



# Biden Caught In The Cookie Jar

*Biden's Office Gave A Leg Up To Former Friends And Colleagues Looking To Cash In On Obama's Green Energy Bonanza*

## BIDEN'S FORMER CHIEF OF STAFF GOT A ONE-MONTH LOBBYING CONTRACT WITH ONE SOLE PURPOSE: GET BRIGHTSOURCE THEIR LOAN GUARANTEE

**BrightSource Hired Bernard Toon, Vice President Biden's Former Chief Of Staff, To Lobby For Its Loan Guarantee As Their Deadline Neared.** "BrightSource spent more than \$500,000 on lobbying in the third quarter of 2010 through the second quarter of 2011, according to federal records, on behalf of the loan program and its own loan. The records show that \$40,000 of the BrightSource lobbying money went to Bernie Toon, who was chief of staff to Mr. Biden, then a U.S. senator, in the 1990s." (Alicia Mundy and Ryan Tracy, "Solar Firm's Big Push For U.S. Loan," [The Wall Street Journal](#), 6/5/12)

- **On March 6, 2011, Bernard Toon Registered To Lobby On Behalf Of BrightSource Energy Concerning "Issues Related To The Department Of Energy Loan Program."** (Lobbying Registration: The Ingram Group DBA The First Group, [House Of Representatives](#), Effective 3/6/11)
- **Toon's Firm, The FIRST Group, Was Paid \$40,000 For Their Services.** (Lobbying Report, First Quarter 2011: The Ingram Group DBA The First Group, [House Of Representatives](#), 4/19/11)
- **Toon Has Served As Chief Of Staff To Then-Senator Joe Biden and Sens. Byron Dorgan, Bill Bradley And Jeff Bingaman.** ("The Team: Bernard Toon," [The First Group](#), Accessed 3/8/2012)

**Just Days After Being Hired, Toon Went To The White House With Three BrightSource Executives And Met With Alan Hoffman, A Top Aide To VP Biden.** "On March 9, 2011, just days after being hired, Mr. Toon went to the White House with three BrightSource executives, according to Senate and White House records. There he visited a former colleague, Alan Hoffman, now the top aide to Mr. Biden, whose office was working on green-energy programs, the records show. The White House didn't make Mr. Hoffman available for comment." (Alicia Mundy and Ryan Tracy, "Solar Firm's Big Push For U.S. Loan," [The Wall Street Journal](#), 6/5/12)

- **"The Loan Was Approved April 5 And Mr. Toon's Lobbying Contract Ended."** (Alicia Mundy and Ryan Tracy, "Solar Firm's Big Push For U.S. Loan," [The Wall Street Journal](#), 6/5/12)
- **On April 6, 2011, Toon's Lobbying Report Notes That He Terminated His Contract With BrightSource Energy.** (Lobbying Report: The Ingram Group DBA The First Group, [House Of Representatives](#), Effective 4/6/11)

**In May 2011, President Obama Nominated BrightSource Energy Board Chairman John Bryson To**

**Be Secretary Of Commerce.** “Currently, Bryson is board chairman of Oakland's BrightSource Energy, which is building one of the world's largest solar power projects in the Mojave Desert, a current director of Boeing and the Walt Disney Co., and a senior adviser to the global private equity firm Kohlberg Kravis & Roberts.” (Andrew S. Ross, “Obama's Choice To Head Commerce Faces Fight For Post,” [The San Francisco Chronicle](#), 6/9/11)

- ***The Wall Street Journal: John Bryson Is “Someone With A Talent For Scoring Government Subsidies.”*** “President Obama nominated John Bryson to head the Commerce Department on Tuesday, praising the Californian as ‘a business leader who understands what it takes to innovate, create jobs and to persevere through tough times.’ That's one way of describing someone with a talent for scoring government subsidies.” (Editorial, “Secretary Of Subsidy,” [The Wall Street Journal](#), 6/2/11)

