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# Treasury considered Energy Dept loans 'unjust enrichment'

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1 Comment



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Energy Department loans to green energy companies involved such large sums of money that the Treasury Department and White House Office of Management and Budget regarded them as "unjust enrichment" of the companies involved, new documents show.

Energy Secretary Steven Chu acknowledged Treasury's complaint as he proposed edits to a slideshow prepared for President Obama's review of the loan program.

"Treasury, and often OMB felt that the all the allowed [sic] subsidies, when added together, permitted to loan applicants too large a ROI. ('Unjust enrichment)," Chu wrote in a June 24, 2011 email to his chief of staff, Brandon Hurlbut, as released by the House Oversight and Government Reform Committee. "We could not even agree on how much one subsidy was worth."

Chu made this comment as he instructed Hurlbut to inform Obama of the "interagency angst" — the conflicts between the Energy Department and other agencies — about the loan program.

"Many times, they felt that a 'better deal' could have been brokered by DOE and asked us to renegotiate," Chu also wanted Obama to know.

In September of that year, the loan program became an embarrassment to Obama when Solyndra — a company owned by one of Obama's campaign donation bundlers — went bankrupt despite receiving a \$535 million loan guarantee. The Inspector General of the Treasury Department [found](#) that Treasury Department's consultation on the Solyndra loan was "rushed" and "no documentation was retained as to how Treasury's serious concerns with the loan were addressed."

Taxpayers lost over \$500 million, as the Energy Department [restructured](#) the loan so that private creditors would be paid before the taxpayers.

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