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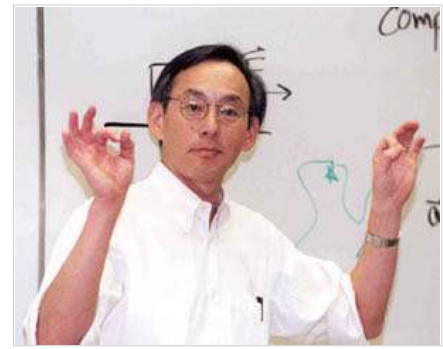
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When Wall Street Makes Crap Loans, It's a Crisis; When DOE's Steven Chu Does It, It's Green Energy.

Nick Gillespie | March 15, 2012

Via [Instapundit](#) linking to [The Fiscal Times](#) comes documentation of just what an easy grader Department of Energy (DOE) [Secretary Steven Chu](#) really is. As you'll recall, a while back the Nobel laureate cum bureaucrat was asked by Rep. Paul Broun (R-Ga.) to grade his performance at DOE. Chu's humble response? "There's always room for improvement, maybe an A-."



The Fiscal Times' Edward Morrissey writes about the new Government Accountability Office report on the performance of DOE's loan-guarantee program which gave way to Solyndra and other debacles. Suffice it to say, GAO wasn't grading on a curve set by the performance of Obama's cabinet. Snippets:

The GAO looked at the handling of \$30 billion outstanding in loan guarantees and future commitments and discovered that the DOE rarely follows its own written procedures for vetting and auditing applications. In fact, in many cases, the Loan Guarantee Program (LGP) couldn't even find the data managers needed to administer the loans properly...

In almost every case study investigated by the GAO, important steps got skipped in the reviews that determined whether loan applications would be granted. In other cases, the documentation was so poor that the GAO couldn't figure out what the LGP did...

The process had at least an 85 percent failure rate on its process check. Most people would not associate that level of process accuracy with a grade of A-minus....

With \$30 billion in taxpayer money at risk, the DOE under Steven Chu didn't bother to conduct the reviews it claimed it would on applications for loan guarantees, didn't keep records of what reviews they did accomplish, and signed off on loans with incomplete documentation and inadequate oversight of the risk. The result -- perhaps **\$6.5 billion immediately at risk**, according to CBS, and possibly most of the \$30 billion.

Morrissey drives home the point that when it comes to lending standards and the vilification of private financial institutions processing mortgages that were either backed or bought up by government-sponsored enterprises, the Obama admin is firmly in the "do as we say, not as we do" camp:



What makes [DOE's] carelessness and

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