent and 71 percent, respectively, while the estimated cost of the Ford and Nissan loans decreased by 95 percent. The large drop in the cost of the loan to Ford and Nissan was largely driven by these two companies receiving credit ratings substantially greater than what DOE believed they merited at the time of DOE’s loan origination. Looking just at utility-linked and non-utility-linked loans and loan guarantees, the expected cost to taxpayers has markedly increased. The Allison report glosses over this pertinent fact.

Lastly, the review excludes costs associated with Beacon Power and Solyndra when it calculated taxpayer liabilities. This is a significant omission, as Beacon Power had drawn down 91 percent of its loan guarantee at a cost to taxpayers of \$39 million, while Solyndra had drawn

Phillip Brown, James Bickley, Bill Canis, “Consultant Review of DOE’s Loan and Loan Guarantee Portfolio: Summary and Analysis of Key Findings and Recommendations,” Congressional Research Service, Memorandum, March 8, 2012.

THE WHITE HOUSE , REPORT OF THE INDEPENDENT CONSULTANT ’ S REVIEW WITH RESPECT TO THE DEPARTMENT OF ENERGY LOAN AND LOAN GUARANTEE PORTFOLIO (Jan. 31, 2012), available at http://www.whitehouse.gov/sites/default/files/docs/report_on_doe_loan_and_guarantee_portfolio.pdf

Phillip Brown, James Bickley, Bill Canis, “Consultant Review of DOE’s Loan and Loan Guarantee Portfolio: Summary and Analysis of Key Findings and Recommendations,” Congressional Research Service, Memorandum, March 8, 2012.

THE WHITE HOUSE , REPORT OF THE INDEPENDENT CONSULTANT ’ S REVIEW WITH RESPECT TO THE DEPARTMENT OF ENERGY LOAN AND LOAN GUARANTEE PORTFOLIO (Jan. 31, 2012), available at

http://www.whitehouse.gov/sites/default/files/docs/report_on_doe_loan_and_guarantee_portfolio.pdf

Phillip Brown, James Bickley, Bill Canis, “Consultant Review of DOE’s Loan and Loan Guarantee Portfolio: Summary and Analysis of Key Findings and Recommendations,” Congressional Research Service, Memorandum, March 8, 2012.

down 98 percent, or \$527 million. This is \$566 million in costs to taxpayers from the loan guarantee program that are completely ignored by the independent review.

III. DOE Violated Statutory, Regulatory, and Prudential Requirements

The Committee investigation and analysis reveals that, among many other concerns, DOE loan commitments exposed taxpayer funds to excessive risk as a result of DOE’s bias toward approving loans without regard to warning signs. In some cases it appears the bias may stem from DOE’s susceptibility to effective lobbying efforts, conflicts of interest present in the Administration, or from its overriding policy preference for renewable technology. The Committee identified many cases where the DOE disregarded their own taxpayer protections, ignored lending standards and eligibility requirements and, as a result, amassed an excessively risky loan portfolio. After review of internal emails, staff have identified instances when DOE faced barriers that placed loan approvals at risk, DOE staff simply sought to justify and overcome the barriers, rather than giving the barriers due consideration.

A. DOE Repeatedly Violated Requirements Intended to Ensure Innovation and Manage Risk

1. Regulatory Requirements

The Energy Policy Act specifies that the Secretary may only make loan guarantees under §1703 for projects that employ “new or significantly improved technologies.” 86 DOE’s implementing regulation defines this as an energy technology “that is not a Commercial Technology, and that has either (1) Only recently been developed, discovered, or learned; or (2) Involves or constitutes one or more meaningful and important improvements in productivity and value, in comparison to Commercial Technologies in use in the United States. . . .” 87 In applying this definition, it is important to bear in mind the congressional intent underlying title XVII: to incentivize innovative technologies. The Loan Program Office’s (LPO) first solicitation, issued on July 29, 2009, targeted innovative projects that satisfied the statutory and regulatory requirements of §1703. 89 Projects approved under this solicitation could access 100% financing through the Federal Financing Bank.

The LPO’s second solicitation, issued on October 7, 2009, created the Financial Institution Partnership Program (FIPP) under § 1705. 90 This loan guarantee solicitation was An example of evidence indicating a strong ideology: Jonathan Silver, the former Director of the Loan Program Office (LPO) stated in an email to Matthew Winters dated June 9, 2011, in relation to a Treasury review of First Solar cost estimates, “Well done. Sorry you have to deal with all this. Hope the real story of how those folks tried to kill deals that would have moved the needle and created jobs because of a slavish attachment to a flawed and limited world view comes out.”

42 U.S.C. § 16513(a)(2).

10 C.F.R. § 609.2 (2011).

Energy Policy Act of 2005, Pub. L. 109-58, title XVII, 119 Stat. 1117 (2005).

Innovative Solicitation, supra note 14.

FIPP Solicitation, supra note 23.

open to non-innovative (i.e., already commercialized) projects, but the project sponsor had to secure the loan itself from a private lender. This structure reflects a reasonable and prudent application of the Department's loan guarantee authority: a project that employs commercialized technology would only need a federal loan guarantee if it was an inherently high-risk venture.

The Department prudently sought to mitigate this risk by requiring that it be shared with a private financial institution.

A second requirement in the Code of Federal Regulations only allows for "one technology per project sponsor." 9Section 609.3(a) states that a Project Sponsor or Applicant may only submit one Pre-Application or Application for one project using a particular technology. The rule prohibits an Applicant from submitting a Pre-Application or Application for multiple projects using the same technology. This common-sense requirement mitigates the risk to taxpayer dollars by ensuring diversity, while increasing the potential for innovation within the Department's loan guarantee portfolio.

Nonetheless, in issuing these loans, DOE disregarded these constraints, often with the explicit encouragement of department officials. Substantial evidence indicates that, in two cases, officials in the Loan Programs Office deliberately mischaracterized substantively identical technologies as dissimilar. In other cases, DOE labeled a technology as "innovative" when it clearly should have been classified as a "proven technology" merely because the particular model had not been sold in the United States. Additionally, there is evidence that applicants, with the encouragement of department officials, intentionally mischaracterized their projects as "innovative" in an effort to access the Federal Financing Bank and defeat these prudentia requirements.

2. The First Solar Scheme

a. Overview

First Solar manufactures thin film cadmium telluride solar panels and also provides prefabricated solar plants, where buyers can purchase a ready to run solar generation facility that uses First Solar's cadmium telluride panels. 94 First Solar sought to create four turnkey projects with the assistance of DOE loan guarantees and direct loans. Contrary to the law governing DOE loans, these four projects relied on virtually identical solar technology. Accordingly, First Solar's use of the same technology across the four projects resulted in potential violations of federal regulations and the underlying loan solicitations. Specifically, through DOE's funding of three First Solar projects, DOE and First Solar may have violated regulations imposing the innovativeness requirement 95 and violated the regulation that allows only one technology per project sponsor.

10 C.F.R. § 609.3(a) (2011).

See discussion infra Part III.A.2.

See discussion infra Part III.A.2.e.

See First Solar, Product and Services, available at <http://www.firstsolar.com/Products-and-Services/Products>

The Energy Policy Act specifies that the Secretary may only make loan guarantees under §1703 for

projects that employ “new or significantly improved technologies.” 42 U.S.C. § 16513(a)(2). DOE’s implementing regulation defines this as an energy technology “that is not a Commercial Technology, and that has either (1) Only recently been developed, discovered, or learned; or (2) Involves or constitutes one or more meaningful and important. First Solar submitted applications for two of the projects, Topaz and Desert Sunlight, under the DOE’s FIPP solicitation that allowed for non-innovative projects. The other two projects, Agua Caliente and Antelope Valley Solar Ranch, sought and succeeded in gaining an advanced position in the application process by purchasing existing projects from Nextlight Renewable Power (“Nextlight”) that previously filed applications with DOE. However, the projects purchased from Nextlight had applied under the DOE’s “innovative” solicitation.

First Solar always intended to use the same technology across all four projects. However, given the innovativeness requirement that applied to Agua Caliente and Antelope Valley Solar Ranch, as a result of Nextlight’s original applications, these projects still needed to be deemed innovative. Additionally, the two projects needed to comply with the one technology per project sponsor requirement. This latter requirement meant that the two “innovative” projects also needed to be differentiated from each other to qualify.

First Solar’s Agua Caliente and Antelope Valley Solar Ranch received funding despite the fact that each project may have violated the regulations described above. In the next section, we describe these violations in greater detail, provide the motives of DOE and the Administration, and offer documentation indicating DOE manufactured evidence of compliance with these rules while internally conceding their failure to adhere to the law.

b. The Manufacturing Plant that Motivated Action on All Four First Solar Projects

While DOE publicly talked about the merits of each First Solar project individually, internal DOE emails indicate that DOE favored First Solar projects and viewed them collectively because DOE sought to enable First Solar to build a new manufacturing plant in Arizona. The logic was simple: four solar generation projects would provide sufficient demand to justify and support locating a new First Solar manufacturing plant in Arizona. The White House planned to use this new manufacturing plant and the jobs that it supported as evidence of the indirect benefits of DOE loan guarantees for the economy.

Documents and e-mails obtained by the Committee offer unique insight on how decisions were made. In an e-mail from Jonathan Silver, Executive Director of the Loan Programs Office at DOE, to Deputy Energy Secretary Daniel Poneman in May of 2011 demonstrates DOE’s plan to group the First Solar deals as a package. Silver wrote that “First [S]olar deals need to be considered as a package since they support the building of a manufacturing plant to service their collective needs.” 99 The White House supported this packaging idea. In an email to other DOE officials from June 2011, Matthew Winters, Senior Advisor for Loan Programs at DOE, wrote:

We have often talked about how the 3 FSLR [First Solar] projects were are (sic) considering will support the building of a manufacturing facility in Arizona. Can improvements in productivity and value, in comparison to Commercial Technologies in use in the United States...”

See 10 C.F.R. § 609.2 (2011).

Section 609.3(a) states “[a] Project Sponsor or Applicant may only submit one Pre-Application or Application for one project using a particular technology. The rule prohibits an Applicant from submitting a Pre-Application or Application for multiple projects using the same technology. See 10

C.F.R. § 609.3(a) (2011).

Email from Jonathan Silver, DOE, May 31, 2011 (on file with author)

one you (sic) please quickly draft a 1-2 sentence blurb that states exactly how this is the case, and give the location, size, and expected construction date of the mfg facility? This will go into a document for the White House that describes the manufacturing impact of the projects in our pipeline. 100 (emphasis added)

c. The Collective Application of First Solar

The DOE's treatment of the First Solar applications during the credit review process demonstrates the Department realized the projects all employed the same non-innovative technology. DOE considered packaging three First Solar projects as one vote in front of the DOE credit review board (the Antelope Valley, Topaz, and Desert Sunlight projects), despite the projects coming from different solicitations (innovative versus commercial). Margot Anderson, a Senior Advisor at DOE, wrote an email on June 25, 2011, before the DOE credit review board voted to grant conditional guarantees to three First Solar projects (Antelope Valley, Topaz, and Desert Sunlight), asking "[S]hould it be three separate votes or one vote for all three projects?" 101 While the credit review board appears to have voted separately for all three projects, this conversation reinforces the mindset within DOE that all First Solar projects represented a package and not individual projects.

Despite ultimately approving credit individually for each project, the next email shows the extent to which DOE wanted "all of the deals to look exactly alike":

Our question is simply "is there an issue if we bring all of the First solar projects including the various IEs (Luminate and Burns and Roe) into the same room to discuss the terms of the deals?" Essentially, we want all of the deals to look exactly alike. First Solar has suggested the meeting so they are on board the IEs are OK with it but one brought up the [Non-Disclosure Agreement] issue and I want to get that resolved. Jonathan want[s] the meeting to happen this week or early next, to get these projects going.

With this plan to package the First Solar deals, DOE granted conditional loan guarantees to four First Solar projects that used First Solar's cadmium telluride photovoltaic solar panels. DOE describes this technology as "commercially proven" and "deployed since 2001." 104 Yet, DOE was classified two of First Solar's projects as innovative and ignored the "one sponsor per technology per solicitation."

Email from Matthew Winters, DOE, June 14, 2011. (Emphasis added).

Email from Margot Anderson, DOE, June 25, 2011.

Email from Jeffrey Walker, DOE, to Susan Richardson and Kimberly Heimert, DOE, Subject "Bridge [Non Disclosure Agreements] for this unusual circumstances," (March 29, 2011, 8:21 AM).

DOE did not finalize First Solar's Topaz project and only gave final approval to three First Solar projects. Upon finalization of its DOE loan guarantees, First Solar sold all of its development projects to large utilities, such as Exelon and NextEra.

"Energy Department Finalizes Loan Guarantee to Support California Solar Generation Project,"

This scheme coincidentally improved the financing terms of the programs by enabling the government to provide a 100% direct loan as opposed to an 80% loan guarantee. Specifically, those entities approved under the innovative path received direct federal loans from the Federal Financing Bank (FFB) for 100% of the sought after amount. Had these entities gone through the commercial path, they would need to borrow from a private lender who would then First Solar's Acquisition of NextLight's Projects to Enable All Four Projects to Proceed Together To understand why DOE manipulated the First Solar applications one must understand how these projects came to pass. First Solar purchased NextLight Renewable Power in a deal that included NextLight's two pending DOE loan guarantee projects—Agua Caliente and Antelope Valley Solar Ranch—in April of 2010. 106 DOE had invited both NextLight projects into the due diligence level in the loan application process, 107 indicating that both continued to progress successfully towards ultimate approval. NextLight had applied for innovative loan guarantees for both projects. Under Nextlight's applications, the Agua Caliente project would use amorphous silicon technology, and the Antelope Valley project would use crystalline siliconsolar technology.

When First Solar purchased NextLight, it planned to switch to its own proven – and non-innovative - technology relying on cadmium telluride panels for both projects. However, Firstn Solar wanted to keep both projects in the innovative technology queue. First Solar faced two challenges to keep both projects in the innovative queue. First, the company had to prove that both projects used innovative technology; while using First Solar cadmium telluride panels for the projects that would not qualify as innovative. Second, First Solar had to ensure that both projects used different “innovative” technologies, otherwise the projects would violate the DOE rule that one company could only sponsor one project using a specific innovative technology under the innovative technology solicitation.

e. Failure to Prove Innovativeness; Resorting to Falsification

First Solar planned to qualify both projects for the innovative solicitation by incorporating relatively minor new technologies into the solar plants. The Agua Caliente project would use standard First Solar cadmium telluride panels, but would use an inverter “fault ride- through and dynamic voltage regulation” technology 109 that would help the plant stay operational even if the sun did not shine constantly on a particular day. 110 First Solar relied on this inverter receive at most an 80% guarantee. Therefore, the non-innovative entities benefitted from the false “innovative” designation in that they received fully guaranteed funding, as opposed to partially guaranteed, reducing their cost of borrowing. The other two First Solar projects received partial loan guarantees as part of the Financial Institution Partnership Program.

Dealbook, First Solar Buys NextLight for \$285 Million, N.Y. T IMES , April 29, 2010 available at <http://dealbook.nytimes.com/2010/04/29/first-solar-buys-nextlight-for-285-million/>.

Email from Daniel Tobin, Director of Loan Programs Intake Division and Senior Investment Officer, U.S. Dep't of Energy (July 23, 2010).

Internal Memo from Dong Kim, Chief Engineer of the Technical and Project Management Division, U.S. Dep't of Energy, to David Frantz, Director of Loan Guarantee Program Office, U.S. Dep't of Energy (July 25, 2010).

Press Release, U.S. Dep't of Energy, Department of Energy Finalizes a \$967 Million Loan

Guarantee to Support the Agua Caliente Solar Project (Aug. 5, 2011) available at <http://energy.gov/articles/departments-energy-finalizes-967-million-loan-guarantee-support-agua-caliente-solar-project>.

U.S. Dep't of Energy, Internal Memo, "Next Light Antelope Valley Technical Eligibility Re-Evaluation" (July 21, 2010); See also email from Cathy Grover, Luminata, to Robin L Sampson, U.S. Dep't of Energy (Mar. 30, 2011, 3:39 PM EST), which stated, "The Project's inverter that we show currently specified is an SMA 630CP ... From a design perspective, switching to the 720CP (from the 630CP, if this is in fact what First Solar is doing), has no real impact on the electric energy production values."

to qualify the Agua Caliente project as innovative. 111 However, the innovativeness of this inverter technology is highly questionable based on the following issues identified through the review of email communications and internal DOE reports.

An email between DOE staff describes the lack of innovativeness of this inverter technology, stating, "The Project's inverter that we show currently specified is an SMA 630CP ... From a design perspective, switching to the 720CP (from the 630CP, if this is in fact what First Solar is doing), has no real impact on the electric energy production values." A DOE whitepaper reveals that more than 200 of these allegedly "innovative" inverters had been in use in Germany, Italy and Spain since September 2010. 113 While, according to the rule, foreign commercial use of a technology is not a bar to deeming domestic use innovative, the broad commercial use in Europe reflects the disrespect DOE applies to the actual innovativeness requirement.

Directly calling into question any determination that this technology is innovative, the DOE whitepaper provides that these inverters are "commercially ship[ped] today in the United States as well." 114 The report explains that "the technology being implemented is not new as compared to traditional turbine-based generators" and is commercially manufactured in Colorado. These facts emailed among DOE staff undermine any determination of innovativeness and clearly indicate that Agua Caliente failed to satisfy the requirements designed to spur development of new technologies. First Solar also planned to use this inverter technology to make the Antelope Valley project innovative; however, even if the technology were innovative with regard to Agua Caliente, its second application to Antelope Valley would violate the one technology per project sponsor requirement. To overcome this obstacle, First Solar added a "single axis tracking" system for the Antelope Valley project to differentiate it. This system simply allowed the panels to track the sun – a technology that has been around for decades. Additionally, First Solar1

See "NEXT LIGHT ANTELOPE VALLEY TECHNICAL ELIGIBILITY RE-EVALUATION" attachment (July 21, 2010) to email from Sarah Hetznecker, U.S. Dep't of Energy, to Patrick Gorman, U.S. Dep't of Energy, Subject:

"here is the antelope valley re-evaluation memo" (July 22, 2010 9:06 AM).

The Antelope Valley Project will use the new Fault Ride-Through Technology inverters that are being used in the Agua Caliente Project and were the basis for new and significantly improved technologies as compared to commercial technologies' for that project. While this is being used on both of these projects, it will meet the definition of "new of [sic] Singificantly Improved Technology and it is not a Commercial Technology, because it is not being used in three or more commercial projects in the US in

the same general application and it has not been in operation for 5 years. In addition, First Solar will use single axis tracking on 50 MW of the 230 MW for the Antelope Valley Project. Based up on the re-evaluation, we conclude that the project will meet the eligibility criteria

Email from Cathy Grover, Luminata, to Robin Sampson, U.S. Dep't of Energy (March 30, 2011, 3:39 PM).

“Antelope Valley Solar Ranch 1 Project: Inverter Implementation Whitepaper” (May 18, 2011) (Email from Sarah Hetznecker to Jeffrey Walker (May 22, 2011, 12:14:03 PM)).

See supra note 87.

See supra note 91.

Dong Kim, U.S. Dep't of Energy Memo, “First Solar (Next Light) Antelope Valley Solar Ranch One Technical Eligibility Re-Evaluation”(Aug. 4, 2010).

only planned to install this system on 50 MW of the plant's 230 MW capabilities, less than 25% of the plant. Rather than force First Solar's Antelope Valley project to step out of the innovation queue, DOE quickly created a memo that allegedly justified the project remaining “innovative.”

The memo claimed that the Antelope Valley project would use three different innovative technologies: Fault Ride-Through Technology, Dynamic Voltage Regulation, and single axis tracking. 120 Internal DOE emails reveal a rushed process that left certain DOE officials questioning the validity of the analysis. 121 DOE officials also heavily edited the memo to deemphasize First Solar's other pending projects and the fact that the Antelope Valley project used the same “innovative” technology as the Agua Caliente project. More importantly, on June 23, 2011, Dong Kim, Director of the Technical and Project Management Division, (who had edited the DOE memo on Antelope Valley's innovativeness referenced above) wrote an email indicating that the allegedly innovative tracking technology did not constitute innovativeness, was not considered innovative originally, and also pointed out that others continuously revised documents to incorrectly reflect that the trackers were “innovative.”

Kim wrote:

Someone keeps changing [Antelope Valley Solar Ranch] Technical slides to include single axis trackers as an innovation. Be clear that this not an innovation. The record will show that we did not grade this as innovative during intake review. It will not stand up to scrutiny if compared with CVSR [California Valley Solar Ranch] trackers. Whoever continues to make this change needs to understand that Technical does not support the 20 percent of the CVSR field with trackers as an innovative component. 123 (emphasis added) The apparent cover-up that led to Kim's stern email indicates that DOE staff sought to maintain a false finding of “innovative” for the single axis trackers.

DOE's August 4, 2010, memo claimed that the Antelope Valley project used three innovative technologies. However, DOE's Director of the Technical and Project Management Division revealed that the single axis trackers did not qualify as innovative and DOE's own press release demonstrated that the Agua Caliente project already used both the fault ride-through and the dynamic voltage regulation technologies. 124 Since Agua Caliente had already received a loan guarantee using this “innovative” technology, Antelope Valley was barred from relying on the same technology for its

innovativeness-based application. As a result, Antelope Valley provided

Email from Susan Grodin, U.S. Dep't of Energy (Aug. 3, 2010) (stating that "this memo was cobbled together from different sources and in so doing, an obvious piece was left out").

Dong Kim, U.S. Dep't of Energy, Technical memo (July 25, 2010) (discussing that DOE's tracked changes on the memo reveal that DOE removed references to First Solar's Desert Sun and Topaz projects from the second paragraph and removed an entire paragraph discussing how the Antelope Valley project and the Agua Caliente project use the same Fault Ride Through Technology).

Email from Dong Kim, U.S. Dep't of Energy (June 23, 2011).

Press Release, U.S. Dep't of Energy, Department of Energy Finalizes a \$967 Million Loan Guarantee to Support the Agua Caliente Solar Project (Aug. 5, 2011) available at <http://energy.gov/articles/department-energy-finalizes-967-million-loan-guarantee-support-agua-caliente-solar-project>.

no innovative technology that would justify its eligibility for a DOE loan. DOE should have deemed First Solar's Antelope Valley project ineligible under the innovativeness solicitation.

f. Persistent Pressure to Approve the First Solar Projects and Achieve the Master Plan of Building a Manufacturing Facility First Solar kept pressure on DOE to approve the three projects in the final weeks leading up to DOE's issuance of conditional loan guarantees. On May 18, 2011, Jens Meyerhoff, an executive at First Solar, wrote a letter to Jonathan Silver implicitly threatening that First Solar might not commit to completing construction on the Arizona manufacturing plant if DOE did not approve all three First Solar loan guarantees.

Meyerhoff wrote:

A failure to receive DOE and U.S. government agency approvals for these projects or missing the September 30 statutory deadline under the 1705 program would seriously jeopardize the financing for the Agua Caliente, Antelope Valley Solar Ranch, Desert Sunlight and Topaz projects. As you know, a major reason for choosing to build the manufacturing plant in Mesa, AZ was to provide solar modules to these large and important U.S. projects.

We will invest more than \$300 million in the factory, put people in Mesa to work at a long-dormant industrial site that once was home to an automotive testing facility, and create high tech green jobs that did not exist before...

...First Solar consciously made the decision to build a new U.S. manufacturing center to support and recycle economic benefits created by favorable U.S. political support for renewable energy, including the 1703 and 1705 DOE loan guarantee programs.

The DOE loan programs provide an important financing 'bridge' at a time when the U.S. private debt markets have little or no experience financing first-of-their-kind utility-scale solar projects, and the capital markets remain constrained in the wake of the global financial crisis. If FirstSolar's project

applications are not approved, or if they're delayed beyond September 30, we believe it could jeopardize our ability to close financing (both debt and equity), jeopardize construction of 1,620 megawatts of solar capacity and, frankly, undermine the rationale for a new manufacturing center in Arizona.

First Solar also tried more friendly persuasion. Nikolas Novograd, Vice President at First Solar, sent Bill Pegues at DOE a picture of the construction taking place at First Solar's Arizona plant. Pegues planned to use the construction picture to help persuade members of the credit review board to vote for the First Solar projects. He forwarded the picture to several DOE officials, commenting, "[H]ere's a photo of the construction

Letter from Jens Meyerhoff, First Solar, to Jonathan Silver, Director of Loan Programs Office, U.S. Dep't of Energy (May 18, 2011) (emphasis added).

progress on the FSLR mfg plant in Mesa, Arizona as of Tuesday 6/14. I'll bring several copies to CRB [Credit Review Board] just in case we need them." Additionally, Rob Gillette, CEO of First Solar, arranged a phone call with the Deputy Energy Secretary on June 24, 2011, only days before the Credit Review Board met to decide whether to grant conditional loan guarantees to the three First Solar projects.

By June 22, 2011, several days before the Credit Review Board approved conditional loan guarantees for the projects, Secretary Chu's office had already planned a press release to announce the conditional loan guarantees for the First Solar projects that relied upon job creation numbers from First Solar itself. 128 Secretary Chu's office carefully coordinated the media strategy for the approval of the conditional loan guarantees for the three First Solar projects. Sonia Taylor at DOE wrote in an email on June 28, 2011, that

S1's office hopes to offer an advanced story to a national reporter on all three First Solar deals later today, with a story to run tomorrow along with the press release...

...If you haven't already, can you all please notify the appropriate people from First Solar and the other companies that the deal is official? I have been working with First Solar (under the guise of 'should the deal be approved'), and they do not plan on writing a press release. Can you all please see whether the banks plan on issuing a release? If so, we'll need to review it. 129 (emphasis added)

On June 30, 2011, DOE issued a press release that announced the conditional loan guarantees for the three First Solar projects for around \$4.5 billion. 130 The six paragraph announcement only mentioned First Solar once and described the Antelope Valley project as featuring "a utility-scale deployment of innovative inverters with voltage regulation and monitoring technologies that are new to the U.S. market." The press release did not mention the trackers on the Antelope Valley project.

DOE would eventually issue final loan guarantee offers to First Solar's Antelope Valley and Desert Sunlight projects on the final day of the 1705 loan guarantee program (September 30, 2011). 132 Despite the issues surrounding the innovative nature of the Antelope Valley project, DOE finalized a 100% loan guarantee worth \$646 million for the allegedly "innovative" project. Ultimately, DOE did not finalize First Solar's Topaz

Email from Bill Pegues, U.S. Dep't of Energy (June 23, 2011).

Email from Elizabeth Emanuel, U.S. Dep't of Energy (June 24, 2011).

Email from William Pegues, U.S. Dep't of Energy (June 22, 2011).

Email from Sonia Taylor, U.S. Dep't of Energy (June 28, 2011).

Press Release, U.S. Department of Energy, DOE Offers Conditional Loan Guarantee to Support Nearly \$4.5 Billion in Loans for Three California Photovoltaic Solar Power Plants (June 30, 2011) available at <https://lpo.energy.gov/?p=4873>.

DOE did not finalize First Solar's Topaz loan guarantee project.

project, but a subsidiary company of Warren Buffett's Berkshire Hathaway purchased the project from First Solar.

g. First Solar's Financial Problems since the Loan Guarantees

Since DOE finalized First Solar's three loan guarantees (for over \$3 billion), First Solar has encountered serious financial problems that put the DOE funded projects in jeopardy. First Solar's stock declined the greatest compared to of any S&P 500 companies in 2011 and has lost over \$100 per share over the past year. 134 First Solar has cut production of its solar panels worldwide. 135 Based upon the company's financial troubles, First Solar fired its CEO October. 136 Additionally, in March 2012, the Securities and Exchange Commission announced an investigation into whether First Solar had improperly disclosed information about whether the First Solar Topaz project would receive a loan guarantee from DOE.

More recently, First Solar has revealed problems that directly impact its three DOE loan guarantee projects. First Solar's Antelope Valley project had problems getting a permit and has yet to receive any DOE funding. 138 First Solar announced in late February that it would postpone manufacturing solar panels at its Mesa Arizona plant, which is still under construction, because of financial problems. 139 First Solar intended for the Mesa facility to provide panels to the four First Solar projects. This delay means that the indirect jobs that the White House wanted to create with the three loan guarantees will likely never materialize, and raises questions about whether First Solar will have problems supplying solar panels to its DOE loan guarantee projects. Additionally, First Solar has revealed that it has needed to replace millions of dollars worth of its solar panels under warranty because they did not last in hot climates. Considering all three of First Solar's DOE-based solar generation projects are located in hot desert climates, this issue raises serious concerns about whether the panels will work properly long term.

h. Conclusion

There appears to be a significant amount of evidence, based on documents received by the Committee and supplied by DOE and others, indicating that **DOE manipulated its analysis** and strategically modified evaluations in order to issue loans to First Solar that would qualify

Todd White and Marc Roca, Berkshire Buys \$2 Billion Power Projects as Buffett Wagers on Solar Energy, BLOOMBERG , December 7, 2011 available at <http://www.bloomberg.com/news/2011-12-07/berkshire-s-midamerican-energy-to-buy-topaz-solar-farm.html>.

“First Solar (FSLR) Worst Stock in S&P 500 This Year,” StreetInsider, December 30, 2011 available at [http://www.streetinsider.com/Insiders+Blog/First+Solar+\(FSLR\)+Worst+Stock+in+S%26P+500+This+Year/7046826.html](http://www.streetinsider.com/Insiders+Blog/First+Solar+(FSLR)+Worst+Stock+in+S%26P+500+This+Year/7046826.html).

Patrick O’Grady, First Solar delays Mesa production plant, P HOENIX B US . J., February 29, 2012 available at http://www.bizjournals.com/phoenix/morning_call/2012/02/first-solar-delay-mesa-production-plant.html.

First Solar Ousts CEO, Shares Dive 24 Percent, R EUTERS , October 25, 2011 available at http://www.cnbc.com/id/45035458/First_Solar_Ousts_CEO_Shares_Dive_24_Percent.

Patrick O’Grady, SEC investigating First Solar, P HOENIX B US . J., March 4, 2012 available at http://www.bizjournals.com/phoenix/morning_call/2012/03/sec-investigating-first-sola.html.

Yuliya Chernova and Cassandra Sweet, California Solar Deal Hits a Snag, W ALL S T . J., February 11, 2012 available at <http://online.wsj.com/article/SB10001424052970203646004577214973345400202.html>.

O’Grady, supra note 132.

Ryan Randazzo, “First Solar replacing more solar panels,” The Arizona Republic, March 1, 2012 available at <http://www.azcentral.com/arizonarepublic/business/articles/2012/03/01/20120301first-solar-replacing-more-solar-panels.html>.

under the statutory guidelines. This is cause for serious concern. An application that should otherwise fail, but instead passes under improper influence and through the manipulation of analysis, results in the defrauding of taxpayers and misappropriation of assets. Furthermore, any advantage to an applicant disadvantages other applicants and improperly diverts DOE resources.

B. DOE Violated the Statutory Requirement that Projects Commence Construction by September 30,

2011

The Recovery Act states that the Secretary may only make loan guarantees under § 1705 for projects “that commence construction not later than September 30, 2011.”¹⁴² This provision is designed to effectuate the rapid deployment of renewable energy projects. Furthermore, § 3(b) of the Act mandates that the Secretary expend appropriated funds “as quickly as possible consistent with prudent management,” so as to achieve the Act’s stated goal of economic stimulus.¹⁴³ This “shovel-ready” requirement also helps to mitigate risks associated with too many unknown variables.

The DOE knowingly violated this explicit statutory mandate. The Department’s FIPP loan guarantee solicitation from October 7, 2009, defined “commence construction on before September 30, 2011” to mean that (i) the Borrower has completed all pre-construction engineering and design, has received all necessary licenses, permits and local and national environmental clearances, has engaged all contractors and ordered all essential equipment and supplies as, in each case, can reasonably be considered necessary so that physical construction of the Eligible Project may begin (or, if previously interrupted or suspended, resume) and proceed to completion without foreseeable interruption of material duration and (ii) such physical construction (including, at a minimum, excavation for foundations or the installation or erection of improvements) at the primary site of the Eligible Project has begun (or resumed).

On September 30, 2011 – the last day of the program – the Secretary approved a \$1.4 billion loan guarantee for Project AMP. Project AMP intends to install solar panels on the rooftops of many of ProLogis’ extensive real estate holdings. However, as the September 2011 application approval deadline approached, Project AMP was nowhere near prepared to commence construction, in part because it failed to secure contractual commitments to purchase energy from its proposed solar generation facilities.¹⁴⁴ Construction cannot begin for any phase of Project AMP until parties agree to a Power Purchase Agreement (PPA), which helps to ensure sufficient revenue to justify an installation of solar panels. As of March 6, 2012, Project AMP

See discussion infra Part V.A. and V.B.42 U.S.C. § 16516(a).

American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, §3(a), 123 Stat. 115 (2009).

Email from Eric Mogilnicki, WilmerHale, counsel to Bank of America, the lead lender for Project AMP (Mar. 6, 2012) (on file with author).

had not signed any PPAs, had not purchased any solar panels, and had not begun construction at any locations. Consistent with Project AMP’s lack of preparedness to commence construction, Fitch Ratings imposed a “framework” methodology to rate the credit risk of Project AMP. Fitch explained that, due to a lack of negotiated prices, a lack of known product suppliers, and a lack of PPAs, Fitch could not model cash flows or consider the credit quality of the businesses the project would transact with. For this reason, Fitch mandated the use of a framework approach that imposed minimum credit quality requirements and other controls to ensure adequate credit quality relating to future transactions.¹⁴⁸ Fitch also required that Project AMP return to Fitch to receive ratings for each phase prior to

seeking DOE loan disbursements consistent with the framework approach. As of March 6, 2012, Project AMP had not sought ratings for any phase of Project AMP. This further clarifies the extent of Project AMP's failure to commence construction.

While the credit rating methodology appears appropriate given the circumstance, the need to apply this approach reflects Project AMP's failure to meet the specific requirements of the law. Nonetheless, DOE approved Project AMP's loan guarantee for \$1.4 billion dollars. DOE approval of this project on the final day with pressure from Secretary Chu reflects improper influence and recklessness that led to an extremely large and inappropriate loan commitment. As we describe in Section D below, following DOE's approval of Project AMP, natural gas prices fell dramatically, resulting in substantially lower power prices in areas where natural gas generation provides the marginal supply of power. Lower market prices for power reduce potential revenue for all PPAs – in other words, solar power directly competes against natural gas fired generation. Had Project AMP locked in PPAs at the time DOE approved its loan, this loss of potential revenue would have been avoided. Given the lag between approval and PPA negotiation, price risk materialized, likely reducing the aggregate value of Project AMP as a **direct consequence of Secretary Chu's inappropriate approval**.

Had DOE rejected Project AMP due to its failure to commence construction, the government and participants in the project would have avoided misallocating capital to a project that was premature.

C. DOE Violated the Statutory Requirement of “Superiority,” Illegally Benefiting Banks at the Expense of Taxpayers

When it created the loan guarantee program, Congress took several steps to protect taxpayer funds and limit the DOE's risk exposure. These restrictions are recited in § 1702 of the

See Fitch Ratings, “Credit Rating for ProSun Project Company, LLC. - Project AMP” (August 21, 2011).

See id. for additional detail on ratings approach provided through discussions with Fitch Ratings staff responsible for Project AMP ratings and Bank of America staff involved with Project AMP. Mogilnicki, supra note 144.

See Ryan Tracy and Cassandra Sweet, Emails Show Chu's Loan-Deal Role, WALL S T . J., Feb. 18, 2012 available at <http://online.wsj.com/article/SB10001424052970204059804577229661338221828.html>.

Energy Policy Act and by statute apply to all loan guarantees issued under title XVII. 152 One of the most important risk-limiting provisions requires the Secretary to secure a superior claim to any assets in the event of a default. 153 The statute unequivocally requires that these rights must be “superior to the rights of any other person.” This common-sense rule ensures that if the U.S. government is on the hook to pay off creditors, it should be able recover at least some of its losses.

This right to superiority over collateral is appropriate given that taxpayers enabled the transaction through provision of a subsidy. Given the substantial risk associated with DOE loan guarantees and the

lack of any potential for the taxpayer to profit, the law required that the DOE at least maintain a superior position with respect to collateral to protect taxpayers in the event that a project failed. Private banks stand to profit if a project succeeds, while also avoiding substantial downside risk if a project fails. Given these clear benefits to lenders, Congress determined that lenders should not also gain parity with the DOE on the rights of collateral and inserted the “superiority” provision to prevent weakening the taxpayer’s position.

In what can only be considered a preemptive bailout for banks, DOE eliminated taxpayer protections by agreeing to share its rights in the collateral of failed projects with private lenders.

Notwithstanding the clarity of the statutory requirement and the policy basis for it, the DOE enacted regulations that allowed banks to gain parity with the United States with regard to collateral. While this may have increased its lending authority, it did so by weakening the taxpayer’s protections.

A review of the seven Financial Institution Partnership Program based loan guarantees reveals that DOE agreed to share its collateral rights with the lenders for all FIPP loans issued after enactment of the DOE regulations. Instead of selectively sharing collateral for the safest projects, DOE instead applied this approach to all FIPP loans, irrespective of the highly varying deal terms, credit quality and loan amounts. 157 In no case did DOE withhold this benefit from banks to protect taxpayers. In effect, DOE behaved as if its new interpretation of the law mandated that banks be placed on par with taxpayers.

1. Superiority of Rights vs. Pari Passu Sharing

In the event of a default, a loan guarantee provides assurances to banks and other lenders that they will recover 80% of the money loaned to the renewable energy project. This money comes from the American taxpayer. Under the system designed by Congress, while taxpayers

42 U.S.C. § 16512 (“... the Secretary shall make guarantees under this or any other Act for projects on such terms and conditions as the Secretary determines, after consultation with the Secretary of the Treasury, only in accordance with this section).

42 U.S.C. § 16512(g)(2)(B) (“The rights of the Secretary, with respect to any property acquired pursuant to a loan guarantee or related agreement, shall be superior to the rights of any other person with respect to the property”).

74 Fed. Reg. 63,544 (Dec. 4, 2009) (to be codified at 10 C.F.R. pt. 609). See “Terms and Conditions relating to loan agreements for all DOE-backed FIPP projects agreed to after December 4, 2009” (on file with author).

See 42 U.S.C. § 16512(c) (stating “a guarantee by the Secretary shall not exceed an amount equal to 80% of the project cost of the facility that is the subject of the guarantee...”).

are on the hook for at least 80% of the loan in case of default, they will at least be in first position to try

to recover their investment based on the sale of the defaulting company's assets. However, under the contracts awarded under § 1705, DOE included pari passu terms, which puts a lender in a position equal to the taxpayer with respect to rights to collateral.

The Department of Energy's approach ignores the plain letter of the law. Section 1702(g)(2)(B) contains the Superiority of Rights provision ("Superiority"). 160 Superiority provides that "[t]he rights of the Secretary, with respect to any property acquired pursuant to a guarantee, shall be superior to the rights of any other person with respect to the property." The statute clearly requires that DOE maintain superiority with regard to assets acquired as a result of a guarantee, and, as a result, precludes sharing the collateral with other creditors. Such sharing of collateral also flies in the face of the FIPP program requirements, which mandate loan guarantees to cover no more than 80% of any loan.

Consider the following hypothetical example:

DOE guarantees 80% of a billion dollar loan, which defaults. Upon default, the DOE pays \$800 million to the senior creditor protected by the DOE loan guarantee. Assume the leftover assets are worth \$500 million. Under this Administration's pari passu construct, DOE shares its senior rights to the recovery with the senior lenders, who already received \$800 million from the loan guarantee. Therefore, DOE recovers 80% of the \$500 million recovery, or \$400 million; the non-guaranteed lenders recover an additional 20% of the \$500 million, which equals \$100 million.

Recall that the lenders already recovered \$800 million for their guaranteed portion. This means that in the aggregate, the private lenders that received the DOE loan guarantee recovered \$900 million of the total billion dollar loan or 90%. Yet the law intended for taxpayers to be in first position with respect to the full \$500 million in this hypothetical. Accordingly, Pari Passu terms directly violate the FIPP solicitation requirements.

2. Congress Specifically Considered and Rejected Changes to the Superiority

Provision that Would Have Allowed for Pari Passu Credit Terms Supporters of pari passu credit terms for DOE loan guarantees sought to change the law to allow for such credit structures. On July 16, 2009, Senate Bill S. 1462, which would have modified Title XVII to allow for pari passu credit terms by disabling the Superiority provision, was passed by the Senate Energy and Natural Resources Committee, but failed to pass the full Senate. 161 Also, in the last Congress, the House of Representatives passed "Cap and Trade," under H.R. 2454. That bill had an identical provision to disable Superiority under Title XVII.

H.R. 2454 also failed to become law. The time invested in drafting a bill and seeking to pass it in both the Senate and the House reflects the effort and analysis that many lawmakers put into this issue. This is the clearest evidence that Congress does not recognize the DOE's authority to provide § 1705 loans

See 42 U.S.C. § 16512(g)(2)(B).

See S. 1462, 111th Cong. § 103(b)(3) available at http://energy.senate.gov/public/_files/s1462pcs1.pdf.

with pari passu terms. Rather, the law requires Superiority to apply to any property acquired pursuant to the original guarantee or binding agreement to provide a guarantee.

3. The Department of Energy Knowingly Violated the Law

Notwithstanding Congress's rejection of these bills that were designed to weaken taxpayer protections,

on December 4, 2009, the DOE issued final regulations to allow for pari passu treatment of DOE loan guarantees. 162 By these actions, the DOE disregarded the law and Congress. The specific approach used in both S. 1462 and H.R. 2454 highlights the fact that the law currently does not allow for pari passu treatment specifically due to the Superiority provision. DOE's awareness of Congress's failure to change the law indicates DOE understood it may be violating the law when it provided loan guarantees with pari passu credit terms.

The Committee raised these concerns in a letter to the Secretary dated December 7, 2011.

The Department of Energy responded by asserting that § 1702(g)(2)(B) only "governs post-default rights of the Secretary, rather than conditions that must be met at the time the Secretary determines to make a loan guarantee." 164 Under the DOE's interpretation of the statute, "[o]nce the Secretary has actually acquired property through the Secretary's right of subrogation in a post-default situation, the statute provides that, as a matter of law, the Secretary's rights in that acquired property are superior to any other claimant with respect to that requirement."

The Department's interpretation is lacking on three levels. First, the Secretary can only secure his superior of rights in collateral before entering in a loan guarantee contract. To say §1702(g)(2)(B) only applies after a default renders the provision useless. Second, the preceding quotation from the DOE's response letter evinces the circularity of its logic: once the Secretary has actually acquired property through the right of subrogation, there is no need to provide for a superiority of rights: he has already acquired the property. Finally, the Department's interpretation ignores Congress' clear pronouncements of its understanding that § 1702(g)(2)(B) prohibits pari passu terms. The DOE has never addressed these clear statements of congressional intent.

IV. DOE Has Artificially Inflated Job Creation Statistics

One characteristic of "green jobs" often touted by the Obama Administration is that green industries rely heavily on manpower, a trait that "makes them especially alluring when it comes to government-led job creation" measured in terms of jobs "created or saved." In studies heralding the creation of large numbers of jobs in green jobs programs, there is a consistent preference for inefficiency. This is contrary to the fundamental economic principle that high

74 Fed. Reg. 63544, 63545 (Dec. 4, 2009) (to be codified at 10 C.F.R. pt. 609). Letter from Darrell Issa, Chairman, H. Comm. on Oversight and Gov't Reform, to the Honorable Steven Chu, Sec'y of Energy (Dec. 7, 2011).

Letter from David G. Frantz, Acting Executive Director, Department of Energy Loan Program Office, to Darrell Issa, Chairman, H. Comm. on Oversight and Gov't Reform (Jan. 19, 2012).

Liz Wolgemuth, The Truth and Green Jobs, U.S. NEWS AND WORLD REPORT, Mar. 25, 2009 available at <http://money.usnews.com/money/careers/articles/2009/03/25/the-truth-about-all-those-green-jobs>.

Witnesses Provide Various Definitions of Green Jobs Before House Workforce Panel, DAILY

labor productivity is a measurement of an efficient and healthy economy. The DOE's 1705 Loan Guarantee Program follows this flawed principle precisely. According to a leading expert, an economy based on "high paying, low-productivity jobs ... would require an economic structure unknown in human history."

While the energy sector is a very large source of employment, it is a mistake to treat it as a government jobs program. Dr. David Montgomery, Senior Vice President at NERA Economic Consulting and a former CalTech professor, has explained:

It is a fundamental error in policymaking and economics to design or justify federal support for new energy technologies as a jobs program. It subverts the entire purpose of government involvement in R&D, and is the greatest single cause of the continued failure of energy technology programs

However, even accepting the premise that it is appropriate to base a jobs program on green energy development, the Administration fails at this objective.

In almost every public statement about its loan guarantee program, DOE touts job creation. DOE's Loan Programs Office webpage proudly proclaims that DOE expects the loans and loan guarantees to "employ" over 60,000 people. 171 The site also breaks down the number of jobs created or saved by each loan or loan guarantee, and issues press releases for specific projects discussing job creation. These figures are misleading. In reality, the 60,000 number includes jobs that existed at one time, but have since been eliminated; jobs that exist independent of the loan program; and jobs that already existed, but are now considered "green jobs."

One example of DOE's misrepresentation of jobs figures relates to a DOE loan guarantee to Ford Motor Company. DOE proclaims that this project, funded through the ATVM program, accounts for 33,000 of the 61,383 jobs. However, these jobs, which DOE represents to be "permanent jobs created or saved," already existed. Upon closer examination, it appears that DOE reports that the DOE loan "converted" existing jobs to green energy jobs. Had no loan occurred, presumably, the factory would continue to produce non-green energy vehicles; there is no evidence that Ford planned to lay off 33,000 employees if the company had not received the loan. This jobs statistic is also misleading given the statements of David Frantz, Acting Executive Director Loan Program Office and Acting Director ATVM to Committee staff. Mr.

Green Jobs and Red Tape: Assessing Federal Efforts to Encourage Employment: Hearing Before the Subcomm. On Investigations and Oversight of the H. Comm. on Science, Space, and Technology, 112 th Cong. (2011) (testimony of W. David Montgomery).

Andrew P. Morriss et. al., 7 Myths About Green Jobs, PERC Policy Series, No. 44, 2009 available at <http://www.perc.org/files/ps44.pdf> .

Prepared Testimony of W. David Montgomery before the Subcomm. on Investigations and Oversight,

H. Comm. on Science, Space and Technology, Apr. 13, 2011, available at http://www.nera.com/nera-files/Montgomery_Testimony_4_13_11.pdf

U.S. Dep't of Energy Loan Programs Office, "Projects" available at: https://lpo.energy.gov/?page_id=45.

U.S. Dep't of Energy Loan Programs Office, "Projects: Ford Motor Company" available at <https://lpo.energy.gov/?projects=ford-motor-company>.

Frantz stated during a phone interview, "[ATVM] is not a jobs program. [Job creation] is not a governing factor when we do a deal. It's only a matter of record."

DOE also includes failed projects and a project that refused DOE funding in its job creation numbers. Despite Solyndra going bankrupt and firing all of its employees, as of February 20 th , 2012, DOE still lists Solyndra as creating 3,000 construction jobs (see figure below). While those jobs may have briefly existed, touting jobs for a defaulted project that lost hundreds of millions in taxpayer dollars and including those jobs in a total jobs count prominently displayed on DOE's website is inappropriate and misleading.

Interview with David G. Frantz Acting Director ATVM Program Jan. 13, 2012.

DOE continues to include in its list of projects a \$105 million loan guarantee it finalized with POET, LLC to build an ethanol plant. According to DOE's website, POET, LLC's loan guarantee will create 40 permanent jobs and 200 construction jobs. However, POET announced on January 23, 2012, that it had decided not to accept the DOE loan guarantee because it had acquired private financing. 174 Despite POET declining DOE's money, as of February 20, 2012, DOE had continued to include it in its job creation numbers (see figure below).

DOE also includes 180 jobs that Abound Solar announced, on February 29, 2012, it will be laying off due to a "retooling" of manufacturing facilities. Abound struggles to compete with Chinese manufactures that provide a comparable solar panel for a more competitive price. When asked about the layoffs, Abound's CEO, Craig Witsoe, stated, "We hate to have any job loss in the company. But it was the right decision for the business." 175 Of the \$400 million DOE loan guarantee received by Abound, the company had already drawn down \$70 million at the time of the layoffs.

Timothy Gardner, Ethanol maker POET declines U.S. government loan aid, R EUTERS , Jan. 23, 2012 available at <http://www.reuters.com/article/2012/01/23/us-usa-ethanol-loanaid-idUSTRE80M20K20120123> .

Matthew Mosk, More Green Energy Layoffs: Colorado Solar Firm Cuts Workforce in Half, ABC N

EWS , Feb. 29, 2012 available at <http://abcnews.go.com/Blotter/about-solar-lays-off-180-workers/story?id=15816806>.

DOE also incorporates jobs figures for Fisker Automotive (Fisker), which announced a 26 employee layoff on February 6, 2012, at their Wilmington, Delaware plant, as well as for Beacon Power Corp, which filed for Chapter 11 bankruptcy in October 2011, eliminating 34 construction and permanent jobs.

In addition to misleading the public regarding the number of permanent jobs created by the loan program, DOE obfuscates the number of jobs “created” by combining temporary and permanent jobs. For each listed loan and loan guarantee project, DOE provides a figure for permanent jobs and construction jobs. As loan projects generally require significant construction, these projects predominantly create temporary construction jobs, which terminate upon a project’s completion. For example, solar generation projects require few permanent employees to maintain and operation the facility. In the case of Antelope Valley Solar Ranch, DOE’s posting reflects 350 temporary construction jobs and only 20 permanent jobs.

Nonetheless, DOE reports the number of jobs “saved or created” as 370, even though 95% are temporary.

V. The Broken Process for Awarding Loan Guarantees

A. External Pressures on the Program

DOE’s Inspector General explained that the administration of Recovery Act funds proved to be “more challenging than many had originally envisioned,” and specifically asserted that “the loan guarantee program could not always readily demonstrate through documentation how it resolved or mitigated relevant risks prior to granting loan guarantees.” 177 In addition to these

concerns, the Committee has also discovered the existence of a revolving door of persons who worked at green energy investment groups only to later be hired by the Administration, which present significant conflicts of interest. These connections raise the specter of undue influence over the loan guarantee process.

The Revolving Green Door Payola Scams

.Google

Over 300 Google staff were placed in the White House and adjacent agencies after Google provided Green Energy search engine news rigging and cash to the Obama Campaign. Google VC’s and executives skimmed billions in contracts, jobs, and stock perks from the program.

.Nancy Ann DeParle

Nancy Ann DeParle, the current Deputy Chief of Staff for Policy in the White House, had a financial stake in the success of Granite Reliable, which received \$168.9 million loan from DOE. Prior to joining the White House, DeParle was a Managing Director of multi-billion dollar private equity firm CCMP and she both had a financial interest in and sat on the Board of Directors for Noble Environmental Power, LLC. 178 Noble owned Granite Reliable, a wind

The Green Energy Debacle: Where Has All the Taxpayer Money Gone?: Hearing Before the Subcomm. On Regulatory Affairs, Stimulus Oversight, and Government Spending of the H. Comm. on Oversight and Gov't Reform, 112th Cong. (2011) (statement of Gregory Friedman, Inspector General, U.S. Dep't of Energy).

CCMP Capital Company Website available at <http://www.ccmcapital.com/>.

energy project. Prior to her departure, her position on Noble's board of Directors positioned her to understand the most confidential and material aspects of Noble Environmental and its subsidiary Granite Reliable. DeParle misrepresented her relationship with Noble Energy, claiming on disclosure forms that her interest had been divested, when in fact it had merely been transferred to her 10 year old son. During her time at the White House, Granite Reliable sought and, in September 2011, obtained a partial guarantee of a \$168.9 million loan. 181 Granite Reliable's application for a DOE loan guarantee was made at least by early 2010, and probably earlier than that, according to signed documents relating to the loan application. Noble sold Granite Reliable in December 2010 to Brookfield Asset Management, just 6 months prior to the conditional approval of the DOE loan guarantee and deep into the application process. The DOE loan guarantee was conditionally approved on June 2011 and finalized in September 2011. DeParle's ownership stake in Noble, which owned Granite Reliable, a beneficiary of a DOE loan, represents a clear conflict of interest.

.Michael Froman

Michael Froman currently serves as the Deputy Assistant to the President and Deputy National Security Advisor for International Economic Affairs. 182 He was a friend of President Obama's from law school, 183 and supported his political career by bundling over \$200,000 for his 2008 presidential candidacy. Prior to his arrival at the White House, Froman was the Managing Director of Alternative Investments at Citigroup, 185 where he managed infrastructure and sustainable development investments. 186 Citigroup became a major investor in SolarReserve, 187 which ultimately received a \$737 million loan guarantee in September 2011.

Press Release, Noble Environmental Power, Noble Environmental Power Signs Agreement for the Sale of its Interest in its New Hampshire Wind Project (Dec. 7, 2010) available at http://www.noblepower.com/pressroom/documents/10-12-7_NEP-SignsAgreementForSaleOfNHWindProject_Final.pdf.

Nancy Ann DeParle, Executive Branch Personnell Public Financial Disclosure Report (Mar. 9, 2009) available at <http://www.scribd.com/doc/62509267/DeParle-Nancy-Ann-278-10A>.

U.S. Dep't of Energy Loan Programs Office, 1705 Program, "Projects: Granite Reliable" available at <https://lpo.energy.gov/?projects=granite-reliable>.

Center for Responsive Politics, “Barack Obama Bundlers,” OpenSecrets available at <http://www.opensecrets.org/pres08/bundlers.php?id=N00009638>.

Jonathan Weisman, Obama Taps Froman For Joint Security, Economic Post, WALL S T . J., Jan. 30, 2009 available at <http://online.wsj.com/article/SB123328110238231817.html>. OpenSecrets, supra note182.

DealBook, Citigroup Fund Hit a Speed Bump, N . Y . T IMES , July 20, 2009 available at <http://dealbook.nytimes.com/2009/07/20/citigroup-funds-hit-speed-bump/?ref=michaelfroman>.

Press Release, Harvard Law School, Michael Froman ’91 joins White House in joint security, economic post (Feb. 3, 2009) available at http://www.law.harvard.edu/news/2009/02/03_froman.html.

.Steve Westly

Steve Westly co-founded the Westly Group, a clean energy venture capital firm that, according to DOE records, has reaped over \$600 million in DOE loans for its portfolio of investments. One recipient company was Tesla Motors, a premium electric vehicle manufacturer to which DOE awarded a \$465 million loan guarantee in January 2010. Westly also sat on Tesla’s Board of Directors in the company’s early days. Westly is a personal friend of President Obama and bundled over \$500,000 for his 2008 campaign. Since the election, Westly has visited the White House multiple times for both business and pleasure, and has privately dined with the President in small group fundraising settings.

After President Obama’s election, Westly was rumored to have been a primary candidate for Energy Secretary. When Secretary Chu received the appointment, Westly was given the opportunity to serve on an advisory board to the DOE, “a pivotal [sic] advisory committee that made recommendations to the secretary on alternative energy policies.” One committee initiative included a recommendation to modify federal rebates for electric cars, a change that would benefit companies such as Westly Group’s Tesla. E-mails released by the White House also indicate that Westly’s advisory role gave him access to Obama’s top advisors and senior White House officials, including advisor Valerie Jarrett.

.David Sandalow

Jim McElhatton, Feds guarantee \$1 billion in new solar loans, WASH . T IMES , Sept. 28, 2011 available at

<http://www.washingtontimes.com/news/2011/sep/28/feds-guarantee-1-billion-in-new-solar-loans/?page=all>.

U.S. Dep’t of Energy Loan Programs Office, “1705 Program: Projects” available at https://lpo.energy.gov/?page_id=45.

Carol D. Leonig and Joe Stephens, Venture capitalists play key role in Obama’s Energy Department, WASH . P OST , Feb. 14, 2012 available at http://www.washingtonpost.com/politics/venture-capitalists-play-key-role-in-obamas-energy-department/2011/12/30/gIQA05raER_story.html.

The Westly Group Company Website, “Portfolio” available at <http://westlygroup.com/portfolio/>.

U.S. Dep’t of Energy Loan Programs Office, Advanced Technology Vehicle Manufacturing Program, “Projects:

Tesla Motors” available at <https://lpo.energy.gov/?projects=tesla-motors>.

Stephen Frank, “Steve Westly: the Lynchpin to Funny White House Loans,” California Political News and Views

(Oct. 17, 2011) available at <http://capoliticalnews.com/2011/10/17/steve-westly-the-lynchpin-to-funny-white-house-loans/>.

Leonigg and Stephens, supra note 189.

Frank, supra note 192.

Leonigg and Stephens, supra note 189.

David Sandalow currently serves as the Assistant Secretary for Policy and International Affairs at DOE, where he acts as Secretary’s Chu’s principal adviser on energy policy as well as coordinates DOE’s foreign policy involvement. Sandalow’s ties to the White House date back to the Clinton Administration, during which he worked with President Clinton on environmental issues. After having gained this experience, Sandalow became the influential Chair of the Energy & Climate Working Group of the Clinton Global Initiative. 201 He went on to advise President Obama’s presidential campaign in 2008. 202 Prior to joining the Obama Administration, Sandalow was a senior advisor to Good Energies, Inc., an energy-focused venture capital firm. 203 Good Energies is an investor in SolarReserve, 204 a solar power company that received a \$737 million loan guarantee from DOE in September 2011. 205

.Sanjay Wagle

Sanjay Wagle has most recently served as Renewable Energy Advisor to DOE under Secretary Chu, where he helped oversee the \$11 billion renewable energy program under the Recovery Act. 206 Wagle was an Obama fundraiser for the 2008 presidential campaign, garnering much of his support through his Clean Tech for Obama group. Another venture capitalist that has acquired an influential role at

DOE, his industry colleagues believed that Wagle, among others, “would help ensure commercial successes from ‘the steady flow of dollars coming out of DC.’”

Prior to arriving in Washington, Wagle was a principal at Vantage Point Venture Partners (Vantage Point), a cleantech venture capital firm whose investments received \$2.4 billion in taxpayer funds. 208 Among them were Brightsource, which received \$1.6 billion for solar generation; Tesla Motors, which received \$465 million for electric car manufacturing; and

Energy.gov, “About Us: David Sandalow” available at <http://energy.gov/contributors/david-sandalow>; “Who Runs Gov: David Sandalow,” WASH . P OST available at http://www.washingtonpost.com/politics/david-sandalow/gIQAR6wHAP_topic.html.

“Who Runs Gov: David Sandalow,” supra note 199.

Press Release, The White House, President Obama Announces More Key Administration Posts (Mar. 20, 2009) available at <http://www.whitehouse.gov/the-press-office/president-obama-announces-more-key-administration-posts-32009>.

Good Energies Company Website, “Investments” available at <http://www.goodenergies.com/investment/companies>.

U.S. Dep’t of Energy Loan Programs Office, 1705 Program, “Projects: SolarReserve, LLC” available at <https://lpo.energy.gov/?projects=solarreserve-llc-crescent-dunes>.

Leonnig and Stephens, supra note 189; Event Announcement, Full Circle Fund, Environment/Energy Circle Meeting (Nov.16, 2011) available at <http://www.fullcirclefund.org/event.php?id=838>.

Leonnig and Stephens, supra note 189.

Mascoma, which received \$80 million for an ethanol plant. 209 Wagle left Vantage Point and moved to DOE shortly after Obama’s election, “just as the administration embarked on a massive program to stimulate the economy with federal investments in clean-technology firms.” His former firm and the

companies it invested in, therefore, had a large stake in then financing decisions being made by DOE at the time.

.Steve Spinner

Steve Spinner served as an advisor to Secretary Chu from April 2009 to September 2010. In that position, Spinner helped oversee the strategic operations of the clean energy loan guarantee program under the Recovery Act. 212 Spinner was previously an energy-focused venture capitalist and high-tech consultant. 213 He is also an Obama bundler, having raised over \$500,000 for the President in 2008, 214 and over \$200,000 thus far for 2012. Spinner's wife, Allison Berry Spinner, is a partner at Wilson Sonsini Goodrich & Rosati, the law firm that represented Solyndra on matters related to the DOE loan. According to federal records, the firm received at least \$2.4 million in federal funds for legal fees related to the representation.

White House e-mails released late last year indicate that Spinner was influential in securing the \$528 million loan to now-bankrupt Solyndra. Many of those emails were written just days after he signed an ethics agreement pledging that he would "not participate in any

discussion regarding any application involving" his wife's law firm. In one message to a DOE official on August 28, 2009, Spinner wrote, "How hard is this? What is he waiting for? . . . I have OVP and WH breathing down my neck on this." The e-mail went on to demand that the DOE official "walk over there and force [the official working on the Solyndra evaluation] to give [him] an answer." After just being contacted by Solyndra, Spinner inquires in another e-mail, "Any word on OMB? Solyndra's getting nervous." The e-mail correspondence occurring in the final days before the Solyndra loan closed in September 2009 centers heavily on Spinner's

Matthew Daly, Steve Spinner, Energy Department Advisor, Pushed Solyndra Loan, Emails Show, HUFFINGTON POST, Oct. 7, 2011 available at http://www.huffingtonpost.com/2011/10/07/obama-fundraiser-pushed-s_n_1000826.html.

Matthew Mosk, Obama Fundraiser Pushed Solyndra Deal From Inside, ABC NEWS, Oct. 7, 2011 available at

<http://abcnews.go.com/Blotter/obama-fundraiser-pushed-solyndra-deal-inside/story?id=14691618#.TzrE9MXQIsI>.

OpenSecrets, supra note 182.

BarackObama.com, "Obama For America Victory Fund 2012 Volunteer Fundraisers" available at <http://www.barackobama.com/pages/volunteer-fundraisers-Q2/>.

Mosk, supra note 213.

Daly, supra note 212.

Mosk, supra note 213.

efforts to coordinate plans for either the President or Vice President to announce the first loan approval at a scheduled visit to Solyndra.

.Peter Weeks

Peter Weeks currently serves as Clean Energy Advisor at DOE, a position to which he was appointed in March 2009. 223 To be clear, there is no apparent connection between Mr. Weeks and a project that received a loan from DOE. However, his profound lack of experience in the renewable energy arena before being named as a top DOE advisor causes some concern.

Prior to joining the Administration, Weeks's resume consisted primarily of Democratic campaign positions with groups such as Obama for America, Maine Democratic Party, Kerry for President, and Gephardt for President. His prior experience was limited to communications and politics, and includes no record of any energy policy expertise.

According to Weeks, his work at DOE has included helping to "develop due diligence and procurement plans of 200 awards worth over \$10 billion," as well as "manage two multi-billion dollar energy tax programs." Additionally, Department e-mails also indicate that Weeks participated in meetings with and had access to high-level officials, including Ron Bloom, giving him the opportunity to participate in decisions and exert some degree of influence. Weeks's position at DOE appears to involve highly technical issues with high stakes and great sensitivity.

It is puzzling how someone without any prior energy, project management, or finance experience would be appointed to a position with responsibilities of this magnitude and particular nature. A private sector institution responsible for due diligence for billions of dollars in loans would never trust someone with only campaign experience to be involved with such technical issues. Given Weeks's consistent history of strong support of the Democratic Party and President Obama, his appointment adds to the perception that many of the Administration's decisions have been driven by politics as opposed to any viable, coherent, energy policy.

There are a vast list of other revolving door conflicts-of-interest and apparent job payola positions.

VI. Concerns Relating to Section 1705 Loan Guarantee Recipients

A. Solopower at CCC+ Setting the Standard for Inappropriate Loan Commitments

Peter Weeks, Linked In, Profile available at <http://www.linkedin.com/in/weekspeter>.

E-mail from Peter Weeks, Clean Energy Advisor, U.S. Dep't of Energy, to Brandon Hurlbut, Udai Rohatgi, Peter

Gage, Tom Reynolds, and Rachel Tronstein (Feb. 23, 2011, 6:36 PM EST) (on file with author).

Solopower is a European firm that seeks to build a solar factory in Oregon. Solopower accepted \$40 million of Oregon taxpayer money in addition to DOE's approval of a \$197 million loan via the Federal Financing Bank (FFB). 229 They received this federal assistance despite a rather dire prediction of Solopower's prospects by Standard & Poor's (S&P). According to internal documents obtained by the Committee, S&P warned DOE that:

We believe that [average selling price (ASP) per watt] could decline to \$1 or less within the next 1-2 years. From the output provided by the DOE, we concluded that even if SoloPower achieves the efficiency and yield projections of the DOE's base case, an ASP of \$1 or less would severely strain SoloPower's ability to meet its debt service obligations. In other words, S&P predicted that Solopower will fail to meet its debt obligations.

Additionally, the loan's already extremely poor S&P rating of CCC+ appears to depend on lender protections that prevent loan disbursements unless benchmarks are met:

It is to lenders' advantage that the company will not have access to the credit facility until it constructs and operates Line 1A at expected levels of performance. Similarly, the company cannot make the first or subsequent draws unless 30% of installed capacity is under contract to be sold. According to S&P, these lender protections enable S&P to provide a CCC+. In short, the primary protection against losing \$197 million of taxpayer money is the small chance that Solopower will ever get the money. Without these protections, it can only be presumed that the credit rating would fall to levels reflecting default.

The story of Solopower reflects a very concerning form of waste that creates substantial uncertainty as a byproduct, tying up private investor capital and federal funds until the entity fails (or succeeds) to achieve targeted benchmarks. If Solopower fails to achieve success sufficient to receive DOE funds, then those private investors anticipating the benefit of DOE loans will suffer substantial loss, resources will have been wasted, and employees will be let go after a short time. However, if Solopower meets the requirements for disbursement, then the likelihood for failure and loss to the taxpayer are significant as the base case for the panel manufacturer's production costs does not reflect expectations for sufficiently competitive pricing.

What Solopower lacked in economic value, it made up for in political connections.

Unlike other 1705 loan guarantee recipients, Solopower exerted bipartisan political influence on DOE through strong ties to both the Bush and Obama Administrations. Solopower itself built the ties to the Obama Administration.

.Bruce Khouri

...who served on the Board of Directors

Ted Sickinger, Solyndra Meltdown a Cautionary Tale for Oregon and SoloPower, its Latest Solar Bet, The Oregonian, Sept. 27, 2011, available at <http://www.oregonlive.com/business/index.ssf/2011/09/>

[solyndras_plight_casts_cautionary_tale_for_oregon_and_solopower_its_latest_solar_bet.html](http://www.solopower.com/management.html).

Standard & Poors Credit Report, Solopower, Inc., July 11, 2011 (on file with author).

Board of Directors, Solopower, available at <http://www.solopower.com/brucekhouri.html> (last visited Mar. 15, 2012).

and now serves as the Chief Commercial Officer, 234 donated \$28,500 to the Democratic National Committee's "Obama Victory Fund" in 2008. 235

.Lou DiNardo

...who served as interim CEO 236 and now serves as Chairman of the Board of Directors, previously worked as a General Partner at VantagePoint Venture Partners where DOE stimulus advisor Sanjay Wagle worked. Solopower, based in San Jose, California, developed an ally in Democratic San Jose Mayor Chuck Reed. Mayor Reed sent letters to DOE and talked with DOE's Jonathan Silver in person to advocate for and attempt to speed up Solopower's loan guarantee.

Hudson Clean Energy Partners, the biggest investor in Solopower, had strong ties to the Bush-era DOE. Craig Cornelli, a member of the Board of Directors at Solopower and Managing Director at Hudson Clean Energy Partners, and Alexander Karsner, a member of the Hudson Clean Energy Partners Advisory Board, both worked in renewable energy positions for DOE during the Bush Administration. Another Managing Partner for Hudson Clean Energy Partners, Neil Auerbach, donated tens of thousands of dollars to Republicans in 2008. Hudson Clean Energy Partners also retained BlueWater Strategies to lobby both branches of Congress and the White House. According to BlueWater Strategies' website, Andrew Lundquist, founder and Managing Partner, "led George W. Bush's transition team for the Department of Energy" and "served as a senior advisor and strategist on energy issues for the President and Vice President."

With its ties to DOE officials in both the previous and current Administrations, Solopower had people on both sides of the political aisle that could use their influence to pressure DOE into issuing and finalizing Solopower's loan guarantee.

B. Beacon Power: Taxpayers Predictably Lose Millions

Led by CEO ...

.F. William Capp

... an Obama donor 244 – Beacon Power became the second 1705 loan guarantee recipient to go bankrupt on October 31, 2011. 245 Despite warnings from

Management, Solopower, available at <http://www.solopower.com/management.html> (last visited Mar. 15, 2012).

Federal Election Commission, FEC Form 3X filed by 2008 Obama Victory Fund, at 1650.

Press Release SoloPower Prepares for Market Entry and Names Lou DiNardo as Interim CEO, July 8, 2009,

available at <http://www.solopower.com/ceov11.html>.

Lou DiNardo, SoloPower, available at <http://www.solopower.com/loudinardo.html> (last visited Mar. 15, 2012).

Aaron Glantz, After Solyndra, a 2 nd Solar Energy Firm Is Scrutinized, N.Y. TIMES , Oct. 15, 2011, available at:

<http://www.nytimes.com/2011/10/16/us/after-solyndra-a-2nd-solar-energy-firm-is-scrutinized.html?pagewanted=all>.

Joel Gehrke, Solopower, a Connected Company with DOE Support, THE EXAMINER , Nov. 9, 2011, available at

<http://campaign2012.washingtonexaminer.com/blogs/solopower-connected-company-doe-support>.

Aaron Glantz, After Solyndra, a 2 nd Solar Energy Firm Is Scrutinized, N.Y. TIMES , Oct. 15, 2011, available at:

<http://www.nytimes.com/2011/10/16/us/after-solyndra-a-2nd-solar-energy-firm-is-scrutinized.html?pagewanted=all>.

Andrew D. Lundquist, available at <http://www.bwstrategies.com/>

[index.php?option=com_content&task=view&id=35&Itemid=22](http://www.bwstrategies.com/index.php?option=com_content&task=view&id=35&Itemid=22) (last visited Mar. 15, 2012).

Center for Responsive Politics, available at <http://www.opensecrets.org/indivs/>

[search.php?](http://www.opensecrets.org/indivs/search.php?name=capp&state=MA&zip=&employ=&cand=&c2012=Y&c2010=Y&c2008=Y&sort=N&capcode=w)

[name=capp&state=MA&zip=&employ=&cand=&c2012=Y&c2010=Y&c2008=Y&sort=N&capcode=w](http://www.opensecrets.org/indivs/search.php?name=capp&state=MA&zip=&employ=&cand=&c2012=Y&c2010=Y&c2008=Y&sort=N&capcode=w)

[sp3w&submit=Submit+your+Donor+Query](http://www.opensecrets.org/indivs/search.php?name=capp&state=MA&zip=&employ=&cand=&c2012=Y&c2010=Y&c2008=Y&sort=N&capcode=w) (last visited Mar. 15, 2012).

Dawn McCarty, Beacon Power, Backed by U.S. Loan Guarantees, Files Bankruptcy, BUSINESSWEEK , Oct. 31, 2011, available at: <http://www.businessweek.com/news/2011-10-31/beacon-power-backed-by-u-s-loan-guarantees->

both S&P and its own internal analysis regarding risky business models, DOE proceeded with a deal that will cost taxpayers millions in losses.

Before its demise, Beacon Power relied on funding from the federal government. DOE gave Beacon Power over \$25 million in grants. However, the largest investment came when DOE announced a conditional \$43 million loan guarantee to Beacon Power on July 2, 2009, to create a “20 megawatt flywheel energy storage plant” in Stephentown, New York. 247 In April 2010, S&P evaluated the loan guarantee project and assigned it a dismal CCC+ credit rating, even though the rating incorporated the benefit of the \$43 million loan guarantee. The S&P rating noted that “Beacon is currently an unprofitable start-up” and that “significant exposure to commodity price volatility” could significantly hurt the company. S&P ran two default scenarios, both of which demonstrated that taxpayers would lose millions. 250 DOE conducted its own risk analysis and also assigned Beacon Power a junk CCC+ rating. DOE, however, ignored these warnings and finalized the loan guarantee in August 2010. As predicted, Beacon Power continued to remain unprofitable and burn through money at a rapid rate. In the weeks leading up to its bankruptcy, Beacon Power began spending hundreds of thousands of dollars on law firms. When Beacon Power went bankrupt, DOE tried to minimize the bad publicity by arguing that it had required “many protections for the taxpayer” in the loan guarantee contract. However, as Beacon Power continues to go through the bankruptcy process, DOE now admits that taxpayers will likely lose millions on this bad investment. 255 DOE could have avoided these losses by taking the warnings of S&P and its own analysis seriously and not risking over \$39 million on a company destined for failure.

C. Abound Solar: Politics and a Risky Investment Collide

Steven Mufson and Juliet Eilperin, Beacon Power Declares Bankruptcy; Second Loan Guarantee Recipient to Falter, THE WASHINGTON POST, Oct. 31, 2011, available at http://www.washingtonpost.com/national/health-science/beacon-power-declares-bankruptcy-second-loan-guarantee-recipient-to-falter/2011/10/31/gIQACNAaM_story.html.

Press Release, Obama Administration Offers \$59 Million in conditional Loan Guarantees to Beacon Power and Nordic Windpower, Inc., U.S. Dep’t of Energy, July 2, 2009, available at: <https://lpo.energy.gov/?p=834>. Beacon Power created a wholly owned subsidiary called Stephentown Regulation Services, LLC., that ran the DOE funded flywheel energy storage plant and directly received the DOE loan guarantee. When Beacon Power, the parent company, went bankrupt on October 31 st, it decided to place its subsidiaries in bankruptcy as well.

Letter from Swami Venkataraman, Standard & Poors, to Beacon Power, April 30, 2010 (on file with author).

Letter from David Frantz, Acting Executive Director of Loan Program Office, U.S. DOE, to Hon. Darrell Issa, Chairman, H. Comm. on Oversight and Gov't Reform, Feb. 14, 2012 (on file with author).

Beacon Power Corporation, U.S. Dep'tt of Energy, available at <https://lpo.energy.gov/projects=beacon-power-corporation> (last visited Mar. 15, 2012).

Beacon Power Bankruptcy Filings, Provided to Committee by U.S. DOE (on file with author).

Dawn McCarty, Beacon Power, Backed by U.S. Loan Guarantees, Files Bankruptcy, BLOOMBERG, Oct. 31,

2011, available at: <http://www.businessweek.com/news/2011-10-31/beacon-power-backed-by-u-s-loan-guarantees-files-bankruptcy.html>.

Letter from David Frantz, Acting Executive Director of Loan Program Office, U.S. DOE, to Hon. Darrell Issa, Chairman, H. Comm. on Oversight and Gov't Reform, Feb. 14, 2012 (Stating “the DOE stands to recover more than 70 percent of the taxpayer’s investment.” However, even if DOE recovered 80 percent of its investment, taxpayers would still lose millions).

On July 3, 2010, President Obama announced during his weekly radio address that DOE would again invest hundreds of millions of dollars in a risky solar panel manufacturer. Much like Solyndra, Abound Solar manufactures solar panels using unproven technology, received a dismal credit rating for its loan guarantee, and has strong Democratic political connections. In fact, DOE finalized Abound Solar’s loan in the same month that DOE worked to restructure the failing Solyndra’s loan.

In between DOE issuing Abound Solar its \$400 million conditional loan guarantee and finalizing it in December 2010, Fitch Ratings evaluated the project and assigned it a junk credit rating. Fitch gave the project a credit rating of “B” (worse than Solyndra’s) with a recovery estimate of only 45%.²⁵⁶ Despite including the benefit of the DOE loan guarantee in the rating (which likely made the rating more favorable), Fitch labeled the project “highly speculative” and described Abound as lagging in technology relative to its competitors, failing to achieve stated efficiency targets, and expecting that Abound Solar will suffer from increasing commoditization and pricing pressures.²⁵⁷ In addition to these concerns, Fitch worried that Abound Solar needed to raise more private money to build its new facilities and that, if it could not, Abound Solar could default on its DOE loan.

Recently, Abound Solar began encountering the financial problems that Fitch predicted.

In line with Fitch’s prediction, Abound Solar has recently struggled to raise additional capital, causing DOE to stop disbursing loan payments to the company.²⁵⁹ More troubling, Abound Solar announced

on March 1 st that it would stop producing solar panels and would fire employees, even though it has already received \$70 million from DOE. Abound Solar continues to claim publicly that it does not have serious financial problems and will survive;

Letter from Jason Paraschac, Senior Director, Fitch Ratings, to Steve Abely, Chief Financial Officer, Abound Solar, Nov. 4, 2010 (on file with author).

“Abound’s lagging conversion efficiency negatively impacts the panel’s installed costs which should negatively impact expected panel [average selling prices]. In addition, Fitch expects further price pressures in this market over the next 3-5 years...”

“Abound has not provided an explanation as to why gains in [solar panel] conversion efficiency have not materialized as expected...”

“[Average selling price] assumptions in the new model are significantly below the prior plan. While this may in part reflect the lower conversion efficiency of [Abound’s] solar panel, it is largely a reflection of severe price contractions in the [solar photovoltaic panel] market over the past 24 months.”

“Abound must raise additional equity to fund the completion of its planned manufacturing facilities. An inability to access equity markets could force an early default of the loan before construction is complete but also before the loan is fully drawn down.”

Yuliya Chernova and Cassandra Sweet, California Solar Deal Hits a Snag, THE WALLS T. J., Feb. 11, 2012, available at: <http://online.wsj.com/article/SB10001424052970203646004577214973345400202.html>.

Todd Woody, Abound Solar, Recipient of \$400 Million Federal Loan Guarantee, Halts Production, FORBES, Mar. 1, 2012, available at <http://www.forbes.com/sites/toddwoody/2012/03/01/abound-solar-recipient-of-400-million-federal-loan-guarantee-halts-production/>.

however, its inability to raise capital and meet DOE’s requirements likely indicate serious troubles ahead for the company, as predicted by Fitch.

Abound Solar has ties to Democratic politicians at the federal level and the state level in Colorado. Bohemian Companies, LLC, founded by Pat Stryker, became an early investor in Abound Solar (at the time AVA Solar) in October, 2008. In addition to the initial funding, th CEO of Bohemian Companies, Joseph Zimlich, has served as both a director and a board member of Abound Solar. Pat Stryker is a major Democratic donor who Forbes included on its 2011 list of top liberal spenders. In 2008, Stryker donated \$50,000 and bundled \$87,500 for President Obama’s 2009 inauguration, and has given \$35,800 to the 2012 Obama Victory Fund. Abound Solar also developed ties to Congressional Democrats. The company hired then Democratic Congressman Paul Kanjorski’s nephew Russell as its vice president for marketing. Abound Solar supported the 2009 cap and trade bill in the House of

Representatives and funded an advertisement thanking then-Colorado Democratic Congresswoman Betsy Markey for her vote in favor of the bill. At the state level, then-Democratic Colorado Governor Bill Ritter strongly supported Abound Solar and its application for a DOE loan guarantee. When Energy Secretary Chu visited Colorado, Governor Ritter handed Secretary Chu a letter urging him to approve Abound Solar's loan guarantee because it would allow the company to expand and hire new workers.

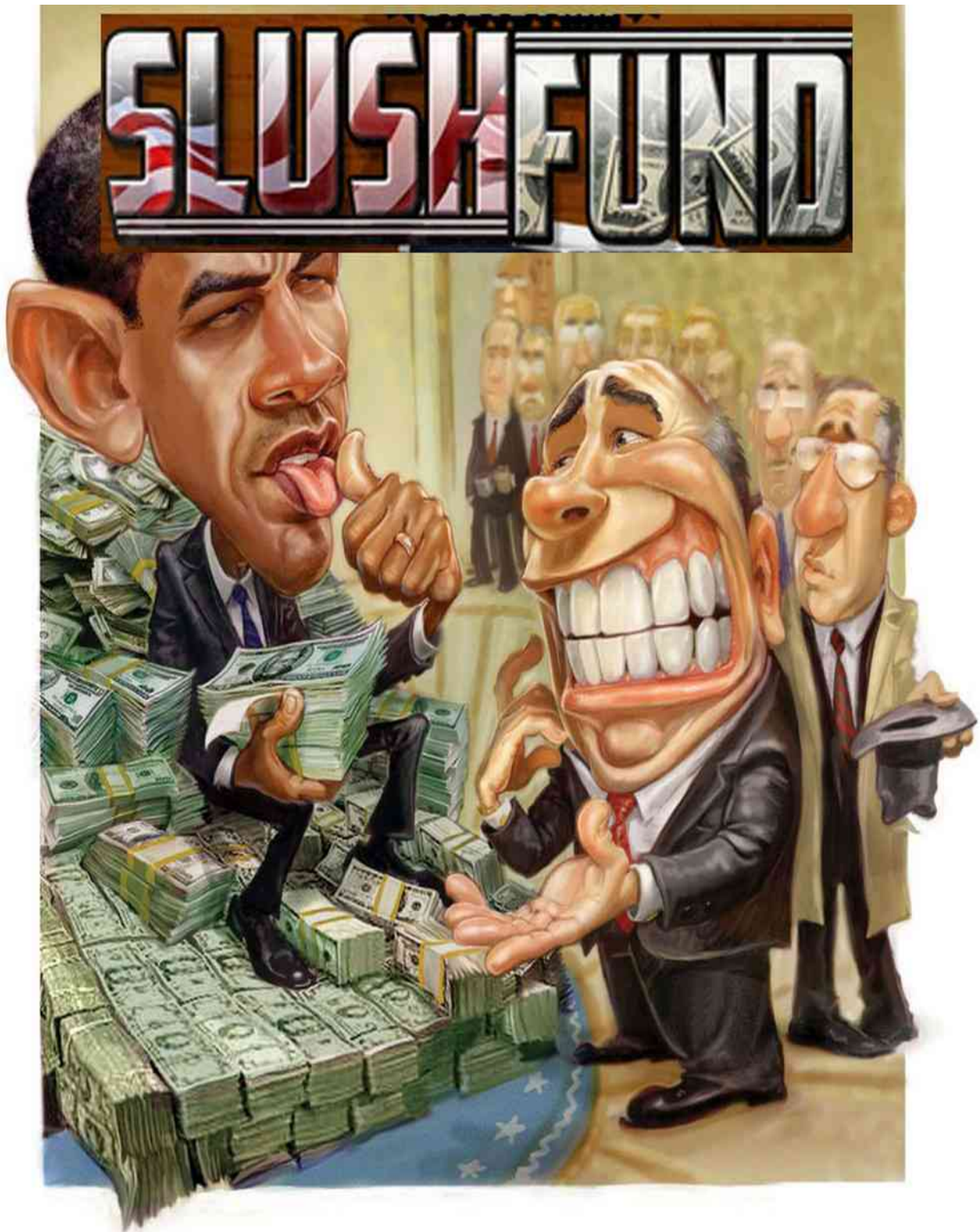


Illustration 9: Dept Of Energy Is A Political Money Laundering Operation

The combination of Abound Solar's junk credit rating, financial problems, and the company's political connections raise serious concerns about whether DOE based the decision to invest \$400 million on merit and whether taxpayers could again lose millions on a dubious solar manufacturing project.

