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United States Senate

COMMITTEE ON THE JUDICIARY

WASHINGTON, DC 20510-6275

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July 23, 2012

Mr. Tom LaSorda
Chief Executive Officer
Fisker Automotive, Inc.
5515 East La Palma Street
Anaheim, California 92807

Dear Mr. LaSorda:

On April 23, 2010, the Obama Administration announced that Fisker Automotive would receive a \$529 million taxpayer-financed loan from the Advanced Technology Vehicles Manufacturing Incentive Program (ATVM). At the time, Vice-President Biden announced the loan by saying, "The story of Fisker is a story of ingenuity of an American company, a commitment to innovation by the U.S. government and the perseverance of the American auto industry." Energy Secretary Chu said that this loan would put "American workers back on the job."

Since then, questions have been raised regarding Fisker's loan. These questions revolve around Fisker's efforts to employ American workers, the Department of Energy's (DOE) due diligence in awarding Fisker a \$529 million loan, and the metrics the DOE has publicly announced regarding Fisker's loan. To shed more light on these issues, please answer the following questions:

1. The DOE initially estimated that its loan to Fisker Automotive would create one permanent job for every \$264,500 lent while touting the number of jobs saved or created by the ATVM project. Please provide a detailed explanation of the methodology Fisker provided which led the DOE to arrive at this job creation estimate. What evidence is there to indicate whether the estimate has been proven to be accurate?
2. The DOE has estimated that its loan to Fisker would result in the equivalent of 30,000 fewer cars on the road. Please provide a detailed explanation of the methodology Fisker provided which led to this estimate. What evidence is there to indicate whether this estimate has been proven to be accurate?
3. Has Fisker revised this data in light of the decision to halt production of the Nina/Atlantic? If so, what is the current estimate?
4. When working with the DOE, what technical experts did the DOE utilize to evaluate, originate, and monitor Fisker's loan?

5. On February 28, 2011, the Government Accountability Office released a report on the ATVM program which contained the following statement and footnote:

Fisker has received a loan for two plug-in hybrid projects: the Karma, a sedan classified by DOE as a subcompact-performance sedan at the time its eligibility was established; and the Nina, classified by DOE as a subcompact sedan....For the purpose of establishing eligibility, DOE used the classifications in the interim final rule. According to Fisker officials, while these classifications accurately reflect the vehicles' footprints and are appropriate for judging the fuel economy of the vehicles, the classifications do not accurately reflect the type of vehicles to be produced by Fisker under the program. More specifically, the officials characterized the Karma as a "premium-luxury sedan" and the Nina as a "near-luxury performance sedan," noting that vehicles that are known in the industry as "subcompacts" generally are not luxury vehicles.

Did the DOE at any time explain to Fisker why it chose a classification for the Karma which, in the words of Fisker's officials, was not "accurate"?

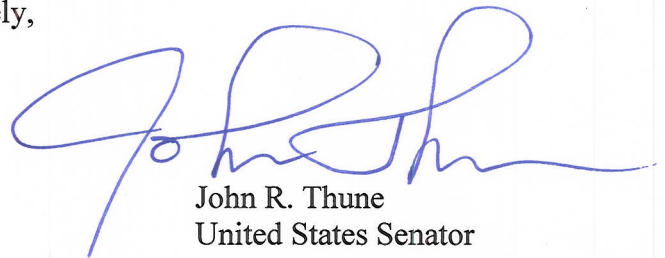
6. According to the February 28, 2011, GAO report, the DOE has chosen not to create "targeted levels of performance" for Department loans. According to the GAO, creating such metrics would protect taxpayer financial interests. In Fisker's interaction with the DOE, did the DOE ever set targeted levels of performance for your loan guarantee? If so, what are they? How many has Fisker achieved to date?
6. How many people are currently employed at Fisker's plant in Delaware?
7. How many people have been employed in Finland manufacturing Fisker's Karma?
8. Fisker has claimed that all \$169 million Fisker received from the DOE was spent in the United States. Please provide a specific detailed breakdown of how this money was spent.

Thank you for your cooperation and attention in this matter. We would appreciate a response by August 6, 2012. If you have any questions, please do not hesitate to contact Chris Lucas for Senator Grassley at (202) 224-5225 and Brendon Plack for Senator Thune at (202) 224-2321.

Sincerely,



Charles E. Grassley
Ranking Member
Committee on the Judiciary



John R. Thune
United States Senator