

Energy & Commerce Committee
Subcommittee on Oversight and Investigations
Hearing: The Solyndra Failure: Views from DOE Secretary Chu
November 17, 2011
Opening Statement as Prepared

Thank you, Mr. Chairman.

This hearing is one in a long line of hearings this year which started out as a simple and straightforward inquiry by this committee to the Department of Energy into how a brand new program which we authorized was being run. It was bread and butter congressional oversight and no one at the time could have imagined that a simple request to find out how DOE determined who received funds from the loan guarantee program could turn into an inquiry into how DOE mismanaged and ultimately lost over half a billion dollars in taxpayer funds.

And that's what this all comes down to. Under Secretary Chu's leadership, the Department of Energy was run like a private venture capital firm, and the taxpayers were left holding the bag. Except that a government agency has no business acting like a venture capital firm. Venture capitalists know what they are doing, and know what's at stake. What's at stake is their own money. If a venture capitalist makes a bad bet, he loses income, he loses his investment. If the bureaucrats at the Department of Energy make a bad bet, they retain their salary, they go home like any other day, and they come to work the next day having incurred no real consequences.

The government is not a venture capital firm, and the people who work in DC have no business acting like it is. But that's not even the worst part of this whole story. As we all know at this point, Solyndra was the White House's poster child for the "green" revolution it intended to push with its failed stimulus package. At every turn, Secretary Chu, his people at DOE, and the leadership at the White House, expedited decisions that career staff at DOE and OMB repeatedly said they were uncomfortable rushing.

They rushed the decision to grant the loan so that the Vice President and the Secretary could make their appearance in September 2009. They rushed their decisions in the Spring of 2010 so that the President could visit Solyndra's facility. And when they saw that all of their mismanagement had caught up to them, and that Solyndra was going to fail and layoff its employees, they rushed to keep the story under wraps, imploring the company to hold off any announcements on the layoffs until after the 2010 midterm elections.

But Secretary Chu didn't become a pseudo-Venture Capitalist on his own. Clearly the White House had its hand in directing this Department to make these decisions, and to make them fast. Who was ultimately making these calls? We have seen over and over again that Valerie Jarrett, Carl Browner, Ron Klain, and Rahm Emmanuel had keen interests in pushing the Solyndra loan guarantee forward. Who was the real puppet master calling the shots on this program? Whose door should the taxpayers be beating down asking where their money is? With the white House releasing only a handful of documents, despite a congressional subpoena requiring them to produce all documents, one wonders what it will take to get these answers. I hope this committee pursues these questions with earnest until the White House finally cooperates.

Secretary Chu's Department of Energy has been an utter failure at protecting taxpayer money. The American people gave control of the House of Representatives to the Republican Party exactly because they knew the kind of oversight that we are pursuing today was never done under Nancy Pelosi's watch.

It's time this Administration was held accountable for its failures. Today I hope we get some answers.

With that, I yield back.