

**California Is The Center Of All Energy Payola And Political  
Ponzi Scams**

# **\$1B California energy scam: 4th person pleads guilty as California becomes center of energy scams**

## **Ryan Guidry could face up to 15 years in federal prison**

[Associated Press](#)

SACRAMENTO, Calif. (AP) — An executive of a San Francisco Bay Area solar [energy](#) company pleaded guilty Tuesday to participating in what federal prosecutors said was a massive [Ponzi scheme](#) that defrauded [investors](#) of \$1 billion.

Ryan Guidry, 43, of Pleasant Hill entered pleas involving the scam and money laundering. He could face up to 15 years in federal prison.

Guidry was vice president of operations for DC Solar, based in Benicia, northeast of San Francisco. The now-defunct company made solar generators mounted on trailers and marketed them as able to provide emergency power for cellphone companies or to provide lighting at [sporting](#) and other events.

However, purportedly to improve tax benefits, the investors never actually took possession of the generators, authorities

said. Instead, they would lease the generators back to DC Solar, which would then provide them to other companies for their use.

Authorities said the investors were supposed to be paid with the profits, but the generators never provided much income. Instead, prosecutors say early investors were paid with funds from later investors — a classic Ponzi scheme.

Prosecutors alleged that the company engaged in \$2.5 billion in investment transactions between 2011 and 2018, costing investors \$1 billion. Among the investors was [Warren Buffett's Berkshire Hathaway Inc.](#), which lost some \$340 million.

Guidry is the fourth person to plead guilty in connection with the scheme. Three other men, including a general contractor and an accountant, entered pleas last year.

The company's owners, Jeffrey and Paulette Carpoff of Martinez, have not been charged criminally but they were named in civil lawsuits.

Investigators said the couple spent lavishly, including \$19 million on a [private jet](#) service; some 20 [properties](#); some 150 expensive [cars](#) and even a \$782,000 luxury box at the under-construction Las Vegas Raiders stadium.

Many of their assets have been seized or liquidated. The couple authorized the [government](#) to sell more than \$75 million of their real estate and other assets.

Dozens of cars were auctioned off last year for millions of dollars, including a [1978 Pontiac Trans Am](#) once owned by Burt Reynolds that is a replica of the car he drove in the movie "Smokey and the Bandit."

The auction proceeds will go back to the owners if they are never convicted, but if they are and forfeit their belongings, the proceeds will go to the victims.

# Part 1: Recognizing the problem

The problem is easy to recognize. **Step one:** Does your City, State or Federal group offer a grant program, application-based funding program or other program which gives tax dollars to outside entities? **Step two:** Have you had this, or a similar program, in operation for more than a year? **Step three:** When you line up a list (**LIST A**) of the past “winners” alongside a list (**LIST B**) of their campaign contributions, lobbying expenditures, gifts and incentives; are the curves of each of those lists “strangely” the same? If the answer is **Yes: THEN YOU HAVE THE PROBLEM!**

**Part 2: The General Process Issues** Over 30 “green”, “cleantech” companies were put out of business by the DOE ATVM/LGP program. Many more companies, in each state, were terminated by the “efforts” of the officials of those states. Some were intentional terminations because they competed with contributor’s business interests and some were terminations caused by mismanagement of the grant process. :: Most grant programs ostensibly seek innovation and better solutions. BUT: Most “winning applicants” end up being big old companies who supply the same old thing who generally usually “win” the “contests”. :: True innovators are scientists, chemists, physicists and engineers. They do not know about, have the skills for or have the aptitude for generating political documents. BUT: Big old campaign contributor companies have rooms full of grant writers and spin doctors who can conveyor-belt out, political grant document-after-grant document, with all of the checklist items in carefully mnemonically metricized catch-phrases, but they offer no innovation. :: Big campaign contributor “winners”

have big teams of people that go around and “work the system” (promise or imply incentives). These teams are smiley, golden-ratio faced, out-going personality-type PR people. BUT: True innovator scientists, chemists, physicists and engineers are, more often than not, socially awkward and uncomfortable with that sort of PR pretension and they avoid working the system. :: If one wants to pay off campaign contributors then these “contests”/“grant programs” they actually are a great way to provide “kickbacks in plain sight”. BUT: In the age of the Everybody-Can-See-Everything internet, the public is now pretty much aware that this is what is going on, ie:

<http://www.youtube.com/watch?v=CHiicN0Kg10>

<http://youtu.be/CHiicN0Kg10> **Reality:** If a City, State, Federal or NGO group wants true innovation solutions to public problems and issues, then they need to recognize that their grant programs, award programs and public funding programs are, in most cases, set-up to accomplish exactly the opposite!

