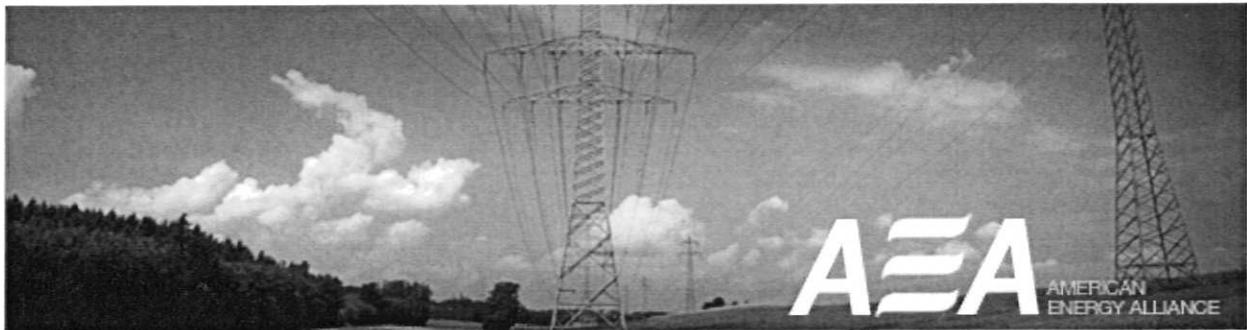


Hicks, Cory

To: Brown, Maryam
Subject: RE: AEA President: "No More Solyndras" is a "Line in the Sand"

From: Benjamin Cole [mailto:bcole@energydc.org]
Sent: Tuesday, July 24, 2012 06:59 AM
To: Bonyun, Sean
Subject: AEA President: "No More Solyndras" is a "Line in the Sand"



For Immediate Release
July 24, 2012

Contact: Benjamin Cole
202.621.2957

'NO MORE SOLYNDRAS' A 'LINE IN THE SAND' FOR LAWMAKERS

WASHINGTON D.C. -- Thomas Pyle, president of the American Energy Alliance, released the following statement in advance of a vote this week of the energy and power subcommittee of the House Committee on Energy and Commerce, which is scheduled to consider the "No More Solyndras" Act of 2012. The act would prohibit the Department of Energy from issuing any Section 1705 loan guarantee applications submitted after December 31, 2011, and greatly reduce taxpayer risk for loans submitted prior to that time. Last week, the Wall Street Journal Editorial Board took three lawmakers to task for supporting a "politicized venture capital operation" and Solyndra-style loan guarantees at taxpayer expense.

"The 'No More Solyndras' Act is one of the most common sense pieces of legislation to come from the 112th Congress. It ends a system of crony capitalism, strips the Department of Energy of its authority to put taxpayers on the hook for billions of dollars in loan guarantees,

and steers the federal government back toward fiscal sanity," noted Pyle.