D. Ormat Nevada: Strong Ties to Harry Reid

.Senate Majority Leader Harry Reid

...announced on September 23, 2011, that DOE finalized a \$350 million partial loan guarantee for three geothermal power plants owned by Ormat Nevada, Inc. 269 Ormat also benefitted from the \$98.5 million loan guarantee to Nevada

Press Release, AVA Solar Completes \$104 Million Equity Financing, Abound Solar, Oct., 2008, available at <http://www.abound.com/news/ava-solar-completes-104-million-equity-financing>.

Se: U. S. Securities and Exchange Commission Form D, AVA Solar, Inc., Dec. 21, 2010, available at: http://sec.gov/Archives/edgar/data/1391624/000139162410000003/xslFormDX01/primary_doc.xml.

See The Board of Governors of the Colorado State University System, Colorado State University System, available at <http://csusystem.edu/pages/board.asp>.

Jon Bruner and Clare O'Connor, Liberal Spenders, F ORBES , Sept. 21, 2011, available at <http://www.forbes.com/forbes/2011/1010/forbes400-11-networks-data-driven-liberal-spenders-bruner-oconner.html>.

Keenan Steiner, Another Renewable Energy Loan Recipient Hires Lobbyists, has Fundraising Ties to Obama, Sunlight Foundation, Nov. 30, 2011, available at <http://reporting.sunlightfoundation.com/2011/another-renewable-grantee-hires-lobbyists-has-fundraising-ties-o/>.

Bill O'Boyle, Kanjo Nephew Works at firm that Gets Loan, T HE TIMES LEADER , July 13, 2010, available at http://www.timesleader.com/news/Kanjo_nephew_works_at_firm_that_gets_loan_07-12-2010.html.

Thank You Betsy Markey, The Environmental Defense Action Fund, July 15, 2009, available at <http://www.youtube.com/watch?v=uvBD3XvRf2Y> (last visited Mar. 15, 2012).

Cathy Proctor, Ritter Backing Colo. Companies Seeking Department of Energy Loan Guarantees, D ENVER B US . J., May 17, 2009, available at <http://www.bizjournals.com/denver/stories/>

[2009/05/18/story5.html?page=all](http://www.oregon.gov/energy/2009/05/18/story5.html?page=all).

Press Release, Reid Announces Finalized Loan Guarantee for Ormat Geothermal Projects, United States Senator Harry Reid, Sept. 23, 2011, available at http://reid.senate.gov/newsroom/pr_092311_geothermalloan.cfm.

Geothermal (see below) as Ormat received an almost \$80 million engineering, procurement, and construction contract to build Nevada Geothermal's Blue Mountain plant. Meaningful ties exist between the Senator and Ormat. Two of Ormat's federal lobbyists previously worked for Senator Reid. Ormat's outside lobbyist, Kai Anderson of Cassidy and Associates, served as Senator Reid's Deputy Chief of Staff up until 2005. Anderson lobbies both the House of Representatives and the Senate for Ormat. Anderson has given close to \$90,000 to Democratic candidates and campaign committees over the past three cycles, including thousands to Senator Reid. Ormat's company lobbyist, Director of Policy and Business Development Paul Thomsen, served as a "Regional Representative" for Senator Reid through 2005. Thomsen gave thousands in political contributions to Senator Reid. During Senator Reid's 2010 reelection campaign, Thomsen starred in a campaign ad for Senator Reid to advertise the benefits of Ormat's loan guarantee for Nevada. In addition to Anderson and Thomsen, Ormat's President, Yoram Bronicki, gave thousands in political contributions to Senator Reid. The strong ties between the company and the Senate Majority leader raise questions about whether the DOE acted in the best interests of the American people when it approved the loan guarantee.

E. Nevada Geothermal's Blue Mountain Project

On June 15, 2010, DOE announced that it would conditionally issue a \$98.5 million partial loan guarantee to Nevada Geothermal Power Company (Nevada Geothermal). This loan enabled Nevada Geothermal to refinance the Blue Mountain Geothermal Project (Blue Mountain) through John Hancock Financial Services (John Hancock). In other words, the DOE Nevada Geothermal Application for DOE

Loan Guarantee, U.S. Dep't of Energy, Nov. 2, 2009 (on file with author).

Eric Lipton and Clifford Krauss, A U.S.—Backed Geothermal Plant in Nevada Struggles, N.Y. T IMES , Oct. 2, 2011, available at <http://www.nytimes.com/2011/10/03/business/a-us-backed-geothermal-plant-in-nevada-struggles.html?pagewanted=all>; Kai S. Anderson, Congressional Staffer —Salary Data, Legistorm: Transparency's

Sidekick, available at http://www.legistorm.com/person/Kai_S_Anderson/201.html. See Lobbying Report for Cassidy & Associates, available at <http://soprweb.senate.gov/index.cfm?event=getFilingDetails&filingID=68E4AB5B-FB37-4072-AA8E-187A97BF8E66>.

Center for Responsive Politics, available at <http://www.opensecrets.org/indivs/search.php?capcode=t3hkh&name=anderson,20kai&employ=&cand=&state=DC&zip=&all=n&old=N&c2008=Y&c2010=Y&c2012=Y&sort=N&page=1>.

Eric Lipton and Clifford Krauss, A U.S.—Backed Geothermal Plant in Nevada Struggles, N.Y. T

IMES, Oct. 2, 2011, available at <http://www.nytimes.com/2011/10/03/business/a-us-backed-geothermal-plant-in-nevada-struggles.html?pagewanted=all>; Paul Thomsen, Congressional Staffer—Salary Data, Legistorm: Transparency’s

Sidekick, available at http://www.legistorm.com/person/Paul_Thomsen/30414.html; Legislative Hearing on H.R. 2170, H.R. 2171, H.R. 2172 and H.R. 2173 Before H. Comm. on Energy and Power, 112th Cong. (2011) (statement of Paul A. Thomsen, Director of Policy and Business Development, Ormat Technologies, Inc.).

Center for Responsive Politics, available at <http://www.opensecrets.org/indivs/search.php?name=&state=&zip=&employ=ormat&cand=&c2012=Y&c2010=Y&c2008=Y&sort=N&capcode=xbhnq&submit=Submit+your+Donor+Query> (last visited Mar. 15, 2012).

See *Geothermal, Harry Reid 2010, June 10, 2010*, available at http://www.youtube.com/watch?v=XvI_AY68BjQ&feature=plcp&context=C305c198UDOEgsToPDskIRhi7yhmpxqikeNWd9-nC0;Reid

Campaign Releases TV Ads on Clean Energy Jobs, Friends for Harry Reid, available at http://www.harryreid.com/index.php/news/release/reid_campaign_releases_tv_ads_on_clean_energy_jobs/.

Press Release, Energy Department Offers Conditional Commitment to Support Nevada Geothermal Development with Recovery Act Funds, U.S. Dep’t of Energy, June 15, 2010, available at: <https://lpo.energy.gov/?p=805>.

loan paid back a prior financial obligation of Nevada Geothermal. This was the first of DOE’s “Financial Institution Partnership Program” (FIPP) loan guarantees, under Section 1705, where private investment groups worked with DOE to provide financing to energy projects. 279 Less than three months after the conditional approval, DOE finalized this loan guarantee, enabling Nevada Geothermal to refinance a loan from TCW through John Hancock. The loan did not finance any new construction and therefore did not help to create a single new job. DOE’s awarding of this loan guarantee raises questions about why DOE was investing significant taxpayer resources in an entity with well-established financial difficulties.

In the press release for the project, Secretary Chu and Senate Majority Leader Harry Reid touted Blue Mountain’s potential, with Senator Reid saying that, “I am glad to see economic recovery funding being used to put Nevadans to work on a project that will help us achieve energy independence. Northern Nevada is the Saudi Arabia of geothermal energy and I thank Secretary Chu for recognizing the Silver State’s enormous job-creating potential to produce plenty of clean and affordable energy.” 281 It was known to him at that time, however, that the loan would not create a single job, but instead simply refinance an existing loan, despite DOE’s claim that it would create over 200 jobs.

1. Misuse of the DOE Loan Guarantee as a Tool to Bailout Creditors

Nevada Geothermal has a well documented history of major financial problems. By the time DOE conditionally approved the loan guarantee, Nevada Geothermal had already violated contract terms and

debt covenants relating to financing from its primary lender, TCW.

According to Nevada Geothermal's financial statements, the firm would not avoid default without the benefit of a loan guarantee.

On October 2, 2011, The New York Times ran a story about the financial difficulties of Nevada Geothermal, relying partially on a September 2011 Deloitte & Touche audit of the company which stated "significant doubt about the company's ability to continue as a going concern." 283 In response, DOE dismissed the financial problems of Nevada Geothermal and instead pointed to the alleged financial health of Blue Mountain to argue that the loan guarantee would be repaid. Given that Nevada Geothermal's principal operation is Blue Mountain's Faulkner I Power Plant, such a distinction has questionable merit.

Press Release, Department of Energy Issues Loan Guarantee Supported by Recovery Act for Nevada Geothermal Project, U.S. Dep't of Energy, Sept. 7, 2010, available at <https://lpo.energy.gov/?p=787>.

Loan Programs Office, U.S. Dep't Of Energy, available at https://lpo.energy.gov/?page_id=45 (last visited Mar.15, 2012).

Eric Lipton and Clifford Krauss, A U.S.-Backed Geothermal Plant in Nevada Struggles, N.Y. TIMES, Oct. 2, 2011, available at <http://www.nytimes.com/2011/10/03/business/a-us-backed-geothermal-plant-in-nevada-struggles.html?pagewanted=all>.

Peter Urban, DOE Remains Confident in Nevada Geothermal Plant, LAS VEGAS REVIEW - JOURNAL, Oct. 4, 2011, available at <http://www.lvrj.com/news/doe-remains-confident-in-nevada-geothermal-plant-131035678.html>.

See Nevada Geothermal Power Inc., Consolidated Financial Statements, June 30, 2010 at 6, available at http://www.nevadageothermal.com/i/pdf/Annual_Financials_2010.pdf.

As noted above, at the time DOE approved the conditional loan guarantee, Nevada Geothermal had already violated terms to the loan agreement with its primary creditor, TCW.

Based on financial disclosures, Nevada Geothermal avoided default as a result of TCW's granting a waiver and extension in anticipation of the John Hancock financing backed by the DOE loan guarantee. The resulting DOE bailout of Nevada Geothermal was planned out in advance, as made clear by Nevada Geothermal's March 31, 2010 Financial Statements:

The Company has engaged John Hancock to provide long term debt up to \$95 million which will be used to pay down the TCW loan and to fund additional drilling. However, this potential John Hancock loan is subject to due diligence and final credit committee approval by John Hancock. There is no certainty that the anticipated debt financing through John Hancock will be obtained. Failure to obtain

the John Hancock loan, or a similar loan from another lender, and/or unsuccessful drilling may result in a default under the terms of the TCW loan agreement. In the event of a default TCW may elect to call the loan and execute upon the security, which would result in a material adverse effect on the Company, including delay or indefinite postponement of operations and further exploration and development of our projects with the possible loss of such assets. (emphasis added)

The story continued to unfold in Nevada Geothermal's June 30, 2010 Financial Statements, where the plan to bailout their lender, TCW, was successfully executed by DOE:

As at June 30, 2010, the Company was not in compliance with the terms of the TCW loan. The non-compliance results from the Company having exceeded the maximum loan amount of \$180 million, and having exceeded the drilling expenditure budget by more than \$3.8 million, as well as some instances of technical non-compliance with other loan terms As a result, for balance sheet purposes, the TCW long-term loan has been classified as a short-term liability. On November 20, 2009, TCW agreed in principle to waive the non-compliance until March 31, 2010 in return for 4.5 million NGP Inc. Warrants exercisable at CAD 1.50 (Note 21(f)). Subsequently, TCW agreed to extend the agreement in principle, without change, until the John Hancock loan [guaranteed by DOE 287] closed. The John Hancock loan was closed on

Nevada Geothermal Power, Inc., Consolidated Financial Statements, Mar. 31, 2010, at 11, available at http://www.nevadageothermal.com/i/pdf/Q3_March_31_2010.pdf.

Nevada Geothermal Power, Inc., Consolidated Financial Statements, June 30, 2010, at 55, available at http://www.nevadageothermal.com/i/pdf/Annual_Financials_2010.pdf

(Explaining the John Hancock loan guaranteed by DOE: “On October 13, 2009 the Company [Nevada Geothermal] announced that it appointed John Hancock Life Insurance Company (“John Hancock”) to be the exclusive debt provider for up to \$95 Million 20-year term loan. Further to the above, on October 7, 2009, the DOE announced its Financial Institutions Partnership Program (“FIPP”), a program supported by the 2009 ARRA. The FIPP program is designed to facilitate long term financing for renewable development projects using commercial technology and applies to up to 80 percent of the loan amount. John Hancock, as Lender for the Blue Mountain 'Faulkner 1' geothermal project, made an application to the DOE for a Loan Guarantee under the FIPP. The loan guarantee was conditionally approved on June 15, 2010, and the loan closed on September 3, 2010....At the closing of the John Hancock/DOE loan after paying associated fees and funding reserve accounts for drilling, interest and plant maintenance the Company paid the TCW loan down to approximately \$86.9 million. The Company plans to apply for a second ARRA grant based upon work, to September 3, 2010, and a repayment of \$81,076,669 was made on the TCW loan. 288 (emphasis added)

Confirming this troubling misdirection of taxpayer funds, the Summary of Proposed Terms and Conditions for the Conditional Loan Guarantee, signed by Secretary Chu, provides that the “proceeds of the Guaranteed Obligation will be used for the following: (i) Partial repayment of intercompany loan from HoldCo [Blue Mountain], in the amount of approximately 80 million;...” 289 This intercompany repayment would ultimately flow to TCW as described above. The remaining amount of the loan went

to the posting of cash collateral to NV Energy, Inc., funding a debt service reserve account, funding a maintenance reserve account, funding a drilling expenditure account (which included already incurred costs), and other fees. As these numbers total to around \$98 million, it appears that little, if any, of the loan went to fund newdrilling or new construction.

2. This Bailout Appears to Violate the American Recovery and Reinvestment Act of 2009

Not only does it appear that DOE purposely directed taxpayer funds to a failing enterprise, DOE's action robbed taxpayers of genuine investment toward renewable energy.

This loan guarantee bailed out lenders (TCW) and provided no assurance that TCW would apply the money that it recovered toward the economy or jobs as required by the American Recovery and Reinvestment Act of 2009.

Title XVI, Section 1602 of the American Recovery and Reinvestment Act of 2009, requires that "recipients shall also use grant funds in a manner that maximizes job creation and economic benefit." 291 Paying off a creditor clearly does not maximize job creation and economic benefits. Rather, it provides an opportunity for private industry to exit an investment, deleverage and transfer the extraordinarily high default risk to taxpayers.

increase power production, subsequent to the first grant that will be partially funded by the John Hancock/DOE loan.").

Loan Guarantee LGPO Loan Number: F1001, U.S. Dep't of Energy, June 15, 2010 at. 4 (on file with author).

Nevada Geothermal Power, Inc., Conditional Loan Guarantee, U.S. Dep't of Energy, Summary of Terms and Conditions at 4 Summary of Terms and Conditions (Stating "USE OF PROCEEDS: The proceeds of the Guaranteed Obligation will be used for following:

- (i) Partial repayment of intercompany loan from HoldCo in the amount of approximately \$80 million;
- (ii) Funding security requirements under the power purchase agreement signed on August 18, 2006 with NV

Energy, f/k/a Nevada Power Company ("PPA"), either by posting cash collateral, cash collateralizing one or more letters of credit, or otherwise in accordance with the PPA in amount of \$3.8 million (the "PPA Credit Support");

- (iii) Funding of the Debt Service Reserve Account in the amount of approximately \$5.5 million, Major Maintenance Reserve Account in the amount of \$125,000, and Drilling Expenditure Account in the amount of approximately \$8,400,000 (less amounts applied to reimburse the Borrower for Project Costs incurred prior to the Closing Date in connection with the Additional Wells (as defined below));
- (iv) The payment of certain fees and transaction expenses associated with the Guaranteed Obligation which are

permitted to be paid with such proceeds under the Solicitation as set forth in Schedule 1; and (v) Initial funding of the Operating Account with all remaining proceeds of the Guaranteed Obligation.”).

American Recovery and Reinvestment Act of 2009 §1602, Pub. L. No. 111-5.

For this reason, it appears DOE, in its very first FIPP section1705-based loan guarantee, violated the spirit and, quite possibly, the letter of the law.

3. Given the “Pari Passu” Deal Terms and the Required Consent of all Lenders to Reorder Priority, the Terms of the DOE Loan Guarantee Appear to Violate the Requirement of Superiority under Title XVII, Section 1702(g)(2)(B)

The Summary of Terms and Conditions in the Conditional Loan Guarantee signed by Secretary Chu that relates to the Blue Mountain loan guarantee, at page 8, provides for a pari passu and pro-rata right of payment for senior creditors. This means that the unguaranteed senior lender, John Hancock, stands equal to taxpayers in terms of recovering a share of their loss in the event of default. The Summary of Terms also requires the consent of all Lenders in the event that DOE seeks to “change to the priority of payment in the payment waterfall.” The combination of the pari passu credit terms, which ranked John Hancock as an equal to taxpayers, with DOE’s inability to reorder priority in case of a default, disables the ability of DOE to rely on its superiority as required under Section 1702(g)(2)(B).

4. Nevada Geothermal’s Continuing Problems

Since DOE finalized Nevada Geothermal’s loan guarantee in September 2010, the project continues to have operational and financial problems. The project has an ongoing problem with electrical fires. In January 2010 (before the loan guarantee), part of the Blue Mountain plant was damaged after electrical cables were placed too close together and burned; a significant amount of cable was destroyed and had to be replaced. 294 In October 2011, another fire occurred because the seal on one of the pumps failed, causing part of the plant to go offline for major repairs. 295 Operational problems at the Blue Mountain project resulted in revenue being less than estimated the last four months of 2011. 296 Additionally, in November 2011, one of Nevada Geothermal’s major creditors considered placing Nevada Geothermal in default because of a late payment, 297 and Nevada Geothermal lost \$3.9 million in the fourth quarter. 298

F. Granite Reliable

In September 2011, Granite Reliable Power, LLC, a wind generation company owned by the Brookfield family of companies, received a partial guarantee for \$168.9 million loan from DOE. 299 The funds will finance Granite Reliable Power Windpark, a wind generation project in

Nevada Geothermal Power, Inc., Conditional Loan Guarantee, U.S. Dep’t of Energy, Summary of Terms and Conditions at 8.

Email from Max Walenciak, Nevada Geothermal, to Brian Fairbank, Nevada Geothermal, Mar. 1,

2010 (on file with author).

Email from Max Walenciak, Nevada Geothermal, to Thomas Pollog, DOE, Nov. 22, 2011 (on file with author).

Operations Budget Reviews, Nevada Geothermal, Sept.-Dec. 2011 (on file with author).

Email from Andrew Studley, Nevada Geothermal, Nov. 1, 2011 (on file with author).

Nevada Geothermal Power Reports Dec Quarter Results, Nasdaq, Feb. 28, 2012, available at <http://community.nasdaq.com/News/2012-02/nevada-geothermal-power-reports-dec-quarter-results.aspx?storyid=123602>.

DOE Loan Programs Office, Loan Guarantee Program Projects, available at <https://lpo.energy.gov/?projects=granite-reliable>.

Coos, New Hampshire. Unlike other loan recipients, Granite Reliable was a very profitable company without any demonstrated need to obtain a loan subsidy in order to secure private financing. 301 A deeper look into the players and circumstances surrounding this decision suggest that politics may have led DOE to approve the loan. Until 2011, Granite Reliable was owned and controlled by Noble Environmental Power, Inc. Noble sold that 75% interest to BAIF Granite Holdings, Inc., just prior to the project's loan approval in September 2011. 302 BAIF Granite Holdings (BAIF) was created by Brookfield Renewable Power, a subsidiary of the \$3.2 billion company Brookfield Asset Management (BAM). 303 Brookfield Renewable Power financed the creation of BAIF from its Brookfield Americas Infrastructure Fund, which reportedly has assets totaling \$2.7 billion. 304 The remaining minority interest is owned by Freshet Wind Energy, LLC, which partnered with BAIF on the project. 305 Given the solid financial background from which Granite Reliable was formed, it is unclear why DOE determined that the company needed a \$168.9 million loan guarantee.

1. Investors

Brookfield's Company Background: Board Members, Holdings, and One reason DOE determined a loan guarantee may have been necessary may lie in the inner workings of the BAM family of companies and the companies' strong Democratic ties.

BAM owns BAIF, which owns Granite Reliable, as well as Brookfield Office Properties (BOP). BOP's Board of Directors is chaired by John Zuccotti, the man for whom New York City's Zuccotti Park is named, and includes Diana Taylor, New York City Mayor Michael Bloomberg's long-time girlfriend. George Soros and Martin J. Whitman, both prominent Democratic donors, are both heavily invested in Brookfield. Moreover, Heather Podesta, sister-in-law of Obama's influential White House transition

director John Podesta, and the Podesta Group served as the lobbyists for BAIF.

Press Release, Department of Energy Finalizes Loan Guarantee of Nearly \$170 Million to Granite Reliable Power, U.S. Dep't of Energy, available at <http://energy.gov/articles/department-energy-finalizes-loan-guarantee-nearly-170-million-granite-reliable-power>.

See Opinion, A NH Solyndra? Wind Farm Gets Fed Loan, UNION LEADER , Sept. 28, 2011.

Press Release, Noble Environmental Power Signs Agreement for the Sale of its Interest in its New Hampshire Wind Project, Noble Power, Dec. 7, 2010, available at [http://www.noblepower.com/pressroom/documents/10-12-](http://www.noblepower.com/pressroom/documents/10-12-7_NEP-SignsAgreementForSaleOfNHWindProject_Final.pdf)

7_NEP-SignsAgreementForSaleOfNHWindProject_Final.pdf; Ehren Gossens, Brookfield Picks RMT to Build New

Hampshire's Largest Wind Farm, Bloomberg, Feb. 12, 2010, available at [http://www.bloomberg.com/news/2011-](http://www.bloomberg.com/news/2011-02-23/brookfield-renewable-picks-rmt-to-build-new-hampshire-s-largest-wind-farm.html)

02-23/brookfield-renewable-picks-rmt-to-build-new-hampshire-s-largest-wind-farm.html.

Opinion, A NH Solyndra? Wind Farm Gets Fed Loan, UNION LEADER , Sept. 28, 2011.

Granite Reliable Power Wind Project, Brookfield Renewable Power, available at

http://brookfieldrenewable.com/content/united_states/granite_reliable_power_wind_project-30823.html (last visited Mar. 15, 2012).

Board of Directors, Brookfield Office Properties, available at http://brookfieldofficeproperties.com/content/corporate_governance/board_of_directors-16350.html?Page=2 (last visited Mar. 15, 2012).

Steve MacDonald, NH Wind Farm Project Comes with Inside Deal Making?, Oct. 15, 2011, available at

[http://www.allrightmagazine.com/environment/nh-wind-farm-project-comes-with-inside-deal-making-](http://www.allrightmagazine.com/environment/nh-wind-farm-project-comes-with-inside-deal-making-11752/#more-11752)

11752/#more-11752.

Aaron Klein, Look Whose Sister-in-law Just Secured \$135.8 Million Energy Loan, Oct. 12, 2011, available at

[http://kleinonline.wnd.com/2011/10/12/look-who%E2%80%99s-sister-in-law-just-secured-135-8-](http://kleinonline.wnd.com/2011/10/12/look-who%E2%80%99s-sister-in-law-just-secured-135-8-million-energy-)

[million-energy-loan-latest-%E2%80%99green%E2%80%99-company-with-deep-white-house-ties-to-get-massive-public-funds/.](http://kleinonline.wnd.com/2011/10/12/look-who%E2%80%99s-sister-in-law-just-secured-135-8-million-energy-loan-latest-%E2%80%99green%E2%80%99-company-with-deep-white-house-ties-to-get-massive-public-funds/)

Nancy Ann DeParle: Obama’s Deputy Chief of Staff for Policy and Noble Interest Holder As described in Section V, Part B of this report, Nancy DeParle suffered a conflict of interest during her time in the Administration. As indicated on her financial disclosure forms, prior to joining the White House, Nancy DeParle was one of five managing directors of a multi- billion dollar private equity firm CCMP 309 While with CCMP, she sat on the board of directors for Noble Environmental Power, LLC, one of CCMP’s investments. 310 She served as a board member of Noble for about two years and quit in March of 2009. 311 Noble owned Granite Reliable.

Coinciding with her tenure at the White House, DOE considered a loan guarantee for Granite Reliable. The Granite Reliable project was well underway by late 2009. Noble then sold Granite Reliable in December 2010 to Brookfield Asset Management, just 6 months prior to the conditional approval of the DOE loan guarantee and deep into the application process. The DOE loan guarantee was conditionally approved in June 2011 and finalized in September 2011.

The ultimate approval of the DOE loan guarantee that followed the sale of Granite Reliable is tainted by DeParle’s position within the White House and her financial interest in Noble. DeParle’s position in the Administration could have been used to influence the successful sale by ensuring or increasing the likelihood of ultimate approval of the DOE loan guarantee. The loan guarantee would increase the value of the Granite Reliable, improving the sale price and, thereby, improving the investment of DeParle’s son.

G. Record Hill Wind: DOE Uses the First Solar Precedent to Speed Through Another Questionably “Innovative” Technology

DOE relied on the First Solar precedent to approve Record Hill Wind’s \$102 million loan guarantee project as “innovative,” despite the project using commercial technology. DOE knew that the Record Hill project did not use significantly innovative technology. The Standard & Poor’s credit rating for the project that DOE received clearly indicates the commercial (and non-innovative) nature of the project:

Record Hill has entered into a Turbine Supply Agreement for the shipment of 22 Siemens 93SWT[Siemens Wind Turbine] 2.3MW wind

CCMP Capital Advisors, LLP, available at <http://www.ccmpcapital.com/> (last visited Mar. 15, 2012).

See Noble Environmental Power, LLC, U.S. Securities and Exchange Commission, Form S-1, May 8, 2008,

available at <http://www.nasdaq.com/markets/ipos/filing.ashx?filingid=5635802>.

Company Overview of CCMP Capital Advisors, LLC, Bloomberg Businessweek, available at

[http://investing.businessweek.com/research/stocks/private/person.asp?personId=1090061&privcapId=28674590&pr](http://investing.businessweek.com/research/stocks/private/person.asp?personId=1090061&privcapId=28674590&previousCapId=35644&previousTitle=DaVita%20Inc)

viousCapId=35644&previousTitle=DaVita%20Inc.

Federal Aviation Admin. Determination of No Hazard to Air Navigation, Nov. 18, 2009 (on file with author);

Engineering, Procurement and Construction Agreement between RMT, Inc. and Granite Reliable Power, LLC, Apr. 26, 2010 (on file with author).

Press Release, Noble Environmental Power Signs Agreement for the Sale of its Interest in its New Hampshire Wind Project, Noble Environmental Power, Dec. 7, 2010, available at

http://www.noblepower.com/pressroom/documents/10-12-7_NEP

SignsAgreementForSaleOfNHWindProject_Final.pdf.

turbines to be installed at the site. The SWT-2.3-93 turbine has been in operation in Europe since 2005, and the first turbines in the US were installed and began operations in 2006. Currently, there are a total 1,374 SWT-2.3-93 turbines operating worldwide.....Due to harsh winter conditions in Maine, the project plans to install a cold weather package on all turbines, which will keep the turbines running in cold temperatures. Siemens' cold weather packages are currently in use on turbines in Canada, Norway, and other cold areas, and have performed to expectations. Along with a cold weather package, the project expects to make use of Siemens proprietary Turbine Load Control (TLC) technology...Given that the technology is software- based, however, and is not considered a fundamental component in the performance of the turbine, the TLC could be shuttered without damaging the turbine if it does not work properly. In this case, the turbines would continue to run similar to Siemens' existing fleet. (emphasis added)

Much like First Solar's "innovative" projects, the Record Hill Wind project attempted to categorize minor modifications to existing commercial technology as "innovativeness." DOE eventually agreed with Record Hill Wind's questionable reasoning. On December 14, 2010, Todd Shrader of DOE sent an email to several DOE personnel with the subject line "Eligibility Intepretation (sic)" that read:

An eligibility issue arose during the technical evaluation of Ocotillo Express (FIPP—F1033). This project is utilizing Siemens SWG- 2.3-101 wind turbine generators. It is claimed to be a commercial technology based on the wide spread use (including in this country) of the closely related Siemens SWG-2.3-93 turbines, which are essentially the same just with smaller blade lengths (101 feet vs. 93 feet). Without looking deeper into the design differences (which will occur at due diligence), I concur with the applicant that this is a commercial technology. However, for Record Hill, which is using SWG-2.3-93 turbines, it is claimed that this is a new and innovative technology, partially based on no use over 5 years in the US for these turbines. I also believe there were some differences in internal controls. However, the 101 and 93 units are essentially the same technology. Can the same technology be innovative under the Renewables Solicitation and Commercial under the FIPP's solicitation?

(emphasis added)

Later in the day, Ruth Ku of DOE replied that the same question had occurred before with a different project and that the *“project was asked whether it could obtain alternative financing in the private market...the project was able to get alternative financing (e.g., with John Hancock) and I think the recommendation was for it to move its application to FIPP...don’t know where Record Hill is in its process for it to be*

Record Hill Wind, LLC., Standard & Poors Credit Report, July 1, 2011 (on file with author)

Email from Todd Shrader, U.S. Dep’t of Energy, Dec. 14, 2010 (on file with author).

feasible for it to apply under FIPP at this point.” Ruth Ku forwarded her email to Douglas Schultz, a Program Manager at DOE’s Loan Programs Office. Douglas Schultz replied, “Record hill is well into due diligence with [D]avid [S]chmitzer. No reason to transfer at all. In terms of precedent of innovative and not look no further than first solar where there [sic] panels are both innovative and noninnovative given the inverter used.” (emphasis added)

Ruth Ku agreed with Douglas Schultz but worried that submitting two project applications using the same technology as innovative and not innovative could cause a *“policy issue for OMB.”* She wrote back to Douglas Schultz stating *“[I]t cld [sic] be a policy issue for OMB if record hill followed Ocotillo. Think it’s probably less of an issue if record hill was first then Ocotillo.”* 318 After scheming about how to get the two applications through OMB without problems, DOE allowed the Record Hill Wind project to continue as an “innovative” project. 319 DOE would eventually finalize a \$102 million loan guarantee (guaranteed 100% by the federal government) in August 2011.

H. Genesis Solar: An Expedited Approval Process Now Threatens Entire Project

On August 20, 2011, DOE awarded NextEra Energy Resources LLC (NextEra) a partial loan guarantee for \$825 million to fund the Genesis Solar Energy Project (Genesis). A planned 250-megawatt plant to lie on 1,950 acres of federal land located outside Blythe, California, Genesis plans to power more than 187,500 homes by 2014. 320 Standard & Poor’s gave NextEra a BBB+ rating, highly dependent on a long term Power Purchasing Agreement (PPA) with Pacific Gas & Electric (PG&E), and a Construction Completion Agreement with NECH, noting that if either’s credit ratings were downgraded in the interim, it would hurt Genesis’s rating as well. S&P emphasizes that the loan guarantee would only support the project for up to a six month delay. Additional delays would restrict Genesis’s ability to meet the PPA and jeopardize the success of the project. An accelerated state and federal site approval process allowed the project to gain DOE approval, but the hasty work may now endanger the entire project. Genesis’s original site resided on a section of Ford Dry Lake, which archeologists suspected contained ancient cremation sites. To minimize delays, NextEra moved the project two miles north to a new site, still on federal land. DOE’s application process requires extensive vetting of project sites for a variety of environmental factors. However, to expedite site approval, NextEra opted for a less thorough process developed by the state energy commission (The Commission) and the Bureau of Land Management (BLM) that would “streamline the time necessary to produce the

Email from Ruth Ku, U.S. Dep't of Energy, Dec. 14, 2010 (on file with author).

Email from Douglas Schultz, U.S. Dep't of Energy, Dec. 14, 2010 (on file with author).

Email from Ruth Ku, U.S. Dep't of Energy, Dec. 14, 2010 (on file with author).

DOE did not finalize a loan guarantee for the Ocotillo Express project.

Louis Sahagun, Problems Cast Shadows of Doubt on Solar Project, L.A. T IMES , Feb. 11, 2012, available at

<http://articles.latimes.com/2012/feb/11/local/la-me-solar-foxes-20120211>.

Genesis Solar LLC , Standard & Poor's, July 21, 2011 `BBB+' Rating (on file with author).

joint cultural resources analyses...foregoing potentially lengthy investigations to evaluate the historical significance of the cultural resources found.”

The Commission did warn Genesis of the potential consequences associated with the site approval process in August 2011, stating, “This approach however has the real potential to result in...delays in construction start-up, increase in requisite construction monitoring, and cost.” As part of the process, NextEra dug 500 test pits 3feet deep and found no artifacts, allowing them to proceed with construction.

After DOE granted final approval to the project and construction began, grading equipment unearthed grinding stones lying on a bed of charcoal, indicating possible evidence of human settlements. This discovery caused work to halt on 400 acres of the Genesis site while

the company and regulatory agencies discuss various options. The hasty approval process that prevented the earlier discovery has compromised the construction schedule and put Genesis in serious jeopardy of not satisfying its obligations under the PPA. NextEra has admitted that these delays may have serious consequences for the project; according to a NextEra Senior Vice President, “the project could become uneconomical.”

In addition to these problems, the new site also encroached on the habitat of the endangered Kit Foxes, native to the California desert. NextEra used “passive hazing” techniques approved by state and federal biologists to remove the foxes prior to site grading of the area. Essentially, NextEra sprayed coyote urine around dens and removed food sources.

Two dead foxes were found on site in October 2011, which died from Distemper, a disease similar to Rabies spread by bodily fluids, never previously recorded in Kit Foxes. Ultimately, seven foxes died from NextEra’s removal process.

I. General Electric’s Broad Access to Loan Guarantees: Caithness Shepherds Flat, 1366

Technologies and Kansas City Southern Railway Company

General Electric (GE) sponsored a project called Caithness Shepherds Flat (Caithness), and also supplied the project with 338 wind-turbines. High level Administration officials expressed concern that the project was receiving an excessive amount of public subsidy, and that private parties did not have sufficient “skin in the game.” In a Memorandum for the President (“Summers’ Memo”) dated October 25, 2010, Carol Browner, Ron Klan and Larry Summers revealed concerns regarding excessive over-subsidization of the Caithness project, where grants, tax credits and loan guarantees provided 65% of the funding for the project.

Because of the excessive subsidy, the memorandum reveals expectations of a 30% return to the

Letter from Mike Monasmith, Project Manager, California Energy Commission, to Scott Busa, Director, NextEra Energy Resources, LLC, Dec. 3, 2009, available at http://www.energy.ca.gov/sitingcases/genesis_solar/documents/2009-12-03_New_Alternate_Approach_TN-54332.pdf.

Louis Sahagun, Problems Cast Shadows of Doubt on Solar Project, L.A. T IMES , Feb. 11, 2012, available at <http://articles.latimes.com/2012/feb/11/local/la-me-solar-foxes-20120211>.

private investors generated on the backs of taxpayers.

Four months after DOE approved the Caithness loan, President Obama named Jeff Immelt, the CEO of GE, as the Chairman (Job Czar) of the President’s Council on Jobs and Competitiveness (Jobs Council). As the Chairman of the Job Council, Immelt had direct access to President Obama. 327 Since Immelt’s appointment as Job Czar, two additional GE related

About the Council, President’s Council on Jobs and Competitiveness, available at <http://www.whitehouse.gov/administration/advisory-boards/jobs-council/about> (Stating it shall, “Report directly to

government-backed transactions have occurred. First, the poorly rated 1366 Technologies, sponsored in part by GE, 328 received a direct \$150 million loan commitment from DOE for its solar manufacturing plant. 329 Second, on February 22, 2012, the Federal Railroad Administration (FRA) loaned \$54.6 million to Kansas City Southern Railway Company (KCSR) under the Federal Railroad Administration-administered Railroad Rehabilitation and Improvement Financing (RRIF) Program to purchase thirty new General Electric ES44ACdiesel-electric locomotives.

Regarding KCSR’s purchase of GE locomotives, the railroad’s filings with the Securities and Exchange Commission (SEC) reveal a twenty-five year, \$54.6 million loan at 2.96%. KCSR received this loan despite reporting strong earnings. For the year 2011, KCSR reported operating income of \$612 million

on \$2.1 billion in revenues, a 26% increase over the prior year – not the picture of a company in need of assistance in the form of a \$54.6 million loan. As a result of this subsidized loan, the highly profitable KSCR gained a competitive advantage over its freight rail competitors.

VII. Breakdown of Problems with ATVM Loans

Each of the “Big Three” auto manufacturers, Ford, General Motors, and Chrysler, along with Nissan, applied for loans under the ATVM Program. Ford and Nissan are the only major manufacturers that received an ATVM loan. The companies received \$5.9 billion and \$1.4 billion respectively. Both General Motors and Chrysler withdrew their applications after waiting over a year for responses from DOE. Initially, financial viability was the primary roadblock that kept GM and Chrysler out of the running for Department of Energy loans. Some speculated that the entire program had been put on hold in order to give these two manufactures time to prove their financial viability and qualify for loans that would have drained the President on the design, implementation, and evaluation of policies to promote the growth of the American economy...”).

See Sustainable Business, GE Backs 1366 Technologies, Mar. 4, 2011, available at

<http://www.matternetwork.com/2011/3/ge-backs-1366-technologies.cfm>.

Press Release, Energy Department Finalizes \$150 Million Loan Guarantee to 1366 Technologies that Could

Drive Down Manufacturing Costs and Make American Solar More Competitive, U.S. Dep’t of Energy, Sept. 8,

2011, available at [http://energy.gov/articles/energy-department-finalizes-150-million-loan-guarantee-1366-](http://energy.gov/articles/energy-department-finalizes-150-million-loan-guarantee-1366-technologies-could-drive-down)

[technologies-could-drive-down](http://energy.gov/articles/energy-department-finalizes-150-million-loan-guarantee-1366-technologies-could-drive-down).

William Vantuono, RRIF Loan Will Finance 30 KCSR Locomotives Railway Age, Feb. 22, 2012, available at

<http://www.railwayage.com/index.php/mechanical/locomotives/rrif-loan-will-finance-30-kcsr-locomotives.html>.

Kansas City Southern Railway Company, Form 8-K Report, Feb. 22, 2012 (on file with author)

Kansas City Southern Railway Company, Form 8-K Report, Jan. 23, 2012 (on file with author).

U.S. Dep’t of Energy Loan Programs Office, Description of ATVM program, available at

https://lpo.energy.gov/?page_id=43.

Benson Kong, GM Withdraws DOE Loan Application, Speeds Up Volt Production, Motor Trend, Jan. 27, 2011,

available at <http://wot.motortrend.com/gm-withdraws-doe-loan-application-speeds-volt-production-26459.html>;

Press Release, Chrysler Group Statement Regarding Department of Energy Advanced Technology Vehicles Manufacturing Loan Application, Feb. 16, 2012, available at <http://www.wkrn.com/story/16953247/chrysler-group-statement-regarding-department-of-energy-advanced-technology-vehicles-manufacturing-loan-application>.

Josie Garthwaite, GM, Chrysler's Green Car Loan Bids Inch Forward, Face Upstart Competition, May 14, 2012,

available at <http://gigaom.com/cleantech/gm-chryslers-green-car-loan-bids-inch-forward-face-upstart-competition/>.

the program of remaining funds. 336 In the end, both companies withdrew their applications, choosing instead to seek private financing. The other loan recipients are Fisker, Tesla, and The Vehicle Production Group, receiving \$529 million, \$465 million, and \$50 million, respectively. 337 To date, the ATVM Program has loaned \$8.339 billion to five auto manufacturers for the production of ATVs.

It is unclear whether DOE has a set of objective standards by which it judges the relative merit of applicants. Based on materials obtained by the Committee, it appears that DOE applies inconsistent standards to each applicant, leaving innovative car companies in a state of perpetual uncertainty over how they will be treated under the process. These concerns are apparently shared by Senator Diane Feinstein, who wrote DOE complaining that, "On multiple occasions, the department has missed internal deadlines for initial decisions, term negotiations, final decisions and loan closure." This haphazard administration of the ATVM Program creates confusion in the advanced technology vehicle market and may have actually hurt President Obama's goal of fostering a new generation of vehicles.

Despite an apparent lack of discernible objective criteria to judge the relative merit of loan applicants, it does appear that ties to the Obama Administration were important for those companies securing an ATVM loan early on in the process. Both Ford Motor Co. and Nissan were heavily engaged in negotiations with the Administration over fuel economy standards for model years 2012- 2016 at the time DOE was considering their applications. Both companies eventually expressed publicly their support for these standards, which the Administration described as the "Historic Agreement." In addition to this curious timing associated with the approval of Ford and Nissan's loan, the other recipients each enjoyed close ties to the Administration. For example, Fisker was backed by Kleiner, Perkins, Caufield & Byers, which has significant ties to the Administration. One of the senior partners at Kleiner Perkins is former Vice President Al Gore. Another partner, John Doerr, serves on Obama's Council on Jobs and Competitiveness. In the case of Tesla, board member Steve Westly was a major Obama campaign bundler and a frontrunner for the position of Secretary of Energy.

Edward Niedermeyer, GM Withdraws \$14.4b Government Loan Request, Jan. 27, 2011, available at <http://www.thetruthaboutcars.com/2011/01/gm-withdraws-14-4b-government-loan-request/>.

U.S. Dep't of Energy Loan Programs Office, Description of ATVM program, available at https://lpo.energy.gov/?page_id=43.

Edward Niedermeyer, Government Retooling Loans: On Hold for Gm and Chrysler?, Jan. 24, 2011, available at <http://www.thetruthaboutcars.com/2011/01/government-retooling-loans-on-hold-for-gm-and-chrysler/>.

Letter from Rueben Munger, Chairman and CEO Bright Automotive, and Mike Donoughe, Chief Operating Officer Bright Automotive, to Hon. Steven Chu, Secretary, DOE, Feb. 28, 2012.

Mike Allen & Eamon Javers, Obama Announces New Fuel Standards, POLITICO , May 18, 2009, available at <http://www.politico.com/news/stories/0509/22650.html>.

Al Gore Investment Partner, available at <http://www.kpcb.com/partner/al-gore> (last visited Mar. 15, 2012).

President's Council on Jobs and Competitiveness, available at <http://www.whitehouse.gov/administration/advisory-boards/jobs-council/members/doerr> (last visited Mar. 15, 2012).

Lindsay Riddell, Westly 'Honored to be Considered' for Obama Cabinet, Sacramento Bus. J., Nov, 13, 2008, available at <http://www.bizjournals.com/sacramento/stories/2008/11/10/daily62.html>; Ronnie Greene, et al., Energy's Risky \$1 Billion Bet on Two Politically-connected Electric Car Builders, iWatch News, available at <http://www.iwatchnews.org/2011/10/20/7152/energys-risky-1-billion-bet-two-politically-connected-electric-car->

Case Studies:

There has been very little activity in the ATVM loan program over the last three years, as DOE has only approved one loan since April 2010. Moreover, the Committee has yet to receive a response from DOE to its February 10, 2012, letter asking for additional information about the loan application process. Even so, the Committee has gleaned some information about the companies that DOE has considered for ATVM loans. These stories reveal the haphazard manner in which DOE is administering the program and how ever-changing goal posts and broken promises have promoted the misallocation of scarce resources and pushed some innovative companies into bankruptcy.

.Aptera

Aptera first applied for an ATVM loan in December 2008, looking for money to fund the production of the Aptera 2e, a three-wheeled vehicle capable of nearly 200 miles per gallon. Although DOE rejected Aptera's original application for a loan because a three-wheeled vehicle did not meet the criteria of a Section 136 loan, Congress amended the program in October 2009, and Aptera resubmitted its application in January 2010 for both the 2e and a four-wheeled vehicle. By late 2010, DOE determined that the 2e would not be able to pay back capital costs. Accordingly, Aptera shifted its focus to the 4e, a four door electric sedan, that DOE believed would be more suited to an ATVM loan program. After numerous negotiations with DOE, in September 2011, Aptera received a letter from DOE offering them a conditional loan commitment of \$150 million if the company was able to raise \$80 million privately.

Aptera shut down on December 2, 2011, citing the inability to raise additional private capital, having exhausted a bridge loan that was supposed to last through the time DOE made a final decision on the loan. At this point, Aptera's investors had funneled \$40 million of their own money into the project. Former Aptera CEO Paul Wilbur and former marketing Vice President Marques McCammon have publically asserted that the prolonged timeframe spent engaging with DOE to secure a loan ultimately consumed their cash reserves. Wilbur stated that a "bright shiny object disease" characterized the ATVM Program and suggested in retrospect, "We should have raised the money ourselves rather than relying on DOE." However, the loans given to Fisker and Tesla gave Aptera hope that DOE would eventually act on their application. More importantly, since the DOE continued to engage with the company

John Voelcker, Aptera Collapse: How & Why It Happened, A Complete Chronology, Dec. 12, 2011, available at

http://www.greencarreports.com/news/1070490_aptera-collapse-how-why-it-happened-a-complete-chronology;

Basem Wasef, Aptera Unveils 200-mpg 2E Prototype, Popular Mechanics, Apr. 12, 2010, available at <http://www.popularmechanics.com/cars/news/preview-concept/aptera-200-mpg-2e-prototype>.

John Voelcker, Aptera Collapse: How & Why It Happened, A Complete Chronology, Dec. 12, 2011,

available at

http://www.greencarreports.com/news/1070490_aptera-collapse-how-why-it-happened-a-complete-chronology.

throughout the time period, management was convinced that DOE was interested and willing to provide financing for the company. 3

.Bright Automotive

Bright Automotive was an Indiana company that developed a plug-in hybrid delivery vehicle that it planned to market to fleet customers. On February 28, 2012, Bright sent DOE a scathing letter announcing that they “have been forced to say uncle” and that it would withdraw from the ATVM application process.

Bright applied for an ATVM Loan in December 2008 and its application was deemed “substantially complete” at that time. DOE continued to review the application for an additional 1,175 days. According to the company, Bright secured letters of support sent to Secretary Chu from large fleet vehicle users such as Cox, Comcast, and Best Buy, and had order letters from Duke, Vectren, and Snap On.

According to documents obtained by the Committee, on March 2, 2012, Lachlan Seward, then the Director of the ATVM Program, indicated to Bright that a loan for less than \$300 million would be quickly approved. In DOE’s next communication, DOE suggested that Bright partner with a large OEM in order to speed up the loan process, intimating that conditional approval would occur in “weeks, not months.” Pursuant to this advice, Bright entered into a strategic partnership with GM in July 2010. At that time, DOE officials informed Bright that they would receive a conditional loan agreement within two months.

Two months later, DOE came back to Bright and directed the company to satisfy six additional loan pre-conditions. By January 2011, Bright received a “near final” conditional agreement for a \$314 million loan. It was reviewed by the DOE credit team for five months when on May 18, 2011, DOE determined that it would not consider Bright’s loan based on a volume consideration report generated by DOE, one that Bright had asked DOE to reassess. DOE contractors, A.T. Kierney, conducted a new volume study, which led to Bright’s reconsideration for a loan by DOE in June 2011. DOE once again assured Bright that just as soon as the company’s credit package went through the interagency process, it would receive an offer of

Jim Motavalli, Citing Onerous Energy Dept. Loan Terms, Bright Automotive Says it Will Close, N.Y. TIMES blog, Feb. 29, 2012.

Letter from Rueben Munger, Chairman and CEO Bright Automotive, and Mike Donoughe, Chief Operating Officer Bright Automotive, to Hon. Steven Chu, Secretary, DOE, Feb. 28, 2012 (on file with author).

Letter from Rueben Munger, Chairman and CEO Bright Automotive, and Mike Donoughe, Chief Operating Officer Bright Automotive, to Hon. Steven Chu, Secretary, DOE, et. al. Dec. 27, 2011 (on file with author).

Jim Motavalli, Citing Onerous Energy Dept. Loan Terms, Bright Automotive Says it Will Close, N.Y. T IMESAutoblog, Feb. 29, 2012.

Letter from Rueben Munger, Chairman and CEO Bright Automotive, and Mike Donoughe, Chief Operating Officer Bright Automotive, to Hon. Steven Chu, Secretary, DOE, et. al. Dec. 27, 2011 (on file with author).

conditional agreement no later than October 2011. However, instead of an agreement, in October 2011, DOE told Bright to raise additional equity and perform other financial changes to bolster its balance sheet and credit. This last demand caused Bright to withdrawal from the ATVM loan process. In February 2012, the company closed down.

In their letter to the DOE, Bright's CEO Rueben Munger and COO Mike Donoughe flatly stated that the ATVM process distorted the U.S. private equity markets, effectively making DOE the only way for ATV companies to receive funding. According to Munger and Donoughe, DOE then used this position to submit the applicants to the control and "whim" of government bureaucrats. As the letter points out, the ATVM program, as DOE is administering it, contravenes the purpose of the program because it stymies rather than advances technology within the automotive market. After spending millions of dollars to comply with DOE's endless finish line and consuming nearly three years of time, Bright withdrew its application from the ATVM Program, closing the company and its idea.

.Severstal

While DOE was stringing along potentially innovative auto manufacturers, they were working to approve a conditional loan agreement for a business that did not appear to qualify at all for the ATVM Program. In June 2011, DOE conditionally approved a \$730 million loan to steel company Severstal North America, a subsidiary of OAO Severstal, and a multibillion-dollar Russian steel and mining corporation. The ATVM loan would have financed Severstal's expansion and re-equipment of a Dearborn, Michigan, steel plant, located within Ford's manufacturing campus, to produce advanced high strength steel (AHSS). Chairman Issa challenged the appropriateness of this loan for several reasons: Severstal applied for a loan to produce AHSS, a material, not a "component part" as required under Section 136; 371 and it did not appear that the company needed public funding to "bring its product to market" as it was a subsidiary of a multi-billion dollar Russian corporation. Moreover, Severstal had already made significant strides towards completing the Dearborn project through private financing, even before receiving any money from DOE. 372 In its initial response to the Committee, DOE defended its due diligence and decision-making on the Severstal loan, touting the market strength of the company's product. On January 6, 2012, DOE reversed its position and denied Severstal's loan. When asked why it has changed its mind, DOE informed Committee staff "We [DOE] could not get

Jim Motavalli, Citing Onerous Energy Dept. Loan Terms, Bright Automotive Says it Will Close, N.Y. TIMES Autoblog, Feb. 29, 2012.

Letter from Rueben Munger, Chairman and CEO Bright Automotive, and Mike Donoughe, Chief Operating Officer Bright Automotive, to Hon. Steven Chu, Secretary, DOE, Feb. 28, 2012 (on file with author).

Advanced Technology Vehicles Manufacturing Incentive Program, 73 Fed. Reg. 66,721, 66,722 (Nov. 12, 2008)(to be codified at 10 C.F.R. pt. 611).

Press Release, Severstal North America Completes Asset Sale and Accelerates Capital Improvements, Severstal North America, Mar. 31, 2011.

Letter from David G. Frantz, Acting Executive Director Loan Program Office, U.S. DOE, to Hon. Darrell Issa, Chairman, H. Committee on Oversight and Gov't Reform, Nov. 18, 2011 (on file with author).

comfortable with apparent discrepancies and potential of fluctuation in steel prices,” and therefore would not offer the loan to Severstal. This explanation is curious, as DOE offered the conditional loan agreement based on a forecasted increase in market demand for AHSS. 375 DOE had originally projected Severstal to be the market leader in domestic AHSS production, even as other companies entered the American AHSS market. DOE decided not to give a final loan to Severstal and, in so doing, questioned the company’s ability to repay the loan. Based on the apparent contradiction between DOE’s analyses, it is obvious that DOE has no clearly established standard it uses to evaluate ATVM loan applicants.

.Fisker

One of DOE’s original loans has been suffering severe setbacks in production, and many have predicted its eventual collapse. In April 2010, DOE issued an ATVM loan of nearly half a billion dollars to Fisker. DOE froze the loan in February 2012, halting the issuance of any further money, because the company failed to meet DOE’s benchmarks. Fisker’s woes began with regulatory issues and delays in production of the Karma, Fisker’s \$100,000 luxury sedan. Fisker has since engaged DOE to renegotiate its loan agreement and renegotiate benchmarks. Due to the financial troubles, including DOE’s freezing of the loan, Fisker has laid off 23 employees from its Delaware manufacturing plant and 40 employees and contractors in its California plant. In addition, Fisker recently announced that it was replacing founding CEO Henrik Fisker with Tom LaSorda, a former executive at both Chrysler and GM. Furthermore, the Fisker Karma that Consumer Reports purchased to review broke down after less than 200 miles of operation and had to be towed 100 miles back to the dealer because the car would not even start. Based on this reshuffling and DOE’s actions, Fisker appears to be a volatile company with a questionable future. Fisker’s current problems raise serious questions about DOE’s decision-making and an inconsistent standard in the ATVM Program.

ATVM Conclusion

DOE mismanagement of the ATVM Loan Program has put potentially viable companies out of business and caused major setbacks within the ATV market. DOE has only succeeded in

Interview with David G. Frantz, Acting Director ATVM Program, Jan. 13, 2012. U.S .Dept. of Energy, ATVM Loan Evaluation – Severstal Dearborn Market Analysis, Mar. 22, 2010 (on file with author).

Eric Ruth, et al., Can Fisker Keep its Promise?, Delaware Online, Feb. 13, 2012, available at <http://www.delawareonline.com/article/20120213/BUSINESS09/302130001/Can-Fisker-keep-its-promise->.

Matthew Mosk, Another Green Energy Company Stumbles: Fisker Announces Layoffs, Feb. 6, 2012, available at <http://abcnews.go.com/Blotter/fisker-automotive-announced-layoffs/story?id=15524021>.

Associated Press, Fisker Announces Layoffs as Automaker Misses Targets, has DOE Loans Frozen, Feb. 7, 2012, available at <http://www.foxnews.com/leisure/2012/02/07/fisker-announces-layoffs-as-company-misses-targets-has-doe-loans-frozen/>.

Dana Hull, Fisker Automotive Replaces CEO with Auto Industry Veteran, Mercury News, Feb. 28, 2012, available at http://www.mercurynews.com/business/ci_20062262.

Tom Mutchler, Bad Karma: Our Fisker Karma Plug-in Hybrid Breaks Down, CONSUMER REPORTS , Mar. 8, 2012, available at <http://news.consumerreports.org/cars/2012/03/video-bad-karma-our-fisker-karma-plug-in-hybrid-breaks-down.html>.

giving billions of dollars to two large auto manufacturers and to companies with strong political connections to the Obama Administration. However, hundreds of other companies wait in DOE's loan queue. At least two of these companies have declared bankruptcy after engaging with DOE for a number of years, believing, based on representations from the Department, that they would eventually

receive a government loan. Meanwhile, DOE conditionally approved a loan for a company that did not meet threshold requirement to be in the program. DOE's haphazard and inconsistent administration of the loan program has created significant uncertainty within the advanced vehicle manufacturing community and has potentially retarded progress on the next generation of automotive technologies.

Report Conclusion

The findings regarding the DOE loan programs discussed in this report tell only part of a much greater story—a story of mismanagement, waste and abuse symptomatic of reaching too far, working too fast, and spending too much to achieve unrealistic objectives. There are significant concerns about DOE's management and administration of the weatherization, 1705, and ATVM programs. And a management structure unprepared and incapable of dealing with the challenges it faced when pressed to push out the door tens of billions of dollars in a short period of time. In the days ahead, the Committee will continue its investigation and examine DOE's record on a loan-by-loan basis, with the continued hope that spotlighting these shortcomings will provide Congress and the American people with the insight they need to assess the true value—or cost—of these types of programs.

From: Farrell, Paula
Sent: Tuesday, March 17, 2009 6:14 PM
To: Ramanathan, Kaithik; [REDACTED] Carfine, Ken
Cc: Burner, Gary; [REDACTED]
Subject: Could You Call Matt Rogers in Energy Secretary Chu's Office to Stop the Train on Term Sheet for 1st Title XVII Deal??
Importance: High

Per OMB, the term sheet might be signed tonight by Secretary Chu.

Treasury had NOT had time to review and consult with Energy on the term sheet, which is a statutory requirement.

Could someone please call Matt Rogers per OMB's suggestion tonight to get us a day or so to go over this term sheet?

Matt Roger's direct phone number is [REDACTED]

Illustration 10: Over A Million Pages Of Emails Have Been Leaked Or Hacked



Illustration 11: Obama And Biden Used Solyndra To Launder Cash To Their Friends

The Hill's
Floor Action Blog

Issa warns of huge tax losses due to Solyndra, Fisker Automotive loans

By Peter Kasperowicz • 10/22/12 3:43 PM ET

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House Oversight & Government Reform Committee Chairman Durrell Issa (R-Calif.) charged on Monday that the controversial loan to Solyndra could lead to hundreds of millions of dollars in lost tax revenue for the government, beyond the \$535 million lost when the solar panel maker went bankrupt.

Issa wrote to Energy Secretary Steven Chu on Monday to ask for details about the tax implications of that loan, in the wake of reports that the tax losses from Solyndra could be as high as \$341 million. He summed up the Solyndra situation by saying the combination of loan and tax losses could put the real taxpayer cost of Solyndra at \$849 million.

In addition, Issa asked Chu to explain whether a \$529 million loan to a California auto company poses a similar risk of tax losses. Fisker Automotive received that loan in 2010 under the Advanced Technology Vehicles Manufacturing (ATVM) Program.

*As the Committee continues

to conduct oversight on Fisker's ATVM loan, DOE is withholding important documents regarding these loans," Issa wrote in his letter. "Given DOE's noncompliance, the Committee cannot assure taxpayers that, in the case of bankruptcy, a similar subordination of taxpayer interests will not occur."

Issa cited press reports in explaining that in addition to the \$535 million lost through Solyndra's bankruptcy, the government was also hit by additional losses of up to \$341 million in tax losses. He said that loss was due to a restructuring of Solyndra's loan.

Illustration 12: Taxpayers Lost Billions Of Dollars On The DOE Payola Scams

Why the Government Should Stay Out of “Green Energy”

by Brian Sussman

In the realm of solar power, there has never been more fanfare for a startup than in the case of Solyndra. Founded in 2005, the company’s rooftop-mounted solar panels were immediately touted as “the next big thing” in alternative energy.

Headquartered in the San Francisco Bay Area, Solyndra has been a magnet for venture capital cash from the Silicon Valley.

However, just before Solyndra’s promising glow of success began to fade, the last big investor stepped into the boardroom: The Obama Administration. And man, did the American taxpayer get played.

As a local I watched Solyndra successfully raise nearly a billion dollars in private equity financing between 2005 and 2009. Simultaneously, I witnessed the company go on a wild infrastructure spending spree, throwing hundreds of millions into an over-the-top, designer-rich, state-of-the-art manufacturing facility—which is not inexpensive to do in the Bay Area. Real estate prices remain the highest in the country there, and construction costs are exorbitant too. Simply constructing a shell to house a manufacturing plant costs at least \$300 per square foot (Solyndra’s was likely much more); and that figure doesn’t include the specialized manufacturing equipment needed to build Solyndra’s proprietary solar panels. By locating the plant next door in Nevada they could have reduced their construction costs by at least 50 percent.

After Solyndra built the first phase of its plant, it began spending another \$733 million on phase two: a 600,000-square-foot addition. That’s where Team Obama stepped in.

Solyndra received a government guaranteed loan procured from Stimulus funds for half a billion dollars. The money was to be plowed into the new construction.

In announcing the deal, on September 4, 2009, Vice-President Joe Biden told Solyndra employees and associates, “By investing in the infrastructure and technology of the future, we are not only creating jobs today, but laying the foundation for long-term growth in the 21st-century economy.” Biden was joined by Secretary of Energy Steven Chu who said, “This investment is part of a broad, aggressive effort to spark a new industrial revolution that will put Americans to work.”

Yeah, right. Usually, before one enters into any investment, the risk of that venture must be identified and quantified. It’s called “due diligence.” The propeller-heads in the Administration—who have never worked in the real world—simply picked a feel-good, high-profile green company, and poured tons of taxpayer money into it.

As a guy who’s raised money for a startup in the Silicon Valley, my thought was, if Solyndra remains such a great investment, why aren’t the big fund managers jumping in to put up the additional half billion dollars? Additionally, as a conservative I saw this as another example of an overreaching federal government that chooses to ignore Article 1, Section 8 of the Constitution. Meantime, the smart financiers saw where Solyndra was headed—into trouble.

According To An Insider

In the waning period of the Bush Administration, The Bush White House saw one last chance to grab a major war-chest of cash before the Democrats took over. George Bush hired Lachlan Seward, from Chrysler's negotiation team, to re-route part of the money, the part that was going to the Department of Energy.

Seward's instructions were to pass along a portion of the money per an inside deal with the CEO's of Detroit's 3 biggest car companies. The 3 Detroit CEO's met together, planned together and hard-wired the money together via Mr. Steve Rattner.

A few other people found out about this deal, in the transition period between Bush and Obama, and other due-diligence-free inside deals were made to shut them up. Seward hires a secretary and an intern from IBM named Brent Petterson. Brent has orders to set IBM up, under multiple front names to act as a "car company reviewer". IBM creates, and then buys, fake consulting companies in order to support the kickback scheme. IBM consulting was ordered to stall, delay, delete, lose, fake results and change test metrics for any applicant who was not tied to Detroit or White House Silicon Valley campaign financiers. IBM was fired as a reviewer when the dirty deeds started to unravel.

Since every company that did get money, now either has: gone bankrupt, had a worthless technology, a Russian mob connection (Ie: US Uranium mining deals and Afghan lithium ion mining deals) or had no way to compete with the other applicants if those applicants got a chance, this proves that the "due diligence" was fake and for appearances only. Chu directed his people to do no actual due diligence on the chosen few and to just hand them money and kill or stall the other competing applicants who didn't pay-to-play.

Then the Obama Administration moves in and Steve Rattner, Rahm Emanuel, David Axelrod and Robert Gibbs see how the scam is running and they say, "hey, we want to take that over!" ... "We are still going to do the scam but as prizes for our benefactors instead of yours".

Venture capital guys from Kleiner, Westley, Khosla and a little group of Silicon Valley VC's say: "Hey Obama, you want the big bucks? Put our guy Chu in the top spot and we will guarantee to slide contract cash and search engine rigging in your direction!"

The little group of VC's says to Chu: "Lean it our way and we will fix you up for life after you retire and buy you your own personal reactor".

Steve Rattner cuts a deal with the 3 Detroit CEO's and Silicon Valley to make sure that nobody who can compete with them gets any of the money. Seward creates what is now known as the "stall plan" to keep any other applicant from getting through the DOE funding review. Every bank in America spends 2 weeks on commercial loan applications yet DOE has stalled all applicants for years.

Later in the Obama administration top White House staff are notified that they are under investigation and that the jig is up. Rattner is then indicted in NY for securities fraud and the other 3 mysteriously leave their top-of-your-career jobs for no apparent reason at about the same time because they have been caught and deals have been cut. A turf war begins which only then becomes partisan. Some enforcement groups are trying to protect and some are trying to prosecute.

So how did people make money: the last two weeks of the 60 Minutes feature called THE

CLEANTECH CRASH gave you part of the story: The insider trading story on 60 minutes was part of it; Abramoff and his step-by-step tips were how the other part worked; The other part was even trickier: the deal packagers took fees off the top of each deal and then walked away with their finder/factoring/incentive/VC or whatever-you-call-it-fee to forget about the company and allow it to languish.

The VC guys (KPCB, Greylock, etc.) bet on the companies to fail and made margin when they did. Nobody checked on the companies, not DOE, not the bundlers: nobody. So the CEO's of those companies also stole money because: ***nobody was watching the taxpayer's money except the corrupt senators who were laundering it through the stock market and then putting it right in their pockets!***

Solyndra in Grand Jury Crosshairs: Documents



FBI agent carry dozens of boxes of evidence from Solyndra headquarters in Fremont, Calif., Sept. 8, 2011. (Paul Sakuma/AP Photo)



By LEE FERRAN and MATTHEW MOSK
Dec. 14, 2011

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6

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A grand jury has been convened in what appears to be the next significant step of the federal criminal investigation into Solyndra, the politically-connected and now bankrupt solar firm that received a half-billion dollar loan guarantee from the government, according to court documents.

The role of the grand jury was revealed in documents filed in bankruptcy court last week by K&L Gates, a law firm retained by Solyndra reportedly just weeks after the [FBI raided Solyndra's California headquarters](#) in September. The documents give a daily account of K&L Gates' employees activities in reference to Solyndra and often refer to communications concerning a "grand jury subpoena".

Illustration 14: The Public Has Not Yet Seen The Full Investigation Data

The Senator Feinstein Corruption

.Dianne Goldman Berman Feinstein

...born **Dianne Emiel Goldman**^[1] (/ˈfaɪnstaɪn/; born June 22, 1933), is the [senior United States Senator](#) from California. A member of the [Democratic Party](#), she has served in the Senate since 1992. She also served as 38th [Mayor of San Francisco](#) from 1978 to 1988.

Born in San Francisco, Feinstein graduated from [Stanford University](#) in 1955 with a [B.A.](#) in history. In the 1960s she worked in city government, and in 1970 she was elected to the [San Francisco Board of Supervisors](#). She served as the board's first female president in 1978, during which time the [assassinations](#) of Mayor [George Moscone](#) and City Supervisor [Harvey Milk](#) drew national attention to the city. In an interesting set of personally fortuitous coincidences, Feinstein succeeded Moscone as mayor when he was murdered. During her tenure as San Francisco's first female mayor she oversaw the [1984 Democratic National Convention](#).

After a failed gubernatorial campaign in 1990, she won a 1992 special election to the U.S. Senate. Feinstein was first elected on the same ballot as her peer [Barbara Boxer](#).

Feinstein was the author of the 1994 [Federal Assault Weapons Ban](#) which expired in 2004. In 2013 she introduced a new assault weapons bill, which failed to pass. Feinstein formerly chaired the [Senate Rules Committee](#) (2007–09) and has chaired the [Select Committee on Intelligence](#) since 2009. She is the only woman to have presided over a [U.S. presidential inauguration](#).^{[3][4]} The CIA has broken into her computers, in a very public battle between the CIA and Feinstein. Journalist Glenn Greenwald and Whistle-blower Edward Snowden have published many critical reviews of Feinstein.

At the age of 82, Feinstein is the oldest [currently serving United States Senator](#).

Corruption Charges In The Cleantech Crash Case:

In Bullet-point, the charges against the Feinstein Family Cartel, in the Cleantech Crash Corruption Case include:

- Feinstein was the promoter, lobbyist and beneficiary of the side-by-side (on the same plot of land) Tesla and Solyndra government hand-out funding scandal.
- Feinstein's daughter, Kathryn, documented illicit actions by her mother, while in social habitation with the applicants
- While in the Mayor's office, Bruce Brugman, publisher of the top San Francisco weekly newspaper: *The San Francisco Bay Guardian*, documented and published nearly 100 corruption charges against Feinstein. Local law enforcement efforts, against Feinstein were nearly impossible, at the time, according to *Bay Guardian* staff because local politicians and authorities had been paid off by James Bronkema, David Rockefeller's "bag man" and John Molinari, the local mob "bag man". *Ex-Guardian* staff have suggested that associates of one of those two Feinstein financing clans had, possibly arranged the George Moscone assassination in

order to position Feinstein for higher office

- Herb Newman, of Sausalito, California; Feinstein's relative, was awarded the staffing contracts for Tesla and Solyndra based on Feinstein's say-so, in direct conflict of interest
- Feinstein, and her Chief of Staff, warned applicant's about attempting to use the NUMMI auto factory, which she was covertly placing Tesla in and Solyndra next to. Tesla had already publicly rejected the NUMMI building as “unusable” in the press, yet Feinstein talked Tesla into using it so that her husband's company could profit from it and so she could arrange kick-backs to Tesla, more easily
- Feinstein worked with Senator Harry Reid on the Cleantech Scams. Together, by helping White House staff and financiers manipulate the program, they made over \$50 Million in personal profits at taxpayer expense
- Feinstein staff worked for and were compensated by, Tesla and Solyndra. In some cases Feinstein staff and Tesla staff were interchangeable, in direct conflict-of-interest
- Feinstein's husband had financial interests in the railroad property adjacent to the Tesla and Solyndra buildings. Feinstein later got him the entire California high speed rail contract
- The Feinstein family owned the construction company which Tesla and Solyndra, used. They were given no-bid contracts
- Feinstein, and her husband worked with White House staff under Rahm Emanuel and Silicon Valley campaign financier John Doerr and associates involved with Kleiner Perkins to conduit bribes, and campaign financing, as stock warrants and positions
- Feinstein associate: Roger Boas, was arrested for involvement in a child prostitution ring for political pedophiles, and for embezzling money for the Moscone Convention Center construction
- The Feinstein Family held war profiteering contracts in Afghanistan, Bolivia and other regions which held the exclusive mining contracts for Solyndra and Tesla chemicals
- After Solyndra was raided by the FBI and went bankrupt, costing taxpayers over half a trillion dollars in losses, the Feinstein Cartel used the tax write-off losses to make a profit, via tax form manipulations on the tax-write-off losses from the Solyndra crash
- Feinstein, and her staff, sabotaged other applicants who were competing for the same funds as Tesla and Solyndra

- Even after Solyndra went bankrupt, the Feinstein family continued to profit off of the Solyndra scandal by re-leasing the buildings and collecting real estate profits
- Feinstein's family ran the property sales and leasing contracts for the Tesla and Solyndra buildings
- Gary D. Conley, a Bay Area solar and Hydrogen company CEO, whistle-blew on the corruption at Tesla and Solyndra and was later found with a bullet in his head behind a Northern California Air Force base. His family, and friends, charge that his death was “suspicious”
- Feinstein's family and associates held stock in Tesla, Solyndra and other “Clean Tech” companies, which they acquired at key pre-announcement points, most likely based on insider information and the payola from bribes provided as stock warrants
- Feinstein, and her staff told Fremont, California city officers to not engage in discussions with competing applicants
- Although other, competing, applicants had been in written discussions, and negotiations, with senior executives at Toyota for the use of the NUMMI plant, Feinstein warned Toyota that only Tesla would be supported for the use of the plant. This was before anyone from Tesla had contacted anyone from Toyota, the owners of the plant, and after Elon Musk had been published in the press saying that Tesla could have no use for the building.

Conclusion:

The facts, evidence, testimony and surveillance clearly prove that Dianne Feinstein used her public office to stage a corruption program to provide public cash and resources to herself and her family for covert profits at taxpayer expense. She used her office to assist in the attacks and sabotage of U.S. companies who were competing for the same funds that she was manipulating.

COMPILATION OF EVIDENCE OVERVIEWS:

Complete evidence sets are held by various law enforcement, agency and news groups and copied in globally placed protection torrents

[Sen. Dianne Feinstein’s husband wins CA rail contract ...](#)

[cached](#)

U.S. Sen. Diane Feinstein’s husband Richard Blum won the first-phase construction contract for

California's high-speed rail. I'm shocked, shocked I tell you.

[http://www.capoliticalreview.com/blog/\[...\]nsteins-husband-wins-ca-rail-contract/](http://www.capoliticalreview.com/blog/[...]nsteins-husband-wins-ca-rail-contract/)

EXCLUSIVE: Senator's husband's firm cashes in on crisis ...

[cached](#)

Dianne Feinstein introduced legislation earlier this year to route \$25 billion in ... Spokesmen for the FDIC, Mrs. Feinstein and Mr. Blum's firm told The Times This kind of thing only stops when corruption becomes a capital ...

[http://www.washingtontimes.com/news/20\[...\]nds-firm-cashes-in-on-crisis/?page=all](http://www.washingtontimes.com/news/20[...]nds-firm-cashes-in-on-crisis/?page=all)

Feinstein's Husband Co. to Bag \$1 Billion for Government Deal

[cached](#)

17 Jan 2015 ... Sen. Dianne Feinstein's husband, Richard Blum, could bag \$1 billion in commissions for his company from a government plan to sell 56 US ...

[http://www.breitbart.com/big-governmen\[...\]to-bag-1-billion-for-government-deal/](http://www.breitbart.com/big-governmen[...]to-bag-1-billion-for-government-deal/)

CBRE/Richard Blum and USPS : snopes.com

[cached](#)

Rumor: Richard Blum, the husband of Senator Dianne Feinstein, obtained a contract to broker sales of USPS facilities due to his wife's influence.

<http://www.snopes.com/politics/business/blum.asp>

The 25 Most Vicious Iraq War Profiteers - Page 2 of 27 ...

[cached](#)

I see I am late on this, but I wanted to reply to the individual who speaks of companies earning money and that this is why they go into business in the first place.

<http://www.businesspundit.com/the-25-most-vicious-iraq-war-profiteers/2/>



[Dianne Feinstein's Family Had Investments in Lithium Ion mining for batteries](#)

SENATORS DROPPING LIKE FLIES IN CORRUPTION ARRESTS



Illustration 15: Every About Feinstein Will Be Released One Day After Her Death

Dianne Feinstein's Husband's Real Estate Firm Poised to Make \$1 ...

[cached](#)

Dianne Feinstein is back in the news as the giant real estate ... deal is a classic example of what's legal and corrupt in government contracting.

[http://www.alternet.org/news-amp-polit\[...\]firm-poised-make-1-billion-selling-post](http://www.alternet.org/news-amp-polit[...]firm-poised-make-1-billion-selling-post)

Feinstein wants to limit who can be a journalist ...

[cached](#)

Aug 12, 2013 · The most recent congressional threat to the free press in the United States comes from California Democrat U.S. Sen. Dianne Feinstein. In a proposed ...

[http://watchdog.org/100682/feinstein-w\[...\]ants-to-limit-who-can-be-a-journalist/](http://watchdog.org/100682/feinstein-w[...]ants-to-limit-who-can-be-a-journalist/)

Dianne Feinstein, the Most Corrupt Person in Congress, Routes Even ...

[cached](#)

22 Apr 2013 ... Dianne Feinstein, the Most Corrupt Individual in Congress, Routes Even More Government Money to Firm Owned by Her Husband Posted at ...

[http://www.sodahead.com/united-states/\[...\]ney-to-husbands-firm/question-3651127/](http://www.sodahead.com/united-states/[...]ney-to-husbands-firm/question-3651127/)

The Green Corruption Files

[cached](#)

Since August 2012, The Green Corruption Files, via House Oversight hearings and reports, secret internal Department of Energy (DOE) emails, droves of ...

<http://greencorruption.blogspot.com/>

Going Postal: U.S. Senator Dianne Feinstein's husband sells post ...

[cached](#)

Going Postal: U.S. Senator Dianne Feinstein's husband sells post offices to his ... Finally, someone besides the unions reporting on the corruption of senior ...

[http://www.amazon.com/Going-Postal-Sen\[...\]Feinsteins-husband-ebook/dp/B00F3JTO9G](http://www.amazon.com/Going-Postal-Sen[...]Feinsteins-husband-ebook/dp/B00F3JTO9G)

Report: Obama Energy Secretary Steven Chu
Personally Intervened In \$1.4 Billion Loan To Prop Up
Solyndra...



WHAT WOULD ELON DO?



"Elon: Congratulations on being a Self-righteous, Sanctimonious, Holier-than-thou, Narcissistic, Corrupt, Bribing Douchebag!

You must be so proud!"

Feinstein's gang owns parts of Tesla and Tesla's suppliers

Elon Musk, a billionaire, has now received billions of free taxpayer dollars in out-right cash hand-outs, tax waivers, free or low-cost resources, stock pumps and federal NASA contracts. Musk's companies would not exist today if not for taxpayer hand-out cash. No other living person has received this much taxpayer money from the Obama administration. No other living person has given so much money to the Obama administration through his companies, investors and partners, like Google. No other living person has had the Obama administration sabotage, terminate or rule against so many of his competitors. Federal records demonstrate this to be one of the most overt examples of a political campaign kick-back scheme in this decade. In Musk's carefully orchestrated, self-aggrandizing, media campaigns, all mention of his true financial connections, extensive fraud lawsuits, and employee distrust is carefully expunged.



Elon Musk's Space Dream Almost Killed Tesla

By Ashlee Vance | FOR BLOOMBERG

Illustrations by [The Red Dress](#)

[SpaceX](#) started with a plan to send mice to Mars. It got crazier from there.

In late October 2001, Elon Musk was in San Francisco with Jim Cantrell, a kind of international investor. Although Musk had tens of millions of dollars and they were planning to buy a refueling station, they were also sending a plant or some mice to Mars.

[Ressi](#), a gangly eccentric, had been thinking a lot about whether his best friend had started to lose his mind, and he'd been doing his best to discourage the project. He peppered Musk with links to video montages of Russian,

“He can be a downright liar ...” SPACE X STAFF

ELON MUSK CAUGHT FUNNELING CASH FOR SILICON VALLEY KICKBACKS



Elon Musk's growing empire is fueled by \$4.9 billion in government subsidies



During an event at Tesla's design studio in Hawthorne, Elon Musk introduces a line of batteries for homes and businesses. (Jerome Adamstein / Los Angeles Times)

By **JERRY HIRSCH**
contact the reporter

DON'T MISS Sign

[Feinstein & Cuomo Admit Planning Australian Style ...](#)

[cached](#)

If Feinstein's and Cuomo's plan is allowed to proceed even one step further without being vociferously and publicly protested and killed in utero...

[http://www.ammoland.com/2012/12/feinst\[...\]tralian-style-government-gun-buy-back/](http://www.ammoland.com/2012/12/feinst[...]tralian-style-government-gun-buy-back/)

[Dianne Feinstein - Conservapedia](#)

[cached](#)

After Feinstein's unsuccessful gubernatorial race in 1990, she was fined \$190,000 for failure to properly report campaign ...

http://www.conservapedia.com/Dianne_Feinstein



The Greentech VC Influence Over Washington

By [Katie Fehrenbacher](#) Aug. 18, 2010, 8:28am PDT [No Comments](#)

Buzz [_0](#)



There've been a couple articles in the past few weeks pointing to President Obama as the "[clean tech investor in chief](#)" and the [presidential VC with bets on clean energy](#). The real trend is that venture capitalists focusing on greentech seem to have had an unprecedented influence on U.S. federal policy and allocations of the stimulus package.

When I attended the Department of Energy's (DOE) first [ARPA-E conference](#) (Advanced Research Projects Agency-Energy) earlier this year in Washington D.C., I was struck by how many venture capitalists were there. I shared a cab back to the airport with some familiar Silicon Valley faces, and was told if your firm didn't have a dedicated person in Washington — in some circles they call them lobbyists — maneuvering grant and loan programs, you weren't able to be competitive.

Just look at the figures from the stimulus package (which I am fully in support of): somewhere between \$50 billion and \$80 billion into clean power and energy efficiency initiatives ([depending on](#)

Snopes Misses on Story of Collusion Between Sen. Feinstein and ...

cached

31 May 2013 ... Why, the husband of Senator Dianne Feinstein, that's who! ... enough to discover the depth of corruption and deceit and denial in its efforts to ...

[http://www.thenewamerican.com/usnews/c\[...\]rnia-sen-feinstein-s-husband-s-company](http://www.thenewamerican.com/usnews/c[...]rnia-sen-feinstein-s-husband-s-company)



U.S Senator Dianne Feinstein's Husband Selling Post Offices to ...

cached

5 Oct 2013 ... U.S Senator Dianne Feinstein's Husband Selling Post Offices to Friends These wealthy elites continue their corrupt ways simply because no ...

[http://www.projectcensored.org/u-s-sen\[...\]\]-husband-selling-post-offices-friends/](http://www.projectcensored.org/u-s-sen[...]]-husband-selling-post-offices-friends/)

America's Main Problem: Corruption Washington's Blog

cached

May 06, 2015 · Preface: Sadly, in the month since we last posted on this topic, many new examples of corruption have arisen. The Cop Is On the Take. Government corruption ...