### ***BrightSource Is “Sustained By An Impressive Array” Of Subsidies***

**Brightsource Is “Sustained By An Impressive Array Of Federal, State And Local Subsidies, Including A \$1.6 Billion Loan Guarantee From The Department Of Energy.”** “Fortunately for BrightSource, its efforts are sustained by an impressive array of federal, state and local subsidies, including a \$1.6 billion loan guarantee from the Department of Energy, one of the largest solar guarantees on record. The company notes federal provisions providing solar projects with a 30% investment tax credit through 2016, as well as accelerated depreciations of capital costs for solar entities, among other goodies.” (Editorial, “Secretary Of Subsidy,” [The Wall Street Journal](#), 6/2/11)

***The Wall Street Journal: BrightSource Energy's IPO States The Company Has “A String Of Net Losses, Totaling \$177 Million” And Most Of Its Revenue Comes From A Contract With Chevron To Recover “Not-So-Renewable Heavy Oil.”*** “Mr. Bryson, who had a long tenure running California energy company Edison International, has more recently served as chairman of BrightSource Energy, a startup specializing in solar-thermal power. Founded in 2004, the company has attracted more than \$500 million in private funding and has become a renewables darling, with agreements to supply electricity to California utilities PG&E and Southern California Edison. That's the good news. But the company's SEC filing in April for a \$250 million IPO tells a more, er, interesting story. The company has posted a string of net losses, totaling \$177 million. Much of its \$32 million in revenue over the past three years has come not from power generation, but from a contract with Chevron to use its technology to recover . . . not-so-renewable heavy oil.” (Editorial, “Secretary Of Subsidy,” [The Wall Street Journal](#), 6/2/11)

## **LARRY RASKY IS AN OBAMA BUNDLER, LOBBYIST AND A CLOSE PERSONAL FRIEND OF VICE PRESIDENT JOE BIDEN**

**Larry Rasky Is An Obama Bundler, Having Pledged To Raise Over \$500,000 During The 2012 Election Cycle.** ([OpenSecrets.org](#), Accessed 7/18/12)

- **Rasky Is A “Close Associate And Former Spokesman” For Vice President Joe Biden.** “Sen. Joe Biden has received \$5,300 from politically wired Hub lobbyist Joseph Baerlein, whose firm, Rasky/Baerlein, is co-owned by Biden's close associate and former spokesman Larry Rasky. The lobbying/public relations firm, which is registered federally and in Massachusetts, organized fund-raisers in Boston for Biden during the Democratic presidential primary.” (Dave Wedge, Dems In Denver; Lobbyist\$ Paid Off For Sen. Joe Biden,” [The Boston Herald](#), 8/28/08)

**Rasky Is Chairman Of Rasky Baerlain Strategic Communications, Inc., A Lobbying Firm With Offices In Washington D.C. And Boston, MA.** ([Rasky Baerlain Strategic Communications](#), Accessed 7/18/12)

- **Rasky Insists He Is Not A Lobbyist: "I'm Not A Registered Lobbyist. There Are People In The Firm Who Are But I'm Not."** "Rasky, who was at the Democratic National Convention for Biden's speech last night, acknowledged the donations from his partner but noted: 'I'm not a registered lobbyist. There are people in the firm who are but I'm not.'" (Dave Wedge, Dems In Denver; Lobbyist\$ Paid Off For Sen. Joe Biden," *The Boston Herald*, 8/28/08)
- **Obama Fundraiser Alan Solomont Said Of Rasky "Larry Rasky Is In A Unique Position, He's Very Close To (Vice President-Elect) Joe Biden. Certainly Larry Is Someone Whose Voice Will Be Heard."** "Jockeying across New England is intense because local Democrats haven't been up for the well-paid federal posts since 1992. Early Obama support from the state's top politicians - Gov. Deval Patrick and Sens. Edward M. Kennedy and John F. Kerry - means Massachusetts will have more clout than usual, Solomont said. Other behind-the-scenes elves in the federal jobs sweepstakes include politically wired PR gurus such as Larry Rasky and Tom O'Neill, son of U.S. House Speaker Thomas P. "Tip" O'Neill Jr., observers say. 'Larry Rasky is in a unique position, he's very close to (Vice President-elect) Joe Biden. Certainly Larry is someone whose voice will be heard,' Solomont said." (Hillary Chabot, "Crowning Achievement; Mass Dems Have Influence Over Obama's Picks," *The Boston Herald*, 12/26/08)

