

ONE HUNDRED TWELFTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-2927  
Minority (202) 225-3641

February 17, 2011

The Honorable Steven Chu  
Secretary  
United States Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

Dear Secretary Chu:

Pursuant to Rules X and XI of the rules of the U.S. House of Representatives, we write today seeking documents and information about a \$535 million loan guarantee that the Department of Energy (DOE) Loan Guarantee Program (LGP) awarded to Solyndra, Inc. (Solyndra) of Fremont, CA. The premium, or credit subsidy, for this loan guarantee was provided through the American Recovery and Reinvestment Act (ARRA), or stimulus.

On March 20, 2009, Solyndra was the first recipient of a DOE loan guarantee under ARRA. According to DOE press releases, the \$535 million loan guarantee for Solyndra was to “finance construction of the first phase of the company’s new manufacturing facility” for solar photovoltaic panels. DOE’s Loan Programs Office estimated that construction of this facility would create 3,000 construction jobs and another 1,000 jobs once the plant opened.

On November 3, 2010, Solyndra announced that it would close one of its older factories, resulting in the lay-off of 135 temporary or contract workers and approximately 40 full-time employees. Moreover, Solyndra announced that the very plant that had received the loan guarantee — known as “Fab 2” — was postponing a planned expansion as well. It has been reported that, due to this postponement, Solyndra no longer plans to hire an additional 1,000 workers.

Since DOE announced the \$535 million in loan guarantees for Solyndra, the company seems to have experienced a number of setbacks. SEC filings show that Solyndra has never shown a profit. In March 2010, Solyndra’s own auditor declared in an amendment to the company’s SEC registration statement that “the Company has suffered recurring losses from

operations, negative cash flows since inception and has a net stockholders' deficit that, among other factors, raise substantial doubt about its ability to continue as a going concern." Last summer, Solyndra cancelled a planned \$300 million initial public stock offering.

While we understand that the purpose of the Loan Guarantee Program is to help private companies engaging in clean energy projects to obtain financing by providing loan guarantees, subsequent events raise questions about whether Solyndra was the right candidate to receive a loan guarantee in excess of half of a billion dollars. In order to better understand why the Department of Energy decided to make this loan guarantee, we ask that you provide within two weeks of the date of this letter:

1. All documents provided or submitted to the Department of Energy by Solyndra relating to the \$535 million loan guarantee supported by ARRA funds including, but not limited to, applications; financial statements, reports, or data; analyses; letters; and memoranda.
2. All documents containing communications between the Department of Energy and Solyndra relating to the \$535 million loan guarantee for Solyndra including, but not limited to, letters and email.
3. All documents containing communications between and among Department of Energy officials, staff, administrators, and employees relating to the \$535 million loan guarantee for Solyndra including, but not limited to, letters and email.
4. All documents containing communications between and among the officials, staff, administrators, and employees of the Department of Energy and the officials, staff, administrators, and employees of the Department of the Treasury and the Office of Management and Budget relating to the \$535 million loan guarantee for Solyndra including, but not limited to, letters and email.
5. All documents in possession of the Department of Energy relating to the \$535 million loan guarantee for Solyndra including, but not limited to, notes, analyses, reports, and memoranda, and all drafts of such documents.

An attachment to this letter provides additional information about how to respond to the Committee's request. In the interim, we request that you contact Karen Christian with the Committee staff at (202) 225-2927 to schedule a staff briefing on Solyndra, and the Department of Energy Loan Guarantee Program no later than one week from the date of this letter.

If you have any questions regarding this letter, please do not hesitate to contact Majority Committee Staff.

Sincerely,



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Fred Upton  
Chairman



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Cliff Stearns  
Chairman  
Subcommittee on Oversight and Investigations

cc: The Honorable Henry A. Waxman, Ranking Member

The Honorable Diana DeGette, Ranking Member  
Subcommittee on Oversight and Investigations