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## Green power corrupts

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**Diana Furchtgott-Roth**

**Power corrupts, even at highest levels of government. Even in the White House.** That's the message from the government's energy loan guarantees, as revealed by a little-reported House Government Reform and Oversight subcommittee hearing last month.

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At issue was the approval of loan guarantees for BrightSource Energy, a politically connected corporation whose chairman, John Bryson, became Obama's secretary of Commerce last October.

John M. Woolard, president and CEO of BrightSource Energy, testified that his company's \$1.6 billion loan guarantee for a solar power plant "was awarded completely on the merits of the project."

But Chairman Jim Jordan, R-Ohio, produced an email from Woolard to Energy Secretary Steven Chu's senior advisor, Matt Rogers, that hints the White House might have been involved. Dated January 4, 2010, the email states that Peter Darbee, CEO of Pacific Gas & Electric, had himself spoken to President Obama: "Darbee at PG&E talked directly to Obama about the program's challenges and the bad situation it puts him in." By "bad situation," Darbee meant that his company needed solar power to comply with California's law to produce 20 percent of its electricity from renewables by 2017 (later raised to 33 percent by 2020).

Woolard also wrote to Rogers: "Please don't distribute this, but I thought you might want to know there is a large group in NYC focused on this transaction and DOE ability to execute. Things are not good and there is a sizeable group of private equity and investment banks writing a letter to Chu about the status of the program and the inability to get loans through -- can you suggest a good time to talk?"

Coincidentally, the following month, Chu announced conditional loan guarantees of \$1.37 billion for BrightSolar to build three utility-scale solar power plants on federal land in the Mojave Desert, to be the largest solar power electricity generating complex in the world.

But conditional loan guarantees don't equal loans. Over a year later, in March 2011, BrightSource still had no loan. Woolard asked Jonathan Silver, executive director of the Energy Department's loan guarantee

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program to review a draft email from Bryson (then-chairman of Brightsource and future Obama official) to William Daley, then-chief of staff to Obama. "Either email or call when you can with suggestions," Woolard wrote.

The email stated, "The Whitehouse [sic] needs to focus on finalizing the loan guarantee for what would be the largest solar thermal project in the world. BrightSource Energy's Ivanpah project was conditionally approved by DOE more than one year ago and is in the very final stages of being formally completed ... We need a commitment from the WH to quarterback loan closure between OMB and DOE by March 18."

Chairman Jordan said to Woolard, "You're asking the guy who's in charge of making the final decision to proofread an email that your chairman is going to send to the White House chief of staff. And you say there's no political involvement?"

In another coincidence (or not), the loan received final approval in April 2011, a month after Silver viewed the "proofreading request." The draft email to Daley had served its purpose without even being sent. After all, if a political appointee knows that the White House chief of staff is concerned about a loan in his portfolio, he will quickly deal with it.

So BrightSource has its government loan, and PG&E has committed to buying BrightSource's expensive solar power, instead of cheap natural gas, in order to fulfill California's renewable electricity generation requirement.

With energy loan guarantees and subsidies, crony corruption is the only way to play the game. That's why Congress should eliminate them.

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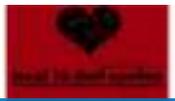
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Ah yes, repeat the message of your corporate masters. Government is already in the pocket of the oil and coal lobbyists, and this committee set up by D. Issa (who was responsible for the CA Governor recall and then threw a fit when the GOP backed Arnold and not him) is on nothing more than an election year witch hunt. Keep on taking the \$\$ from your big business friends, this op-ed is clearly slanted and biased.

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