## **AFTER FIRST WIND HIRED LARRY RASKY, THE COMPANY SECURED OVER \$500 MILLION IN LOANS AND GRANTS**

### ***First Wind Has A Steady Presence At The Obama White House***

**First Wind Hired Larry Rasky's Firm To Lobby On Its Behalf; Rasky Baerlain Strategic Communications Registers On January 5, 2009.** ([Data.gov](#), Accessed 7/18/12)

- **First Wind Paid Rasky Baerlain \$405,000 Between The First Quarter Of 2009 And The Third Quarter Of 2011.** ([Data.gov](#), Accessed 7/18/12)
- **Julia Bovey, First Wind's Director Of External Affairs, Was Formerly Director Of External Affairs For Obama's Federal Energy Regulatory Commission From June 2009 To June 2010.** (Julia Bovey, [LinkedIn](#), Accessed 7/18/12)

**Since Obama Took Office, Lawrence "Larry" Rasky Has Visited The White House At Least 21 Times.** Three Times On September 23, 2009; December 14, 2009; December 15, 2009; February 23, 2010; March 29, 2010; May 5, 2010; July 12, 2010; August 17, 2010; February 2, 2011; February 16, 2011; April 27, 2011; June 17, 2011; Twice On July 20, 2011; July 28, 2011; November 4, 2011; January 10, 2012; February 16, 2012. ([Data.gov](#), Accessed 7/18/12)

- **First Wind CEO Paul J. Gaynor Has Visited The White House Four Times, Including A Meeting On September 13, 2011 With White House Deputy Assistant To The President For Energy And Climate Change Heather Zichal.** ([Data.gov](#), Accessed 7/18/12)

### ***First Wind Received Over \$550 Million In Stimulus Funds, Including A \$117 Million Loan Guarantee For A Project That Was Financed By Larry Summer's Hedge Fund***

**On July 27, 2010, First Wind's Kahuku Wind Farm In Hawaii Received A \$117,330,968 Loan Guarantee From Through The 1705 Program.** ([Recovery.gov](#), Accessed 7/18/12)

**Since Obama Took Office, First Wind's Projects Have Received Over \$452 Million In Grants Through The Stimulus' 1603 Program.** The Grants Went To First Wind's Stetson Wind Farm In

Maine, 40,441,471; Cohocton Wind Farm In New York, \$52,352,334; Dutch Hill Wind Farm In New York, \$22,296,494; Milford Wind Corridor Phase I In Utah, \$120,147,809; Milford Wind Corridor Phase II In Utah, \$80,436,803; Rollins Wind Farm In Maine, \$53,246,347; Sheffield Wind Farm In Vermont, \$35,914,864; Kahuku Wind Farm In Hawaii, \$35,148,839; Steel Winds II Wind Farm In New York, \$12,778,751. ([Department Of The Treasury](#), Accessed 7/18/12)

**D.E. Shaw Was Also An Investor In The Kahuku Wind Farm.** “Rep. Jim Jordan (R-Ohio) asked Chu whether his decisions had been influenced by several specific people tied to the administration, including former National Economic Council Chairman Larry Summers, who before joining the White House worked as a part-time managing director at D.E. Shaw, a New York-based investment firm that has an ownership stake in the Kahuku Wind project.” (Darren Samuelsohn, “Steven Chu On Solyndra: enough Already,” [Politico](#), 3/20/12)

**In Late 2011, Former Obama National Economic Council Chairman Larry Summers Rejoined Hedge Fund D.E. Shaw As A Consultant.** “It hasn’t been widely reported, but late last year Summers rejoined the firm, this time as a consultant. According to a person familiar with Shaw, he is spending about five to ten per cent of his time working for the firm, largely in an advisory capacity. Asked what sort of things Summers does, this person said he addresses standard macroeconomic questions—such as the likelihood of a revaluation in the Chinese currency—and also advises the firm on how to limit risk.” (John Cassidy, “Summers And The World Bank: Is Obama Serious?” [The New Yorker](#), 3/22/12)

