Emails Show Obama Fundraiser Pushed for Solyndra Loan

Developments relating to the Solyndra debacle continue to surface as newly-surfaced internal government emails reveal that an Obama administration appointee at the Department of Energy (DOE) — and major Obama fundraiser — pushed to expedite a $535-million loan guarantee to the now-defunct solar firm. The emails expose “a disturbingly close relationship” among the White House, top campaign donors, and prominent Solyndra investors, according to a senior congressional Republican.

Steve Spinner (left), an adviser to the Department of Energy, actively endorsed the loan after agreeing to avoid any “active participation” in the application process, because his wife, Allison, was working for Wilson Sonsini Goodrich & Rosati, a law firm which represented Solyndra. Due to his wifes association with the company, the DOE had ensured that Spinner would refrain from engaging in “any discussions” relating to the loan details because of a “conflict of interest.” In a September 23, 2009 email to a DOE ethics officer, Steve Spinner described active participation as “solicitation, due diligence, [and] negotiations.”

Energy Department spokesman Damien LaVera affirmed that Spinner was “authorized [only] to oversee and monitor the progress of applications, ensure that the program met its deadlines and milestones, and coordinate possible public announcements,” because of his wifes relations with Solyndra. “He was not allowed to make decisions on the terms or conditions of any particular loan guarantee or decide whether or not a particular transaction was approved,” LaVera said. “This arrangement was reviewed and approved by the departments career ethics officer.”

Though the emails do not conclusively trace him to deciding a final outcome, Spinners involvement in the Solyndra loan scandal blatantly violates his own definition of “active participation,” as he remained a central figure in accelerating the credit risk process. “How hard is this? What is he waiting for? Will we have it by the end of the day?” Spinner asked an Energy Department official in August 2009, referencing the loans approval. “I have OVP [Office of Vice President] and WH [White House] breathing down my neck on this,” he wrote in the same email. “They are getting itchy to get involved if needed. I dont want that.”

In another email exchange dated around the same time, Aditya Kumar, an aide to Vice President Joe Biden and to then-Chief of Staff Rahm Emanuel, questioned Spinner about concerns over Solyndras financial stability. “Folks here want to know what the funding community thinks of the Solyndra deal, and whether there are any concerns there,” wrote Kumar. “I havent heard anything negative on my side,” Spinner replied.

The White House released the emails to the U.S. House Energy and Commerce Committee, which has been investigating the loan for the past several months. “The paper trail released by the White House portrays a disturbingly close relationship between President Obama’s West Wing inner circle, campaign donors, and wealthy investors that spawned the Solyndra mess," alleged Reps. Fred Upton (R-Mich.) and Cliff Stearns (R-Fla.).

As reported by *The New American*, Oklahoma billionaire George Kaiser, who reportedly had a heavy hand in the DOEs loan authorization, was a major Solyndra investor and fundraiser for Obamas 2008 presidential campaign possibly raising up to $100,000 for the President. Although denying "any discussions with the U.S. government regarding the loan," Kaiser made four visits to the White House in March 2009, according to White House visitor logs.

Further, other emails reveal anxiety among U.S. Treasury Department officials about a decision by the DOE to restructure Solyndras debt after the company exhausted its cash earlier this year. Because investors agreed to contribute only if the loan repayment terms were modified, the companys restructuring plan allowed $75 million in private investment to be placed ahead of taxpayers' financial interests if bankruptcy ensued. Conveniently, the private fund was backed by Kaiser.

But the solar company became insolvent and sought bankruptcy protection in late August, leaving 1,100 employees out of work and placing more than $500 million on taxpayers shoulders. The emails show that the loan refinancing agreement means taxpayers will likely be covering most of the loss. Moreover, the Treasury Departments general counsel resolved that the modified loan agreement did indeed violate the law because it put private investors at the front of the line for repayment in case of a default.

Although Solyndras loan was issued by the Treasurys Federal Financing Bank, it was guaranteed and supervised by the Energy Department. Many government officials have expressed concern over the Energy Departments disregard for the Treasury. Mary Miller, Assistant Treasury Secretary for Financial Markets, wrote the White House budget director only weeks before the bankruptcy filing concerning the stated violation and the Treasurys abandoned judgment regarding the loans details.

Miller notified Jeffrey Zients, Deputy Director for the Office of Management and Budget, in an August 17 email that Treasury Department lawyers were questioning the DOEs authority to subordinate the loan. "In February, we requested in writing that DOE seek the Department of Justices approval of any proposed restructuring. To our knowledge, that has never happened," wrote Miller. Despite requests from the Treasury dating back to last summer, the "DOE has not responded to any requests for information about Solyndra," she claimed.

For an administration which claims to promote transparency and so ardently disparages corporate lobbying, the correspondence and interaction among investors, government officials, and the White House regarding Solyndras demise bring the Presidents affirmations into question. And as new documents and correspondence come to light, the controversy over the Solyndra debacle will only escalate.