[http://www.washingtonsblog.com/2015/05\[...\]ain-problem-in-america-corruption.html](http://www.washingtonsblog.com/2015/05[...]ain-problem-in-america-corruption.html)



Illustration 16: The Feinstein Family Owns The Fremont Tesla-Solyndra Scam Profits

Dianne Feinstein (D-Calif.) ...

a California-based freelance writer with a special interest in uncovering government and corporate corruption, ...

google

http://www.huffingtonpost.com/2013/12/1/...leinstein-postal-service_n_4423045.html

\$olyndra Received More \$stimulus \$\$\$ than 35 States Received for Highways, Roads, and Bridges

\$olyndra's Bill: \$535,000,000

State	Total Distribution	State	Total Distribution
Alabama	513,692,083	Mississippi	354,564,343
Alaska	175,461,487	Montana	211,793,391
Arizona	521,958,401	Nebraska	235,589,279
Arkansas	351,544,468	Nevada	201,352,460
Colorado	403,924,130	New Hampshire	129,440,556
Connecticut	302,053,956	New Mexico	252,644,377
Delaware	121,828,650	North Dakota	170,126,497
D.C.	123,507,842	Oklahoma	464,655,225
Hawaii	125,746,380	Oregon	333,902,389
Idaho	181,934,631	Rhode Island	137,095,725
Iowa	358,162,431	South Carolina	463,081,483
Kansas	347,817,167	South Dakota	183,027,359
Kentucky	421,094,991	Utah	213,545,653
Louisiana	429,859,427	Vermont	125,791,291
Maine	130,752,032	Washington	492,242,337
Maryland	431,034,777	West Virginia	210,852,204
Massachusetts	437,865,255	Wisconsin	529,111,915
Minnesota	502,284,177	Wyoming	157,616,058

Source: U.S. Department Transportation Federal Highway Administration

Apportionment of Funds for Highway Infrastructure Investment Pursuant to the American Recovery and Reinvestment Act

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U.S. stock markets are rigged, says author Michael Lewis

NEW YORK | BY JOHN MCCRANK



A Wall Street sign is pictured outside the New York Stock Exchange in New York, October 22, 2013. REUTERS/CARLO ALICCI

(Reuters) - The U.S. stock market is rigged in favor of high-speed electronic trading firms, which use their advantages to extract billions from investors, according to Michael Lewis, author of a new book on the topic, "Flash Boys: A Wall Street Revolt."

High-frequency trading (HFT) is a practice carried out by many banks and proprietary trading firms using sophisticated computer programs to send gobs of orders into the market, executing a small portion of them when opportunities arise to capitalize on price imbalances, or to make markets. HFT makes up more than half of all U.S. trading volume.

The trading methods and technology that make HFT possible are all legal, and the stock exchanges HFT firms trade on are highly regulated. But Lewis said these firms are using their speed advantage to profit at the expense of other market participants to the tune of tens of billions of dollars.

"They are able to identify your desire to buy shares in Microsoft and buy them in front of you and sell them back to you at a higher price," Lewis, whose book is available on Monday, said on the television program "60 Minutes" on Sunday.

"This speed advantage that the faster traders have is milliseconds, some of it is fractions of milliseconds," said Lewis, whose books include "The Big Short" and "Moneyball."

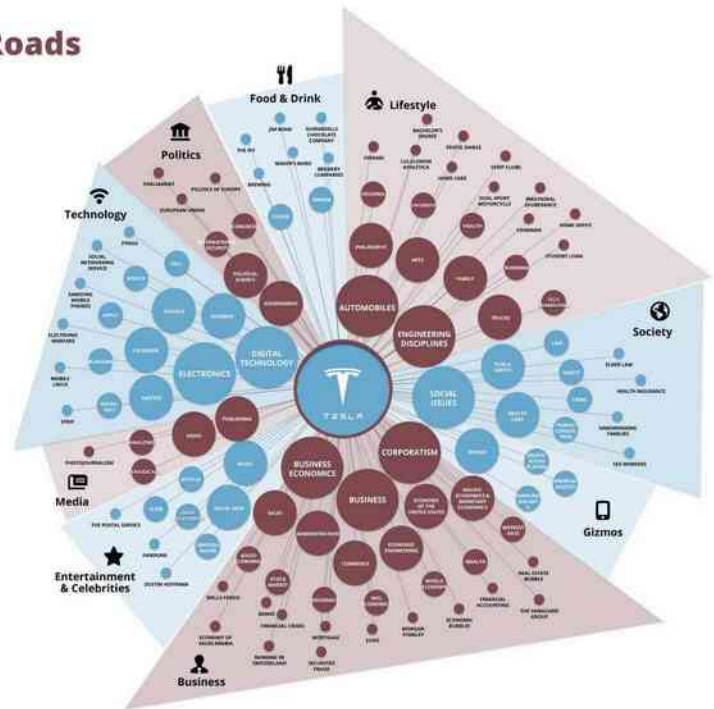
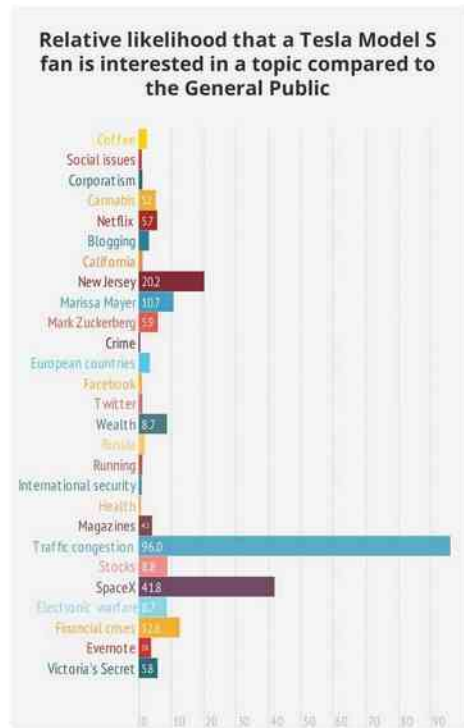
Those milliseconds can be valuable, making it possible to send around 10,000 orders in the blink of an eye.

Tesla Fans: Sex, Money & Open Roads

What the Tesla Model S says about you

We all have an Interest Graph...

It's the set of things you care about and how much you care about them. When we all get together as a group, we have one big Interest Graph that describes us too. Let's see what a whole lot of Interest Graphs from folks who are into the *Tesla Model S* can tell us about them.



 **21,000**

Tesla Model S 2013 sales estimates

 **183,000**

Humans with Interest Graphs indicating a meaningful interest in the Model S

The “Tesla Culture” is, essentially “Perverts”!

Consumer Reports' Tesla Model S P85D breaks—before testing begins A broken power door handle is one of the most common Tesla problems

Last updated: May 15, 2015 02:15 PM



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A new car shouldn't have problems when you've owned it for less than a month. Yet Consumer Reports' brand-new \$127,000 Tesla Model S P85 D, with the fancy retractable door handles refused to let us in, effectively rendering the car undrivable. (Read "Why We Bought a Tesla Model S.")

After we'd owned the P85 D for a mere 27 days, with just over 2,300 miles on the odometer, the driver-side door handle failed. The door handles in the Model S retract electrically so they nest flush with the sides of the car when they're not in use. Walk up to the car with the key fob in your pocket, and the handles move out

to allow you to grip them.

Except this time, the one on the driver's door of our P85D didn't pop out, leaving us no way to open the door from the outside. And significantly, the car wouldn't stay in Drive, perhaps misinterpreting that the door was open due to the issue with the door handle. We have observed other vehicles likewise prohibiting driving with a door open.

We're far from the first Tesla owners to experience this problem. Our car reliability survey shows that doors, locks, and latches are the biggest trouble areas with Teslas and that the Model S has far higher than average rates of such problems.



Driver's door handle is stuck.

The

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Elon Musk: Government's \$5 Billion Man

83 Comments

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Capitalism 2015: In corporate finance today, the theme is "Go where the money is." For Elon Musk, CEO of Tesla, SolarCity and SpaceX, the place to hunt for cash isn't Wall Street or even Silicon Valley. It's Washington, D.C.

Green Pulpit | Reschedule – Regulate – Restore

[cached](#)

Reschedule - Regulate - Restore. The Green Pulpit Reschedule – Regulate – Restore

<http://thegreenpulpit.com/>

Dianne Feinstein: Thy Name Is Corruption | Video Rebel's Blog

[cached](#)

Dianne Feinstein was first elected to the San Francisco Board of Supervisors in 1969. She won one of her elections by campaigning late the ...

[https://vidrebel.wordpress.com/2013/01/\[...\]anne-feinstein-thy-name-is-corruption/](https://vidrebel.wordpress.com/2013/01/[...]anne-feinstein-thy-name-is-corruption/)

Top Democrat Busted For Corruption In Case that Mirrors Dianne ...

[cached](#)

Top Democrat Busted For Corruption In Case that Mirrors Dianne Feinstein/Elon Musk Charges So you think all the Democrats are happy little ...

[https://atvmdoe.wordpress.com/2015/11/\[...\]ors-dianne-feinsteinelon-musk-charges/](https://atvmdoe.wordpress.com/2015/11/[...]ors-dianne-feinsteinelon-musk-charges/)



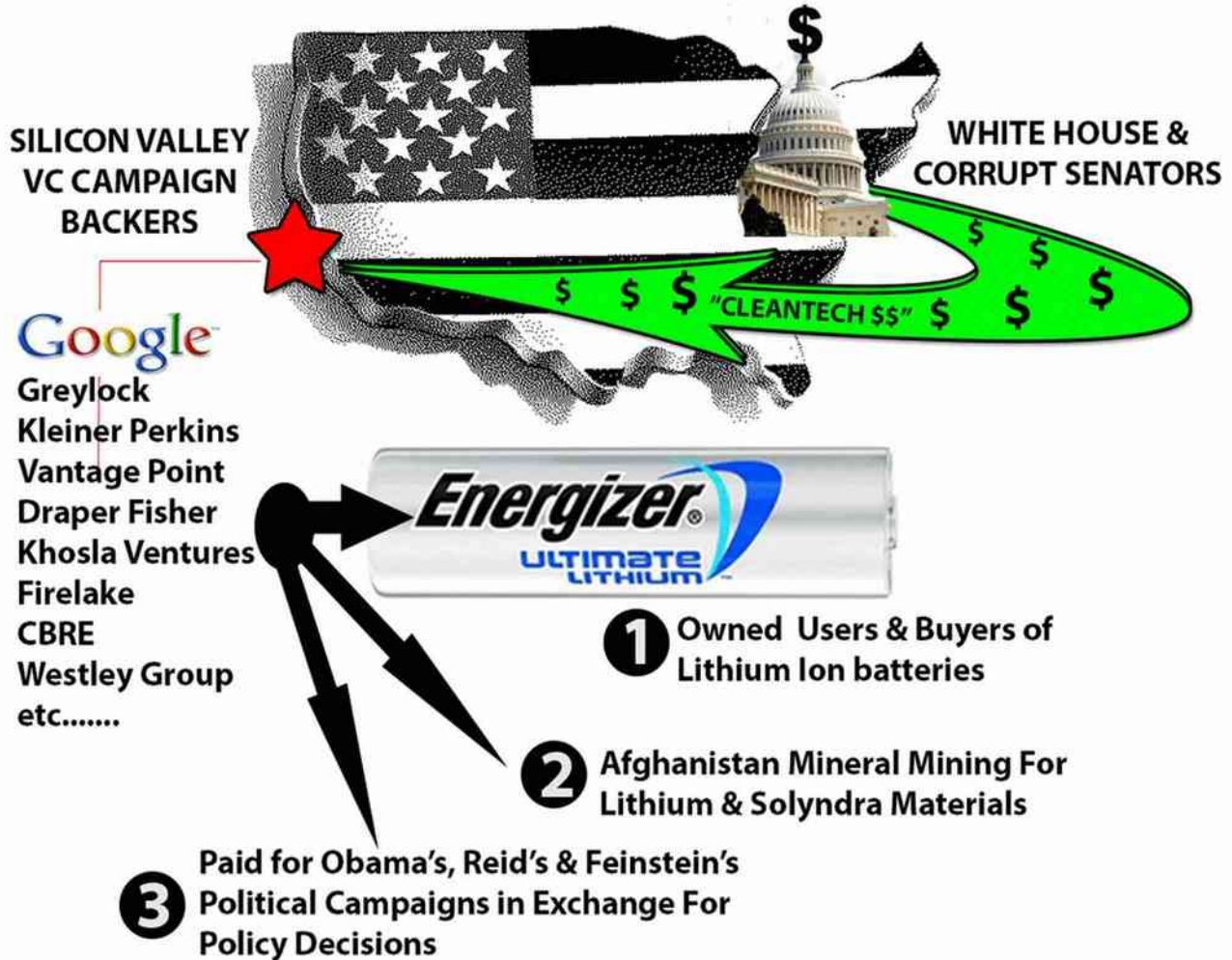
Illustration 17: Tesla: Always On Fire, Never Properly Engineered

Warren Buffet The Illuminati's Sleeper Cell Of Corruption ...

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Warren Buffet The Illuminati's Sleeper Cell Of Corruption Within The United States! Depopulation is a key plan for the very rich and also a chaos buffer ...

[http://politicalvelcraft.org/2013/01/1\[...\]lluminatis-sleeper-cell-of-corruption/](http://politicalvelcraft.org/2013/01/1[...]lluminatis-sleeper-cell-of-corruption/)

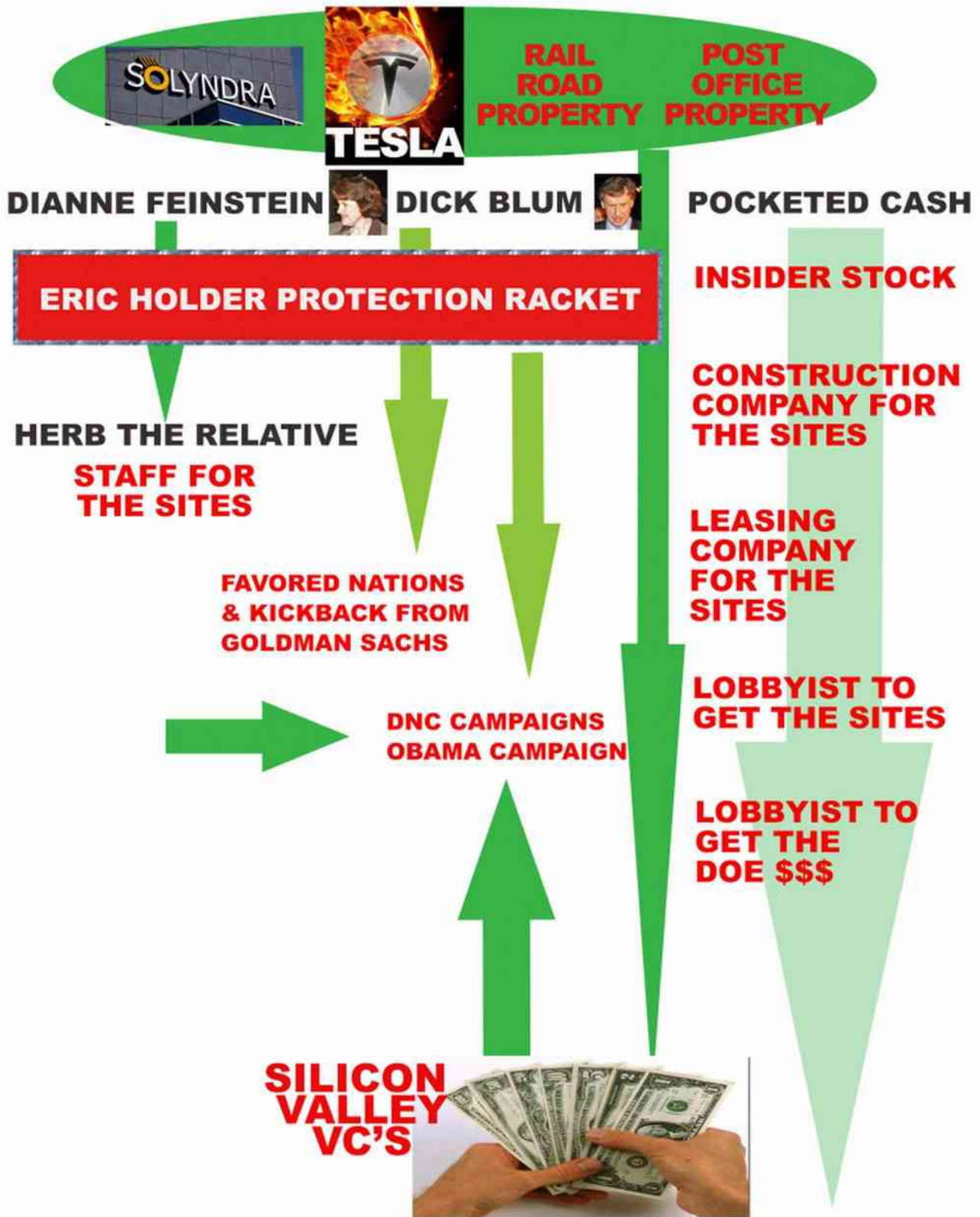


How Dianne Feinstein's Husband Sells Post Office Real Estate to ..

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25 Sep 2013 ... Dianne Feinstein is one of the most shameless, authoritarian, ... surprising because we have seen a pattern of corruption at the Post Office ever ...

DIANNE FEINSTEIN ORGANIZED CRIME CHART



[https://libertyblitzkrieg.com/2013/09/\[...\]al-estate-to-his-friends-on-the-cheap/](https://libertyblitzkrieg.com/2013/09/[...]al-estate-to-his-friends-on-the-cheap/)**Glenn Greenwald - Salon.com**

[cached](#)

Stories written by Glenn Greenwald ... two-tiered system of justice. Greenwald was named by The Atlantic as one of the 25 most influential political commentators in ...

http://www.salon.com/writer/glenn_greenwald/

Richard C. Blum and Dianne Feinstein: The Power Couple - FoundSF

[cached](#)

Senator Dianne Feinstein with her husband Richard Blum at a Democratic ... and Feinstein precisely illustrates the corrupt, war-mongering, pro-corporate ...

[http://foundsf.org/index.php?title=Ric\[...\]nstein: The Power Couple of California](http://foundsf.org/index.php?title=Ric[...]nstein: The Power Couple of California)

Have You Ever Wondered How Senators Retire Rich? Dianne ...

[cached](#)

Dianne Feinstein Shows Us How Pioneer days is over, and what she has turned into reeks of corruption, profiteering, and dishonorable behavior from what ...

[http://www.ijreview.com/2015/01/234533\[...\]retire-rich-dianne-feinstein-shows-us/](http://www.ijreview.com/2015/01/234533[...]retire-rich-dianne-feinstein-shows-us/)

Dianne Feinstein Under Fire for Sanctuary City Bill – Newsmax.com

[cached](#)

3 Aug 2015 ... Dianne Feinstein is under fire from immigration advocates as she ... ANY AMERICAN to stop his corrupt wannabe king treasonous actions.

[http://www.newsmax.com/Newsfront/Diann\[...\]ctuary-city-bill/2015/08/03/id/665214/](http://www.newsmax.com/Newsfront/Diann[...]ctuary-city-bill/2015/08/03/id/665214/)

Here's how much corporations paid US senators to fast ...

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Critics of the controversial Trans-Pacific Partnership are unlikely to be silenced by an analysis of the flood of money it took to push the pact over its latest ...

[http://www.theguardian.com/business/20\[...\]ations-paid-us-senators-fast-track-tpp](http://www.theguardian.com/business/20[...]ations-paid-us-senators-fast-track-tpp)

Dianne Feinstein's Husband Wins Near-Billion Dollar California ...

[cachedn](#)

21 Mar 2015 ... By Thomas Lifson – American Thinker. To the surprise of absolutely no one familiar with the ways of Corruptifornia, the one-party state ...

[http://conservative50.com/dianne-feins\[...\]r-california-high-speed-rail-contract/](http://conservative50.com/dianne-feins[...]r-california-high-speed-rail-contract/)

Results: Dianne Feinstein Archives | CREW | Citizens for ...

[cached](#)

Results — Dianne Feinstein ... April 27, 2009 | Requests for Investigation, Corruption, Federal Agencies, Federal Deposit ... Feinstein and 9/11 Revisionism .

<http://www.citizensforethics.org/pages/category-results/c/dianne-feinstein>

Keeping It In the Family: Senator Feinstein's Husband Stands to ...

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4 Jun 2013 ... Senator Dianne Feinstein has long been accused of corruption and unethical behavior in Congress. From going after the Second Amendment ...

[http://www.activistpost.com/2013/06/ke\[...\]g-it-in-family-senator-feinsteins.html](http://www.activistpost.com/2013/06/ke[...]g-it-in-family-senator-feinsteins.html)

Is Dianne Feinstein a Crook? Did she, and her family, engage in ...

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Dianne Feinstein: Thy Name Is Corruption | The only reason Feinstein ever became a thing is because some guy, that was in her career path, named Moscone, ...

[http://www.morenewznow.com/dianne-fein\[...\]rectal-hydration-american-taxpayers-3/](http://www.morenewznow.com/dianne-fein[...]rectal-hydration-american-taxpayers-3/)

Dianne Feinstein's Husband Gets \$Billion-Dollar Sweetheart ...

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17 Jan 2015 ... feinstein She is a corrupt crony capitalist of the worst kind. Feinstein's husband, Richard C. Blum, is chairman of C.B. Richard Ellis, or CBRE, ...

[http://joeforamerica.com/2015/01/diann\[...\]ion-dollar-sweetheart-government-deal/](http://joeforamerica.com/2015/01/diann[...]ion-dollar-sweetheart-government-deal/)

How The Democrats Ate Their Own Children

When U. S. Senators Harry Reid and Dianne Feinstein realized they could each make billions of dollars, personally, via their family stock holdings and campaign funds, they didn't waste a minute stabbing their own constituents in the back to get at that cash.

California and Nevada Green Car Companies, Solar Companies, Energy Technology Companies, Green Builders and Transit Companies were hacked off at the knees because they competed with the stock assets that Reid and Feinstein had acquired in their kick-back deals.

These other applicants were all "GREEN COMPANIES": supposedly the Democrat's favorite things. It doesn't matter, though, how green your company was, if it was in the path for the green cash from Tesla or Solyndra. Two of the favored companies who paid the kick-backs to federal officials.

Is the argument from Feinstein's office that: "there just wasn't enough money left at the Department of Energy" true? No, it is a 100% out-right lie. The Federal GAO, the people that watch for corruption, state that there has always been, and still is, billions, and billions and billions of dollars, set aside EXCLUSIVELY for these companies, that was never used. In Fact, there was always more than enough money to fund every single applicant.

Staff from ZAP Motors, Redwood Solar, Aptera and dozens of other companies have specifically stated that Harry Reid, Dianne Feinstein and their Chiefs of Staff, personally wrote to them, spoke with them and lied to them.

Under Eric Holder, Feinstein and Reid buddy Eric Holder, refused to take any action. Now it is Lynch's turn.

Harry Reid sabotaged the applicants for Department of Energy Funds if they competed with Kleiner Perkins companies who were funding the campaigns of Reid and Feinstein.

Further, Recent disclosures, such as the following, shed disturbing light on the depths of this criminal; behavior:

Did the LA TIMES Article actually disclose an organized crime operation involving some very famous people? SHOCKER THEORY!!!

The LA TIMES just ran an article which exposes Elon Musk's funding system, based on Government hand-outs. Musk rushed to hold a press conference to claim the amount of taxpayer cash, he has received, was "just a pittance". Few, though, find over FIVE BILLION DOLLARS of tax waivers, credits, employment freebies, buildings, exclusive contracts, and other taxpayer provided goodies, to be "a pittance" in these tough times.

While it is true that Musk has now received more taxpayer hand-outs, than any individual in American history, one could argue that he is just a lucky business man.

But, just for the purpose of theoretical discussion, what if some of the darker theories about Musk's coincidental windfalls have some merit?

Let's jump right to the most sinister interpretation of things.

One of the whispered rumours, on the web holds that in 2007, right when Musk's silent partners, Eric Schmidt and John Doerr started, practically, living at the White House in a lobbying frenzy, the Democrats finally acknowledged that they really were the party of the poor, because they were flat broke. So some of them came up with the idea of creating a Department of Energy fund called the "ATVM Fund", loading it up with \$25 Billion kick-back dollars of taxpayer cash, awarding it only to Schmidt/Doerr/Musk related companies, and shutting out all of their competitors.

Indeed, history shows that the fund actually was created. It really got \$25 Billion, in a unique legal manner, which made the \$25 Billion irrevocable. Schmidt/Doerr/Musk's buddy: Steven Chu, was put in charge of it. He hired their friends to staff his office.

See where this is going?

So, per this theory, Musk is actually a kick-back conduit, protected by the White House, to spiff the DNC campaign funds...according to this theory. Which is just a theory. It couldn't really happen, right? The White House wouldn't prop up a guy just to keep him quiet and keep kick-back cash flowing.. right?

So this theory is kind of ironic because, in an amazing coincidence, everything that Musk get's involved in, is exactly stuff that the White House is promoting.

In an even more bizarre coincidence, to pull a scam like this off, the Schmidt/Doerr/Musk Cartel would need the help of U.S. Senators Reid and Feinstein, the most beloved American politicians in history. This whole theory must have come out of the fact that Reid and Feinstein made billions of dollars off of Schmidt/Doerr/Musk Cartel stock investments and campaign contributions, but, that was, of course just another funny coincidence. They even ran, and built, some of the properties that these Department of Energy "winners" companies sat upon. But, again, coincidence!

The main reason one might cast doubt on this theory is that there are so many hard facts to prove it, that it is just too good to be true) right?

These internet crazies)these "theorizers" point to actual facts like the one where all of the profitable chemicals that Tesla and Solyndra were going to buy and sell in volume were controlled by the investors in Kliener Perkins and commodity-managed by their partners: Goldman Sachs. That's just another funny coincidence.

The "theorizers" point to the fact that Musk's companies have poor business volume, but show a profit whenever there is bad news thanks to Kleiner rushing out to "Flash Boy" purchase Tesla stock, with an automated stock buying system, in order to pump the stock. Federal, and private investigator,

records show that this actually happened. It has also been proven that only Google, Reddit and the other Kleiner-controlled web-news-media mask all negative Musk/Tesla news in perfect synchronization with the stock pumps, when no other publications on the planet do. Again, these are just coincidences. If people were consciously doing those kinds of things it would be mobster-ism on a Godfather-class scale. But, that couldn't have happened.

Then..get this; "rumour people", who seem to just be ecstatic about all of these coincidental, highly suspect things, go off on yet another "FACT". They point out that originators of the scam, from the White House side, had to be Emanuel, Plouffe, Axelrod, Rattner and Gibbs. Then they go on to point out that Emanuel, Plouffe, Axelrod, Rattner and Gibbs suddenly quit the White House at the peak of their career for reasons that don't make sense. The fact that one of them was indicted for stock market fraud only goes to strengthen their case, but, again)these things happen.

So, even if this really had happened, the brave and fearless protector of ethics and morality: Mr. Eric Holder, would have cracked right down on his friends here, who he knew personally, and had dinner with, and had the same lawyers with- oh,.. well.. but anyway. Eric would have jumped on them, right? The White House wouldn't order the Justice Department and the FBI to ignore Elon Musk, John Doerr and the Silicon Valley Cartel as a kick-back protection order, now would they?

Mobsters kill people. Rajeev Motwani, David Bird, Gary D. Conley, 3 Tesla engineers and a large bunch of others did, certainly, die under mysterious circumstances, and they were all people that this cartel would want dead, but to say that these billionaires are off murdering their adversaries using mysterious CIA stealth murder tricks is overly intriguing.

Of course, as we all now know, every single one of those companies in the ATVM Fund scam grabbed the cash, paid their CEO and Goldman Sachs insiders off-the-top, and immediately went bankrupt in the largest government-funded sequential business-failure suite in history. While some argue that a secret GOP Task Force discovered the plot and forced all of the Kleiner Cartel DOE "Winners" to collapse, in punishment, this is probably another coincidence.

Here is the main argument against this theory, Mobsters are big greasy looking guys with bulbous broken noses and slicked back pompadours. These Musk and Kleiner people wear khakis and black turtlenecks. KHA-KIS for god-damn sakes!! You never saw a mobster in khakis, right? They shouldn't have used a Federal agency as the scam front. They should have used a family foundation, like Hillary did. But none of this happened. So, who cares?

So we have clearly crushed another internet rumour from those damn bloggers. Whew!

Based on published federal and media investigations, it appears that White House Staff and Silicon Valley billionaires engaged in a racketeering operation to manipulate hundreds of billions of dollars of taxpayer funds into their own pockets via TARP and Department of Energy funding programs created for the purpose of running this scam. The individuals involved, are charged with organized crime activities, by investigators, but major regulatory agency executives have participated in delays, and cover-ups, in order to prevent effective prosecution of the parties involved.

All of the parties involved in the swindle have now had their communications, meetings, money paths, beneficiary routes and competing interest attacks tracked, documented and verified.

Major banking and corporate entities participated in the crimes and, while all of the banks have been charged with other crimes, they have yet to be prosecuted for this crime.

Any jury trial evidence presentation opportunity can now clearly document the crimes, the players and the facts of this case.

The many investigators, journalists and members of the public, who participated in the assembly of this evidence, challenge all parties to come forward in a live, televised, open public hearing to confirm, or deny, these facts.

.Who is Dianne Feinstein?

If you were in the Senate and you had been involved in corruption things, you would want to try to get yourself on the Senate Intelligence Committee so you could use, and monitor, agency information and resources to make sure nobody found out about the corruption things you and your husband were doing. Let's take Dianne Feinstein and her husband Richard Blum and his CBRE and vast other stealth companies and funds.

When she was mayor of San Francisco, the San Francisco newspapers were rife with charges of corruption and cronyism about her. Her associate, Roger Boas, went to federal prison for corruption in City Hall AND for child prostitutes. Police reports show that he used child prostitutes plus sent prostitutes out to buy favors for City Hall corrupt winner/loser rigged selections.

She personally interceded in getting Solyndra funded from taxpayer dollars and getting them to build the Solyndra buildings where it benefited her husbands business connections. Her Family made profits off of Solyndra getting picked as a DOE funding "winner".

She personally interceded in getting Tesla funded from taxpayer dollars, and getting them to acquire buildings (physically next to Solyndra in the boondocks of Fremont, California) and equipment where it benefited her husbands business connections. Her Family made profits off of Tesla getting picked as a DOE funding "winner".

Guardian staff report that her husband has made multiple trips to Mongolia transporting cash for deals and now holds business interests there on mining companies that make materials for electric car batteries and other interests that she fought for bill or budget passage on. They have airport records, travel expense reports and photographs of him in Mongolia meeting with sketchy Chinese and Asian Business men. They state that he took suitcases full of cash to Mongolia. Why did Feinstein not properly document this in her disclosures? What intelligence did Blum get near, or to, China?

Richard Blum got a group of Silicon Valley VCs to buy votes, get out the vote for her and push votes to get her on Committee when she was hanging by a thread from previous near-catches of their misdeeds according to a former reporter from ValleyWag.

Feinstein wrote laws regarding the Regents of California which benefited her husband.

If you web search their names and "Corruption" or "Crony" you will find a vast number of stories about all kinds of kickbacks that the Feinstein/Blums have been charged with.

And a person like this has access to all the secret files?

When you chart out all of the front companies, fake family trusts under other trusts, Blum offshore accounts in Belize, The Caymans and other interesting places, companies behind other companies between her and Mr. Blum, you have a facade of misdirection and phoney business names that would make any spy envious. Feinstein's bills and budgets tie back to more false front organizations that benefit her family interests than almost any other person in the Senate per the latest research from The Guardian.

If you were someone like that you would certainly try to get yourself on the intelligence committee so you could have the first clue when you were about to get caught and to steer investigations away from your crony deals. You would certainly support domestic phone-tapping because you would order such taps on your public-interest agency enemies like the ACLU and BigGovernment.com and The Schweizer team in order to keep an eye on them. Of course she is fighting on behalf of ongoing domestic spying. It is how she covers her ass.

Here is a teeny, tiny selection of the many corruption charges against Feinstein:

<https://www.sodahead.com/united-states/dianne-feinstein-the-most-corrupt-person-in-congress-routes-even-more-money-to-husbands-firm/question-3651127/>

<http://capoliticalnews.com/2013/06/03/more-dianne-feinstein-corruption-husband-given-exclusive-to-sell-56-post-offices-6-commission/>

http://www.blacklistednews.com/Senator_Feinstein_%E2%80%99s_Husband_Standsto_Make_Millions_from_USPS_Contract/26454/0/38/38/Y/M.html

<https://vidrebel.wordpress.com/2013/01/06/dianne-feinstein-thy-name-is-corruption/>

http://www.salon.com/2012/07/24/dianne_feinsteins_espionage/

<http://www.activistpost.com/2013/06/keeping-it-in-family-senator-feinsteins.html>

http://www.libertynewsonline.com/article_301_33364.php

<http://newsbusters.org/node/12481>

[http://foundsf.org/index.php?title=Richard C. Blum and Dianne Feinstein: The Power Couple of California](http://foundsf.org/index.php?title=Richard+C.+Blum+and+Dianne+Feinstein%3A+The+Power+Couple+of+California)

<http://www.truth-out.org/opinion/item/19023-sen-feinstein-wants-to-strip-independent-journalists-rights>

<http://www.thenewamerican.com/usnews/crime/item/15579-snoopes-misses-larger-story-on-sales-of-post-offices-by-california-sen-feinstein-s-husband-s-company>

<http://ridgecrest.blogspot.de/2007/04/feinstein-corruption-scandal.html>

<http://littlecountrylost.blogspot.de/2007/12/diane-feinstein-corrupt-war-profiteer.html>

<https://spotlightoncorruption.wordpress.com/tag/dianne-feinstein/>

[http://www.conservapedia.com/Dianne Feinstein](http://www.conservapedia.com/Dianne_Feinstein)

<http://dccllothesline.com/2013/01/25/why-america-can-not-trust-the-motives-of-dianne-feinstein/>

Greenwald asks: "What is the relationship between Feinstein's husband's company: CBRE; and the Tesla, Solyndra and other Green Loan Real Estate deals?"

Demand Answer he says.

How many times has Richard Blum been to Mongolia and what did he take with him that he did not return with and what did he return with that he did not take with him?

Why did Feinstein and her staff sabotage other companies trying to use NUMMI?

What is the relationship between the Comptroller of Fremont California, the Mayor and Feinsteins staff?

Elon Musk is on public record, published and recorded in national media, saying that NUMMI is no good for Tesla and a bad choice for Tesla. Why did Feinstein make him flip flop?

What is the relationship between NUMMI, the properties adjacent to NUMMI, The adjacent Solyndra property and the real-estate company owned by Feinsteins husband: CBRE?

Why do the Feinstein staff that helped get TESLA its taxpayer money now work FOR TESLA? Isn't that illegal? Isn't that unethical?

Do the CIA, The NSA and federal investigators have recordings of Feinstein breaking the law? Did Snowden get some of that data in his cache? Is that why Snowden and Greenwald are so comfortable mouthing off to Feinstein?

What is going on in that meeting with the City of Fremont insiders that Feinstein's chief of staff headed up and who recorded that on their cell phone? It sounds suspicious.

Why did TOYOTA and GENERAL MOTORS say that NUMMI was a "failed plant"?

What was the fire and explosion that the Fremont fire department responded to at the Tesla Nummi plant?.... no, not the second one where the hot metal burned the workers, the earlier one?

Why did Feinstein met with UAW representatives and promise them NUMMI jobs if they supported requested issues and then how many UAW jobs did Musk actually keep on site? Why does LinkedIn show a huge number of Tesla H1-B lawyer hires advertised when all workers were supposed to be American's per the U.S. tax dollar funding?

There are many more questions the federal investigators are asking, let's keep an eye on this...

📰 "A Massive Surveillance State": Glenn Greenwald Exposes 🇺🇸

GLENN GREENWALD: I think Dianne Feinstein may be the most Orwellian political official in Washington. It is hard to imagine having a government more secretive than the United States. Virtually everything that government does,)
democracynow.org/2013/6/7/a_massive_surveillance_state_g

Now Feinstein is trying to cover her tracks and act like she thinks spying on American🇺🇸s who were trying to end cronyism was 📰 "unacceptable". Don't buy her sudden change of tone. It is all a cover, just like all of her husbands vast network of cover organizations and secret VC kickback networks. If you want to do really big crimes in Washington, you get Feinstein to watch the databases to make sure nobody gets wind of it. It is like the one bank robber that sits in the car to listen to the police scanner during the bank robbery.

Husband🇺🇸s Business Ties to China Dog Feinstein 🇺🇸 Los Angeles 🇺🇸

For years, international financier Richard C. Blum🇺🇸s vast business portfolio has persisted as a nettlesome issue for his wife, Sen. Dianne Feinstein (D-Calif.), a vocal proponent of increased China trade. Three years ago, he vowed to turn over any profits from his China investments to)
articles.latimes.com/2000/oct/20/news/mn-39450
<http://articles.latimes.com/2000/oct/20/news/mn-39450>

Feinstein MILCON Corruption Scandal

Last week California Senator Diane Feinstein abruptly resigned her position as the chairman and ranking member of the Senate Military Construction Appropriations Subcommittee (MILCON). The MILCON subcommittee is in charge of supervising military construction. The committee also oversees "quality of life" issues for veterans, which includes building housing for military families and operating hospitals and clinics for wounded soldiers. During her six years as MILCON leader Senator Feinstein had a conflict of interest due to her husband Richard C. Blum's ownership of two major defense contractors, who were awarded billions of dollars for military construction projects that were approved by Senator Feinstein. That's Billion with a capitol B. My very own California Senator Diane Feinstein may have just hit one out of the park folks. By directing Billions of dollars of our tax dollars to her husband's companies, DiFi may have set a new record for corruption. According to a report compiled by MetroActive a San Francisco area newspaper Diane Feinstein used insider information to direct billions of dollars of military construction projects to companies, URS Corporation and Perini Corporation, that were owned or controlled by her husband.

While setting MILCON agendas for many years, Feinstein, 73, supervised her own staff of military construction experts as they carefully examined the details of each proposal. She lobbied Pentagon officials in public hearings to support defense projects that she favored, some of which already were or subsequently became URS or Perini contracts. From 2001 to 2005, URS earned \$792 million from military construction and environmental cleanup projects approved by MILCON; Perini earned \$759 million from such MILCON projects.

792 million and 759 million works out to 1.551 Billion dollars. And what portion of this billion and a half dollars did DiFi and her husband pocket?

In 2005, Roll Call calculated Feinstein's wealth at \$40 million, up \$10 million from just a year earlier. Reports show her family earned between \$500,000 and \$5 million from capital gains on URS and Perini stock. From CB Richard Ellis, her husband earned from \$1.3 million to \$4 million.

Public records show Blum's company paid \$4 a share for controlling interest in Perini, and later sold about three million shares for \$23.75 each.

The report also showed URS' military construction work in 2000 was only \$24 million, but the next year, when Feinstein took over as MILCON chair, military construction earned URS \$185 million. Additionally, its military construction architectural and engineering revenue rose from \$108,000 in 2000 to \$142 million in 2001, a thousand-fold increase.

In late 2005, Blum sold 5.5 million URS shares, worth \$220 million

So a US Senator has used insider information to direct billions of tax payer dollars to her husband's companies and yet I have not seen one word of this in a single antique media outlet. Where is the outrage, where is the indignation, where are CNN, Fox, MSNBC, NBC, ABC, CBS news? And even more importantly where is an investigation by the Senate Rules Committee? Oh wait, DiFi is the newly appointed chairman of the Rules Committee so I guess we can rule out an investigation there.

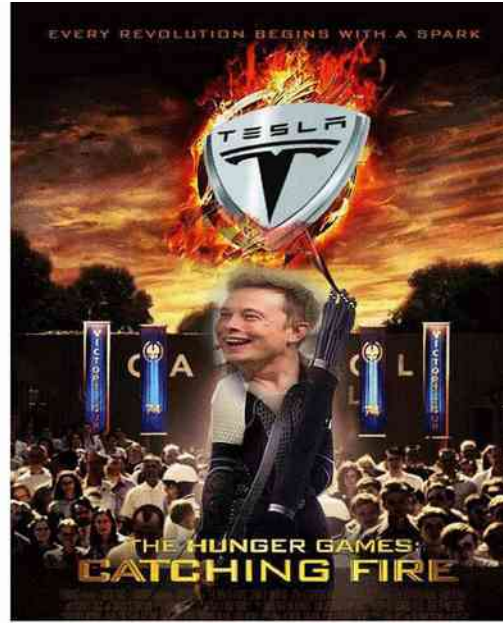
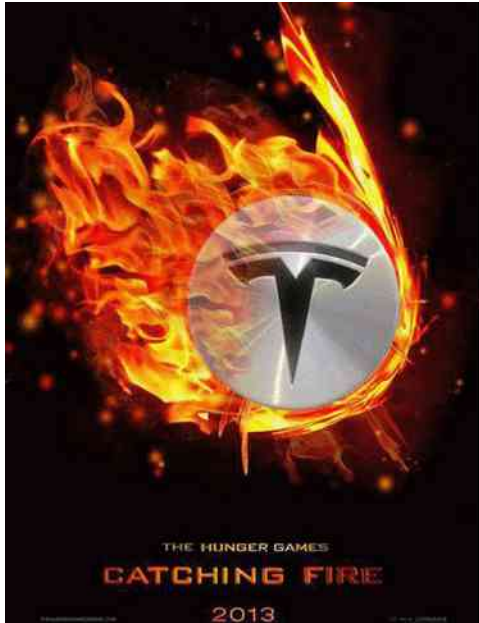
So after pocketing over as much as 300 million dollars as a direct result of her involvement with the MILCON committee DiFi just walks away unscathed?

Where is the investigation and where is DiFi's resignation followed shortly by her indictment? Or does

that only happen to Republicans?

http://www.salon.com/2012/07/24/dianne_feinsteins_espionage/

TESLA: CATCHING-FIRE



We are most interested in having Elon Musk answer these, and other questions, in front of the U.S. Congress during a live broadcast:

Deposition Draft 2.7 (compiled by reporters & public submissions)

- Would Tesla Motors exist today, if Senators, DOE and campaign staff had not been bribed in 2007, 2008 and 2009?
- Has your company, or anyone associated with your company, ever hired multitudes of fake bloggers to post fake positive reviews about Tesla motors in order to create a fake perception of interest?
- Has Tesla Motors ever compensated a publisher, or industrial rating company, for contrived positive reviews or ratings?
- Does Tesla Motors believe that the coordinated manipulation of the public perception of a company, trading on the stock market, via the dissemination of inaccurate data, by the company spokespeople, is not stock fraud and a not a violation of SEC laws?
- What percentage of Tesla Motors do Google's investors, staff and

executives own cumulatively?

- How much money did those Tesla/Google investors contribute to election campaigns from 2007 to today? Which campaigns? Did the winners in any of those campaigns award U.S. taxpayer funds to the portfolio companies of those investors? How much money?

- When Tesla Motors applied for the Department of Energy funds Elon Musk stated that Tesla was in exceptional financial health, yet now Elon Musk, and his senior staff, have been recorded stating that the company was nearly bankrupt then. In light of these more recent revelations, is that not a felony violation of the federal "Section 136 Law" which states that 'a company cannot be on the verge of bankruptcy or it shall not receive Department of Energy funds'? New disclosures show that Tesla stated information in it's federal application which Tesla's founders and staff have stated they knew was false at the time. Should Tesla be prosecuted for this?

- Did Deloitte, under contract to Tesla, arrange false accounting via the Tesla Wells Fargo bank account while Deloitte was also acting, in conflict of interest, as the Department of Energy reviewer of applicants?

- Does Tesla Motors have a confidential relationship with a national group of reporters, from different publications, who have agreed to release Tesla-positive news spin stories on a synchronized basis, at the same time, in order to coverup Tesla investigation disclosures and artificially accelerate stock market vales? Has Tesla Motors arranged with Google to have negative Tesla Motors stories down-ranked while having positive Tesla stories up-ranked? Would that be considered stock fraud?

- How many Senators and their families, that you are aware of, own stock in Tesla Motors?

- Was Elon Musk promised any NASA contracts, in advance of the closure of a portion of NASA, in exchange for campaign funding from Tesla and Google investors?

- How many Senators, their families and Google-related investors, that you are aware of, hold stock in lithium-ion battery related companies?

- Has Steven Chu, the former head of the Department of Energy, ever had a personal relationship with any Tesla staff or investors?

- Has Senator Dianne Feinstein, or her family, ever had a personal relationship with any Tesla staff or investors?

- Why are Tesla and Solyndra on the same physical plot of land?

- Has anyone from Senator Dianne Feinstein's office also worked for Tesla Motors and/or Solyndra?

- Did Dianne Feinstein's husband, Richard Blum, ever travel to Mongolia to arrange for resource deals beneficial to Tesla's investors?

- Has anyone associated with Senator Dianne Feinstein's family, named Herb Newman of Sausalito,

California, ever supplied staffing to Tesla Motors?

- Has anyone associated with Senator Dianne Feinstein's family had any relationship with the real estate transactions involving Tesla and/or Solyndra real estate?

- Now that the CIA has hacked into Dianne and Kathryn Feinsteins computers and all of Richard Blum's personal and business computers, do you think they found anything incriminating? Do you think the NSA phone and email records from 2007, to today, show anything incriminating?

- Federal whistle-blowers have stated that Tesla Motors was involved in a felony funding kick-back scheme with Dianne Feinstein. Is that true?

- If these charges are true, did you think you would never be caught because the same people who put Eric Holder and Steven Chu in office are paying for the cover-up? Now that Steven Chu has been terminated and Eric Holder is facing multiple charges of contempt, are still feeling so cocky?

- Communications between The California, Fremont City Administrators, Dianne Feinstein's senior staffer (M. Nelson) and the general management of NUMMI indicate that economic and political pressure was used to manipulate a deal structure. What is your comment on these revelations?

- Panasonic, your battery partner, has been charged with organized crime, dumping, price fixing, the deaths of thousands of battery workers from toxic poisoning and with building lethal battery factories that destroyed all of the towns near them. Is that a problem?

- You said, in writing, in your DOE application documents that the car to be produced with the DOE money was all designed and engineered, yet every aspect of the released model S was designed and engineered AFTER you received the DOE money! Did you lie on your application?

- Do your battery packs release toxic and/or cancer causing fumes when they burn?

- What was your relationship with Eric Strickland, the head of the National Highway Transportation safety agency who quit his job 48 hours after being notified that the toxic Tesla report he knew about was going public?

- Did you falsify lithium-ion safety reports?

- Bernard Tse, your battery program director, and 7 other senior staff, provided your company with numerous severely concerning lithium-ion safety reports which were never presented to the Department of Energy. Were these reports covered up because the Senators and Investors of Google and Tesla all have ownership interest in the lithium-ion industry?

- Has Elon Musk ever spied on his own employees and competitors?

- Has Elon Musk ever undertaken sabotage programs against his competitors?

- Did your SEC filings use tax credits from the White House to make Tesla look like it had profits?

- Did Elon Musk actually found Tesla or did Martin Eberhard found Tesla and Elon Musk then came in later and stole it from him in a hostile takeover?
- You said there were no chances of fire yet you have had two recalls in order to install fire prevention systems AFTER there were fires. Why is that?
- What was Tesla's debt ratio at the time that Tesla applied for the DOE loan? Why do you think Tesla had the worse debt ratio of any applicant yet Tesla was awarded funds with almost no review?
- Why has Tesla spent billions, and a decade, to only sell a few cars when all of your competitors have done 20 times better on less money and in less time? Why are over 200 technical problems with the car documented online by Tesla owners yet you say nothing about those problems? Why are you being sued for fraud under the Federal "Lemon Law"?
- Why were your cars \$100,000.00 over budget PER CAR, at the time of your Department of Energy loan application, yet nobody at the DOE commented about that in their review notes?
- Did Steven Chu's senior staff: Matt Rogers and Steven Spinner have any relationship with Tesla-related investors prior to Chu hiring them at the DOE? Was it coincidental that McKinsey Consulting, the company they worked for, produced all of the pitch documents for the White House and Congress, which were used to steer the Federal funds to Tesla Motors?
- Was Tesla Motors funded as a gift to campaign investors?
- Did you lie about asking the NHTSA to conduct a safety study on your car when, in fact, the NHTSA first asked Tesla for a study after fires were reported? Did you then bribe NHTSA officials to halt the request for an investigation after you plea-bargained to install a "titanium safety shield" which, in fact, only solves a small portion of the potentially lethal dangers from your battery pack? Is your battery pack made up of "non-automotive" batteries which are being used in the wrong way relative to what they were built for?
- Are you trying to build a battery factory not far from Mexico in order to take advantage of Mexican workers? Are you concerned that most battery factory workers in China were poisoned with toxins? Are you concerned that your battery factory will ENCOURAGE immigration abuse and devastate our border?
- The founders ex-partners, investors, buyers, suppliers, employees and ex wives have sued Elon Musk for fraud? What does that say about Mr. Musk?
- How many of your employees have been burned alive at your factories? Has OSHA ever fined you?
- If somebody puts a bunson burner or torch under a Tesla, will it blow up? If hackers hack the easily hacked Tesla, can they make the battery charging system overload and blow up? If so, did you inform the NHTSA of this in writing? When?
- Did California State Officials, in Sacramento, California, ever manipulate tax laws and decisions to exclusively benefit Tesla Motors in exchange for perks?

- What percentage of your buyers have killed members of the public with their Tesla Vehicles? Why is that number, in relative terms, higher than any other car company?
- What percentage of your buyers have crashed their Tesla's while driving drunk, destroying public property, homes and Tesla's? Why is that number, in relative terms, higher than any other car company?
- Have White House staff agreed to protect Tesla, at all costs, in order to keep Mitt Romney's prediction from coming true and to cover campaign funding billionaires?
- Did Tesla representatives meet with Rahm Emanuel, David Axelrod, David Plouffe or their campaign staff prior to the Election of President Obama?
- Is it not true that you have sold 4000% less cars than you told the U.S. Government, in writing, you would sell by this date, in your DOE application documents?
- Why did you switch your factory plans between 5 different cities, during the DOE loan process, when you told everyone that your factory location was already a done deal?
- Do your VC investors pump the stock market rating by buying their own Tesla stock when bad news comes out about Tesla in order to create a synthetic cover-story short term stock rise? Would that be considered part of a stock fraud activity?
- What is the relationship between Tesla's investors, Google's investors and the VC funds of Richard Blum, Dianne Feinstein's husband?

Any reporter who can get a legitimate set of responses to these very important questions, is encouraged to post those responses

Anatomy of A Civic Corruption Case- San Francisco- The Bridge To Sin

THE COLD CASE THAT IS NOW VERY HOT! INVESTIGATORS NOW HAVE THE FINAL PIECES OF THE PUZZLE!

Part 1- The Golden Days

See how the Golden Gate Bridge and a little bridge between two buildings at Embarcadero Center connected to an organized crime and child sex abuse ring for billionaires in A billion dollar real estate political kickback scam, by San Francisco "elites", to create an owned and controlled Senator.

Interesting that one has posted pictures of them-self dancing and hugging very young girls on Facebook, one was arrested and indicted for running an underage prostitution ring for billionaire campaign backers and San Francisco "elites", One (A senior public official) had their daughter removed from their home by the police because she was sexually abused (Police reports available) and one was

charged with hiring underage prostitutes.

You would think it would be hard to be indicted for BOTH running a child prostitution ring for Pacific Heights billionaires AND helping to embezzle government funds for Moscone Convention Center AND Embarcadero Center but one managed to do both, on behalf of the others.

James Bronkema was known as David Rockefeller's "Bag Man" on the West Coast. He looked exactly like the greedy little "Monopoly Man" Billionaire on the game-board and even sported the same mustache and vest just to make the point that he was not only corrupt, he was BAD ASS CORRUPT and he would get the Rockefellers on your ass if you messed with him!

When a real estate or political policy action needed to be greased, Bronkema or Coblentz showed up with the cash for the Supervisors, inspectors and public policy-types. Bronkema was one of the creators of "Flower" and ran the cash into John Molinari's Mayoral campaign. He put his girl-friends in executive city jobs as payoff for services rendered. Their hope was to move Molinari from Mayor, to Senator to Governor and on up... but that didn't work out..... when the FBI showed up on some doorsteps.

Bronkema ran the Business Bureau, The Golden Gate Bridge, Embarcadero Center and Rockre, a "private business operations group" for the Rockefellers. He funneled kickbacks, crony deals and special favors from San Rafael to Oakland to City Hall. When his manipulations went international, he cooked his own goose.

They got a different party to play Senator and Molinari was forgotten but not forgiven for his false campaign district address, tax form creativity and family police incidents. A bug was placed in Molinari's Classic Jaguar and feds got quite a bit of dirt on old-school San Francisco corruption off of Molinari's North Beach idle chatter. Molinari then turned State's evidence.

Once Molinari ate it in the elections, they plowed all of the cash into Feinstein.

A key associate (Goudie, aligned with Molinari) was a top Presidential appointee and campaign funder who was arrested and indicted for federal funds fraud in the Christopher Columbus Scandal which emulated the Golden Gate Bridge Scandal with the same consultants. (Check out his old Facebook page).

In a special event scam, that Molinari and Bronkema schemed up, (that was a bigger Disaster than the recent SF America's Cup), quite a bit of taxpayer cash went sideways.

Said Marin County activist, Gene Pratt: "The Golden Gate Bridge District is a bunch of Crooks"

The new Silicon Valley Prostitution cases have opened up the Old San Francisco child prostitution cases, as girls reveal decades of abuse and finally tell reporters what really happened back then. Which Silicon Valley and SF Venture Capitalists, who you see quoted in the news lately, were founders of "Flower" the top secret San Francisco underage sex ring for billionaires , held in the billionaires hotels so surveillance security could be totally controlled, (With SF, NYC and Silicon Valley Branches), which is, apparently, still operating? Why are they so excited about all of the underage girls coming over the border in the Mexican child border crisis? Why are Silicon Valley CEO's and VC's so

supportive of "child Immigrants"?

Paying a bribe for real estate exclusives was often done with cash and hookers, known as "pink cash" in SF.

Why was NAMBLA allowed to thrive in San Francisco at the time, Including being given San Francisco Public Libraries, On Potrero hill and in other locations, to hold their secret "how to abuse children" meetings? (See FBI reports on NAMBLA)

Which San Francisco billionaire VC, in the news lately for other reasons, has a regular weekly appointment to have six nude girls come over and read him books from his library while he pleasures himself?

Which one is under investigation regarding a murder and an attempted murder?

Which one ordered a "hit" on someone?

Part of Kubrick's film: "Eyes Wide Shut" was based on "Flower". The cost for a young virgin started at \$50,000.00. Taking her virginity was called: "picking a flower".

Run all of the names on your database and draw the financial, business and personal connections and see how interesting this case REALLY is!

Who was the bigger real estate guru: Blum, Rockefeller or Shorenstein?

What do Dianne Feinstein, Richard Blum, James Bronkema, Roger Boas, John Molinari and David Rockefeller all have in common? All them reported to WHO?

Nobody can now say they "didn't know what was going on!" The evidence overtly implicates all of the players.

Was there a different reason, than we were told, that Mayor George Moscone was killed? Dan White said he was "drugged up on Twinkies", was he drugged up on something else so he could carry out his "kill orders" from on high?

Who went to federal prison and who didn't?

Who ordered the case shut down, but who kept working on it because they thought there was a major cover-up going on?

Who took the fall while the others kept on keeping on?

Who paid for who's political campaign..and still does? Who pulls who's strings?

Who is under 24 hour digital device surveillance by 5 different agencies? (Answer: EVERY SINGLE ONE OF THEM, THEIR FAMILIES AND ASSOCIATES)

What is a RICO?

What did federal investigators find when they set-up an office in one of the suspects condo buildings across from his office above Chevy's Restaurant?

How bad is running a child prostitution ring for the San Francisco elite and Silicon Valley founders?

How much, in bribes and corruption, did the exclusive little bridge from one Embarcadero Center to another, over the public road, really cost Boas, Rockefeller, Molinari, Bronkema and Feinstein?

Who is still operating as a front for whom?

Let's discuss. Send in your links. Watch for the YOUTUBE VIDEO: Anatomy of A Civic Corruption Case and please ask PBS Frontline to pick up the full length version!

Please ask City, State and Federal agencies to OFFICIALLY RE-OPEN THIS CASE!

TA- Former FB*, Associate Producer/ D- SF Chron, FG, J- Worked with Bruce Brugman, GG, HJK, R-Latimes, Wspo-G, bSpecial thanks to D at Regional Federal Office
SAN FRANCISCO'S COLDEST CASE / A coverup is still suspected ...

16 Feb 2003 chief administrative officer under mayors George Moscone and Dianne Feinstein. ... Campaign posters of Boas dotted the city, and a prostitute ... on the brothel operators, Roger Boas and seven other customers, including ...

www.sfgate.com/magazine/article/SAN-FRANCISCO-S-COLDEST-CASE-A-coverup-is-still-2669756.php

The Embarcadero Center over-the-road bridge broke the camels back and connects, politically and financially, to The Golden Gate Bridge District which was, at the time, operated as a private government for personal profit by the suspects. These is the only real estate project in the City that got this deal...bribes DO work!.... until you get caught! Notice the "bunker-like" Compound construction of Embarcadero Center shaped like the Bohemian Club "Owl Books"

When you make a chart of all of these people and their political, personal and business connections, almost everything is revealed . / Says David: "The greatest fun you will ever have, in your life, is dropping these names into a Federal Cross-Checker, like XKEYSCORE, FCCPS, or NCVS, and watching the results! Afterwards, add "Feinstein", or "Saxeena", and try it again. Wow! Epic!"

David T. is a Federal Special Investigator. Says David: "The greatest fun you will ever have, in your life, is dropping these names into a Federal Cross-Checker, like XKEYSCORE, FCCPS, or NCVS, and watching the results! Afterwards, add "Feinstein", or "Saxeena", and try it again. Wow! Epic!" David also stated that: "John Goudie's (Of Christopher Columbus Anniversary Fame) stand-alone case files, by themselves, are a week of Ludlum-class reading. He was so old-school"

The most interesting lines of connection in the organized crime databases go from David Rockefeller to Tony Blair To Rakesh Saxena (Tony Blair interceded in Saxena's trial in England over Blackwater gun running, a case that ties back to Senator Leland Yee's arrest) to Wendy Deng to Rupert Murdoch. Said David: "Sierra Leone is the most out of the way, tiny, sad little country but the mega-billionaires will do anything to get the raw gemstones and mineral ore buried under it..... Rakesh Saxena is the most dashing, undercover, mysterious, amazing spooky guy you will ever meet in your life. Rockefeller may think he is bad-ass but he is in kindergarten compared to Rakesh. Is he evil, Is he secretly saving countries or secretly destroying them?...hard to say..... Oh, and by the way, The Illuminati never, ever, call themselves "The Illuminati"..... There are five groups of "businessmen s clubs" who get together to plan laws, purchases and contracts that will increase their stock value and profits. They do share common beliefs but not all five share the same beliefs so they are always in a subtle war. From time-to-time some jump ship from one group to another. It's as simple as that..... They love the myth of the "Illuminati" because it creates confusion and disinformation. The "Illuminati" are a bullshit myth. The businessmen clubs are the real deal and you can see them at work in the headlines every week. The 'ceremonies' at the Grove and the Masons and the other outfits are simple psychological reinforcement tactics to make them all feel more bonded and "above it all". It works."

Goudie was trying to copy the financial skimming scam that the Golden Gate Bridge directors were using for their Golden Gate Bridge Anniversary scheme to fund campaigns and personal hobbies. Goudie's business partners ratted him out, though, first claiming he killed his wife, by bludgeoning, to get the attention of the feds. Goudie went to prison but various murder claims never stuck.

Part 2- The Investigation Deepens

Now that key players are either dead, indicted, arrested or otherwise interdicted, the rest of the story can be revealed.

Rockefeller and Bronkema came up with a plan to build the downtown version of The Bohemian Grove; A financial district compound which was totally under their control and that could cut off the "little people" of the outside world unless they were needed to deliver sandwiches or run errands. All of the Bohemian Grovers and cartel planners could be in the same buildings, keep their girls in the adjacent condo's and it would be one big happy, corrupt, family. You will find, in records searches, that almost everyone from the spooky Bohemian Grove sex and monopoly planning club, also had offices in the Embarcadero Center compound.

A walk around San Francisco's Embarcadero Center reveals a Q-Sensitive militaristic facade of concrete bunker-like structures where you can never walk without 3 cameras on you at all times. Metal sign-plates in the ground remind you that you are not in the outside world and that you better watch your P's and Q's. An ideal configuration for a modern version of the Speak-Easy, ready to hide dirty deeds upon a "Cheese it, The Cops" internal announcement signal. There is only one way in and one way out for the entries, all carefully guarded and monitored.

Bronk, a builder, was trained by the Rockefellers in "private governments". He honed his skills running the Golden Gate Bridge, it's own private government suspended in a no-mans land between San Francisco and Marin Counties, but accountable to no one. It was supposed to stop charging tolls once the bridge was paid for but the cash flow from taxpayer to bridge director pockets was so good, they figured, "why kill the golden cow". Many bridge directors have now faced the law over "accounting discrepancies. Bridge Directors are now pretty much under permanent 24 hour digital law enforcement

surveillance because they tend to be so naughty.

The entire foundation of the house circled on the right was built from stolen Golden Gate Bridge steel, paid for by taxpayers money, and looks right in the window of another Golden Gate Bridge executives home (the house circled on the left).

Then the operation moved up. Big Office complexes with their own bridges between buildings (So you never had to interact with the commoners) and fancy hotel chains that were hidden behind layers of trusts, assumed names, holding companies, corporate facades and inter-level contracts were the new private government.

This was the perfect layout to evade law enforcement. Not only could you trot parades of hookers in, and out and ditch the video, you could have all kinds of secret sketchy meetings. The Pacific Union Club, (The Original Bohemian Grove Urban Compound) on top of Nob Hill, has a little Victorian house across the street. (next to the parking garage) from it on California Street. That house has a tunnel under the street to the Pacific Union Club for bringing the Hookers in; according to Tommy, the former car lot attendant. That pales in comparison to the Bronkema/Rockefeller scheme.

After each sex party, or sketchy meeting, they would order all of the security cameras to have a Lois Lerner-like hard drive crash. They believed this destroyed all of the evidence. They controlled all of the buildings and all of the security, they could do as they please...they thought. Some former security guards saw the profit potential in hanging onto some of those tapes and hard-drives before they got wiped.

The recent death-by-hooker of the ultra high tech Google executive shows that even the most savvy ultra-rich geeks can't hide from surveillance camera interdiction.

The cool thing about cameras is that they turn all audio and video into a signal, the interesting thing about that is that any signal can be intercepted, even before it reaches the security office. Let's repeat: Somebody else can ALWAYS get the signal before it gets to where the bad guys think it is going to go! Private activists now have Bohemian Grove under personal drone surveillance, camera interdiction and, the wilder ones, have pre-climbed Redwood trees, in advance of the retreat, and placed hidden micro-tiny chip cameras high up in the bark of the redwoods... this will be interesting.

But, this was part of the downfall. Those who believe they are immune from the law finally make pretty big mistakes. Their ego and power mania's always bring them down.

When Bronk and his Rockre associates started meeting with NGO's, Nigerian Oilfield barons, The notorious Rakesh Saxeena (Look him up) and middle east mining heads; Interpol, GCHQ and all kinds of law enforcement people became interested.

To his dying day, James Bronkema denied that he was "A Bohemian Grove Grand Wizard", or "West Coast Grand Master of the Illuminati" or anything "creepy or mysterious". "I am merely a humble servant to the world's needs", he said in one of his last communications with a reporter...

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.More On The Dianne Feinstein Corruption

Her daughter, Kathryn used to tell stories, in social groups, about her mom that were not flattering. At one point, she and her Mom were on the outs. Some San Francisco Bay Guardian, and SF Weekly, newspaper staff were Kathryn's same age, traveled in the same circles, and were privy to some of these conversations. This put an early watch on Feinstein.

When the current mayor was conveniently murdered in his office, Feinstein was in the, strangely, perfect spot to take over as Mayor, without an election.

Feinstein got a man named John Molinari, a character known to have ties to the old North Beach mob in San Francisco, placed as head of the Golden Gate Bridge District and her campaign financier, James Bronkema, known in the local media as "David Rockefeller's bag man on the West Coast" (for his constant bribes for real estate permits), placed as co-head. These two ran the Golden Gate Bridge district, and its anniversary party, into what network news broadcasts' called a "morass of corruption, cronyism and failure". In the meantime, Feinstein prepared her Senate plans. She had set Molinari up to take over, for her, as her Mayor, with her administrator: Roger Boas, as the back-up plan mayoral candidate.

Both of her candidates not only lost, but Roger Boas went to federal prison for corruption, racketeering and prostitution scandals and John Molinari was removed from politics and placed under federal surveillance. His daughter filed a police report against him for abuse, and she had to be removed from his home and taken to a secure children's center, on California Street in San Francisco, for protection. Molinari was also found to have lied about his place of residence during his campaign. Boas was charged with involvement in an under-age prostitution ring for San Francisco elites. The British "Hydrant" investigations into a global political elite pedophile ring, have now tracked back to Senator

Dennis Hastert, campaign backer Jeffrey Epstein, Senator Graham, Nick Denton (Who interacted with the British suspects in BOTH the British “Hydrant” and British “Tabloid Phone Hacking” investigations), and other members of Congress. A recent Chinese hack of ALL federal employee background checks, has put the sexual interests of all of Congress at risk.

When the Toyota NUMMI plant was going to go out of business, Feinstein’s Chief of Staff contacted anyone who tried to use the building and warned them to “back off” and/or threatened other California competitors with “political problems” if they got in the way.

Feinstein sabotaged any outside efforts to use the NUMMI factory, or to make competing energy systems to Tesla, or to compete with Tesla in any way because her family had already made campaign finance deals with the NUMMI, Tesla Motors and Solyndra people and she owned the construction company (Penini), employment service (via her relative Herb Newman), leasing company (CBRE) and adjacent railroad property rights contracts for Tesla and Solyndra. Over 40 California technology companies were damaged by Feinstein’s sabotage.

Feinstein and her family funds, trusts and PACS made billions on the Cleantech deals. She has also been charged with rigging postal property deals, railroad deals, U.C. Regents appointments and hundreds of other political actions for her VC Husband: campaign financier and White House “advisor”: Richard Blum. Solyndra was raided by the FBI, when the first major signs of corruption were exposed by investigators, but Feinstein buddy: Attorney General Eric Holder, never allowed the full Solyndra investigation to be released, because it was soon discovered to lead right back to top White House staff, including Gibbs, Plouffe, Emanuel, Axelrod and others. The records of the entire Solyndra investigation will cost famous people their careers, names and historical positions.

.More On The Elon Musk Corruption

Elon Musk is a campaign financier for Feinstein, Reid and Obama. Elon Musk was partnered with John Doerr to control the Lithium Ion Battery industry based around the Afghan Lithium ion mining contracts and control of the electric car market. Recent news stories have revealed that his business is based on White House taxpayer hand-outs, as kick-backs, for acting as conduit for John Doerr’s campaign finance deals. Feinstein got him his California factory and Reid got him his Nevada factory. Elon Musk hated fuel cells, ultra-capacitors, gasoline, diesel and anything that competed with Lithium ion, which he, Steven Chu, Feinstein and John Doerr had invested in. They all participated in sabotage campaigns, against all of those other fuels, using fronts like “EV WORLD”, “PLUG-IN AMERICA”, “THE FOOL” and other shell groups they controlled. Lithium ion technology turned out to blow up for no apparent reason; needs to come from countries that need to be invaded; gives off vapors that cause cancer, brain damage and kidney damage; loses its energy life span and has over a hundred other problems with it. It has set senior citizens, children, Apple stores, homes and offices on fire and crashed multiple airplanes, killing the passengers.

When you smell smoke in your passenger airplane, it is usually a lithium ion cell phone battery “going thermal” and releasing fumes. Greed over-came proper scientific oversight in deploying lithium ion in

the way that Musk did. When Musk went to Russia, he met mobster businessmen who pitched him a mining deal for Afghan lithium fields. In fact, investigators now know, that Steven Chu, strangely, gave U.S. Taxpayer DOE cash to Russian controlled Ener1, Severstal and other companies when the Section 136 law said the money was only to be used to help American businesses in need. The Musk/Russian-mob connection seems to have been hot, then soured, when his lithium mining and rocket engine deals fell apart, the killing of which was facilitated by GOP operatives.

When Musk took Tesla away from its founder: Martin Eberhard, in a hostile take-over, (Musk never “founded” Tesla) he had to build the car in a very expensive way. He and Doerr ordered their friend: Steven Chu, to sabotage every applicant, for DOE money, which tried to make affordable cars. An affordable alternative energy car would kill off Tesla almost over-night. History has now proven that the metrics that Tesla used were disastrous, in that they have now spent more money, to sell less cars, than any company in history, while making an electric car that should have been easy to build. Tesla missed every single milestone, dramatically, that it proposed in its original DOE application documents, yet Steven Chu ordered the DOE to look the other way in order to protect the White House deal.

Historical facts have now proven that every applicant for DOE advanced vehicle money was sabotaged and rejected, particularly if their car was affordable, and accessible, to the American public. Tesla couldn’t survive an affordable electric competitor, at the time. Tesla investors bought most of the first Tesla’s in order to inflate sales numbers. Musk was caught sending potential customers an email asking them to put a deposit in, before the SEC filing date ran out, so he could claim the deposits were completed “sales” in order to inflate SEC filing sales numbers. He also booked government hand-outs as “sales” in his SEC filings.

A Congressional investigation proved that Tesla had lied to get its loan and that his friend: Secretary of Energy Steven Chu, had assisted in the scam at the same time that others had applied with a superior set of application metrics. Tesla’s “debt ratio” was the worst of any applicant, they had no final design, their car did not work, they were 2000% over budget, and they were using the funds to buy buildings for Richard Blum, even though the DOE Section 136 Law said: don’t do that. Treasury said that Tesla had a bad credit rating and every other applicant beat Tesla on metrics. Yet Tesla still got the cash, along with hand-held walk-throughs, in the DOE process, from crony: Steven Chu. It was a lie that Tesla could have survived without the loan. Musk was caught on camera saying that Tesla was “on the verge of bankruptcy” when they applied to DOE, a violation of the federal Section 136 law. If this went through a court hearing, Musk and Chu would face felony fraud charges in violation of Section 136 law. Eric Holder would never let DOJ even consider such an action, in order to protect White House financiers.

Google worked with Musk to delete any negative mentions about Musk, or his projects, off the internet. Most of the internet is Google- controlled. Google would “top-page-lock” any attack articles that Gawker was ordered to generate, on Musk’s competitors so that no outside IT service could get those attack articles removed from the top position. This made them stay on the top lines of Google’s search pages forever. Even when lawyers wrote to Google to demand removal of the character assassination “lock-in’s: on the top of Google’s search pages, they were told: “Get a subpoena and then we might think about it..”. This “lock-in tactic” destroyed the life, and reputation of a famous wrestler, which may lead to Gawker’s final down-fall, in exchange for destroying so many other lives, out of sheer spite.

Musk has been proven to have lied, mismanaged and engaged in a commodity trading scheme with Goldman Sachs. Goldman Sachs has already been hauled before Congress once, to start the investigation of this commodity monopolization scheme.

The rogue spy firm attack services group: In-Q-Tel, provided staff to Musk. In-Q-Tel staff now help run his Space X company. Space X was given most of NASA, Ames Moffet Field, and free private jet fuel as a gift in exchange for conduit-ing campaign funding.

Musk was forced to give his patents away for free, because they were not only found to have no value, but to also accidentally disclose, within the very text of the patents themselves, the fact that Musk's batteries could be lethal and destructive in spontaneous explosions, according to the Tesla engineers who wrote the patent, three of whom suddenly, and strangely, died in the same airplane crash. A large number of employees, customers, partners, wives and investors have sued Musk for fraud. Clinical psychologists have openly analyzed Musk, in the media, as a sociopath. Musk has bought hundreds of magazine articles and TV shows about himself due to his narcissistic nature. Musk is now working on a railroad project called the "Hyperloop", with Dianne Feinstein's railroad-kingpin husband's company, in order to seek to acquire more federal cash. All three of Musk's companies would not exist without nearly \$10 Billion dollars of federal kick-back cash and "favors" Musk has received. The State of California has given him nearly 80 million tax dollars via the Controller: Lockyer and other State Officials. California Attorney General Kamala Harris refuses to investigate due to campaign connections.

Surrounded by private jets, fashion "models", and other corrupt billionaires, and with the protection of the United States Secretary of Energy, The U.S. Attorney General, The California State Attorney General and the President (All of whom have now been Sunshine disclosure-proven to have been placed in office by Doerr's "Silicon Valley Cartel"), Musk and Doerr believed themselves to be "untouchable" (Just like Al Capone) and able to get away with anything, without consequences. All of the above data appears in many journals outside of the U.S. but it is never allowed to appear on Cartel owned: Reddit, Google, Hearst Publications, Facebook or other Cartel controlled U.S. media (Doerr/Schmidt/Musk Cartel groups now control almost 75% of U.S. digital media)

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Illustration 18: JOHN MOLINARI - San Francisco "Bag Man" for Feinstein deals. His daughter was removed from his home, per San Francisco Police Department Reports, for "child abuse".

The Worst Case Scenario

The theory says that Silicon Valley Venture capital companies including Kleiner Perkins, Draper Fisher, Greylock and their friends came up with a scheme to rig the Presidential election, and a few Senate elections, in exchange for a commitment to only give them the Department of Energy funds.

They got the Obama campaign to agree to the deal and the deal started happening but then Congress got wind of it and took the whole plan apart.

Indeed, those VC's are almost all of the only beneficiaries of the Cleantech scheme.

As a fact, all of their competitors suffered set-backs, lies, stone-walling, denials and attacks that were manifested through either those VC's or Department of Energy officials associated with those VC's

That group of men were the campaign financiers of the Obama campaign and they control the only search engines and database systems that COULD rig an American election.

While the idea may be "far fetched", the fact is that the odds of that same tiny group of people all being the financiers, beneficiaries and intermediaries are astronomical unless they conspired to create the circumstances in an illicit cartel scheme.

White House and Energy Department officials engaged in a kickback financing campaign using state and federal taxpayer funds. Only campaign financiers were allowed to receive per-arranged funds and all of their competitors were sabotaged, stonewalled and black-listed if they were not Obama campaign financiers on a per-approved covert list. Senators Dianne Feinstein and Harry Reid facilitated the crimes. The U.S. Department of Energy was used as a "slush fund" to pay off campaign financiers and to attack and delay those campaign financiers competitors. While the corrupt public officials have tried to play the whole thing off as "just a case of the D.O.E. having stupid people on the staff", the truth is that the matter was a haphazard cover-up of a poorly executed and organized crime that sent "the rats scrambling" when it fell apart. Historical facts have now proven that "only Obama campaign financiers received the cash, contracts, revolving door jobs and stock benefits of the program and their competitors and non-campaign financiers were attacked and obstructed.

Victims had global character assassination and propaganda-media defamation reprisal attacks operated against them by White House staff and their political financiers: Elon Musk, Larry Page, Steve Jurvetson, Eric Schmidt, Steve Westly, John Doerr, et al. Jury and FBI-compliant evidence proves this as fact.

Victims were attacked because 1.) they helped law enforcement investigate the attackers, 2.) They competed with the attackers that attacker's products and the Silicon Valley Cartel attackers chose to "cheat rather than compete". Jury and FBI-compliant evidence proves this as fact.

The attackers spent over \$30M, part of that using taxpayer resources, attacking the victims as proven in the financial transaction records from Google, Gawker, Gizmodo, Jalopnik, Media Matters, Fusion GPS, et al. Jury and FBI-compliant evidence proves this as fact.

Victims had been previously funded by the U.S. Government and had a multi-decade relationship with the highest offices of the Government, which provided them with deep knowledge of the crimes that

were committed. Jury and FBI-compliant evidence proves this as fact.

The U.S. Department of Energy is used as a political slush fund to pay back campaign finance millionaires while blockading the competitors of those millionaires from reaching the market or receiving funding. Jury and FBI-compliant evidence proves this as fact.

The only entities who participated in the global character assassination and propaganda-media defamation reprisal attacks were those entities owned and controlled by the attackers. Jury and FBI-compliant evidence proves this as fact.

Through corrupt rare-earth mining scams and control of federal contracts and grants, attackers had planned to acquire at least one trillion dollars in unjust gains and illegal profiteering. Jury and FBI-compliant evidence proves this as fact.

This amount of money they sought, and the "Mafia-like" structure they adopted, caused the suspects to engage in the most extreme crimes, including murder and "Deep State" coup attempts. Jury and FBI-compliant evidence proves this as fact.

A significant number of person's who were in conflict with the attackers have died in suspicious manners. Jury and FBI-compliant evidence proves this as fact.

The suspects have hired the largest numbers of lobbyists and corporate manipulation lawyers in U.S. history in order to manipulate political decisions. Jury and FBI-compliant evidence proves this as fact.

The suspects have spent more money on political bribes than any group of men has spent in the last century. Jury and FBI-compliant evidence proves this as fact.

The suspects placed top federal law enforcement and agency bosses (ie: Michelle Lee, Steven Chu, Kamala Harris, James Comey, et al) from their own Cartel, into top government positions, with orders to run cover and protection schemes for them. Jury and FBI-compliant evidence proves this as fact.

California State officials including the Governor, Controller, The Senators, Secretary of State and regional officials participated in these crimes and pocketed the initial profits from these crimes in covert investment banking. Jury and FBI-compliant evidence proves this as fact.

Tesla Motors, Google, Netflix, Facebook, Linkedin, Amazon and other tech Cartel members operate with a common goal of psychological mass ideology manipulation and monopolistic profiteering based on government sponsored anti-trust violations and server control exclusivity. Jury and FBI-compliant evidence proves this as fact.

The attempted cover-ups of these crimes continues to this day. Jury and FBI-compliant evidence proves this as fact.

The program was used by the Obama Administration to provide crony payola kick-backs to financiers and friends of the Obama Administration and to attack the competitors of the Silicon Valley financiers of the Obama Administration.

As of 2019, the U.S. Department of Energy claims that they "overhauled" and "re-did" the ATVM program and it's sister program: the Loan Guarantee Program. In fact, that is false.

When you peel back the onion-skin of corruption around the covert stock market and investment bank holdings of Eric Schmidt, Dianne Feinstein, Nancy Pelosi, Elon Musk, etc.; you find that they are invested in something called "rare-earth mining". Rare earth mines are generally in third world nations and use child slave labor. These toxic corrupt operations are responsible for more murders, beatings,

rapes and genocides (over control of these "blood minerals") than anything on Earth. These minerals are used in the electric cars, cell phones and solar panels that Silicon Valley has attempted to control. So, you see, it isn't about "*saving the environment*"; it is about greed, bribes and corruption on an epic scale.

The program continues today as a political slush-fund and it is as corrupt as ever. It has NOT been "cleaned-up"! It is STILL a cesspool of corruption! Obama hold-overs and corrupt insiders, with personal conflict-of-interest stock and revolving door career deals, still control the funds and steer the monies exclusively to their friends.

The program has not funded any company who is not a campaign-finance friend of the Obama Administration. The DOE program attacked, lied to, stalled, delayed, gate-keeper blocked and harmed any Applicants who competed with Tesla, Fisker and the Obama financiers. Through the Silicon Valley control of the **facade group: "The National Venture Capital Association"**, DOE ensured that NO car company or solar company in America could get funded, by any private means, without Silicon Valley oligarch approval. The DOE is a corrupt organization operated by corrupt insiders for corrupt purposes!

DOE's **two main manipulation tricks** are: 1.) **STONE-WALLING** - Where DOE staff throw outsider Applicant's filings in a box and forget about them for many years in a Lois-Lerner'd review process that takes any commercial bank only 2 weeks to complete. DOE spends years doing hyperbolic nothings in order to delay campaign financiers competitors, and 2.) **INTERPRETIVE LYING** - Where DOE staff make up things that Applicant's never said and twist the Applicant's words into anything BUT what the Applicant's intended, in order to manipulate non-favored Applicant's into negative interpretations. DOE staff never even called outsider Applicant's for clarity discussions of any key data. They did not want to hear the truth, they couldn't handle the truth! They only wanted their crony's to win the funding!

Every applicant who applied, who was not a crony insider, hard-wired, Obama bagman was **DEFRAUDED, LIED TO, STONE-WALLED** and used as a smoke-screen to hide the true nature of the crony payola scheme operated by Secretary of Energy bosses Chu, Moniz and Perry. They are owed money to pay for their damages from tort-based interference in their businesses and other fraud-related DOE-operated causes-of-action.

Silicon Valley oligarchs hired "Lobbyists" (who are political operatives who offer bribes to politicians without ever using the word "bribe") to take-over the program. Silicon Valley insider McKinsey staffed the DOE department while working for the Silicon Valley oligarchs. In a typical corruption example: Steve Spinner worked at DOE handing out money to Solyndra which his wife Alison Spinner worked at as Solyndra's lawyer, while the DNC mailer referred to each of them as the "top West Coast fund-raisers for the DNC".

Originally Obama's "car Czar" Steven Rattner (indicted for stock market securities fraud), working from the West Wing of the White House, had offered a portion of the money to Detroit Auto Unions if the Detroit Unions ordered all of their members to vote for Obama in exchange for bail-outs. Obama insiders David Plouffe (indicted for payoffs to Rahm Emanuel), David Axelrod, and Robert Gibbs extended the deal to the Silicon Valley oligarchs in exchange for global search engine manipulation favoring Obama

A "Silicon Valley Mafia" (AKA - "The PayPal Mafia") exists and is populated by the Bay Area technology oligarchs, their operatives and the West Coast Senators, all of whom profit illicitly off of a combined monopoly and stock market cartel that they control. FBI Director James Comey was fired for protecting his friends in this cartel.

