



Written by [Brian Koenig](#) on November 4, 2011

White House Considered Solyndra Bailout Days Before Bankruptcy

E-mails [released](#) in early October showed that the Obama administration restructured the loan guarantee in February after revelations of Solyndra's financial woes. Because private investors agreed to contribute only if the repayment terms were modified, the restructuring plan allowed \$75 million in private investments to be shuffled before taxpayers' financial interests if bankruptcy ensued.



Shortly after the loan restructuring, Lazard was hired to monitor Solyndra's financial standing, and in an August 17 memo to the Energy Department, the investment company resolved that a bailout plan was necessary. Without action, the loan would "likely result in little recovery to the DOE," the letter read. After contemplating Lazard's recommendation, the department rejected the plan, only days before Solyndra shut down its operations and laid off more than 1,000 workers. The bailout plan's details were outlined in nearly 1,200 pages of documents released Wednesday by the Obama administration.

Solyndra's bankruptcy has been under investigation by congressional Republicans, but many details surrounding the plan have been seemingly obscured by the Obama administration. Rep. Cliff Stearns (R-Fla.) declared that the administration has been "stonewalling" their investigation, because though the White House has released significant documentation, it is still withholding what may be critical information. "They feel that the inner circle of the West Wing is off bounds and we have no right to ask this information," Stearns told Fox News. "I think the American taxpayers deserve an answer."

"I mean, we're just talking about what happened on Solyndra. It's nothing to do with national security," Stearns added. "We're asking where the taxpayers' money went. And frankly, we're just trying to understand, did the White House actually push this [loan] out, knowing that it was going to fail?"

The Republican-controlled House Energy and Commerce Committee voted on a subpoena Thursday because the White House has denied requests for thousands of other documents relating to the defunct solar company. Fox News [reported](#) further:

An Energy Department spokesman said the administration was cooperating with House investigators and has provided more than 80,000 pages of documents. The administration turned



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over more than 15,000 pages of documents to the committee this week, including about 1,200 pages of communications between the White House and the Energy Department, Energy Department spokesman Damien LaVera said.

DOE officials also have participated in a committee hearing and made more than a half-dozen officials available for briefings with committee staff since March, LaVera said.

White House counsel Kathryn Ruemmler [wrote](#) to the committee last month saying the documentation that has already been provided by the White House "should satisfy the committee's stated objective." She added, "Your most recent request for internal White House communications from the first day of the current administration to the present implicates longstanding and institutional executive-branch confidentiality interests."

Reluctance on the part of the White House in itself should engender skepticism about the administration's actions, Republicans countered, especially considering its vested interest in the company. Obama, among others in his administration, was a vocal cheerleader for the solar technology company, and in an effort to pursue his "green" agenda, offered rave reviews and touted Solyndra as a poster child for clean energy.

Republicans and Democrats met Wednesday to come to an agreement on the appeal, and committee ranking member Henry Waxman (D-Calif.) and subcommittee ranking member Diana DeGette (D-Colo.) wrote of the session,

We believe that discussions today between the White House and the Committee have resulted in substantial progress towards reaching an accommodation that will advance the Committee's efforts to obtain information relevant to the investigation of the Department of Energy loan to Solyndra. In light of this turn of events, a Committee vote on subpoenas to the White House at this juncture would be a precipitous and irresponsible exercise of the Committee's powers.

But Republicans were not pleased with the deal. They scheduled the vote Thursday after contending that the White House denied their request for all internal documents relating to Solyndra and the White House. The Committee approved the resolution 14-9 after a contentious debate between the two parties. Democrats claimed that the resolution was too broad and gave Committee Chairman Fred Upton (R-Mich.) too much authority, while Republicans argued that the documents were vital to complete their investigation. Rep. Upton observed that obtaining White House information on the Solyndra debacle has been painful and time-consuming, like "extracting a tooth without anesthesia."

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