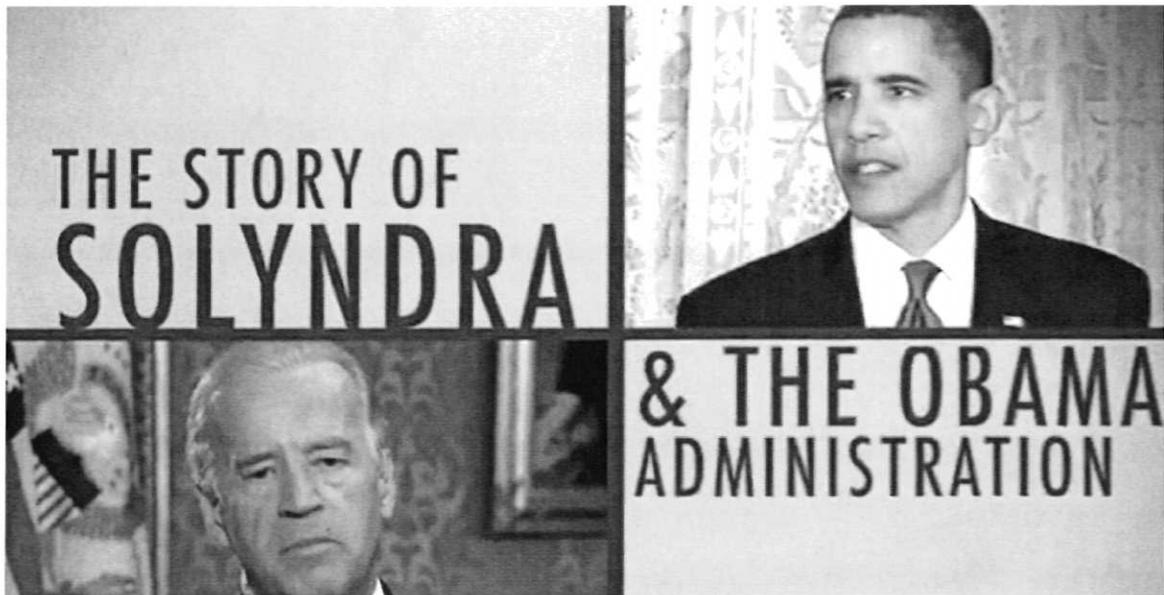
"This is a line in the sand for Republicans and Democrats. Either you stand with Solyndra and other bankrupt experiments in politicized venture capital, or you stand with hardworking American taxpayers. Either you want to protect rent-seeking cronies in the renewable industry, or you want to preserve the sacred trust of the men and women who sent you to Washington.

"After billions of dollars wasted -- never to be recovered -- and years of a failed energy program that spans both Republican and Democratic regimes, the time has come to end Solyndra-style loan guarantees once and for all. The Section 1705 program is rotten from the root, and no parliamentary maneuver or tweaked amendment can recover lost billions in taxpayer money or set the program aright. The only responsible course of action is to close this awful chapter of failed bureaucratic tinkering with our energy future."

To read more about the Obama administration's "Stimulosers" that have received taxpayer backing and still gone bust, [click here](#).

To read about Amonix, the latest 'Stimuloser' to go bankrupt, [click here](#).

To view a video exposing the failed experiment that led to Solyndra, [click below](#).



###

American Energy Alliance
1100 H Street NW, Suite 400
Washington DC 20005



AMERICANS *for* TAX REFORM



COST OF
GOVERNMENT
CENTER

July 23, 2012

Dear Representative,

On behalf of Americans for Tax Reform and millions of taxpayers nationwide, I urge you to support Congressman Fred Upton's "No More Solyndras Act". This bill would eliminate the Department of Energy's (DoE) loan guarantee program that so famously funded the failed solar energy company, Solyndra. Solyndra's bankruptcy confirmed what we already knew: the Department of Energy is no venture capitalist firm. The "No More Solyndras Act" will ensure that no more taxpayer money is wasted on Congressional pet projects or quid-pro-quo deals for campaign contributions.

With half of the solar companies receiving loan guarantees now in bankruptcy, clearly DoE's investments were not sound. After receiving \$500 million in taxpayer subsidies, Solyndra ran out of money at the end of 2010. Doubling down on their poor investment, the Obama administration restructured the Solyndra loan in early 2011 only to have the company go under at the end of the year.

The Department of Energy has already issued \$15 billion worth of loan guarantees and could grant an additional \$34 billion under current law. The "No More Solyndras Act" would completely defund the loan guarantee program and would bar any loan guarantees for applications received after December 31, 2011. Additionally, the act would ban any restructuring of existing loans, so no more Solyndra-esque activity can continue.

Unfortunately, the Obama Administration is willing to stake the American people's money on failing companies that have not been thoroughly investigated and were rushed through the door.

It is for these reasons that I urge you to support Congressman Upton's legislation to protect American taxpayers' money.

Sincerely,

Grover Norquist
President
Americans for Tax Reform

Mattie Duppler
Executive Director
Cost of Government Center

722 12th Street N.W.

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Washington, D.C.

