

Another DOE-Backed Solar Company Goes Bankrupt

Posted By [Lachlan Markay](#) On October 18, 2012 @ 9:28 am In [Scribe](#) | [Comments Disabled](#)



[1]

A solar company that got a multi-million-dollar grant from the Department of Energy earlier this year announced Wednesday that it will file for Chapter 11 bankruptcy protection, making it the second taxpayer-backed green energy company to file for bankruptcy this week.

Satcon Technology Corp. announced the decision in a [Wednesday news release](#) [2]. “This has been a difficult time for Satcon,” president and CEO Steve Rhoades said. “After careful consideration of available alternatives, the Company’s Board of Directors determined that the Chapter 11 filings were a necessary and prudent step, allowing the Company to continue to operate while giving us the opportunity to reorganize with a stronger balance sheet and capital structure.”

Satcon received a [\\$3 million DOE grant](#) [3] in January to develop “a compact, lightweight power conversion device that is capable of taking utility-scale solar power and outputting it directly into the electric utility grid at distribution voltage levels—eliminating the need for large transformers.”

“If successful,” noted DOE’s Advanced Research Projects Agency (ARPA-E) at the time, “Satcon would simplify the solar power conversion process and significantly reduce the cost of operating, installing, and siting a PV power system—helping to facilitate their widespread use.”

ARPA-E also stated that the grant “could create jobs for system installers, technicians, and salespeople.”

Satcon has also received smaller federal payments for [various solar initiatives](#) [4] at DOE. The company manufactures power conversion devices for solar energy, though it does not manufacture the solar panels themselves.

Satcon is the second DOE-backed green energy company to declare bankruptcy this week. As Scribe’s

Michael Sandoval [reported on Tuesday](#) ^[5], electric vehicle battery manufacturer A123 Systems filed for Chapter 11 despite receiving a \$249 million DOE grant.

A123 and Satcon mark the latest in a long line of taxpayer-funded green energy failures. Heritage's Ashe Schow lays out the full list in a [new report](#) ^[6] on the Foundry.

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URLs in this post:

[1] Image: <http://blog.heritage.org/wp-content/uploads/solar1.jpg>

[2] Wednesday news release: <http://investor.satcon.com/phoenix.zhtml?c=93692&p=irol-newsArticle&ID=1746393&highlight=>

[3] \$3 million DOE grant: http://arpa-e.energy.gov/Portals/0/Documents/FundedProjects/Solar%20ADEPT%20Slicks/Satcon_Final.pdf

[4] various solar initiatives: <http://www.doe.gov/search/site/satcon?gid=1>

[5] reported on Tuesday: <http://blog.heritage.org/2012/10/16/another-green-failure-a123-files-for-bankruptcy/>

[6] new report: <http://blog.heritage.org/2012/10/18/president-obamas-taxpayer-backed-green-energy-failures/>

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