

ONE HUNDRED TWELFTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
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**Opening Statement of Rep. Henry A. Waxman**  
**Ranking Member, Committee on Energy and Commerce**  
**Hearing on “From DOE Loan Guarantee to Bankruptcy to FBI Raid:**  
**What Solyndra’s Executives Knew”**  
**Subcommittee on Oversight and Investigations**  
**September 23, 2011**

Two weeks ago, Ranking Member DeGette and I requested that senior executives from Solyndra appear before our Committee. I am pleased that Chairman Stearns agreed and invited Brian Harrison, the CEO, and Bill Stover, the CFO, to testify before us today.

The attorneys for Mr. Harrison and Mr. Stover have indicated that both witnesses will invoke their constitutional rights under the Fifth Amendment. I respect that they have this constitutional prerogative, but I am disappointed that they will not answer our questions.

When Mr. Harrison was in my office in July, he said that Solyndra’s future was bright, with sales and production booming. I would like to know why he told me that in July and then filed for bankruptcy one month later. Unfortunately, I will not get an answer today.

As this investigation continues, one key question is whether the Department of Energy made a mistake in investing in Solyndra.

Chairman Upton and Chairman Stearns say they already know the answer to this question. They said last week that Solyndra was “a bad bet from the beginning.”

A lot of smart people thought otherwise. In March 2010, the Wall Street Journal announced a ranking of the top ten venture-backed clean technology companies. Solyndra was number one on the list.

Some very successful and experienced private venture capitalists invested over \$1 billion in Solyndra - twice the support of the federal government. They obviously did not share Chairman Upton’s view.

Our next step in the investigation should be to hear from these investors. That is why Ranking Member DeGette and I wrote Chairman Stearns and Chairman Upton early this week to request a hearing with Argonaut Private Equity and Madrone Capital Partners, Solyndra's two largest private investors. They will be able to tell us what private investors thought about the company and its business prospects.

We also need to put our investigation into perspective. Republicans in Congress are now dancing on Solyndra's grave. But they seem to have a case of collective amnesia. It wasn't too long ago that they were urging the Energy Department to award loans and loan guarantees to companies in their districts. One Republican member of our Committee, Rep. Blackburn "welcomed" the award of the \$1.6 billion loan to a Japanese company in her district. Another member, Rep. Bass, said he "believed in" the subsidies received by Granite Reliable Power in his district. Two other members, Rep. Bilbray and Rep. Bono Mack, wrote the Speaker earlier this year to support DOE's loan guarantee program.

Even Chairman Upton pressed for clean energy loans in his state.

Risk is an inherent component of the loan guarantee program. That is necessarily the case with a program designed to help new technologies get off the ground. The alternative is to simply give up on the important role that government can play in supporting development of these technologies.

We need to face reality and stop denying science. Climate change is real, and it is caused by man. In the past year alone, extreme weather has caused record floods, droughts, and fires that have turned much of our nation into disaster areas.

The future will belong to the countries that recognize reality and invest in clean energy.

China knows this and invested \$30 billion in Chinese solar manufacturers last year alone. We need an effective strategy to compete. That is why Ranking Member DeGette and I wrote the chairmen yesterday to ask for hearings.

Unfortunately, we seem intent on denying the future. This night, Republicans voted to block funding for clean vehicles. And they voted to take away funding for innovative renewable energy projects.

That's not an economic plan for the future; it's a job-destroying strategy that keeps us tied to a fossil fuel past.