20005

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www.atr.org



THE AMERICAN CONSERVATIVE UNION

July 23, 2012

Honorable Fred Upton
Chairman
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, DC 20515

Honorable Cliff Stearns
Chairman
Subcommittee on Oversight and Investigations
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Upton:

On behalf of the American Conservative Union, I commend you and Congressman Cliff Stearns for authoring a bill to end the troubled loan guarantee program, better known as the "No More Solyndras Act."

This program was ill-conceived from the start, with the federal government picking winners and losers in the marketplace. However, this particular program has been corrupted by mismanagement, leading to taxpayer losses when two of the first three companies receiving loan guarantees under the program declared bankruptcy. It's also clear from your investigation that politics and ideology drove the decision-making process, rather than sound business practices.

Your bill would carefully wind down the program by not considering new applications after December 31, 2011 and setting new standards for processing those applications in the pipeline. This is a good bill and we will urge conservatives in the House to support its passage.

Sincerely,

Larry Hart
Director of Government Relations
The American Conservative Union

AMERICAN COMMITMENT

1100 G Street NW | Suite 840 | Washington, DC 20005 | (202) 656-2193

July 23, 2012

The Honorable Fred Upton
Chairman
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, DC 20515

The Honorable Cliff Stearns
Chairman
Subcommittee on Oversight and Investigations
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Upton and Chairman Stearns:

On behalf of American Commitment and our more than fifty thousand activists, I'm writing to commend your efforts on the No More Solyndras Act and enthusiastically support this legislation.

The loan guarantee pursuant to Title XVII of the Energy Policy Act of 2005 has produced little if any value for the American people, but has resulted in a parade of scandalous waste of taxpayer dollars, most spectacularly in the case of Solyndra.

Federal bureaucrats simply do a poor job of picking promising energy technologies, which should be unsurprisingly because they lack the dispersed knowledge that only the marketplace can efficiently use to allocate resources.

This loan guarantee program was originally a bipartisan idea that took on new and truly egregious dimensions under the current Democratic administration which vastly expanded it with funding from the so-called stimulus and directed it to solar companies that had no business model after taxpayer subsidies ran out.

I commend you for recognizing that this failed program must be wound down and urge you and your colleagues to continue focusing on policies that unlock American resources and ingenuity to allow the free market to function in the energy space.

Yours truly,



Phil Kerpen
President



"No More Solyndras Act" Shows Addiction to Energy Subsidies Is a Bipartisan Problem

[View Authors](#)

Nicolas Loris July 23, 2012 at 12:06 pm (6) Like 25 Tweet 51

The latest political squabbling over the No More Solyndras Act is a reminder that politically entrenched energy subsidies enjoy bipartisan support.

The [No More Solyndras Act](#) prohibits any new loan guarantees from Title XVII of the Energy Policy Act of 2005. For applications that are already under consideration or have received conditional commitment, the bill would require the Secretary of the Treasury to make a recommendation based on the merits of the program. It would prohibit restructuring of the loan so investors can't jump in front of taxpayers to recover money from a failed project.

The bill could protect taxpayers even further by ensuring that recipients pay the full cost of the subsidy as determined by an independent, private financial risk assessor. This would provide the best information to determine the actual risk of providing the loan guarantee and ensure that the recipient is actually paying the subsidy cost as required by law.

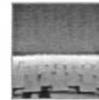
Nevertheless, the already-sound No More Solyndras Act has its Republican detractors. Republicans like loan guarantees (or tax credits or direct grants) if they support projects for their politically preferred sources of energy, such as clean coal and nuclear, or if they bring jobs to their districts that they can take credit for creating. But these programs do not create jobs. They misallocate labor and capital by shifting taxpayer dollars away from economical projects and toward political ones.

If these projects were economical, they wouldn't need help from the taxpayer. And if they are viable, the government is merely taking money from the taxpayers to bankroll private companies who don't need it. As [Heritage's David Kreutzer testified earlier this month](#), "Private investors will finance risky projects, new projects, and projects with long payback periods. None of these conditions is an example of market failure or a call for loan guarantees."

