

**Opening Statement of the Honorable Fred Upton
Chairman, Committee on Energy and Commerce
“From DOE Loan Guarantee to Bankruptcy to FBI Raid:
What Solyndra's Executives Knew”
September 23, 2011
(As Prepared for Delivery)**

In 1963, there was a Great Train Robbery in England. At the time, I think it might have been the largest heist ever, and because of its cleverness, the legend continues.

The take was over £2.6 million.

Now, we have our own, modern day, great train robbery.

But it appears that we have a great heist of over half a billion dollars and possibly even willing collaborators, maybe even co-conspirators, called the U.S. Government, who rushed out a \$535 million loan to Solyndra.

It is a very sad commentary that we met resistance every step of the way of seeking answers to basic questions overseeing the “approval process” of this project.

We had to finally resort to a subpoena and now the outright resistance of getting answers that both of you assured us, only last week, that you’d provide.

Let me just warn you and the other folks involved in this taxpayer rip-off.

We’re not done. No we’re not.

In 2009, Solyndra was the first company to receive a Department of Energy loan guarantee funded with stimulus dollars. The company was touted in statements by the President, the Vice President, and the DOE Secretary as a model for the government's investment in green technology. Now, less than two years later, Solyndra has filed for bankruptcy and was raided by the FBI.

I understand that our witnesses today, Brian Harrison and William Stover, intend to invoke their rights under the Fifth Amendment and will not testify. Solyndra has left taxpayers holding the bag for the \$535 million guarantee and we still can’t get answers.

Last week we learned even more troubling facts about the administration’s review of the Solyndra guarantee. Concerns about liquidity and cash flow were ignored. The financial model showed the company would run out of cash by September 2011 — which, as it turns out, is precisely when it did. OMB felt pressured to complete its review in time for a groundbreaking event with Vice President Biden. When Solyndra faced default at the end of last year, the administration restructured the guarantee and put the taxpayers behind the investors – this

despite concerns raised by OMB staff that the restructuring would not be a better deal for the government. These facts clearly show that this committee was right to start asking questions about Solyndra when we opened our investigation seven months ago.

The administration's actions in this case are deeply troubling, and so is their response to our findings. Rather than engage in a dialogue about their efforts to protect the taxpayer from the risks posed by the Solyndra deal, they are arguing to the press the clean energy and DOE projects that Republicans on this Committee have supported. They believe this somehow undermines our basis for asking tough questions about Solyndra. According to Politico, "Obama administration officials have spent the last week digging up letters, sound bites and media stories from Republican lawmakers who had previously begged for clean energy spending in their districts."

First, let's talk about clean energy. Republicans support innovation, and we are uniform in our support of any solution that improves our energy security. While we may question whether the federal government is capable of selecting the most promising companies and technologies, we had concerns about the stimulus when it was passed in 2009, and we have concerns now that it failed to deliver the jobs that were promised.

This is not a debate about the virtues of clean energy – it is a serious inquiry into reckless use of taxpayer dollars on a company that was known to pose serious risks before a single dime went out the door.

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