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Obama Never Admits Green Failure

Marita Noon

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If he succeeds in his run for a second term, President Obama doesn't intend to tone down his efforts to push for green energy. Instead of learning from his mistakes, he plans to "do more."

During his recent sit down with Steve Kroft for the interview that aired on 60 Minutes, the President was asked about green energy—though [the clip](#) was omitted from the program that the American public saw.

Kroft: "You said one of your big campaign themes was that green energy, the green economy, was going to be a tremendous generator of jobs and that has not turned out to be the case, yet."

Obama: "We have tens of thousands of jobs that have been created as a consequence of wind energy alone. Is that enough? Absolutely not. Can we do more? Yes. ... This is still an industry in its infancy. ... Has it all paid off yet? Absolutely not. But I am not going to cede those new jobs, the jobs of the future, to countries like China or Germany that are making those same investments."

One could argue that the \$80 billion, plus, in stimulus funds that were designated for green energy projects *have* "paid off"—just not for the American tax payer. During the summer, with the help of researcher Christine Lakatos, I produced a series of reports on the Obama green-energy, crony-corruption scandal. Through those reports, we profiled a series of companies and showed how people with political connections to the Obama Administration had a return on their green energy investment that "paid off" at rates greater than anything available on Wall Street. Each report detailed the players involved, their connections to the White House and/or other high-ranking Democrats, such as the Senate Majority Leader Harry Reid, former Speaker of the House Nancy Pelosi, and powerful Senator Diane Feinstein—something we can expect "more" of in his green-energy, green-economy emphasis during an Obama second term.

No, President Obama is not going to "cede." He will not admit failure; he'll do *more*. We can expect *more failure*—à la Solyndra, which is only the most well-known green energy, stimulus fund failure.

Here, in a new series of reports, Lakatos and I will expose the various failures of Obama's green-energy expenditures: projects that have gone bankrupt (approximately 19), those that are heading that way (approximately 20), and the jobs he says he has created (at an average cost of [\\$6.7 million per job](#))—all while raising energy costs, serving as a hidden tax on all Americans.

I've done dozens of radio interviews on the Obama green-energy, crony-corruption scandal reports, during which I am repeatedly asked about the stimulus recipients that have gone "belly up." The

number is difficult to calculate, as there are various ways to view the data. Did they get grants, loans, loan guarantees, tax incentives or credits, or some combination? Through which programs were the funds distributed?

In this first-of-the-series report, we use a broad brush—if the green-energy project received funds from the American Recovery and Reinvestment Act (known as the stimulus) and it went bankrupt, we’re covering it. Our research shows that, to date, 15 projects belong in this first group—though there are several other projects for which there is not enough data available to make a definitive conclusion, that appear to have received some form of Stimulus funds and have gone bankrupt (we’ve listed them at the end). In an effort to produce an easily readable report, we will not go into detail regarding each and every project that involves “crony corruption.” Instead, we’ll simply place an * after the project/company’s name to indicate a political connection (more than 60%). We’ll provide the pertinent facts and a few interesting details. We’ll start with Solyndra—because it is the most widely known. Next we’ll cover Abound Solar and Beacon Power. Like Solyndra, they’ve received a fair amount of press. The remaining projects are presented here in alphabetical order—unless you follow this topic closely, you probably never heard of any of them. We are including links that will take you to additional information.

As you read through the list below, think about the Obama administration’s attitude toward these projects. Do you want “more” of this?

Solyndra*

Received \$535 million DOE loan and \$25.1 million in California tax credit. Bankrupt: [September 2011](#)

What started as an unworthy investment, snagged a 2010 White House [endorsement](#), only to become a public relations nightmare that included a [loan restructuring](#) (an apparent [violation of the law](#)) and even [a plot](#) to hide the company’s troubles from the 2010 midterm glare. Solyndra became a cautionary tale of sorts: a failed Obama green investment, one of the first to go kaput, unethical [executive bonuses](#) included, leaving in its wake [FBI raids](#), and a trail of [resignations](#) and [damning emails](#), all evidence that Obama’s “clean” energy is dirty.