Republicans and Democrats alike need to end their addiction to energy subsidies, or we're going to continue down the same failed path of wasteful spending. While President Obama more than doubled down on subsidies for carbon-free energy, George W. Bush's solar initiative sounds eerily similar to the one put forth by Secretary of Energy Steven Chu and the Obama Administration. The recently bankrupted Amonix was one of 13 solar energy projects that received funding under President Bush's Solar America Initiative. The DOE press release of the grants reiterates [the goals of the Advanced Energy Initiative \(AEI\)](#):

President Bush's AEI challenges Americans to change the way we power our nation. As an integral part of the AEI, the Solar America Initiative aims to bring down the cost of solar energy to make it competitive with conventional electricity sources in the U.S. by 2015. The SAI is also part of the President's commitment to diversify our energy resources through grants, incentives and tax credits and; aims to spur widespread commercialization and deployment of clean solar

Morning Bell: The Green Graveyard of Taxpayer-Funded Failures



Solar-cell manufacturer Solyndra became a household name when it collapsed, taking \$627 million in American taxpayer dollars with it. It's the poster company

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energy technologies across America, which would provide long-term economic, environmental, and security benefits to our nation.

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Sound familiar? Looking at President Obama's DOE solar program, [the SunShot Initiative](#), it's much of the same:

The DOE SunShot Initiative aims to dramatically decrease the total costs of solar energy systems by 75% before the end of the decade. Reaching this goal will make solar energy cost-competitive with conventional forms of electricity without subsidies and enable widespread deployment across the United States. Under the SunShot Initiative, the U.S. Department of Energy will fund selective research and loan guarantees for high risk, high payoff concepts—technologies that promise genuine transformation in the ways we generate, store, and utilize solar energy projects.

Conservatives need to get on board. We don't need to fix the energy subsidy programs. We need to abolish them.

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Nicolas Loris

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July 23, 2012

Dear Chairman Upton:

On behalf of the members and supporters of Let Freedom Ring I am writing to offer our strong support for the legislation proposed by you and by Rep. Cliff Stearns to limit further taxpayer exposure from the loan guarantee program established under title XVII of the Energy Policy Act of 2005.

The conduct of the Energy Department as pertains to Solyndra, the California solar panel manufacturing company that received a \$535 million loan guarantee from department only to go bankrupt, leaving taxpayers on the hook for the full amount, is nothing short of scandalous.

To put it simply, the American people deserved better. The lack of oversight, the speed with which the stimulus funds were spent without regard to their effectiveness, the cronyism associated with so many of the loan guarantees that were awarded are an affront to the taxpayers. Congress must act to ensure that such an abuse of federal fiduciary responsibilities never again occurs.

Your proposed legislation, which some are calling the "No More Solyndras Act" addresses abuses in the system that went far beyond this one company, is a necessary step toward renewing the confidence the American people have in their government. Moreover, it reinforces the idea that government must look at the marketplace as a level playing field rather than picking winners and losers based at least in part on political influence.

We thank you for your leadership on this legislation and urge the members of the Energy and Commerce Committee to approve it without amendment.

Sincerely,

A handwritten signature in black ink, appearing to read "Colin L. Hanna".

Colin Hanna
President
Let Freedom Ring



AMERICANS FOR PROSPERITY

2111 Wilson Blvd., Suite 350 | Arlington, VA 22201 | p: (866) 730-0150 f: (703) 224-3201

July 23, 2012

Dear Chairman Upton and Representative Stearns,

On behalf of more than two million Americans for Prosperity activists in all 50 states, I am writing in support of the No More Solyndras Act. Your legislation would provide much-needed taxpayer protections from the Department of Energy (DOE) loan guarantee program.

Your bill would phase out DOE's loan guarantee program, which was established under Title XVII of the Energy Policy Act of 2005. It also includes taxpayer protections and increased reporting requirements for loan guarantees that are already moving forward. Your bill would also stop DOE from subordinating taxpayers' interests to those of other project financiers. These are all important protections for taxpayers.

