

# Crooked Granholm Energy Department gave California utilities \$600M, now she'll sit on their boards

During her tenure at the DOE, former Energy Secretary Jennifer Granholm was accused of a number of widely reported potential ethics violations, including conflicts of interest and using her official position to promote companies in which she purportedly had a financial stake or relationship.

Former Energy Secretary Jennifer Granholm announced on Thursday that she will be joining the boards of directors for Southern California Edison Company and its parent corporation Edison International, one of the largest utility companies in the U.S. This comes just six months after Granholm's Department of Energy awarded \$600 million to a consortium of California utilities, including Southern California Edison.

During her tenure at the DOE, Granholm was accused of a number of ethics violations, including conflicts of interest and using her official position to promote companies that she had a financial stake or relationship with. Nonetheless, despite the widespread reporting of her controversial tenure, she was never charged or disciplined for any wrongdoing.

Early praise, later investigative reporting

Following her nomination and through her confirmation hearings, the legacy media showered Granholm with favorable press, calling her a “champion” of “clean” energy policies and the climate agenda. Despite the early praise by climate-focused news publications, her tenure was marred by controversy and ethics questions.

In May 2021, four months after Granholm's confirmation hearing, it was reported that she had held shares in Proterra, an electric bus company that the Biden-Harris administration had heavily promoted. According to the Associated Press, she told congress in 2023 that "she mistakenly provided false information about her family's stock holdings" in testimony that year. Granholm had by then divested of those shares, earning a profit of \$1.6 million, according to the Washington Free Beacon.

In April 2021, Granholm had told the Senate Energy and Natural Resources Committee that she owned no individual stocks and only invested in mutual funds. In February 2023, U.S. ethics officials, The Wall Street Journal reported, warned top officials at the Energy Department, including Granholm, that they or their family members owned stocks that could violate conflict-of-interest rules.

In June of 2023, Granholm confirmed to the Committee on Energy & Natural Resources that she had owned stocks in six companies, which U.S. ethics officials had judged to be “non-conflicting.” Her husband had a previously undisclosed investment in Ford Motor Company. She said in a letter to the Energy and Natural Resources Committee that she had “mistakenly” testified she didn't own any individual stocks. The committee took no further action.

Proterra went bankrupt in August 2023, and left transit districts across the country with broken buses that couldn't be repaired.

In 2023 Granholm suffered embarrassment after a widely touted "EV Road Trip" turned into a PR disaster. Planning to fast-charge her caravan of EVs — including a luxury Cadillac Lyriq, a hefty Ford F-150 and an affordable Bolt electric utility vehicle — her advance team realized there weren't going to be enough plugs to go around.

The embarrassment started when, according to reports, "one of the station's four chargers was broken, and others were occupied. So an Energy Department staffer tried parking a nonelectric vehicle by one of those working chargers to reserve a spot for the approaching secretary of energy. A family with a baby, in need of the blocked spot, objected to the Energy Department's misuse of energy infrastructure and public vehicles. The parents called 911. "

### **Investigations and calls to resign**

Shortly after the revelations, Sen. John Barrasso, R-Wyo., who was ranking member of the committee at the time, called for the inspector general to investigate Granholm's alleged conflicts of interest. In April, Sen. Josh Hawley, R-Mo., called for her resignation over the matter. House Republicans on the Oversight Committee also investigated Granholm's investments in Proterra.

More than a dozen public interest groups also called for Granholm's resignation. In an August 2023 letter to Joe Biden, the groups cited her failure to report financial holdings, involvement in actions that benefited companies she was connected to, as well as other ethically questionable actions the groups argued would justify her removal from office.

Among the signatories was government watchdog group Protect the Public's Trust (PPT). The group used a Freedom of Information Act Request to obtain Granholm's calendar. Among the previously unknown meetings discovered in the document were Granholm's meetings between billionaire Microsoft founder Bill Gates. The DOE authorized up to \$2 billion in a 50-50 cost-share program for Gates' Terra Power Natrium reactor in Wyoming.

Granholm also met with Gates on Aug. 2 and Aug. 11, 2021. The following day, Gates and Granholm announced the DOE would spend \$1.5 billion with Breakthrough Energy, another one of Gates' companies, to develop "clean energy technology demonstrations."

"Avoiding a climate disaster will require a new industrial revolution. We need to make the technologies and products that don't cause emissions as cheap as those that do, reducing what I call Green Premiums," Gates said in the announcement.

### **Awarded \$14 billion in below-market loans**

In December, the inspector general warned the under secretary of energy that the Loans Program Office under the DOE was administering \$385 million in new loans and not maintaining standards to avoid conflicts of interest.