Charges against the Department of Energy that are supported by the factual evidence

- DOE officials told Applicant's they had to pay tens of thousands of dollars in order to apply for the LGP monies but with-held responses until after the dead-line had passed in order to cut non-Obama financiers out of the running.
- Google provided the staffing for the agencies involved, the media manipulation for the politicians involved, and was the beneficiary for some of the funds in a 4-way conflict of interest in which Google staffed the largest contingent of Obama White House staff.
- Steven Chu handed massive amounts of DOE cash to Russian billionaires from Ener1, Severstal and other Russian connections even though they were foreign billionaires who had no need of U.S. taxpayer subsidies. If one wants to look at dirty Russian collusion, they need look no further than Steven Chu, the architect of the failed Iran Nuclear deal and corrupt Uranium One deal. Steven Chu and Rahm Emanuel ordered DOE's Sandia Livermore Labs and Argonne Labs (who they were both connected to) to manipulate Applicant data in order to only favor campaign financiers companies.
- DOE abuses of process defrauded non-insider Applicants out of billions of dollars of their savings and investor monies yet DOE never offered those that it harmed and recompense.
- DOE officials owned stock market stock and revolving door job promises in the very companies that they were supposed to be conducting "due diligence" on.
- Tesla Motors and SpaceX were staged as campaign finance dark money conduits to transfer taxpayer cash from government treasuries to private parties and then into campaign funds without transparent public disclosure.
- The Obama Administration promised an exclusive on Afghanistan mining deals to Frank Guistra and the Silicon Valley oligarchs for lithium, indium, cobalt and rare-earth metals mining after USAID pitched (http://2.bp.blogspot.com/_VyTCyizqrHs/TBaffwKixYI/AAAAAAAAAH74/Wee8LTQfo3k/s1600/afghanminerals.jpg) manipulated reports from McKinsey Consulting saying that "*Afghanistan was the Saudi Arabia of lithium and had trillions of dollars of lithium*" to dig up. It turned out to be a lie to get oligarchs to support Obama's Afghan invasion. (<http://pubs.usgs.gov/fs/2007/3063/pdf-page.jpg>) DOE helped sell this lie because the Russians had already scoured Afghanistan and found it to be fairly worthless as a mining potential. Elon Musk bought into this for his battery monopoly. This is why Steven Chu gave so much money to Russians at Ener1 and Severstal. DOE staff were fully aware of this. (<http://www.mining.com/1-trillion-motherlode-of-lithium-and-gold-discovered-in-afghanistan/>)
- Google, a Tesla investor and bromance buddy with Elon Musk, hired more lobbyists for DOE influencing than anybody had ever hired before in U.S. history. Google hides all negative news stories about Musk and Tesla and only shows fake news hype about Musk, Tesla and SpaceX because Larry Page and Elon Musk share an apartment and financial programs.
- The DOE ATVM and LGP programs are based on arbitrary metrics which are not even followed by DOE evaluation staff. There is a secret black-list in operation to keep companies who are competitors

to Obama's financiers from ever getting funded. Even though many Applicant's beat every "winner" in Obama's DOE handouts, they were excluded, denied and discriminated against simply for competing with Obama's Silicon Valley oligarchs.

- Steven Chu, after getting thrown out of office, went to work for the very people he was supposed to have been conducting due diligence on. Chu is considered to be one of the most criminally corrupt public officials ever in charge of an agency aside from his peer, who also made corruption history: Eric Holder, who helped Comey cover-up the crimes.

- The DOE ATVM and LGP programs resulted in: **THE LARGEST DISTRIBUTION OF TAXPAYER CASH TO THE MOST COMPANIES THAT THEN WENT IMMEDIATELY WENT BANKRUPT IN THE HISTORY OF AMERICA!** Not only has the DOE ATVM and LG program been NOT A SUCCESS, they have been a disaster!

- Goldman Sachs and Deloitte engineered INTENTIONAL bankruptcies so that their Silicon Valley oligarch clients could claim windfall tax write-offs which the U.S. Treasury said resulted in "unjust gains" for those oligarchs. In other words, the tech oligarch billionaires took U.S. taxpayer subsidies, which they did not need, and then bankrupted their own companies so that they could reap profits in tax write-offs. On top of this Goldman Sachs skimmed "fees" off-the-top for arranging these deals, at taxpayer expense, and then ALSO profited from the "bumps" to the stock market valuations in pump-and-dump crimes. **TO BE CLEAR: MANY OF THESE BANKRUPTCIES WERE TAX SKIMS CREATED TO FAIL! After realizing this, Applicants and Congressional insiders forced ALL of the kick-back funded companies into bankruptcy as payback for the corruption and abuse of their resources. Said one Senator: "If they want bankruptcies, we will give them bankruptcies..."**

- Lachlan Seward, one of the DOE money laundering insiders, threatened Applicant's that if they "made trouble" they "would never be funded by DOE as long as they lived".

- When Tesla Motors got their DOE money approved they had NO DESIGN AND WERE PLANNING TO BUILD A FACTORY. Both of which were against the so-called Section 136 Rules. Tesla used the DOE money to hire engineers to design the car from scratch as proven by the engineers that were hired. Tesla was running all over the country trying to stage a real estate scam with Dianne Feinstein's Husband's company CBRE. Tesla even got sued for these real estate scams. DOE stated that the "rules" said you already had to have a factory and a design, which the other applicants had. So, against the "rules" Tesla got the money and figured out the car LATER and did not use a pre-existing factory until they were later forced to follow the rules.

- For the same kind of commercial loans, Bank of America and Wells Fargo take 4 weeks to approve loans this large. DOE staff were either too stupid to review loans in less than 3 years or were intentionally stone-walling every applicant who was not an Obama crony.

- As shown by this letter: <https://news.wttw.com/sites/default/files/Letter%20from%20Bright%20Automotive%20to%20US%20Dept%20of%20Energy.pdf> ...and hundreds of Congressional reports, DOE staff proved themselves to be liars and scumbag political manipulators at every turn.

- The public has not seen the entire FBI and SEC investigation records on the FBI raid and investigation of Solyndra because the records point straight back to the White House Oval Office!

- A Congressional report on the ATVM and LG programs exposed layers and layers of crony payola.

- The only Judges who got to rule on the cases were "Obama Judges" appointed by or beholden to the Obama Administration.

- A CBS News 60 Minutes segment called: "***The Cleantech Crash***" revealed that many of the assets of the ATVM and LGP disasters had been funded by the taxpayers and then sold to China in deals that benefited Diane Feinstein's family and financiers. Later Dianne Feinstein was found to have Chinese spies and insiders on her staff. The Feinstein family owned the stock, staffing services, construction company and services companies at Tesla and Solyndra, which Feinstein got the federal cash for. Her staff then went to work at Tesla and Solyndra.
- Although felony-class crimes occurred, no DOE officials have ever been charged with crimes..although multiple FBI officials have been charged with covering up those crimes.
- Vice President Al Gore, John Doerr and Vinod Khosla have had all of their finances tracked and connected together through covert routes that reveal insider stock trading and government policy manipulation, in this case, for their own personal profiteering.
- Attorney General William Barr has been formally asked, by Applicants, to appoint a federal Special Counsel to investigate this matter.
- The Dark Money FEC campaign finance limits were exceeded by the Silicon Valley oligarchs by many magnitudes in this novel deployment of quid-pro-quo and search engine rigging services for political favors and funding.
- There has not been a single person involved in "green" DOE funding programs who cared anything about "green energy". The use of the term "green" was a psychological ploy to seek to pacify the public with a crunchy granola positive vibe while stealing taxpayer money in plain sight.
- The Obama White House produced a "white list" of friends companies who could get funded and a "black list" of their competitors who could never be funded because Silicon Valley financiers said so. These lists were created from input from John Doerr, Steve Westly and Doerr's business partner: Al Gore. Even though most Applicant's beat the metrics, features and national security issues of favored Obama Applicant's, no outsiders and no non-campaign financiers would ever be approved.
- The very first Applicant for the ATVM fund was XP Vehicles, which was solicited to apply by DOE and Barbara Boxer's office. The 1.) Section 136 law, 2.) DOE videos of meetings and 3.) DOE documents clearly state that Applicant's would be reviewed on a "***first-come, first served***" basis per the federal law. When XP, which was black-listed by the White House because it competed with Obama financiers Tesla and Fisker, moved far ahead in the Applicant list, DOE illegally changed the rules so that "first come - first served" was ignored and only favored insiders were reviewed. XP, Brammo, EcoMotors, Elio, etc. were all "bottom drawered". Even though XP hand delivered, to DOE and Congress, more customer order proofs than ALL other Applicant's combined, DOE insiders, who held stock in competing companies, placed XP on a permanent black-list.
- As of December 28, 2008 DOE staff already decided who would "win" the money, and who would not, because the entire program had been hard-wired, via lobbyists and insiders, to only go to the "white list" applicants. Nobody who was not on the original "white list" could ever get DOE funding. It only takes one "insider" at DOE, from the Obama Administration (many are still there) to kill any application, no matter how much better that proposal is compared to every other applicant.
- U.S. Department of Energy and White House officials hired Nick Denton's sleaze-ball tabloid empire comprised of Jalopnik, Gawker Media and Gizmodo Media to run character assassination and defamation campaigns, in partnership with the DNC's Google, to attack any person who exposed the corruption scam at DOE.

- The GAO wrote multiple federal reports confirming that DOE was running one of the most poorly administrated non-transparent operations ever and that DOE staff were not even following the Section 136 law.
- White House and DOE staff hired Gawker, Gizmodo, Jalopnik defamation bloggers to attack those who exposed the plot. Patrick George At Jalopnik attacks outsiders under contract with Elon Musk and DNC. Silicon Valley campaign finance oligarchs hire him to run hatchet jobs on innocent outsiders and then Gawker-Gizmodo-Jalopnik uses their financial partnership with the DNC's Google to push the character assassination articles to the top of Google web products and searches. Patrick George, Adrian Covert, John Hermann and Nick Cook are the sexually degenerate cabin boys that report to boy-loving sleaze-tabloid oligarch Nick Denton. They created the Fake News crisis in the media by flooding the internet with defamation posts and reprisal hatchet job articles designed to damage political enemies of the Socialists. They coordinate a large number of the character assassination efforts at Gawker, Gizmodo, Jalopnik, CNN, New York Times and other propaganda outlets.
- DOE staff never even communicated with Applicant's, who were not Obama insiders; yet Tesla, Fisker and other Obama insiders got hundreds of phone calls, meetings and careful help to hand-hold them through the process to make certain that they got their payola while the outsiders only got blockades, Lois Lerner "missing hard drives" and stone-walls.
- The DEFRAUDED staff and employees of Bright, XP, Limnia, ZAP, Brammo, and the other Applicant's, have **NEVER** gotten a fair court hearing, Congressional or IG hearing that was not compromised by an Obama Judge or stock-owning insider. They are owed money for their damages from the deeply corrupt DOE programs!
- The Obama Administration officials who carefully manipulate the DOE and federal process for crony favorites include: Steven Chu, Kathy Zoi, Carol Battershal, Steve Westly, Steven Spinner, John Podesta, Jonathan Silver, Danial Cohen, et al; with cover-up support from James Comey, Eric Holder, Steve Rattner, et al...
- Over a thousand other criminal and ethics violation charges are charged against DOE and its associates yet no actual interdictions have taken place in California or federal government actions because the "Deep State" cover-ups are so extensive. The raw criminality of the U.S. Department of Energy in these matters is verified, proven and audacious...

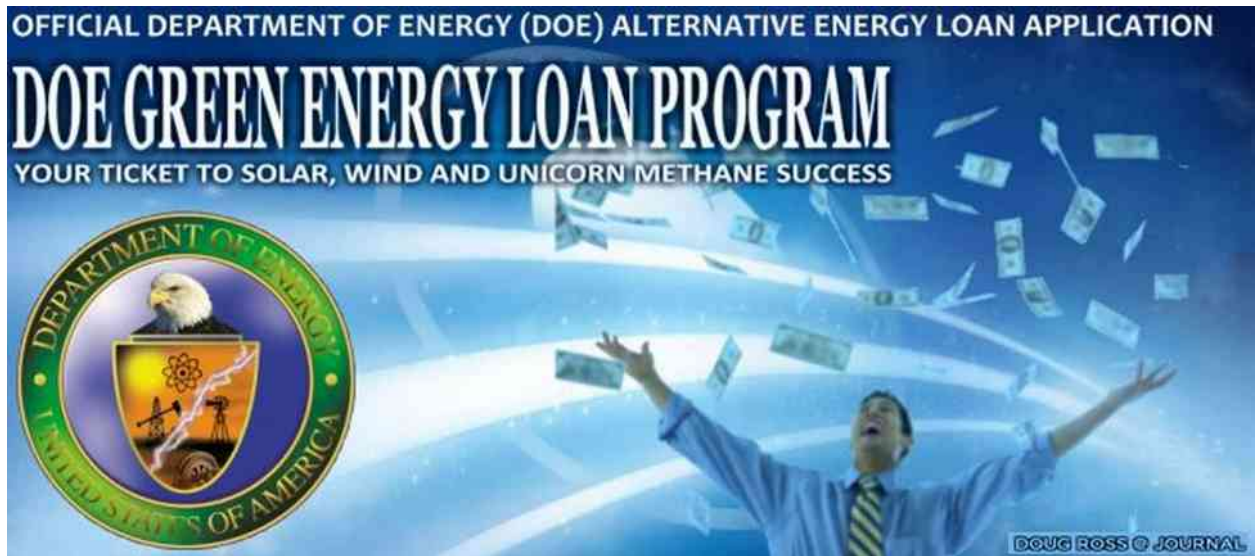


Illustration 20: How The Passed Payola Back To Campaign Financiers

The White House Dirty Tricks Team

AG Barr Finds White House Power Was Used By Obama Administration To Spy On American Citizens And Run Dirty Tricks Reprisal Operations



by [Tyler Durden](#)

In his first pair of interviews since being sworn in, Attorney General Barr told [Fox News](#) and [WSJ](#) that he was pursuing the investigation into the origins of the Trump-Russia probe - an investigation [he has tasked](#)

[John Durham, the US Attorney from Connecticut](#), with leading - because Americans need to know whether the government "**put a thumb on the scale**" to try and undermine President Trump both during the campaign and during the first two years of his term, just like "**we need to ensure that foreign actors don't influence the outcome of our elections.**"

Separately, he told [WSJ](#) that "**government power was used to spy on American citizens...**I can't imagine any world where we wouldn't take a look and make sure that was done properly."

Barr has doubled-down on using the term 'spying', which has angered Democrats, after first using it during Senate committee testimony from April 10, where he uttered the now-infamous phrase "I think spying did occur."

The AG has declined to elaborate on what prompted these concerns, **though he has said he'd be interested to see the underlying intelligence that sparked the FBI decision**, in the summer of 2016, to open a counterintelligence investigation. At this point, **Durham's review isn't a criminal investigation**, and Barr hasn't offered a timetable for when the investigation might be completed. Ultimately, the probe could lead to changing FBI protocols involving investigations into political campaigns.

Appearing to respond to Barr's interviews, President Trump declared that his campaign was "conclusively" spied on.

My Campaign for President was conclusively spied on. Nothing like this has ever happened in American Politics. A really bad situation. TREASON means long jail sentences, and this was TREASON!

— Donald J. Trump (@realDonaldTrump) [May 17, 2019](#)



The Silicon Valley Corrupt ‘Greentech’ VC Control Over Washington DC

Katie Fehrenbacher



[- How Silicon Valley Oligarchs Took Over The Obama Administration](#)

There’ve been a couple articles in the past few weeks pointing to President Obama as the “[clean tech investor in chief](#)” and the [presidential VC with bets on clean energy](#). The real trend is that venture capitalists focusing on greentech seem to have had an unprecedented influence on U.S. federal policy and allocations of the stimulus package.

When I attended the Department of Energy’s (DOE) first [ARPA-E conference](#) (Advanced Research Projects Agency-Energy) earlier this year in Washington D.C., I was struck by how many venture capitalists were there. I shared a cab back to the airport with some familiar Silicon Valley faces, and was told if your firm didn’t have a dedicated person in Washington — in some circles they call them lobbyists — maneuvering grant and loan programs, you weren’t able to be competitive.

Just look at the figures from the stimulus package (which I am fully in support of): somewhere between \$50 billion and \$80 billion into clean power and energy efficiency initiatives ([depending on how you slice it](#)). The Obama administration has gone out of its way to seek the advice of green-leaning venture capitalists and entrepreneurs in the Valley on how to spend that colossal amount and what programs would be the most affective.

Kleiner Perkins managing partner John Doerr is on President Obama’s [Economic Recovery Advisory Board](#), and was able to convince Vice President Al Gore to join Kleiner, in addition to former Secretary of State Colin Powell. Kleiner’s investments have had some successful government bids, most notably the [\\$529 million loan to Kleiner portfolio](#) company Fisker Automotive out of the DOE’s highly competitive Advanced Technology Vehicles Manufacturing, or ATVM, program. Fisker plans to use the

loan to build its factory and launch its electric vehicle in 2011.

If you remember, another winner of the \$25 billion ATVM program was Tesla Motors (s TLSA), which, as most of us know, was backed by venture capitalists from Draper Fisher Jurvetson, Technology Partners, and Vantage Point among others.

I attended Khosla Venture's LP meeting earlier this year where the firm [announced that former UK Prime Minister Tony Blair](#) would be joining the firm as Senior Advisor. Several of my journalism peers were comparing the political influence Blair could wield to what Kleiner was doing with Gore.

The Obama administration appointed [former venture capitalist Jonathan Silver](#) as its loan chief to lead both the DOE's loan guarantee and ATVM loan programs. About a third of the DOE's loan guarantee commitments went to venture-backed startups, including thin film solar maker Solyndra and solar thermal company BrightSource.

I [wondered earlier this year](#) if the loan guarantee for Solyndra wasn't a mistake, given the company has one of the highest manufacturing costs out of its competitors. The company withdrew its IPO plans, citing poor market conditions. The Government Accountability Office also found that the loan guarantee process treated some companies unfairly in their bids and risked "excluding some potential applicants unnecessarily."

There's nothing inherently wrong with venture-backed companies getting government support, and the energy sector needs even more federal funding to create innovation. I support Doerr and Bill Gates' [calls for boosting federal government](#) investing to \$16 billion per year into energy innovation. All I'm saying is that this level of influence should be watched.

OBAMA'S INSIDER DEALS

AT THE DEPARTMENT OF ENERGY

THEIR INTERESTS CAME BEFORE TAXPAYERS' INTERESTS.

Venture firm to which he is connected:
VantagePoint Venture Partners
\$2.46 BILLION
 in Energy Department financing
 to companies in which the firm invested



Sanjay Wagle
 Former DOE Adviser



Steve Westly
 Member, Secretary's
 Advisory Board

Venture firm to which he is connected:
Westly Group
\$600 MILLION
 in Energy Department financing
 to companies in which the firm invested

Venture firm to which he is connected:
General Catalyst
\$105 MILLION
 in Energy Department financing
 to companies in which the firm invested



David Danielson
 Solar Program Adviser



David Prend
 Chairman, Solar Technology
 Advisory Panel

Venture firm to which he is connected:
Rockport Capital
\$558 MILLION
 in Energy Department financing
 to companies in which the firm invested



David Sandalow
 Assistant Secretary

Venture firm to which he is connected (consultant relationship):
Good Energies
\$737 MILLION
 in Energy Department financing
 to companies in which the firm invested



Steve Spinner
 Former DOE Loan Adviser

Law firm to which his wife is connected:
Wilson Sonsini
\$2.75 BILLION
 in Energy Department financing
 to companies, including Solyndra, which hired
 the firm to file for Energy Department grants

IT'S TIME TO CHANGE DIRECTION.
DONATE AT GOP.COM

Source: Washington Post, "Venture Capitalists Play Key Role in Obama's Energy Department," 2/14/12

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The Elon Musk And Tesla Motors Bribes

Another Tesla car catches fire in Hong Kong parking lot: media - ALL TESLA BATTERIES EXPECTED TO HAVE CHEMISTRY DEGRADE AND EXPLODE AS DOE WAS WARNED IN WRITING BY BERNIE TSE, BRIGHT AND XP

HONG KONG (Reuters) - A Tesla Inc electric car caught fire in a parking lot in a Hong Kong shopping mall, the Apple Daily newspaper said on Tuesday, but no one was injured in the blaze, whose cause was not immediately known.

The electric car burst into flames 30 minutes after being parked in the city's San Po Kong district on Sunday, the newspaper said, with three explosions seen on CCTV footage.

Firemen took 45 minutes to douse the fire.

The vehicle was a Tesla Model S 85 KWH dual power version, added the paper, which gave no explanation of what might have caused the blaze.

Responding to a request from Reuters, Tesla declined to comment. Reuters was not able to contact the vehicle owner or obtain CCTV footage of the incident.

Hong Kong's fire services department told Reuters a vehicle caught fire on Sunday, but gave no details, such as the make of the car. Authorities are investigating the cause.

The incident comes three weeks after Tesla said it had sent a team to investigate a video on Chinese social media that showed a parked Tesla Model S car exploding in the commercial hub of Shanghai.

The automaker has said its EVs are about 10 times less likely to experience a fire than petrol-powered cars.

There have been at least 14 instances of Tesla cars catching fire since 2013, most of them after a crash.

Reporting by Donny Kwok and Shellin Li in Hong Kong, Yilei Sun in Shanghai; Editing by James Pomfret and Clarence Fernandez. Our Standards: [The Thomson Reuters Trust Principles](#).

DEADLY EXPLODING LITHIUM ION BATTERIES AND COBALT CORRUPT MINING SCAMS ARE KILLING AND ROBBING THE PUBLIC WITH DIRTY "BLOOD MINERALS" THAT ARE TOXIC, SELF-IGNITING DANGERS

Lithium ion batteries: Cause wars in the Congo, Afghanistan and Bolivia from the corrupt mining deals involved with mining lithium and cobalt; are insider trading-owned by ex-CIA boss Woolsey and DOE Boss Chu; excrete chemicals that mutate fetuses when they burn; destroy your brain, lungs and nervous system when they burn; kill the factory workers who make them; cause Panasonic to be one of the most corrupt companies in the world; poison the Earth when disposed of; can't be extinguished by firemen; poison firemen when they burn; are based on criminally corrupt mining schemes like URANIUM ONE; Have over 61 toxic chemicals in them; come from an industry that spends billions on internet shills and trolls used to nay say all other forms of energy; are insider-trading owned by corrupt U.S. Senators who are running a SAFETY COVER-UP about their dangers.

NiCad Batteries and hundreds of other battery types do not have this many problems... but the ownership of the lithium mining business by Elon Musk, his Silicon Valley cartel and California Senator's families causes other solutions to be hidden, the dangers of lithium ion to be hidden and a monopoly to exist.

Apple products with lithium ion batteries have been exploding and setting people on fire; over time the chemical dendrites inside each battery grow worse and increase the chances of explosion as they age - LITHIUM ION BATTERIES BECOME MORE AND MORE LIKELY TO EXPLODE AS TIME GOES ON AND AS THEY AGE; "Bad Guys" have figured out how to make them explode remotely; have their dangers hidden by CNN and MSM because pretty much only the DNC people profit from them; are the heart of Elon Musk's stock market scam.

The Obama Administration promised Silicon Valley oligarchs the market monopoly on lithium ion batteries and the sabotage of fuel cells in exchange for campaign financing and search engine rigging; United States Senators that are supposed to protect us from these deadly products own the stock market assets of them so they protect them and stop the FDA, OSHA, DOT & NHTSA from outlawing them. WRITE YOUR ELECTED REPRESENTATIVE AND DEMAND THAT LITHIUM ION BATTERIES BE MADE ILLEGAL TO SELL! NiCAD and Hundreds of other battery chemistries DO NOT have all of these problems but Lithium Ion batteries get a monopoly because of politician insider trading ownerships. A recent fire on U.S. Highway 101 near Mountain View, CA, burned the driver alive and killed him. In Florida two kids died in a Tesla, burned alive, screaming in agony. A man died in agony in a Tesla crash in Malibu that set Malibu Canyon on fire. A young woman, at the start of life, and her boyfriend were burned alive in their crashed Tesla.

There are many more deaths and crashes than you have heard about. The deaths and the cover-ups are endless. Senators Dianne Feinstein, Harry Reid, Nancy Pelosi, Kamala Harris and their associates own the stock in Tesla Motors and/or it's suppliers and mining companies and they cover-up and halt investigations and laws designed to save the public. They, and their crony's, spend over \$1B a year to

shill and troll hype about lithium ion batteries and cover-up the dangers. Lithium ion EVs are more prone to battery fires. Experts say that their lithium-ion batteries can fuel hotter fires that release toxic fumes and are more difficult to put out. Lithium ion fires keep reigniting which explains why it takes so long and requires copious amounts of water or foam (it is an electric fire, after all) to smother the flames. Tesla employee Bernard Tse and his team warned Elon Musk about these dangers in 2008 and they got fired and/or warned to "say nothing" by Musk. Three top Tesla engineers died in a plane crash next to Tesla offices in San Carlos after two of them agreed to become whistle-blowers.

Elon Musk exists because he bribed DNC politicians and Senators Feinstein, Reid, Boxer, Harris, Clinton and Pelosi to give him free taxpayer cash and government resources from the Dept. of Energy and the Calif treasury. DOE has been covering-up organized crime activities at DOE in which DOE funds are being used as a slush-fund to pay off DNC campaign financiers and to pay for CIA/GPS Fusion-Class attacks on Silicon Valley business competitors of those DNC campaign financiers who DOE staff share stock market holdings with. Elon Musk is a criminal, a mobster, an asshole, a bald fake-hair wearing, plastic surgery-addicted, douchebag, woman-abusing, sex addicted, tax evader. Musk exploits poor people and child slaves in the Congo and Afghanistan to mine his lithium and Cobalt.

Musk spends billions per year to hire Russian trolls, fake blogger fan-boys and buy fake news self-aggrandizement articles about himself. Musk thinks he is the 'Jesus' of Silicon Valley. Fake News manipulator Google is run by Larry Page and Larry is Musk's investor and bromance butt buddy. Musk uses massive numbers of shell companies and trust funds to self-deal, evade the law and hide his bribes and stock market insider trading. A huge number of Tesla drivers have been killed; pedestrians and oncoming drivers have also been killed, and Musk covers it up. The DNC and the MSM refuse to allow any articles about Musk's crimes to be printed because they benefit from Musk's crimes. Musk has been professionally diagnosed as a 'psychotic narcissist.' A 'Silicon Valley Mafia; cartel of frat boy sociopath venture capitalists like Steve Jurvetson, Tim Draper, Eric Schmidt, et al; threaten those who do not support the cult of Tesla or their political candidates.

In EVERY blog that you read that mentions 'Musk', at least 1/3 of the comments have been placed there by Musk's paid shills. Musk holds the record for getting sued for fraud by his investors, wives, former partners, employees, suppliers and co-founders. Elon Musk has gone out of his way to hire hundreds of ex-CIA staff and assign them to "dirty tricks teams" to attack his competitors and elected officials who Musk hates. Musk never founded his companies. Musk's "Starlink" satellites are domestic spy and political manipulation tools - never get your internet from one. Musk stole Tesla in a hostile ownership take-over from Marty the true inventor of the Tesla. The same kind of EMF radiation proven to cause cancer from cell phones exists in massive amounts in a Tesla.

Musk can't fix a car or build a rocket and has almost no mechanical skills. If you pull a report of every

VIN# of every Tesla ever built and cross reference that with insurance, repair and lawsuit records you will find that the "per volume" fire, crash, death and defect rate is THE WORST of any car maker in history! Musk is a lying con artist and partners with Goldman Sachs to rig the stock market. Sachs has a dedicated team of 18 men who rig stocks and valuation bumps for Musk. Over 1000 witnesses can prove every one of those claims in any live televised Congressional hearing! Senators Dianne Feinstein, Harry Reid, Nancy Pelosi, Kamala Harris and their associates own the stock in Tesla Motors and/or it's suppliers and mining companies. That is why they criminally help cover-up investigations of Tesla! All of this was reported, in writing, to James Comey, Patricia Rich and David Johnson at the FBI.

The DNC bosses own the stock in lithium, Solar and EV markets and use kickbacks from those markets (Especially via convoluted campaign finance laundering via Elon Musk) to finance the DNC. The DNC bosses use character assassination as their main political tool against any member of the public who speaks out against their felony stock market scams and PizzaGate-like scandals. The Harvey Weinstein reports by Ronan Farrow show that they have teams of hired goons that they pay to destroy people's lives. They use Black Cube, Mossad, In-Q-Tel, Stratfor, Gawker Media, Gizmodo Media, Media Matters, David Brock, Sid Blumenthal, NY Times, Google servers, Facebook servers, Podesta Group, Perkins Coie, Covington & Burling and a host of "assassins".

It should be a felony to hire character assassins in the USA. DEMAND A LAW and DEMAND the termination of these attack services. IE: Gawker and Gizmodo Media sets-up the attack stories and, in paid partnership with Google, Google kicks their attack links around the globe, in front of 8 Billion people, forever. Google locks the attack articles of its enemies on the front top search results of Google search results forever, on purpose! That is why Google is being terminated in the largest, most well resourced anti-corruption public service take-down in history!

MORE EVIDENCE PROOF:

<https://www.washingtonpost.com/graphics/business/batteries/congo-cobalt-mining-for-lithium-ion-battery/>

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<https://www.economist.com/the-americas/2017/06/15/a-battle-for-supremacy-in-the-lithium-triangle>

<https://www.visualcapitalist.com/lithium-fuel-green-revolution/>

<https://www.forbes.com/sites/jamesconca/2018/09/26/blood-batteries-cobalt-and-the-congo/>

<https://www.forbes.com/sites/greatspeculations/2018/02/27/the-worlds-cobalt-supply-is-in-jeopardy/>

<https://www.greentechmedia.com/articles/read/congo-cobalt-reliance-grows-despite-europe-discoveries>

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<https://www.mining-technology.com/features/featuremining-iran-endless-opportunity-corruption-and-the-trump-question-5695882/>

<https://www.brighteon.com/5809392344001>

<https://business.financialpost.com/personal-finance/high-net-worth/frank-giustra-takes-a-break-from-the-blade-runner-sequel-and-an-italian-olive-estate-to-return-to-his-first-love-a-gold-mine>

<https://www.theglobeandmail.com/globe-investor/giustra-backed-lithium-x-plunges-on-doubts-about-chinese-buyer/article38156222/>

<http://www.tesla-motors-cronyism.com/index.php?post/GOOGLE-COVERS-ELON-MUSK-S-CORRUPT-ASS%21>

<https://globalnewstimes.wordpress.com/tag/frank-giustra-and-hillary-clinton/>

<http://www.dear-white-house.com>

<http://archive.is/ox9pX>

<https://www.gold-eagle.com/article/hypocrisy-most-foul>

<https://www.washingtonpost.com/graphics/business/batteries/congo-cobalt-mining-for-lithium-ion-battery/>

<https://www.iisd.org/story/green-conflict-minerals/>

<https://www.amnesty.org/en/latest/news/2017/09/the-dark-side-of-electric-cars-exploitative-labor-practices/>

<https://www.aljazeera.com/news/2017/07/dr-congo-loses-750m-corruption-mismanagement->

170721154134478.html

<https://www.abc.net.au/news/2018-07-25/cobalt-child-labour-smartphone-batteries-congo/10031330>

<https://www.zerohedge.com/news/2019-02-24/tesla-slams-tree-florida-bursting-flames-and-killing-driver>

You have probably seen the many issues with Elon Musk And Tesla Motors including:

"His corrupt cobalt mines promote genocide in the Congo as seen in NETFLIX Black Earth Rising"

"His corrupt cobalt mines promote mass rape in the Congo as seen in NETFLIX Black Earth Rising"

"His corrupt cobalt mines promote child slave labor in the Congo as seen in NETFLIX Black Earth Rising"

"His is not faithful to his girlfriends"

"The workers that build his batteries die or sicken from toxic poisoning"

"Tesla bribes U.S. Senators with cash and stock in order to get free taxpayer funds"

"He is addicted to drugs and booze"

"He has sociopath mental issues"

"He is a narcissist"

"Tesla has had more recalls for safety defects, per volume, than any other car maker. Musk refuses to allow the use of the word RECALL but the facts are the facts."

"It is so easy to hack any Tesla and crash it, break into it or give it bad braking orders that it is criminally negligent to allow Tesla's on the street. Even the Chinese have hacked Tesla's from the other side of the world!"

"His partner: Steve Jurvetson, has been charged with sex and corruption issues"

"He arranged government kick-backs with the White House"

"He is the world's biggest government mooch"

"He is a member of the Palo Alto Mafia"

"Google (who is a major Tesla investor) hides all negative Musk/Tesla news and hypes TSLA stock in order to profiteer with TSLA stock. This is a violation of federal SEC laws"

"More drivers have been caught driving drunk, in Tesla's, than any other car Per Capita produced"

"Larry Page is Musk's bromance buddy and he uses Google to cover-up Musk's scandals"

"His so-called 'foundation' is just a payola and tax evasion scam for his family"

"His batteries are the most dangerous use of lithium ion storage ever conceived"

"His partner: Panasonic has been charged with multiple corruption, dumping, price rigging and manipulation crimes around the globe"

"Almost all of the internet 'Tesla Fanboys' are Russian troll farms and hired bloggers that Musk pays vast amounts of money to in order to hype up a fake image for him"

"His SpaceX is nothing more than a domestic spy satellite company"

"Musk's brain chip company tortures small animals in bad science experiments"

"His father screwed his daughter and got her pregnant"

"Dianne Feinstein and her family own Musk interests"

"You can't put out the fires when his batteries explode"

"The fumes from his thermal battery vapors give you cancer, lung and brain damage"

"Elon Musk only takes over other people's ideas. He took over Tesla and ran it into the ground, he destroyed SolarCity with his brothers self-dealing scam, his brain cap company just cuts open the heads of helpless animals and all SpaceX does, now that Musk took it over, is launch satellites that spy on civilians and manipulate media..."

etc.....

You may have run across Musk's self promoting, narcissistic, multi-billion dollar, self-aggrandizing PR hype but here is the other side of the coin. We know these facts from personal interaction with Musk, his companies and his politicians. Everything in this letter can be proven in a jury trial, Congressional hearings or live TV debates. Musk will do anything to keep this information from getting out but... it is too late for him! While this may sound like a bad Hollywood movie script. It all really happened and there is now massive hard copy evidence to prove it.

Elon Musk exists because he bribed DNC politicians including Obama, Clinton and Senators Feinstein, Reid, Boxer, Harris, Spier and Pelosi to give him free taxpayer cash and government resources from the Department of Energy and the California political tax pool. This is proven when you follow-the-money and the insider trading, stock ownership and crony payola kick-backs.

The Energy Dept (DOE) has been covering-up organized crime activities at DOE in which DOE funds are being used as a slush-fund to pay off DNC campaign financiers and to pay for CIA/GPS Fusion-Class attacks on Silicon Valley business competitors. DNC campaign financiers and DOE staff share stock market holdings with each other under family trusts, shell corporations and layered Goldman Sachs accounts. The deal was: Obama funds Tesla, Musk conduits campaign funds to Obama, top Obama staff profit off of insider Musk stocks.

Elon Musk is a criminal, a mobster, an asshole, a balding fake-hair wearing, plastic surgery-addicted, bi-sexual douchebag, woman-abusing, sex addicted, tax evader. We can put this in writing because all of those identifications regarding Musk can be proven in court and are documented in existing lawsuits and news stories.

Musk exploits poor people and child slaves in the Congo and Afghanistan to mine his lithium and Cobalt. Look up this phrase on the top search engines: "child labor electric car batteries".

Musk spends billions per year to hire Russian trolls, fake blogger fan-boys and buy fake news self-

glory look-at-me articles about himself. Musk thinks he is the 'Jesus' of Silicon Valley and he will do anything to make the public think so. Musk is insecure because his father was abusive and his “trophy wife” Mother is overbearing so he developed sociopath-like mental issues. Musk has been professionally diagnosed as a 'psychotic narcissist. He public stated on an investor call that he uses drugs and alcohol to get through the night. We have the tapes.

Musk relies on Google and the DNC Main Stream News (MSN) to hide bad news about him. Fake News manipulator Google is run by Larry Page. Larry is Musk's investor and bromance 'Butt buddy'. They share an apartment. Musk uses massive numbers of shell companies and trust funds to self-deal, evade the law and hide his bribes and stock market insider trading. His brother ran Solar City and is now under federal investigation for securities fraud.

A huge number of Tesla drivers have been killed; pedestrians and oncoming drivers have also been killed, and Musk covers it up.

The DNC and the MSM refuse to allow any articles about Musk's crimes to be printed because they benefit from Musk's crimes. VC's Tim Draper and Steve Jurvetson are so fanatical about not being embarrassed from a Tesla bankruptcy that they will pump the TSLA stock and threaten anybody who might disclose the Musk misdeeds. Peter Thiel, a Musk 'boyfriend' also protects Musk. Musk, and his cronies, use Palantir, Google and related software to scan the entire internet every few minutes for any occurrence of the words: “Musk”, “Tesla” or “Tesla Fire”. They send trolls and fake bloggers (Many of them Russian) to put pro-Musk comments on the comments section of any blogs or articles discussing those topics and try to flood out the truth about Musk. In EVERY blog that you read that mentions 'Musk', at least 1/3 of the comments have been placed their by Musk's paid shills. There are no “Tesla Fan Boys”. All of the fanatic Tesla comments on the internet are Musk's, Thiel's, Jurvetson's and Draper's fake fanboy trolls. Musk, himself, stays up late at night pretending to be a 'Tesla Fan Boy' on blogs.

The 'Silicon Valley Mafia; cartel of frat boy sociopath venture capitalists like Steve Jurvetson, Tim Draper, Eric Schmidt, et al; threaten those who do not support the cult of Tesla or their political candidates.

Musk holds the record for getting sued for fraud by his investors, wives, former partners, employees, suppliers and co-founders. Elon Musk has gone out of his way to hire hundreds of ex-CIA and In-Q-Tel staff and assign them to "dirty tricks teams" to attack his competitors and elected officials who Musk hates.

Musk never founded his companies. He took Tesla away from the founder: Marty, in a hostile take-over!

Musk's "Starlink" satellites are domestic spy and political manipulation tools - never get your internet from one. SpaceX is entirely a spy satellite operation.

The same kind of EMF radiation proven to cause cancer from cell phones exists in massive amounts in a Tesla.

Musk can't fix a car or build a rocket and has almost no mechanical skills.

If you pull a report of every VIN# of every Tesla ever built and cross reference that with insurance, repair and lawsuit records you will find that the "per volume" fire, crash, death and defect rate is THE WORST of any car maker in history!

Musk is a lying con artist and partners with Goldman Sachs to rig the stock market. Sachs has a dedicated team of 18 men who rig stocks and valuation bumps for Musk.

Over 1000 witnesses can prove every one of those claims in any live televised Congressional hearing! Senators Dianne Feinstein, Harry Reid, Nancy Pelosi, Kamala Harris and their associates own the stock in Tesla Motors and/or its suppliers and mining companies. That is why they criminally help cover-up investigations of Tesla! All of this was reported, in writing, to James Comey, Patricia Rich and David Johnson at the FBI.

Why aren't all of those parties in prison if it is so easy to prove the crime? Think back to recent history: the heads of the Department of Energy, the FBI, The DOJ and the U.S. Attorney General were kicked out of their jobs for corruption. THIS was the corruption they were doing. They all knew about this crime but they were covering it up.

Musk took over Tesla Motors in a hostile take-over in order to exploit lithium, cobalt and other mining corruption deals for his business partners. Let's take a look at the 'lithium' in Musk's horrifically miss-engineered lithium ion batteries:

His batteries cause wars in the Congo, Afghanistan and Bolivia from the corrupt mining deals involved with mining lithium and cobalt. Lithium ion batteries are insider trading-owned by ex-CIA boss Woolsey and DOE Boss Chu. Lithium ion batteries excrete chemicals that mutate fetuses when they burn; destroy your brain, lungs and nervous system when they burn; kill the factory workers who make them; cause Panasonic to be one of the most corrupt companies in the world; poison the Earth when disposed of; can't be extinguished by firemen; poison firemen when they burn; are based on criminally corrupt mining schemes like URANIUM ONE; Have over 61 toxic chemicals in them; come from an industry that spends billions on internet shills and trolls used to nay say all other forms of energy; and

are insider-trading owned by corrupt U.S. Senators who are running a SAFETY COVER-UP about their dangers.

Apple products with lithium ion batteries have been exploding and setting people on fire. Over time the chemical dendrites, or deposits, inside each battery grow worse and increase the chances of explosion as they age - LITHIUM ION BATTERIES BECOME MORE AND MORE LIKELY TO EXPLODE AS TIME GOES ON AND AS THEY AGE. This is not a theory. This is a scientific fact. That is why you hear about more and more lithium batteries catching fire and blowing up. Additionally, scientists also speculate that the increasing presence of low energy nuclear background energy and wifi energy in the environment is making lithium ion batteries explode more often lately. This theory is upheld by the increasing number of FAA reports about commercial airline cabins suddenly “filling up with toxic smoke” as some lithium ion battery explodes in someones overhead luggage. As commercial jets go higher they lose the protection of the atmosphere and are subjected to more gamma (and other) radiation from overhead. This makes the already unstable lithium ion batteries on board blow up.

"Bad Guys" have figured out how to make them explode remotely in devices by making the device electronics cause the batteries to overload. The dangers of lithium ion batteries are hidden by CNN and Main Stream News (MSN) because pretty much only the DNC people profit from them and the DNC folks control CNN and the MSN.

The Obama Administration promised Silicon Valley oligarchs the market monopoly on lithium ion batteries and the sabotage of fuel cells in exchange for campaign financing and search engine rigging; United States Senators that are supposed to protect us from these deadly products own the stock market assets of them so they protect them and stop the FDA, OSHA, DOT & NHTSA from outlawing them.

Tom Steyer is a notorious DNC financier. His partner, Margaret Sullivan ran, the federal USAID agency, USAID sent all of the DNC campaign financiers in Silicon Valley a federal ‘report’ from USAID that said there was “A TRILLION DOLLARS OF LITHIUM IN AFGHANISTAN” and promised to give those lithium mines, EXCLUSIVELY, to the Silicon Valley venture capitalists if they funded and web search manipulated the election for Obama to take over the White House. We have the documents proving this. In other words, a re-up of the Afghan War was caused by Elon Musk and it killed American soldiers so that Musk could buy more mansions and trophy wives.

Alkaline, NiCAD and hundreds of other battery chemistries DO NOT have all of these problems but Lithium Ion batteries get a monopoly because of politician insider trading ownerships.

Tesla Motors has caused far more deaths and injuries than the world generally knows about. A recent fire on U.S. Highway 101 near Mountain View, CA, burned the driver alive and killed him. In Florida two kids died in a Tesla, burned alive, screaming in agony. A man died in agony in a Tesla crash in

Malibu that set Malibu Canyon on fire. A young woman, at the start of life, and her boyfriend were burned alive in their crashed Tesla. There are many more deaths and crashes than you have seen in the Main Stream News (MSN) The deaths and the cover-ups are endless.

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The DNC bosses, Congress people and federal executives own the stock in lithium, Solar and EV markets and use kickbacks from those markets (Especially via convoluted campaign finance laundering via Elon Musk) to finance the DNC.

The DNC bosses and Musk use character assassination as their main political tool against any member of the public who speaks out against their felony stock market scams and PizzaGate-like scandals. The Harvey Weinstein reports by Ronan Farrow show that they have teams of hired goons that they pay to destroy people's lives.

They use Black Cube, Mossad, In-Q-Tel, Stratfor, Gawker Media, Gizmodo Media, Media Matters, David Brock, Sid Blumenthal, NY Times, Google servers, Facebook servers, Podesta Group, Perkins Coie, Covington & Burling and a host of "media assassins".

Gawker and Gizmodo Media set-up the attack stories and, in paid partnership with Google, Google kicks their attack links around the globe, in front of 8 Billion people, forever. Google locks the attack articles of its enemies on the front top search results of Google search results forever, on purpose! Google and Musk are partners-in-crime. Larry Page steals technology for Google and Musk meets with Larry Page to advise him on which technologies to steal and how to bypass FEC laws. Musk has exceeded FEC campaign finance limits by billions of dollars via "in-kind" services.

SEE MORE AT:

<https://www.propublica.org>

<https://www.transparency.org>

<https://www.icij.org>

ELON MUSK'S SPACEX DOMESTIC POLITICAL SPY SATELLITES UNDER ATTACK
ALREADY: <https://www.japantimes.co.jp/news/2019/02/12/asia-pacific/chinas-space-debris-cleanup-may-cover-story-arms-u-s-satellites-pentagon/>

<https://www.zerohedge.com/news/2019-02-24/tesla-slams-tree-florida-bursting-flames-and-killing-driver>

ELON MUSK'S PAID-FOR FAKE NEWS MEDIA SHILLS. THEY COVER UP HIS CORRUPTION AND PUSH PUFF-STORIES ABOUT MUSK. NEVER TRUST THEM TO BE ANYTHING BUT BIASED PROPAGANDA OUTLETS. MANY OF THEM OWN TESLA STOCK: Electrek, Google, Facebook, CNN, Huffington Post, Dianne Feinstein's PR office, Nancy Pelosi, Steven Chu, MSNBC, PayPal, KPIX-TV, San Jose Mercury News, Any Hearst owned entity, The SF Chronicle, Motley Fool, Green Car Congress, The executive staff of the DNC, The NY Times,

The Department of Energy And The White House Attacks Anybody Who Exposes This

How and why did a Donald Trump stripper-date named "Stormy" or an Elon Musk sex party or a Kavanaugh drinking incident or the Moonves and Weinstein indiscretions suddenly hit the news at about the same time in news history?

In addition to actual murder, Politicians and Silicon Valley Oligarchs hire operatives to end people's lives in other creative ways.

It is all part of the modern trend in vendetta, revenge and political payback when a Senator or a tech oligarch issues a "kill order" on an opponent.

The client does not like to get their hands dirty so the actual social hit job is performed by companies such as:

IN-Q-Tel - (DNC); Gawker Media - (DNC); Jalopnik - (DNC); Gizmodo Media - (DNC); K2 Intelligence - (DNC); WikiStrat - (DNC); Podesta Group - (DNC); Fusion GPS - (DNC/GOP); Google - (DNC); YouTube - (DNC); Alphabet - (DNC); Facebook - (DNC); Twitter - (DNC); Think Progress - (DNC); Media Matters - (DNC); Black Cube - (DNC); Mossad - (DNC); Correct The Record - (DNC); Sand Line - (DNC/GOP); Blackwater - (DNC/GOP); Stratfor - (DNC/GOP); ShareBlue - (DNC); Wikileaks (DNC/GOP); Cambridge Analytica - (DNC/GOP); Sid Blumenthal- (DNC); David Brock - (DNC); PR Firm Sunshine Sachs (DNC); Covington and Burling - (DNC), BuzzFeed - (DNC) Perkins Coie - (DNC); Wilson Sonsini - (DNC) and hundreds of others... These are the people and companies that except cash, revolving door jobs, political appointments, insider trading stock in Silicon Valley tech companies, prostitutes and real estate in exchange for destroying the lives of others.

These attackers deserve to be punished for the rest of their lives for taking away the lives of others in exchange for cash. Any company who is corrupt enough to hire any of these assassins should be forced out of business. These attack services are responsible for 90% of the "Fake News" problem in the world because they are the authors of most fake news. Congress must act to make these kinds of companies illegal!

These digital assassination services offer hit-jobs, character assassinations and economic reprisal programs to famous billionaires and corrupt politicians who are seeking revenge, retribution and vendetta executions.

In the case of reporters getting targeted for attacks, President Donald Trump has been accused by the liberal corporate media of whipping up a hateful frenzy against the press. But while CNN's Jim Acosta grandstands against Trump, real journalists are still reeling from the draconian extrajudicial measures that Barack Obama and his administration used to target them for exposing truth.

This secretive targeting occurred while Obama speechwriter and hate-filled ANTIFA supporter Ben Rhodes was running "Operation Echo Chamber," which reportedly continues, in which he fed information to willing corporate media scribes. "They literally know nothing," Rhodes said of the twentysomething journalists he easily manipulated.

The Freedom of the Press Foundation's Trevor Timm published documents showing how former attorney general Eric Holder changed the rules to more effectively intimidate and surveil members of the press.

Timm writes: "Today, we are revealing—for the first time—the Justice Department's rules for targeting journalists with secret FISA court orders. The documents were obtained as part of a Freedom of Information Act lawsuit brought by Freedom of the Press Foundation and Knight First Amendment Institute at Columbia University."

Trending: Brennan and Clapper Accused of Hacking John Roberts To Blackmail Him

Here is the memo published by the Foundation, which dropped the documents in their entirety:

Obama is also clearly linked to the plot to obtain fraudulent FISA warrants on President Trump's team, as evidenced by Peter Strzok and Lisa Page's texts confirming that Obama was overseeing their fly-by-night operation.

Larry Schweikart reported for Big League Politics:

For months pundits and researchers have been pondering the mystery of the FISA approval that led to the illegal and historically titanic scandals to ever hit the U.S. government. Some have argued that Assistant Attorney General Rod Rosenstein knew the FISA was bogus when he extended it. Others have wondered if Special Counsel Robert Mueller knew about the fraudulent basis of the FISA when he used it, in part, to indict Michael Flynn. Other still, that Mueller was fooled by the FBI.

This is what President Trump calls "SPYGATE".

It may well be that the surveillance that was conducted began with UK intelligence services and then

was fed back to the White House of Barack Obama. Here's the kicker:

President Barack Obama did not need a FISA warrant to authorize spying/electronic surveillance on Trump because Obama all along had legal authorization to by-pass the normal court vetting process. According to 50 U.S. Code 1802, the "Electronic Surveillance Authorization" () "Foreign intelligence in relation to a US person (Trump or his associates) is information that's necessary for the US to protect against attack, hostile acts, sabotage, . . . as well as other clandestine activities by a foreign power . . . OR . . . information relevant to national defense/security of the US, or the conduct of foreign affairs of the U.S." Such an authorization by Obama required certification by Attorney General Loretta Lynch that must be logged with the FISC court. ("The [AG]+ shall immediately transmit under seal to the court [FISC] a copy of his certification.")

In short, the DOJ has this. If we are correct, a copy of that certification is currently under seal at least with the DOJ and the FISC. This is what they are hiding.

However, the Act requires the AG to keep the Select Committee on Intelligence and the Senate Committee on Intelligence informed of these authorizations and unmaskings therein. See 1803 (a) (1) (C) If indeed this is what happened, did Lynch report—or only selectively report—to the committees in a way that excluded non-friendlies? Can you see why Adam Schiff, Mark Warner, and their ilk are terrified?

1) Obama authorized spying/electronic surveillance on Team Trump, by-passing normal judicial oversight.

2) To create "foreign intelligence," John Brennan and others organized for UK intelligence to conduct surveillance on Trump and his associates, either from the UK or from UK assets within the U.S. This is another reason revealing this will unleash an excrement storm: the UK is about to be caught meddling bigly in an American election.

3) Lynch certified Obama's authorization which is now held under seal by DOJ (and FISC).

From this authorization, all unmaking followed, as well as the FBI fraudulent counter intel investigation and perhaps the FISA warrant too. Obama knew this was all fake when he made the authorization; Lynch knew it was fake when she certified it; the entire inner circle, including the FBI, all knew. This takes the U.S. into uncharted territory, and could imperil any politician in the British government who supported this or had knowledge of it. Proving any of this would be difficult, as if confronted Lynch would almost certainly cover up and Obama would simply deny knowledge. Without a paper trail, a conviction might be a bridge too far. This is only one of thousands of "kill order" tactics introduced by the Obama Administration.

These are the playbook tactics that Senators and tech oligarchs most often use to destroy the lives of their political and business enemies:

- Government agency bosses sometimes solicit the target victims with false promises of future loans, contracts or grants from their agency and cause the target victims to expend millions of dollars and years of their time for projects which those government bosses had covertly promised to their friends. They use the target victims as a “smokescreen” to cover their illegal government slush-funds for the victims competitors and personal enemies. By using this tactic, the attackers can drain the target victims funds and force them into an economic disaster in plain view of everyone without the government bosses fearing any reprisal for their scam.

- Every match.com, okcupid.com, Plenty Of Fish, Seeking Arrangements and all other IAC-owned, or similar, dating sites (IAC is managed by Hillary Clinton's daughter) have had their profiles, texts, and inter-member communications, since those companies were started, hacked or purchased. The attack service providers use Palantir and In-Q-Tel financed data analysis software to analyze every activity in those dating services in order to find honey-trap, blackmail, sextortion and social conflict exploitation opportunities. If you had a bad date with someone, that someone will be hunted down and convinced to help harm, #metoo or "rape charge" the intended target. All dates involve a search for sex, so the likelihood that a sexual disappointment experience will exist in each persons dating history is high. Searching every past dating email and text of a subject is quite easy with modern software and hacking techniques. A synthetically amplified, PR-agency optimized sex scandal can destroy any target. Your dating experiences from the 70's or 80's will come back to haunt you decades later. Most dates involve drinking alcohol and taking drugs. If you were unattractive or had bad sexual skills your bad date will be called "date rape", "drugging your date for sex" and related twisted narratives that are designed to shame you, the target. If you try to get a date in the future, your potential date will be contacted by a third party who will slander and libel you to make sure your potential first date gets cancelled. Your social life will, essentially, end. Every photo on every dating site is cross checked with every other photo on the internet in order to cull your Facebook, LinkedIn, Snapchat and other social media together to create a total psychological manipulation profile data file on you. A single photo on a dating site can be cross searched on every mugshot archive, photo album and corporate database in the worth within minutes using modern super-computers. Your sex life will be on public record in a flash.

- Social Security, SSI, SDI, Disability and other earned benefits are stone-walled. Applications of targets are “lost”. Files in the application process “disappeared”. Lois Lerner hard drive “incidents” are operated in order to seek to hide information and run cover-ups.

- Government officials and tech oligarchs contact members of the National Venture Capital association (NVCA) and created national “black-lists” to blockade target victims from ever receiving

investor funding. This was also confirmed in a widely published disclosure by Tesla Motors Daryl Stry and in published testimony. If Silicon Valley political campaign finance oligarchs black-list you (see the "AngelGate" Scandal and the "High Tech No Poaching Class Action Lawsuit" cases) you will never get investor funding again.

- FOIA requests are hidden, frozen, stone-walled, delayed, lied about and only partially responded to in order to seek to hide information and run cover-ups.

- State and federal employees will play an endless game of Catch-22 by arbitrarily determining that deadlines had passed that they, the government officials, had stonewalled and obfuscated applications for, in order to force these deadlines that they set, to appear to be missed. This can bankrupt a target victim.

- Some Victims found themselves strangely poisoned, not unlike the Alexander Litvenko case. Heavy metals and toxic materials were found right after their work with the Department of Energy weapons and energy facilities. Many wonder if these "targets" were intentionally exposed to toxins in retribution for their testimony. The federal MSDS documents clearly show that a number of these people were exposed to deadly compounds and radiations, via DOE, without being provided with proper HazMat suits which DOE officials knew were required.

- Victims employers are called, and faxed, and ordered to fire target victims from their places of employment, in the middle of the day, with no notice, as a retribution tactic.

- On orders from Obama White House officials, DNC-financed Google, YouTube, Gawker Media and Gizmodo Media produce attack articles and defamation videos. Google locks this attack media on the internet on the top line, of the front page of all Google searches for a decade in front of 7.5 billion people, around the world. This attack-type uses over \$40 million dollars in server farms, production costs and internet rigging. The forensic data acquired from tracking some of these attacks proves that Google rigs attacks against individuals on the internet and that all of Google's "impressions" are manually controlled by Google's executives who are also the main financiers and policy directors of the Obama Administration. This data was provided to the European Union for its ongoing prosecution of Google's political manipulation of public perceptions.

- Victims HR and employment records, on recruiting and hiring databases, are embedded with negative keywords in order to prevent the victim targets from ever gaining future employment.

- Gary D. Conley, Seth Rich, Rajeev Motwani and many other whistle-blowers in these matters, turned up dead under strange circumstances. It is very possible that some of these attack services, operated by former CIA operatives, even offer discrete murder-for-sale services using high-tech

assassination tools that make murders look like heart attacks and brain failures.

- Disability and VA complaint hearings and benefits are frozen, delayed, denied or subjected to lost records and "missing hard drives" as in the Lois Lerner case.

- Paypal (A DNC-biased operation) and other on-line payments for on-line sales are de-platformed, delayed, hidden, or re-directed in order to terminate income potential for target victims who competed with the attackers interests and holdings.

- DNS redirection, "website spoofing" sends target victims websites to dead ends where no sales orders or customer inquiries actually get back to the target. These internet revenue activity manipulations are conducted using Google and Amazon servers. All commercial storefronts and on-line sales attempts by target victims, will have had their sites hidden, or search engine de-linked by a massively resourced facility located in Virginia, Texas or Palo Alto, California in order to terminate revenue potentials for the target victims.

- Over 50,000 trolls, shills, botnets and synth-blog deployments are deployed to place defamatory statements and disinformation about victims in front of 7.5 billion people around the world on the internet in order to seek to damage their federal testimony credibility by a massively resourced facility.

- Campaign finance dirty tricks contractors are hired by campaign financiers to attack the friends and family members of the target victim in order to create low morale for the target victims psyche and motivation.

- Are you getting weird headaches and hearing a "buzzing sound" in your head? The U.S. Government has now acknowledged that the Cuban, Chinese and other embassy "sonic attacks" are from a known microwave beam weapon. Any one of the technical departments of the attack services listed at the top of this article can build such a biological harassment weapon. It can be aimed at the target victims office, bedroom or vehicle and, within a week, have caused biological and emotional damage using a weapon that has no visible track of trajectory. It is designed to make the target victim think they are "going crazy" or "hearing sounds in their head". While this may sound pretty out there, web search "Embassy sonic attacks" on the top 5 non-Google search engines and read the very credible reports of these attacks.

- In one case covert political partner: Google, transferred large sums of cash to dirty tricks contractors and then manually locked the media portion of the attacks into the top lines of the top pages of all Google searches globally, for years, with hidden embedded codes in the links and web-pages which multiplied the attacks on Victims by many magnitudes.

- Covert Cartel financier: Google, placed Google's lawyer: Michelle Lee, in charge of the U.S. Patent Office and she, in turn, stacked all of the U.S. Patent Office IPR and ALICE review boards and offices with Google-supporting employees in order to rig the U.S. Patent Office to protect Google from being prosecuted for the vast patent thefts that Google engages in. Google has hundreds of patent lawsuits for technology theft and a number of those lawsuits refer to Google's operations as "Racketeering", "Monopolistic Cartel" and "Government Coup-like" behaviors. Thousands of articles and investigations detail the fact that Google, "essentially" ran the Obama White House and provided over 80% of the key White House staff. A conflict-of-interest unlike any in American history. Google's investors personally told Applicant they would "kill him". Google and the Obama Administration were "the same entity". Applicant testified in the review that got Michelle Lee terminated and uncovered a tactical political and social warfare group inside Google who were financed by Federal and State funds.

- Honeytraps and moles were employed by the attackers. In this tactic, people who covertly worked for the attackers were employed to approach the "target" in order to spy on and misdirect the subject.

- Gawker Media, Gizmodo Media, Snopes, SPLC and other hired media assassins will be retained to produce "hatchet job" character assassination articles about you. Then those articles will be faxed, mailed and emailed to your employer and investors with a note saying: "You don't want to have anything to do with this person, do you..?" in order to get you fired from your job and get your loans or financing pulled. The attackers will use their round one attack media, that they authored, to create a round two second wave attack designed to end your life via economic warfare.

- Mortgage and rental applications will have had red flags added to them in databases to prevent the targets from getting homes or apartments.

- Krebs On Security, Wired, Ars Technica, The Wall Street Journal and most major IT publications have reported that hundreds of spy "back-doors" have been found on every Intel, AMD, Apple, Xfinity, Cisco, Microsoft, Juniper Networks motherboard, chip-set and hardware component set. This means that any kid with the "key" code can open any computer, server, router, cloud-network or other network connected device and read every file, photo, video, your calendar and email on your devices at any time from any location on Earth. The key codes have been released to every hacker community in the world for over ten years. There is now no government, corporate or personal data that can't be hacked, even data from decades ago. Every single one of your darkest secrets can be in the hands of your enemy within 60 minutes, or less. Important meetings you had planned with potential investors, employers, clients, dates, suppliers and others will suddenly get cancelled at the last minute. They will get cancelled because your enemies are reading your calendar remotely and covertly sending slander information to those you had hoped to engage with in order to sabotage your life. Nothing you have ever typed on a computer or Smartphone is safe. it WILL be acquired and it WILL be used against you.

- McCarthy-Era "Black-lists" are created and employed against target victims who competed with Obama Administration executives and their campaign financiers to prevent them from getting funding and future employment.

- Obama Administration targets were very carefully placed in a position of not being able to get jobs, unemployment benefits, disability benefits or acquire any possible sources of income. The retribution tactics were audacious, overt..and quite illegal.

- There are thousands of additional Dirty Tricks tactics being used by these Attack Services yet Congress refuses to pass laws out-lawing such attack services. The cost of an attack on a person ranges from \$150,000.00 to over \$50,000,000.00. While a Silicon Valley billionaire can afford to launch counter-measures to these attacks, any regular taxpayer will be utterly destroyed, and incapable of fighting back, against even the smallest version of one of these "kill orders". A number of modern office shootings are the results of these attacks against an individual who has lost everything because of the attack and has no options left.

Federal law enforcement, the United States Congress and the highest level investigators in the U.S., and abroad, have documented (per the "FISA Memo", Congressional Reports and federal employee testimony) and proven the fact that the Obama Administration regularly engaged in the operation of retribution, vendetta and reprisal campaigns known as "hit-jobs" against domestic natural born U.S. citizen domestic taxpayers. The Federal Court, in at least one previous court case,has ruled that Applicants, in this particular matter, were the victims and target of a number of these attacks designed to inflict permanent medical, emotional, character assassination, brand negation, economic and career damage.

'They Can't Beat Him On The Law So They Are Trying To Destroy His Life' -Sen. Graham Questions Dems' Motives On Brett Kavanaugh Sexual Assault Allegations (dailycaller.com)

LINKS TO PROOF THAT WILL STAND UP IN COURT (GOOGLE HIDES THESE LINKS FROM THE PUBLIC):

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and tens of thousands of other evidence items we can show you on the cloud and hard drives we can ship to you.

.60 MINUTES top reporter proves that Silicon Valley Media Cartel targets people

Lara Logan "I'm Being 'Targeted' For Saying the Media is 'Mostly Liberal'"

by Tamar Auber

On Wednesday, former CBS News foreign correspondent Lara Logan spoke with Fox News Sean Hannity about her recent comments slamming the media as “mostly liberal.”

Logan told Breitbart podcaster Mike Ritland the remarks made on his show — which drew widespread attention online — amounted to “professional suicide.”

Defending her remarks on Hannity’s show, Logan said that as the result of her speaking out about how the media is “mostly liberal” she has been targeted because she is an independent voice.

“Any journalists who are not beating the same drum and giving the same talking points,” she insisted “pay the price” for not going along with the liberal crowd.

She also called out her targeters by name.

“I know they’re going to come after me,” she told Hannity. “Michael Calderone who is at the Huffington Post. I can give you the script now. I can tell you who the players are. Joe Hagan. Brian Stelter.”

She added: “They smear you personally. They go after your integrity. They go after your reputation as a person and a professional. They will stop at nothing. I am not the only one. And I am just, I am done, right, I am tired of it. And they do not get to write my story anymore. They don’t get to speak for me, I want to say loudly and clearly to anybody who is listening, I am not owned. Nobody owns me, right? I’m not owned by the left or the right.”

Logan made headlines recently when, during a scorched earth podcast interview with Ritland, she said that there was a lot of “weight” in most news organizations on “one side of the political spectrum.”

“The media everywhere is mostly liberal. But in this country, 85 percent of journalists are registered Democrats. So that’s just a fact, right?” she told Ritland.

She also trashed reporting based on single, anonymous government sources.

“That’s not journalism, that’s horseshit,” Logan stressed. “Responsibility for fake news begins with us. We bear some responsibility for that, and we’re not taking ownership of that and addressing it. We just want to blame it all on somebody else.”

Public Record Documents Now Prove The Existence Of Many Obama Hit-Job Services

Internal documents from a private Israeli intelligence firm called Psy-Group show that, at the time of many incidents, the company, and possibly other private investigators, were targeting U.S. citizens because they spoke up about crimes.

Psy-Group’s intelligence and influence operations, which included a failed attempt in the summer of 2017 to sway a local election in central California, were detailed in a New Yorker investigation that I co-wrote earlier this month. Before it went out of business (ie: changed it's name) , last year, Psy-Group was part of a new wave of private-intelligence firms that recruited from the ranks of Israel’s secret services and described themselves as “private Mossads.” Psy-Group initially stood out among its rivals because it didn’t just gather intelligence; its operatives used false identities, or avatars, to covertly spread messages in an attempt to influence what people believed and how they behaved. In 2016, Psy-Group held discussions with the Trump campaign and others about conducting covert “influence” operations to benefit the candidate. Psy-Group’s founder and C.E.O., Royi Burstien, a veteran Israeli intelligence officer who established the firm in 2014, told me that his talks with the Trump campaign went nowhere. The company’s posturing, however, attracted the attention of Robert Mueller, the special counsel, who has been investigating interference in the 2016 Presidential race.'

FED BOMBHELL: Fusion GPS Bribed Dozens of MSM Journalists With Cash To Run Character Assassinations, While News Companies Paid Firm to Dig Dirt on Trump

High-ranking FBI insiders are pulling back the curtain on Fusion GPS, the firm that commissioned and spread the bogus Trump dossier.

It appears the embattled intelligence firm was quite busy paying off Big Media reporters, according to federal sources who have traced dozens of transactions between TD Bank and media members as well as media organizations, sources confirm.

But stunningly, Big Media organizations have employed Fusion GPS to dig dirt on politicians and D.C.’s elite — namely Donald Trump.

“Fusion GPS was on the payroll of the media and in turn had members of the media on its payroll,” one FBI insider said.

Bombshell revelations.

FBI insiders confirm Fusion GPS employed law firms as well as shell companies to send and receive funds to and from media and reporters. But the embattled firm also used its accounts at TD Bank to directly commission reporters. Likewise, Fusion GPS received funds from media companies into its own accounts at TD Bank, FBI insiders said,

“There are dozens of payments from the media flowing into their (Fusion GPS’) account,” one federal law enforcement official said. “One company wired funds to Fusion (GPS) more than a dozen times.”

Why would media companies commission Fusion GPS? Likely to dig dirt on enemies or secure records that reporters could not legally obtain, one federal law enforcement insider said. One FBI insider said the payments to Fusion GPS coincide with Donald Trump’s run for the White House.

The payments were made between Sept. 2015 and Sept. 2017, records show.

The unthinkable: The mainstream media paying Fusion GPS for dirt on Trump to the same firm the Democratic National Committee paid to fund the bogus Trump dossier. And at the same time Fusion GPS bribing journalists to place stories — likely negative about Trump, as well as spread the bogus Trump dossier around.

Stunning.

Was BuzzFeed — the only company to publish the full bogus dossier — on that list?

And who is on the payroll? We are trying to run that information down.

And why aren’t these people behind bars?

Saving Billions For America

Feds Could Save Taxpayers ‘Billions Of Dollars’ By Straightening Out One Corrupt Energy Department Program, Report Finds

Michael Bastasch | Energy Editor

The Trump administration could save “billions of dollars” if the Energy Department improved its management of radioactive waste cleanups, according to the Government Accountability Office (GAO).

The GAO [report](#), released Tuesday, also reported Congress could save up to \$4.3 billion by eliminating the loan program that gave \$192 million to a failed luxury electric car company.

“The Department of Energy could potentially avoid spending billions of dollars by developing a program-wide strategy to improve decision-making on cleaning up radioactive and hazardous waste,” GAO reported.

The Energy Department is responsible for cleaning up waste from nuclear weapons produced during the Cold War. The department has spent \$170 billion on cleanup since 1989, GAO reported, but lots of radioactive waste remains. ([RELATED: The NYT Walks Back Bombshell EPA Report, Doesn’t Issue A Correction](#))

The cost of cleanup is growing. The Energy Department estimates future nuclear waste cleanup could cost \$377 billion at 16 sites across the country. GAO says taxpayers could save billions if they took a programmatic approach rather than each nuclear waste site setting its own priorities.

The 200 Area of the Hanford nuclear site is seen in a 1995 aerial photo. Department of Energy/Handout via REUTERS

For example, Energy Department officials estimated \$18 billion in savings from prioritizing high-risk over low-risk waste at the Hanford site in Washington state. The department has yet to determine what it will do with as much as two-thirds of the low-risk waste at Hanford.

The Hanford site cleanup [came under increased scrutiny](#) after a “take cover” order was given in 2017 after a tunnel containing radioactive waste collapsed.

“DOE officials said that they are making progress in implementing a national programmatic approach

to the cleanup and will continue to work toward this,” GAO reported. “DOE provided technical comments, which were incorporated as appropriate.”

GAO also highlighted an open recommendation to Congress that could save taxpayers up to \$4.3 billion.

“Unless the Department of Energy can demonstrate demand for new Advanced Technology Vehicles Manufacturing loans and viable applications, Congress may wish to consider rescinding all or part of the remaining credit subsidy appropriations,” GAO reported.

The Obama administration used that loan program to hand out taxpayer funds to electric car companies, including luxury automaker **Fisker Automotive, which drew down on \$192 million before [having its government credit stripped](#)** away.

Fisker’s loan was [sold off to a Chinese billionaire](#) for \$25 million in 2013, netting taxpayers a \$139 million loss.

DOE Corruption—Appointed And Elected Officials Should Face Prison Time

[Marita Noon](#)

|
An exhaustive review of [350+ pages of leaked emails](#) regarding the Obama administration’s handling of the various green-energy loan and grant programs makes several things very clear: they [lied](#), engaged in favoritism, and rushed application approvals to suit the political agenda of the White House. At the same time, worthy projects that went through a complete due diligence process were denied or ultimately withdrawn, as the lengthy approval process “taxed investors’ patience”—as was the case with Aptera Motors, which worked closely with the DOE for two years.

Paul Wilbur, President and CEO at Aptera, didn’t think they were treated unfairly. He told me, “At the end of the day, we couldn’t get through the process.” But, he admits, he hasn’t read the emails.

Aptera was trying to build a very efficient electric vehicle with an under \$30K price point. Wilbur met with Secretary Chu who could see the value in the technology. But our research shows that value was not the deciding factor in which projects got funded and which ones didn’t. Wilbur reports that he didn’t donate to any candidate. He wanted to keep the whole process clean and do what was “good for America.”

[The report](#) from the House Oversight Committee says Aptera first applied for an ATVM loan in December of 2008 and “shut down on December 2, 2011.” The report implies that Aptera was led on: “After numerous negotiations with DOE, in September 2011, Aptera received a conditional loan commitment of \$150 million if the company was able to raise \$80 million privately.” And: “The loans given to Fisker and Tesla gave Aptera hope that DOE would eventually act on their application. More importantly, since the DOE continued to engage with the company throughout the time period, management was convinced that DOE was interested and willing to provide financing for the company.”

Aptera’s 100% US technology has since been sold to a Chinese company.

Aptera was applying for an Advanced Technology Vehicle Manufacturing loan (ATVM). Only five loans were given out through the program and all have political ramifications. Christine Lakatos, who has worked with me on the green-energy, crony-corruption reports I’ve written, has done thorough research on the topic. She has read each and every one of the 350+ pages of emails released on October 31 and has written a [blog post](#) specifically addressing the ATVM program and its hijinks. As she cites, Fisker and Tesla (which Romney referenced in the first debate), got loans in 2010 and then the Vehicle Production Group’s loan was the only ATVM loan closed in 2011; all have ties to Obama bundlers. The other two ATVM loans went to Ford and Nissan—both of which, according to the House [report](#), “were

heavily engaged in negotiations with the Administration over fuel economy standards for model years 2012-2016 at the time the DOE was considering their applications. Both companies eventually expressed publicly their support for these standards, which the Administration described as the ‘Historic Agreement.’”

Armed with the sweeping knowledge of the House reports and subsequent hearings, evidence from DOE staffers (many of whom were appointed by Obama), Lakatos’ research, and personal experience, a different ATVM applicant has now taken its case to court citing “corruption and negligence.”

On November 16, 2012, [XP Technologies](#) filed a lawsuit against the federal government concerning the DOE’s denial of XP Technology’s loan guarantee application. The [complaint](#) alleges: “criminal activities did take place by DOE staff and affiliates.” A November 23 [press release](#) announces that XP Technologies is now represented by [Cause of Action](#), “a nonprofit, nonpartisan organization that uses investigative, legal, and communication tools to educate the public on how government accountability and transparency protects taxpayer interests and economic activity.”

According to the document filed on November 16, “Plaintiffs’ backgrounds include extensive issued patents on seminal technologies in use world-wide, White House and Congressional commendations and an engineering team of highly experienced auto-makers. Plaintiff brought a vehicle design, which was proposed as the longest range, safest, lowest cost electric vehicle, to be built in America in order to deliver extensive American jobs nationwide. No other applicant, or award ‘winner’, has succeeded in meeting, or (is) intending to meet, that milestone. XP Technology developed a patented lightweight, low-cost, long-range, electric vehicle using air-expanded foam-skinned material for a portion of the polymer body and received numerous patents, acclaim and superior computer modeling metrics over any competing solution. XP presented a vast set of letters of support to DOE from pending customers. Major auto-industry facilities and engineers had joined forces to bring the vehicle to the defense, commercial and consumer market.”

Over the weekend, we had an exclusive interview, on condition of anonymity, with a senior official at XP Technologies about the lawsuit and the experience.

He reported: “Staff from within the DOE have provided evidence which is quite compelling.” As Aptera’s Wilbur made clear, the individuals within the DOE were very thorough. One of the emails, in the 350+ pages, was from Secretary Chu himself in which he criticized staffers for taking a “principled stand,” which held up the approval process of projects the White House wanted advanced. Another indicated that the pressure to rush was coming from “above the agency.” Overall, the emails show that projects were rushed so that announcements could coincide with visits, speeches, and photo ops—as well as providing talking points for the president.

Our XP source told us “We experienced, and have been provided evidence of, applicant submissions and reviews being modified in order to benefit some and disadvantage others, and the business connections between the different parties associated with the ones that benefited is quite

extraordinary.” The leaked emails support this accusation, specifically regarding the “business connections.” In her post, Lakatos calls it “green fraternizing.” The emails show that certain applicants and decision makers went bike riding together, had coffee meetings, sleepovers, beer summits, parties, dinners, and fundraisers.

While he didn’t provide us with a name, the XP official said, “We experienced a senior senator blockading our efforts and then providing favors to a competitor, which then benefited his family financially.” The discovery the lawsuit will provide will expose the “senior senator,” but our previous research shows that [Senator Harry Reid](#)’s actions seem to fit the XP official’s comment.

XP Technologies believes that “DOE officials changed the first-come-first-served published rules and standards of the funding in order to take applicants in order of who they favored and who had purchased the most influence instead of the order in which they applied, as required.”

Having extensively studied the DOE’s various loan programs, including the ATVM, Lakatos and I agree with our source’s startling conclusion: “Based on the evidence provided by investigators, and experienced directly by our team, it is hard to imagine that at least one or more elected, or appointed, officials might not be seeing measures ranging from censure or even federal prison time.”

Time, the lawsuit, and subsequent investigation will tell.

While the House Oversight Committee has been digging deeply into the mismanagement and corruption of the green energy loans, the media has paid little attention. Other than [our report](#), the October 31 release of the emails cited here received virtually no news reporting. Even the Fox News Channel ignored the story. The plight of promising companies like Aptera and XP Technologies would have gone unnoticed if not for the lawsuit. The legal complaint attracted attention.

On November 16, the [Heritage Foundation](#) broke the XP story: “A lawsuit filed in federal court on Wednesday alleges mass favoritism in the Department of Energy’s decisions to award federal grants to major car companies to develop electric vehicles, according to a legal complaint obtained by Scribe.”

On November 19, Lakatos, whose work is listed as “evidence” in the legal complaint, received a call from Fox News’ Gary Gastelu—who [reported on the story](#) on November 20. The next day, Fox News covered the lawsuit on America’s Newsroom. Even the Drudge Report picked up on the story.

XP has a [litigation website](#) on which the company states: “The case has nothing to do with complaining about not getting the loans. It has everything to do with HOW the applicants didn’t get the loans!” They are communicating with other applicants about participating in the lawsuit.

The XP story and subsequent media coverage offers a lesson for others—especially industries who have been wronged by the Obama Administration’s practices (such as energy). The lawsuit may—or may not—send officials to federal prison, as our XP source suggests, but it could go a long way to winning in the court of public opinion.

How the bribes were paid...

...in the Cleantech Crash with energy department “green” cash

From 2006 to 2012 Nancy Pelosi and her staff, Dianne Feinstein and her staff, Harry Reid and his staff and the campaign staff for Barack Obama made more illicit profiteering money on insider stock trading on “Green Energy” deals than the entire U.S. Congress had made, inclusively, since the founding of the USA! Senior staffers buy and sell shares in companies that benefit from legislation in their committees.

By Maggie Severns and Taylor Callery for POLITICO

On Sept. 28, 2016, three members of the Senate Judiciary Committee sent a letter to the Justice Department suggesting that the drug company Mylan was violating Medicaid laws.

Nine days later, the Justice Department reached a massive \$465 million settlement with the firm.

In between, another action happened almost invisibly: A Judiciary Committee aide to Sen. Dick Durbin (D-Ill.) dropped somewhere between \$4,004 and \$60,000 in Mylan stock from his and his child’s portfolios.

If an aide had done the same thing in the executive branch, he or she could be investigated for violating federal conflict-of-interest law. But the Durbin aide’s ownership of shares of Mylan, and their timely sale, are reflective of Congress’ persistent refusal to crack down on stock trading by staffers, even in firms overseen by their committees.

Durbin’s aide, Daniel Swanson, isn’t alone. A POLITICO review of federal disclosures for 2015 and 2016 found that some senior aides regularly buy and sell individual stocks that present potential conflicts of interest with their work. A smaller number of staffers trade in companies that lobby Congress and the committees that employ them. In all, approximately 450 aides have bought or sold a stock of more than \$1,001 in value since May 2015.

That’s likely just the tip of the iceberg, since most congressional aides aren’t required to report their trades. Only those in positions earning more than \$124,406 per year must reveal their investments. Of the 12,500 staffers working for lawmakers, committees and leadership offices, only about 1,700 make that much, according to data compiled by Legistorm and the Brookings Institution.

Government watchdogs say that, at a minimum, staffers should be prevented from buying shares of companies with business before their committees. But they are not. And despite the disparity between the rigorous standards for the executive branch and the laxness of Congress, the House and Senate have taken a permissive approach even to enforcing existing rules.

That’s a serious problem, watchdogs say, because aides often have more of a hands-on role than the

members themselves in crafting details of legislation that could have enormous consequences for individual companies. And because aides are rarely in the spotlight, there's more potential for ethical lapses to go unnoticed.

Reckless stock trading leaves Congress rife with conflicts

“The staff level is actually more dangerous, because they don't get scrutiny and they're not accountable,” said Meredith McGehee, chief of policy at Issue One, a watchdog group for money and politics. “If a member does it, he can get defeated. A staff person can wield enormous amounts of power that isn't seen, and there's really no way to hold that staff accountable.”

Indeed, one of the key findings of the POLITICO review is that senior aides to both Republican and Democratic House leaders, who often have quiet, largely unseen input into the crafting of legislation, are active traders.

At least 11 aides to House leaders have bought and sold multiple stocks in the past two years. David Hoppe, who was Speaker Paul Ryan's chief of staff in late 2015 and 2016, regularly traded stocks.

Hoppe and his wife bought shares of the oil companies Occidental Petroleum and Devon Energy shortly before Congress announced plans to lift a years-old ban on oil exports that benefited both corporations.

Diane Dewhirst, deputy chief of staff to House Minority Leader Nancy Pelosi, disclosed her spouse's purchase of stock in two pharmaceutical companies, Astrazeneca and GlaxoSmithKline, in December 2016, shortly before Congress passed a medical research bill that benefited both companies.

3 things to know about congressional aide stock trading

Senior staffers buy and sell shares in companies that benefit from legislation in their committees.

Meanwhile, on the House Energy and Commerce Committee, which sets energy policy and is the main committee overseeing Obamacare, at least six aides have bought and sold stock in companies with interests in the work of the committee. One longtime committee aide in an oversight role bought and sold more than two dozen health care and energy stocks during 2015 and 2016 and sold his stock in Express Scripts, the prescription drug sales company, as the company came under scrutiny over its role in setting drug prices last October.

On the House and Senate appropriations committees, which make broadly influential spending and policy decisions through annual government funding bills, at least 18 House aides and 14 Senate aides have bought or sold at least one stock, through their own accounts or family members'. For example, one senior House Appropriations aide working for a member focused on energy and water funding has, through various family accounts, bought and sold shares in companies including Royal Dutch Shell, Energy Transfer Partners, Dow Chemical and Emerson Electric. Another longtime aide on the committee's staff who is focused on investigations and research, which are at the heart of the

committee's decision-making, holds and trades stock in companies with major interests in the committee's work, including pharmaceutical companies such as GlaxoSmithKline and energy companies such as Occidental Petroleum.

Swanson, Hoppe and some other senior staffers said their brokers are authorized to buy and sell stocks without their involvement, and thus they were not consulted on the trades listed in their disclosure forms. But ethics watchdogs have long frowned on such personal deals, noting that they can be abridged at any time and that outsiders have no way to verify that they're being followed. Aides, like members themselves, can create blind trusts that fully bar them from involvement in any trades. If they don't want to go to the trouble of setting up a blind trust, they could protect themselves from many potential conflicts by investing in publicly traded mutual funds.

Meanwhile, some staffers also defended their trading on the grounds that the congressional actions that affected the companies they bought and sold, including the three senators' letter to the Justice Department about Mylan, were known to the public. Ethics watchdogs, however, say that it's often difficult, if not impossible, to determine whether an aide has information that wouldn't be available to the public, and that any trading of stocks that are directly influenced by their committee work constitutes a conflict of interest.