Research informs us that, “[Every](#) Obama Chief Of Staff, staffers across numerous agencies, government watchdogs, even Solyndra investors knew that the risks were too high for taxpayers.”

Solyndra, which came from humble junk beginnings, now has its place in history: an [art exhibit](#) at the UC Botanical Garden at Berkeley, at the price tag of half a billion taxpayer dollars.

Abound Solar*

Received part of a \$60 million grant under the Bush administration, and was awarded a \$400 million loan under Obama in December of 2010. Abound was awarded a \$9.2-million loan from the Export-Import Bank in July 2011. Bankrupt: [June 2012](#)

President Obama, in [July 2010](#), praised Abound Solar, which was to make advanced solar panels in two locations: Colorado and Indiana. He believed these plants would be huge job creators: “2000 construction jobs and 1500 permanent jobs.” In December 2011, CEO Craig Witsoe called Abound Solar the “[anti-Solyndra](#)” saying that his company “doing well and growing.” However, just months after that optimistic report, Abound Solar filed bankruptcy—blaming cheap imports from China. Todd Shepherd, an investigative reporter for Colorado Watchdog [found](#) that “Abound’s problems appear to have been rooted in the quality of its own products, the competitiveness of the business

model, and its inability to retain top talent.”

Beacon Power*

Received more than \$25 million in DOE grants and a DOE loan for \$43 million. Bankrupt: [October 2011](#)

Beacon Power was to have provided a much-needed link to make the renewable-energy dream a reality: energy storage. The biggest, chunk of cash—\$43 million was awarded to Beacon to create a 20-megawatt flywheel energy storage plant. Despite the fact that Standard & Poor’s ran two default scenarios with dismal conclusions, the DOE ignored S&P and its *own* internal analysis and finalized the loan guarantee in July 2010. Perhaps it was the [Washington insiders connected](#) to Beacon that got the loan through. While the ink was still drying on the loan, [ABC News](#) reported: “In March 2010, the Massachusetts energy storage company paid cash bonuses of \$259,285 to three executives in part due to the progress on \$43 million energy loan.” Despite Obama’s animosity toward “executive bonuses,” these have been off his [attack radar](#) as Beacon Power is one of his chosen winners—that lost 15 months after being anointed.

AES Eastern Energy/Energy Storage*

Received \$17.1 million DOE conditional commitment on August 2, 2010. Bankrupt: [December 31, 2011](#).

There is some controversy on this company. AES Eastern Energy Limited Partnership [filed for Bankruptcy](#). The parent company, AES Corporation was not included in the filing. [AES Energy Storage](#) received, according to a [DOE announcement](#), “a loan guarantee for \$17.1 million to support the construction of a 20-megawatt energy storage system using advanced lithium-ion batteries.” [CBS News](#) did an investigative report that connected AES Energy Storage with AES Eastern Energy and news coverage of the bankruptcy includes “[13 affiliated entities](#).” The following facts cannot be ignored. [Kristina Johnson](#) served on the board of AES from 2004-2009 and then again has served as a director since January 2011. In between, she served as Undersecretary for Energy at the DOE—during the time that AES Energy Storage received the loan guarantee, once complete, she was back at AES. Coincidence? I don’t think so.

Amonix*

Received \$6 million in federal tax credits a \$15.6 million grant from the DOE for research and development. Bankrupt: [July 18, 2012](#).

The Amonix website describes them as: “the leading designer and manufacturer of concentrated photovoltaic (CPV) commercial solar power systems.” On January 8, 2010, President Obama [announced](#) \$5,889,149, a 48C Advanced Manufacturing Tax Credit for Amonix’s Las Vegas Facility And \$3,629,998, a 48C Advanced Manufacturing Tax Credit for Amonix’s Phoenix Facility. On August 7, 2010, in a speech about the economy at University of Nevada Las Vegas, President Obama [praised the success of the program](#). On March 22, 2011, Amonix received a \$355,056 Grant, on April 26, 2011, it received a \$2,079,827 grant and on May 24, 2011, received a \$5,276,414 grant—all through the [1603 Program](#). On September 1, 2011, Amonix was awarded \$4,474,000 through DOE’s [Sunshot Initiative](#). Nearly a year after Obama’s visit, on [May 18, 2011](#), Amonix opened the North Las Vegas facility. A month later, Steven Chu, Secretary of Energy, visited the plant and [said](#): “It’s companies like this and its programs that we’re trying to do here that will really propel us forward to create jobs, to create prosperity and to create green energy.” A year later, the [700 employees](#) who worked there at its peak were all laid off.