Despite these warnings, just before Granholm left office, the DOE awarded \$14 billion in below-market loans to Michigan renewable energy companies, Michigan Capitol Confidential reported. Granholm was governor of the state from 2003 to 2010.

“Despite their flowery rhetoric about being the most ethical administration in history, the Biden administration did not live up to their promises whatsoever,” Micheal Chamberlain, executive director of PPT, told Just the News.

### **"Crony politics"**

Granholt's welcoming onto boards of Edison International and Southern California Edison, which benefited from grants they received while she was energy secretary, raises further concerns.

“That’s kind of the end game of the crony politics of the Biden administration. Unfortunately, it’s all too common in Washington, D.C.,” David Blackmon, energy analyst who publishes his work on his “Energy Absurdities” Substack, told Just the News.

Gabriela Ornelas, spokesperson for Southern California Edison, told Just the News that Granholt's appointment to the two boards was “absolutely not” related to any grants they’ve received from the department she headed.

Praising Granholt, Ornelas added that “Jennifer Granholt brings strong expertise, experience and leadership to the Edison International and Southern California Edison boards that will benefit SCE [Southern California Edison] customers and trio clients. Jennifer Granholt will be able to provide guidance based on her understanding of the technical, political and economic forces shaping our industry today. And she shares our commitment to respond collaboratively to the challenges facing the electric utility industry.”

Edison's announcement of her joining the board also remarked on her knowledge of cybersecurity and her work to find a solution for spent nuclear fuel. “Jennifer’s experience as a leader familiar with cybersecurity, physical security and clean energy resources – and known for working in partnership with utilities and other industries – will allow her to make important contributions to Edison International, including SCE and Trio,” Peter Taylor, Edison International board chair, said in the statement.

Trio is another subsidiary of Edison International. It was formally called Edison Energy.

### **Meeting with Edison CEO while in office**

In February 2022, The Washington Post reported that Granholt participated in a high-level meeting with Pedro Pizarro, president and CEO of Edison International, and White House Climate Coordinator Gina McCarthy. The meeting took place as Biden’s “Build Back Better” – later renamed the Inflation Reduction Act – stalled in Congress. While lawmakers debated about the enormous cost of the bill, which by some estimates could end up costing \$3 trillion, Pizarro said Congress needed to be more concerned with climate change than how much it would cost taxpayers.

The Post reported that Pizarro, Granholt and the others at the meeting had a “robust discussion” about the bill’s tax credits, which would support the deployment of clean energy. Edison International is an aggressive supporter of transitioning away from fossil fuels towards the renewable energy sources that receive those tax credits.

The \$600 million the DOE gave to Southern California Edison and others in the consortium came out of the Grid Resilience and Innovation Partnerships (GRIP) Program. The funding

will build 100 miles of electric transmission lines with grid enhancing technologies in support of expensive renewable energy.

The funding for the GRIP program came from the Infrastructure Investment and Jobs Act. Edison International paid \$540,000 in fees in 2021 and 2022, to lobby for various renewable energy and climate efforts, including the Infrastructure Investment and Jobs Act.

Edison International was also an early promoter of Proterra. Edison Energy, now called Trio, contributed to a \$24 million investment in the electric bus company in 2013, and it contributed to another \$30 million investment in 2014.

“We are pleased to expand our investment in Proterra, which is playing a leading role in creating electric-powered transportation alternatives for mass transit systems,” Bert Valdman, senior vice president of strategic planning at Edison International, said in a statement on the 2014 funding.

### **Very different treatment**

After her nomination, The Washington Post praised Granholm’s support for green energy and the New York Times credited her with saving Michigan’s economy during the Obama era. Her predecessor at the head of the DOE, Chris Wright, received very different treatment in the legacy media. Wright had founded Liberty Energy Company, a Colorado-based oil and gas producer. E&E News’ ClimateWire said that “fossil fuels enriched Trump’s DOE pick.”

The Washington Post portrayed Wright as denying a scientific consensus on climate change, which is incorrect, according to "Honest Broker" Substack by Dr. Roger Pielke Jr., retired professor of environmental studies at the University of Colorado at Boulder.

Wright has only held the secretary position for a month, but so far he appears to have complied with ethics requirements. He provided financial disclosure reports, resigned from multiple energy companies and industry groups, and he pledged to divest tens of millions in assets upon confirmation.

Chamberlain with PPT said that he’s hoping that the Trump administration will have a “microscope trained” on the people working in government to ensure more accountability and transparency. “We're hopeful that there's going to be a change in direction, and we're looking forward to working with a new administration with a commitment to adhering to their obligations,” Chamberlain said.