"It causes the public to question whether personal stock holdings are influencing legislative activity," said Donna Nagy, an Indiana University law professor who has written extensively on the issue. "That doesn't necessarily mean a 'yes' or 'no' vote, as it would a senator or member of Congress. Did personal stock holdings influence the speed or slowness with which a report is written? That's something that would be in staffers' control."

Simply having a financial stake in an industry may make a person more likely to advocate for it, at least in the eyes of taxpayers. That's the premise behind the far tougher requirements for staffers in the executive branch, where employees are required by law to recuse themselves from any investments that could potentially conflict with their work.

Senate committee aides are held to no such legal standard. But a little-recognized Senate rule states that aides should divest themselves "of any substantial holdings which may be directly affected by the actions of [their] committee" unless they have permission from the Senate Ethics Committee.

But the rule is interpreted quite narrowly, watchdogs say: The Senate Ethics Committee often measures a "substantial holding" by the percentage of a company that's owned by the aide, or whether an individual investment constitutes the bulk of an aide's savings — not the amount of money that's invested. So most stock trades aren't covered. The Ethics Committee declined to comment.

And the Ethics Committee rarely probes stock trading by aides. Ethics watchdogs told POLITICO they couldn't think of a single case of an aide being investigated for a conflict of interest. The committee hasn't issued a disciplinary sanction against an aide for any reason in 10 years.

“There does not appear to be an effective system of enforcement in place,” concluded Craig Holman, lobbyist at the watchdog group Public Citizen. “This is the type of conflict-of-interest rule that should apply to all members as well as senior staff, enforced by real-time public disclosure or stock trading activity.”

“Anybody who’s ever met Dan [Swanson] knows that he has conducted himself with the utmost integrity every day of his public service on the Hill,” Sen. Dick Durbin's spokesman said. “That may not matter to POLITICO, but it matters in the real world and to Sen. Durbin, and that’s what counts.” |

Through their brokerage accounts, Swanson, who is Durbin’s senior counsel on the Judiciary Committee, and his immediate family bought and sold stocks of at least \$1,000 in value 120 times over 2015 and 2016, according to his financial disclosures. His family’s holdings amount to somewhere between a minimum of \$99,043 and a maximum of \$785,000, based on the price ranges in the disclosure form. Some of those purchases and sales were in mutual funds, while others were in companies with significant business interests before Durbin and the Judiciary Committee.

Among a variety of trades made through his and his family’s accounts, Swanson bought and sold stock in 2U, a for-profit online education company that bills itself as an alternative to the traditional for-profit colleges that have been heavily criticized by his boss, Durbin. He traded stock in Comcast and Verizon, both of which have come under Judiciary Committee scrutiny in the past because of proposed deals and mergers. And he held and sold stock in Express Scripts, a company that, like Mylan, has increasingly caught the eye of regulators and lawmakers for its possible role in drug overpricing.

When asked about the trades, Durbin spokesman Ben Marter provided a letter from Swanson’s brokerage firm that says trading in Swanson’s account is directed by the firm based on “a mutually agreed upon written statement of your objectives” and that the investment firm has “full authority” to make trades without giving Swanson notice.

Swanson declined to comment further.

Durbin himself is among the many House members and senators who avoid buying and selling stocks, in many cases because of the ethical ramifications of being invested in companies while voting on and passing laws. And he introduced a bill earlier this year to force President Donald Trump and Vice President Mike Pence to completely divest themselves of any holdings that could present conflicts of interest.

If Trump dropped such investments, Durbin said, it would let “the American people know with certainty that he is putting America first.”

But when it comes to his aides, Durbin stops far short of requiring the sale of investments.

“Anybody who’s ever met Dan knows that he has conducted himself with the utmost integrity every day of his public service on the Hill,” Durbin spokesman Marter said. “That may not matter to POLITICO, but it matters in the real world and to Sen. Durbin, and that’s what counts.”

As Paul Ryan prepared to become speaker of the House in October 2015, he tapped David Hoppe, a fellow Wisconsin native and former Hill aide, to serve as his chief of staff. Hoppe left lobbying jobs with both his own firm, Hoppe Strategies, and the K Street powerhouse Squire Patton Boggs to work for the new speaker. After he moved back through the revolving door, Hoppe continued to trade stock in companies with interests before Congress.

Hoppe, who has a variety of investments in his and his wife's portfolios, traded dozens of stocks between mid-December 2015 and January 2017, when he left Ryan's office. Some of those trades were made days ahead of Congress passing legislation that benefited the companies Hoppe traded in, and at moments when companies were furiously attempting to sway lawmakers.

As Congress finalized a massive tax-and-spending package at the end of 2015, Hoppe and his wife invested in two petroleum companies that were aggressively lobbying Congress to lift the 30-year ban on oil exports, Occidental Petroleum and Devon Energy. Hoppe made the purchases 16 days before Congress announced plans to lift the ban on oil. During the fall of 2016, as Congress finalized and passed a \$6 billion medical research bill, Hoppe's spouse invested in the pharmaceutical companies Merck and Bristol-Myers Squibb.

Such investments can present conflicts of interest, or the appearance of, even if they're not based on inside information.

"It looks terrible. They shouldn't be doing this," said Richard Painter, former ethics lawyer for President George W. Bush, referring to stock trading by aides to House and Senate leaders. "There are two separate problems. One is that if they buy or sell stock based on insider information, they're criminals. But if they make decisions on a bill that could have an effect on their own financial decisions, that might not be a crime — though it is a crime in the executive branch — [but] it stinks to high hell."

In the executive branch, employees are barred from holding investments that pose potential conflicts with their work, and must recuse themselves from decisions that could conflict with their remaining investments. In Congress, however, employees are often left to set their own standards.

Hoppe said in an interview that he doesn't direct trades in the two accounts controlled by him and his wife. Prior to joining Ryan's office, he said, he and his wife asked their brokers to keep him out of any trading decisions.

"There were no directions in which [a broker] called me and said, 'Do you want to trade this? Do you want to trade that?'" said Hoppe. "Has there been a time when they've asked me about something or another? Probably, but I can't remember it, and I can tell you it wasn't when I was working for Paul."

Dewhirst, the top Pelosi aide whose spouse bought stock in pharmaceutical companies shortly before Congress moved to pass the medical research bill, has worked for Pelosi since 2003. She also recorded purchases and sales in energy and technology stocks in the past two years. Nearly all of those transactions were listed to an account controlled by her spouse. A Pelosi spokesperson said in a

statement that Dewhirst is not involved with the investments.

“All transactions are made by [Dewhirst’s] spouse upon the recommendation of his investment advisor,” the Pelosi spokesperson said.

Pelosi is one of few members of House and Senate leadership who actively buys and sells stocks — and she was heavily criticized for it in a 2011 report by “60 Minutes” about the stock trading habits of members of Congress. She has since scaled back the number of stocks that she and her husband buy and sell. An account owned by Pelosi’s husband traded 14 stocks in the past two years.

Most senior members of House and Senate leadership avoid the practice because of the potential for conflicts of interest. Ryan, House Majority Leader Kevin McCarthy, House Majority Whip Steve Scalise and House Minority Whip Steny Hoyer all refrain from buying and selling shares of individual companies. Senate Majority Leader Mitch McConnell sold three stocks this year but has otherwise abstained from trading, and Senate Majority Whip John Cornyn made one purchase and one sale in recent years, each in Apple stock.

While they avoid any appearance of conflicts in their own trades, they seem to exercise little restraint on their aides, who are often the real experts on the intricacies of policies. Planned Parenthood

President Cecile Richards described Dewhirst, for example, as “the first person I call if I’m trying to really get the lay of the land on an important issue, particularly on the Hill,” in a 2015 interview.

David Hoppe (left), who was Speaker Paul Ryan’s chief of staff in 2015 and 2016, traded stock in companies with an interest in Congress. | Tom Williams/CQ Roll Call Some aides who engage in trades, like those on the House Energy and Commerce Committee, are charged with overseeing powerful industries. In the House, committee aides are allowed to do so while holding and trading stocks in those very industries. Meanwhile, they’re sometimes being lobbied by very same companies. The company whose stock Swanson held, Mylan, spent \$315,000 lobbying Capitol Hill last fall, including \$170,000 paid to the Podesta Group solely to lobby on “drug pricing and oversight,” after it was accused of mischaracterizing its drug EpiPen in order to avoid having to pay a federally mandated rebate, according to public filings.

“The very senior staffers ought to be considered very much the same as members. These are policy-making individuals. They’re the people lobbyists want to meet with and influence,” said Holman, of Public Citizen. “It’s their ability to affect public policy that matters, whether or not they receive votes or subject themselves to elections.”

For his part, Hoppe recalled that during an earlier stint on Capitol Hill working for former Senate Majority Leader Trent Lott, he once recused himself from working on an issue involving the Walt Disney Co. because he was a shareholder. But he said he didn’t see any similar conflicts while working for Ryan, and added that he was on only a temporary stint in the speaker’s office, waiting to return to his lobbying job.

“I’m obviously older, and they don’t pay the same on Capitol Hill as I was making in the private sector,” Hoppe said. “My wife likes living in a house as opposed to living in a car.”

Many Capitol Hill aides are young and don’t earn enough money to have large investment portfolios, Hoppe said, and nearly all are drawn to public service for reasons that have nothing to do with making money. But he didn’t rule out the possibility that aides could have access to information that would boost their holdings.

“Is it in the realm of possibility that somebody could do that? Yes. Is it very likely? No,” Hoppe said. “But people who are dishonest will find a way to be dishonest.”

Though congressional aides are largely invisible to the public’s eye, they have played roles in well-publicized scandals in the past. In the early 1960s, a Senate aide close to Lyndon Johnson named Bobby Baker was investigated for using his office for personal gain, including accepting cash in exchange for promoting legislation, and running a vending-machine company, Serv-U. Baker’s net worth as a Senate aide ballooned from \$11,000 to \$2.5 million over the course of two decades. He was later convicted of crimes including fraud and tax evasion, and both the House and Senate soon started requiring aides to disclose their finances for the first time.

More recently, since Congress passed the Stock Act, a 2012 law that for the first time formally barred members of Congress from insider trading, the sole Securities and Exchange Commission investigation of a potential Stock Act violation that’s known to the public involves the actions of a congressional aide.

The aide, a former Ways and Means Committee staff director, allegedly leaked information about Medicare reimbursement rates that were about to rise. A firm called Height Securities, which specializes in gathering intelligence in Washington and relaying it to Wall Street, sent the information to hedge funds, causing stock to shoot up in a company that benefited from the Medicare rate hike.

The SEC has been investigating the case since 2013, but it was delayed for several years when House counsel refused to comply with SEC subpoenas for testimony and documents related to the investigation.

Though the SEC and the House reached an undisclosed agreement that settled the court case, the SEC hasn’t yet announced the results of its investigation. But watchdogs say it shows why the laws governing stock trades by aides need to be tightened: Congress seems intent on protecting its unique status and perks, and the SEC remains mostly silent on stock trading.

“We’d be a lot better off if the SEC would look into it, find out what’s going on, and reach the conclusion that there are no serious insider-trading concerns — or, if there are concerns, take enforcement action,” Painter said.

And while concerns over separation of powers could make it difficult for the SEC to take some investigative steps, such as seizing congressional documents, Painter said, “there’s absolutely no reason

not to start an investigation, and I think 99 percent of what they need, they could get without problems.”

The potential problems arising from aides trading stocks extend beyond insider trading. There’s also the potential that investing in a company could corrupt the views or interests of staff.

New York Republican Rep. Chris Collins, a business titan who is among the House’s wealthiest members, garnered headlines earlier this year for appearing to persuade at least five of his fellow House colleagues to invest in a tiny Australian drug company called Innate Immunotherapeutics, on whose board he sits.

Little noticed was the fact that Collins’ chief of staff, Michael Hook, has made significant investments of his own that track closely with Collins’.

Hook, who knew Collins before joining the lawmaker’s office, owned stock in Innate Immunotherapeutics when he joined Collins as chief of staff in late 2015. During his time working for Collins, Hook aggressively sold off investments in other companies and poured the proceeds into Innate Immunotherapeutics stock in three dozen transactions. Collins was and continues to be a member of Energy and Commerce, the central committee overseeing health care policy in the House.

He was reelected to the board of directors of Innate Immunotherapeutics in August 2016, after a failed clinical trial drove down the company’s stock.

Hook reported owning at least \$1 million in Innate Immunotherapeutics stock at the end of 2016. This January, Hook unloaded at least a half-million dollars in Innate Immunotherapeutics stock amid the weeks of scrutiny of Rep. Tom Price, President Donald Trump’s choice for secretary of Health and Human Services, who had bought stock in the company at Collins’ urging. Hook began repurchasing stock in the company at the end of January.

Innate Immunotherapeutics isn’t the only company with ties to Collins that Hook has invested in. In November and December 2016, Hook invested at least \$150,002 combined — and as much as \$350,000 — in two real estate LLCs that were raising private capital, Sinatra-Stadt Illinois III LLC and Linda Lane Apt. Group. Both LLCs are owned by Buffalo-area developer Nick Sinatra, who has donated to Collins’ campaign every election cycle since Collins first ran for his congressional seat.

The news that Collins had suggested Price invest in Innate Immunotherapeutics set off a firestorm of bad press for the two House Republicans, both of whom served on the main panel in charge of setting health care policy. Further reports of Collins’ promotion of the company to his peers — and comments made near the House floor about “how many millionaires I’ve made in Buffalo” — sparked an investigation from the House Ethics Committee. The committee plans to announce its course of action by Oct. 12. Hook’s investments don’t appear to be part of the probe.

A Hook spokesperson declined a request for comment. The spokesperson also declined to say whether Hook had consulted with the House Ethics Committee on his investment decisions. The committee

advises lawmakers and staff on how to comply with the chamber's general guideline that employees' personal actions should not discredit Congress.

"They genuinely don't want to see the body brought into scandal, controversy or disrepute," said Joseph Birkenstock, a former chief counsel for the Democratic National Committee. "That includes things like, is your boss twisting your arm? Are you doing things because you're under some job pressure? Or is there any credible forum where someone could claim that your actions or your boss' actions are connected in any way to the commercial success of this business?"

One reason that Hook's investments have not been closely scrutinized amid all the focus on Collins' and Price's stock trading is that Hook's information — while public — isn't easy to access: It's not online and can be viewed only in person in an office tucked into a House Office Building.

In 2012, when Congress passed the Stock Act, leaders crowed that information about the investments of both lawmakers and senior staff would be available online in an easily searchable format. But a year later, Congress silently passed revisions to the bill that wiped out many of those data requirements.

investigation earlier this year found that while most lawmakers refrain from trading stocks, a small number frequently trade shares in companies they oversee in Congress. | Win McNamee/Getty Images Information on lawmakers is still available online, but it cannot easily be searched or sorted by date or company traded. The requirement that aides' disclosures be posted online was scrapped from the law, and today such information is available only in person at computer kiosks maintained by the House and Senate.

Individuals seeking the information must log in using their name and other personal details. The documents they seek cannot be downloaded or otherwise taken out of the office in a digital format.

They can be printed for 10 cents to 20 cents a page.

"There's little excuse for these barriers, especially in the digital age," said Larry Noble, senior director at the Campaign Legal Center.

"When you have to go to an agency or to Congress to have a document printed out, and you put your name down — all that is to deter people from doing it," said Noble. "All that was outrageous 25 years ago. That's not the way the world works anymore."

Other ethics requirements don't make the same exceptions for staff members. Conflict-of-interest laws governing future employment after leaving Capitol Hill treat staff similarly to members of the House.

Both House lawmakers and senior staff must take a "cooling-off" period after leaving their jobs on Capitol Hill before lobbying their former colleagues. (Senators are subject to a two-year cooling-off period, while staff follow the same one-year cooling-off period as House aides.)

"The rules in the House and the Senate on trading stock are very permissive, and essentially don't regulate members and staff who are trading in industries when they work on the committee overseeing

those industries,” said Kenneth Gross, who leads the political law practice at Skadden, Arps, Slate, Meagher & Flom.

The House Energy and Commerce Committee provides extra guidance on stock trading to staff in its committee handbook. The handbook tells employees to avoid potential conflicts of interest and err on the side of caution by consulting the House Ethics Committee with questions, according to an excerpt provided by a committee spokesperson.

Spokespeople for the House Energy and Commerce Committee and the Senate Judiciary and Appropriations Committees all declined to say what steps, if any, their staffers who trade stocks are making to comply with their Ethics Committee guidelines.

The Senate Appropriations Committee suggested that staffers are largely on their own: “Committee staff are responsible for adhering to Senate Ethics Committee rules and guidelines,” committee spokesman Chris Gallegos wrote in an email.

Despite the public outrage earlier this year over Collins’ and Price’s trading, Congress has done little to address the rules that allowed the two members of the committee overseeing health care to buy and sell hundreds of shares of health care companies.

Congress rarely changes its ethics laws and rules. Historically, most changes were preceded by well-publicized scandals: The last major ethics reforms took place in 2006, for example, in the wake of the Jack Abramoff scandal, when lawmakers overhauled rules on what lobbyists have to disclose. And 2012’s Stock Act, which explicitly barred lawmakers from insider trading, was passed in the wake of the jarring “60 Minutes” report that spotlighted Pelosi’s trading.

Earlier this year — and five years after the Stock Act was passed — a POLITICO investigation found that while most lawmakers refrain from trading stocks, a small number frequently trade shares in companies they oversee in Congress. An analysis by Public Citizen this year similarly found that fewer lawmakers appear to be trading stocks, but a dedicated number of senators are regularly trading investments in industries that they partly oversee. POLITICO’s findings on congressional aides who are regularly trading stocks raise further questions about whether the Stock Act put a sufficient check on conflicts of interest among lawmakers or their staff, watchdogs said.

Behind the scenes, reform groups have been shopping several proposals that would prevent lawmakers — and their aides — from engaging in such behavior. One idea floated by Issue One would ban lawmakers from trading stocks aside from mutual funds. This would ensure lawmakers have broadly diversified portfolios that they do not control. Public Citizen, meanwhile, would simply apply the much tougher conflict-of-interest rules that apply to the executive branch to members of Congress and their aides.

The groups say they have heard some interest from lawmakers — but no one has stepped forward to introduce either bill. Democrats have been focused on criticizing the Trump White House’s apparent ethical lapses. And lawmakers haven’t proposed other plans for overhauling the stock trading system — in part, ethics watchdogs say, because they haven’t been sufficiently shamed into doing so by the public.

“The more embarrassing the story that comes out, the more pressure there is to do something,” Noble said. “A lot of members do honestly believe they should not be trading in stock while they’re working in legislation, [but] they may not feel as strongly about it” as the members who disagree.

A Historical Perspective

This is how organized crime operates in plain sight in some government offices.

Your elected officials compete against you, rig contracts for cronies and help the companies that they OWN STOCK IN to *Cheat-Rather-Than-Compete!*

The issues had nothing to do with the environment. It was all about stock market insider investment bank scams owned and operated by corrupt Senator's families.

These are FACTS. They will stand up in a Grand Jury Hearing, A Civil Jury Trial and a Live Televised Congressional Hearing. C. Lakatos, Marita Noon and Veritas are owed thanks for much of this research.

Everyone who pays any attention to the news knows the name Solyndra. It has become synonymous with the overall failed green energy program administered by the Obama team. Politicos know there are many other companies that have received loan guarantees for various green energy projects that have since become a source of ridicule for the White House. Some might even be able to name a few. There is the now-bankrupt company that made batteries for electric cars: Ener1. The plug-in electric sports car company, Fisker, that made its cars in Finland and has troubles too numerous to cite. And, of course, we know about the Chevy Volt—that our taxpayer dollars bailed out only to have demand so low that Chevrolet had to pull the plug on the production line and lay off workers for five weeks earlier this year. But few know the full story.

Connecting the dots will make your head hurt. There are various programs and special tax breaks and different kinds of companies that received green energy loans: solar, wind, and geothermal; and car companies, battery manufacturers, and biofuel producers. While the projects differ, they have several startling similarities. The vast majority of the green energy loan guarantees were given to companies that could not obtain enough financial backing from private investors. Their “junk” or “speculative” grade kept people from putting their own money into them —yet your money and mine was given to them, and we had no say in the matter. Of the 27 loans issued through the 1705 Loan Guarantee Program to 21 firms, virtually all of them have “connections” to either President Obama or other high-ranking Democrats—or both! The loans were made to fill a market created not by free-market demand, but by government mandates. And, all of the “special seven” got fast-tracked approvals through the Department of Interior with little scrutiny over environmental damages that would have taken any other energy company months, if not years, to get, and EPA regulations were applied selectively.

Many of the companies that received the funds had involvement with large donors and/or bundlers for the Obama campaign, and there is an amazing revolving door through which the players pass many times. They worked, for example, for Senator Harry Reid. Then they are on the staff of an investment firm that invested in one, or more, of the companies. Next you find he or she is on some White House commission—or worse, became part of the Obama Department of Energy team. Some 460 companies applied for DOE loans, but only 27 projects, 21 companies, got the funds. And 85% of these have been found to have “connections.” The remaining 15% may well have connections too, albeit more guarded or hidden.

These are not wild assertions. I have the data to back them up.

Following the publication of my column a couple of weeks ago on [crony capitalism](#), I was connected with Christine Lakatos. She's a private citizen and a single mom with a nose for research. Beginning in 2009, she was hired to work on investigative projects, following the green energy money. But when those projects were completed, she didn't stop digging. She kept finding more and more. With no outlet for her work, she started a blog where she "brain dumps" her findings—which for a total unknown has received an impressive number of readers. For anyone but the most stalwart, her [Green Corruption Blog](#) is like getting a drink of water from a fire hydrant.

On Sunday, some of Lakatos' research was presented in my [weekly column](#). The response prompted us to begin a collaboration.

For each of the next 17 weeks, we will expose one green-energy, crony-corruption story after another (though my travel schedule may require me to skip a week here and there). It will be a "book" released chapter-by-chapter. If you like what you find, we hope you'll let us know and come back the following week for the next installment.

Some single stories of what we'll expose are "out there"—though surely not covered by the mainstream media and not all in one place or all connected as we're doing. If you made a study of the green-energy, crony-corruption story your passion, you likely found out a lot of what we'll share. If you read the [report](#) from the House Oversight and Government Reform Committee (HOGRC) on the Obama Administration's green energy gamble word-for-word, or watched the incriminating hearings, you'll already know some of what we'll present. Or, if you've read the chapter in Peter Schweizer's book [Throw Them All Out](#) that addresses alternative energy and "how the game of funneling taxpayer money to friends has exploded to astonishing levels in recent years," you have a good idea of the big picture. If you have made this your passion, have studied the report, and have coordinated with Schweizer, as Lakatos has, you are encouraged to help make these reports as complete as possible. Together, we'll connect the dots and present it here in bite-sized pieces.

Each of the energy projects we will profile in the "special seven" section were recipients of billions of taxpayer dollars through the 1705 Loan Guarantee Program (LGP) and many will be receiving millions more through the 1603 Grant Program. The 1705 LGP is an expansion of the 1703 program that was approved in 2005 under President Bush—increasing the expenditures from [\\$17.9 billion in 2007 to \\$37.2 billion in 2010](#). The 2009 American Recovery and Reinvestment Act significantly expanded the DOE's authority, under Energy Secretary Steven Chu, through the newly created 1705 LGP. (Under the Recovery Act, \$86 billion—approximately 10% of the stimulus package—was earmarked for green energy projects.) The LGP means that companies get risk-free money. If the company succeeds, the low-interest loan gets paid back. If they fail—as [many have](#)—we, the taxpayers, lose. In contrast, the [1603 Grant Program](#)—implemented as part the Obama stimulus—is administered by the Treasury Department, with the goal of reimbursing eligible applicants for a portion of the costs of installing specified energy property used in a trade or business or for the production of income. Basically 1603 gives billions in favored businesses tax-free cash gifts that do not have to be paid back.

While we can prove that cronyism has run amok within the majority of 1705 LGP, we'll stay focused on the Special Seven. Here, in Part 1, we present a complete overview of the connecting dots on one project: SolarReserve, LLC. With this introduction made, we'll likely address several companies, with a common denominator, in subsequent releases.

In Sunday's column, the following thumbnail was presented: "SolarReserve's [Crescent Dunes](#) project is a solar thermal power tower plant utilizing the advanced molten salt power tower technology with integrated storage located in Tonopah, NV. The company's Fitch rating is BB, yet in September 2011, it

was the recipient of [\\$737 million](#) in DOE loan guarantees. Obama’s law school buddy and 2008 Obama campaign bundler, Michael Froman, was managing director of alternative investments at Citigroup—which became a [major investor](#) in SolarReserve. Froman currently serves on the [White House staff](#). Additionally, other high profile Democrats are involved with SolarReserve.”

But there is more...

More about Michael Froman. Peter Schweizer reports that “When Obama ran for president, Froman helped raise large sums of money on Wall Street” for the 2008 campaign. The HOGRC report (page 47) confirms Peter’s findings and adds that Froman was a \$200,000 bundler: “Michael Froman currently serves as the Deputy Assistant to the President and Deputy National Security Advisor for International Economic Affairs. He was a friend of President Obama’s from law school, and supported his political career by bundling over \$200,000 for his 2008 presidential candidacy. Prior to his arrival at the White House, Froman was the Managing Director of Alternative Investments at Citigroup, where he managed infrastructure and sustainable development investments. Citigroup became a major investor in SolarReserve, which ultimately received a \$737 million loan guarantee in September 2011.”

The Citigroup connection is tighter. [Richard Parsons](#) was Chairman for Citigroup from 2009 until he [announced stepping down](#) in March 2012. [Citigroup](#) was a top Obama donor in 2008. Parsons served on the Obama Transition Team and on the Economic Advisory Board. In 2011, Parsons was appointed to the [President’s Council on Jobs and Competiveness](#).

Next, David Sandalow—who is currently “the Assistant Secretary for Policy and International Affairs at DOE, where he acts as Secretary’s Chu’s principal adviser on energy policy, as well as coordinating DOE’s foreign policy involvement.” (HOGRC report page 49) “Sandalow’s ties to the White House date back to the Clinton Administration, during which he worked with President Clinton on environmental issues. After having gained this experience, Sandalow became the influential Chair of the Energy & Climate Working Group of the Clinton Global Initiative. He went on to advise President Obama’s presidential campaign in 2008. Prior to joining the Obama Administration, Sandalow was a senior advisor to Good Energies, Inc., an energy-focused venture capital firm. Good Energies is an [investor](#) in SolarReserve.”

Other SolarReserve connections to the Democratic Party include:

Ronald Pelosi—Former Speaker of the House Nancy Pelosi’s brother-in-law, [Ronald Pelosi](#), holds a leadership position with Pacific Corporate Group Asset Management—which is an [investor in SolarReserve](#). Additionally, his colleague, [Jasandra Nyker](#), has served as a member of SolarReserve’s board of directors.

George Kaiser—Argonaut Private Equity is an investor in SolarReserve. Argonaut Private Equity is owned by [major Democratic fundraiser](#) and a 2008 Top Obama bundler George Kaiser, who also invested in Solyndra. Kaiser made multiple visits to the White House in the months before the company was granted a \$535 million loan from the government. The Managing Director for Argonaut Private Equity, Steve Mitchell, serves on SolarReserve's Board of Directors.

Tony Podesta—[OpenSecrets.org](#) shows that SolarReserve paid hundreds of thousands of dollars in lobbying fees to the Podesta Group. Tony Podesta is the principal at the Podesta Group—which he [started with his brother John](#). John Podesta ran Barack Obama’s presidential transition team and is the Director of the Center for American Progress—which is “reportedly [highly influential](#) in helping to craft White House Policy.” Both Tony Podesta and his wife Heather (a Washington power couple) are frequent White House visitors that share high ranks in “lobbying power,” and Democrat bundling as

well.

Lee Bailey—SolarReserve's Chairman of the Board is Lee Bailey, a Managing Director with U.S. Renewables Group, who holds a significant financial stake in SolarReserve. [Bailey has donated](#) \$21,850 since 2008 to Democratic candidates, including President Obama, Senate Majority Leader Harry Reid, California Sen. Barbara Boxer and then-presidential candidate Hillary Clinton.

James McDermott—[SolarReserve board member](#) James McDermott is also a Managing Director with U.S. Renewables Group. He contributed [\\$61,500 to various Democratic](#) campaigns since 2008, including \$30,800 to Obama's presidential election campaign. U.S. Renewable Energy Group has ties with Senator Harry Reid.

If there were only one connect-the-dots story, it would be easy to dismiss it as coincidence. But here, with just one company, you can see the dots connect, and connect, and connect. As you will continue to see, they keep on connecting. In this case, connect-the-dots is no innocent childhood game. It is a high-stakes gamble and only those with connections get to play. Obama and his Democratic friends are the winners. We, the taxpayers, the losers. We lose the financial investment of our tax dollars and our electricity rates go up (M. Noon)

On the Senate floor, the Majority Leader Harry Reid rambled on suggesting that instead of considering the latest Republican aim to derail the successful implementation of Obamacare, the Senate should be addressing things like energy efficiency and facing the reality of climate change. This was later [posted](#) by the left-wing propaganda machine, Think Progress, which is a blog run by Center for American Progress the high-powered (lobbying) organization that has a major foothold [inside](#) the Obama administration, and is a [driving force](#) inside this clean-energy scheme, which of course, includes pushing a "[radical](#) climate agenda."

Considering that the Affordable Care Act has since turned into a calamity, the Obama administration is now [grasping](#) for climate change legacy as his second-term agenda crumbles. However, behind the scenes, and before recent unfavorable events, it was [reported](#) that he [Obama] sees this [climate change] as a necessary part of his legacy."

This means that while the president released his "[Climate Action Plan](#)" in June 2013, the push to spend [billions more](#) of taxpayer [money](#) in order to save the planet will continue to spew out of the White House, coupled with various [executive actions](#), extreme measures, and further expansion of our federal government's control over our lives. What most Americans don't know is that a March 2012 report by the Brookings Institute, [places](#) the Obama administrations' "total government spending (both stimulus and non-stimulus) on green initiatives at [\\$150 billion through 2014](#)." And what did we, the taxpayer, get out of the deal? Billions [wasted](#), increased debt, outsourcing green energy money and green jobs to other countries, as well as massive amounts of corporate welfare, cronyism, and corruption. Even so, as the congressional Democrats and their allies [resume plotting](#), the senator from Nevada has more sinister motives: the "green" gave Reid a 2010 platform and facilitated a guaranteed reelection. Who knows what the future holds for Reid if the Obama administration and his "climate minions" continue to have their way. Senator Reid: Repeat Offender on "List of Washington's Ten Most Wanted Corrupt Politicians"

Harry Reid is another one of those career politicians making their living off the backs of American taxpayers. Reid, who came from [humble beginnings](#), has "risen from the son of a hard-rock miner to a fabulously [wealthy](#) Senate Majority Leader" ([net worth in 2010](#) ranged from \$3,302,053 to \$10,309,999). First elected in 1986, Reid knows how to use the system, inside and out, in order to get elected over and over.

Reid is even a "repeat offender" at the Judicial Watch "List of Washington's Ten Most Wanted Corrupt Politicians." While Judicial Watch, in [2012](#), gives examples on how the majority leader has used earmarks and influence to enrich himself and his family, they do reference his tie to solar. Sen. Harry Reid's latest influence-peddling scandal involves ENN Energy Group, a Chinese green energy client of Nevada's largest and most prestigious law firm Lionel Sawyer & Collins, of which the Senator's son, Rory Reid, is a principal. Back in the summer of 2012, [news broke](#) on how Harry and his oldest son, Rory, were both involved in an effort by a Chinese energy giant, ENN Energy Group, to build a \$5 billion solar farm and panel manufacturing plant in the southern Nevada desert. Needless to say, Reid's connection to green energy goes much deeper than one Chinese firm. In getting underneath the majority leader's clean-energy dirt, one must know that sometime in either late 2008 or early 2009, the senator was first instrumental in getting the "Recovery Act" to appropriate and expand the Energy Department's Loan Guarantee Program, which ultimately added stimulus loans to its repertoire. Then prior to, at the same time, or shortly thereafter, Reid received money from the geothermal industry, as well as those seeking stimulus loans. Reid, then, in September 2009, pressured President Obama, the Secretary's of Treasury and Energy as well as the Director of the Office of Management and Budget to fund clean-energy projects "rapidly" all under the guise of "investments" and based on the false promise of job creation.

What we will be exposing in this Green Corruption File is that instead of creating jobs, there is a case whereas Reid's advocacy actually 'bailed out' his cronies. Meanwhile, the White House and those inside the DOE helped Reid secure clean-energy stimulus loans (and grants) for projects in Nevada that had "his support" all the while Reid used these wins as a campaign ploy to ensure a 2010 midterm victory, of which we can confirm that the senator is directly linked to over \$3 billion in just the stimulus loans alone in taxpayer money that created a whopping 224 permanent jobs.

Senator Reid's Role in the Recovery Act Stimulus Loans In June 2013, we reported that Senator Harry Reid had a small role (hypocrisy) in our "[Nuclear Crimes and Misdemeanors](#)" story, which involves the billion-dollar Colorado-based consulting, engineering and construction firm [CH2M Hill](#), who has been on the government dole for quite some time, and not only had input into the 2009-Recovery Act, but in 2009, [was awarded \\$1.3 billion](#) in stimulus funds. Apparently, it was appropriate to scrutinize the "conflict of interest" when President Bush was in office, but not a peep from Reid under President Obama. CH2M Hill may be just a fluke, but what we can confirm is that Majority Leader Reid is heavily involved in this green energy scheme.

Shortly after President Obama began his reign as our 44th president, in February 2009, he [signed into law](#) the American Recovery and Reinvestment Act (ARRA). This was a massive economic stimulus bill among the biggest in history that was sold to the American people as a means save our economy from the brink of disaster and create American jobs. This stimulus package was jammed-packed full of [clean-energy provisions](#), of which about 10 percent (\$100 billion) of the monies were earmarked for renewable energy.

When looking at the entire Green Corruption scandal, it's important to reiterate that Senator Reid [led passage](#) of the \$814 billion stimulus bill (some reports say higher) and worked to include the loan

guarantee program to help finance clean-energy projects. ***(Some say America should punch Reid in the eye for all of the corruption he engaged in against the public)***

Seven months after the stimulus was signed into law, on September 23, 2009, Senator Reid, wrote a letter to President Obama, which was cc:ed to Secretary of Treasury Timothy Geithner, Secretary of Energy Steven Chu, and Director of the Office of Management and Budget, Peter Orsag, complaining as to the slow pace of implementation of the Department of Energy's loan guarantee programs. During the course of that correspondence, is also where Senator Reid patted himself on the back for his role (via the stimulus bill) in helping to "appropriate an additional \$6 billion for an expanded loan guarantee program." Despite Reid's acknowledgment of the risk involved, he proceeded to request that "obstacles be cleared away," and basically demanded that the Recovery Act monies for the loan program be dispensed "rapidly" all the while claiming that these billions in taxpayer funds "will grow tens of thousands of green jobs."

The loan program that Reid is referring to in this letter, which he helped expand under the stimulus law, is the Energy Department's Section 1705 a program of which in March of 2012, we discovered [from the House Oversight and Government Reform committee](#) that in excess of \$16 billion was doled to 26 projects, of which 22 of the loans were rated "Junk" grade due to their poor credit quality. The remaining ended up on lowest end of the investment grade of categories, giving the DOE's 1705 loan portfolio an overall average of BB-, which explains the term [DOE's "junk bond" portfolio](#) frequented throughout my work.

The Green Corruption Files has exposed many times that at least 90 percent of the winners of these DOE stimulus loans (the entire Energy Department loan portfolio) have meaningful politically connections (bundlers, top donors, fundraisers, etc) to the president and other high-ranking Democrats in some cases, to both.

Since 2009, the Energy Department, through three separate programs ([Section 1703](#), [Section 1705](#), which was [created](#) by the 2009-Recovery Act, and [Advanced Technology Vehicles Manufacturing \(ATVM\)](#)) has guaranteed along with pressure and influence from President Obama, Vice-President Biden, and the White House \$34.5 billion of taxpayer money that thus far has [funded 33](#) projects. To date, the big [alternative energy losers](#) in just this clean-energy program are Solyndra, Beacon Power, Abound Solar, [SoloPower](#), Fisker Automotive, and the Vehicle Production Group with quite a few still in the shadows.

Later we learned that many of these same projects funded with DOE loans also won free taxpayer cash from one of the biggest stimulus scams: the [1603 Treasury Program](#), which has to date given out \$19,349,675,402 in another [part of this scandal](#) that we have been tracking.

"Reid's [platform](#) was power," wrote the Huffington Post back then: "the 71-year-old one-time boxer touted his ability to bring federal money to his home state no one could do more, he argued..."

In fact, Reid's 2010 campaign included taking credit for his part in the Recovery Act, bragging about his role in the SWIP-S project, and promoting himself as a major green jobs creator, which included this slogan: [FIGHTING FOR CLEAN ENERGY JOBS IN NEVADA](#). Ironically, part of Senator Reid's clean-energy legacy is his September 2010 appearance at the Clean Energy Summit in Las Vegas [when he showed](#) up in [a fleet of SUVs](#) so that he and a few aides would not have to walk the mere 100 yards to address environmental activists.

Senator Reid brought home the federal dollars all right, and the White House and those inside the Department of Energy (DOE) made sure of that. Stimulus money that was supposed to save our

economy from the brink of disaster and create American jobs not save an election. While there are three additional Nevada projects funded with stimulus money, we'll stay focused on the five stimulus loans, listed in the chart below.

- FIVE "speculative" loans: over \$3 billion that produced (or expected to create) 2532 temporary construction jobs and 224 permanent jobs.
- FOUR in Nevada: SWIP-S, Nevada Geothermal (Blue Mountain), Ormat Nevada, Inc. (OFC 2, LLC project), and SolarReserve (Crescent Dunes Solar) and one in California, BrightSource Energy (Ivanpah facility)
- FOUR got "special" Department of Interior "fast-track" approval: Nevada Geothermal, Ormat Nevada, SolarReserve, and BrightSource Energy
- FOUR included campaign donors: Nevada Geothermal, Ormat Nevada, SolarReserve, and BrightSource Energy with the latter firm even throwing a fundraiser for Senator Reid
- TWO involved former aides of Senator Reid: Nevada Geothermal and Ormat Nevada
- THREE were announced and/or finalized in time for 2010 midterms: SWIP-S, Nevada Geothermal, and BrightSource Energy with Ormat Nevada featured in a [2010 Midterm Ad](#) "approved by" Senator Reid.
- FOUR included special appearances and/or press releases by Senator Reid: SWIP-S, Nevada Geothermal, Ormat Nevada, and SolarReserve

Now with the overview presented, let me share some of the "behind the scenes" and "in front of the camera" details, starting with a project known as SWIP-E (winner of \$343 million; 2/2011), which was used as 2010 midterm ploy, and photo opportunity. In fact, the SWIP-E project is where Senator Reid even touts his role in the loan program with this February 2011 [press release headline](#): "ON Line Transmission Project Was Possible Thanks to Recovery Act Loan Guarantee Secured by Senator Reid."

We also learned [from the](#) Washington Free Beacon that, 'Nevada Geothermal [winner of \$98.5 million; 9/2010], Ormat Nevada [winner of \$350 million; 9/2011] and SolarReserve [winner of \$737 million; 9/2011] are located in Reid's home state (as is the SWIP-E project) and that as of 2012, "executives from all three companies [had] donated to Reid and his fellow Democrats, contributing more than \$58,000 since 2008.

Last but not least, there is [BrightSource Energy](#), the winner of [\\$1.6 billion](#) in April 2011 for a huge solar project near the California-Nevada border. BrightSource Energy's then-CEO, John Woolard, and the then-chairman of PG&E Corporation, Peter Darbee hosted a breakfast fundraiser in August 2010 for Senator Reid in the Oakland offices of BrightSource Energy.

Adding to the Obama administration's larger green energy initiative (and cronyism), "on March 11, 2009, the Department of Interior (DOI) issued a secretarial order to fast track the siting of renewable energy projects on public lands managed by the agency." This included a "fast-tracked approval of several major projects in California and Nevada, which "raised questions over negative environmental impacts and the agency's adherence to environmental regulations," [reported](#) by Beacon in 2012.

What's most disturbing is that these decisions were made with a little scrutiny over environmental damages, and [according to](#) the Los Angeles Times, it caused strife amongst environmentalists and some eco-drama, including news that Gang Green, the nation's big environmental players, were silent on the projects or actively lobbied for them. We can confirm that seven projects that also won DOE stimulus

loans (some grants), also received fast-tracked approval by the DOI to lease federal lands in a no-bid process: Abengoa Solar, BrightSource Energy, First Solar, Nevada Geothermal Power, NextEra Energy Resources, Ormat Nevada, and SolarReserve."

While the environmentalists were mostly silent on this issue, The Beacon was alarmed by the "speed with which the projects were approved, coupled with the fact that the companies had already received Energy Department loan guarantees with strict time lines attached," concluding a suspicion "as to whether Interior's actions were predetermined."

Later we learned that at least two of these projects were having environmental problems. BrightSource's Ivanpah solar power project in the Mojave Desert was killing turtles an issue that they spent \$56 million to resolve, however, not without [causing more harm](#) to animals and other calamities to the tortoises that were made vulnerable by the project. And now this project is "executing birds"(more details forthcoming in the BrightSource section) a federal crime when perpetrated by an oil company. The second one is NextEra's Genesis solar energy project that was [killing the](#) sensitive desert kit fox population and "possibly desecrating an ancient Native American burial site."We first tackled this part of the Green Corruption scandal in the summer of 2012, in our "[Special Seven](#) series, which as you can see includes four of Reid's DOE deals. But worse is that Reid not only [colluded with](#) the Secretary of the Interior Ken Salazar in a June 29, 2009 special announcement regarding the "Fast Track" initiatives for solar energy development on western lands, but he also takes credit for this "fast-track permitting" itself in his "[Playing to win in CLEAN ENERGY](#)" report [released](#) in March of 2012. Reid also documents his clean-energy initiatives as far back as 2001, along with more "green" government favors that went to Nevada, which will be detailed later. Needless to say, the senator must have forgotten to share the fact that "Reid's staffers have been a key part of Washington D.C.'s revolving door, setting up shop with lobbying outfits that have ties to green energy companies and the Department of Interior, which oversees such projects," [noted](#) The Beacon in 2012. Internal Emails Proves that Projects in Nevada were Prioritized for Senator Reid, And these are decisions, by the way, that are made by the Department of Energy, they have nothing to do with politics. President Obama [responded to a reporter](#) in October of 2012, when asked about the green companies that have gone bankrupt despite receiving taxpayer support.

That statement was absolutely false. The House Oversight and Government Reform Committee [released internal DOE emails](#) on October 31, 2012 that compromised "Obama's position on two counts: one, the emails show that Obama himself was involved in approving loans; two, DOE officials were keenly aware of the political interests at stake, as they regarded the loans as a way for the White House to help Reid by giving him a way to brag about bringing federal money into Nevada," [reported](#) the Washington Times.

The circumstantial evidence alone is enough to indict Senator Reid for cronyism and corruption, but it was the 2012 Halloween email dump that proved [how](#) the Obama administration used DOE loan money to help Harry Reid's 2010 campaign. As this revelation hit the airwaves, Marita Noon, energy columnist at Townhall.com, and I [immediately hammered away](#) by busting open the DOE's den of deception, exposing its coercion, corruption, cronyism, and cover-ups.

Today we'll stay focused on the Senator Reid's role, which began as early as December 2009, yet we'll begin with the Washington Examiner released back then, which involves James C. McCrea, Senior Credit Advisor of the Loan Programs and the DOE Loan Director Jonathan Silver.

NOTE: Silver is reported to be an Obama bundler, and had been a managing partner at Core Capital Partners [and co-founder] in Washington. It turns out that one of Silver's colleagues there was Tom

Wheeler, another 2008 Obama bundler as well as part of the Obama-Biden Transition Team. Silver formerly served in the Clinton administration, and it has been reported that "he is a strict partisan when it comes to his own campaign contributions, the recipients have all been Democrats. Silver was appointed as the Executive Director of the Loan Programs Office in November 2009, of which he was responsible for the agency's strategic direction and oversees all of its transactions. Silver is a key figure inside these DOE loans, up until Silver [resigned](#) in early October 2011, amidst the "Solyndra \$535 Million Saga."

In December 2009, McCrea in an EMAIL forwarded one of his colleagues an article about how Reid would struggle in the 2010 campaign along with a comment on how it might affect the DOE loan program...

"...Reid may be desperate, McCrea wrote. WH may want to help. Short term considerations may be more important than longer term considerations and what's a billion anyhow?..."

In that same message, McCrea also speculated that, in light of Reid's campaign struggles, there may be an opportunity to move several transactions simultaneously, allowing LGPO to finish with a trifecta!

A May 2010 EMAIL shows that Reid requested a meeting with Jonathan Silver...

Silver interpreted Reid's request in light of the campaign. Reid is constantly hit at home for not bringing in the federal dollars, he wrote. Silver's task, according to the DOE memo prepared for his meeting, was to assure Reid that we anticipate a good number of projects to be approved in the coming months. (*Did Reid have Dennis Hof killed because Hof said he was going to expose Reid?*)

The Washington Examiner also noted, "The House Oversight and Government Reform Committee proves that throughout 2010 LPO emails indicate that projects in Nevada were prioritized because they were "high profile" tied to larger events, or because they had Senator Reid's support. The Majority Leader's Energy Department Deals Those set of pesky and incriminating [2012 DOE email](#) dump, more specially inside the [350+ page Appendix II](#), reveal that many of the DOE loans were rushed and approved for political purposes Presidential visits, speeches, announcements, photo ops, and talking points for the president as well as for the purpose of helping those connected to the companies seeking the loans " CEO's, investors, and Democrat politicians, which goes beyond [subsidizing Nevada companies](#) in order to help Senate Majority Leader Harry Reid win his 2010 reelection. Yet, Reid's part in this Green Corruption scandal is unprecedented as reflected not only in his role in the 2009-Recovery Act, but also in the amount of clean-energy federal dollars that he brought home to his state of Nevada. As mentioned, Reid is tied to five green energy risky projects (four in Nevada and one in California). However, besides finding favor with the Interior Department, many of these same projects, as well as three others that we found, won cash free money from the stimulus package as well thus placing Reid's clean-energy stimulus tab over \$3.4 billion and counting.

#1. LS Power (Transmission Line project), formally known as SWIP-S, located in Nevada: [\\$343 million](#) DOE stimulus loan ([Rating BB+ by Fitch](#)) / Total taxpayer money to date: \$343 million, all stimulus

- Announced [October 2010](#), which included a special visit a photo op for Senator Reid. Finalized in February 2011, which involved [bragging rights](#) by Senator Reid.
- Status as of November 8, 2013: not completed
- Jobs: anticipated 400 construction and 15 permanent

- Also in my [February 23, 2013](#): Massive Green Money Machine

On April 14, 2010, Steve Shulman sent James McCrea (at that time the Loan Program Office Credit Advisor), an EMAIL asking if he had assigned anyone from his group to work on the Great Basin (LS Power) transmission project.

McCrea responds to Steve and Sandy Claghorn (at that time she was a Credit Consultant at the DOE, and ironically her background is from the credit-rating agency Fitch that gave the SWIP-S project a Rating BB+), I presume you mean SWIP? If so, Sandy Claghorn will be lead. McCrea, in his email response, addresses Sandy directly, "Sandy " This is a very high profile transaction that has, within the past 2 weeks, become the subject of a ton of high level focus. It is a priority for Jonathon..."

The "Jonathan" referred to here is Mr. Silver, who was head of the loan program from November 2009 to October 2011, of which we highlighted his role and background a bit earlier in this post, and throughout most these Green Corruption Files.

In an October 13, 2010 EMAIL, with the subject line "SWIP -- FERC Approvals," [Kimberly Heimert](#) (Deputy Chief Counsel at Loan Guarantee Program) writes to Jim McCrea....

"We (and OMB) have huge political pressure to get this deal done..."

In the middle of the entire ruckus regarding SWIP that occurred since April 2010 (that we know of), this project, five days after this email on [October 19, 2010](#), received a conditional commitment for a stimulus loan worth \$350 million. It also got a special celebration, which included [a special visit](#) and PHOTO OP from key (now formal) energy officials: Jonathan Silver, Executive Director of the Department of Energy's Loan Programs Office, and Secretary of the Interior Ken Salazar as well as Senator Harry Reid.

Later in November 2010, during the course of several inter agency emails with the subject line, "SWIP - Fast Track," we can confirm that "SWIP" was on the fast-track process, which from what I gather, was "only intended to help get the conditional commitment, not closing."

However, it was a process of which many who were reviewing the DOE loans were frustrated with, as reflected in this November 19, 2010 EMAIL by McCrea:

Basically, they are going to fight us on transactions if they don't meet these criteria. That means that not much is likely to come through the process. We will now declare victory at Credit Committee approval, support the interagency process the best we can, hope for an outcome but not count on it and then, when someone needs a photo op or the applicant screams loud enough, an occasional transaction will be spit out into the conditional commitment. I know this is a harsh comment but it is also realistic unfortunately.

Later in February 2011, despite the fact that a month earlier, Fitch had rated the Nevada transmission line project as "non-investment grade," it was finalized. The SWIP-S project was set "to develop the first phase of a line that will carry approximately 2,000 MW of electricity" and it was projected to produce 400 construction jobs. When operational, it will provide 15 permanent jobs.

Nevertheless, it turns out that Reid has been in the middle of this project conflicts and all for many years, which dates as far back as 2007, putting a huge hamper into the transmission line project at that time. However, [according to](#) the Las Vegas Sun, "...in 2009, Reid again stepped in, this time not with a bullet, but a lifeline.

The Sun continues, Reid tucked \$3.2 billion worth of low-interest loans for transmission line

development into the economic recovery act the stimulus bill President Barack Obama signed into law last February. Of which the Sun surmises, noting minimal campaign contributions, but that...

Reid gets a transmission line for Nevada an election-year trophy, no doubt, perhaps with a photo op of hundreds of workers building the power line, and the start of the state's the green energy future, just in time for Election Day.

NOTE: In February 2013, we unleashed Citigroup's massive "green" money machine, and how their renewable energy transactions tie them to approximately \$16 billion of "green" taxpayer money, which includes representing SolarReserve (we'll get to in a bit) as well as LS Power for at least two projects; one in California and Arizona.

But LS Power has a lot [of projects](#), and there is one in particular that stands out due to the fact that it was the recipient of one of those stimulus "junk" rated DOE loans. LS Power and its project labeled "One Nevada Transmission Line" a Nevada project called ON Line, which was formerly known as SWIP-S, and where [Great Basin Transmission, LLC](#), an affiliate of LS Power, is developing the Southwest Intertie Project (SWIP).

#2. Nevada Geothermal Power Company, known as the Blue Mountain Geothermal Project located in Humboldt County, Nevada: [\\$98.5 million](#) DOE stimulus loan ([Rating BB+ by Fitch](#)) / Total taxpayer money to date: over \$164 million, all stimulus

- Announced on [June 15, 2010](#), which also included a special [press release](#) by Senator Harry Reid; and it was finalized on it was finalized on [September 7, 2010](#), which also involved the senator
- On July 6, 2011, NGP Blue Mountain I LLC won a \$65,741,725 stimulus grant from the 1603 Grant Program
- Received fast-tracked approval by the Department of Interior
- Status as of November 8, 2013: Plant reported to be completed and operational
- Jobs: 200 construction and 14 permanent jobs the plant's operation now provides
- Both the Nevada Geothermal and Ormat Nevada parts can be found in our [July 15, 2012](#) post entitled "Senator Harry Reid's Part in Green-Energy Crony-Corruption," which at that time was Part Three of our "Special Seven Series"

Nevada Geothermal Power (NGP), now [Alternative Earth Resources Inc](#), "holds leasehold interests in four geothermal projects located in the Western United States." Two months before NGP's Blue Mountain project received a conditional approval for an Energy Department loan guarantee (in April 2010), [Reid toured](#) the plant, promoting it as a jobs creator: "This project is exactly the type of initiative we need to ensure Nevada creates good-paying jobs,..." Mr. Reid said. In a June [2010 press release](#), when the \$98.5 million loan was moving at full speed, Reid stated, "I am glad to see economic recovery funding being used to put Nevadans to work on a project that will help us achieve energy independence. Reid at that time also declared, "Northern Nevada is the Saudi Arabia of geothermal energy..."The campaign contributions both from the geothermal industry as well as "[executives from](#)" NGP not to mention Reid's part in the ensuring that stimulus package expanded the Energy Department's loan program (1705), and the fact that Reid was campaigning for their project early on, could be why, despite the low credit rating of the Blue Mountain geothermal project in Humboldt County, the \$98.5 million stimulus loan was finalized.

During the September 7, 2010 [announcement](#), Secretary Chu marked the Blue Mountain moment as part of the Obama administration's "commitment to reducing carbon emissions while creating clean energy jobs" all 214 of them. Meanwhile Senator Reid again takes credit, "As I led passage of the stimulus bill, I worked to include the loan guarantee program to help finance clean-energy projects like Blue Mountain geothermal that will put Nevadans back to work and bring us closer to energy independence."

Both the June and September press releases, with both Secretary Chu and Senator Reid claiming victory over "green jobs," runs into direct conflict with these claims. The House Oversight report stated: It was known to him [Secretary Chu] at that time [of the press conference], that the loan would not create a single job, but instead would simply refinance an existing loan, despite DOE's claim that it would create over 200 jobs.

Worse, instead of using the loan as Title XVI, Section 1602 of the American Recovery and Reinvestment Act of 2009, requires: "Recipients shall use grant funds in a manner that maximizes job creation and economic benefit" but the loan was used to pay off a creditor.

According to the Washington Times report, At the time the Energy Department announced its conditional approval of the guarantee, Mr. Issa said NGP would have defaulted on a loan from TCW Asset Management Co., then its primary lender, had DOE not swooped in to save the failing company with taxpayer money. A committee report said the loan did not finance any new construction and did not help to create a single job.

Despite the hype, at the time the DOE approved the loan in September 2010, they were well aware of NGP's "well-documented" financial difficulties. The House Oversight and Government Reform Committee [called the loan a "bailout"](#) which violated the spirit and, quite possibly, the letter of the law and provided an opportunity for private industry to exit an investment, de-leverage and transfer the extraordinarily high default risk to taxpayers. Instead of creating jobs, in this particular case, Reid's advocacy actually "bailed out" his cronies and added another notch to his 2010 midterm bragging rights on clean-energy and green jobs", all the while sticking it to the taxpayer. And they didn't stop at \$98.5 million.

On July 6, 2011, NGP Blue Mountain I LLC won a \$65,741,725 stimulus grant from the [1603 Grant Program](#). By October 2011, the Nevada Geothermal, again was facing turmoil (operational and financial problems with the Blue Mountain plant"), as documented by the New York Times of which they also [reported](#) Senator Reid's part in the DOE deal. Reid was instrumental in securing that financing for Nevada Geothermal, noting that Mr. Reid has taken the nascent geothermal industry under his wing, pressuring the Department of Interior to move more quickly on applications to build clean energy projects on federally owned land and urging other members of Congress to expand federal tax incentives to help build geothermal plants, benefits that Nevada Geothermal has taken advantage of.

You might think Reid has altruistic motives, such as creating jobs for his state, however, as the New York Times pointed out: Mr. Reid has received some support from the industry, in the form of at least \$43,000 worth of campaign contributions from the geothermal industry since 2009, according to an analysis of federal campaign finance records.

Nevertheless, problems persisted both before the stimulus loan and thereafter. Less than a year after the loan was issued, leading accounting firm Deloitte & Touche did a 2011 [audit of NGP](#) and [concluded](#): "significant doubt" about Nevada Geothermal Power's ability to continue as a going concern. The company's vital signs are not looking good: it has incurred net losses over the past several years, has an accumulated deficit of \$44.0 million and an anticipated inability to retire its long-term liabilities.

During the [May 16, 2012 testimony](#) before the House Oversight Committee, the CEO Brian D. Fairbank spoke about the many good things occurring at Blue Mountain and stated that they remained bullish on the future of geothermal resource potential at Blue Mountain.

However, in 2012, the future of Nevada Geothermal was [looking dim](#), as it was still facing financial problems, and "the company's internal auditors had questioned whether it could stay in business" ... insight that came from NGP auditors via a financial statement for the period ending March 31 [2012] and reported by the Washington Times.

With such a terrible 2011 audit and another grim financial statement completed in March 2012, one as to wonder how much did Fairbanks actually know about the status of NGP during that May 16 testimony when he defended their taxpayer subsidized geothermal project.

Needles to say, Nevada Geothermal Power (NGP), [in July of 2012](#), were still facing financial issues, and it was reported that NGP was on its way toward bankruptcy. However, as of May 2013, financial news [reported](#) that Blue Mountain had owed almost \$200 million to its private lenders, and that NGP "has completed the sale of the Blue Mountain Geothermal Project to funds managed by [EIG Global Energy Partners, LLC](#), the mezzanine lender for the project, pursuant to an equity and collateral transfer agreement."

It's not quite clear what went down behind the Blue Mountain, but as of April 3, 2013 NGP changed its name to [Alternative Earth Resources Inc.](#) Still, as of November 2013, the DOE states that the Blue Mountain project is operational, and it also claims 200 construction and 14 permanent jobs.

Wow, over \$164 million for 14 jobs, if we count the temporary.#3. Ormat Nevada, Inc, for [their project](#) known as "OFC2," which involves a portfolio of three different geothermal power facilities the state of Nevada Jersey Valley, McGinness Hills, and Tuscarora: [\\$350 million](#) DOE stimulus loan ([Rating BB by S&P](#)) / Total taxpayer money to date: \$455 million, all stimulus

- Announced on [June 9, 2011](#), which included Secretary Chu and Senator Reid. It was finalized in September 2011, of which Senator Reid made a [special announcement](#) as well, however, folks from Ormat were used in a 2010 midterm campaign ad.
- Ormat Technologies projects have received over than [\\$250 million in various DOE and Treasury grants](#), of which the majority came from the stimulus-created 1603 Grant Program.
- Received fast-tracked approval by the Department of Interior
- Status as of November 8, 2013: currently operational
- Jobs: expected to create 332 jobs during construction and 64 permanent jobs

Keep in mind that "[executives from](#)" Ormat had donated to Reid and his fellow Democrats, since 2008, and as mentioned during the course of covering the Nevada Geothermal deal, Mr. Reid has received support from the industry, in the form of at least \$43,000 worth of campaign contributions from the geothermal industry since 2009. Still, there's much more to the Ormat/Reid clean-energy story to share.

With all the "green energy campaigning" that Reid engaged in for the 2010 midterms, he failed to put into a press release that "meaningful ties exist between the senator and Ormat." Two of Ormat's federal lobbyists previously worked for Senator Reid," and they both donated to his campaign all well [documented](#) in the in the House Oversight report that came on March 20, 2012.

While Ormat's outside lobbyist, [Kai Anderson](#) of Cassidy and Associates, served as Senator Reid's Deputy Chief of Staff up until 2005, Ormat's company lobbyist, Director of Policy and Business Development from September 2005 until September 2013, was Paul Thomsen. Mr. Thomsen is another former aide to the Senator (2002 to 2005), where he handled public lands and energy issues. [Mr. Thomsen, amongst other roles](#), also sat on Senator Harry Reid's Blue Ribbon Council on Renewable Energy. He's now at the [Governor's Office of Energy](#) in Nevada.

To make this case more convoluted, the senator (in June 2010) launched a "[2010 Geothermal Campaign Ad](#)" starring his former staffer Thomsen, who heralded, Geothermal means 16,000 Nevada jobs Harry Reid saw the potential before just about anybody else.

We [find that](#) "in addition to Anderson and Thomsen, Ormat's President, Yoram Bronicki, gave thousands in political contributions to Senator Reid. The strong ties between the company and the Senate Majority leader raise questions about whether the DOE acted in the best interests of the American people when it approved the loan guarantee." Yoram Bronicki is the son of Mrs. Yehudit (Dita) Bronicki, the CEO and Director of Ormat Technologies, who recently [announced](#) that she, "plans on retiring in 2014."

Ormat Nevada is a wholly-owned subsidiary of Ormat Technologies, Inc., on June 9, 2011, received a conditional commitment for a partial guarantee for a \$350 million loan from the Energy Department, which [was presented by](#) they dynamic duo once again, Chu and Reid.

Both made their case known. This project will help our nation maintain its position as the world's leader in installed geothermal capacity, while creating hundreds of jobs in Nevada, stated Secretary Chu. Meanwhile Senator Reid, once again, claimed jobs: Energy jobs.

Despite the projects low credit rating ("speculative"), in September 2011, the Department of Energy finalized the \$350 million DOE stimulus loan to support Ormat Nevada, Inc.'s OFC 2, of which the three projects involved are aided by this DOE loan as well production tax credits.

According to [the Senator's 2012 report](#), "Ormat is also taking advantage of the Treasury Department's (Section 1603) grant in lieu of tax credit program. In September 2010, Ormat received \$108.2 million for specified energy property in lieu of tax credits relating to its North Brawley geothermal power plant in California." However, during the June 19, 2012 House Oversight hearing, via written testimony by the CEO of Ormat, Dita Bronicki, we found that Ormat Technologies projects have received more than [\\$200 million in various DOE and Treasury grants](#), of which the majority came from the stimulus-created 1603 Grant Program.

A few months after the Jun 19th hearing (September 15, 2012), Ormat again won more free cash (close to \$47 million), which went toward one of its three projects in Nevada. So, this geothermal project in Nevada is not only funded by taxpayers with \$350 million stimulus loan, but three stimulus grants all doled out in 2012 (ORNI 15 LLC, ORNI 39 LLC and ORNI 42 LLC), totaling over \$105 million, meaning that Reid's Ormat deal, thus far has been subsidized with \$455 million.

Meanwhile in July of 2013, ORNI 18 LLC, Geothermal Electricity in California snagged another 1603 grant for \$122,970,821.

Still, Reid, at the time the loan was approved, in a [press release](#) took credit and said, Now that this loan guarantee is finalized, hundreds of Nevadans will soon be working again, while noting that this project will generate nearly 400 jobs. Yet, as of November 8, 2013, the DOE states that this geothermal project is currently operational, it has only produced 64 permanent jobs again another example on how the ratio of jobs created (even saved) versus the amount of taxpayer money spent on these "stimulus" green energy projects is laughable...at best.

Just these two Nevada geothermal projects (Blue Mountain and Ormat's "OFC2") funded with stimulus loans and grants, cost taxpayers over \$600 million stimulus money that was supposed to save our economy from the brink of disaster and create American jobs. Adding to the insult is that this administration and their "climate minions" continue to sell "green energy" as means to "end America's addiction to oil." Yet, these two projects only created 78 permanent jobs and 522 temporary construction jobs, bringing no relief to our economic woes or any closer to "energy independence. Geothermal wind and solarpower generates electricity. America is already electricity independent.

#4) SolarReserve Inc, LLC, know as the [Crescent Dunes Solar Energy Project](#) located in Tonopah, Nevada: [\\$737 million](#) DOE stimulus loan ([Rating BB by Fitch](#)) / Total taxpayer money to date: \$737 million, plus 1603 treasury grants (amount unknown), all stimulus

- Announced on [May 19, 2011](#), even [by](#) Senator Reid; and [finalized](#) on September 28, 2011
- According to Senator Reid, "the Crescent Dunes project [also allowed](#) it to qualify for Treasury Department's (Section 1603) grant in lieu of tax credit program," yet I was unable to find an amount or date.
- Received fast-tracked approval by the Department of Interior
- Status as of November 8, 2013: Construction underway...
- Jobs: According to the Energy Department, "The project created 600 construction jobs. When the project is completed, it will also provide 45 jobs for plant-operations."
- We started chronicling the SolarReserve story in June 30, 2012 with "[Obama's Green-Energy, Crony-Corruption](#) Special series, however since that time, we've uncovered much more.

With the Department of Interior December 2010 [approval intact](#), which included "strong support from Washington, DC," and "Senator Reid's relentless assistance on the project," on May 19, 2011, the dynamic duo, Reid and Chu joined forces once again to announce the Department of Energy's conditional commitment for a loan guarantee to [SolarReserve](#) for a Nevada solar project. In [Reid's presser](#), again, both Chu and Reid claimed victory on the green jobs front: Today's announcement is about one thing: creating good paying clean-energy jobs right here in Nevada, said Senator Reid. SolarReserve, LLC is headquartered in Santa Monica, California, while the [Crescent Dunes](#) project, which is a solar thermal power tower plant utilizing the advanced molten salt power tower technology with integrated storage, is located in Tonopah, Nevada. Despite the projects low credit rating in August 2011, a month later (September 28, 2011), the \$737 million in DOE loan guarantee was [finalized](#).

Needles to say, just three months prior to the SolarReserve May 2011 DOE loan roll out (six months to its finalization), there is an intriguing set of March 23, 2011 EMAILS (with the subject line, "Re: "Tonopah" credit issues") that went on all day long between [James McCrea](#), the credit advisor for the DOE's "Loan Guarantee Program, [Alok Mathur](#) (Credit Team Consultant for DOE's Loan Guarantee Program and also part of the Greenwich Energy & Company "[team](#)"), and [Monique Fridell](#)

(Supervisory Senior Investment Officer at the DOE's Loan Guarantee Program from 2009 until 2012), as well as executives from [Scully Capital](#) in the loop.

McCrea at one point (5:35 PM) wrote to Monique...

"Actually, at a time like this, it is imperative that I send the note to the senior Federal team with my recommendation. My recommendation is to kill the transaction."

Later that evening a more interesting interaction occurred at 7:17 PM when John Ravis of Scully Capital wrote...

"Jim, Just to let you know, while we were discussing the EPC Contract issues with Solar Reserve, when we reached an impasse, their CFO Michael Whalen, threatened to go scorch earth on the DOE in the press about our uncommercial and unrealistic positions. Best regards, John."

At 11:34 PM that same evening, Alok Mathur responded to Ravis and cc'd McCrea...

"John and I have pretty thick skins (a necessary qualification in this business), but I have to agree with John. Michael has a very arrogant attitude and has accused us of 'wasting his time'...."

Mathur continues to complain on how [Michael Whalen](#) (who served as the Chief Financial Officer of SolarReserve from September 2008 until [sometime in 2013](#)), mistreats the DOE, then he writes, "He has taken this attitude because nobody (to-date) has told him where to get off and he is convinced that with Harry Reid's backing, he can get Jonathan to agree to anything...."

Let me get this straight. First off, we have Senator Reid's "relentless assistance on the [Tonopah] project," which was documented as early as December 2010. In the mix, Reid captures [the gratitude](#) of the CEO of SolarReserve, Kevin Smith and by March 2011, the CFO, Michael Whalen, is all wound up because he has "the backing" of the senator.

Add in the fact that, SolarReserve, a [predominately](#) Democrat donor, [executives](#) had given to Reid's campaign since 2008. Still, we have their [founding partner](#), holding a significant financial stake in SolarReserve, which is [US Renewables Group](#) (USRG) "a \$575 million private equity firm exclusively focused on renewable power and clean fuel projects." USRG opens up the door to [two SolarReserve board members](#) that since 2008 have donated heavily to Democrats, including Reid, President Obama and other high-ranking Democrats. They include "SolarReserve's [Chairman of the Board](#) Lee Bailey, who is also the founder and Managing Director of USRG, as well as James McDermott, a [board member](#) at SolarReserve, who is also a Managing Director with USRG.

Apparently, Senator Reid is tied to another big [green energy cronyism story](#) that involves U.S. Renewable Energy Group ([US-REG](#)), which at first glance, seems to be the same firm here that has a stake in SolarReserve: US Renewables Group ([USRG](#)). However, in my opinion, they are two different companies. US-REG is "a Dallas investment firm with strong ties to Washington and the Democratic Party," with the public face of Cappy McGarr, "a wealthy Texas philanthropist, investor and longtime fixture in Democratic politics," documented NBC News. Meanwhile, USRG, having offices in Los Angeles and New York, doesn't seem connected here. I could be wrong. Nevertheless, Reid is in this middle of this US-REG deal, which is about a proposed wind farm in Texas ([Spinning Star](#)), [driving green jobs to China](#), top Democratic fundraisers and lobbyists, big unions, major ties to the White House, more donations to the senator from Nevada, and \$450 million in stimulus money. Typical of all these clean-energy projects under Team Obama. In addition to the above players, we have Citigroup, who in September 2008 [became an investor](#) in SolarReserve along with [Good Energies Capital](#), now Bregal Energy, who is also [currently](#) an investment partner. This brings us to [David Sandalow](#), a DOE

insider, who from March 2009 to the spring of 2013, served in senior positions at the U.S. Department of Energy (DOE), including Acting Under Secretary of Energy and Assistant Secretary for Policy & International Affairs.

It seems that Sandalow has many interesting positions, including Brookings Institution fellow, and serving as Chair of the Energy & Climate Working Group of the Clinton Global Initiative. But the most relevant is that Sandalow also served as a Senior Advisor to Good Energies, an energy-focused venture capital firm.

In 2008, before joining the DOE, Sandalow [had been paid](#) \$239,000 for consulting work for this venture capital firm. Probably not the most influential, because [Citigroup](#) this "too-big-to fail" bailed out bank, whose PAC [gives to both](#) political parties in 2008, according to the Center for Responsive Politics, were top contributors to both [Harry Reid](#) as well as [Barack Obama](#). This turn brings us to President Obama™s law school buddy, 2008 Obama campaign bundler, Michael Froman, who was managing director of alternative investments at Citigroup. Mr. Froman is the former chief of staff to Treasury Secretary Robert Rubin during the Clinton administration. During Obama's 2008 presidential campaign, [Froman](#) served as an informal adviser, raising money and helping to secure endorsements. In fact, Michael Froman, a close college friend of Obama™s, managed Citis alternative investment portfolio [as well as other Citigroup positions starting in 1999] until he left for a [top White House post](#) in 2009. Froman was key to the President™s 2008 election effort, [connecting him](#) with major donors in New York™s financial industry," [notes](#) Lachlan Markay of the Heritage Foundation.

Since 2009, [Froman](#) was a member of Obama's National Economic Council as well as the Deputy National Security Advisor for International Economic Affairs. In June 2013, Froman became the U.S. Trade Representative now he's [Ambassador Froman](#).

The tangled web and the [infiltration](#) of so many Citigroup executives and [Goldman Sachs](#) for that matter inside the Obama administration, even shaping his economic policy, as well as the fact that they scored big with the Green Bank of Obama, is extraordinary. Other than [Michael Froman](#), they range from the former chief of staff [Jack Lew](#), who in 2013 replaced Timothy Geithner as Treasury Secretary. Lew was also the head of Office of Management and Budget, from November 2010 to January 2012 (during the time these DOE loans were being processed). Lew was the CEO of Citigroup™s Alternative Investments, from January 2008; however, he was with Citi starting as far back as 2006, of which he departed either in late 2008 or in January 2009. Next is [Richard Parsons](#), who was Chairman for Citigroup from 2009 until he [announced stepping down](#) in March 2012. Parsons served on the Obama Transition Team and on the Economic Advisory Board. In 2011, Parsons was appointed to the [President™s Council on Jobs and Competitiveness](#), until it [closed down](#) in January 2013.

Last but not least we have the retired Chicago investment banker Louis Susman, who [served on](#) Obama™s 2008 National Finance Committee. The staunch Democratic donor and fundraiser that Susman was, he turned out to be a top 2008 bundler that raised so much money for Obama that he got a nickname the Vacuum Cleaner." Obama showed his appreciation and [made him](#) ambassador to Great Britain. At the time of his nomination, Susman retired in February 2009 as Vice Chairman of Citigroup Corporate and Investment Banking. NOTE: Michael Schell, New York, Citigroup Global Markets was also a [2008 Obama bundler](#).

This year, Marita Noon and I exposed Citigroup's part in this massive mess in two exposÃ©s: "[Citigroup™s Massive 'Green' Money Machine](#)" and "[Wall Street Walks on the White House](#)," chronicling Citigroup's carbon footprint inside the Obama administration as well as this Green Corruption scandal which goes way beyond SolarReserve as wells as LS Power's SWIP-S project

mentioned in the begging of this post. In short, I personally and meticulously analyzed Citi™s [green stash](#) (dated March 19, 2012), and calculated that they are tied to approximately \$16 billion of taxpayer money, the majority from the the 2009-Recovery Act.

However, there is another key connection here that I unleashed in my last Green Corruption File: "[The RAT in the Recovery and the Gang of Ten](#)." It has to do with a Michael Eckhart, who after spending the last decade as the founding President (2001) and a member of the Board of Directors at American Council on Renewable Energy (ACORE); [joined Citigroup](#) as Managing Director in February 2011.

ACORE is a renewable energy [lobby powerhouse](#), of which PJ Media [had alerted to 2011](#): Michael Eckhart and the ACORE membership also helped design the Department of Energy grant programs that partly offset the loss of tax equity financing arrangements..."

Other SolarReserve connections to the Democratic Party include:

Ronald Pelosi: Former Speaker of the House Nancy Pelosi™s brother-in-law, [Ronald Pelosi](#), holds a leadership position with Pacific Corporate Group Asset Management"which is an [investor in SolarReserve](#). Additionally, his colleague, [Jasandra Nyker](#), has served as a member of SolarReserve™s board of directors.

George Kaiser: Argonaut Private Equity is an investor in SolarReserve. Major [Democratic fundraiser](#) and a 2008 Obama bundler George Kaiser, who also invested in Solyndra, owned Argonaut Private Equity. Kaiser made multiple visits to the White House in the months before the company was granted a \$535 million loan from the government. The Managing Director for Argonaut Private Equity, Steve Mitchell, serves on SolarReserve's Board of Directors.

Tony Podesta: [OpenSecrets.org](#) shows that SolarReserve paid hundreds of thousands of dollars in lobbying fees to the Podesta Group. Tony Podesta is the principal at the Podesta Group"which he [started with his brother John](#). John Podesta ran Barack Obama™s presidential transition team and is the founder of the left-wing think tank, Center for American Progress CAP, where [he is currently](#) Chair of CAP and the CAP Action Fund. [CAP](#). It's important to point out that CAP has a major foothold [inside](#) the Obama administration, including the 2013 addition, [Denis McDonough](#) as the White House [chief of staff](#). Not only did a squadron of CAP experts work with president Obama's transition team, they are reportedly [highly influential](#) in helping to craft White House Policy and they are a driving force inside this clean-energy scheme.

Meanwhile, both Tony Podesta and his wife Heather ([a Washington power couple](#)) are frequent White House visitors that share high ranks in "lobbying power," and Democrat bundling as well.

With all this access and influence from Wall Street to the White House, to Senator Reid, and beyond, it's no wonder SolarReserve, despite its "speculative rating" and documented credit issues as well as the fact that the DOE loan credit advisor wanted to "kill" the transaction, won [\\$737 million](#) of taxpayer money, for a project that, after two years, is still under construction, and anticipates a whopping 45 jobs, plus the 600 temporary construction jobs.

#5) BrightSource Energy, Inc, for the [Ivanpah facility](#) located in the Mojave Desert of California: [\\$1.6 billion](#) DOE stimulus loan ([Rating BB and BB+ by Fitch](#)) / Total taxpayer money to date: \$1.6 billion, all stimulus

- Announced on [February 22, 2010](#), and finalized April 2011 for [\\$1.6 billion](#)
- Received fast-tracked approval by the Department of Interior

- Status as of November 8, 2013: predicted to be completed in late 2013
- Jobs: Construction phase, 1,000 full-time employees and when operational, 86 permanent

We've been uncovering BrightSource Energy's \$1.6 Billion Shady DOE Deal since [July 6, 2012](#), and as new information came available we've revisited this huge solar deal several times: [November 4, 2012](#), February 23, 2013 as part of [Citi™s Massive ~Green Money Machine](#) (handling their IPO), as well as in my [March 22, 2013](#) due to the connection to the left-wing billionaire George Soros. Lastly, in my [September 2013](#) post on their lobbyist McBee Strategic Consulting.

As I opened this Green Corruption file, there is [BrightSource Energy](#), the winner of [\\$1.6 billion](#), who in August 2010, then-CEO, John Woolard, and then-chairman of PG&E Corporation, Peter Darbee hosted a breakfast fundraiser for Senator Reid in the Oakland offices of BrightSource Energy. It [was reported](#) at that time, "PG&E will be a major consumer of the electricity generated by the new project, with the first plant expected to go on-line in 2012. Woolard and other company executives have given a total of \$6,000 to Sen. Reid since 2009 and PG&E's PAC has given \$2,000."

Six months earlier, on February 22, 2010, Energy Secretary Steven Chu [announced](#) the conditional commitment of the loan guarantees under the American Recovery and Reinvestment Act to fund BrightSource Energy's three-unit power system project known as [Ivanpah](#), located on federally-owned land in the Mojave Desert in southeastern California, near the Nevada border. The project uses a proprietary power-tower solar thermal system. Chu at that time, touted the Ivanpah project as "an investment in American jobs and the clean, renewable energy our economy needs." Needless to say, just as BrightSource is the only DOE deal not located smack in the middle of Harry Reid's home state, it is also much bigger than the senator from Nevada. According [to Forbes](#), BrightSource was founded in 2004 by American-Israeli pioneer Arnold Goldman, whose Luz International built nine solar thermal power plants in the Mojave Desert in the 1980s and 1990s.

Despite the fact that BrightSource Energy™s project was one of the stimulus "junk" loans, it didn™t sway the DOE in the least, because on April 11, 2011, the [DOE announced](#) the finalization of \$1.6 billion in loan guarantees for BrightSource™s Ivanpah project.

Adding to the corruption, this billion-dollar DOE deal was a bailout, which is a clear violation of the American Recovery and Reinvestment Act of 2009. As Peter Schweizer puts it in [Throw Them All Out, describing the financial issues](#) they were having, "BrightSource badly needed this infusion of taxpayer cash a fact that [we elaborated on](#) many times. But still the Ivanpah project has since been plagued with financial issues and problems, including putting endangered desert tortoises at risk of being murdered.

While BrightSource has paid \$56 million to protect and relocate scores of desert tortoises, "even that has not been enough to avert catastrophe. Animals were crushed under vehicle tires, army ants attacked hatchlings in a makeshift nursery, and other calamities have befallen tortoises made vulnerable by the project," explained the Heartland Institute last year. Needless to say, BrightSource's "green executions" of animal are far from over. Just a few days ago, USA Today reported that they (and possibly other taxpayer-funded solar projects) are currently in the hot seat for burning and killing birds: "California solar power plants singeing bird feathers." "Of 34 birds reported dead or injured at Ivanpah in September, 15 had melted feathers. Dozens of other bird carcasses, not singed but with critical injuries, have been found in recent months at two solar projects about to go online on public land between Joshua Tree National Park and Blythe, Calif., a town of 20,800 on Interstate 10 near the Arizona border," documented USA Today. With BrightSource's plans for an initial public offering [cancelled in 2012](#), citing adverse market conditions, it's unclear where they now sit financially,

however, nineteen months later, after getting \$1.6 billion from the American taxpayer, the Ivanpah solar project is still not ready. More BrightSource "Energy & Players" Nevertheless, other than the Majority Leader Reid in the mix, there are additional powerful players found inside this billion-dollar DOE deal, starting with its former CEO, [John Woolard](#), who during the time of the loan review process [was the](#) president and CEO of BrightSource Energy, and now serves as a director. Woolard was not only a Reid fundraiser and donor but also an [Obama donor](#) that has visited the White House dozens of times since Obama took office. A March 16 2012 [hearing](#) before the House Oversight and Government Reform Committee revealed that Woolard used his connections to try to get a commitment for the DOE loan for BrightSource " despite the fact that Secretary Chu has repeatedly said the loans were based on merit. During the hearing, Woolard said: I believe that everything we did in our project was fully on the merits. It was a very solid project.

However, a series of emails involving Mr. Woolard show him interacting with decision-makers in the administration seeking political influence. The House Oversight Chairman Issa told [The Hill](#): Clearly we have a discovery of emails showing there was direct conversation intended by the people having those conversations to be lobbying all the way up to and including President Obama.

These particular emails reveal communications between Woolard and Matt Rogers and between Woolard and Jonathan Silver. The January 2010 EMAIL is where John Woolard (then CEO of BrightSource), [told the DOE](#) of Obama's involvement when he was pushing for a conditional commitment.

"Darbee at PG & E talked directly to Obama about the program's challenges and the bad situation it puts him in," Woolard emailed to Matt Rogers

At the hearing, Rep. Jim Jordan, R-Ohio, [emphasized](#) to Woolard, PG& E and Darbee had a vested interest in getting this thing approved because you were providing them their required commitment for green power.

The stakeholder here is Peter Darbee then-CEO and chairman of Pacific Gas and Electric, who when the "three-plant Ivanpah Solar Complex" was moving forward it was [also announced](#) that, "Electricity from the project will be sold under long-term power purchase agreements with Pacific Gas & Electric and Southern California Edison Company (SCE)."

Rogers and Silver, on the other hand, each has their own interesting connections, of which we profiled many times. In fact throughout this post we've established Jonathan Silver's role as the Director of the Loans Programs Office at the DOE from November 2009 to early October 2011. Meanwhile, Matt Rogers, from January 2009 until September 2010, served Senior Advisor to Energy Secretary Steven Chu. Rogers oversaw the disbursement of tens of billions of dollars in stimulus funds for renewable energy projects.

The March 7, 2011, Woolard/Silver EMAIL asked Silver to look over a letter drafted by Woolard and then-BrightSource chairman John Bryson that requested direct White House influence in BrightSource™s loan guarantee application. The letter, intended for then-White House Chief of Staff Bill Daley, said...

We need a commitment from the WH to quarterback loan closure between OMB and DOE. It also included a request for guidance and support from the White House. According to testimony from Woolard, the email was never submitted.