Azure Dynamics*

Received millions in stimulus funds and over \$1.7 million in Michigan state tax credits. Bankrupt: [March 27, 2012](#)

Azure Dynamics was a British Columbia-based electric-vehicle firm. It supplied [hybrid and electric powertrains](#) for Ford's electrified Transit Connect vans. Azure also made gasoline-electric hybrid buses. In 2010, the city of Terre Haute, Indiana, bought two of them with stimulus funds. The buses are reported to have been a "[maintenance nightmare](#)." Before bankruptcy, the buses frequent repairs had been paid for by Azure. Terre Haute will now, likely, be responsible for repairs. The buses were painted red and green to "symbolize the transition from the conventional buses to new green technology." As it turned out, the red and green symbolized a watermelon—from the outside, it appears to be green. Once you look into it, you see red ink. Azure Dynamics laid off 120 employees worldwide.

Babcock & Brown*

Received \$178 million in the largest federal (1603) stimulus wind grant in December 2009. Placed into voluntary liquidation: [March 13, 2009](#).

The "gone with the wind" story is a little tricky and has many facets starting with a remarkable detail, [millions in grants went to wind farms built before the stimulus even passed](#). You'll be "[blown away](#)" by the fact that the majority of these "wind energy grants" doled out by the Obama administration went overseas. According to a [February 2010 analysis](#) of the program by the Investigative Reporting Workshop, "money from the 2009 stimulus bill to help support the renewable energy industry continues to flow overseas." But here is where it gets more *twisted*, \$178 million, the third largest 1603 grant, was awarded to Babcock & Brown in December 2009 ([four months after it went bust](#)), a bankrupt Australian company that built a Texas wind farm using turbines made by a Japanese company." In March 2010, Pattern Energy Group, based in San Francisco, acquired the 283.2 MW Gulf Windenergy project in Texas for an undisclosed sum from Babcock and Brown, which was placed into voluntary liquidation in March 2009.

Energy Conversion Devices Inc./Uni-Solar

Received a \$13.3 million Stimulus tax credit. Bankrupt: [February 2011](#).

Uni-Solar was a maker of thin-film solar products for commercial rooftops. Energy Conversion Devices, the parent company of Uni-Solar, was a solar-laminate supplier. Both represented hope for the future for Greenville, Michigan. [Both filed](#) for Chapter 11 bankruptcy protection. [Hundreds were laid off](#).

Ener1*

Received a \$118.5 million DOE Stimulus grant. Bankrupt: [January 26, 2011](#).

Based in Greenfield, Indiana, Ener1 was to make batteries for electric cars. One year to the day before Ener1 filed for bankruptcy, on January 26, 2011, Vice President Biden toured the factory and [bragged](#): "Here at Ener1, we're going to harness electricity and bring it to the world, like Edison did more than a century ago." Nearly a year later, in the State of the Union address, President Obama [affirmed his belief in batteries](#): "In three years, our partnership with the private sector has already positioned America to be the world's leading manufacturer of high-tech batteries. Because of federal investments, renewable energy use has nearly doubled, and thousands of Americans have jobs

because of it.” Three days later, Ener1 filed for Bankruptcy. The [Wall Street Journal](#) cited “the mismatch between production and market demand” as the cause of Ener1’s causality.

Evergreen Solar, Inc.*

Received Stimulus funds, grants, tax-credits, low-interest loans and subsidies. Bankrupt: [August 15, 2011](#)

We know that Evergreen Solar received monies from the state of Massachusetts, but because the various funds given to Evergreen Solar are “[unreported and impossible to track](#),” we have to work to connect Evergreen Solar to the American Recovery and Reinvestment Act—the stimulus. In an April 22, 2009 White House [announcement](#), the stimulus is credited with providing funds that would allow Evergreen Solar to hire “90-100 people.” Other [reports](#) indicate that Evergreen Solar “received \$5.3 million of stimulus cash through a state grant to install 11,000 photovoltaic panels installed at 11 colleges and universities, a recycling facility and an education center in Massachusetts.” Once the “[darling of the US solar industry](#),” Evergreen blamed its demise on Chinese rivals and [800 people lost their jobs](#).

