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### Energy Secy. Chu disputes GOP claims that Obama energy programs rife with incompetence, political favoritism



Energy Secretary Steven Chu says the alternative-fuel loan program is a success and he denies that he focused too much on solar sources. (Paul J. Richards/AFP/Getty Images)

Energy Secretary Steven Chu defended his department's policies to Congress on Tuesday after House Republicans released two extensive reports charging that alternative-energy loan programs and a huge home weatherization program for poor households were riddled with failures and mistakes.

The reports by the House Oversight and Government Reform Committee, chaired by Rep. Darrell Issa, R-Calif., are part of a more than a yearlong crusade by Republicans to expose waste, incompetence and political favoritism in energy loan programs after the bankruptcy of Fremont solar manufacturer Solyndra.

Energy, spurred by rising gasoline prices, has become a major issue in the presidential campaign between President Obama and Republican front-runner

#### Mitt Romney.

Chu, a UC Berkeley physicist and Nobel laureate who had testified to Congress twice in the past week, told the committee that he had also advised former Republican President George W. Bush on his effort to end what Bush called the national addiction to oil. Chu also awarded himself a better than A-minus grade on trying to reduce gasoline prices.

# Largest investor

He said that he is a tough grader, but that his efforts to find alternatives to costly fossil fuels were bearing fruit. Last year, Chu said, the United States became the world's largest investor in alternative fuels, however temporarily, given that the stimulus money was mostly temporary.

Independent audits by the department's inspector general and the Government Accountability Office have found some mismanagement of the loan and weatherization programs, the result in part of the 2008 stimulus program that brought a flood of money into the Energy Department, doubling its budget and overwhelming its administrative capacity.

On Tuesday, Chu faced an unusually collegial grilling from Issa, who shared Chu's enthusiasm for the potential of naturalgas-powered vehicles. Issa said the nation was fortunate to have what he called one of the smartest energy secretaries ever, and noted that both he and Chu hold extensive patents.

1 of 4 3/21/2012 4:36 PM One of the committee reports, called "The Department of Energy's Disastrous Management of Loan Guarantee Programs," faulted Chu for overemphasizing investment in <u>solar energy</u>. Plunging prices for natural gas, the result of technological breakthroughs that can extract previously inaccessible reserves from shale rock and other sources, have made solar far less competitive, the report said.

Chu said he is "very enthusiastic" about the potential of using natural gas as a "transition fuel" to a clean-energy economy. Natural gas emits about half as much carbon dioxide as coal.

Chu said the department is aggressively researching natural gas <u>fuel tanks</u> that could be adapted to the conventional internal combustion engines in <u>cars</u> and trucks. The problem is that the gas must be held under pressure in very expensive carbon-fiber tanks.

## Fixing problems

Chu downplayed reports of shoddy weatherization work, including instances of windows that fell out of their frames and exposed wires. He said audits showed that those <u>jobs</u> amounted to no more than 4 percent of the 680,000 homes that were weatherized under the stimulus. He said contractors were required to fix the problems at no cost to the government.

The committee report also noted, but Chu did not address, large unexpected expenses and delays caused by relocating desert tortoises at the \$2.2 billion BrightSource solar plant being built in California's Mojave Desert. The company got a \$1.6 billion loan guarantee and has spent \$56 million relocating tortoises, including the expense of erecting 50 miles of special fencing at a cost of \$50,000 a mile, according to the committee report, based on a Los Angeles Times story.

The stimulus money rapidly increased government spending on alternative energy, including \$14.5 billion in loan guarantees such as the \$528 million loan to Solyndra.

Although fossil fuels have received government support since 1916, a report this month by the Congressional Budget Office found that last year, renewable-fuel and energy-efficiency programs made up 78 percent of government support for energy, followed by 15 percent for fossil fuels and 4 percent for nuclear.

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Posted by Carolyn Lochhead on March 21, 2012 at 3:22 pm | Permalink | Leave a comment

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Tags: alternative energy, Barack Obama, Darrell Issa, Energy, gas prices, gasoline prices, green energy, Obama administration, President Obama, Steven Chu

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## Carolyn Lochhead

Carolyn is the Chronicle's Washington bureau squaw, where she gathers firewood and weaves baskets when not covering world altering events. Sap that she is, she still gets goose bumps looking at the Capitol, and has not yet given up on the notion of intelligent design as it relates to government. She got her start in a tiny river town in Louisiana covering ladies teas, boys basketball and road paving for the St. Francisville Democrat, where she served as editor, photographer and delivery girl, and once by accident put the mayor in the obituaries. From then it was on to the bustling Paso Robles Daily Press, her hometown paper on the hot side of the Central Coast, before arriving at the Chronicle by way of New York. She graduated from UC Berkeley with majors in rhetoric and economics, and then Columbia University in journalism. After a brief interlude on Wall Street, she became a writer for Insight magazine and then the Chronicle, where she has covered one public policy crisis after another since 1991, and yet somehow the republic still stands.

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Govchance 4:28 PM on March 21, 2012

Dr. Chu can say whatever he chooses to say. As an American, he has that right. However, the facts say otherwise.





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Wave101 4:23 PM on March 21, 2012

Isn't this the same guy who was quoted as saying that he thought it would be healthy for the country to have an average price of \$5/gal while he was a professor at UC-Berkely. I believe its for this reason he gave himself an A-. After all he couldn't himself an A+ just yet when he only got us halfway to \$5/gal. Ppl don't fool yourself the current administration wants high fuel prices to force a shift from fossil fuels to alternatives. The one hitch in the plan however is currently we don't have a viable alternative yet.

= 1



(2)

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Adler 3:55 PM on March 21, 2012

Chu's not competent to determine if Obama energy programs are rife with incompetence or political favoritism. He's an egghead Physics professor, who has absolutely no experience with providing real world energy sources to consumers on a national level. He was appointed by Obama because he supported Obama's agenda.

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EVA .

itsmetres 3:48 PM on March 21, 2012

Chu was for rising fuel prices now he is giving himself an A- on his attemp to curb the raising fuel costs? Does this guy sit around inhaling fumes all day?

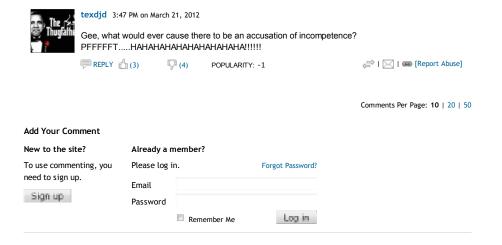
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