Keep in mind, too, that Mr. Bryson, months after the DOE loan was approved, joined the Obama

administration in October 2011 (appointed in May 2011) as the [Secretary of Commerce](#) although [he resigned](#) in June 2012 following a series of mysterious auto accidents. The Washington Free Beacon [reported in 2012](#), According to financial disclosures, Bryson had up to \$500,000 in stock options from BrightSource and a \$700,000 advisory fee from Kohlberg Kravis Roberts, an investment group that has bought a number of solar farms in California. He was also the CEO of Edison International, which obtained exclusive power purchase agreements for four of the solar projects, at the time the awards were issued.

During the [July 18th Oversight hearing](#) regarding Obama™s green energy failures, Silver (the loan program Director) admitted that he had known John Bryson for many years as well as to making some "modest edits" to this particular email asking for White House intervention and it came from his private email account. More astonishing, is that in the [July 2012 Oversight Hearing](#) we discovered that Silver (and others inside the DOE) had a habit of using personal email accounts to conduct DOE business, which clearly violates at least the spirit of the [Federal Records Act](#) of 1950 as well as hampers any type of transparency and accountability.

Still, one month after the March 7, 2011 email exchange asking for direct White House influence, whereas both Woolard and Silver claimed that it was never sent, the [\\$1.6 billion federal loan guarantee](#) was approved with a handful of reporters taking note:

- The [Washington Post](#) stated, venture capitalists who held advisory roles with the Energy Department were given access to Obama™s top advisers.
- The [Washington Examiner](#) report, President Obama discussed the Department of Energy loan program with a stakeholder dependent on the DOE, and the conversation appears to have expedited the process.

Even so, others will give the credit to Bernie Toon, who served then-Senator Joe Biden as his Chief of Staff, and became a lobbyist for BrightSource Energy on [March 6, 2011](#). According [to the](#) Wall Street Journal, BrightSource spent more than \$500,000 on lobbying in the third quarter of 2010 through the second quarter of 2011. \$40,000 of the lobbying money went to Toon. In fact, Toon and BrightSource executives made two visits to the White House in March. The loan was approved the following month. Toon™s contract ended [the day after](#) BrightSource got the loan.

However, the BrightSource [push](#) started as early as September 2009, which involved the top DC lobbyists, [McBee Strategic Consulting](#), as reflected in the House Oversight leaked EMAILS that were [unleashed](#) late October 2012 a treasure trove of "DOE Intel" that we have been revealing since their release. These emails not only confirm the above shady scenario, but it implicates more BrightSource executives and stakeholders, DOE officials as well as [Obama™s Green Team](#) and several in Congress from the Democrat side.

On September 29, 2009, CEO of BrightSource John Woolard had written an EMAIL to Sanjay Wagle (subject line Steve Chu email?)....

Sanjay I need to send a note to Matt R and Secretary about our situation and my only email for Dr Chu is old lbnl address. Can you please send his new email?

Related to this, will likely be in DC again this week if you can free up for a beer (or am coffee)? JW

"Matt R" is Matt Rogers, the DOE Advisor mentioned above, but who is Sanjay?

[Sanjay Wagle](#) was an Obama fundraiser in 2008 rallying [support](#) through a group he headed known as

[Clean Tech for Obama](#). According to the 2012 House Oversight report, has most recently served as Renewable Energy Advisor to DOE under Secretary Chu [from June 2009 to November 2011], making him another DOE insider tied to many of the green deals. The report continues, Prior to arriving in Washington, Wagle was a principal at Vantage Point Venture Partners, a cleantech venture capital firm, whose investments received billions in taxpayer funds, which are not limited to the \$1.6 billion BrightSource deal. His former firm and the companies it invested in, therefore had a large stake in the financing decisions being made by DOE at the time.

Wagle joined the DOE just as, according to the [Washington Post](#), the administration embarked on a massive program to stimulate the economy with federal investments in clean-technology firms a firm by the way that won a slew of "green" money from the Obama administration. As of September 2013, [VantagePoint's](#) investment portfolio [has at least](#) nine clean-energy firms/projects, which includes three DOE loans that received loans, grants, and special tax breaks, and places their total at about \$3 billion of taxpayer money.

In a December 8, 2009 EMAIL with the subject line: Bobby K, please read, which was also labeled "Importance: High" is where we find an interaction between Woolard and Kris Courtney where she writes...

Call Bobby when you have a moment. He spoke with Carol Browner, who spoke with DOE and DOE promised a call back to you/BSE within 24 hours. He also spoke with Ed Markey. Wants you to call him so he can brief you.

Response from Woolard: Just got scheduled with Chu at 5:15 today for a call - JW

Response from Natalie Shaefer, "Great - when should we move our McBee call to?"

Woolard answer, "5:45 should work"

Carol Browner, an Obama bundler, was part of the both the Transition and Green teams, and eventually was promoted to Obama™s Climate Czar, where she reigned during the time when many of these loans were being approved (2009 to early 2011). Meanwhile, Bobby K is Robert F. Kennedy Jr., who is a [partner and Senior Adviser](#) at VantagePoint. Also, Ed Markey is the Democrat House Representative for Massachusetts, who has made [energy policy](#) his top priority. He sits on several energy committees and subcommittees, and is the former chairman of the [Select Committee on Energy Independence and Global Warming](#).

In the [350+ page Appendix II](#), there is ongoing interaction and pressure from the heavy weight K Street firm [McBee Strategic Consulting](#) the top DC lobbyists, which I thoroughly analyzed and exposed in September 2013, starting with the president and CEO, Steve McBee. In 2011, Tim Carney of the Washington Examiner [exposed](#) McBee's influence: "Energy lobbyists on Capitol Hill say that this provision, which opened the spigot on the DOE loans, was written by Steve McBee. The "provision" Carney is referring to was inserted into the 2009 stimulus bill that removed the portion of the "2005 law" that had required from the beneficiary a sort of "down payment," to cover the risk of default. So not only were most of these loans "junk" rated, but this allowed the DOE to give out loan guarantees without the "down payment."

McBee's lobbying firm, not only represented BrightSource Energy, but the other key investors, and those that had an invested interest in this \$1.6 billion loan, such as VantagePoint where [Steve McBee](#) is also a Senior Advisor, as well as Google and PG&E the former VC firm listed above, and the latter two, there is much more to share. However, what's key here is that [my research reflects](#) that of McBee

struck stimulus gold: with 31 energy clients (that I found), 19 (over 60 percent) received green-government subsidies under the Obama administration, totaling approximately \$13.7 billion of taxpayer money. In an EMAIL dated December 20, 2009, there is a very suspicious email exchange about BrightSource [that included](#) John Woolard again (the former CEO), Joshua Bar-Lev the Vice President Regulatory Affairs for BrightSource, and the lobbying firm representing BrightSource, [McBee Strategic Consulting](#) with well as some unknown Democrats that are tied to energy-related issues: We discovered that in 2009, Steve McBee alerted the masses with the following EMAIL¹

"Wanted to let you know that the BrightSource application appears to be moving apace at OMB and has a fighting chance of getting over to DOE..."

"DOE is another story. We are hearing that despite a strong push by Silver, Spinner, Rogers and others internally, the process is getting sideways by any number of bureaucratic hold ups and there is now real potential for consideration of the project to slip until next year."

The next paragraph, Steve undermines the "integrity of the Loan Guarantee Program, and then writes that if the project slips to 2011, that there is a strong likelihood that the project will be redeployed to China..."

McBee continues, "ANYTHING you guys would be willing to do with DOE in terms of moving the process would be deeply appreciated."

Joshua Bar-Lev in response says, "Do you all think we should have vantage point insist on mtg with chu or silver or rogers? Should john or I try to fly out for something similar? Looking for some game changer but perhaps weTMve done all we could. Is dc shut down by the snow or is there some impact we could make? Joshua"

It seems that 2010 was a busy year for the BrightSource players, because other than the January 2010 Woolard/Rogers email to get Jonathon SilverTM's assistance, as well as Peter DarbeeTM's meeting with President Obama divulged above, there were more and all prior to the April 11, 2011 finalization of the \$1.6 billion DOE loan.

EMAIL January 13, 2010 (subject DOE Loan Guarantee): Joshua writes to Steven L. Kline and ccTMs John Woolard...

Steve, would have a few minutes to discuss both 1) status of our efforts with DOE, and then 2) our strategy of trying to meet with 3-4 members (Reid, Boxer, Bingaman, maybe Feinstein) in early February to either say '~huge problem, need your help or ~thank you for your assistance,' but it could have been better or something like that¹

EMAIL: January 12, 2010 (subject line DOE update): Woolard writes to Peter Darbee (at that time the CEO and chairman of PG&E)...

Peter " I understand you might be having breakfast with Secretary Chu tomorrow morning"

Woolard then goes on to complain about issues they are having, stuck in bureaucracy and that Peter should drive the point home...you could let him [Chu] know that if it not approved we would likely move to build projects in China as it will be the final signal that the US is dysfunctional¹

Woolard closes with, "Thanks in advance if there is any way you can help move this forward. Bechtel and Brightsource are in a detailed project review and are ready to move this project forward. Regards, John."

The next day, Woolard writes, "...without the doe loan guarantee pge is at risk for losing entire commitment and CA is at risk for RPS requirements."

Needless to say, about a month prior to the April 2011 approval, additional correspondences took place between March 5 and March 10, 2011:

EMAIL March 5, 2011 (subject line: Outline for DOE presentation), Joshua Bar-Lev (the Vice President Regulatory Affairs for BrightSource) alerts his internal masses¹

- The attached Outline will be filled in as talking points to be used by the political team. Over the weekend. Arthur, Jack and the deal team coming into DC Monday.
- Meetings at the highest level possible should be arranged for Tuesday/Wednesday with our champions. We will need you to schedule. You should work with Arthur on appropriate mtgs with DOI (like Steve Black) etc. Woolard coming in the following week. JW Will want meetings that week with the VP, Reid, Chu, Feinstein and other principles.
- Once Bernie Toon inculcated (shortly), you guys need to fold him in to the arguments, roles and get him the litigation and other info. NOTE: Bernie Toon, mentioned earlier, is the lobbyist that served for then-Senator Joe Biden as his Chief of Staff. And we know that visits by him Toon and BrightSource executives made two visits to the White House in March 2011.
- JW just now heard from GovTMs asst Picker that Governor wants to talk to JW. That is happening now or shortly. Governor wants to express, as Gov and as former AG, STRONG STATE INTEREST¹. Will call Chu and may want to call President and VP. [this just happened SWEET].

EMAILS March 8th and 9th, 2011 (subject line: DOE UPDATE): Again Joshua Bar-Lev in an email exchange with BrightSource folks, and cc's Bernie Toon writes...

We just had a political meeting and concluded that it is prudent for JW and possibly others to be in DC next Tuesday. We are working on mtgs with our key senators, and with the VP and WH offices, and of course with Jonathan Silver, and possibly others..." Joshua concludes, Is this like the Stanley Cup finals, seventh game, overtime, or what? Joshua

There was also discussion of a signing ceremony, whereas Gabe Horwitz (at that time the Executive VP at McBee Strategic Consulting) states...

Yes, it can be organized and having JW suggest it is a perfect avenue. Key is whether DOE wants a big splash to tamp down the downward pressure as a result of the IG report and solyndra or they want to just churn these out with much less fanfare.

Mr. Horwitz goes on...

John can further reference the Hill meetings/conversations we have been having and note to Silver that there is interest from senior leaders on the Hill to take a victory lap along with the WH on this and have a collective talking point for both Obama and the entire Administration to use in the midst of the unrest in Libya and need for further demonstration of domestic power.

Natalie Schaefer responded with concern...

Personally I donTMt think you want to have a signing ceremony until everything is said and done¹

Ms. Schaefer mentioned another concern...

NRG met with Silver last week and was told by him: DOE will be ready by the 17th/18th, but its 'OK' if equity is not, we don't need to fund until you are ready'she went on, 'we MUST CLOSE by the 18th'this is the miss-messaging that people get confused about and I find myself having to explain away the differences and sensitivities here to timing and what issues impact the various dates (running out of money vs. govt shut down and loss of appropriations).

Josh replies with urgency...

The third week of March is a recess week; politically its better to do it next week and take a victory lap even BEFORE the cps are satisfied!

In the middle of all the pruning and prodding (mostly in early 2011), we find Woolard biking and having sleepovers with Silver. We also see that Silver was hosting a party for John Bryson. Also, David Crane, the CEO of NRG Energy, was sending invitations to Woolard and Bryson to a fundraising dinner at his home that included Louisiana Senator Mary Landrieu. But Bryson declined Crane's invite only due to the fact that it conflicted with a dinner he was having with Ted Craver and California Senator, Diane Feinstein. There you have it, despite the fact that during the loan review process, BrightSource Energy was bleeding money; obviously desperate for the cash; and their huge solar project loan was rated "speculative" at best, it didn't sway the DOE in the least, because on April 11, 2011, the [DOE announced](#) the finalization of \$1.6 billion in loan guarantees that was made available by the passing of the 2009-Recovery Act, for their Ivanpah project stimulus money that they predict will create 1000 construction jobs, with only 86 permanent jobs, once it ever gets completed.

But there's more...

Three Key Players Inside the Ivanpah project: PG&E, Google, & NRG Energy Besides all energy expended on getting the BrightSource \$1.6 billion loan approved, plus the key participants listed above, many of which were friends of President Obama, we must throw in the fact that BrightSource has an [array of investors](#) that are high-powered [Obama donors](#) such as VantagePoint Capital, Google, BP Alternative Energy, Morgan Stanley, and [Goldman Sachs](#) with BrightSource having partnered with NRG Energy and Google on their Ivanpah project, though, according to [Forbes](#), the federal loan guarantee is financing the bulk of Invanpah's construction costs. VantagePoint, which I outlined earlier, noting many direct connections to the president, and that as of September 2013, [VantagePoint's](#) investment portfolio [has at least](#) nine clean-energy firms/projects, which includes three DOE loans that received loans, grants, and special tax breaks, and places their total at about \$3 billion of taxpayer money.

While each of the listed investors deserve further scrutiny, we'll stay with three that are directly part of the [Ivanpah](#) project located on federally-owned land in the Mojave Desert in southeastern California, near the Nevada border.

The BrightSource strategy not involved their gang, which ranged from the CEO John Woolard, its chairman John Bryson, and their lobbyists McBee Strategic Consulting. But in the mix was their vice president connection Bernie Toon; VantagePoint ties to the president; key DOE insiders and high-profiled Democrats such as Senator Harry Reid working on their behalf, as well as other key figures in the mix, which included the former chairman of PG&E, Peter Darbee, who was also working on their behalf due to the fact that PG&E had an invested interest in the Ivanpah project. Still, PG&E is a [strong](#) Obama and Democrat donor. In fact, PG&E is jam-packed with Washington "[green cronies](#)," including Cathy Zoi, who is the "most controversial former PG&E employee to hold an influential government position." Zoi, an Al Gore acolyte, in April 2009, became the Assistant Secretary for Energy Efficiency,

who oversaw the disbursement of [more than \\$30 billion](#) in renewable energy stimulus funds in her DOE position at the Office of Energy Efficiency and Renewable Energy ([EERE](#)). Later in 2010, during a series of [DOE vacancies](#), Zoi briefly filled the role of Acting Undersecretary for Energy, and in February 2011, she [jumped](#) the DOE ship to work for George Soros another friend of Obama and [key villain](#) in this Green Corruption scandal, and also a shareholder of NRG Energy. Meanwhile, [Zoi is also tied](#) to a few other green energy companies that got stimulus funds. Additionally, with their high-powered connections all the way up to the president and inside the DOE, [PG&E](#) won a significant amount of stimulus money for various projects: [at least seventeen to date](#) and over \$55 million. Still, the big win for this Big Utility corporation is that they have an invested interest in \$7.6 billion of Energy Department stimulus loans, which includes the BrightSource's Ivanpah project and details into these taxpayer-funded projects can be found in my [April 2013 post](#). Factor in Google, which had made a \$10 million equity investment in BrightSource in 2007. Then on April 11, 2011, the day that the DOE had finalized BrightSource's billion-dollar DOE loan, Google [announced](#) its largest investment in renewable energy to date: \$168 million [into the](#) Ivanpah project. Google has an array of ties to the president, including the fact that Google™s [\\$814,540](#) contribution to then-Senator Obama™s campaign made it the fifth largest donor in 2008, and [in 2012](#) moved up to the number three spot with a whopping \$805,119. Meanwhile, top Google executives not only donated, but also were heavily involved in both Obama's [2008](#) and [2012](#) campaigns. So, it's no coincidence that in [September 2013](#), when I tackled [Google Ventures](#) via their "Energy Investments" and other "green deals" that I was able to confirm that they have at least ten verified winners of stimulus and other green energy funds, which places their investment score at close to \$5 billion of taxpayer cash. This figure does not include Silver Spring Networks and their connection to \$1.3 billion in smart-grid stimulus grants [that I divulged](#) a few times. Enter in NRG Energy, another huge energy corporation that sometime in October 2010, during the time of the BrightSource DOE loan review process, [NRG became the lead investor](#) (\$300 million) in the Ivanpah solar project of the 392 MW Ivanpah project." It so happens that NRG Energy a Fortune 500 and S&P 500 Index company and its subsidiaries was the recipient of most of 1705 stimulus loans worth \$5.2 billion of taxpayer money, and counting. Due to the George Soros connection to NRG Energy as a shareholder; his role as another "stimulus author;" and the fact that he bankrolled both of Obama's elections, you can find more on NRG Energy as well as Soros in my [March 2013 Green Corruption File: Left-wing Billionaire George Soros: Obama™s 'Agent of Green.'](#) There you will also discover that NRG Energy has its fair share of Obama connections as well. NOTE: In case you'd like to learn more about all the "stimulus authors" that financially benefited from the stimulus package that they helped craft, I exposed them in my last Green Corruption File, ["The RAT in the Recovery and the Gang of Ten."](#) Now we discover that the [Ivanpah Solar project](#) is "being constructed by Bechtel," another big corporation with their hand in the stimulus a piece of this scandal that I divulged in my June ["Nuclear Crimes and Misdemeanors"](#) story with the main focus on the billion-dollar Colorado-based consulting, engineering and construction firm [CH2M Hill](#). Senator Harry Reid Brings Home More "Green" In October 29, 2009, Reid, and his pal Secretary Chu [announced](#) more than \$90 million for Nevada related geothermal energy projects. This is on top of the two geothermal projects documented earlier. Then in Senator Reid's 2012 "Playing to win in CLEAN ENERGY" [portfolio](#), we find that there are three more projects, whereas Reid brought home to Nevada more special favors and additional money from the 1603 grant program, which was created by the 2009 economic stimulus law. Spring Valley Wind It was reported that the Spring Valley project ["sits on](#) federal land and relied on financial support from the American Recovery and Reinvestment Act," However, how much taxpayer money that this wind project received is unclear. According to Reid's 2012 document, the [Spring Valley Wind](#) a project of Pattern Energy utilized the Department of Treasury™s Section 1603 program for its funding. And, "In order to help take advantage of the 1603

program, [the](#) Department of Interior and Bureau of Land Management designated Spring Valley as a priority project in 2009." In fact, the Spring Valley project and its "fast-track process" caused some environmental alarm, including [a lawsuit](#), which was covered in an [August 2012 report](#) by E&E Publishing that stated...

The project sits on 7,673 acres of public land, requiring Pattern to receive approval from the Bureau of Land Management and complete environmental reviews required by the National Environmental Policy Act before construction could begin. BLM said early on that it wanted to "fast track" the approval process ([Land Letter](#), Jan. 14, 2010).

That review did not satisfy environmental groups such as the Center for Biological Diversity, which filed a lawsuit in early 2011 seeking to halt the project, arguing it would be harmful to bats that roost in the area. Pattern and the environmentalists settled the lawsuit earlier this year, with the company agreeing to undertake additional mitigation measures and pay up to \$50,000 for a study on bat roosting habits ([Greenwire](#), April 18).

It seems that in [April 2012](#), "Pattern's Spring Valley Wind Project Reaches Settlement Agreement." Senator Reid was also one of those in Congress [pushing for](#) the extension of the [Production Tax Credit](#) (PTC) that was set to expire at the end of 2012, thus helping his "wind pal" over at Pattern Energy. This (wind energy and the PTC) is another huge piece of the clean-energy scandal that I've covered a few times, but most recently in my [January 2013 post entitled](#), "Big Wind Energy Subsidies: A Hurricane of Carnage, Cronyism and Corruption." Silver State North and Copper Mountain

According to Reid. "In Nevada, First Solar partnered with Sempra Generation to expand the existing solar facility in the Eldorado Valley known as Copper Mountain and is the developer of the Silver State North near Primm, Nevada." While the Eldorado and Copper Mountain solar projects, are owned by Sempra Generation, the Silver State North project belongs to First Solar. It turns out that First Solar™s projects in Nevada were "aided by the federal government™s 1603 grant program." "In addition, these projects were also assisted by the BLM™s fast-track permitting process. Finally, the State of Nevada™s renewable energy tax abatement program also helped First Solar offer lower prices to utilities." The two grant I found were as follows:

- On October 17, 2012, Silver State Solar Power North, LLC won a \$54,633,872 stimulus grant.
- On June 11, 2013, Copper Mountain Solar 2, LLC won a \$74,207,365 stimulus grant.

Stillwater Solar

According to Reid. "In Nevada, Enel Green Power North America has already constructed the Stillwater and Salt Wells geothermal power plants near Fallon. The availability of renewable energy tax credits and the U.S. Department of the Treasury™s Section 1603 grant in lieu of tax credit program have played an important role in the development of the Stillwater project."

On September 25, 2012, EGP Stillwater Solar, LLC won a \$20,830,904 stimulus grant.

.....In closing... These five "speculative" stimulus loans, with a few that also received stimulus grant, costs American taxpayers over \$3.3 billion, while producing (or expected to create, save or whatever) 2532 temporary construction jobs and only 224 permanent jobs. If we add in the additional stimulus funds that Harry brought to his home state, the total is much higher.

What is clear is that the American Recovery and Reinvestment Act (ARRA) was a massive economic

stimulus bill that was sold to the American people as a means save our economy from the brink of disaster and create American jobs. Needless to say, the American were intentionally misled, because even though the job figures don't add up, we now know that the stimulus package wasn't about our economy or jobs.

Eventually, in early 2012, most Americans discovered the truth behind the trillion-dollar Recovery Act, which was jammed-packed full of [clean-energy provisions](#) (about 10 percent of the monies were earmarked for renewable energy). Internal [revelations](#) revealed that the [real intent](#) behind Obama's trillion-dollar spending spree: it was a key tool for advancing the Obama administration™s clean-energy goals and fulfilling a number of campaign commitments. In reality it was "walking around money" for the president to payback his wealthy bundlers and donors as well as his "green" cronies and allies, which unequivocally in an unprecedented and corrupt tactic included Senator Harry Reid. (C. Lakatos)

The White House Sponsored Attackers

In America today, the only effort made by political executives is to steer the annual expenditure of trillions of dollars of taxpayer funds to one group of friends or another. It is called “Cronyism”.

The benefits of almost every public official have little or nothing to do with their salaries and everything to do with real estate, stock market ownership, revolving door payola jobs and investment bank accounts that show profits from each deal that a politician pushes.

Our team can show the FBI-level tracking of the covert accounts, trusts, shell corporations, family members and associates of every public official involved in this case and prove that they made money by competing with the Applicant’s business ventures. The Panama Papers Leaks, Swiss Leaks, Snowden Leaks, and all of the other leaks prove this as fact.

The Bottom Line:

Whiny fraternity boys from rich family dynasties joined forces at Yale and Stanford University frat clubs and placed their associates in the U.S. Government in order to get taxpayer funds kicked back to their “*Palo Alto Mafia*”, AKA “*PayPal Mafia*”. By creating government sponsored monopolies, using networks and resources that only these “rape-culture” oligarchs controlled, they gained exclusive access to massive wind-fall profits.

They copied many of their companies from companies previously created, patented, launched and marketed by Plaintiff and ostracized Plaintiff when he complained of their thefts and Cartel plans. This PayPal Mafia created, financed and internet manipulated the Obama campaign in exchange for industry monopolies.

U.S. Senators and White House staff ordered, financed and operated the attacks on the Plaintiff in order to please their Silicon Valley oligarch financiers.

The following companies sell attack services. They are hired by famous politicians in order to to try to distract from the fact that those politicians are engaged in financial crimes:

IN-Q-Tel - (DNC); Gawker Media - (DNC); Jalopnik - (DNC); Gizmodo Media - (DNC); K2 Intelligence - (DNC); WikiStrat - (DNC); Podesta Group - (DNC); Fusion GPS - (DNC/GOP); Google - (DNC); YouTube - (DNC); Alphabet - (DNC); Facebook - (DNC); Twitter - (DNC); Think Progress - (DNC); Media Matters - (DNC); Black Cube - (DNC); Mossad - (DNC); Correct The Record - (DNC); Sand Line - (DNC/GOP); Adrian Covert (DNC); John Hermann (DNC); Nick Denton (DNC); John Cook (DNC); Blackwater - (DNC/GOP); Stratfor - (DNC/GOP); ShareBlue - (DNC); Wikileaks (DNC/GOP); Cambridge Analytica - (DNC/GOP); Sid Blumenthal- (DNC); David Brock - (DNC); PR Firm Sunshine Sachs (DNC); Covington and Burling - (DNC), BuzzFeed - (DNC) Perkins Coie - (DNC); Wilson Sonsini - (DNC) and hundreds of others... These are the people and companies that except cash, revolving door jobs, political appointments, insider trading stock in Silicon Valley tech

companies, prostitutes and real estate in exchange for destroying the lives of others.

<https://bigleaguepolitics.com/they-literally-know-nothing-ben-rhodes-bragged-about-manipulating-clueless-reporters/>

<https://freedom.press/news/revealed-justice-depts-secret-rules-targeting-journalists-fisa-court-orders/>

<https://freedom.press/news/lawsuit-seeks-government-guidelines-surveillance-journalists-leak-investigations-surge/>

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<https://knightcolumbia.org/>

<https://bigleaguepolitics.com/brennan-and-clapper-accused-of-hacking-john-roberts-to-blackmail-him/>

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<https://bigleaguepolitics.com/heres-why-obama-clearly-ordered-the-spying-on-trump/>

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<http://www.electomatic.com/dirty-campaign-techniques/>

<https://en.wikipedia.org/wiki/COINTELPRO>

<https://www.cnn.com/2008/POLITICS/05/29/obamas.first.campaign/>

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<https://medium.com/@j363j/how-roger-stones-campaign-of-tammany-hall-political-corruption-lead-to-trump-russia-3099d87784e>

<https://www.bridgemi.com/detroit-journalism-cooperative/lawsuits-dirty-tricks-and-angry-ex-wife-detroits-ugliest-election>

<https://www.salon.com/2016/03/25/>

[hillary_clintons_dirty_politics_bernies_sanders_is_experiencing_the_same_nasty_tricks_that_clintons_campaign_dealt_obama_in_2008/](https://www.salon.com/2016/03/25/hillary_clintons_dirty_politics_bernies_sanders_is_experiencing_the_same_nasty_tricks_that_clintons_campaign_dealt_obama_in_2008/)

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<https://russia-insider.com/en/jeff-bezos-nudie-pics-be-released-cyber-tycoon-complains-about-loss-privacy/ri26224>

<https://www.youtube.com/watch?v=VP5jqLAjbDw>

Manipulating Global Elections

- Second former employee of controversial data firm to be questioned by special counsel's inquiry into Russia collusion

By Carole Cadwalladr

Brittany Kaiser is said to be cooperating fully with the Mueller inquiry.

A director of the controversial data company Cambridge Analytica, who appeared with Arron Banks at the launch of the Leave.EU campaign, has been subpoenaed by the US investigation into possible collusion between the Trump campaign and the Russian government.

A spokesman for Brittany Kaiser, former business development director for Cambridge Analytica – which collapsed after the Observer revealed details of its misuse of Facebook data – confirmed that she had been subpoenaed by special counsel Robert Mueller, and was cooperating fully with his investigation.

He added that she was assisting other US congressional and legal investigations into the company's activities and had voluntarily turned over documents and data.

Kaiser, who gave evidence to the UK parliament last April in which she claimed Cambridge Analytica had carried out in-depth work for Leave.EU, is the second individual connected to the firm subpoenaed by the special counsel. The Electoral Commission has said its investigation into Leave.EU found no evidence that the campaign “received donations or paid for services from Cambridge Analytica ... beyond initial scoping work”.

Damian Collins, chairman of parliament's inquiry into fake news, said it was “no surprise” that Kaiser was under scrutiny by Mueller because “her work connected her to WikiLeaks, Cambridge Analytica and [its parent company] SCL, the Trump campaign, Leave.EU and Arron Banks”.

He said it was now vital Britain had its own inquiry into foreign interference: “We should not be leaving this to the Americans.”

Tom Watson, the deputy leader of the Labour party, echoed Collins's statement, saying: "This is the first evidence that a significant player in the Leave.EU campaign is of interested to the global Mueller inquiry. People will be bewildered that the British government has no interest in establishing the facts of what happened."

In August, Sam Patten, a US political consultant who had worked for Cambridge Analytica on campaigns in the US and abroad, struck a plea deal with Mueller after admitting he had failed to register as a foreign agent for a Ukrainian oligarch.

He became a subject of the special counsel's inquiry because of work done with Paul Manafort, Trump's campaign manager, in Ukraine. He had also set up a business with Konstantin Kilimnik, a key figure who Mueller has alleged has ties to Russian intelligence and who is facing charges of obstruction of justice. In a 2017 statement to the Washington Post, Kilimnik denied any connection to intelligence services. Kaiser, however, is the first person connected directly to both the Brexit and Trump campaigns known to have been questioned by Mueller.

The news came to light in a new Netflix documentary, *The Great Hack*, which premiered at the Sundance film festival last month and is expected to be released later this spring. Film-makers followed Kaiser for months after she approached the Guardian, including moments after she received the subpoena. She claims the summons came after the Guardian revealed she had visited WikiLeaks founder Julian Assange while still a Cambridge Analytica employee in February 2017, three months after the US election.

One part of Mueller's investigation focuses on whether the Trump campaign sought to influence the timing of the release of emails by WikiLeaks before the election. Investigators are looking at communications between them. In the film, Kaiser says that she has gone from being a cooperating witness to a subject of investigation because of her contact with Assange.

In October 2017, it was revealed that Alexander Nix, the chief executive of Cambridge Analytica, had contacted Assange in August 2016 to try to obtain emails from Hillary Clinton's presidential campaign – which indictments from Mueller's team say were obtained by Russian military intelligence – to use in Donald Trump's campaign. When Kaiser gave evidence to parliament last year, she was asked about her relationship with Assange and WikiLeaks but failed to reveal that she had met Assange.

In the documentary, Kaiser is shown after receiving an email from the Guardian last June asking about meeting Assange and alleged donations of cryptocurrency to WikiLeaks. Kaiser did not respond to the email at the time, but on camera says: "She knows I met Assange. And she knows I donated money to WikiLeaks in bitcoin."

Her legal representatives later wrote to the paper to say that the allegations, including that she had

“channelled” donations to WikiLeaks, were false. Kaiser said she had received a small gift of bitcoin in 2011 – long before she worked at Cambridge Analytica – and, not knowing what else to do with it, gave it to WikiLeaks, because she had benefited from material it had released over the years.

Her lawyer told the Observer that the meeting with Assange came about after a chance encounter in London with an acquaintance who knew him. It lasted 20 minutes and consisted mainly of Assange telling her “about how he saw the world”. He said they did not discuss the US election.

Patten and Kaiser were involved in a controversial election campaign in Nigeria in January 2015, which former Cambridge Analytica employees say had “unsettling” parallels to the US presidential election.

The Guardian revealed that the data firm had worked alongside a team of unidentified Israeli intelligence operatives on the campaign. Ex-Cambridge Analytica employees described how the Israelis hacked the now-president of Nigeria’s emails and released damaging information about him to the press weeks before the election.

Internal documents from a private Israeli intelligence firm called Psy-Group show that, at the time of many incidents, the company, and possibly other private investigators, were targeting U.S. citizens because they spoke up about crimes. Psy-Group’s intelligence and influence operations, which included a failed attempt in the summer of 2017 to sway a local election in central California, were detailed in a New Yorker investigation that I co-wrote earlier this month.

Before it went out of business (ie: changed it's name) , last year, Psy-Group was part of a new wave of private-intelligence firms that recruited from the ranks of Israel’s secret services and described themselves as “private Mossads.” Psy-Group initially stood out among its rivals because it didn’t just gather intelligence; its operatives used false identities, or avatars, to covertly spread messages in an attempt to influence what people believed and how they behaved. In 2016, Psy-Group held discussions with the Trump campaign and others about conducting covert “influence” operations to benefit the candidate. Psy-Group’s founder and C.E.O., Royi Burstien, a veteran Israeli intelligence officer who established the firm in 2014, told me that his talks with the Trump campaign went nowhere. The company’s posturing, however, attracted the attention of Robert Mueller, the special counsel, who has been investigating interference in the 2016 Presidential race.'

Government Agencies Are Used As Attack Services Against Citizens

National News Coverage Exposes Reprisal Problems With DOE, DOJ, SSA, IRS, HUD and other Government Agencies

By Conner Lee

A vast number of agency abuse cases and lawsuits are now on public record in the Inspector General's offices and federal courts.

It is an indisputable fact that some government agencies run "hit-jobs" on citizens on orders from certain corrupt politicians. These actions are felony violations of the law.

Federal and State Agencies including SSA, FEC, DOE, HHS, VA, CIA, HUD, SA, SEC, FBI, DOJ and many others, have been charged, and found guilty, in these crimes against citizens.

In the Congressional investigation published by the United States Congress in review of the U.S. Department of Energy LGP/ATVM programs, it is clearly proven that the U.S. Department of Energy was used as a slush-fund by some DOE executives in order to pay off campaign financiers by attacking and sabotaging their competitors.

The DOE Paducah Gaseous Diffusion Plant under contracts with the Department of Energy and the government-owned U.S. Enrichment Corp paid \$5M whistle-blower awards to those whistle-blowers who were attacked, using government agency resources, for reporting a crime.

Dept. of Energy Hanford URS has agreed to settle a lawsuit brought by former employee Walter Tamosaitis for \$4.1 million. The settlement in the whistle-blower case comes almost one year before the case was set for a jury trial in federal court in Richland and compensates Tamosaitis for attacks against him, by DOE officials, in retribution for reporting a crime.

VA officials attacked hundreds of citizens who reported corruption, ie:
<https://www.thenewamerican.com/usnews/health-care/item/18610-va-whistleblowers-facing-retribution>.

As shown in this report: <https://www.pogo.org/analysis/2018/08/new-report-confirms-whistleblower-retaliation-is-alive-and-well-at-department-of-veterans-affairs/>

, Agencies attack often and harshly.

CIA and NSA executives have been widely shown to use spy tools to attack domestic citizens they don't like, ie: <https://www.dailymail.co.uk/news/article-2435011/NSA-employees-used-phone-tapping-tools-spy-girlfriends-cheating-husbands.html> , and hundreds of other news links that can be provided.

Elon Musk and Tesla, as well as Eric Schmidt and Larry Page at Google, have been proven to use the

CIA group: IN-Q-TEL, to run government sponsored/financed attacks on business competitors.

In Civil Action No. 1:13-cv-00777-RBW GOVERNMENT AGENCIES WERE CAUGHT BEING USED FOR ATTACKS AGAINST CITIZENS AND PUNISHED IN THE COURT AND THE MEDIA!

The IRS, and hordes of other government agencies have been caught and proven, IN COURT, to target and attack people for presumed political differences.

Why should we assume that the Social Security Administration is not ALSO doing this too to harm citizens who speak out?

The Lois Lerner IRS attacks took many years to resolve. In an unprecedented victorious conclusion to a four year-long legal battle against the IRS, the bureaucratic agency admitted in federal court that it wrongfully targeted citizens, during the Obama Administration, because of their political viewpoints and issued an apology to those people for doing so.

In addition, the IRS is consenting to a court order that would prohibit it from ever engaging in this form of unconstitutional discrimination in the future.

In a proposed Consent Order filed with the Court, the IRS has apologized for its treatment of U.S. citizens including organizations from 20 states that applied for 501(c)(3) and (c)(4) tax-exempt status with the IRS between 2009 and 2012 -- during the tax-exempt determinations process. Crucially, following years of denial by the IRS and blame-shifting by IRS officials, the agency now expressly admits that its treatment of our clients was wrong and a total violation of our Democracy..

As set forth in the proposed Order:

“The IRS admits that its treatment of Plaintiffs during the tax-exempt determinations process, including screening their applications based on their names or policy positions, subjecting those applications to heightened scrutiny and inordinate delays, and demanding of some Plaintiffs’ information that TIGTA determined was unnecessary to the agency’s determination of their tax-exempt status, was wrong. For such treatment, the IRS expresses its sincere apology.”

Throughout litigation of this case, activists have remained committed to protecting the rights of the public who faced unlawful and discriminatory action by the IRS and other agencies. The objective from the very beginning has been to hold agencies accountable for corrupt practices.

This Consent Order represents a historic victory for the public and sends the unequivocal message that a government agency’s targeting of citizens organizations, or any organization, on the basis of political viewpoints, will never be tolerated and that revenge will be swift and vast.

The Order will put an end, once and for all, to the abhorrent practices utilized against citizens, as the agreement includes the IRS’s express acknowledgment of – and apology for – its wrongful treatment of the public. While this agreement is designed to prevent any such practices from occurring again, rest assured that all public interest lawyers will remain vigilant to ensure that the IRS, SSA, DOJ or SEC does not resort to such tactics in the future.

Per detailed reports, in March of 2012 lawyers began being contacted by literally dozens of citizens and groups who were being harassed by the Obama IRS after submitting applications for tax-exempt status. Their tax-exempt applications were held up for years (over seven years in some cases), and they began

receiving obtrusive and unconstitutional requests for donor and member information. That began a now more than five and a half year fight with the burgeoning bureaucracy at the IRS. Then on May 10, 2013, Lois Lerner, the then head of the IRS Tax Exempt Organizations Division, publicly implicated the IRS in one of the worst political targeting scandals of the century.

This is an extraordinary victory against government agency abuse. It sends a powerful warning to the deep state bureaucracy that it will not be allowed to violate the Constitution in order to silence and shut down the whistle-blowers.

In addition to the IRS's admissions of and apology for its wrongful conduct, the Consent Order would specifically award Plaintiffs the following:

- A declaration by the Court that it is wrong to apply the United States tax code to any tax-exempt applicant or entity based solely on such entity's name, any lawful positions it espouses on any issues, or its associations or perceived associations with a particular political movement, position or viewpoint;
- A declaration by the Court that any action or inaction taken by the IRS must be applied evenhandedly and not based solely on a tax-exempt applicant or entity's name, political viewpoint, or associations or perceived associations with a particular political movement, position or viewpoint; and
- A declaration by the Court that discrimination on the basis of political viewpoint in administering the United States tax code violates fundamental First Amendment rights. Disparate treatment of taxpayers based solely on the taxpayers' names, any lawful positions the taxpayers espouse on any issues, or the taxpayers' associations or perceived associations with a particular political movement, position or viewpoint is unlawful.

In the Order, the IRS has also agreed that (unless expressly required by law) certain actions against the Plaintiffs— i.e. the sharing, dissemination, or other use of information unnecessarily obtained by the IRS during the determinations process (such as donor names, the names of volunteers, political affiliations of an organization's officers, etc.) – would be unlawful. In addition, the IRS promises not to take any retaliatory action against our clients for exposing the targeting scheme.

Finally, and of crucial significance, the IRS admits it targeted persons and groups based on their viewpoints (i.e., "policy positions") and that such viewpoint discrimination violates fundamental First Amendment rights. This is the first time the IRS has admitted that its targeting scheme was not just "inappropriate" – as TIGTA found – but, as alleged, blatantly unconstitutional.

To ensure consistency and uniformity within the agency's operations going forward, the IRS is required, pursuant to the Order, to inform all employees within the Exempt Organizations Division, as well as the Commissioners and Deputy Commissioners within other divisions, of the Order's terms.

This Order not only validates allegations about their treatment at the hands of the corrupt Obama-era IRS but also provides important assurances to the American public that the agency understands its obligation to refrain from further such discriminatory conduct. As Attorney General Sessions acknowledged in this regard, "[t]here is no excuse for [the IRS's] conduct," as it is "without question" that the First Amendment prohibits the conduct that occurred here, i.e., subjecting American citizens to disparate treatment "based solely on their viewpoint or ideology." Sessions further confirmed his Department's commitment to ensuring that the "abuse of power" in which the IRS engaged here "will not be tolerated."

It is impossible to overstate the importance of this victory. This marks a years-long fight for justice in defense of the constitutional rights of the public.

This is an extraordinary victory against abuse of power and corruption.

It sends a powerful warning to the deep state bureaucracy that it will not be allowed to violate the Constitution and manipulate the IRS, SSA and other agencies in order to silence and shut down those who speak out about political corruption crimes.

In the wake of Wisconsin Watchdog's investigation into SSA staff allegations of incompetence, misconduct, and retaliation in Social Security disability appeals offices, several employees have taken their complaints to a Senate committee led by Wisconsin Sen. Ron Johnson.

An official with knowledge of the complaints said the Senate Homeland Security and Governmental Affairs Committee, chaired by the Oshkosh Republican, has received emails and other contacts from "certain people" inside the Social Security Administration's Office of Disability Adjudication and Review.

The initial complaints came from an employee inside the Milwaukee office following Wisconsin Watchdog's opening investigative report that found some claimants waiting more than 1,000 days for an appeals decision on their disability benefits claim.

Following Wednesday's story of a whistleblower in the Madison ODAR office, the committee has received more specific complaints about retaliation against employees, the source said.

Committee staff members sent the latest Watchdog piece to SSA administrators hoping they will "cooperate," the source said. To date, the agency has been less than cooperative.

"This is an ongoing process, and they are not always as forthcoming as we'd like them to be," the source said. "Hopefully with your continued reporting, this is an issue they can't duck."

A Senate committee member said officials there are working with the Office of Special Counsel on "multiple whistleblower retaliation claims." The committee continues to request information from the SSA.

The whistleblower in the Madison office claims management retaliated against her after she was called to testify in a misconduct case. The incident involved "inappropriate behavior" by an administrative law judge, she said.

"They are so corrupt. It's absolutely horrible," said the woman, a lead case technician in the Madison Office of Disability Adjudication and Review.

She spoke on condition of anonymity, fearing more retribution from her supervisors. While she said recounting her particular experiences will more than likely betray her identity anyway, the ODAR case worker insisted she has had enough.

"I'm at point where they don't care about me, I don't see why I'm protecting them. This is my last resort," she said. "I want to do my work without fear of retaliation."

She said she has contacted the Senate committee.

"I forwarded my information to them and I got an email back from them. They said people are coming out of the woodwork with their complaints (about ODAR) following your story," the whistle-blower said.

Ronald Klym, a long-time senior legal assistant in the Milwaukee ODAR office, alleges he has been

retaliated against by supervisors for going public with his charges of incompetence and misconduct in the agency.

The federal employee, who has worked for SSA for 16 years, provided Wisconsin Watchdog with documents showing extremely long wait times for claimants appealing their denied applications for benefits.

Doug Nguyen, SSA regional spokesman, in a previous story said the agency acknowledges that Milwaukee ODAR has a “high average processing time for disability appeal hearings, and we are working to address the issue.”

Beyond the delays is what Klym calls the “shell game,” the wholesale transferring of cases to other parts of the country by administrators to make the Milwaukee office’s numbers look better than they are.

The Madison office whistle-blower confirmed Klym’s allegations, saying at one point she saw 2,000 cases from the Milwaukee office handed off to the Oak Brook operation.

There are over 10,000 SSA disability manipulation charges against SSA executives and staff. The case against “Mario U”, an SSA supervisor at the San Mateo, California Social Security office, involves Mario putting political attacks on citizens who he did not like the politics of.

The last bastion of hope for American citizens is their Social Security funds that they earned over the course of their lives. To find out that Social Security staff can cut off your only hope for survival because you voted for Rand Paul or AOC is a heinous crime against the public.

A Personal Note To The Department Of Energy From Some Of The Victims:

“

CFO
U.S. Department of Energy

Dear Dong:

The public, the media, Congress and every knowledgeable member of the public has examined the facts and concluded that your ATVM and LGP loan programs are corrupt, organized crime, dark-money, crony payola, political slush-funds which have only EVER been used to pay off political campaign financiers.

Everyone now knows that you have a policy of NEVER approving an application that is not part of a dark money political quid-pro-quo bribery deal.

The DOE ATVM and LGP loan programs have proven, to every non-crony applicant (AND WE INTERVIEWED MOST OF THEM) that it will always:

- Stonewall***
 - Obfuscate***
 - “Lois-Lerner” manipulate***
 - Intentionally ignore data***
 - Intentionally misinterpret data***
 - Run political “hit-jobs”***
 - Operate as “deep state” slush fund***
 - Run decades-long delays***
- ..and, generally, be criminal crony stooges for the Palo Alto Mafia Cartel Oligarchs***

Everything in your response letter is manipulated interpretations based on your desire to try to avoid another lawsuit for corruption. You did a fine job of building a counter-case for what you think is coming next but your vision was limited.

You will NOT avoid the fruits of your corruption.

WE WON THE LAST LAWSUIT AGAINST YOUR LITTLE “CORRUPTION PARTY”. WE EXPOSED YOUR WHOLE DIRTY OPERATION. THE MATERIAL, NOW ONLINE, TAKES THE “PANAMA PAPERS” TO THE NEXT LEVEL!

THE NEXT ACTIVITY WILL USE 100% LEGAL RESOURCES, MEDIA TECHNOLOGIES AND TACTICS YOU CAN’T BEGIN TO COMPREHEND! IN FACT, IT IS ALREADY UNDERWAY!

You have to live with the fact that every history book, until the end of time, will document you, and your program, as a “criminal political slush-fund crony payola scam”

Your staff lied when they said: “Oh, no, don’t worry, we got rid of the bad ones from Solyndra”

Not only did you not get rid of the crooks in your hen-house, you kept the worst ones and hired more of them.

We should know, we were one of the whistle-blowers that led to the FBI kicking in the doors at Solyndra.

You spent days in private meetings with campaign financiers Tesla and Fisker to guide them to the cash. You spent vast numbers of hours on phone calls with Tesla and Fisker bosses because they were the financiers of the Obama Administration and The Obama White House told you to just hand them the crony cash.

You NEVER called us or met with us, even once, to clarify the facade of conjectures and false statements in your bullshit response today. You wanted to make certain that we were never funded by your offices again because we caught you doing crimes! You didn’t want to know the truth because you can’t handle the truth!

You have known since 2008 that you would never approve any additional funding for us as “political payback” for exposing your felony corruption.

Every response in your letter is either false, or a lie, or an intentional misreading of our plan in order to build a case to try to get out of the next lawsuit.

Your cheap mobster slush-fund antics have truly been a joy to expose. You guys are really cheese-ball shabby mobsters in your slush-fund game.

You, and your staff, own some conflict-of-interest stock market stocks, off-shore accounts and share some assets with some very interesting people... all at the expense of the taxpayers. Let’s examine that further.. we have officially asked the FBI, SEC, FTC, DOJ, EU and global investigative news industry to assist in that effort.

U.S. Attorney General William Barr has now publicly stated, before Congress, and on the record, that the Obama Administration DID abuse intelligence agency resources to manipulate federal agencies and attack U.S. Citizens in illegal and extreme reprisals, vendettas, revenge and benefits blockades and we were one of those entities that was attacked.

The Department of Energy was one of the biggest tools in that operation. You used federal employees and contractors to seek harm U.S. born, natural citizen taxpayers by subjecting them to extreme reprisals, vendettas, revenge and benefits blockades as payback for assisting law enforcement in the Solyndra/Palo Alto Mafia/DOE political corruption case.

That kind of abuse of a public office like DOE is a felony violation of the law. We will be delighted to

see the crowd-sourced public forensics hobbyists use all of their global social-media resources to put you, and your crony's, in prison and out of public offices.

What kind of a tunnel-vision bubble of delusion do you people live in? Do you not realize that the entire world knows what a crony scam you operate? Have you never typed: "Solyndra Corruption" into a search engine or watched the 60 Minutes Episodes: "The Cleantech Crash", "Congress Trading on Insider Information", "The Lobbyists Playbook", etc.?? How can you sleep at night knowing you are going into work the next day to operate a criminal, campaign financing, payback scheme?

While we love the letter from the heads of Bright Automotive: proclaiming your agency to be a sham, we think our letter gets to the meat of things.

We demand a qualified, unbiased, conflict-free, review of the entire process of your crony kick-back scam since it was first crafted. case instructed by the United States Congress. Our international alliance of federal investigators, FBI experts, White House staff, forensics examiners, investigative journalists and voters will not rest until this matter is fairly resolved...."

The Department of Energy seems to simply be a political slush-fund staffed by liars, zealots and White House goons. We are going to fix that!

A case study in pay-to-play cronyism

By Dan Epstein —

News flash: Government subsidies and special-interest favors go hand in hand.

The latest example comes from a federal green-energy loan program. Last month, the DC District Court [ruled](#) that Cause of Action, where I am executive director, can [proceed with a lawsuit](#) against the Department of Energy. We're suing the federal government for the blatant political favoritism in its \$25 billion "Advanced Technology Vehicle Manufacturing Loan Program."

In principle, this taxpayer-funded program was supposed to support the manufacture of energy-efficient cars. In practice, it rewarded a select few well-connected companies.

Since the program was created in 2008, numerous businesses have applied for its taxpayer-backed financial support. Yet only a small number were approved. Among the lucky few were two electric car manufacturers: [Tesla](#) and [Fisker](#).

Both companies' political connections run deep, especially Tesla's. The company's founder, Elon Musk, was a [max donor](#) for President Obama. One of its board members, [Steven Westly](#), was appointed to a Department of Energy [advisory board](#). And another Obama bundler, Tesla investor and adviser Steven Spinner, [secured employment](#) in the department's Loan Program Office—the very office that gave the company a taxpayer-backed loan.

Fisker also has friends in high places. The company, which has since [gone bankrupt](#), [was backed](#) by a San Francisco [venture capital firm](#) whose senior partners [donated millions](#) to the 2008 Obama campaign and other Democrat causes. [One partner](#), [John Doerr](#), parlayed his support into a seat on the President's Council of Jobs and Competitiveness.

Such connections can allow a company to exert political pressure to enrich itself. Unsurprisingly, Department of Energy emails show that such pressure was rampant in its loan programs.

There's no shortage of examples. The department's leaders—including then-Secretary of Energy Steven Chu—repeatedly promised to deliver results to politicians like Rep. Steny Hoyer (D-Md.) and Sen. [Harry Reid](#) (D-Nev.). [One emails reads](#), "DOE has made a political commitment" to approve a company's loan. Another says the "pressure is on real heavy" from none other than Vice President [Joe Biden](#). And still [another shows](#) an employee asking, "what's another billion anyhow?"

Unsurprisingly, the Obama administration gave Tesla and Fisker preferential treatment, and then some.

The Department of Energy revised its review process in order finish the companies' applications faster. The government [gave them extraordinary access](#) to its staff and facilities—even to the point of having government employees personally walk them through the loan application and approval process. The

department ignored its own lending rules in order to approve the companies' loans. And it [renegotiated the terms of some loans](#) after the companies could not keep their original commitments or were experiencing financial difficulties. Tellingly, Fisker has since gone out of business, despite receiving over a billion dollars in loans through this federal program.

Now contrast this preferential treatment with what happened to XP Vehicles and Limnia, neither of which have the same political connections. (My organization is suing the Department of Energy on their behalf). The two companies partnered to manufacture an energy-efficient sport utility vehicle that would have competed with Tesla and Fisker's cars. They applied for loans in 2008 and 2009 under the same loan program.

The department refused them both—and it used bogus reasons to do so.

For starters, the department made claims that were laughably false. To take one example: It rejected XPV's application because [its vehicle was powered by hydrogen](#). It was an electric SUV. It also raised objections that it didn't raise with other companies whose applications were approved. For instance: The bureaucracy [criticized](#) the proposed all-electric vehicle for not using a specific type of gasoline. Yet Tesla and Fisker received the loans despite producing similar all-electric cars.

In light of these obvious problems and hypocrisy, both companies presented the Department of Energy with detailed rebuttals. Yet the government failed to respond. To this day, both XPV and Limnia are awaiting a satisfactory reply. In the meantime, [XPV has gone out of business](#), unable to compete against its politically connected—and subsidized—rivals.


This casts the Department of Energy's loan program in a new light. It was sold to the American public as a means of promoting energy-efficient vehicles. Instead, it was used to benefit a select few well-connected companies. It was a blatant crony handout, paid for by the U.S. taxpayer.

Sadly, similar examples are widespread in Washington. That's no surprise considering the feds spend [roughly \\$100 billion a year](#) in taxpayer-funded handouts to businesses. This breeds the sort of government-business collusion Americans think is rampant in Washington. In fact, [over two-thirds of likely voters](#) think the federal government helps businesses that hire the most lobbyists, shake the right hands, and pad the right pockets. They're right.

This points to a simple conclusion: Politicians and bureaucrats shouldn't use the public's money to pad private companies' bottom lines. As the Department of Energy's green-vehicle loan program shows, the capacity for corruption is immense—and inevitable.

Lawsuit Alleges “Corruption and Negligence” at Department of Energy

Laohlan Markay · November 16, 2012 at 11:35 am · (22) · Like (5.6)

Tweet (339) 



A lawsuit filed in federal court on Wednesday alleges mass favoritism in the Department of Energy's decisions to award federal grants to major car companies to develop electric vehicles, according to a legal complaint obtained by Scribe.

The plaintiff, San Francisco-based XP Technology, says in a complaint filed in the U.S. Court of Federal Claims that “corruption and negligence” pervaded DOE's decision to award loan guarantees to Ford, Nissan, Tesla Motors, and Fisker Automotive for the development of electric vehicle technology.

“Investigations have shown that DOE officials intentionally stalled numerous applicants' reviews in order to force them out of business and protect favored players,” the complaint claims. It adds:

“XP has received information demonstrating that the unprecedented number of failures in the DOE program relative to what DOE officials have claimed to be “the most expensive and extensive due diligence in history” is explained by manipulated reviews, in the due diligence effort, on behalf of what the United States Government Accountability Office (GAO) investigations found to be “favoritism” in published investigation reports. A senate ethics investigation states, in published reports, that “negligence and mismanagement by DOE officials” was a regular occurrence.

Copy, Paste, Legislate

You elected them to write new laws but Crooked California Senators are letting corrupt Silicon Valley corporations do it instead.

After you pay the stock market bribe to the Congress-person/U.S. Senator, you hand them a paper with the law you want them to push...a law that ONLY benefits Google or Facebook!

While Plaintiff's have created and changed multiple federal laws to help the public, Google, Facebook, Netflix and LinkedIn have ORDERED U.S. Senators to create laws to harm the Plaintiff's for competing with them. In Fact, DNC Silicon Valley Company lobbyists produce as much, or more, fake copy/paste legislation as GOP-connected parties.

Silicon Valley tech corporations have submitted tens of thousands of pages, through their covert lobbyists, of COPY/PASTE legislation designed to make domestic inventors, such as the Plaintiff, obsolete, and the U.S. Government has assisted those corporations with that effort in the USPTO... THAT IS AN ANT-TRUST FELONY!

An investigation by USA TODAY, The Arizona Republic and the Center for Public Integrity
Rob O'Dell and Nick Penzenstadler

Each year, state lawmakers across the U.S. introduce thousands of bills dreamed up and written by corporations, industry groups and think tanks.

Disguised as the work of lawmakers, these so-called "model" bills get copied in one state Capitol after another, quietly advancing the agenda of the people who write them.

A two-year investigation by USA TODAY, The Arizona Republic and the Center for Public Integrity reveals for the first time the extent to which special interests have infiltrated state legislatures using model legislation.

USA TODAY and the Republic found at least 10,000 bills almost entirely copied from model legislation were introduced nationwide in the past eight years, and more than 2,100 of those bills were signed into law.

The investigation examined nearly 1 million bills in all 50 states and Congress using a computer algorithm developed to detect similarities in language. That search – powered by the equivalent of 150 computers that ran nonstop for months – compared known model legislation with bills introduced by lawmakers.

The phenomenon of copycat legislation is far larger. In a separate analysis, the Center for Public Integrity identified tens of thousands of bills with identical phrases, then traced the origins of that language in dozens of those bills across the country.

Model bills passed into law have made it harder for injured consumers to sue corporations. They've called for taxes on sugar-laden drinks. They've limited access to abortion and restricted the rights of protesters.

In all, these copycat bills amount to the nation's largest, unreported special-interest campaign, driving agendas in every statehouse and touching nearly every area of public policy.

About this report

This story was produced as part of a collaboration between USA TODAY, The Arizona Republic and the [Center for Public Integrity](#). More than 30 reporters across the country were involved in the two-year investigation, which identified copycat bills in every state. The team used a unique data-analysis engine built on hundreds of cloud computers to compare millions of words of legislation provided by LegiScan.

The investigation reveals that fill-in-the-blank bills have in some states supplanted the traditional approach of writing legislation from scratch. They have become so intertwined with the lawmaking process that the nation's top sponsor of copycat legislation, a member of the Pennsylvania General Assembly, claimed to have signed on to 72 such bills without knowing or questioning their origin.

For lawmakers, copying model legislation is an easy way to get fully formed bills to put their names on, while building relationships with lobbyists and other potential campaign donors.

For special interests seeking to stay under the radar, model legislation also offers distinct advantages. Copycat bills don't appear on expense reports, or campaign finance forms. They don't require someone to register as a lobbyist or sign in at committee hearings. But once injected into the lawmaking process, they can go viral, spreading state to state, executing an agenda to the letter.

USA TODAY's investigation found:

- Models are drafted with deceptive titles and descriptions to disguise their true intent. The Asbestos Transparency Act didn't help people exposed to asbestos. It was written by corporations who wanted to make it harder for victims to recoup money. The "HOPE Act," introduced in nine states, was written by a conservative advocacy group to make it more difficult for people to get food stamps.
- Special interests sometimes work to create the illusion of expert endorsements, public consensus or grassroots support. One man testified as an expert in 13 states to support a bill that makes it more difficult to sue for asbestos exposure. In several states, lawmakers weren't told that he was a member of the organization that wrote the model legislation on behalf of the asbestos industry, the American Legislative Exchange Council.
- Bills copied from model legislation have been used to override the will of local voters and their elected leaders. Cities and counties have raised their minimum wage, banned plastic bags and destroyed seized guns, only to have industry groups that oppose such measures make them illegal with model bills passed in state legislatures. Among them: Airbnb has supported the conservative Arizona-based Goldwater Institute, which pushed model bills to strike down local laws limiting short-term rentals in residential neighborhoods in four states.
- Industry groups have had extraordinary success pushing copycat bills that benefit themselves. More than 4,000 such measures were introduced during the period analyzed by USA TODAY/Arizona Republic. One that passed in Wisconsin limited pain-and-suffering compensation for injured nursing-home residents, restricting payouts to lost wages, which the elderly residents don't have.

How model bills work and why you should care

How special interests use copycat bills to peddle laws in your statehouses.

Patrick Shannahan, USA TODAY

“This work proves what many people have suspected, which is just how much of the democratic process has been outsourced to special interests,” said Lisa Graves, co-director of Documented, which probes corporate manipulation of public policy. “It is both astonishing and disappointing to see how widespread ... it is. Good lord, it’s an amazing thing to see.”

The impact of model legislation is undoubtedly larger than the 10,000 copied bills identified by USA TODAY/Arizona Republic.

Because the investigation relied on matching identical text, it flagged instances where legislators copied model legislation nearly verbatim, but it did not detect bills that adapted an idea without using the same language.

Sherri Greenberg, who spent 10 years in the Texas Legislature and is now the Max Sherman Chair in State and Local Government at the University of Texas at Austin, said bills used to spring from lawmakers’ experiences, constituents, or lobbyists representing long-established industries. Model legislation has flourished as gridlock in Congress forced special interest groups to look to the states to get things done, she said.

The states that copy the most

Every state legislature copies model legislation, but the types of special interests they copy from and how frequently vary nationwide. Here’s how the model bills we found break down based on the stated political leaning or purpose of the group that wrote each bill.

SOURCE: USA TODAY/Arizona Republic analysis of legislation from 2010 to 2018; LegiScan
Veronica Bravo, Mitchell Thorson/USA TODAY

Not all model legislation is driven by special interests or designed to make someone money. Some bills were written to require sex offenders to register with law enforcement, while others have made it easier for members of the military to vote or increased penalties for human trafficking.

Charles Siler, a former external relations manager for the Goldwater Institute, which has pushed copycat bills nationwide, said it’s a fast way to spread ideas because with little modification lawmakers can adapt it to their state.

“It’s not inherently bad, one way or the other,” said Siler, who now works for a political action committee. “It depends on the idea and the people pushing it. Definitely people use model legislation to push bad ideas around.”

Allison Anderman, managing attorney at the pro-gun-control Giffords Law Center to Prevent Gun Violence, said model bills are simply how the system works now.

“This is how all laws are written,” she said. “You’d be hard-pressed to find a law where a legislator sits in a chamber until a light bulb goes off with a new policy.”

■
Bills promise to protect the public.
They actually bolster the corporate bottom line.

The Asbestos Transparency Act sounds like the kind of boring, good-government policy voters expect their representatives to hammer out on their behalf to safeguard public health.

Better transparency was one reason Colorado state Sen. Jerry Sonnenberg said he introduced the bill in 2017, and again last year, at the urging of a tort reform group called the Colorado Civil Justice League and backed by insurance companies, including Nationwide Insurance.

“Whenever you add transparency to the mix, it helps all consumers,” said Sonnenberg, a Republican.

But the bill had nothing to do with requiring companies to disclose to consumers what products contained asbestos or informing those who had been exposed to the cancer-causing mineral how to get help.

It, in effect, cast corporations as victims of litigation filed by people harmed by asbestos. The model bill requires people battling the asbestos-triggered disease mesothelioma to seek money from an asbestos trust, set up to compensate victims, before they can sue a company whose product might have caused their cancer.

That process can take months or even a year.

Many mesothelioma victims die within a year of their diagnosis. Their families can still sue on their behalf, but for far less money.

“I can tell you for a fact that families don’t have time for all these hoops they want you to jump through,” said Chris Winokur, whose husband Bob was diagnosed with mesothelioma in 2015 and died nine months later. “They’re trying to make it more difficult to sue.”

Bob Winokur, who worked for the U.S. Forest Service and served as mayor of Fort Collins, Colorado, never pinpointed where he came in contact with asbestos. And he never filed a claim to help pay his medical bills. The disease progressed too rapidly to allow it, even without the additional requirements proposed by the model bill, Chris Winokur said.

The model legislation was the work of corporations seeking to limit their exposure to billions of dollars in litigation associated with asbestos. Insurance companies Nationwide, AIG, Travelers, Hartford and CNA Financial Corp. together hold more than half the nation’s asbestos claim exposure totaling over \$870 million.

USA TODAY/Arizona Republic found the Asbestos Transparency Act, a product of the American Legislative Exchange Council, an industry-supported model bill factory, has been introduced in at least 17 states since 2012. It became law in at least 11 states.

■
Chris Winokur with a portrait of her late husband, a former Fort Collins city councilman and mayor, in January 2019 in Estes Park, Colo. Bob... Timothy Hurst, The Coloradoan

Sonnenberg, the lawmaker who introduced it in Colorado, said he didn't write the bill and relied on "my experts" to explain it during a February 2017 hearing.

One of those experts was Mark Behrens, who logs thousands of miles a year testifying before lawmakers about ALEC's model asbestos legislation. He has done so in at least 13 states, where he was billed as an objective authority.

Behrens is an attorney with Shook, Hardy and Bacon, which represents companies in complex civil litigation. He is a co-chairman of ALEC's Civil Justice Task Force and is a paid consultant for the U.S. Chamber's Institute for Legal Reform, an arm of the nation's largest business lobby, which has the stated goal of reducing litigation.

During the hearing, Behrens testified: "The only thing the legislation does is accelerate the timing of when the trust claim is filed. It's not putting any new burdens on plaintiffs."

A Democratic legislator pressed Behrens on why the 26-page bill needed technical language that could confuse victims trying to be compensated. She called it, "a gift to defendants," before voting against it.

Which bills were copied?

Of the 10,000 bills state lawmakers introduced that were copies of model legislation, most were written by industry and conservative groups.

SOURCE: USA TODAY/Arizona Republic analysis of legislation from 2010 to 2018; LegiScan
Veronica Bravo/USA TODAY

Sonnenberg told USA TODAY he didn't know Behrens worked for the Chamber of Commerce when he called him to testify. "I just knew they were experts and they indeed understood the legal issues and process much better than I," he wrote in an email.

Behrens said the Asbestos Transparency Act seeks to hold wrongdoers accountable, while exonerating innocent companies paying for harm they didn't cause.

"These companies don't get a vote; all we can do is make our case," Behrens told USA TODAY. "I don't care who I'm there for, I still have to be credible and honest."

Graves said special interests have "so-called experts who aren't neutral. They go around the country and testify about those bills as if they're good for that state or even as if they're products of that state."

Colorado lawmakers rejected the Asbestos Transparency Act in 2017 and 2018, and Sonnenberg said he doesn't plan to introduce it this year.

"It would be wise," he said, "for someone with a better understanding of these types of issues to carry the bill in the future."

Bill Meierling, chief marketing officer and executive vice president of ALEC, said supporters of the asbestos model believed it did create more transparency, "but it's up to each individual state to choose how they would name" the bill when they copy ALEC's model.

USA TODAY found more than 4,000 bills benefiting industry were introduced nationwide during the

eight years it reviewed. More than 80 of those bills limit the public's ability to sue corporations, including limiting class-action lawsuits, a plaintiff's ability to offer expert testimony, and cap punitive damages for corporate wrongdoing.

"No citizens are saying, 'Hey, can you make it harder to sue if ... low-paid (nursing home) orderlies happened to kill or injure my parents,' " Graves said. "That's not a thing citizens are clamoring for. But you know who is? The nursing home industry, and big business in general."

Many of the bills USA TODAY found were copied from models written by special interests were couched in unremarkable or technical language that obscured their impact. Bans on raising the local minimum wage were dubbed "uniform minimum wage" laws. Changes to civil court rules to shield companies from lawsuits were described as "congruity" or reforms to make laws consistent. Repealing business regulations was disguised under the term "rescission."

Politicians get a shortcut to success.
Special interests get their agendas turned into law.

A moderate Republican from the Philadelphia suburbs shows how copycat bills in some states set the legislative agenda.

Rep. Thomas Murt has sponsored more model legislation than any other state lawmaker in the nation, according to USA TODAY's database.

Murt, whose biggest campaign donors include the Pennsylvania Republican Party and labor unions, said he was stunned to learn that he was listed as a sponsor on 72 bills substantially copied from model legislation from 2010 to late 2018.

Matt Rourke, AP

Pennsylvania House members solicit co-sponsors by circulating short memos summarizing a bill without including its actual language or who wrote it.

"I had no way of knowing unless it's put in the ... memo," Murt said of the bills he helped sponsor.

Murt's situation highlights how critical bill titles and summaries are – especially when it comes to copycat legislation – because lawmakers, even sponsors, often don't read bills.

Had Murt probed further, he would have seen the bills he signed onto came from ALEC, its liberal counterpart ALICE, the State Innovation Exchange, Council of State Governments, Goldwater Institute and other groups that specialize in writing copycat bills.

They dealt with cities' ability to take action against blighted properties, prohibitions on businesses banning guns in employees' vehicles, and a call for the U.S. president to be elected by popular vote, among many others.

Which copies became law?

Industry and conservative groups are even more dominant at getting copycat bills passed and signed into law.

■

SOURCE: USA TODAY/Arizona Republic analysis of legislation from 2010 to 2018; LegiScan
Veronica Bravo/USA TODAY

USA TODAY provided Murt with a list of all 72 bills, 13 of which became law, and asked questions about his support for them. He was the primary sponsor of only one: a ban on smoking in workplaces written by the liberal State Innovation Exchange.

Murt said he would reconsider his support for two of the bills that were copied from ALEC, after learning more about their impact. One was a call for a constitutional convention to curb federal spending, backed by the controversial Koch brothers conservative political network. The other was a bill protecting Crown Cork & Seal from asbestos liability.

"I would be suspect of such a proposal," Murt said of the constitutional convention model. "But bear in mind that when that co-sponsor memo was circulated, I'm sure it never mentioned the Koch brothers, because for some people that would have been a show-stopper."

Murt also said he would never support limiting asbestos victims' ability to sue.

USA TODAY interviewed more than 50 sponsors of model legislation nationwide. Half said they knew they had sponsored model legislation. But 20 legislators said they didn't know the source of their bill or claimed they wrote at least part of the bill.

Five insisted the bill was their own work, even though the wording of each included multiple passages that matched model legislation nearly verbatim. Almost all of the sponsors defended the practice of copying model legislation or had no opinion of it.

In Michigan, Republican state Sen. Joe Haveman said he worked with a lobbyist from a Lansing law firm to draft his state's version of the law aimed at shielding Crown Cork & Seal from asbestos liability stemming from a corporate merger in the 1960s. The law firm, Clark Hill, has donated \$1,800 to his campaigns since 2012, according to state records.

Help us report this story

We found more than 10,000 bills that were based on model legislation were introduced nationwide. Help us find more. Submit language you think might be from model legislation and we will run it through our system to see if it has been introduced by state lawmakers.

[Tell your story](#)

Haveman said he had no issues with relying on model bills and said even though Crown Cork & Seal is not a Michigan company, he said he saw it as a "fairness issue." He said he was approached by a lobbyist and agreed with the bill when he saw a draft.

"It really had nothing to do with my passion for anything. They had to do this in all 50 states," Haveman said. "Somebody targeted me, and I had to do it."

It's not just legislators circulating copycat bills. In Pennsylvania, the nonpartisan service that drafts all bills for the state Assembly – the Legislative Reference Bureau – frequently copies directly from model legislation, said director Vincent DeLiberato. But the legislator ultimately decides whether to use it, he said.

In Wisconsin, the Legislature's nonpartisan legal staff is similarly tasked with converting lawmakers' ideas into bills. A March 1, 2017, email to that staff from the office of Republican Assembly Speaker Robin Vos requested that an attached document be "drafted as stated."

■

Andy Manis, AP

The document contained the Campus Free Speech Act, which prevents universities from blocking controversial speakers and imposes penalties on students, including expulsion, for disrupting such events. The measure, written by the Goldwater Institute, is a reaction to liberal protesters at Middlebury College, UC-Berkeley, University of Florida and other campuses who have disrupted speeches by conservative commentator Ben Shapiro and white supremacist Richard Spencer, among others.

Vos did not respond to questions about the origin of his bill, which was copied nearly verbatim from Goldwater's model. It didn't pass, but the ideas were incorporated in new university rules adopted by Wisconsin.

USA TODAY's algorithm found the same model was introduced in 13 states, becoming law in Arizona and North Carolina. A similar version passed in Colorado.

The relationship between groups writing model legislation and the lawmakers introducing them is a marriage of convenience, experts said.

Special interests give lawmakers fully conceived bills they can put their names on and take credit for. And those special interests can become dependable donors to their campaigns.

Conservative groups like ALEC nurture those relationships at annual conferences where lawmakers and corporate lobbyists discuss policy and mingle over meals and drinks paid for by corporate sponsors.

This arrangement is particularly appealing to new lawmakers, said Alexander Hertel-Fernandez, an assistant professor at Columbia University who has studied the influence of ALEC and other conservative groups.

His research showed less-experienced lawmakers are more likely to use copycat legislation.

They "know they are conservative, they know they are pro-business, but ... they don't really know what it means to translate that into different bills," he said. "These networks are able to fill in what it means to be a conservative Republican who wants to support business."

Meierling, ALEC's chief marketing officer, said there are checks and balances on corporate influence within the organization "just like our government structure."

Companies join ALEC because they want feedback and insight from a variety of legislators, he said.

"Sure they (companies) are going to share their perspective, but a legislator is there to represent their constituents and if they don't they'll be held accountable at the ballot box," Meierling said. "ALEC ... has proven it's an asset to society."

Progressive groups, meanwhile, have failed to replicate conservatives' success because they've not invested in facilitating the relationships between lawmakers and special interests, Hertel-Fernandez said.

"What ALEC does is more than provide the model bills: They provide relationships. They approach you when you are first elected and build these enduring social connections with you at recurring events

that happen every year,” he said. “You really need that social connection in addition to the model-bill resources that you’re getting, the research help.”

■

Bills sound like they’re protecting people from a problem.

They’re actually for promotion, and persuading people to open their wallets.

“Countless American lives will be saved. ... I don’t want to say thousands because I think it’s going to be much more – hundreds of thousands,” President Donald Trump said at a signing ceremony for the national “Right to Try” bill in May 2018. “It is such a great name. From the first day I loved it. It’s so perfect: Right. To. Try.”

With the stroke of a pen, Trump made a bill that had circulated in statehouses for four years the most successful copycat bill in history. Not only did it pass in 41 states, it also had conquered Congress.

The version passed by Congress allows terminally ill individuals a right to try experimental medications that have not been fully approved by the Food and Drug Administration.

The bill’s title left the public with the impression it was spurred by a groundswell of patients demanding lifesaving treatment.

Instead, it was a focus group-tested name, coined by a consultant to a for-profit corporation.

■

Evan Vucci, AP

That corporation, Cancer Treatment Centers of America, a chain focused on alternative cancer treatments, wanted access to experimental drugs.

Right to Try illustrates another finding of USA TODAY’s investigation: Some copycat bills amount to little more than marketing and posturing, with organizations behind them highlighting a perceived problem and then offering a solution with little or no measurable impact.

The point is seemingly to score political points, draw attention to the organization behind the model, and raise funds off the effort.

Former Goldwater President Darcy Olsen parlayed this campaign into the book “Right to Try.” In it, she said Cancer Treatment Centers of America approached Goldwater for help addressing a “national medical emergency”: the government blocking terminally ill patients from receiving potential lifesaving treatments.

When asked, Goldwater could not produce any of those patients.

Chuck Warren, corporate consultant to Cancer Treatment Centers of America, said he came up with the bill’s name.

Goldwater and CTCA paid for focus groups to make sure the name struck the right chord. “It was always our favorite name and it was the name that resonated the most with focus groups,” Warren said.

While the marketing was cutting edge, its policy largely had been implemented decades earlier.

Alison Bateman-House, an assistant professor of medical ethics at New York University's Langone Health, said Right to Try is "an effort to address a problem that did not actually exist." Patients have been able to access experimental drugs since the 1970s, she said.

Through the FDA's compassionate-use program, about 1,000 patients a year have gained access to non-approved drugs in recent years. The FDA approves more than 90 percent of those requests, often within days and, in emergencies, sometimes more quickly.

"The Goldwater Institute was taking advantage of a very heart-rending and sympathetic issue to push for their pet policy, which is basically to roll back regulations," Bateman-House said. "They did pick a winner of a name. ... Unfortunately, it's a lie."

It's unclear how many people have received experimental drugs through Right to Try. Bateman-House said she's heard of two. Goldwater points to those same two patients, and a Texas doctor who ran a trial involving 200 patients.

Goldwater CEO Victor Riches said those were only the individuals who informed his organization about their success using the law.

Riches said Goldwater crafts legislation it sees a need for in Arizona, where it's based. It then considers the "exportability" of its model legislation to other states, he said.

Goldwater's strategy for Right to Try was to get it passed in as many states as possible to pressure Congress to enact a version, Riches said.

"When you are in 41 states and you've had literally thousands of legislators, Democrats and Republicans alike, it is hard for the federal government not to take notice," he said.

It's even harder to pin down what problem the American Laws for American Courts bill is solving.

The model bill, which was introduced in legislatures 53 times during the past eight years, mandates judges' rulings be void if based on a foreign law or doctrine that violates the rights granted to U.S. citizens under the Constitution or state law.

Even backers struggle to identify situations where this has occurred.

■

Joe Jaszewski for USA TODAY

"This is a solution looking for a problem," said Ahmed Abdelnaby, an engineer who testified against the bill last year at the Idaho Legislature because he felt it fomented hate against his Muslim faith.

While proponents are unable to cite court cases where U.S. law has been supplanted by Sharia or some other doctrine, those lobbying for it collected about \$206 million in donations between 2008 and 2013, according to a study released by the Council on American-Islamic Relations and University of California, Berkeley's Center for Race and Gender.

"They wouldn't be doing it if they weren't making a buck," said Robert McCaw, government relations director for CAIR.

Draskowski also pushed a bill in 2011 to declare English as the official language of Minnesota and prohibit conducting routine business in foreign languages, including driver's license exams. The bill was strikingly similar to model legislation by a group called ProEnglish, which calls itself the "nation's leading advocate for official English."

The Saint Paul Pioneer Press editorialized that Drazkowski was using it to ensure his reelection by “pandering to the mostly conservative and card-carrying residents of ... the paranoid states of America.”

Drazkowski said he is aware of ProEnglish but couldn't remember where he got the language for his English-only bill.

“The use of these model bills is not the end of the world,” he said, noting that immigrants are more successful when they learn English. “The idea that one organization or group is somehow controlling legislation or legislators or states, that's a fallacy.”

Voters say they want one thing.

Special interests get lawmakers to do the opposite.

For Susan Edwards, it seemed like a godsend when Arizona lawmakers introduced a bill to create a new kind of school voucher for students with disabilities.

With the money – funded by dollars taken from a recipient's local district school – the mother of two children on the autism spectrum could send her kids to a private school where they would receive specialized attention they wouldn't get elsewhere.

With a sympathetic group of students as the face of the legislation, Democrats and Republicans rallied behind the 2011 bill which borrowed language from the Goldwater Institute, ALEC, and American Federation for Children, the pro-school choice group founded by U.S. Secretary of Education Betsy DeVos.

Edwards' opinion of the program, however, changed drastically as legislators later introduced bill after bill to give vouchers to more students, culminating in lawmakers approving them for all students.

None of those bills, however, guaranteed Edwards' sons and others with disabilities could keep their vouchers as more students were added. She didn't know it at the time, but lawmakers were drawing their ideas from model legislation.

Edwards said she realized in retrospect that students with disabilities were used as a Trojan horse to put on the legislative agenda a fringe idea that was part of a much bigger campaign. In the years that followed, 19 other states debated 93 nearly identical proposals based on model legislation. They became law in Florida, Mississippi, Nevada, North Carolina and Tennessee.

“Every single, little expansion, if you look at who's behind it, it is the people that want to get that door kicked open for private religious education,” Edwards said. “All we (families with disabled students) are was the way for them to crack open the door.”

Riches, Goldwater's CEO, said starting the Empowerment Scholarship Account voucher program with a small group of students and expanding it was the best approach.

“When you are talking about a big idea, a new idea, usually the best way of approaching it is to wade into it and demonstrate it can work on a smaller level and then grow it from there,” Riches said.

The groups behind Arizona's move toward universal vouchers, however, were shown in indisputable terms that the public opposed their ideas.

On Election Day 2018, Arizona voters rejected universal vouchers by a 65-35 margin.

It was only the most recent example of model legislation that didn't reflect the will of voters, USA TODAY/Arizona Republic found.

Model-legislation factories have increasingly proposed what are known as "preemption" bills. These laws, in effect, allow state legislators to dictate to city councils and county governing boards what they can and cannot do within their jurisdiction—including preventing them from raising the minimum wage, banning plastic grocery bags, and destroying guns.

USA TODAY's algorithm found more than 100 such bills had been introduced on an expanding array of topics.

Kansas stopped local efforts to require restaurants to list calories on their menus.

Arizona and New Hampshire prevented local regulations on home rentals. Airbnb has lobbied against home-sharing restrictions, often with the Goldwater Institute's assistance.

One model pushed by ALEC and the Goldwater Institute prohibits local jurisdictions from creating occupational licensing requirements. It reflects conservatives' and libertarians' belief that job licensing stifles competition and hurts the economy, and should only be required when it involves health and safety.

Drazkowski, the Minnesota representative, said he introduced such a bill "so you don't have a patchwork kind of discombobulated mess of different ordinances from one community to the next."

But Riches said his group stopped promoting similar model legislation because of the public outcry.

"We found very quickly that you bring people out of the woodwork when you try to get rid of occupational licenses," he said. "What I would refer to as the status-quo crowd."

Goldwater returned with another that allows anyone who's been harmed by occupational regulation to sue for damages, including harm that occurred before the law was enacted.

It was introduced in at least five states and passed in Arizona. But Riches acknowledged no one has used it to file suit, and the only beneficiary he can point to is a person with ties to the administration of Arizona Gov. Doug Ducey, a vocal supporter of occupational licensing restrictions.

Because preemption bills have almost exclusively been advanced by Republicans, many of whom rail against the excessive mandates of Washington, D.C., critics see such legislation as the height of hypocrisy.

"There's real ... hypocrisy in many of these so-called conservative legislators trying to rip away local control when they preached for years that a government that's closest to you ... is most responsive to you," said Dawn Penich-Thacker, who campaigned to overturn Arizona's school-voucher expansion with a public vote.

Penich-Thacker saw a similar disregard for the will of voters when within hours of Arizonans' vote to overturn universal school vouchers, the Goldwater Institute and American Federation Children declared they would continue to feed their model proposals to state lawmakers.

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- [Stand your ground, right to work and bathroom bills: 5 model bills that spark controversy](#)
- [What is ALEC? 'The most effective organization' for conservatives, says Newt Gingrich](#)

- [How we uncovered 10,000 times lawmakers introduced copycat model bills — and why it matters](#)
- [What's the solution for model bills? Reveal who wrote them, critics say](#)

Bills to modify Arizona's voucher program were soon introduced. One bore a striking resemblance to model legislation from the Heartland Institute, granting vouchers to any parent who feels their child is unsafe or being bullied at school.

The sponsor, Shawna Bolick, denied any knowledge of the Heartland model. Her bill, she said, was based on the experience of her daughter.