Konarka Technologies Inc.

Received \$20 million in grants from government agencies such as the DOE and the Pentagon. Bankrupt: [June 4, 2012](#).

Konarka is another Massachusetts solar panel technology company. Like Evergreen, Konarka has received funding from a wide variety of government programs—yet they, too, filed for bankruptcy. Addressing the 183 companies that would get a total of \$2.3 billion worth of tax credits for clean-energy manufacturing projects in 43 states as a part of the Stimulus—one of which was Konarka—President Obama, [stated](#): “Building a robust clean-energy sector is how we will create the jobs of the future—jobs that pay well and can’t be outsourced.” Approximately [85 jobs](#) were lost when Konarka went bankrupt.

Raser Technologies

Received \$33 million Treasury Department Stimulus grant. Bankrupt: [May 2, 2011](#).

Raser Technologies is a renewable energy company focusing on geothermal power development. However, according to the [Salt Lake Tribune](#), it “had problems making its technology work.” [Post collapse](#), “the company that once portrayed itself as leading a geothermal revolution describes itself as the stooge in a cruel and costly joke, one centered around the very technology that it once proudly hailed.” The taxpayers are not laughing.

SpectraWatt*

Received \$500,000 grant from the Renewable Energy Lab via the Stimulus. Bankrupt: [August 23, 2011](#)

SpectraWatt was a solar-panel manufacturer that was spun off of Intel, based in [New York](#) where it expected to take advantage of “the most aggressive Renewable Portfolio Standard (RPS) in the U.S., mandating that 25% of the State’s energy be derived from renewable sources by the year 2013” and where they were offered [tax breaks to open a manufacturing plant](#). Likening the solar-panel business to the microprocessor industry in the late 70s, Andrew Wilson, the former general manager in the Intel New Business Initiatives group, SpectraWatt’s CEO, [said](#), “There is a lot to be figured out and improved.” He added, “Intel’s silicon expertise translates in the solar cell industry, even though

there are significant differences in the end product.” The company was to focus on improving solar cell efficiency—how well a panel converts light to electricity—as well as cutting the overall cost per watt. Instead, the spinoff spun out.

Stirling Energy Systems

Received \$7 million from a federal renewable-energy grant and was eligible for nearly \$10.5 million in manufacturing tax credits. Bankrupt: [September 28, 2011](#).

Stirling Energy Systems made large, 38-foot-high reflective dishes, which concentrate sunlight onto a Stirling engine to generate electricity. Stirling’s technology was to be used at the Imperial Valley Solar project, about which Interior Secretary Ken Salazar [said](#), it would “advance the president’s agenda for stimulating investment in cutting-edge technology, creating jobs for American workers, and promoting clean energy for American homes, businesses and industry.” Construction on the Imperial Valley Solar has been [stopped due to an injunction](#) granted last year, after a Native American group filed a suit against it.

Thompson River Power LLC

Received \$6.5 million in Stimulus funds from Section 1603. Bankrupt: [July 2, 2012](#).

According to the Wall Street Journal, Thompson River Power (TRP), a Montana Power plant, “shows how efforts of President Barack Obama’s administration to fund green-energy jobs extend beyond high-profile failures such as Solyndra LLC.” The plan was that TRP would operate on 100% renewable biomass. The [Biomass Power Association](#) said of TRP: “Upon completion of testing and minor conversions to biomass, TRP is a worker-ready resource, which will employ 18 full-time, family-wage workers at the site, as well as an additional 30-40 jobs for the responsible biomass fuel collection and progression of defensible communities in Sanders County.”

Unconfirmed:

LSP Energy

Mountain Plaza Inc.

Olsen Crop Service/Olsen Mills

Willard & Kelsey Solar Group