Ending the DOE program is good policy. In practice, loan guarantee programs for renewable energy technologies consistently fail to produce the results they promise. Solyndra left taxpayers on the hook for half a billion dollars and, unfortunately, it's not an isolated case. Time and time again, American taxpayers are forced to prop up companies that aren't viable in the marketplace.

Although your legislation is a step in the right direction, AFP is concerned that it overlooks some loan guarantees that are already in motion. Currently there are \$34.7 billion in pending applications for the program; we're concerned about the potential for taxpayer exposure to these losses.

Government should not be in the business of advantaging the capital needs of certain industries or individual companies over others. Government officials in Washington are not in the best position to make predictions about the future or to anticipate what consumers will demand. Renewable energy technologies have a long way to go before they are economically viable, and the government should limit its role to primary R&D and leave capitalization of private firms to those best able to determine if a plan is viable.

Sincerely,

James Valvo
Director of Policy, Americans for Prosperity

Americans for Prosperity® (AFP) is a nationwide organization of citizen leaders committed to advancing every individual's right to economic freedom and opportunity. AFP believes reducing the size and scope of government is the best safeguard to ensuring individual productivity and prosperity for all Americans. AFP educates and engages citizens in support of restraining state and federal government growth and returning government to its constitutional limits. AFP has more than 2 million members, including members in all 50 states, and 36 state chapters and affiliates.

More than 90,000 Americans in all 50 states have made a financial investment in AFP or AFP Foundation. For more information, visit www.americansforprosperity.org. Americans for Prosperity does not support or oppose candidates for public office.

###

Hicks, Cory

From: Tom Schatz [tschatz@cagw.org]
Sent: Tuesday, July 24, 2012 3:20 PM
To: Hicks, Cory
Subject: Vote 'YES' on the No More Solyndras Act

July 24, 2012

U.S. House of Representatives
Washington, D.C. 20515

Dear Representative,

The Energy and Commerce Subcommittee on Energy and Power will soon consider the No More Solyndras Act, sponsored by Energy and Commerce Chairman Fred Upton (R-Mich.) and Oversight and Investigations Subcommittee Chairman Cliff Stearns (R-Fla.). **On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I strongly urge you to support this legislation.**

On September 28, 2011, Citizens Against Government Waste issued a call for a full and open investigation of the Energy Department's (DOE) \$38.5 billion loan guarantee program (LGP). At that time, the program had been the subject of four Government Accountability Office (GAO) reports detailing its management weaknesses, arbitrary selection processes, and vulnerabilities to manipulation and politicization. The scandal surrounding solar panel manufacturer Solyndra, which laid off 1,100 workers and filed for bankruptcy in early September after receiving a \$535 million loan guarantee from the DOE serves as a catalyst for a complete audit of the DOE LGP and similar loan programs in other agencies.

The Solyndra flame should have been expected, as the GAO found that the LGP was a poorly-crafted program that lacked robust internal management controls, clearly delineated performance benchmarks, transparent eligibility requirements, and accountability. Nonetheless, it received large amounts of stimulus money.

The federal government operates more than 120 direct or indirect loan programs. The DOE's program has come under the spotlight only because of Solyndra's spectacular implosion. All government loan guarantee programs must be subject to greater oversight and a full audit of their activities, management, and results. Transferring taxpayer funds to emerging technologies and industries poses substantial financial risks to taxpayers. Private companies should be focused on raising private funds from sources that are better positioned to take those risks. Any business project that is mature and financially stable should not need to be propped up by taxpayer dollars.

The No More Solyndras Act will phase out the Department of Energy's (DOE) loan guarantee program and provide new protections for taxpayers including increased transparency, more detailed reporting, prohibitions against restructuring the terms of a guarantee, and barring the subordination of taxpayer dollars to any other investors.

I strongly urge you to vote support the No More Solyndras Act. All votes on this legislation will be among those considered in CCAGW's *2012 Congressional Ratings*.

Sincerely,

Tom Schatz,
President, CCAGW

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