Edwards, the voucher supporter-turned opponent, noted that just like the first Arizona bill granting vouchers to children with disabilities, Bolick had sympathetic victims—kids who'd been bullied—to help sell her bill.

“It really does seem like you are fighting against the tide,” Edwards said of the influence of model legislation and the groups behind it. “They are ignoring the vote of the people.”

A letter to the editor appeared in *The Arizona Republic* defending renewed efforts to expand the voucher program despite defeat at the ballot box.

The letter's author, Scott Kaufman, wasn't a concerned parent, or even an Arizona resident.

He had sent his letter from the Washington, D.C., suburbs, from a model-bill factory: the American Legislative Exchange Council.

Contributing: Yvonne Wingett Sanchez, Dustin Gardiner, Ronald J. Hansen, Kelsey Mo, Agnel Philip, Giacomo Bologna, Paul Egan, Dan Nowicki, Chris Amico, Matt Wynn, Justin Price, Pamela Ren Larson

The Solyndra Corruption

Federal Audit Confirms Government Employee Corruption In Solyndra Deal And Other DOE Cronyism

The “serious concerns” of U.S. Treasury officials involving a risky \$535 million infusion for a fly by night solar panel firm were ignored as the deal was fast-tracked by the Obama Administration, according to a federal audit released this week.

Bankrolled by Obama fundraiser George Kaiser, the now-defunct northern California company (Solyndra) got more than half a billion dollars from the U.S. government to promote green energy. Instead, it abruptly folded last fall, stiffing American taxpayers and laying off more than 1,000 workers. From the start, it was a controversial deal that was suspiciously rushed through for a politically-connected entrepreneur that had raised large sums for Obama.

This week a Treasury Inspector General report sheds light on the scandalous process that, not only ignored warning signs about the startup company’s viability, but also blew off the concerns of officials at the agency responsible for doling out the cash. The “loan,” which will never be repaid, was rushed through by Obama appointees at the Department of Energy (DOE) without Treasury input.

That violated the terms of the program, which was created by the president’s disastrous stimulus. It allows the DOE to make loan guarantees to companies investing in “innovative clean technologies” but specifically requires the Secretary of the Treasury to be consulted on the terms and conditions of the loan guarantee concurrent with its review process. As of December 2011 the DOE guaranteed 28 projects totaling \$16.1 billion after consulting with Treasury, the audit says.

Evidently this did not occur with the Solyndra deal because it was expedited for a political donor. In fact, the IG report cites an electronic mail written by a Treasury official after a conference call with DOE brass, presumably to discuss the pros and cons of the huge Solyndra deal. “We pressed certain issues...but the train really has left the station on this deal.”

Judicial Watch is investigating the Solyndra scandal and has sued the Obama DOE and Office of Management and Budget to obtain records involving the deal. In September JW submitted Freedom of Information Act (FOIA) requests seeking records from both agencies, but the DOE says it's reviewing documents in preparation for public release. The Office of Management and Budget has totally blown off the request. This indicates that the administration is on cover-up mode.

The Hell Of Silicon Valley Douche-Bags

How Silicon Valley Frat Boy Oligarchs Took Over The Department Of Energy And Ordered The Energy Department To Help Wipe Out Their Competitors

- Silicon Valley elite-family Stanford University frat boys combined their Sandhill Road “venture capital” offices in order to purchase every lobbyist they could find, using monopolistic windfall profits. They placed their own friends in the White House and the Department of Energy and ordered all of the taxpayer cash to go to themselves, while sabotaging their competitors, and outsiders, who were not in the “Palo Alto Mafia” crony club.

The Year That Green Tech VCs Ruled The Hill

On average, the U.S. federal government's investment in energy research and development is paltry--about \$5 billion a year, compared to the \$30 billion that goes to the National Institutes of Health, according to figures from the newly launched American Energy Innovation Council.

But the past couple of years haven't been average when it comes to federal energy funding. The Obama administration has used the stimulus funds to pump between \$50 billion and \$80 billion into green tech initiatives (depending on what you define as green tech) since 2009.

I applaud this funding and agree with the American Energy Innovation Council--which counts Bill Gates, GE CEO Jeff Immelt, and Silicon Valley venture capitalist John Doerr as members. The Council is calling for a \$16 billion federal investment in energy innovation every year. Boosting federal funding will be crucial to deliver innovation around energy technology.

One thing I have noticed from the sudden massive boost in green tech stimulus funding is just how much influence green tech venture capitalists have quietly developed. VCs have been at the forefront of shaping federal energy investing policy, including weighing in on which sectors should get funding and perhaps even which companies should receive federal support.

Take Kleiner Perkins Caulfield & Byers managing partner John Doerr. He's the man who seeded Google and Amazon.com , and kicked off the green-tech investing boom in 2007 when he reportedly cried during a climate change themed TED talk. Doerr has morphed into one of the most influential political movers in Silicon Valley and sits on President Obama's Economic Recovery Advisory Board. He and his partners managed to convince former Vice President Al Gore to join Kleiner Perkins as a partner in late 2007 and before that brought on former Secretary of State Colin Powell (who now works with oh-so-buzzy fuel cell firm Bloom Energy).

Kleiner, which is investing hundreds of millions of dollars in green tech startups, has benefited from some notable government support. The most significant is a \$529 million federal loan to its portfolio company electric car maker Fisker Automotive. The Obama administration also set aside some \$4 billion in stimulus funds for smart grid technology, which gave a nice boost to its investment in smart grid network builder Silver Spring Networks.

Last year the Obama administration named former venture capitalist Jonathan Silver to head the Department of Energy's highly competitive loan guarantee program and green car loan program. Silver is in charge of the programs' application process, analysis and negotiation as well as staffing. According to a release from the DOE, he also manages "the full range of the Department's alternative energy investments."

Over the past year over a third of the DOE's loan guarantee commitments (roughly 5 out of 12) have gone toward venture-backed startups, including solar thermal company BrightSource, solar panel maker Solyndra, efficient window developer SAGE Electrochromics, wind developer Nordic Windpower and thin film solar company Abound Solar. Obama commonly holds public speeches at these types of venture-backed and government-supported clean energy startups and stumped at Solyndra in May.

It shouldn't come as a surprise that the Obama administration has turned to VCs as guides for how to invest stimulus funds in clean energy. More than anyone else, the venture capitalists in Silicon Valley have been leading the investments in clean power and energy efficiency in recent years. In the third quarter of 2009 when the recession hit hard, green tech startups became the top venture investment

sector (ahead of IT and biotech).

As Silver put it in an interview with Earth2Tech: "As a VC, I was looking for important, potentially transformative technologies. I was looking for companies that could scale ... and projects that would have impact. The same thing certainly is true on the public-sector side."

But could so much green tech VC influence negatively affect the allocation of funds? Probably not. However, there could be potential drawbacks.

VCs have some of the highest appetites for risk among all investors: For every 10 venture investments, VCs hope that one or two will make them a whole lot of money. Given that stimulus funds are meant to create jobs and revive the economy, if 80% to 90% of the green tech stimulus investments don't create jobs, we're going to be in a world of hurt.

The Silicon Valley venture world is still an elite club. Many times companies receive investments because, frankly, the founder has a personal relationship with the investor. Has that mentality carried over to the federal funds?

The Government Accountability Office, the watchdog arm of Congress, recently found that the DOE has treated some companies unfairly in their bids to receive loan guarantees and risked excluding some potential applicants unnecessarily. In particular the GAO found that the DOE approved conditional awards to at least half of the first 10 winning companies before all of the project reviews had been completed.

In one case the GAO found that the DOE didn't bother to get a single report from an external reviewer about a specific (unnamed) project before fast tracking it for a loan guarantee. The DOE responded that the project in question was on the fast track because the department already had enough information that the project made solid business sense. But from the GAO's perspective, "It is unclear how the DOE could have sufficient information to negotiate commitment without such reviews."

I wondered earlier this year if the DOE's first loan guarantee was actually a mistake. Solyndra has one

of the highest production costs of any of its thin film solar competitors. The company had been planning on going public this year, but had to withdraw its IPO plans and its own auditor found that Solyndra's operating losses, negative cash flow, and \$532.3 million deficit raised substantial doubt about its ability to continue as a going concern. Solyndra has raised close to \$1 billion from private investors including Argonaut Ventures, CMEA Ventures and RockPort Capital Partners.

The influence of venture capitalists on federal green tech funding will lead to a lot of startups--both good and bad--receiving crucial capital that could get them from early stage to commercialization--the so-called Valley of Death. But it's a situation that should be watched very closely. (Katie Fehrenbacher is editor of the website Earth2Tech.com.)

[Venture capitalist says U.S. losing green race - SFGate](https://www.sfgate.com/green/article/Venture-capitalist-says-U-S-losing-green-race-3255503.php)

<https://www.sfgate.com/green/article/Venture-capitalist-says-U-S-losing-green-race-3255503.php>

Silicon Valley venture capitalist John Doerr, whose early investments helped launch Google and Amazon, delivered a stark warning to Congress on Wednesday that the United States is on the verge of ...

[The Year That Green Tech VCs Ruled The Hill - Forbes](https://www.forbes.com/2010/07/19/alternative-energy-doerr-technology-venture-capital.html)

<https://www.forbes.com/2010/07/19/alternative-energy-doerr-technology-venture-capital.html>

The Year That **Green** Tech VCs Ruled The Hill ... and **Silicon Valley venture capitalist John Doerr** as members. The Council is calling for a \$16 billion federal investment in **energy** innovation every ...

[John Doerr's Plan To Reclaim The Venture Capital Throne - Forbes](https://www.forbes.com/sites/connieguglielmo/2013/05/07/john-doerrs-plan-to-reclaim-the-venture-capital-throne/)

<https://www.forbes.com/sites/connieguglielmo/2013/05/07/john-doerrs-plan-to-reclaim-the-venture-capital-throne/>

May 07, 2013 · In the middle of the scrum: **John Doerr**, the 61-year-old billionaire **venture capitalist** who for years was the undisputed king of **Silicon Valley**, a Flipboard T-shirt over his button-down. **Doerr** has ...

[Silicon Valley Venture Capitalist Sees Big Opportunity in ...](https://www.enn.com/articles/4044)

<https://www.enn.com/articles/4044>

As one of **Silicon Valley's** most respected investors, **Doerr's** decision to champion **green** technology as the next big thing is generating buzz in the **venture** capital community. "When **John Doerr** talks, people listen," said Mark Heesen, president of the National **Venture** Capital Association.

[John Doerr - California Museum](https://www.californiamuseum.org/inductee/john-doerr)

<https://www.californiamuseum.org/inductee/john-doerr>


b. 1951. One of **Silicon Valley's** most successful **venture capitalists**, **John Doerr's** keen eye for technological innovation has helped write the success stories of companies like Amazon, Google, Compaq, Intuit and Symantec.

[John Doerr to Step Aside and Become Chairman at Kleiner ...](#)

 <https://www.nytimes.com/2016/04/01/technology/john-doerr-to-step-aside-and-become-chairman-at-kleiner-perkins.html>

Apr 01, 2016 · **John Doerr** to Step Aside and Become Chairman at Kleiner Perkins ... its investing in **green** technology and has refocused on tech investments. ... of the guard at the **Silicon Valley venture** capital ...

[Venture capitalist John Doerr to testify in Silicon Valley ...](#)

 <https://www.theguardian.com/us-news/2015/mar/03/john-doerr-testify-sex-discrimination-ellen-pao-silicon-valley>

Mar 03, 2015 · **Venture capitalist John Doerr** to testify in **Silicon Valley** sex discrimination case ... He is known for championing **green energy**, an area with a mixed track record for the firm. ...

[The next generation of Silicon Valley's sustainability ...](#)

 <https://www.greenbiz.com/article/next-generation-silicon-valleys-sustainability-investing-needs-strategic-corporates>

Other new **Silicon Valley** funds focused on sustainability investing include Breakthrough **Energy Ventures**, a billion-dollar fund from **John Doerr**, Bill Gates and Vinod Khosla; and **Green Bay Ventures**, a fund from NEA co-founder Dick Kramlich. There's also 1955 Capital, a fund from former Khosla **Ventures** partner Andrew Chung, which is looking to ...

[Venture Capital: Do Seattle VCs turn off the light on ...](#)

 <https://www.seattlepi.com/news/article/Venture-Capital-Do-Seattle-VCs-turn-off-the-1229852.php>

"There aren't, to my knowledge, any allocated alternative **energy** funds in Seattle." Unlike **Silicon Valley**, where notable **venture capitalists** such as Vinod Khosla and **John Doerr** have picked up the ...

[The Wrong Model for Clean Energy Innovation - energy.mit.edu](#)

 energy.mit.edu/wp-content/uploads/2016/07/MITEI-WP-2016-06.pdf


Venture Capital and Cleantech: The Wrong Model for **Energy** Innovation? 2 Introduction Beginning in 2006, **Silicon Valley venture** capital (VC) firms bet heavily that the **energy** sector was ripe for disruption. That year, clean **energy** technology (cleantech) start-up companies attracted \$1.75 billion in VC

[Tech CEOs Push Green Energy - environment - TechNet - Silicon ..](#)

 <https://www.inc.com/news/briefs/200611/energy1116.html>

Tech CEOs Push **Green Energy**. ... to use in solving our serious environmental and **energy** challenges," TechNet founder **John Doerr**, a partner at **Silicon Valley venture** capital firm Kleiner Perkins ...

[Venture capitalist John Doerr of Kleiner Perkins Caufield ...](#)

 <https://matr.net/news/venture-capitalist-john-doerr-of-kleiner-perkins-caufield-&-byers-makes-pitch-for-green-tech/>

Venture capitalist John Doerr of Kleiner Perkins Caufield & Byers makes pitch for **green** tech. March 25, ...

[Al Gore joins famed Silicon Valley venture capital firm - Reuters](#)

 <https://www.reuters.com/article/us-gore-vcfirm-idUSN1247526320071112>

Al Gore joins famed **Silicon Valley venture** capital firm ... company backer **John Doerr**, alternative energy financier Vinod Khosla and former U.S. Secretary of State Colin Powell. ... **Doerr, Silicon ...**

[Pizarro: Silicon Valley Education Foundation to honor venture ...](#)

 <https://www.mercurynews.com/2015/10/16/pizarro-silicon-valley-education-foundation-to-honor-venture-capitalist-john-doerr/>

Oct 16, 2015 · The **Silicon Valley** Education Foundation will present its Pioneer Business Leader award next month to **venture capitalist John Doerr**, one of the **valley's** most iconic figures. And **Doerr**, a partner ...

[Green Energy Enthusiasts Are Also Betting on Fossil Fuels ...](#)

 <https://www.nytimes.com/2007/03/16/technology/16venture.html>

Mar 16, 2007 · The **venture capitalist John Doerr** is helping lead investors toward projects that aim at developing alternative energies. Credit Dino Voumas/Reuters . In 2006, **venture capitalists** put \$727 million ...

[John Doerr - Wikipedia](#)

 https://en.wikipedia.org/wiki/John_Doerr

L. **John Doerr** (born June 29, 1951) is an American investor and **venture capitalist** at Kleiner Perkins in Menlo Park, California. In February 2009, **Doerr** was appointed a member of the President's Economic Recovery Advisory Board to provide the President and his administration with advice and counsel in trying to fix America's economic downturn.

[The Color Of Money - newsweek.com](#)

 <https://www.newsweek.com/color-money-106627>

Silicon valley venture capitalists are typically reluctant to invest in companies more than an hour's drive from their offices. Far-flung start-ups are simply too difficult to manage. So it was

[Silicon Valley's John Doerr and TJ Rodgers Invest \\$10M in ...](#)

 <https://www.greentechmedia.com/articles/read/Silicon-Valleys-John-Doerr-and-TJ-Rodgers-Invest-10M-in-Enphases-Microin>

Silicon Valley's John Doerr and TJ Rodgers Invest \$10M in Enphase's Microinverters and Storage ... He frequently consults for **energy** startups and **Silicon Valley's** premier **venture capitalists** ...

[Gore joins Silicon Valley 'clean-tech' venture capital firm ...](#)

 archive.boston.com/news/nation/articles/2007/11/13/gore_hops_on_green_venture_company/

Also yesterday, Kleiner Perkins partner **John Doerr** announced he is joining the advisory board of Generation Investment Management, the \$1 billion investment firm that Gore founded with David Blood, who previously managed \$325 billion in assets out of Goldman Sachs' London office. **Doerr** is one of **Silicon Valley's** most outspoken clean-tech advocates.

[VC John Doerr Is Optimistic But Panicked About Energy and ...](#)

 <https://forwardthinking.pcmag.com/show-reports/314036-vc-john-doerr-is-optimistic-but-panicked-about-energy-and-climate-change>

"The days of huge returns are most definitively not over," said **John Doerr**, one of the best-known **venture capitalists**. At the Fortune Brainstorm TECH conference, **Doerr**, a general partner at Kleiner Perkins Caufield & Byers, discussed emerging areas for "disruption," defended the role **Silicon Valley** plays in American society, and confessed he is "panicked" about **energy** technology and climate ...

[Silicon Valley venture capital enhancing US-China economic ...](#)

 <https://asia.nikkei.com/Business/Silicon-Valley-venture-capital-enhancing-USChina-economic-ties>

Silicon Valley venture capital enhancing US-China economic ties ... is rapidly expanding its **influence** in **Silicon Valley** through a tech-oriented seed accelerator it supports. ... The key architect ...

[SiliconBeat: Bush echoes Silicon Valley's Doerr -- "It could ...](#)

 www.siliconbeat.com/entries/2006/02/01/

[bush echoes silicon valleys doerr it could be the stalk.html](#)

John Doerr has gone half-**Green**; gets word to President Excerpt: **John Doerr**, one of the **valley's** most successful **venture capitalists**, has been on the **green** tech warpath for some time. It's hard not to listen. He's a moving evangelist.

[Bill Gates and Other Famous Investors Launch \\$1 Billion ...](#)

 <https://www.greentechmedia.com/articles/read/bill-gates-investors-launch-1-billion-energy-tech-fund>

Bill Gates and Other Famous Investors Launch \$1 Billion **Energy** Tech Fund Using Lessons Learned. ... The fund includes investments from well-known **Silicon Valley venture capitalists John Doerr** ...

[Articles about John Doerr - latimes](#)

 articles.latimes.com/keyword/john-doerr

Silicon Valley venture capitalist John Doerr made his name and fortune with early investments in pioneering tech firms such as Sun Microsystems, Netscape and Google that went from scrappy start-ups to industry leaders.

[Smart Grid in New Mexico the next Silicon Valley ...](#)

 <https://www.bizjournals.com/albuquerque/stories/2009/04/27/editorial1.html>

John Doerr, the legendary **Silicon Valley venture capitalist**, who helped fund startups like Google, says "**green** tech," especially **energy**, is the "mother of all markets."

[Green VC - News & resources for social entrepreneurs](#)

 greenvc.org

Engage with more than 400 leaders from the world's largest IT companies, **Silicon Valley** startups, investment funds, utilities, government, environmental organizations, and research institutions; Gain insights on the latest **energy** technologies, corporate practices, market trends, and emerging government policies.

[Silicon Valley's VCs are investing in green technology ...](#)

 archive.fortune.com/magazines/fortune/fortune_archive/2007/04/16/8404301/index.htm

(Fortune Magazine) -- There's a new bubble in **Silicon Valley**, and I'm in the office of **John Doerr**, watching it expand. **Doerr**, of course, is the legendary **venture capitalist** and inflator-in-chief of the last glorious investment craze. (Remember "The Internet is the greatest legal creation of wealth ...

[Top Venture Investor Goes Green - latimes](#)

 articles.latimes.com/2006/apr/11/business/fi-doerr11

As one of **Silicon Valley's** most respected investors, **Doerr** is generating buzz in the **venture** community with his decision to champion **green** technology. "When **John Doerr** talks, people listen," said Mark Heesen, president of the National **Venture** Capital Assn. "**John** appears to have an innate ability to spot trends and execute a business plan that ...

[The greening of Silicon Valley | New Scientist](#)

 <https://www.newscientist.com/article/mg19826581-600-the-greening-of-silicon-valley/>


John Doerr is only half joking. He is one of the most influential **venture capitalists** in **Silicon Valley**, and he knows a thing or two about financing the future. ... one of the **Valley's** best ...

[Investors keep early-stage cleantech alive with lessons ...](#)

 <https://www.greenbiz.com/article/investors-keep-early-stage-cleantech-alive-lessons-learned>

Venture firms focused on early-stage cleantech startup are rare these days. That's thanks to the considerable losses that some **Silicon Valley** firms have suffered over the past decade related to overly aggressive investments in sectors such as next-generation solar panels, independent electric car companies and **green** building materials.

[The vast majority of tech entrepreneurs are Democrats — but a ...](#)

 <https://www.vox.com/policy-and-politics/2017/9/6/16260326/tech-entrepreneurs-survey-politics-liberal-regulation-unions>

The vast majority of tech entrepreneurs are Democrats — but a different kind of Democrat ... **Silicon Valley venture capitalist John Doerr** was a frequent guest in the ... also be threatened by ...

[Kleiner Perkins Shifts Strategy After a Rough Decade - The ...](#)

 <https://dealbook.nytimes.com/2013/05/07/a-humbled-kleiner-perkins-adjusts-its-strategy/>


At a Congressional hearing last month, Republican members of a House oversight committee asked witnesses from Fisker and the **Energy** Department whether Democratic political contributions and **influence** of Kleiner partners, led by the Obama adviser **John Doerr**, had helped Fisker gain \$192 million in government **green-energy** loans.

[Green Kingpins Part 3: VC John Doerr of KPCB | Greentech Media](#)

 <https://www.greentechmedia.com/articles/read/Green-Kingpins-Pt-3-VC-John-Doerr-of-KPCB>

He frequently consults for **energy** startups and **Silicon Valley's** premier **venture capitalists**. More articles from this author > **Green Kingpins Part 3: VC John Doerr of KPCB**

[Silicon Valley Capitalists Eye Green Energy Investments](#)

 <https://www.naturalgasintel.com/articles/71547-silicon-valley-capitalists-eye-green-energy-investments>

A leading **Silicon Valley venture capitalist** firm that cut its teeth on early investments in such winners as Sun Microsystems, Netscape and Google told California news media Monday it plans to ...

[Venture Capital and Energy in the United States: Where to ...](#)

 https://www.huffingtonpost.com/ray-a-rothrock/energy-venture-capital_b_1178721.html

Six or seven years ago the broader **venture** capital community took an interest in **energy** as a category for **venture** capital investing. Storied **venture capitalist** like **John Doerr** and Vinod Khosla ...

[The Energy War: How Fossil-Fuel Democrats Became An ...](#)

 <https://www.thedailybeast.com/the-energy-war-how-fossil-fuel-democrats-became-an-endangered-species>

The **Energy** War: How Fossil-Fuel Democrats Became An Endangered Species ... like **venture capitalist John Doerr** and Wall Street giants ... in the **green-energy** sector, as the **valley's** new dominant ...

[SiliconBeat: John Doerr has gone half-Green; gets word to ...](#)

 www.siliconbeat.com/entries/2006/05/18/john-doerr-has-gone-halfgreen-gets-word-to-president.html

John Doerr, one of the **valley's** most successful **venture capitalists**, has been on the **green** tech warpath for some time. It's hard not to listen. He's a moving evangelist. He pumped up the Internet boom of the late 1990s, saying it was the greatest legal creation of wealth in history -- and there was ...

[The Ellen Pao trial is spilling Silicon Valley secrets - The ...](#)

 <https://www.theverge.com/2015/3/3/8141053/ellen-pao-kleiner-perkins-venture-capital>

Opening arguments for Ellen Pao v. Kleiner Perkins Caufield & Byers — the gender discrimination lawsuit that cracked **Silicon Valley's** claim to meritocracy like an iPhone screen — began a ...

[Obama Meets With Silicon Valley Tech Elite - greenlining.org](#)

 greenlining.org/issues/economic-equity/2011/obama-meets-with-silicon-valley-tech-elite/

The president was expected to touch down at San Francisco International Airport shortly before 6 p.m. and to meet with 12 tech executives at a private dinner at the Woodside home of **Silicon Valley venture capitalist John Doerr**.

[Why Bill Gates is embracing clean tech | ITworld](#)

 <https://www.itworld.com/article/2752795/why-bill-gates-is-embracing-clean-tech.html>

Part of the answer lies with the story of a **Silicon Valley** startup that's merging IT and clean **energy** technologies ... and if the push in Washington by Gates and **venture capitalist John Doerr** to ...

[John Doerr: Not nearly enough money going to green tech - CNET](#)

 <https://www.cnet.com/news/john-doerr-not-nearly-enough-money-going-to-green-tech/>

Culture **John Doerr**: Not nearly enough money going to **green** tech. Speaking at the MIT **Energy** Conference, famed **venture capitalist** sees a "**green-tech** boom," but he says it's happening too slowly to ...

[Silicon Valley Venture Capital Firm Names Former ... - The Tech](#)

 <https://thetech.com/2007/11/13/long4-v127-n54>

John Doerr, a partner at Kleiner Perkins who is a fierce advocate for the development of alternative **energy** technologies, said Gore will help the firm, one of **Silicon Valley's** largest, attract innovative start-ups — an advantage in the firm's competition with other **venture capitalists**. **Silicon Valley's** **venture** firms have focused ...

[Does Silicon Valley Have an Insider Trading Problem? - CNBC](#)

 <https://www.cnbc.com/id/42377452>

Does **Silicon Valley** Have an Insider Trading Problem? ... thought in an article about the **venture capitalist** **John** Doerr. "Legendary **venture capitalist** **John Doerr** is said to have once described his ...

[Bloom Energy makes the news | Energy Central](#)

 <https://www.energycentral.com/c/ec/bloom-energy-makes-news>

Today's **energy**-problem-solver is Bloom **Energy**. The company has been around since 2001, quietly developing what it claims is a new fuel-cell technology, much of it on the dime of **Silicon Valley** **venture capitalists** like **John Doerr** of Kleiner Perkins Caufield & Byers.

[Venture Archives - Page 8 of 52 - SiliconBeat](#)

 www.siliconbeat.com/category/venturecapital/page/8/

John Doerr, a longtime leader of one of **Silicon Valley's** most prestigious **venture** capital firms, announced Thursday he's taking a step back from some of his managerial duties. **Doerr**, 64, is [...] continue reading →

[The top Silicon Valley biotech venture capitalists and ...](#)

 <https://www.businessinsider.com/silicon-valley-life-science-biotech-vc-investor-list-2018-8>

Mohammad Islam, Racquel Bracken, Julie Grant, and Dan Estes are among **Silicon Valley's** top young **venture capitalists** investing in biotech. Shayanne Gal/Business Insider

[Silicon Valley to Invest Heavily in Emerging Green Technology ...](#)

 <https://www.goodnewsnetwork.org/green-tech-angel-investors/>

Venture Capitalists are poised to invest hundreds of millions in the emerging "**green** technologies" and believe they could become as lucrative as anything that preceded it in **Silicon Valley**.

[The Color Of Money - newsweek.com](#)

 <https://www.newsweek.com/color-money-107039>

Silicon valley **venture capitalists** are typically reluctant to invest in companies more than an hour's drive from their offices. Far-flung start-ups are simply too difficult to manage. So it was

[A Green Doerr and Al Gore - wildershares.com](#)

 <https://wildershares.com/pdf/Motley Fool, Nov13.07.pdf>

even won a Nobel Prize this year. Now, visionary **venture** capital firm Kleiner, Perkins, Caufield & Byers has brought Gore on board to help pursue the next big (**green**) thing. The firm, which boasts

well-known **Silicon Valley venture capitalist John Doerr** among its partners, has backed such successful companies as Google (Nasdaq: GOOG), Amazon.com ...

[Alternative energy lighting it up / Big venture capitalists ...](#)

 <https://www.sfgate.com/business/article/Alternative-energy-lighting-it-up-Big-venture-2547875.php>

But fledgling **Silicon Valley** firms like Miasole that are trying to make breakthroughs in producing **energy** from alternative sources like the sun, corn or even bio-waste, may end up finding a bigger ...

[Silicon Valley's Green Energy Mistake - The Global Warming ...](#)

 <https://www.thegwpf.com/silicon-valleys-green-energy-mistake/>

Silicon Valley's Green Energy Mistake. Date: 28/12/12; The Wall Street Journal **Silicon Valley's** investment wizards are fleeing the so-called **green** economy, and not a moment too soon for American prosperity. As painful as the era of enviro-investing has been for taxpayers and shareholders, there's an emerging silver lining.

[John Doerr, MBA 1976 - Alumni - Harvard Business School](#)

 <https://www.alumni.hbs.edu/stories/Pages/story-bulletin.aspx?num=1992>


As one of **Silicon Valley's** most successful **venture capitalists**, **John Doerr** thinks big. Working side by side with entrepreneurs, he has funded companies that have had a dramatic impact on life in the 21st century, from online retail giant Amazon.com to Internet behemoth Google to synthetic biology leader Amyris.

[Gore, Joy See Green Economy Powered by Silicon Valley | WIRED](#)

 <https://www.wired.com/2007/11/gore-joy-see-green-economy-powered-by-silicon-valley/>

In an exclusive interview, former vice president Al Gore and Sun co-founder Bill Joy talk about the coming **green** economy -- and how **Silicon Valley venture** capital will help fund it. It'll be like ...

[KPCB partner John Doerr: Venture capitalists ... - Fortune](#)

 fortune.com/2015/07/14/john-doerr-diversity/

John Doerr: Venture capitalists 'are pathetic' on diversity ... The storied **Silicon Valley** firm won the jury's judgment, but it emerged battered from public scrutiny. ... Primack asked **Doerr** if ...

[BreezEnergy™ | The Future of Green & Clean Transportation](#)

 <https://breezenergy.wordpress.com>

"I don't think we're going to make it," **John Doerr, Venture Capitalist**, says in an emotional talk about climate change and investment. To create a world fit for his daughter to live in, he says, we need to invest now in clean, **green energy**. **John Doerr, Silicon Valley's** legendary moneyman, is afraid of eco-apocalypse.

[Kleiner Perkins | Make History](#)

 <https://www.kleinerperkins.com>

Kleiner Perkins is an American **venture** capital firm headquartered on Sand Hill Road in Menlo Park in **Silicon Valley**. Kleiner Perkins | Make History Kleiner Perkins Logo

[Venture capitalist testifies in Silicon Valley sex-bias suit ...](#)

 <https://www.sandiegouniontribune.com/sdut-venture-capitalist-to-take-stand-in-silicon-2015mar03-story.html>

SAN FRANCISCO (AP) — A legendary billionaire investor defended his **Silicon Valley venture** capital firm Tuesday while testifying in a high-profile sex discrimination lawsuit that has accused the


...

[John Doerr's five recommendations for Congress - SFGate](#)

 <https://www.sfgate.com/news/article/John-Doerr-s-five-recommendations-for-Congress-3177865.php>

The legendary **Silicon Valley venture capitalist** made five recommendations to Congress and President-elect Barack Obama to jumpstart a **green-tech** revolution and fight global warming: The federal ...

[John Doerr: Obama Should "Kick Start" Green Energy Research ...](#)

 https://cascadia.center/2008/11/12/john_doerr_obama_should_kick_s/

John Doerr: Obama Should "Kick Start" **Green Energy** Research Matt Rosenberg November 12, 2008 **Alternative Energy**. Legendary **Silicon Valley venture capitalist John Doerr** of Kleiner, Perkins, Caulfield & Byers sat down for an interview at the recent Web 2.0 Summit in San Francisco and shared some thoughts in this video from ZDNet (click here or on embed below):

[John Doerr Makes a Social Call - Bloomberg](#)

 <https://www.bloomberg.com/news/articles/2010-10-21/john-doerr-makes-a-social-call>

Oct 21, 2010 · **John Doerr** nearly relinquished his crown. The famed king of **Silicon Valley's venture** capital community led early investments in Netscape, Amazon.com (AMZN), and Google (GOOG), building a global ...

[The startup Drift is one of New York's newest utilities ...](#)

 <https://qz.com/995551/the-startup-drift-is-one-of-new-yorks-newest-utilities-allowing-peer-to-peer-trading-for-the-electric-smart-grid/>

Quartz is a guide to the new global economy for people excited by change. ... prominent **Silicon Valley venture capitalist John Doerr** proclaimed **green** ... (pdf) that almost all of the 150 renewable ...

[Al Gore becomes partner at venture capital firm - ABC News](#)

 <https://abcnews.go.com/Business/story?id=3857122>

Former vice president Al Gore is becoming a partner at one of **Silicon Valley's** most storied **venture** capital firms. ... backer **John Doerr**, alternative **energy** financier Vinod Khosla and former ...

[Vinod Khosla pledges half his \\$1.4 bn fortune to charity ...](#)

 <https://indianexpress.com/article/news-archive/web/vinod-khosla-pledges-half-his-1-4-bn-fortune-to-charity/>

Vinod Khosla pledges half his \$1.4 bn fortune to charity Indian-American **Silicon Valley venture capitalist** Vinod Khosla and his wife Neeru are among the latest billionaires to have pledged half of their vast fortunes to charity either during their lifetime or after death.

[Report raps Steve Westly over stimulus money doled out to ...](#)

 <https://www.mercurynews.com/2011/04/01/report-raps-steve-westly-over-stimulus-money-doled-out-to-cleantech-firms/>

Apr 01, 2011 · "This is what people always said they wanted to see in **Silicon Valley** executives. ... It noted that **John Doerr's** venture ... Josh **Green**, a **venture capitalist** who heads cleantech investments


...

[Kleiner Perkins and Ellen Pao: Our coverage guide | Fortune](#)

 fortune.com/2015/03/27/kleiner-perkins-ellen-pao-fortune-guide/

A jury has cleared Kleiner Perkins Caufield & Byers, the storied **Silicon Valley** venture capital firm, of allegations of gender discrimination by ex-employee Ellen Pao. It's been a long road to ...

[Silicon Valley VCs join Bill Gates in clean-energy investment ...](#)

 <https://www.onenewspage.com/n/Business/759yu15pd/Silicon-Valley-VCs-join-Bill-Gates-in-clean.htm>

Two big-name **Silicon Valley** venture capitalists have joined an new initiative to back advances in clean **energy** technology through a new \$1 billion investment fund. Kleiner Perkins Caufield & Byers Chairman **John Doerr** and Khosla **Ventures** founder.. • Business • One News Page: Monday, 12 December 2016

[U.S. Losing Green Race, Leading Venture Capitalist Warns ...](#)

 <https://e360.yale.edu/digest/us-losing-green-race-leading-venture-capitalist-warns>

Silicon Valley venture capitalist **John Doerr** has warned Congress that the U.S. is falling behind in the global competition to develop renewable **energy** technology and has presented a five-point plan to put the country on a path to a clean **energy** future. Speaking before the Senate's Environment and ...

[Bloom Energy makes the news - Knowledge Problem](#)

 <https://knowledgeproblem.com/2010/02/24/bloom-energy-makes-the-news/>

Today's **energy**-problem-solver is Bloom **Energy**. The company has been around since 2001, quietly developing what it claims is a new fuel-cell technology, much of it on the dime of **Silicon Valley** venture capitalists like **John Doerr** of Kleiner Perkins Caufield & Byers.

[Obama's Green Energy Crony Corporatism | Breitbart](#)

 <https://www.breitbart.com/politics/2012/07/19/markay-on-venture-corporatism/amp/>

Jul 19, 2012 · The story extends well beyond Solyndra to a string of other **green energy** firms. Recent coverage has shed light on Obama's connections to two individuals specifically: Steve Westly and **John Doerr**. The latter is a partner at Kleiner Perkins Caufield & Byers, a **Silicon Valley** venture capital firm whose portfolio includes 16 recipients of federal ...

[KPCB Launches Green Growth Fund - North American Windpower](#)

 <https://nawindpower.com/kpcb-launches-green-growth-fund>

Kleiner Perkins Caufield & Byers (KPCB), a **Silicon Valley** venture capital firm, has launched the **Green** Growth Fund, a \$500 million investment vehicle intended to help speed mass market adoption of ...

[VC legend Doerr: Tech is booming, not in a bubble - CNET](#)

 <https://www.cnet.com/news/vc-legend-doerr-tech-is-booming-not-in-a-bubble/>

Culture VC legend **Doerr**: Tech is booming, not in a bubble. At TechCrunch Disrupt, **John Doerr** points out that today's tech **venture** capital environment is just about a third of what it was a decade ago.

[UPDATE 1-AI Gore joins famed tech venture capital firm](https://www.reuters.com/article/gore-vcfirm-idUSN1251852220071113)

<https://www.reuters.com/article/gore-vcfirm-idUSN1251852220071113>

In addition, **John Doerr**, **Silicon Valley's** best-known **venture capitalist** and long a major backer of Gore's political and policy efforts, will join Generation's advisory board, the two ...

[Why Bill Gates is embracing clean tech | Computerworld](https://www.computerworld.com/article/2518887/why-bill-gates-is-embracing-clean-tech.html)

<https://www.computerworld.com/article/2518887/why-bill-gates-is-embracing-clean-tech.html>

Why Bill Gates is embracing clean tech Part of the answer lies with the story of a **Silicon Valley** start-up that's merging IT and clean **energy** technologies



.The Silicon Valley Blacklist

The size and scale of social media companies exploded primarily because they presented themselves as open platforms — blank slates. **Google, Facebook, and Twitter all characterized their products as engines for social improvement.** “We think of Twitter as the global town hall,” said former Twitter CEO Dick Costolo. “We are the free speech wing of the free speech party.”

Costolo was Twitter’s chief executive from 2010 until 2015 and the immediate predecessor of current CEO Jack Dorsey. Twitter’s general manager in the United Kingdom, Andy Yang, likewise described Twitter as the “free speech wing of the free speech party” in March 2012. Google became a multibillion-dollar company by offering a portal for free, unrestricted information to anyone with access to the internet; famously, its original motto was “Don’t be evil.” An internal Facebook memo circulated in June 2016 stated that at Facebook, “we believe in connecting people so deeply that anything that allows us to connect more people more often is de facto good.”

The public has given these three tech companies (and others) enormous power to select the information we read, share, and discuss with our neighbors and friends. We’ve gotten so accustomed to the role they play in our lives that we fail to notice that Big Tech is sifting through the available information and narrowing, and prioritizing, our choices. Although Facebook, Google, and Twitter once touted themselves as **bastions of democracy and free speech**, they are now **openly moving toward direct censorship and media manipulation** - and specifically targeting conservative ideas and personalities.

They have already acquiesced to their new censorship fetish. In March 2018, Google circulated an internal memo that instructed employees on the benefits of censorship. In the memo, which was titled “The Good Censor,” **Google conceded that while the internet was “founded upon utopian principles of free speech,” free speech is no longer en vogue.** “Tech companies are adapting their stance towards censorship” in direct response to “the anxiety of users and governments.” The memo said that “tech firms have gradually shifted away from unmediated free speech and towards censorship and moderation” but framed that shift as a positive development. **One major way that tech companies are “stepping into the role of moderator” is by “significantly amping up the number of moderators they employ** — in YouTube’s case increasing the number of people on the lookout for inappropriate content to more than 10,000.” It argued that censorship was necessary partly because of users “behaving badly.”

The most alarming part of the missive, however, was that it spoke approvingly of foreign governments that were censoring online speech. Google framed the acts as “taking steps to make online spaces safer, more regulated, and more similar to their offline laws. Protected from hate speech

on the street? Now you are on the net too ...” Twitter has completely and publicly abandoned its brand as the “free speech wing of the free speech party,” with Dorsey claiming the whole “free speech wing” thing was one giant “joke.” His company, once seemingly devoted to the free expression of its users, now says it is prioritizing making users feel safe from others’ speech. Facebook, too, is openly rebranding itself as a benevolent censor. Here’s what Facebook CEO Mark Zuckerberg told the Senate Commerce and Judiciary committees in April 2018 (emphasis added):

Overall, I would say that we’re going through a broader philosophical shift in how we approach our responsibility as a company. For the first 10 or 12 years of the company, I viewed our responsibility as primarily building tools that, if we could put those tools in people’s hands, then that would empower people to do good things. What I think we’ve learned now across a number of issues, not just data privacy, but also fake news and foreign interference in elections, is that we need to take a more proactive role and a broader view of our responsibility. **It’s not enough to just build tools. We need to make sure that they’re used for good. And that means that we need to now take a more active view in policing the ecosystem** *and in watching and kind of looking out and making sure that all of the members in our community are using these tools in a way that’s going to be good and healthy.*

Three forces are driving Big Tech’s online censorship.

- Two are external and related: **market pressures and de-platforming campaigns by liberal activists and journalists.**
- The third pressure is internal: **Silicon Valley is staggeringly one-sided politically.**

Profit margins and market pressures are crucial levers that left-wing ideologues use to pull tech giants and other corporations in the direction of censorship. **Companies want to avoid controversy, and, in the era of outrage mobs, that means avoiding offending the Left, which controls most of the cultural institutions in America.** That’s part of the reason why massive companies are embracing left-wing politics in advertising, such as what Gillette did with its “toxic masculinity” ad. Left-wing activists amplify those pressures with smear campaigns and boycotts intended to rattle advertisers and investors, forcing the hands of tech companies. If you convince corporate marketing agencies that advertising on Facebook is risky, you can be certain that Facebook will take some form of action to shed controversy and reassure investors.

The external pressures of left-wing activists are compounded by the internal pressures of the companies’ employees, who want Big Tech to embrace censorship against nonliberal opinions as a moral and political necessity. The internal office cultures at Facebook, Google, and Twitter have always been overwhelmingly left-leaning, but the election of Donald Trump as president has made them far more radical. I told one Silicon Valley insider that I thought tech culture now resembled the left-wing, activist culture on college campuses. He replied, **“They’re the exact same people.” Their political opinions are certainly monochromatic.** Of the \$8.1 million that tech industry workers donated to presidential candidates during the 2016 campaign, 95% of it went to Hillary Clinton. Among

donations from the Silicon Valley area specifically, 99% went to Clinton.

So, maybe it's not surprising that Google, Facebook, and Twitter have all become vehicles for left-wing activism. The companies encourage employees to bring their "authentic selves" to work. One Silicon Valley executive told me, "We want people to ... bring their entire perspective and all their values to work, and in the positive sense, that means getting rid of a huge distinction between my professional life and my personal life." For left-wing activists in Silicon Valley, their professional, personal, and political lives are all one. That's why Twitter launched an "intersectionality" initiative for its employees and Google gives millions to left-wing causes — to signal its allegiance to the tribe.

In 2017, the nonprofit Lincoln Network conducted a survey of tech workers in Silicon Valley, including those employed at Google, Facebook, Apple, Amazon, and Microsoft. The political leanings of those surveyed were more politically diverse than Silicon Valley's overall population: 29% were liberal, 24% were libertarian, 22% were conservative, and 16% were centrist. But on one thing, they agreed: **75% of the liberals and 70% of the conservatives characterized their workplace as either "liberal" or "very liberal"** and fewer than 2% of the survey-takers said their places of work were conservative.

Even some of the liberal respondents thought that left-wing intolerance had gone too far. One liberal tech worker said, "I witnessed repeated calls from managers and nonmanagers alike for people to be fired for the political views they expressed." Another liberal employee said, **"There are people who are looking for a reason to be offended, and any sort of disagreement would make them wonder if I'm a secret Trump supporter. The idea of 'I agree with you 90%' is not enough."** One self-identified libertarian said, "I have lost multiple talented colleagues who resigned rather than continue in the face of an increasingly extreme, narrow-minded, and regressive environment here at Google. **It's terrifying here. A real horror show. Every day could be my last.**"

Eighty-nine percent of respondents who identified as "very conservative" said they **didn't feel comfortable expressing their opinions at work**. "It's a postmodern, secularist Silicon Valley viewpoint. Highly liberal. It's motivated by changing the world masquerading as intellectualism," said one conservative tech employee. A libertarian said "there were many groups devoted to identity politics" in his company, and every one of them was leftist. "If you're not part of the liberal Democrat crowd, you're an outsider. Talks are often politicized, whether overtly or not. **The entire executive team leans in a certain direction, and you don't want to be the odd one out for fear of being ostracized ... Nobody who didn't fit the company's mold talked about their political views.** The company was very homogenous in that sense." One conservative employee said, "There is overwhelming internal support for leftist political candidates, policies, and ideas, and they are frequently expressed ... There are zero to very few senior people who dare to speak up or represent an alternative (more conservative) point of view in company debates or policy decisions."

This groupthink affects everything that Big Tech does, every decision it makes, every program it releases. As a former Google engineer noted, Google's algorithms reflect the assumptions and biases of their creators. The discussion about tech platforms and political bias often (and understandably) centers

on what is or isn't *allowed* on Google, YouTube, Facebook, and Twitter, but the other half of the picture is what is and isn't *prioritized* on a platform. **Broadly speaking, tech companies censor users and content in two ways.**

- The first, which we'll call "**hard censorship**," is pretty straightforward: deleting content or suspending users.
- The second method, which we'll call "**soft censorship**," involves tech companies making content harder to find.

Hard censorship is tearing down a roadside billboard; soft censorship is making the billboard difficult to see by erecting other billboards in front of it. Soft censorship by tech companies can be just as effective as hard censorship. Studies show that people rarely click past the first page of Google or YouTube results. Even fewer click past the second or third page. So, pushing a link off the first page (or two or three) of Google is nearly the same as removing it from Google results altogether. The same is true with your Facebook and Twitter feeds: Companies don't have to delete content to make sure you don't see it.

Since 2016, every major tech company, including Facebook, Google, YouTube, and Twitter, has been busy retooling algorithms or news feeds or monetization standards in ways that benefit liberals and sideline conservatives. Big Tech also partners with left-wing groups such as the Southern Poverty Law Center to "flag" supposedly problematic content. The group falsely labels individual conservatives as "extremists" and conservative organizations as "hate groups" and then promotes more restrictive content policies against alleged "hate speech."

To give you some idea of the advocacy group's standards, it **once accused Ben Carson of being an "extremist" for stating his belief that marriage is between a man and a woman.** Immersed in scandals of its own, the organization has been widely discredited. But it still works closely with Google engineers who design the digital tools and algorithms to police hate speech on YouTube as part of Google's "Trusted Flagger" program. **Google kept its collaboration with the Southern Poverty Law Center a secret, hidden behind a confidentiality agreement,** and the group only admitted the partnership after I broke the story. All of these partnerships are occurring while the advocacy group publicly keeps pressure on Facebook, Google, and Twitter, calling for them to do more to combat "hate speech" on their platforms, which invariably means giving the organization more power in its private dealings with the companies. The Southern Poverty Law Center led five other left-wing groups in forming a coalition called "Change the Terms" that aims to pressure all major technology service providers into setting speech codes governing what their clients say both on and off their platforms.

The coalition demands that each company agree to implement a specific set of policies already drafted by the activists. Among the required changes: empowering third-party organizations (such as, say, the Southern Poverty Law Center) to flag "hateful" actors. The activists' targets aren't limited to Facebook, Google, and Twitter (although those companies are certainly on the list) but also include

credit card companies and crowdfunding sites. **Once a company caves to the pressure and agrees to adopt the left-wing contract, it has essentially deputized the coalition to decide who can stay on its platform or use its services and who must leave.** Once the contract is official, the activists immediately shift gears to identify the users or customers the company is now required to ban from its platform. Left-wingers' plan for weaponizing tech platforms bears a resemblance to the "social credit score" system adopted by the Chinese government. Only instead of the government monitoring your private behavior and limiting your access to society as a result, it's a collective of left-wing advocacy groups partnered with multinational corporations.

First Amendment rights do not protect you from private organizations' limitations on speech. It's a devious strategy, and it's working. Media Matters is a left-wing political group devoted to silencing conservative viewpoints in the media. For much of its history, it focused on attacking Fox News, but in recent years, it targeted conservative voices online as well. Media Matters presented a 44-page memo to liberal donors at a January 2017 summit that bragged about its plans to work with Facebook and Google to destroy nonliberal media outlets. The memo argued that enlisting Big Tech in the left-wing campaign to eliminate conservative media is essential if liberals hope to defeat Trump in 2020. Media Matters promised to accomplish exactly that. **"Key right-wing targets will see their influence diminished as a result of our work,"** it promised.

Leftists don't need to banish every conservative from social media; they only need to dominate social media the way they dominate the mainstream media. They're OK with discussion that takes place within boundaries they set (as on MSNBC) and so long as they win the elections that matter to them (such as the White House). Since Nov. 8, 2016, they have shifted the digital landscape against conservative voices. **By Nov. 3, 2020, they will have transformed (or rigged) social media in ways that will have far-reaching implications for America.**

How Dianne Feinstein Can Make Sure You Can Never Get A Job Again If You Speak Against Her

- Nancy Pelosi, Barbara Boxer, Ed Lee, Gavin Newsom and other politicians can access your voting records, every HR service and the hiring managers at every Bay Area company from their desktop computers.
- Black-listing of hated employees is a big thing in the Bay Area.
- The FBI has not yet been ordered by DOJ to halt this.
- Corrupt politicians can kill your career with one phone call or mouse click.

The High-Tech Employee Antitrust Litigation is a 2010 [United States Department of Justice](#) (DOJ) [antitrust](#) action and a 2013 civil [class action](#) against several [Silicon Valley](#) companies for alleged "no

[cold call](#)" agreements which restrained the recruitment of high-tech employees. It proved that the main financiers of Nancy Pelosi, Barbara Boxer, Ed Lee, Gavin Newsom, Dianne Feinstein and other Bay Area political manipulators, can easily keep you from ever working again if you piss them off.

The defendants are [Adobe](#), [Apple Inc.](#), [Google](#), [Intel](#), [Intuit](#), [Pixar](#), [Lucasfilm](#) and [eBay](#), all high-technology companies with a principal place of business in the San Francisco–Silicon Valley area of California.

The civil class action was filed by five plaintiffs, one of whom has died in a possible hush-up-murder; it accused the tech companies of collusion between 2005 and 2009 to refrain from recruiting each other's employees.

Cold calling is one of the main methods used by companies in the high-technology sector to recruit employees with advanced and specialised skills, such as software and hardware engineers, programmers, animators, digital artists, Web developers and other technical professionals.^[1] Cold calling involves communicating directly in any manner with another firm's employee who has not otherwise applied for a job opening. Cold calling may be done in person, by phone, letter, or email.^[2] According to the legal brief filed by a plaintiff in one of the class-action cases, cold calling is an effective method of recruiting for the high-technology sector because "employees of other [high-technology] companies are often unresponsive to other recruiting strategies... [and] current satisfied employees tend to be more qualified, harder working, and more stable than those who are actively looking for employment."^[3]

Amy Lambert, Google's associate general counsel, noted in a blog post shortly after the DOJ's actions, that Google's definition of cold calling does not necessarily eliminate recruiting by letter or email, but only the process of calling on the telephone. By implication, recruiting through LinkedIn incurs recruiting by "InMail" - LinkedIn's own mail contact system: "In order to maintain a good working relationship with these companies, in 2005 we decided not to "cold call" employees at a few of our partner companies. Our policy only impacted cold calling, and we continued to recruit from these companies through LinkedIn, job fairs, employee referrals, or when candidates approached Google directly. In fact, we hired hundreds of employees from the companies involved during this time period."

The challenged "no cold call" agreements are alleged bilateral agreements between high technology companies not to cold call each other's employees. The DOJ alleges that senior executives at each company negotiated to have their employees added to 'no call' lists maintained by human resources personnel or in company hiring manuals. The alleged agreements were not limited by geography, job function, product group, or time period. The alleged bilateral agreements were between: (1) Apple and Google, (2) Apple and Adobe, (3) Apple and Pixar, (4) Google and Intel, (5) Google and Intuit,^[4] and (6) Lucasfilm and Pixar.^[5]

The civil class action further alleges that agreements also existed to (1) "provide notification when

making an offer to another [company]'s employee (without the knowledge or consent of the employee)" and (2) "agreements that, when offering a position to another company's employee, neither company would counteroffer above the initial offer."[\[3\]](#)

Department of Justice antitrust action

On September 24, 2010, the [United States Department of Justice Antitrust Division](#) filed a complaint in the [US District Court for the District of Columbia](#) alleging violations of Section 1 of the [Sherman Act](#). In *US v. Adobe Systems Inc., et al.*, the Department of Justice alleged that Adobe, Apple, Google, Intel, Intuit, and Pixar had violated Section 1 of the Sherman Act by entering into a series of bilateral "No Cold Call" Agreements to prevent the recruitment of their employees (a similar but separate suit was filed against Lucasfilm on December 21, 2010[\[6\]](#)). The DOJ alleged in their Complaint that the companies had reached "facially anticompetitive" agreements that "eliminated a significant form of competition...to the detriment of the affected employees who were likely deprived of competitively important information and access to better job opportunities." The DOJ also alleged that the agreements "were not ancillary to any legitimate collaboration," "were much broader than reasonably necessary for the formation or implementation of any collaborative effort," and "disrupted the normal price-setting mechanisms that apply in the labor setting."[\[4\]](#) The same day it filed the suit, the DOJ and the defendants proposed a settlement.[\[7\]](#)

A final judgment enforcing the settlement was entered by the court on March 17, 2011.[\[8\]](#) Although the DOJ Complaint only challenged the alleged "no cold call" agreements, in the settlement, the companies agreed to a more broad prohibition against "attempting to enter into, entering into, maintaining or enforcing any agreement with any other person to in any way refrain from, requesting that any person in any way refrain from, or pressuring any person in any way to refrain from soliciting, cold calling, recruiting, or otherwise competing for employees of the other person", for a period of five years; the court can grant an extension.[\[8\]](#) The settlement agreement does not provide any compensation for company employees affected by the alleged agreements.[\[9\]](#) Lucasfilm entered into a similar settlement agreement in December 2010.[\[5\]](#)

Civil class action

In re: High-Tech Employee Antitrust Litigation ([U.S. District Court, Northern District of California](#) 11-cv-2509 [\[10\]](#)) is a [class-action](#) lawsuit on behalf of over 64,000 employees of [Adobe](#), [Apple Inc.](#), [Google](#), [Intel](#), [Intuit](#), [Pixar](#) and [Lucasfilm](#) (the last two are subsidiaries of [Disney](#)) against their employer alleging that their wages were repressed due to alleged agreements between their employers not to hire employees from their competitors.[\[11\]\[12\]](#) The case was filed on May 4, 2011 by a former software engineer at Lucasfilm and alleges violations of California's antitrust statute, Business and Professions Code sections 16720 et seq. (the "Cartwright Act"); Business and Professions Code section 16600; and California's unfair competition law, Business and Professions Code sections 17200, et seq. Focusing on the network of connections around former Apple CEO [Steve Jobs](#), the Complaint alleges

"an interconnected web of express agreements, each with the active involvement and participation of a company under the control of Steve Jobs...and/or a company that shared at least one member of [Apple's board of directors](#)." The alleged intent of this conspiracy was "to reduce employee compensation and mobility through eliminating competition for skilled labor."[\[13\]](#)

On October 24, 2013 the [United States District Court for the Northern District of California](#) granted class certification for all employees of Defendant companies from January 1, 2005 through January 1, 2010.[\[9\]](#)

As of October 31, 2013, Intuit, Pixar and Lucasfilm have reached a tentative settlement agreement. Pixar and Lucasfilm agreed to pay \$9 million in damages, and Intuit agreed to pay \$11 million in damages.[\[9\]](#) In May 2014, Judge [Lucy Koh](#) approved the \$20 million settlement between Lucasfilm, Pixar, and Intuit and their employees. Class members in this settlement, which involved fewer than 8% of the 65,000 employees affected, will receive around \$3,840 each.[\[14\]](#)

The trial of the class action for the remaining Defendant companies was scheduled to begin on May 27, 2014. The plaintiffs intended to ask the jury for \$3 billion in compensation, a number which could in turn have tripled to \$9 billion under antitrust law.[\[15\]](#) However, in late April 2014, the four remaining defendants, [Apple Inc](#), [Google](#), [Intel](#) and [Adobe Systems](#), agreed to settle out of court. Any settlement must be approved by Judge [Lucy Koh](#).[\[16\]](#)[\[17\]](#)

On May 23, 2014, Apple, Google, Intel, Adobe agreed to settle for \$324.5 million. Lawyers sought 25% in attorneys' fees, plus expenses of as much as \$1.2 million, according to the filing. Additional award payments of \$80,000 would be sought for each named plaintiff who served as a class representative.[\[18\]](#) Payouts will average a few thousand dollars based on the salary of the employee at the time of the complaint.

In June 2014, Judge Lucy Koh expressed concern that the settlement may not be a good one for the plaintiffs. Michael Devine, one of the plaintiffs, said the settlement is unjust. In a letter he wrote to the judge he said the settlement represents only one-tenth of the \$3 billion in compensation the 64,000 workers could have made if the defendants had not colluded.[\[19\]](#)

On August 8, 2014, Judge Koh rejected the settlement as insufficient on the basis of the evidence and exposure. Rejecting a settlement is unusual in such cases. This left the defendants with a choice between raising their settlement offer or facing a trial.[\[20\]](#)

On September 8, 2014, Judge Koh set April 9, 2015 as the actual trial date for the remaining defendants, with a pre-trial conference scheduled for December 19, 2014. Also, as of early September 2014, the defendants had re-entered mediation to determine whether a new settlement could be reached.[\[21\]](#)

A final approval hearing was held on July 9, 2015.[\[22\]](#) On Wednesday September 2, 2015, Judge Lucy H. Koh signed an order granting Motion for Final Approval of Class Action Settlement. The settlement website stated that Adobe, Apple, Google, and Intel has reached a settlement of \$415 million and other

companies settled for \$20 million.

According to the settlement website, Gilardi & Co., LLC distributed the settlement to class members the week of December 21, 2015.

While working at Google, Schmidt was involved in activities^[47] that later became the subject of the [High-Tech Employee Antitrust Litigation](#) case that resulted in a settlement of \$415 million paid by [Adobe](#), [Apple](#), Google and [Intel](#) to employees. In one incident, after receiving a complaint from [Steve Jobs](#) of Apple, Schmidt sent an email to Google's HR department saying; "I believe we have a policy of no recruiting from Apple and this is a direct inbound request. Can you get this stopped and let me know why this is happening? I will need to send a response back to Apple quickly so please let me know as soon as you can. Thanks Eric".^[48] Schmidt's email led to a recruiter for Google being "terminated within the hour" for not having adhered to the illegal scheme. Under Schmidt, there was a "Do Not Call list" of companies Google would avoid recruiting from.^[49] According to a court filing, another email exchange shows Google's human resources director asking Schmidt about sharing its no-cold-call agreements with competitors. Schmidt responded that he preferred it be shared "verbally, since I don't want to create a paper trail over which we can be sued later?"^{[47][50]} On August 28, 2006, Schmidt was elected to [Apple Inc.](#)'s board of directors, a position he held until August 2009.^{[11][51]}

Former [Google](#) employee [James Damore](#) filed a class action lawsuit Monday against the tech giant, alleging discrimination against conservative and white male employees.

The former software engineer worked for [Google](#) from 2013 until August when his employment was terminated.

He was fired after he drafted and circulated an internal memo concerning politics, diversity and gender, which went viral, sparking colleagues to send [Mr. Damore](#) threats. According to the legal complaint, [Mr. Damore](#) drafted the memo in response to diversity workshops in an attempt to create debate about the company's political correctness and hiring practices.

"[Google](#) employees who expressed views deviating from the majority view at [Google](#) on political subjects raised in the workplace and relevant to [Google](#)'s employment policies and its business, such as 'diversity' hiring policies, 'bias sensitivity,' or 'social justice,' were/are singled out, mistreated, and systematically punished and terminated from [Google](#), in violation of their legal rights," read [Mr. Damore](#)'s complaint filed at the Superior Court of California in Santa Clara.

[Mr. Damore](#) is joined by another former [Google](#) employee as plaintiffs in the action, and they seek to represent all [Google](#) employees who have been discriminated against due to their gender, race or political views. According to the complaint, [Mr. Damore](#) spoke to Meghana Rao, who worked for [Google](#)'s human resources department, about conservatives feeling disenfranchised at the company. Ms. Rao reportedly said she had heard similar complaints from other employees.

He alleges the company blacklisted conservatives and threatened them with termination.

His lawsuit proves high-tech blacklisting and asks the court to issue both monetary and injunctive relief.

When Dianne Feinstein's Chief of Staff isn't contracting Fusion GPS or Black Cube to attack citizens, he has a rolodex of names at tech companies he can call to get you black-listed. Even worse, he has a list of IT staff he can call. These, mostly East Indian, IT contacts work at **BambooHR, Zoho People, Axiom, Gusto, Oracle, Taleo, Trakstar, Freshteam, ClearCompany, Workday, ADP Workforce Now, UltiPro, Dayforce HCM, Kronos Workforce Central, iCIMS, CivicHr, PurelyHR Time-Off, 7Geese, Collage, Perdo, Qandle, Splunk, Zimyo HRMS, Xobin Interact, Palantir** and other firms you may not even know existed.

With just a few keystrokes, John Doe is "*red flagged*", "*black-listed*", "*negged*", "*shadow-banned*" and removed from the job pool. Covert codes and meta-tags are inserted into the databases so that John Doe will never get a second interview. John will never be able to see this hidden codes that will end his life. All of these companies have the ability to cross-examine each other's databases. Of course, the NSA looks at all of that data.

This reprisal vendetta process was said have been created by Black Cube in order to help Obama covertly attack his enemies.

Even if John Doe has the finest work experience, the most impressive letters of reference, incredible work accomplishments and a resume to-die-for... he is now dead in the career market because he pissed off a corrupt Senator!

[Fired Silicon Valley engineer sounds the alarm on Big Tech's ...](https://freedomoutpost.com/fired-silicon-valley-engineer-sounds-the-alarm-on-big-techs-conservative-blacklisting/)

 <https://freedomoutpost.com/fired-silicon-valley-engineer-sounds-the-alarm-on-big-techs-conservative-blacklisting/>

The logic is sound: If Russia could use the internet to meddle in our democracy, so could Google, Facebook, Twitter, and others. And, unlike Russia, it wouldn't take a high-level hacking team battling **Silicon Valley** cybersecurity experts to do so.

[The Silicon Valley blacklist - TechCrunch](https://techcrunch.com/2017/07/02/silicon-valley-blacklist/)

 <https://techcrunch.com/2017/07/02/silicon-valley-blacklist/>

The **Silicon Valley** blacklist. Megan Rose Dickey @meganrosedickey / 3 years What a year (life?) it's been for white women, people of color and nonbinary people in tech.

[Robert Spencer: Silicon Valley Blacklisting ...](https://www.breitbart.com/tech/2018/08/17/robert-spencer-silicon-valley-blacklisting-conservatives-with-no-recourse-no-appeal-no-discussion/)

 <https://www.breitbart.com/tech/2018/08/17/robert-spencer-silicon-valley-blacklisting-conservatives-with-no-recourse-no-appeal-no-discussion/>

Media Politics Tech Alex Jones Gavin McInnes jihad Jihad Watch political censorship Robert Spencer

Silicon Valley Southern Poverty Law Center. Please let us know if you're having issues with commenting.

[The rise of financial blacklisting | Spectator USA](#)

[S](https://spectator.us/financial-blacklisting-sargon-akkad/)<https://spectator.us/financial-blacklisting-sargon-akkad/>

Benjamin's defenestration needs to be understood in the context of a much wider ongoing purge of right wing voices by **Silicon Valley**, which now likes to see itself as the world's liberal bulwark against the dark, populist forces supposedly unleashed by Donald Trump. Superficially, this might sound reasonable.

[Silicon Valley \(season 6\) - Wikipedia](#)

[W](https://en.wikipedia.org/wiki/Silicon_Valley_(season_6))[https://en.wikipedia.org/wiki/Silicon_Valley_\(season_6\)](https://en.wikipedia.org/wiki/Silicon_Valley_(season_6))

The site's critical consensus reads, "Though the strangeness of reality threatens to one-up it, **Silicon Valley** 's final season is funny, fearless, and still playing by its own rules to the very end." On Metacritic, the season has a score of 78 out of 100 based on 4 reviews. References

[This influential Silicon Valley firm is spearheading a ...](#)

[□](https://www.washingtonpost.com/business/economy/this-influential-silicon-valley-firm-is-compiling-a-blacklist-of-venture-capitalists-who-harass-women/2017/07/14/1dfc7164-6661-11e7-8eb5-cbccc2e7bfbf_story.html)https://www.washingtonpost.com/business/economy/this-influential-silicon-valley-firm-is-compiling-a-blacklist-of-venture-capitalists-who-harass-women/2017/07/14/1dfc7164-6661-11e7-8eb5-cbccc2e7bfbf_story.html

This influential **Silicon Valley** firm is spearheading a blacklist of venture capitalists accused of harassing women ... that four out of the five top venture capital firms in **Silicon Valley** lack a ...

[Kamala Vs. Laura: IT'S ON! - CORRUPTION 123: THE TV SERIES](#)

[□](https://www.videonet111.com/video/kamala-vs-laura-it-s-on-)<https://www.videonet111.com/video/kamala-vs-laura-it-s-on->

California Sen. Kamala Harris pushes to end private health insurance, faces blowback on 'Medicare for All' platform. #IngrahamAngle #FoxNewsFOX News Channel (FNC) is a 24-hour all-encompassing news service dedicated to delivering breaking news as well as political and business news. The number one network in cable, FNC has been the most watched television news channel for more than 16 years

[Corrupt California - The California Tech Mafia - OUR REPORT ...](#)

[□](https://nationalnewsnetwork.net/video/corrupt-california-the-california-tech-mafia)<https://nationalnewsnetwork.net/video/corrupt-california-the-california-tech-mafia>

Why are these **Silicon Valley** Oligarchs and their K-Street law firms and lobbyists immune from the law?U.S. Senators, Agency Heads and Congress are bribed with:- Billions of dollars of Google, Twitter, Facebook, Tesla, Netflix and Sony Pictures stock and stock warrants which is never reported to the FEC- Billions of dollars of Google, Twitter ...

[Google Is a Nancy Pelosi Front Operation - Our Report to Congress](#)

<https://nationalnewsnetwork.net/video/google-is-unfair>

Through the **Silicon Valley** control of the facade group: "The National Venture Capital Association", DOE ensured that NO car company or solar company in America could get funded, by any private means, without **Silicon Valley** oligarch approval. The DOE is a corrupt organization operated by corrupt insiders for corrupt purposes!

[Almost every social media company got put out of business and ...](#)

<https://losangelestribunenews.wordpress.com/2016/12/10/almost-every-social-media-company-got-put-out-of-business-and-only-a-select-few-were-allowed-to-survive-but-why/>

Almost every social media company got put out of business and only a select few were allowed to survive. But why? Wikimedia Draft 2.1 It looks suspicious.

[Operations Center Sent: Saturday, March 2, 2019 9:33 PM ...](#)

https://www.uspto.gov/sites/default/files/documents/eligibility2019comments_f_operations_2019mar02.pdf

- Inside The **Silicon Valley** Cartel. In **Silicon Valley** there is a Cartel of "Venture Capitalists" who like to call entrepreneurs in, examine their technologies in 'fishing expeditions', say "we can't see any use for it", copy the technology and launch it themselves; after **black-listing** the entrepreneur. That is their "playbook."

[Breitbart's Coroner Murdered - - Knew Too Much About Obama ...](#)

<https://www.videonet111.com/cat/e3-how-the-oligarchs-attack-you/video/breitbart-s-coroner-murdered-knew-too-much-about-obama-cleantech-crash?catName=e3-how-the-oligarchs-attack-you>

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[Reading: Softbank Vision Fund 2 - The Rock Island News](#)

<https://therockislandnews.com/reading-softbank-vision-fund-2/>

Silicon Valley Black Listing . IPO Recap Q2 2017 . Venture Capital Financing Q2 2017 . Think about Cup 2017 . IPO tube in August . Indian Accelerator Ecosystem . Massive Knowledge Prime 25 . US Cellular Apps 2017 . Cool Distributors 2017 . Prime Safety Applied sciences 2017 . Disturb SF Hackathon . Startup Battlefield 2017 . CNBC Disruptor 50 ...

[Blacklisting Chick-fil-A | Misrule of Law](#)

 <https://misruleoflaw.com/2019/03/26/blacklisting-chick-fil-a/>

Mar 26, 2019The city's **black-listing** of Chick-fil-A seeks to punish the company (and its owners) for espousing mainstream beliefs shared by most Americans—and, ironically, an overwhelming majority of San Antonio's residents, many of whom are Catholics. (San Antonio, one of the oldest Spanish settlements in Texas, was named after Saint Anthony of Padua.)

BuzzTy | buzzty.co

 <https://www.buzzty.co>

James Woods Banned From Twitter Amid **Silicon Valley's** Conservative **Black Listing** Campaign. by BuzzTy May 4, 2019, 5:17 pm. 10 Shares. in NEWS.

Here's Why Indian Students Were Deported from Blacklisted ...

 <https://www.happyschools.com/indian-students-deported-blacklisted-universities-usa/>

What a drama about Air India denying 19 Indian students traveling to the USA to attend SVU and NPU, since Air India thinks they are blacklisted universities in USA. I wanted to provide clarity and get to the bottom of this news. I'm publishing the scanned copies of withdrawal of application (I-275) or denied entry form (I-867A) issued to students with names and other personally identifying ...

Urban Dictionary: silicon mafia

 [https://www.urbandictionary.com/define.php?term=silicon mafia](https://www.urbandictionary.com/define.php?term=silicon%20mafia)

Companies in **Silicon Valley** that violate civil law and international treaties to rip off their customers. ... **black-listing** a VPN or biasing a news-feed with ...

FORENSICS AND PUBLIC ADVOCACY GROUP - Research Director ...

 <https://www.linkedin.com/in/forensics-and-public-advocacy-group-922b1b176>

- Venture Capital **Black-Listing** By Government Officials And Their **Silicon Valley** Oligarch Sponsors
- Work **Black-Listing** By Government Officials And Their **Silicon Valley** Oligarch Sponsors

Host of problems | Reveal

 <https://www.revealnews.org/episodes/host-of-problems/>

Nov 5, 2016Judge backs Reveal's suit to end secrecy around **Silicon Valley's** diversity ... Host of problems. ... should consider **black listing** families who violate the terms ...

Gat Mafia Ruined The DNC - Europe Today News

 <https://europetodaynews.wordpress.com/2017/05/05/gat-mafia-ruined-the-dnc/>

May 5, 2017 **Silicon Valley**: The Empire Of The C*ck-Holsters; How the Gay Mafia Tried To Take Over the DNC! It's not that anybody cares about what they do in the bedroom, it is that they are close-minded, **black-listing**, reverse-misogynist pricks who treat everybody else terribly. The biggest venture capitalists and the heads of Google and Facebook...

[White House Wants To Only Use Tech Workers From Google and ...](#)

<https://yro.slashdot.org/story/18/10/23/045243/white-house-wants-to-borrow-tech-workers-from-google-and-amazon-says-report>

Attracting tech talent may prove difficult for the Trump administration, which hasn't always seen eye to eye with **Silicon Valley** on issues such as the president's ban on travel from predominantly Muslim countries. However, White House officials believe tech workers are willing to "put politics aside."

Crony-Corruption

By Marita Noon

In the report: (Public Choice (2016) 166:261–290, DOI 10.1007/s11127-016-0322-y) called - Clean or dirty energy: evidence of corruption in the renewable energy sector, Caterina Gennaioli and Massimo Tavoni prove that green energy causes corruption.

Everyone who pays any attention to the news knows the name Solyndra. It has become synonymous with the overall failed green energy program administered by the Obama team. Politicos know there are [many other companies](#) that have received loan guarantees for various green energy projects that have since become a source of ridicule for the White House. Some might even be able to name a few. There is the now-bankrupt company that made batteries for electric cars: [Ener1](#). The plug-in electric sports car company, Fisker, that made its cars in Finland and has [troubles too numerous](#) to cite. And, of course, we know about the Chevy Volt—that our taxpayer dollars bailed out only to have demand so low that Chevrolet had to [pull the plug](#) on the production line and lay off workers for five weeks earlier this year. But few know the full story.

Connecting the dots will make your head hurt. There are various programs and special tax breaks and different kinds of companies that received green energy loans: solar, wind, and geothermal; and car companies, battery manufacturers, and biofuel producers. While the projects differ, they have several startling similarities. The vast majority of the green energy loan guarantees were given to companies that could not obtain enough financial backing from private investors. Their “junk” or “speculative” grade kept people from putting their own money into them —yet your money and mine was given to them, and we had no say in the matter. Of the 27 loans issued through the 1705 Loan Guarantee Program to 21 firms, virtually all of them have “connections” to either President Obama or other high-ranking Democrats—or both! The loans were made to fill a market created not by free-market demand, but by government mandates. And, all of the [“special seven”](#) got fast-tracked approvals through the Department of Interior with little scrutiny over environmental damages that would have taken any other energy company months, if not years, to get, and EPA regulations were applied selectively.

Many of the companies that received the funds had involvement with large donors and/or bundlers for the Obama campaign, and there is an amazing revolving door through which the players pass many times. They worked, for example, for Senator Harry Reid. Then they are on the staff of an investment firm that invested in one, or more, of the companies. Next you find he or she is on some White House commission—or worse, became part of the Obama Department of Energy team. Some 460 companies applied for DOE loans, but only 27 projects, 21 companies, got the funds. And 85% of these have been found to have “connections.” The remaining 15% may well have connections too, albeit more guarded or hidden.

These are not wild assertions. I have the data to back them up.

Following the publication of my column a couple of weeks ago on [crony capitalism](#), I was connected with Christine Lakatos. She's a private citizen and a single mom with a nose for research. Beginning in 2009, she was hired to work on investigative projects, following the green energy money. But when those projects were completed, she didn't stop digging. She kept finding more and more. With no outlet for her work, she started a blog where she "brain dumps" her findings—which for a total unknown has received an impressive number of readers. For anyone but the most stalwart, her [Green Corruption Blog](#) is like getting a drink of water from a fire hydrant.

On Sunday, some of Lakatos' research was presented in my [weekly column](#). The response prompted us to begin a collaboration.

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Each of the energy projects we will profile in the "special seven" section were recipients of billions of taxpayer dollars through the 1705 Loan Guarantee Program (LGP) and many will be receiving millions more through the 1603 Grant Program. The 1705 LGP is an expansion of the 1703 program that was approved in 2005 under President Bush—increasing the expenditures from [\\$17.9 billion in 2007 to \\$37.2 billion in 2010](#). The 2009 American Recovery and Reinvestment Act significantly expanded the DOE's authority, under Energy Secretary Steven Chu, through the newly created 1705 LGP. (Under the Recovery Act, \$86 billion—approximately 10% of the stimulus package—was earmarked for green energy projects.) The LGP means that companies get risk-free money. If the company succeeds, the low-interest loan gets paid back. If they fail—as [many have](#)—we, the taxpayers, lose. In contrast, the [1603 Grant Program](#)—implemented as part the Obama stimulus—is administered by the Treasury Department, with the goal of reimbursing eligible applicants for a portion of the costs of installing specified energy property used in a trade or business or for the production of income. Basically 1603

gives billions in favored businesses tax-free cash gifts that do not have to be paid back.

While we can prove that cronyism has run amok within the majority of 1705 LGP, we'll stay focused on the Special Seven. Here, in Part 1, we present a complete overview of the connecting dots on one project: SolarReserve, LLC. With this introduction made, we'll likely address several companies, with a common denominator, in subsequent releases.

In Sunday's column, the following thumbnail was presented: "SolarReserve's [Crescent Dunes](#) project is a solar thermal power tower plant utilizing the advanced molten salt power tower technology with integrated storage located in Tonopah, NV. The company's Fitch rating is BB, yet in September 2011, it was the recipient of [\\$737 million](#) in DOE loan guarantees. Obama's law school buddy and 2008 Obama campaign bundler, Michael Froman, was managing director of alternative investments at Citigroup—which became a [major investor](#) in SolarReserve. Froman currently serves on the [White House staff](#). Additionally, other high profile Democrats are involved with SolarReserve."

But there is more.

More about Michael Froman. Peter Schweizer reports that "When Obama ran for president, Froman helped raise large sums of money on Wall Street" for the 2008 campaign. The HOGRC report (page 47) confirms Peter's findings and adds that Froman was a \$200,000 bundler: "Michael Froman currently serves as the Deputy Assistant to the President and Deputy National Security Advisor for International Economic Affairs. He was a friend of President Obama's from law school, and supported his political career by bundling over \$200,000 for his 2008 presidential candidacy. Prior to his arrival at the White House, Froman was the Managing Director of Alternative Investments at Citigroup, where he managed infrastructure and sustainable development investments. Citigroup became a major investor in SolarReserve, which ultimately received a \$737 million loan guarantee in September 2011."

The Citigroup connection is tighter. [Richard Parsons](#) was Chairman for Citigroup from 2009 until he [announced stepping down](#) in March 2012. [Citigroup](#) was a top Obama donor in 2008. Parsons served on the Obama Transition Team and on the Economic Advisory Board. In 2011, Parsons was appointed to the [President's Council on Jobs and Competitiveness](#).

Next, David Sandalow—who is currently "the Assistant Secretary for Policy and International Affairs at DOE, where he acts as Secretary's Chu's principalEveryone who pays any attention to the news knows the name Solyndra. It has become synonymous with the overall failed green energy program administered by the Obama team. Politicos know there are many other companies that have received loan guarantees for various green energy projects that have since become a source of ridicule for the White House. Some might even be able to name a few. There is the now-bankrupt company that made batteries for electric cars: Ener1. The plug-in electric sports car company, Fisker, that made its cars in Finland and has troubles too numerous to cite. And, of course, we know about the Chevy Volt—that our taxpayer dollars bailed out only to have demand so low that Chevrolet had to pull the plug on the production line and lay off workers for five weeks earlier this year. But few know the full story.

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But there is more.

More about Michael Froman. Peter Schweizer reports that “When Obama ran for president, Froman helped raise large sums of money on Wall Street” for the 2008 campaign. The HOGRC report (page 47) confirms Peter’s findings and adds that Froman was a \$200,000 bundler: “Michael Froman currently serves as the Deputy Assistant to the President and Deputy National Security Advisor for International Economic Affairs. He was a friend of President Obama’s from law school, and supported his political career by bundling over \$200,000 for his 2008 presidential candidacy. Prior to his arrival at the White House, Froman was the Managing Director of Alternative Investments at Citigroup, where he managed infrastructure and sustainable development investments. Citigroup became a major investor in SolarReserve, which ultimately received a \$737 million loan guarantee in September 2011.”

The Citigroup connection is tighter. Richard Parsons was Chairman for Citigroup from 2009 until he announced stepping down in March 2012. Citigroup was a top Obama donor in 2008. Parsons served on the Obama Transition Team and on the Economic Advisory Board. In 2011, Parsons was appointed to the President’s Council on Jobs and Competitiveness.

Next, David Sandalow—who is currently “the Assistant Secretary for Policy and International Affairs at DOE, where he acts as Secretary’s Chu’s principal adviser on energy policy, as well as coordinating DOE’s foreign policy involvement.” (HOGRC report page 49) “Sandalow’s ties to the White House date back to the Clinton Administration, during which he worked with President Clinton on environmental issues. After having gained this experience, Sandalow became the influential Chair of the Energy & Climate Working Group of the Clinton Global Initiative. He went on to advise President Obama’s presidential campaign in 2008. Prior to joining the Obama Administration, Sandalow was a senior advisor to Good Energies, Inc., an energy-focused venture capital firm. Good Energies is an investor in SolarReserve.”

Other SolarReserve connections to the Democratic Party include:

Ronald Pelosi—Former Speaker of the House Nancy Pelosi’s brother-in-law, Ronald Pelosi, holds a leadership position with Pacific Corporate Group Asset Management—which is an investor in SolarReserve. Additionally, his colleague, Jasandra Nyker, has served as a member of SolarReserve’s board of directors.

George Kaiser—Argonaut Private Equity is an investor in SolarReserve. Argonaut Private Equity is owned by major Democratic fundraiser and a 2008 Top Obama bundler George Kaiser, who also invested in Solyndra. Kaiser made multiple visits to the White House in the months before the company was granted a \$535 million loan from the government. The Managing Director for Argonaut Private Equity, Steve Mitchell, serves on SolarReserve's Board of Directors.

Tony Podesta—OpenSecrets.org shows that SolarReserve paid hundreds of thousands of dollars in lobbying fees to the Podesta Group. Tony Podesta is the principal at the Podesta Group—which he started with his brother John. John Podesta ran Barack Obama’s presidential transition team and is the Director of the Center for American Progress—which is “reportedly highly influential in helping to

craft White House Policy.” Both Tony Podesta and his wife Heather (a Washington power couple) are frequent White House visitors that share high ranks in "lobbying power," and Democrat bundling as well.

Lee Bailey—SolarReserve’s Chairman of the Board is Lee Bailey, a Managing Director with U.S. Renewables Group, who holds a significant financial stake in SolarReserve. Bailey has donated \$21,850 since 2008 to Democratic candidates, including President Obama, Senate Majority Leader Harry Reid, California Sen. Barbara Boxer and then-presidential candidate Hillary Clinton.

James McDermott—SolarReserve board member James McDermott is also a Managing Director with U.S. Renewables Group. He contributed \$61,500 to various Democratic campaigns since 2008, including \$30,800 to Obama’s presidential election campaign. U.S Renewable Energy Group has ties with Senator Harry Reid.

If there were only one connect-the-dots story, it would be easy to dismiss it as coincidence. But here, with just one company, you can see the dots connect, and connect, and connect. As you will continue to see, they keep on connecting. In this case, connect-the-dots is no innocent childhood game. It is a high-stakes gamble and only those with connections get to play. Obama and his Democratic friends are the winners. We, the taxpayers, the losers. We lose the financial investment of our tax dollars and our electricity rates go up—all to support the discredited ruse of man-made climate change. adviser on energy policy, as well as coordinating DOE’s foreign policy involvement.” (HOGRC report page 49) “Sandalow’s ties to the White House date back to the Clinton Administration, during which he worked with President Clinton on environmental issues. After having gained this experience, Sandalow became the influential Chair of the Energy & Climate Working Group of the Clinton Global Initiative. He went on to advise President Obama’s presidential campaign in 2008. Prior to joining the Obama Administration, Sandalow was a senior advisor to Good Energies, Inc., an energy-focused venture capital firm. Good Energies is an [investor](#) in SolarReserve.”