- **In 2008, Before Joining The Obama White House, Summers Was Paid Over \$5 Million From Hedge Fund D.E. Shaw.** “Larry Summers made a lot of money last year, and boy is it voyeuristically impossible to resist looking through his disclosure to see who paid him what. The really big money, unsurprisingly, came from DE Shaw: a salary of \$1,432,497 (weird amount, that), along with partnership distributions of \$3,756,126, for a total of \$5,188,623. But just because he was earning \$100,000 a week from DE Shaw doesn’t mean he wasn’t earning lots of money elsewhere, too: his speaking engagements alone came to another \$2.8 million or so.” (Felix Salmon, “Larry Summers’s Millions,” [Reuters](#), 4/4/09)

## EMAILS SHOW THAT BIDEN’S STAFF WAS HEAVILY INVOLVED IN DECISION TO GO TO SOLYNDRA

**In February 2010, Kaiser Family Foundation’s Executive Director Emailed The Managing Director Of Argonaut Private Equity After A Meeting At The White House About Solyndra.** “In a Feb. 27, 2010 email, Ken Levit, executive director of the George Kaiser Family Foundation, described reaction from unnamed officials in Vice President Joe Biden’s office during a meeting about stimulus funding to Steve Mitchell, managing director of Argonaut.” (Roberta Rampton, “Investor, White House Discussed Solyndra Loan-Emails,” [Reuters](#), 11/9/11)

- **“‘They About Had An Orgasm In Biden’s Office When We Mentioned Solyndra,’ Levit Wrote.”** (Roberta Rampton, “Investor, White House Discussed Solyndra Loan-Emails,” [Reuters](#), 11/9/11)

**Before Obama’s Visit To Solyndra, Biden’s Chief Of Staff Ron Klain Knew That Solyndra “Will Need Some Help Of One Kind Or Another Down The Road.”** “Ron Klain, then-chief of staff to Vice President Joe Biden, e-mailed Rod O’Connor, the chief of staff at DOE, to assess Solyndra’s financial standing. O’Connor conceded the company would not survive as-is for too long. ‘Bottom line is that we believe the company is okay in the medium term, but will need some help of one kind or another down the road,’ O’Connor said to Klain in a May 24, 2010, e-mail.” (Amy Harder, “E-Mails Show Obama Was Warned; Bitter OMB, DOE Divide Over Solyndra,” [National Journal](#), 10/3/11)

- **Klain Admitted To Valerie Jarrett In May 2010 That Solyndra Was “Burning Capital,**

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**Perhaps A Bit Fast” And That The Company May Not Be Viable “Outside Of The 18-24 Month Window.”** “Ronald A. Klain, the chief of staff for Vice President Joseph R. Biden Jr. and a backer of the loan, told Valerie Jarrett, a presidential adviser, in a May 24, 2010, e-mail, ‘they are burning capital, perhaps a bit fast, and are dependent on a break or two to be viable outside of the 18-24 month window.’” (Matthew L. Wald, “More Solyndra E-mails, And Warnings,” *The New York Times*’ [“The Caucus,”](#) 10/4/11)

**After Steve Westly’s Email, Jarrett Emailed Biden’s Chief Of Staff Ron Klain Who Acknowledged That There Were “Risk Factors,” But Said The Company “Looks Like It Is OK.”** “Ms. Jarrett emailed Ron Klain, then chief of staff to Vice President Joseph Biden, who acknowledged ‘some risk factors here—but that’s true of any innovative company that POTUS [president of the United States] would visit. It looks like it is OK to me, but if you feel otherwise, let me know.’” (Deborah Solomon, “White House Brushed Off Solyndra Worries, Emails Show,” [The Wall Street Journal](#), 10/3/11)