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Today's Tech Oligarchs Are Worse Than the Robber Barons

OUR SILICON VALLEY ROBBER BARONS

Yes, Jay Gould was a bad guy. But at least he helped build societal wealth. Not so our Silicon Valley overlords. And they have our politicians in their pockets.



[Joel Kotkin](#)

A decade ago these guys—and they are mostly guys—were folk heroes, and for many people, [they remain so](#). They represented everything traditional business, from Wall Street and Hollywood to the auto industry, in their pursuit of sure profits and golden parachutes, was not—hip, daring, risk-taking folk seeking to change the world for the better.

Now from San Francisco to Washington and Brussels, the tech oligarchs are something less attractive: a fearsome threat whose ambitions to control our future politics, media, and commerce seem without limits. Amazon, Google, Facebook, Netflix, and Uber may be improving our lives in many ways, but they also are disrupting old industries—and the lives of the many thousands of people employed by them. And as the tech boom has expanded, these individuals and companies have gathered economic resources to match their ambitions.

And as their fortunes have ballooned, so has their hubris. They see themselves as somehow better than the scum of Wall Street or the trolls in Houston or Detroit. It's their intelligence, not just their money, that makes them the proper global rulers. In their contempt for the less cognitively gifted, they are waging what *The Atlantic* recently called [“a war on stupid people.”](#)

I had friends of mine who attended MIT back in the 1970s tell me they used to call themselves “tools,” which told us something about how they regarded themselves and were regarded. Technologists were clearly bright people whom others used to solve problems or make money. Divorced from any mystical value, their technical innovations, in the words of the French sociologist Marcel Mauss, constituted “a traditional action made effective.” Their skills could be applied to agriculture, metallurgy, commerce, and energy.

In recent years, like Skynet in the Terminator, the tools have achieved consciousness, imbuing themselves with something of a society-altering mission. To a large extent, they have created what the sociologist Alvin Gouldner called [“the new class”](#) of highly educated professionals who would remake society. Initially they made life better—making spaceflight possible, creating advanced medical devices and improving communications (the internet); they built machines that were more efficient and created great research tools for both business and individuals. Yet they did not seek to disrupt all industries—such as energy, food, automobiles—that still employed millions of people. They remained “tools” rather than rulers.

With the massive wealth they have now acquired, the tools at the top now aim to dominate those they used to serve. Netflix is gradually undermining Hollywood, just as iTunes essentially murdered the music industry. Uber is wiping out the old order of cabbies, and Google, Facebook, and the social media people are gradually supplanting newspapers. Amazon has already undermined the book industry and is seeking to do the same to apparel, supermarkets, and electronics.

Past economic revolutions—from the steam engine to the jet engine and the internet—created in their wake a productivity revolution. To be sure, as brute force or slower technologies lost out, so did some companies and classes of people. But generally the economy got stronger and more productive. People got places sooner, information flows quickened, and new jobs were created, many of them paying middle- and working-class people a living wage.

This is largely not the case today. As [numerous scholars](#) including [Robert Gordon](#) have pointed out, the new social-media based technologies have had little positive impact on economic productivity, now growing at far lower rates than during past industrial booms, including the 1990s internet revolution.

Much of the problem, notes *MIT Technology Review* editor [David Rotman](#), is that most information investment no longer serves primarily the basic industries that still drive most of the economy, providing a wide array of jobs for middle- and working-class Americans. This slowdown in productivity, notes Chad Syverson, an economist at the University of Chicago Booth School of Business, has decreased gross domestic product by \$2.7 trillion in 2015—about \$8,400 for every American. “If you think Silicon Valley is going to fuel growing prosperity, you are likely to be disappointed,” suggests Rotman.

One reason may be the nature of “social media,” which is largely a replacement for technology that already exists, or in many cases, is simply a diversion, even a source of [time-wasting addiction](#) for many. Having millions of millennials spend endless hours on Facebook is no more valuable than binging on television shows, except that TV actually employs people.

At their best, the social media firms have supplanted the old advertising model, essentially undermining the old agencies and archaic forms like newspapers, books, and magazines. But overall information employment has barely increased. It’s up 70,000 jobs since 2010, but this is after [losing 700,000 jobs](#) in the first decade of the 21st century.

Tech firms had once been prodigious employers of American workers. But now, many depend on either workers abroad or imported under H-1B visa program. These are essentially indentured servants whom they can [hire for cheap](#) and prevent from switching jobs. Tens of thousands of jobs in Silicon Valley, and many corporate IT departments elsewhere, rent these “technocoolies,” often replacing longstanding U.S. workers.

Expanding H-1Bs, not surprisingly, has become a priority issue for oligarchs such as Bill Gates, Mark Zuckerberg, and a host of tech firms, including Yahoo, Cisco Systems, NetApp, Hewlett-Packard, and Intel, firms that in some cases have been laying off thousands of American workers. Most of the bought-and-paid-for [GOP presidential contenders](#), as well as the [money-grubbing Hillary Clinton](#), embrace the program, with some advocating expansion. The only opposition came from two candidates disdained by the oligarchs, Bernie Sanders and Donald Trump.

Now cab drivers, retail clerks, and even food service workers face technology-driven extinction. Some of this may be positive in the long run, certainly in the case of Uber and Lyft, to the benefit of

consumers. But losing the single mom waitress at Denny's to an iPad does not seem to be a major advance toward social justice or a civilized society—nor much of a boost for our society's economic competitiveness. Wiping out cab drivers, many of them immigrants, for part-time workers driving Ubers provides opportunity for some, but it does threaten what has long been one of the traditional ladders to upward mobility.

Then there is the extraordinary geographical concentration of the new tech wave. Previous waves were much more highly dispersed. But not now. Social media and search, the drivers of the current tech boom, are heavily concentrated in the Bay Area, which has a remarkable [40 percent of all jobs in the software publishing and search field](#). In contrast, previous tech waves created jobs in numerous locales.

This concentration has been two-edged sword, even in its Bay Area heartland. The massive infusions of wealth and new jobs has created enormous tensions in San Francisco and its environs. Many San Franciscans, for example, feel like second class citizens in their own city. Others oppose tax measures in San Francisco that are [favorable to tech companies](#) like Twitter. There is now a movement on to reverse course and apply “tech taxes” on these firms, in part to fund affordable housing and homeless services. Further down in the Valley, there is also widespread opposition to plans to increase the density of the largely suburban areas in order to house the tech workforce. Rather than being happy with the tech boom, many in the Bay Area see their quality of life slipping and [upwards of a third](#) are now considering a move elsewhere.

Once, we hoped that the technology revolution would create ever more dispersion of wealth and power. This dream has been squashed. Rather than an effusion of start-ups we see the [downturn](#) in new businesses. Information Technology, [notes The Economist](#), is now the most heavily concentrated of all large economic sectors, with four firms accounting for close to 50 percent of all revenues. Although the tech boom has created some very good jobs for skilled workers, [half of all jobs](#) being created today are in low-wage services like retail and restaurants—at least until they are replaced by iPads and robots.

What kind of world do these disrupters see for us? One vision, from Singularity University, co-founded by Google's genius technologist [Ray Kurzweil](#), envisions [robots running everything](#); humans, outside the programmers, would become somewhat irrelevant. I saw this mentality for myself at a *Wall Street Journal* conference on the environment when a prominent venture capitalist did not see any problem with diminishing birthrates among middle-class Americans since the Valley planned to make the *hoi polloi* redundant.

Once somewhat inept about politics, the oligarchs now know how to press their agenda. Much of the Valley's elite—venture capitalist John Doerr, Kleiner Perkins, Vinod Khosla, and Google—routinely [use the political system](#) to cash in on subsidies, particularly for renewable energy, including such [dodgy projects](#) as California's Ivanpah solar energy plant. Arguably the most visionary of the oligarchs, Elon Musk, has built his business empire largely through [subsidies and grants](#).

Musk also has [allegedly skirted labor laws](#) to fill out his expanded car factory in Fremont, with \$5-an-hour Eastern European labor; even when blue-collar opportunities do arise, rarely enough, the oligarchs seem ready to fill them with foreigners, either abroad or under dodgy visa schemes. Progressive rhetoric once used to attack oil or agribusiness firms does not seem to work against the tech elite. They can exploit labor laws and engage in monopoly practices with [little threat of investigation](#) by progressive Obama regulators.

In the short term, the oligarchs can expect an even more pliable regime under our likely next president, Hillary Clinton. The fundraiser extraordinaire has been raising money from the oligarchs like [Musk](#) and companies such as [Facebook](#). Each may vie to supplant [Google](#), the company with the best access to the Obama administration, over the past seven years.

What can we expect from the next tech-dominated administration? We can expect moves, backed also by corporate Republicans, to expand H-1B visas, and increased mandates and subsidies for favored sectors like electric cars and renewable energy. Little will be done to protect our privacy—firms like Facebook are determined to [limit restrictions](#) on their profitable “sharing” of personal information. But with regard to efforts to break down encryption systems key to corporate sovereignty, they will defend privacy, as seen in Apple’s [resistance](#) to sharing information on terrorist iPhones. Not cooperating against murderers of Americans is something of fashion now among the entire hoodie-wearing programmer culture.

One can certainly make the case that tech firms are upping the national game; certain cab companies have failed by being less efficient and responsive as well as more costly. Not so, however, the decision of the oligarchs—desperate to appease their progressive constituents—to periodically [censor](#) and curate information flows, as we have seen at [Twitter](#) and [Facebook](#). Much of this has been directed against politically incorrect conservatives, such as the sometimes outrageous gay provocateur [Milo Yiannopoulos](#).

There is a rising tide of concern, including from such progressive icons as former Labor Secretary [Robert Reich](#), about the extraordinary market, political, and culture power of the tech oligarchy. But so far, the oligarchs have played a brilliant double game. They have bought off the progressives with contributions and by endorsing their social liberal and environmental agenda. As for the establishment right, they are too accustomed to genuflecting at mammon to push back against anyone with a 10-digit net worth. This has left much of the opposition at the extremes of right and left, greatly weakening it.

Yet over time grassroots Americans may lose their childish awe of the tech establishment. They could recognize that, without some restrictions, they are signing away control of their culture, politics, and economic prospects to the empowered “tools.” They might understand that technology itself is no panacea; it is either a tool to be used to benefit society, increase opportunity, and expand human freedom, or it is nothing more than a new means of oppression.

Corruption In The Energy Department Is Built-in On A Permanent Basis

Lakatos & Noon

The *Washington Post* found that “Obama’s green-technology program was infused with politics at every level.” The \$535 million loan guarantee for the failed Solyndra is a prime example. The Department of Energy approved the loan after pressure from the White House. A main Solyndra investor was a billionaire Obama fundraiser. The *New York Times* found that Solyndra “spent nearly \$1.8 million on Washington lobbyists, employing six firms with ties to members of Congress and officials of the Obama White House.”

[Crony Capitalism has existed for a](#) long time. So energy companies have been able to get government officials to pass legislation that helps them make more money. So they get tax breaks, loopholes, subsidies while the rest of the economy suffers and they make huge profits (and in some cases, record breaking profits).

Clearly the Department of Energy has failed at it's job. Green Energy Corporations Rolling in the Green, Thanks to Friends in High Places

This a portion of a much longer article entitled “Podesta Power and Center for American Progress: The dark, driving force behind the president’s massive green energy scheme“, published on March 3, 2014Center for American Progress Finally Reveals its Corporate Donors:

At least 17 raking in tens of billions of tax dollars from the Green Bank of Obama

While the left-wing think tank is a well-known favorite of billionaire George Soros, as well as other left-leaning ultra-rich donors, “the center does not disclose who finances its activities, a policy it is declining to change even as Mr. Podesta prepares to wield influence over the shape of the Obama administration,” [wrote](#) the *New York Times* in 2008.

However, “after heavy pressure arising from CAP’s quasi-lobbying history. That scrutiny ratcheted up following the announcement that CAP founder John Podesta would be formally joining the Obama administration. Both Politico and the *New York Times* called for the donor list to meet the public eye,” [reported](#) Breitbart News.

So, on December 13, 2013, CAP “revealed that it’s funded by some of the country’s largest and most powerful corporations, trade associations and lobbying firms,” [announced](#) POLITICO. The donor disclosure [excluded](#) individuals and foundations, only giving insight into their corporate influence, leaving more darkness in its wake. Moreover, it was reported that each of those listed [\(58 donors\) has](#) given the group more than \$10,000 in 2013, yet the exact amount was not disclosed.

CAP’s 2013 donor list [“contains a](#) myriad of massive corporations, including Apple Inc., AT&T, Bank of America, BMW of North America, Citigroup, Coca-Cola, Discovery, GE, Facebook, Google, Goldman Sachs, PepsiCo, PG&E, the Motion Picture Association of America, Samsung, Time Warner Inc., T-Mobile, Toyota, Visa, Walmart and Wells Fargo” — many of which are part of this massive green energy scheme.

Still, *The Nation*, in their May 2013 piece “The Secret Donors Behind the Center for American Progress and Other Think Tanks, released a list of CAP’s 2012 corporate donors — labeled “[American Progress Business Alliance Members.](#)” which are charged fees: A confidential CAP donor pitch I obtained describes the Business Alliance as “a channel for engagement with the corporate community” that provides “the opportunity to...collaborate on common interests.” It offers three membership levels, with the perks to **top donors** (\$100,000 and up) including private meetings with CAP experts and executives, round-table discussions with “Hill and national leaders,” and briefings on CAP reports “relevant to your unique interests.”

The Nation also divulged that CAP doesn’t publicly disclose the members of its Business Alliance, but they “obtained multiple internal lists from 2011 showing that dozens of major corporations had joined.”

What’s relevant here is that in 2011 the [lists compiled by](#) *The Nation* of CAP’s donors included Comcast, Walmart, General Motors, Pacific Gas and Electric, General Electric, Boeing and Lockheed — with three confirmed winners of green energy funds.

So basically the donor list and the membership list are one and the same. And, what’s even more interesting is how *The Nation* chronicles CAP’s assets:

“After growing rapidly in its first few years, tax records show, CAP’s total assets fell in 2006 for the first time, from \$23.6 million to \$20.4 million. **Assets started growing again**

in 2007 when CAP founded the Business Alliance, a membership rewards program for corporate contributors, and then exploded when Obama was elected in 2008.”

We know that CAP founded its Business Alliance (corporate donors) in 2007, but since we only have a hint of 2011, combined with lists for 2012 and 2013, the mystery remains. Missing are the corporate donors CAP enlisted from 2007 until 2011. When did these now public donors join CAP, and what was dollar amount of money that was given?

While I am about to dissect the corporations from these lists (2011 to 2013) that received green energy taxpayer money (loans, grants and special tax breaks), in full disclosure, the majority of the stimulus and non-stimulus clean-energy funds ([\\$150 billion through 2014](#)) were doled out between 2009 and 2011. However, as I reported in the beginning of this post, “green” funds continue to flow, and the Obama administration wants billions more of taxpayer money to save the planet.

I hate to be redundant, but as you’ll see, CAP’s corporate donors are connected to many of the same projects and firms that we have documented in previous Green Corruption Files. This is due to the fact that *meaningful* political ties — Obama’s bundlers (both [in 2008](#) and [in 2012](#)), top donors, financiers, and green cronies — have surrounded the green energy money from the onset. However, considering that CAP players operated inside the Obama White House as well as the Energy Department — prior, during and after the money was doled out — this adds another layer of corruption behind the green energy deals.

At any rate, several of these corporations include [Big Banks](#) (even the “too-big-to fail”) that have benefited immensely from President Obama’s cleantech push. Even though many on Wall Street stood by the president in 2012, the majority sided with [Mitt Romney](#). [But](#) that was after Obama enjoyed his *fair share of Wall Street buddies* who helped ensure his victory in 2008, pouring millions of dollars into his campaign coffers, making their mark as [TOP campaign donors \(PAC\)](#) — with even Wall Street executives [bundling huge](#) sums of money for then-candidate Obama. Additionally, “the [big bundlers](#)

had broad access to the White House for meetings with top administration officials and glitzy social events.”

Inside these CAP corporate donor lists we find a few [TARP recipients](#) such as Citigroup, Goldman Sachs, Bank of America, and [Merrill Lynch](#). What’s more telling is the [infiltration of so many Citigroup and Goldman Sachs executives](#) operating (past and present) inside the Obama administration, even shaping his economic policy.

CAP’S 2013 DONORS: Green energy money winners

#1) Bank of America (now [Bank of America Merrill Lynch](#) — confirmed donor since 2012): Both Bank of America and Merrill Lynch (Campaign Committee’s), from 2003 to 2008, [supported](#)

Senator Obama. Meanwhile, Bank of America, a heavy hitter donor with major [lobbying pull](#), plays both sides of the isle. But in 2008, this Big Bank [put their money](#) (PAC and individuals) on blue, including donating to candidate Obama.

In the final days of the DOE loan program (September 2011), the [DOE awarded a](#) partial guarantee of \$1.4 billion loan — another [shady stimulus deal](#) (“non-investment grade”) that was [“personally championed”](#) by then-Energy Secretary Steven Chu — for a project called Project Amp. Prior to [the finalization of](#) this DOE transaction, in June 2011, Bank of America Merrill Lynch, Prologis and NRG Energy [joined forces on](#) Project Amp, which was “a four-year, \$2.6 billion project to place solar panels on rooftops in 28 states, one of the most ambitious clean-energy projects in recent years,” [reported the](#) Wall Street Journal.

The *Journal* goes on, “Bank of America Merrill Lynch unit will provide \$1.4 billion in loans for the project,” of which “the financing is part of Bank of America’s plan to put \$20 billion of capital to work in renewable energy, conservation and other clean technologies that address climate change.”

However, by October 2013, the Energy Department pulled the plug on Project Amp, [and according to POLITICO](#), Prologis never tapped into the \$1.4 billion. Still, along the way, Prologis [did secure](#) “a grant for \$68,000 for the purpose of “rent for warehouse space” under the Recovery Act.

While I have yet to do a complete analysis on Bank of America/Merrill Lynch and their [renewable energy portfolio](#), there are additional firms or projects that this bank has backed that also received “green” taxpayer funds from the Obama administration.

NextEra Energy Wind Energy Assets

Fist is NextEra, whose CEO Lewis “Lew” Hay, III was member of President Obama’s [Jobs Council](#) (from 2011 until 2013), that was awarded two large DOE stimulus loans, as well as a slew of other green energy stimulus funds. This is part of the scheme that we’ve been documenting since the summer of 2012 (“Third Largest Recipient of DOE Risky Loans”), and later in my January 2013 Big Wind Story.

But since Bank of America has invested in the wind side, what’s key here is this: NextEra was the biggest user of the wind energy production tax credit. In an analysis [by John Fund of the National Review Online](#), he states...

Begun 20 years ago to spur the construction of wind-energy facilities that could compete with conventional fossil-fuel power plants, the tax credit [PTC] gives wind an advantage over all other energy producers. But it has mostly benefited conventional nuclear and fossil-fuel-fired electricity producers. The biggest user of the tax credit is Florida-based NextEra Energy, the nation’s eighth-

largest power producer. Through skillful manipulation of the credits, NextEra from 2005 to 2009 ‘paid just \$88 million in taxes on earnings of nearly \$7 billion,’ Businessweek reports. That’s a tax rate of just 1.25 percent over that period, when the statutory rate is 35 percent.

SolarCity

Considering that the Podesta Group added SolarCity as a client in 2012, I highlighted the various political connections to this solar firm earlier, including billionaire players that received taxpayer money for other green energy deals, such as Elon Musk, [Nicholas J. Pritzker](#), and George Soros.

But what most don’t know is that SolarCity was in line to get a stimulus loan from the DOE for \$275 million. However, that deal — dubbed SolarStrong — [fell apart due](#) to the Solyndra “red flags” just prior to the loan program’s deadline in September 2011. A month later, [SolarCity found a](#) willing partner in Bank of America, which was followed by this official [announcement](#): “[SolarCity](#) and Bank of America Merrill Lynch today announced that they have agreed to terms on financing for SolarStrong, SolarCity’s ambitious five-year plan to build more than \$1 billion in solar power projects for privatized U.S. military housing communities across the country.”

It should be noted that without government subsidies, SolarCity [wouldn’t be](#) the success it is today:

“SolarCity currently benefits from tax credits totaling as much as 30 percent of the cost of these systems,” [noted Bloomberg](#). And, as I documented earlier, SolarCity, so far (and since 2009) has been subsidized with “green” through various stimulus funds, grants and federal tax breaks at the tune of \$514 million.

SunPower

Bank of America Merrill Lynch and SunPower have worked together since 2009. And this year [they announced a](#) \$220 million financing program for residential solar lease projects. In January 2010, [SunPower Corp](#), the San Jose, Calif.-based designer and manufacturer of solar panels and systems, received four of the [stimulus-enacted](#) Section 48C Tax Credits totaling \$10.8 million. Then, despite SunPower’s [well-known financial issues](#) and the fact that it was under a [shareholder suit](#) alleging securities fraud and misrepresentations, just days (September 2011) before the 1705 Loan Guarantee Program’s deadline (along with [four other solar companies](#)), this “non-investment” grade \$1.2 billion stimulus loan [was approved](#) — to support the construction of the [California Valley Solar Ranch](#) (CVSR) in San Luis Obispo County.

The conditional loan to SunPower [was announced on](#) April 12, 2011, and shortly thereafter (April 30, 2011), the French oil conglomerate [Total](#) committed to [buying a](#) \$1.37 billion controlling stake (60%) in SunPower Corp — a bailout that was [confirmed in](#) June 2011. Now, [SunPower](#) never directly got the cash, because on the final closing of the DOE loan guarantee, they [sold the California Valley Solar Ranch](#) to NRG Energy. However, SunPower continued on as the developer and Bechtel as the [primary contractor](#) building the project.

Also, to date, SunPower Residential, in 2013 and 2014, snagged 34 federal stimulus grants [from the 1603 Program for](#) “solar electricity” that ranges across 12 states, totaling over \$86 million tax dollars.

Besides Bank of America, both SunPower and [NRG Energy](#) have additional *meaningful* political connections to President Obama and other high-ranking Democrats, of which we’ve documented a few times: First in my [October 2012 report](#) (troubled green energy projects) and then in my February 2013 [analysis on Citigroup](#), another CAP donor that is up next, which is a huge player inside this “climate”

scam. Lastly, due to the fact that NRG Energy, a Fortune 500 and S&P 500 Index company, of which they and their subsidiaries, initially, were the recipient of most of 1705 stimulus loans: at least \$5.2 billion of taxpayer money (now minus the \$1.4 billion for Project Amp). NRG Energy was one of George Soros' *timely* investments that I mentioned at the beginning of this post, yet more Intel can be found in my [March 2013 Green Corruption File](#).

#2) Citigroup (confirmed donor since 2012):

Since 2007, Citigroup has been heavily involved in “climate change activities.” We also can confirm that this [“too-big-to-fail”](#) bank has made a massive footprint inside President’s Obama’s clean-energy dirt — the candidate that Citigroup helped get elected in 2008 as the number seven [top donor \(PAC\)](#) with many executives and friends of Obama [bundling for both](#) his campaigns. Meanwhile, in 2012, Citi [contributed to](#) both President Obama and Mitt Romney.

By 2011 — prior to the presidential reelection — [through their](#) “50 Billion Climate Change Investment Initiative,” Citigroup had “directed \$36.35 billion into such initiatives so far...” — of which they brag:

“In the U.S., Citi has the largest market share (28 percent) of U.S. Department of energy section 1703/1705 Loan Guarantee program financings for alternative energy, and we are the leader in such bond transactions.”

Considering that in February 2013, I dedicated an entire post to Cit and their [Massive ‘Green’ Money Machine.](#)” which included a careful analysis of their [“2012 alternative energy portfolio”](#) that lists about 37 transactions (plus SolarReserve) — both foreign and here in the United States, here I’ll just give some highlights.

What I found is that 58 percent (22) of Citi’s clients had received government subsidies, totaling approximately \$16 billion from the taxpayer-funded Green Bank of Obama, the majority from stimulus package. Furthermore, my research not only “followed the green money,” but profiled the Citi

executives that operate (d) inside the White House, some with key positions, which included President Obama’s [2013 choice](#) to replace Timothy Geithner for Treasury Secretary with [Jack Lew \(former](#) Chief of Staff), [Michael Froman, Richard Parsons, Louis Susman, and](#) Michael Eckhart — to name a few.

Many of the alternative energy projects that Citi was involved are mentioned in today’s study, starting with the Energy Department’s junk bond portfolio, which were doled out between 2009 and 2011:

- BrightSource Energy was awarded [\\$1.6 billion DOE](#) loan for the Ivanpah solar facility in California
- Brookfield Renewable Power, whereas Granite Reliable received a [\\$168.9 million](#) loan for a wind project in New Hampshire.
- Caithness/General Electric received a [\\$1.3 billion DOE](#) loan for the Shepherds Flat wind project in Oregon
- NextEra Energy /First Solar got a [\\$1.46 billion](#) loan for the Desert Sunlight project in California;
- SolarReserve was awarded [\\$737 million DOE](#) stimulus loan for the [Crescent Dunes project](#) in Nevada.

According to their renewable energy portfolio, Citi, in February 2011, became a major investor in SolarCity. And, as I documented earlier, SolarCity, so far (and since 2009) has been subsidized with “green” through various stimulus funds, grants and federal tax breaks at the tune of \$514 million.

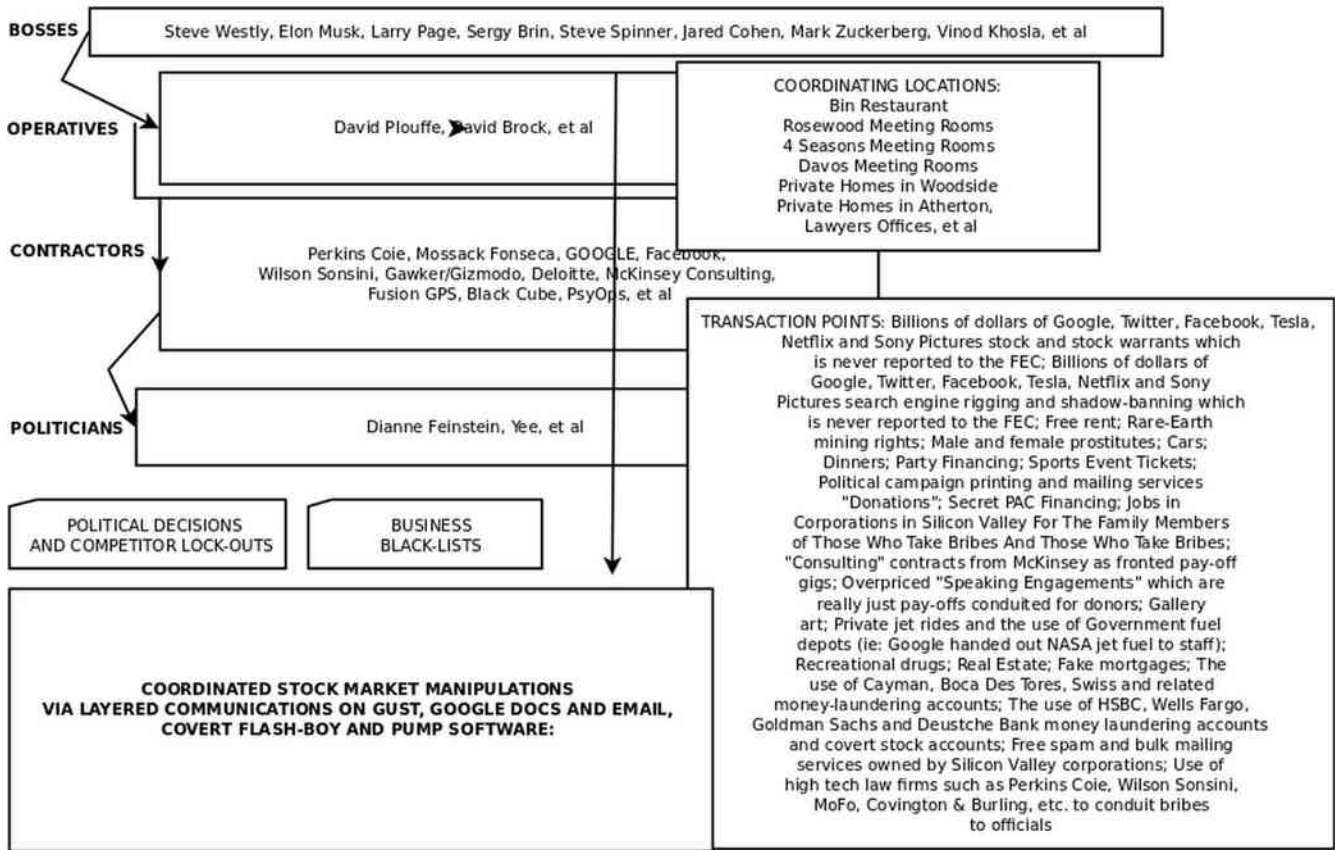
Citigroup, as of 2010 was listed as SunPower's bookrunner. Then in August 2011 SunPower and Citi [set up a \\$105 million fund for residential solar leasing projects](#), which states, "SunPower will use the fund to extend its SunPower Lease programme to customers in 8 US states, expanding the financing options available to homeowners interested in SunPower solar energy systems. The SunPower Lease is now available in Arizona, California, Colorado, Hawaii, Massachusetts, New Jersey, New York and Pennsylvania. Citi is contributing \$80m to the fund." Again, I covered SunPower under Bank of America, showing that this solar firm was given plenty of green government subsidies:

- In [January 2010, SunPower Corp received four of the stimulus-enacted Section 48C Tax Credits](#) totaling \$10.8 million.
- In September 2011, SunPower is part of the \$1.2 billion stimulus loan to support the construction of the [California Valley Solar Ranch \(CVSR\)](#) in San Luis Obispo County.
- SunPower Residential, in 2013 and 2014, snagged 34 federal stimulus grants [from the 1603 Program for "solar electricity"](#) that ranges across 12 states, totaling over \$86 million tax dollars.

#3) Goldman Sachs (possibly a donor since 2012):

Goldman Sachs was a [top Obama donor in 2008, but](#) we also know that two Goldman executives sat on Obama's 2008 Finance Committee and a slew of partners, [executives and board members bundled for](#), and donated to Obama's 2008 campaign. Meanwhile, his administration has been [infested with Goldmanites](#) — even as early as 2008 when a Goldman board member, [James A. Johnson](#) (also an Obama bundler that [I profiled](#) many times due to his former firm Perseus), was [chosen as](#) head of Barack Obama's vice presidential search team. Known as Jim Johnson and "a [fixture of establishment Washington](#), with ties to Wall Street and "a [major presence in Democratic politics](#) for more than two decades," Mr. Johnson [resigned his VP vetting role amidst criticism over](#) his part in the [Countrywide Financial scandal](#) as well as [controversy](#) surrounding his role as Fannie Mae's chief executive from 1991 to 1999.

THE SILICON VALLEY CARTEL



Even though in 2012, Goldman Sachs [turned their back on Mr. Obama](#) in 2012, there were many executives and board members [who helped him get reelected](#).

Like Bank of America, I haven't had the opportunity to examine Goldman Sachs' [Alternative Energy Group](#) and its [Environmental Markets](#) financing and advisory; however, we do know that Goldman has been investing in renewable energy since at least 2005.

By 2014, Goldman Sachs "declared that the renewable sector is one of the most compelling" — even as they backed "green" in 2012, having committed \$40 billion to renewable energy (made and planned investments). According to [Renew Economy](#), "Stuart Bernstein, who heads the bank's clean-technology and renewables investment banking group, told Recharge in a recent interview in a story titled [Goldman goes Green](#)." It is at a transformational moment in time."

As Goldman [promotes](#) President Obama's Climate Action Plan along with other winners of clean-energy funds, they also brag about their climate change roles: "In 2012, we financed nearly \$2 billion and co-invested more than \$430 million in the sector. We also served as financial advisor on clean-energy transactions valued at more than \$1.1 billion."

Needless to say, [since 2010, I've](#) been following Goldman and tracking how this Big Bank has been cashing in on the stimulus funds. As my research developed, I found their DNA all over this green energy scheme, of which to date we can confirm that Goldman Sachs has a [vested interest — via](#) various roles, and having entered the scene at different junctures (before, during and after taxpayer subsidies were awarded), in many projects and firms that received loans, grants and special tax breaks.

So far I've tracked at least 14 firms connecting Goldman to over \$8.5 billion from the Green Bank of Obama, the majority from the 2009-Recovery Act.

Keep in mind too, that Goldman is *associated* (former executives and investments) with the Big VC firm Kleiner Perkins as well as [Generation Investment Management \(GIM\)](#) — mentioned a few times already. As a reminder, Kleiner Perkins is where we find the "climate duo," whose combined carbon footprint is larger than my entire city: Billionaires [John Doerr](#) and Al Gore (partners at the firm), where Doerr, "a very [big-ticket Obama donor](#)," in January 2009, persuasions were reflected in the 2009-Recovery Act via his [meetings with Obama's transition team and leaders in Congress](#)" as well as the fact that he made [five recommendations to Congress and President-elect Barack Obama](#) to jumpstart a green-tech revolution and fight global warming."

Shortly thereafter (around February 6, 2009) and just days prior to signing the stimulus bill ([February 18, 2009](#)), Obama [appointed Doerr](#) as a [member of his](#) Economic Recovery Advisory Board (PERAB), which later [morphed](#) into the president's jobs council — only to close down in February 2013.

Meanwhile, back in 2004 Gore started GIM with former CEO of Goldman Sachs Asset Management David Blood, who is another [Obama bundler](#). Apparently, Blood is the ["wizard behind"](#) GIM, and behind this "sustainable firm" are [several former Goldman](#) executives and partners — even as Doerr, in 2007, joined the GIM advisory board.

This and more insight were profiled in my [January 8, 2013 file](#) on Doerr and Gore, whose ["Greentech Portfolio"](#) (at least 50%) and GIM's "Sustainable Investing" secured billions in loans, grants and special tax breaks — the two firms combined are tied to at least \$10 billion from the taxpayer-funded Green Bank of Obama, the majority coming from the 2009-Recovery Act, of which Doerr had helped author.

As far as Goldman: first off they made big money from the sale [of Horizon Wind Energy](#) to Portugal's

EDP for \$2.5 billion in 2007, of which ironically, starting in 2009 until the end of 2012, EDP

Renewables North America LLC (formerly Horizon Wind Energy LLC), received over \$700 million of free taxpayer money from the Obama stimulus bill (\$722,468,855 in Section 1603 Grants) for eleven wind projects, placing them at the number two spot of foreign firms that were winners of US grants.

This was a shocking [report released](#) in early 2013 by the Energy and Commerce Committee, exposing the extent to which [foreign corporations are benefiting from](#) green energy stimulus funding.

Goldman's Green Losers, Winners, Biofuels, & Smart Grids

Nevertheless, Goldman is credited as the [“exclusive financial adviser”](#) for the now bankrupt Solyndra (\$570.4 million loss), and in 2010, handled the IPO of what most deem a government winner, Tesla Motors that was awarded \$465 million from the DOE ATVM program. Also, according to Goldman, “In May 2013, [they] helped raise over \$1 billion in new financing for Tesla Motors.”

There are more bankrupt ones as well: SpectraWatt (\$20.5 million), Nordic WindPower (\$8.6 million), and Suntech Power Holdings Co. (\$2.1 million) — all taking millions of taxpayer money down with them, while Goldman remains unscathed.

Goldman is also active in advanced biofuels and feedstock companies, handling the IPOs of biofuel companies, of which at least two won money and contracts from the Obama administration: Amyris (\$25 million stimulus grant), Kior (seeking \$1 billion DOE loan) and Solazyme (\$21.7 million DOE stimulus grant; plus part of the \$12 million biofuel contract with the U.S. Navy) — the latter company has its very own direct connection to CAP: Jonathan Wolfson, Solazyme cofounder and Chief Executive Officer, “is an active participant in many advisory groups, including sitting on the board of the Center for American Progress (CAP) Clean Tech Council.

Meanwhile, Goldman hooked up with another huge winner of stimulus funds: “In March 2013, [they] served as lead-left bookrunner on the \$93 million initial public offering for Silver Spring Networks” — a Foundation Capital, Kleiner Perkins, and Google (all with friends in the White House) green investment, which in 2009, cashed in big time when the DOE starting handing the smart-grid grants as part of the 2009-Recovery Act. During the course of my January 2013 analysis on Silver Spring, I found that 30 percent of the \$4.5 billion stimulus smart-grid grants went to their “customers” — that’s over \$1.3 billion. Then in my May 2013 report, “Smart Grid, Dirty Devices”, I documented additional ties and an interesting analysis of its IPO: “Silver Spring IPO has more red flags than a Communist Party military parade,” PrivCo CEO Sam Hamadeh.

Goldman's Green DOE Stimulus Loans

Considering that First Solar is also a CAP Business Alliance Member (donor), we’ll expand on that solar firm later, but what is key here is that Goldman was an early investor in First Solar that snagged three large DOE stimulus loans (over \$3 billion) — a story we’ve featured many times, starting with “The First Solar Three Billion Dollar Swindle.”

Still, Goldman was (is) also an investor in U.S. Geothermal that in February 2011, landed a \$97 million DOE stimulus loan slated to build a 22-megawatt power plant in the eastern Oregon desert. This was — one of the first geothermal projects funded by the DOE, despite the fact that in December 2010, S&P had rated this loan as non-investment grade. Yet, the “2012 Internal DOE Email Dump” prove that this deal was rushed and approved in time for a POTUS photo op. Moreover, U.S. Geothermal had other

projects that snagged millions in green energy subsidies.

Then in September 2011, Cogentrix of Alamosa, LLC (Cogentrix Energy a subsidiary of Goldman Sachs), was awarded a \$90.6 million DOE stimulus loan for the Alamosa Solar Generating Project in Colorado. Cogentrix, on July 16, 2012 bagged a \$34.6 million stimulus grant (free taxpayer money) from the 1603 Grant Program — I'm assuming this is for the same project.

But that's not all....

BrightSource Energy Just Got Darker

According to Renew Economy (January 2014), “[Goldman] has also a substantial investment in BrightSource Energy,” which actually brought its Ivanpah solar power facility into full production last month — and if not for a federal loan guarantee, the \$2.2-billion project would have never seen the light of day. Now this massive solar power plant (struggling to produce power) has become the “\$2.2 Billion Bird-Scorching Solar Project” — with even the left-leaning Los Angeles Times, chronicling their grand opening like this:

After nearly four years of construction that killed desert tortoises, burned the feathers off passing birds and mowed down thousands of acres of native flora, Ivanpah officially opened last month with a gala that included a rock band and a horde of dignitaries — Energy Secretary Ernest Moniz among them.

We've been uncovering BrightSource Energy's \$1.6 billion shady DOE deal since July 6, 2012, and as new information became available we've revisited this huge solar transaction several times. In short, the Ivanpah Solar Electric Generating System (SEGS) in California was subsidized with a \$1.6 billion DOE stimulus loan, which was announced on February 22, 2010 and finalized April 11, 2011 — a project that also received special treatment by the Department of Interior, which was documented in our “2012 Special Seven Series.”

Still, BrightSource investors not only include Goldman Sachs, but additional 2008 Obama donors such as Google, Morgan Stanley, and BP Alternative Energy. Meanwhile the Ivanpah project incorporates a slew of ties to President Obama as well as Vice President Joe Biden and Senator Harry Reid. This story comprises of big donors, political cronies and connections such as BrightSource, VantagePoint, Google, NRG Energy, PG&E, Goldman Sachs, Citigroup, George Soros, the former Commerce Secretary John Bryson, McBee Strategic Consulting, lobbyists Bernie Toon, and others — with DOE officials,

Obama's Green Team, and several in Congress from the Democrat side involved.

While I briefly addressed Citigroup's part in this billion-dollar deal in February 23, 2013 (Ongoing — \$250mm IPO / Joint Bookrunner), it should be noted that just days after the finalization of the \$1.6 billion government loan, BrightSource had filed for an IPO, of which Goldman Sachs Group Inc., Citigroup Inc. and Deutsche Bank AG were leading the proposed offering. However, a year later, they canceled their IPO, and BrightSource CEO John Woolard (now former) told Gigaom.com that it was “because of the weak public markets, particularly for solar and greentech companies...” — of which, to date the IPO is still pending. Yet, we do know that Goldman has made equity investments in the solar developer BrightSource.

We also can confirm that additional political heavyweights have been hovering over this deal, starting with Bechtel (another big corporation with their hand in the stimulus) that constructed BrightSource's Ivanpah project as well as the fact that sometime in October 2010, during the time of their DOE loan review process, “NRG became the lead investor (\$300m) in Ivanpah solar project. In fact, as

mentioned, this was one of the four (now three) large taxpayer-funded stimulus projects that NRG Energy is part of.

Side Note: My March 22, 2013 file covers The Soros connection, its CEO David Crane, and more. My September 2013 post on BrightSource's Top DC lobbyist (since 2009) gives more insight into other players inside this \$1.6 billion DOE deal, such as VantagePoint, Google Inc, and PG&E, which included ongoing interaction and pressure from the heavyweight K Street firm McBee Strategic Consulting — another huge player inside this green energy scam. What's key is that Steve McBee “reportedly wrote key provisions in the stimulus bill to open the spigot of green corporate welfare” — thus over 60 percent of his energy client list cashed in under the Obama administration.

Lastly, in November 2013, we unleashed BrightSource's connection to Senator Harry Reid as well as the incriminating “2012 Internal DOE Email Dump” relevant to this particular DOE transaction.

What's key here is that BrightSource Energy has never been solid. In fact, the “Oakland-based BrightSource Energy Inc. had emerged from the bankruptcy of its parent company.” Now I'm assuming this was out of the ashes of BrightSource Industries (Israel) Ltd. that was formerly known as LUZ II Ltd., and changed its name in December 2008.

Nevertheless, according to Schweizer in *Throw Them All Out*, as he described the financial issues they were having, “BrightSource badly needed this infusion of taxpayer cash.” So in essence this \$1.6 billion stimulus DOE deal was a bailout, which is a clear violation of the American Recovery and Reinvestment Act of 2009 — a fact that we elaborated on many times.

Goldman: SolarCity, SunEdison & SunRun

According to *Renew Economy* (January 2014), “Goldman Sachs also provided \$500 million of finance to SolarCity, to allow the biggest solar installer in the US to expand its solar leasing business. Goldman is one of a number of banks to do that — the latest was Bank of America/Merrill Lynch.”

Goldman, in 2012, also handled the IPO for SolarCity — the solar firm I first highlighted under the Podesta Group (became a 2012 client) and expanded upon under Bank of America, noting that

SolarCity was not only in line to receive a loan from the Energy Department, but as documented earlier, SolarCity, so far (and since 2009) has been subsidized with “green” through various stimulus funds, grants and federal tax breaks at the tune of \$514 million. We'll keep watching...

There is also SunEdison LLC — a global provider of solar-energy services — which was also an early Goldman Sachs investment. Due to the fact that this solar firm also became a client the Podesta Group in 2012, I covered the fact that in 2013, SunEdison won 5 federal stimulus grants from the 1603

Program for “solar electricity” that ranges across 5 states, totaling over \$1.8 million tax dollars.

Furthermore, SunEdison is in cahoots with JPMorgan, GE Capital as well as Southern Company and a few other familiar green energy players and CAP donors such as Bank of America, Duke Energy, and First Solar.

Just last month, the *Wall Street Journal* reported, “Sunrun Inc., a company that finances and installs home solar projects, has retained Goldman Sachs to raise a growth equity round of more than \$100 million, according to a person familiar with the situation.”

SunRun can be found in my May 2012 research on Foundation Capital — another friend of the Obama White House and big VC winner of taxpayer money from the Green Bank of Obama, adding to my

long list of Big VC's that have had made out like bandits. As of October 2013 , I found that SunRun, between 2011 and 2013, snagged 23 federal stimulus grants from the 1603 Program for “solar electricity” that ranges across 10 states, totaling over \$141 million tax dollars, thus far.

Plus in 2010, SunRun announced a \$100 million joint program with major utility Pacific Gas & Electric, which according to Venture Beat, “PG&E will be funding the rooftop systems in question via its subsidiary, Pacific Energy Capital II, a tax equity fund,” of which “In lieu of traditional returns, the investor — PG&E in this case — gets tax benefits in addition to some cash returns.”

#4) Covanta Energy (confirmed donor since 2012):

This was one of those Soros timely investments (twelve alternative energy and utility companies) that I had alluded to in the beginning of this post and exposed in my March 2013 Green Corruption File. I found that Covanta, a clean-energy company and the recipient of federal stimulus grants, also received millions in 2010 through Congressional earmarks, yet it is unclear as to how many green government subsidies or the exact stimulus dollar amount that Covanta Energy snagged. Also, Covanta Energy stands to benefit from the NAT GAS Act if it comes to light again.

#5) General Electric (confirmed donor since 2011):

General Electric (GE) is a heavy donor to both Republicans and Democrats, and its CEO Jeffrey Immelt “plays the role of typical corporate donor who hedges his bets on both sides of the fence.”

However in 2008, GE gave the Obama campaign \$529,855, marking them as a top Obama donor.

Meanwhile, in early 2009, Immelt was first appointed as a member of Obama's Economic Recovery Advisory Board (PERAB), which later morphed into the president's jobs council, where Immelt served as the Jobs Czar, until it closed down in February 2013.

Nevertheless, GE is a major player on the clean-energy scene as well as in this green energy scheme, starting with the fact that they were also part of the DOE's Electricity Advisory Committee that had influence into the 2009-Recovery Act. In 2009, the New York Times recognized GE's green power, noting, “GE lobbied Congress to help expand the clean-energy subsidy programs, and it now profits from every aspect of the boom in renewable-power plant construction, including hundreds of millions in contracts to sell its turbines to wind plants built with public subsidies.”

I've been keeping track of GE's “green tab” since 2012, which at that time exceeded \$3 billion in direct (some indirect) taxpayer cash. This tally includes three large stimulus loans from Energy Department's junk bond portfolio that were doled out between late 2010 until September 2011.

Considering the treasure trove of Intel found in the “2012 Internal DOE Email Dump,” I revisited GE in my December 2012 post. Long story short, in October 2010, the Caithness Shepherds Flat wind project located in eastern Oregon was awarded a \$1.3 billion DOE stimulus loan — a \$2 billion project sponsored by GE, who also supplied the project with 338 wind-turbines. These internal emails show that this transaction was approved with White House pressure. For example:

September 9, 2010 EMAIL: James McCrea (subject line: Shepherds Flat — Draft Responses to OMB Questions), “As you all know, the pressure to make decisions on this transaction are high so speed of the essence.” Then later that day, McCrea writes (Email #4 from Appendix I) he says, “Pressure is on real heavy on SF [Shepherds Flat] due to interest from VP.”

Shepherds Flat's developers also received “a \$500 million federal grant, state tax credits totaling \$18

million, accelerated depreciation on federal and state taxes worth \$200 million, and a premium for its power from the state worth \$220 million.” At some point, the Shepherds Flat wind farm received three separate tax credits totaling \$30 million from the state of Oregon.

But there’s more...

In September 2011, the poorly rated 1366 Technologies, sponsored in part by GE, received a direct \$150 million stimulus loan from the DOE for its solar manufacturing plant.

GE is also part of the \$1.2 billion DOE stimulus loan for the Desert Sunlight project, which was finalized in September 2011. This is part of the First Solar Swindle that has been mentioned a few times in this post, and will be detailed later.

Federal Railroad Administration (FRA) loaned \$54.6 million to Kansas City Southern Railway Company (KCSR) “to purchase thirty new General Electric ES44AC diesel-electric locomotives” — a loan that raised red flags in the March 2012 House Oversight investigation.

Also, you’ll be “blown away” by the billions of “wind energy grants” that flew out of the stimulus package back in February 2010, of which at that time, GE was contracted to at least 26% of them as the “Turbine Manufacturer.”

In late 2009, it was reported by Gigaom, “GE is one of the newer smart meter players, but the conglomerate has been working with utility Oklahoma Gas & Electric on a 6,600 smart meter trial, and has a contract with PHI, which received \$104.80 million for a smart meter deployment in Washington, DC. GE also has a big contract with Florida Power and Light” that also the recipient of a \$200 million stimulus grant.

Other than bagging direct green energy stimulus money, GE has also joined forces with others that have benefited from Obama’s alternative-energy taxpayer funds. Two in particular — the Advanced

Metering Partners, another John Doerr “venture” via Silver Spring Networks, as well as Energy Technology Ventures formed in 2011 with NRG Energy and ConocoPhillips. And, I’m sure if were to visit GE again, we’d find much more than \$3 billion in green energy funds.

#6) Google (confirmed donor since 2012):

Google, like Wall Street and Big Energy, plays the political game well: it’s all about access and influence, starting with campaign contributions. Google’s \$814,540 contribution to then-Senator Obama’s campaign made it the fifth largest donor in 2008, and in 2012 moved up to the number three spot with a whopping \$805,119. Furthermore, Google’s CEO at the time, Eric Schmidt, served as an informal advisor to President Obama. Schmidt, Google Executive Chairman, was also an Obama donor in 2008, and since April 2009, is (was) a member of the president’s Science and Technology Advisory Council (PCAST).

Another Google political connection is Dan Reicher, director of climate and energy initiatives at Google, who was one of the founders of Cleantech and Green Business Leaders for Obama. There are other interesting folks behind the Google scenes such as John Doerr and Al Gore — the dynamic climate duo mentioned periodically in this post — who has served as a member of Google’s board of directors since May 1999, with Gore as a (past) senior advisor.

And according to Michelle Malkin, “Google cofounder Sergey Brin, Chief Legal Officer and Senior Vice President David Drummond, and Google Vice President and Chief Internet Evangelist Vint Cerf

are all vocal Obama supporters and top donors.” Meanwhile, Google co-founders Sergey Brin & Larry Page, invested in Tesla Motors, while Google, in 2011, partnered with SolarCity (mentioned a few times now) to create a \$280 million fund for residential solar projects — both BIG winners of “green” taxpayer money.

Like many of these Big VC’s that won a significant amount of green money from the Obama administration — Kleiner Perkins, Khosla Ventures, The Westly Group, VantagePoint Capital Partners, Google Ventures, Foundation Capital, and others — their “cleantech investments” overlap, and I briefly touched on Google in my January 2012 post about Doerr and Gore.

Later, I documented Google as energy client of McBee Strategic Consulting (in my September 2013 Green Corruption File), discovering and exposing the fact that Google Ventures — via their “Energy Investments” and other “green deals” that I tracked down at that time — has ten verified stimulus and other green energy money winners, which places their investment score at close to \$5 billion of taxpayer cash, which includes three DOE loans: BrightSource Energy (\$1.6 billion); GE’s Caithness Shepherds Flat wind project (presented under GE for \$1.3 billion); and Tesla Motors that won \$465 million ATVM loan. If you add in Silver Spring Networks’ customers that won \$1.3 billion in smart-grid stimulus grants, which I divulged here a few times, that figure rises to \$6.3 billion and counting.

#7. PG&E (confirmed donor since 2011):

This utility giant is a strong Obama and Democrat donor that happens to be all over this “green” scam. Not only did they have direct influence over the DOE loans, they are jam-packed with Washington “green cronies,” including Cathy Zoi, who is the “most controversial former PG&E employee to hold an influential government.” Zoi, an Al Gore acolyte was a DOE Insider from 2009 until 2011, and she is not only tied to PG&E but other stimulus winners.

Still, PG&E was another client of the top DC lobbyist, McBee Strategic Consulting, of which I divulged in my September 2013 Green Corruption File. As reported by the Washington Free Beacon in 2012, “PG&E has become an aggressive buyer of power supplied by solar, wind, and other renewable sources, in large part due to statutory requirements under California’s Renewable Portfolio Standard, which mandated that 20 percent of the utility’s electricity come from renewable sources by 2010 — and 33 percent by 2020.”

The big win for this huge energy corporation is that they have an invested interest in seven Energy Department stimulus loans worth \$7.6 billion. Moreover, with the exception of BrightSource Energy’s \$1.6 project, of which we now know from an email Dated January 4, 2010, that Peter Darbee, then CEO of PG&E, had himself spoken to President Obama about this deal, the rest of the loans were finalized between June and September 2011. While the details into these taxpayer-funded projects can be found in my April 2013 post, here’s an overview.

Agua Caliente Solar Power Project located in Yuma, Arizona, of which “PG&E will purchase the project’s power and deliver it to customers in California.” Project by NRG Solar: \$967 million loan guarantee

BrightSource Energy development located in Baker, CA, of which “electricity from the project will be sold under long-term power purchase agreements with Pacific Gas & Electric and Southern California Edison Company (SCE).” Project by NRG Energy, Inc. (BrightSource): \$1.6 billion loan guarantee

California Valley Solar Ranch of which the 250-megawatt is under construction in eastern San Luis Obispo County, and “is generating clean, reliable solar power for transmission over PG&E’s utility grid.” Project by NRG Solar and SunPower is still involved: \$1.237 billion loan guarantee

Desert Sunlight Project located in Riverside, CA, with the PPA (purchase power agreement) listed as Southern California Edison and PG&E. This is a First Solar Project that is co-owned by NextEra Energy Resources, GE Energy Financial Services, and Sumitomo Corporation of America: partial guarantee of \$1.46 billion

Genesis Solar Energy Project located in Riverside County, CA of which “power from the project will be sold to Pacific Gas and Electric Company.” Project by NextEra Energy Resources, LLC: partial guarantee of \$852 million loan

Mesquite Solar 1, LLC located in Maricopa County, AZ, of which Bloomberg News had reported at the time the DOE loan was approved, “Sempra will sell electricity from the Mesquite Solar 1 plant to California’s largest utility, PG&E Corp., under a 20- year contract.” Project by Sempra Mesquite: \$337 million loan guarantee

Mojave Solar located in San Bernardino County, CA, of which at the time of the DOE loan approval (September 2011), “Abengoa signed a power-purchase agreement with PG&E to buy the energy produced by the project for a period of 25 years.” Project by the Spanish firm Abengoa Solar, Inc.: \$1.2 billion loan guarantee

Meanwhile, my May 2013 “Smart Grid, Dirty Devices” divulges PG&E’s partnership with Silver Spring Networks on many fronts (PG&E is their top customer). Silver Springs is the the lucky smart-grid technology company that I mentioned earlier, who has an array of White House connections — Foundation Capital, Kleiner Perkins and Google — and as of January 2013 is linked to at least \$1.3 billion in smart-grid stimulus grants.

But there’s more...

PG&E won a significant amount of stimulus money for various projects, of which last year I found at least seventeen that added up to over \$55 million of tax dollars.

PG&E also bagged at least four stimulus 1603 grants in 2012 and 2013 (for fuel cell, hydropower and solar) totaling \$127.2 million.

SolarCity and SunRun, who both won large sums of stimulus money (duly noted in this post), are in cahoots with P.G.&E. Corporation, the California utility holding company’s tax-equity fund to finance residential solar installations.

CAP’S 2011 & 2012 DONORS: Clean-Energy Money Winners (referred to as “American Progress Business Alliance Members”) Energy/Utilities

#8) American Electric Power (AEP):

While I found that AEP (between 2009 and 2010) was awarded at least four stimulus grants totaling \$740 million, which was detailed in my March 2013 Green Corruption File, there is more to share.

According to Schweizer’s bombshell book, “in the first quarter of 2009, Soros made an initial purchase of more than 1.5 million shares in American Electric Power (AEP), a utility company that invested heavily in an energy project called FutureGen.”

This was a project that had been abandoned by the Bush administration; however, on June 12, 2009, the Obama administration revived FutureGen: “a federal-industry partnership that would build an advanced coal-burning power plant in Illinois to trap and store carbon dioxide emissions.” After Obama took office, he not only restarted FutureGen with \$1 billion from the stimulus package, but he moved the project to Meredosia.

The FutureGen Industrial Alliance “was formed to partner with the U.S. Department of Energy on the FutureGen project.” At that time it was a consortium of major coal and utility companies such as American Electric Power Co. Inc. and Peabody Energy Corp. Just thirteen days later, both AEP and Southern Co withdrew from the U.S.-government backed FutureGen project.

Despite ongoing drama, cost overruns and delays, as well as potential air pollution and other matters; back in February 2013, the FutureGen project was moving forward. While AEP was gone, we did find Ameren Corp (another Soros timely investment) along the way. Currently the FutureGen Industrial Alliance includes Alpha Natural Resources, Joy Global Inc, Peabody Energy, Xstrata Coal Pty Limited, and another CAP corporate donor, Anglo American (up next).

#9) Anglo American (confirmed donor since 2012, listed under energy/utility):

As detailed above, Anglo American, “one of the world’s largest mining companies, is headquartered in the UK and listed on the London and Johannesburg stock exchanges,” is now part of the FutureGen project funded with green energy funds. This past January, the Energy Department “gave the long-planned FutureGen clean-coal project one of the final OKs [and \$1 billion] it needs to start building,” announced the Daily Journal.

According to most reports, “If all goes according to plan, the FutureGen project should be fully operational by 2017 and continue commercial operations for at least 20 years.”

#10) Constellation Energy:

Again, this is one of those twelve alternative energy and utility companies that another Soros had invested in shortly having helped craft the 2009 stimulus package that I had alluded to in the beginning of this post (exposed in my March 2013 Green Corruption File). I found that Constellation, an Exelon Company, which is labeled as “the president’s utility,” was another top 2008 Obama donor and big winner of “green” funds. Constellation received a \$200 million stimulus grant, of which since they are (were) the parent of Baltimore Gas and Electric Co, I’m assuming the \$200 million smart-grid grant (awarded in October 2009) that went to BGE is the one Schweizer had mentioned in his book (unless they got another \$200 million for something else).

Moreover, according to the Washington Free Beacon, “Constellation is one of the most prolific providers of green energy to federally owned facilities, sporting contracts with the General Services Administration (GSA) for the U.S. Capitol building, the Federal Reserve, the Smithsonian Institution, the United Nations building in New York, and a host of federal buildings in several states.”

#11) Dow Corning (Silicone Manufacturing/Solar):

In January 2010, two manufacturing tax credits were awarded from the 48C stimulus-created program for solar projects in Michigan. The tax credits included “\$141.9 million for Hemlock Semiconductor’s (a joint venture of Dow Corning Corporation and others) expansion of its Michigan polycrystalline silicon operations, and \$27.3 million for a monosilane plant Dow Corning is building.”

By 2012, Hemlock Semiconductor announced that they “were postponing three of the four phases of

their \$1.2 billion plant in Tennessee,” of which the state of Tennessee had committed \$245 million to Hemlock — some of which was stimulus funds. In 2013, the company began laying off hundreds of workers at their Clarksville plant — even 100 were from their facility in Michigan (March 2013), and 50 more in May 2013. With the future of their plants unknown, “Dow Corning Corp. announced [November 2013] that it is acquiring a bigger stake in Hemlock Semiconductor.” So, here we have two more failing stimulus-funded projects that we need to watch — and a CAP donor ta boot.

#12) Duke Energy:

As duly noted, Duke Energy — the nation’s largest electric power company — has been a client of the Podesta Group since 2009. Jim Rogers, the chairman of Duke Energy, is another Obama donor, who was a major player at the 2012 Democratic convention, as a contributor, creditor, host, and even a speaker.

While Duke Energy is worthy of additional scrutiny, my January 2013, Big Wind Story documented that in 2011, Duke Energy was the recipient of a \$22 million grant from the DOE’s ARPA-E advanced energy research program that was funded by the 2009 stimulus package. This was “to design, build and install large-scale batteries to store wind energy at one of its wind farms in Texas.”

Then in May 2013 (previously dated June 2010), Notrees Windpower — a project of Duke Energy located in Texas — was handed a stimulus grant from the 1603 Program for \$103.6 million. And after a quick glance, I found three 1603 stimulus grants for Duke Energy Carolinas, LLC that were dished out in 2012 and 2013, totaling over \$62 million for “hydropower” and “solar electricity.” Duke Energy was also privy to the “smart” money as well — in 2009, the DOE awarded Duke Energy a \$200 million stimulus smart-grid grant to support projects in the Midwest.

#13) Enel Green Power North America:

In July 2012, Enel Green Power, through its US subsidiary Enel Green Power North America Inc., was awarded a grant for approximately \$99 million from the 2009-Recovery Act 1603 grant program for the construction of the Caney River wind farm in Kansas. The Caney River and the Rocky Ridge wind farm project includes J. P. Morgan as well as Wells Fargo Wind Holdings LLC and Metropolitan Life Insurance Company.

#14) First Solar (Solar Manufacturing and possibly a 2011 donor):

As I’ve alluded to many times in this post and others, First Solar has considerable ties to the Obama administration, starting with the fact that this solar firm was an early investment of Goldman Sachs, the Wall Street giant mentioned above as a CAP corporate donor since 2012 (maybe sooner).

In the mix we find another First Solar investor — Generation Investment Management (GIM), which as you know, is Al Gore’s sustainability firm tied to many green energy deals. Along the way we find a myriad of Obama billionaire cronies (donors and bundlers) that were also investors in First Solar: Ted Turner, Paul Tudor Jones, Whitney Tilson, David Shaw, as well as the fact George Soros bought First Solar stock sometime in late 2007, until about May 2011, as recorded at GuruFocus.com.

Prior to the \$3 billion in DOE stimulus loans, in 2010, First Solar snagged \$16.3 million “to expand its manufacturing facility to produce fully completed thin-film solar modules,” in Ohio, which was part of the 2009-Recovery Act via the DOE / Treasury, Clean Energy Manufacturing Tax Credits (48C).

According to reports, “The Ohio Department of Development also lent First Solar \$5 million, and the

state's Air Quality Development Authority gave the company an additional \$10 million loan" — marking First Solar's Ohio facility as taxpayer-funded with over \$30 million.

But it gets better: First Solar, in 2011, "also scored \$547.7 million in loan guarantees [by the controversial taxpayer funded Export-Import Bank (Ex-Im)] to subsidize the sale of solar panels to solar farms abroad," as documented by Veronique de Rugy (senior research fellow at the Mercatus Center) in her stunning assessment of DOE's Loan Program. Ms. de Rugy goes on, "More troubling is the fact that some of the Ex-Im money [\$192.9 million] went to a Canadian company named St. Clair Solar, which is a wholly owned subsidiary of First Solar, meaning that the company received a loan to buy solar panels from itself."

This Ex-Im transaction even hits closer to CAP, starting with Carol Browner — CAP fellow, former DOE insider, and Al Gore's pal — who is sits on (and has for a while) the Advisory Committee of the Export-Import Bank.

Still, the Daily Caller last month, unearthed another alarming connection: "[First Solar] is not only listed as a CAP donor, but has also been listed as a client of the Albright Stonebridge Group (ASG) in 2011 — a lobbying firm founded by former Clinton Secretary of State Madeleine Albright. ASG is also listed as a CAP donor."

And, it gets better, as reported The DC

Coincidentally, Export-Import Bank President Fred Hochberg has spoken annually at CAP since 2011 — the same year First Solar got its loan. It is unknown whether the solar company was also a CAP donor at the time.

When Hochberg spoke at the progressive think tank in 2012, he mentioned that Alice Albright was in attendance — Madeleine Albright's daughter and the Ex-Im's chief operating officer from 2009 to 2013. Hochberg spoke on June 25 and First Solar was awarded \$57.3 million in financing on July 18.

In 2011, Hochberg spoke on June 15 and, just over a week later on June 23, Ex-Im awarded First Solar millions more in financing. That year the taxpayer-backed export bank awarded First Solar nearly \$573 million to make their products more competitive abroad and boost their sales — most of that financing came after Hochberg gave his speech. First Solar Vice President Frank de Rosa was likely bundling donations for Obama's reelection campaign around this time.

Nevertheless, the big money came from the Energy Department: First Solar, an Arizona-based manufacturer of solar panels, in August and September 2011, won three 1705 DOE "junk rated" stimulus loans totaling over \$3 billion. Marita Noon and I first covered the "First Solar Swindler" in the summer of 2012, which began by documenting how seven solar companies received fast-tracked approval by the Department of the Interior (DOI) to lease federal lands in a no-bid process:

Abengoa Solar, BrightSource Energy, First Solar, Nevada Geothermal Power, NextEra Energy Resources, Ormat Nevada, and SolarReserve.

Since then, we've tracked First Solar's woes, which began since the finalization of these three large DOE loan guarantees — projects, by the way, that were sold to more Obama "energy" cronies just after the taxpayer funds were approved. However, First Solar remained involved in all of them.

The Projects

Exelon (Antelope Valley Solar Ranch): \$646 million stimulus loan

In September 2011, the same day that the Antelope Valley Solar Ranch, located in California, received a DOE loan guarantee for \$646 million, Exelon Corp. purchased it. First Solar, which developed the project, is still actively involved. The AVSR1 project, by the way, is expected to create 350 construction jobs and 20 permanent jobs.

The Chicago-based Exelon Corp, a big Obama donor and labeled as “The President’s Utility,” by itself is a huge piece of the Green Corruption scandal, which I have alluded to in the past and another piece of the scandal in the works.

NextEra Energy Resources, LLC (Desert Sunlight): \$1.46 billion stimulus loan

The California Desert Sunlight, in September 2011 — again the same day that this project received \$1.46 billion offer for a partial loan guarantee from the DOE — was sold to NextEra Energy

Resources, LLC, the competitive energy subsidiary of NextEra Energy, Inc. and GE Energy Financial Services. Yet, the September announcement also stated, “First Solar will continue to build and subsequently operate and maintain the project under separate agreements.” Both CEO’s Jeffrey Immelt and Lewis Hay were featured in my “Green Five: Spreading the Wealth to Obama’s Ultra-Rich Jobs Council Members” series.

According to the DOE, Desert Sunlight, which is expected to create 550 construction jobs and 15 permanent jobs for the plant’s operation, “will deploy commercially available First Solar Series 3 modules and is projected to achieve commercial operation by February 28, 2015.”

NRG Solar, LLC (Agua Caliente): \$967 million stimulus loan

In August 2011, as the \$967 million DOE loan guarantee for the Agua Caliente, located in Arizona, was announced, it was purchased from First Solar by NRG Solar, LLC, a subsidiary of NRG Energy. At that time it was noted that the First Solar will be providing the solar panels for this project, and that the plant, when completed, would supply power to PG&E.

According to the DOE, the Agua Caliente project — considered another jobs creator with an expected 400 construction jobs and 10 permanent jobs — “currently generates enough energy to power 49,600 households annually.”

Keep in mind that documented much earlier was Steve Spinner — the two-time Obama bundler DOE advisor (April 2009 to September 2010) turned CAP fellow (September 2010 to October 2011) — and his part in the First Solar deal making, which included advocacy for the at least the Antelope Valley project. Nevertheless, there are additional CAP players here, starting with what The Nation revealed in May 2013:

José Villarreal — a consultant at the power-house law and lobbying firm Akin Gump, who ‘provides strategic counseling on a range of legal and policy issues’ for corporations — was on First Solar’s board until April 2012 while also sitting on the board of CAP, where he remains a member, according to the group’s latest tax filing.

#15) First Wind

In my January 2013 Big Wind Story — also a client of the top DC lobbyists McBee Strategic Consulting — I exposed a “twister of sweetheart deals” found in the Department of Energy’s junk bond portfolio, which included four risky wind projects. One of those was Kahuku Wind Power, LLC, a

project of First Wind in Kahuku Oahu, HI, which in July 2010, was granted a \$117 million DOE stimulus loan, estimated to create a whopping 200 jobs. And then on February 3, 2012 this same project received a 1603 grant for over \$35 million [docket #2594 to \$35,148,839].

Sadly, in August 2012 a fire that destroyed First Wind's battery storage facility (built by Xtreme Power) and sent toxic fumes into the air, which left ratepayers in the dark over costs and safety. And, it was reported on January 23, 2014 that "Xtreme Power ran out of cash and filed for bankruptcy," — NOTE: Xtreme Power built the energy storage system for Duke Energy's Notrees wind energy farm in Texas, another winner of stimulus funds, listed above.

The First Wind plan was to secure taxpayer money and then go public. Now they achieved their first objective with the help of U.S. taxpayers, because and as of July 2012, First Wind's projects have also received over \$452 million in grants through the stimulus' 1603 Program.

- First Wind's Stetson Wind Farm in Maine — \$40,441,471
- Cohocton Wind Farm in New York, \$52,352,334
- Dutch Hill Wind Farm In New York, \$22,296,494
- Milford Wind Corridor Phase I In Utah; \$120,147,809
- Milford Wind Corridor Phase II In Utah, \$80,436,803
- Rollins Wind Farm In Maine; \$53,246,347
- Sheffield Wind Farm In Vermont, \$35,914,864
- Kahuku Wind Farm In Hawaii, \$35,148,839
- Steel Winds II Wind Farm In New York, \$12,778,75

However, in November 2010, Bloomberg announced, "First Wind Holdings Inc., the operator of wind-energy projects backed by D.E. Shaw & Co. and Madison Dearborn Partners LLC, said it withdrew its initial public offering because of unfavorable market conditions" that's code for "weak demand."

Speaking of IPO's...

Within the House Oversight leaked emails that were unleashed late October 2012, more specifically the 350+ page Appendix II ("2012 Internal DOE Email Dump"), we find that just months prior to the final approval of the Kahuka loan there was intense interaction within the DOE regarding this transaction...

"Someone is pressing Jonathan [Jonathan Silver is the former Executive Director of the Loan Program Office] who is now pressing hard on the everyone as the sponsor has an IPO in the works."

This and more can be found in my Big Wind Story, including a the fact the first-rate, high-powered political ties to First Wind are vast, starting with D.E. Shaw & Co, a New York-based investment firm that is a backer of First Wind Holdings Inc. (also an investor in First Solar). This was noted when I profiled Larry Summers from CAP — adding that, according to Peter Schweizer, "Larry Summers was part owner of First Wind."

The founder of the hedge fund DE Shaw & Co., David Shaw, is a two-time Obama bundler, who employed Larry Summers before heading to the Obama White House, as the top economic advisor. It turns out that in 2011, according to BusinessInsider.com, Shaw, a computer scientist and computational

biochemist, was “appointed by Obama to serve on the President’s Council of Advisors on Science and Technology.”

As revealed by Peter Schweizer, “another 42 percent of First Wind is owned by Madison Dearborn Partners, an investment firm with close ties [and friend of] to then-White House Chief of Staff Rahm Emanuel. The founder of the firm, David Canning, had been a bundler for George W. Bush. But he switched sides in 2008 and gave heavily to Obama. Madison Dearborn gave more to Emanuel’s congressional campaigns than did any other business.”

While the GOP found that “Julia Bovey, First Wind’s Director of External Affairs, was formerly Director of External Affairs for Obama’s Federal Energy Regulatory Commission (June 2009 to June 2010),” there is much bigger fish here. All government backed green comes with a slew of lobbyists, and First Wind is no different — enter in Larry Rasky’s Lobbying Firm with ties to the top.

Larry Rasky, “a longtime confidant and campaign strategist” of Vice President Joe Biden, was also a 2012 Obama bundler, and since Obama took office, “Rasky has visited the White House at least 21 Times,” half of which were during the course of the DOE loan review process (Data.gov, Accessed 7/18/12). Moreover, we know that in 2009, about the time the 2009-Recovery Act passed, First Wind retained lobbyists Rasky Baerlein Strategic Communications as well as Brownstein, Hyatt et al, who is primarily a Democrat donor, with some Republicans in the mix — and as of 2012, maintains the work of Rasky. .

#16) General Motors (donor in 2011)

As I divulged at the beginning of this post, General Motors (GM) — a CAP donor in 2011 — was a client of the Podesta Group from 2010 until 2012. Even after the taxpayers bailed out General Motors in 2009 (over \$80 billion — \$17.5 billion under Bush and \$63.4 billion from Obama), of which we lost at least \$14 billion, green energy taxpayer money continues to subsidize the failed auto maker. This time, though, was for GM’s hybrid electric vehicle the Chevy Volt — a car that’s not doing very well.

What I’ve tracked so far is that starting in 2009 until recently, GM has bagged hundreds of millions of stimulus dollars (\$471.6 million to be exact) to support the Chevy Volt as well as green car components, of which I’ll share the details when I dissect the CAP corporate donors.

According to the January 25, 2012 House Oversight Report...

The American Recovery and Reinvestment Act of 2009 (ARRA) appropriated \$2.4 billion for domestic production of batteries and components for electric cars. Of this, \$1.5 billion in grants were directed toward manufacturing the batteries, while the remaining \$900 million went to building new facilities or improving existing facilities to produce electric drive components. This included \$151.4 million to Michigan-based Compact Power, Inc., for production of lithium-ion polymer battery cells for the GM Volt; \$105.9 million directly to GM for production of high-volume battery packs for the Volt; \$105 million to GM to construct facilities for electric drive systems; and \$89.3 million to Delphi Automotive Systems, a former division of GM, to expand manufacturing facilities for electric drive power components.

Also, “buyers of the Volt will receive a federal tax credit of up to \$7,500 of per vehicle” as well as state tax credits.

Then, lo and behold, on December 12, 2013, Think Progress — CAP’s propaganda machine —

announced, “Ford Motor Company and General Motors Company will receive a combined \$50 million to support their respective manufacturing facilities that produce electric cars.” This was from the stimulus-created 48C Program, of which GM’s share was \$20 million for “its Detroit-Hamtramck Assembly Plant where the company manufactures Extended Range Electric Vehicles— Chevrolet Volts and the Cadillac ELR electric luxury coupe — along with internal combustion cars.”

#17) Xcel Energy:

What’s interesting is that Xcel Energy was in the loop with Cogentrix Energy, a subsidiary of Goldman Sachs, which in September 2011, snagged a \$90.6 million DOE stimulus loan for the Alamosa Solar Generating Project. Then on July 16, 2012, Cogentrix bagged a \$34.6 million stimulus grant (free taxpayer money) from the 1603 Grant Program — I’m assuming this is for the same project.

What’s interesting (see graph with Goldman Sachs stimulus loans) is that the partners involved in this project included utility Xcel Energy (XEL), which signed a 20-year contract to buy enough CPV power to supply electricity to 6,500 homes; and Amonix, the California-based company that will supply the CPV panels — Amonix (complete with Obama buddies) was subsidized with \$29.6 million of taxpayer money before it went bankrupt in July 18, 2012. What a scam...

Also, according to MinnPost.com, in 2010, Minnesota’s Senator Al Franken visited Mulroy’s Body Shop “to highlight the use of federal stimulus funds in creating jobs and boosting the alternative energy economy.” It turns out that the owner had 174 solar panels installed on the roof of his Nicollet Avenue body shop in South Minneapolis. And that “Minneapolis-based Solarflow Energy installed the system and is leasing the equipment to Mulroy’s under contract with Xcel Energy. The lease agreement also includes installation, maintenance and support. The federal stimulus funds deliver a grant-in-lieu of a 30 percent tax credit on the value of the installation to Solarflow.” Solarflow start-up was partially funded through an Xcel Energy Renewable Development Fund grant of \$1.5 million.

While Xcel was omitted from the \$3.4 billion in stimulus smart-grid grants in 2009, for their highly touted \$100 million “Smart Grid City” project in Boulder, Colorado did snag about \$24.2 million in federal economic stimulus money for “Smart Grid” updates to the state’s power grid and customer meters. Still, Xcel Energy is slapping ratepayers with the bill: “In 2010, Xcel found itself asking Colorado regulators for permission to recoup \$44.5 million in rate increases, but the Colorado Public Utilities Commission only gave it \$27.9 million,” as documented by GreenTechMedia in 2012. And it seems that while they were seeking another \$16.6 million in 2012 for their Smart Grid City mess, “The Colorado Public Utility Commission (recently) denied Xcel’s request to recover a big chunk of that \$45 million,” reported Smart Grid News.

Related case numbers that readers can review at <http://www.pacer.gov>:

Case No. 1:20-cv-03010 (Google monopoly and competitor attacks case)

Case No. 11-CV-2509 (<https://www.cand.uscourts.gov/judges/koh-lucy-h-lhk/in-re-high-tech-employee-antitrust-litigation/>)

Task force Case No. 20-xyz2020a (<http://www.case-xyz2020a.com/>)

Case No. 20-03664 (<https://www.insurancejournal.com/app/uploads/2020/06/brown-v-google.pdf>)

Case No. 1:12-CV-00774-mms and related cases. (<https://thehill.com/blogs/congress-blog/the-administration/250109-a-case-study-in-pay-to-play-cronyism>. Criminal referrals against the attackers have been filed with the FBI, DOJ, SEC, FEC, FTC)

Case No. 18-cv-8865 (S.D.N.Y.)(SEC v. Elon Musk for lies and scams)

Case No. 18-cv-8947 (S.D.N.Y.)(SEC v. Tesla, Inc. for lies and scams)

Case No. 1:14-cv-270143 (Google racketeering charges - <https://artistrightswatch.com/2017/10/08/googles-racketeering-challenge/>)

Case No. 1:19-cr-00490 (United States v. Epstein - Big tech sex cult crimes case)

Case No. 129 So.3d 1196 (Fla. 2d DCA 2014); 170 So.3d 125 (Fla. 2d DCA 2015) (Gawker Media, LLC v. Bollea in which Gawker, Deadspin, Gizmodo, Jalopnik, Jezebel, Kotaku and Lifehacker were exposed as character assassination and money-laundering fronts working for notorious third parties)

Case No. 19-cv-343672 James Martin (on behalf of ALPHABET INC) v Larry Page et al (Sex Cults In Silicon Valley)

Case No. CGC-11-508414, California Superior Court, San Francisco (Plaintiff v Google)

Case No. 3:16-cv-03061 U.S. DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA, San Francisco Division (Plaintiff V. Google/Alphabet/YouTube)

Case No. 18-CIV05380 Rubin Vs. Rubin (Google sex cult and sex slave charges)

Case No. : 1:17 - cv - 06404 Vs. Rubin (Organized crime sex trafficking by stock market manipulators)

Case No. D.C. No. 3:17-cv-05369 - VC (Big tech harassment of outsiders)

Case No. 3:21-cv-00077 (Another of many lawsuits proving that the Silicon Valley Cartel conspires to manipulate media and markets)

And 200+ other cases related to the same Cartel members including many lawsuits against Google for corruption, sex trafficking, racketeering and other forms of their usual crimes. Google's financier, political manipulation partner and spying command-and-control operative: In-Q-tel, was also sued for running dirty tricks campaigns against the Whistle-blowers. In-Q-Tel was forced to come to court in San Francisco and watch the Corbett Report's expose on them (<https://www.corbettreport.com/meet-in-q-tel-the-cias-venture-capital-firm-preview/> and <https://www.corbettreport.com/siliconvalley/>) and then try to explain to the judge why they are a "non-profit charity" when they run dirty tricks campaigns for politicians and were caught with tons of cocaine on their airplanes.

Related Precedents -

See- *Founding Church of Scientology v. Bell* , 603 F.2d 945, 949 (D.C. Cir. 1979)

See - *King v. U.S. Dep't of Justice* , 830 F.2d 210, 223-24 (D.C. Cir. 1987) (emphasis in original)

See - *Mead Data Central, Inc. v. U.S. Dep't of the Air Force* , 566 F.2d 242, 251 (D.C. Cir. 1977)

See - *Competitive Enter. Inst. v. Office of Sci. & Tech. Policy* , 827 F.3d 145, 149-50 (D.C. Cir. 2016);
cf.

See - *Judicial Watch, Inc. v. Kerry* , 844 F.3d 952, 955-56 (D.C. Cir. 2016) Id. at 8

See - *Al-Fayed v. Central Intelligence Agency*, 254 F.3d 300, 306 (D.C. Cir. 2001) (Al-Fayed) Id. at 308.

See - : *Wadelton v. Department of State*, 13-0412 ESH, 2013 WL 1760853 (D.D. Cir. 2013) (Wadelton

See - Id. Document 10, Filed 04/25/13, Page 6 of 8 (citing *ACLU-NC v.DOD* , 2006 WL 1469418, at *1-2; *Amer. Civil Liberties Union of N. Cal. v. Dep't of Justice* , No. C 04-4447, 2005 WL 588354, at *5-7 (N.D. Cal Mar. 11, 2005))

See - *Edmonds v. FBI* , CIV.A. 02-1294 (ESH), 2002 WL 32539613 (D.D.C. Dec. 3, 2002)

See - U.S.C. § 552(a)(6)(E)(v)(II)

CONCLUSION

We have, hereby, provided proof of federal anti-trust law and RICO racketeering law felony violations by public officials, and their financiers, who now owe us payment for our damages. If you want more proof, we have much, much more.

We will continue these disclosures, using a vast set of resources, until we get paid! We will use the most extreme and most novel, **100% legal** tools of forensics, news distribution, social media, citizen arrest, public events and criminal referral filings. Every member of the public, globally, is invited to help.

Lawmakers have refused to address these issues because the majority of their profits come from these crimes. That fact is a reflection on the pathetic nature of domestic public policy.

If regulators and law enforcement agencies refuse to arrest these people then what hope does the public have?

If the 'fines' for engaging in these crimes continue to be so minimal that no official, or corporation, cares about those fines, then what hope does the public have?

Profound policy changes must be produced! Ownership of ANY stock by ANY politician, or their family, **MUST BE MADE ILLEGAL!**

The Silicon Valley Cartel owns The White House, The EPA and the Department of Energy. That is unfair and exclusionary. It is a violation of the U.S. Constitution.

The internet has made most citizens aware that politicians are paid \$145K per year. 80% of those politicians mysteriously have tens of millions of dollars show up in their personal accounts after taking office. The source of those monies is herein revealed to be bribes paid through covert PACS and illicit stock market manipulation profits via algorithms predominantly operated by **The Silicon Valley Cartel**.

"A felony organized crime operation" only begins to describe this scam.

Why are there no arrests and which top-level officials are preventing such arrests?

.Stay tuned for updates and revisions based on new evidence...