# The Solutions- Part 1

Go to greater lengths to find the small innovators and let them know about the program. Sending a general email out to “the usual suspects” doesn’t cut it.

1. Provide a dedicated small innovator advocate, in each funding program who is missioned to assist the small innovator companies. Make them call, and email, each one personally.
2. Fire that advocate if more than 3 small business groups prove that they are compromised.
3. For any applicant with less than 10 staff, YOU, verbally interview them and fill out the forms for them. They do not have the staff to do it. You place them in a “no win” situation by even offering these grant opportunities, they all know it by now and so almost none of them apply any more unless they just formed their company. After the first burn, when they realize the cards are stacked against them, they won’t waste their time again.
4. Make the application as simple as possible. One of the richest people in the world: Bill Gates, and his wife Melinda, decided to give away quite a lot of money in grants. They had the resources to test, validate and prove what the best kind of grant application is. What did they figure out for the Grand Challenge: That they just needed a TWO PAGE APPLICATION. They have used this for years, it works great and has funded some of the greatest innovations in the world.

5. Announce who your reviewers are, by name and affiliation. Just like the law now requires for financial writers. State ANY positions your reviewers have in any companies related to the industry involved in the grant.
6. Post the reviewer results online. Allow the transparency to have their assumptions, or comments challenged to prove the game isn't rigged.
7. Does the world seem to be in disarray? Does every news cycle seem like there are more and more problems and more and more people complaining? IT ISN'T TRUE! The same amount of disarray and problems exist today as have existed over the last few centuries. BUT NOW EVERY VOTER CAN SEE EVERYTHING. While the internet has brought us awful things like cyber-bullying child suicides and the hacking of everything, it has created a transparency that will never go away. The toothpaste is out of the tube. Organizations need to accept the fact that corruption only works in darkness and the internet has lit up everything. If old systems of reward exist to pay back donors, it can now be found out by a bored soccer mom or an out of work construction worker with a notebook computer, and there are millions of them. Change up any systems that could be rigged because we live in an age where those sorts of things can come back and bite you during your current career cycle. The FBI is much tougher on these sorts of things these days.
8. News Media now have databases equal to those of the NSA. New online media outlets have been starting up in great quantities, lately, using "big data" story research engines. They can track every connection of every applicant, executive and associate and other party in a very short period of time. Just read the detail they have gone into about CGI Federal,



the company that screwed up Obamacare, and their staff, ownerships, personal relations, etc. Plan on transparency in the new world. It has arrived.

9. To repeat, however efficiently you think your application is written: **YOUR APPLICATION PAPERWORK IS TOO LONG.** The DOE spent more money and resources on due diligence and had more application paperwork for their ATVM/LG and other loan programs THAN ANY COUNTRY HAD DEVOTED IN HUMAN HISTORY! Yet we had the stunning failures of Abound, A123, Fisker, Solyndra, etc.. etc...
10. Hold three online web conference for 1.) Under 10 person companies 2.) Under 20 person companies 3.) The big guys. Give each segment a chance to comment, ask questions and get informed within their peer group.
11. Publicly identify revolving door staff.
12. Allow for a challenge process for any member of the media or applicant groups to challenge a decision and correct, or comment on, erroneous data.
13. Don't rig the stock market or investor market by setting up financing that makes your organization cause outside investors to wait until they see your term sheet like DOE did.
14. Provide a CrowdFunding support resource in all new funding from now, forward. The SEC has made CrowdFunding fully legal now. Allow Crowdfunded offsets and co-promote them using your agency PR resources.
15. Don't use the "delayed review" tactic to try to put contributors competitors out of business by stringing them along until they run out of cash. The media has covered this tactic in great detail and new laws allow those who got strung out to sue you and win if they catch you.. and it is easier to catch people these days.
16. More Solutions coming...

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# One Perspective- Siry

[“Siry Slams DOE Loan Program For “Stifling Innovation”](#) By [Edward Niedermeyer](#) on December 1, 2009 in “THE TRUTH ABOUT CARS” Former Tesla PR honcho Daryl Siry lays into the Department of Energy’s Advanced Technology Vehicle Manufacturing Loan program (ATVML) at Wired’s [Autopia blog](#), taking the \$25b program to task for “stifling innovation.” At its core, his argument is a simple one: Startup companies that enjoy DOE support, most notably Tesla Motors and Fisker Automotive, have an extraordinary advantage over potential competitors since they have secured access to capital on very cheap terms. The magnitude of this advantage puts the DOE in the role of kingmaker with the power to vault a small startup with no product on the market -- as is the case with Fisker — into a potential global player on the back of government financial support. As a result, the vibrant and competitive market for ideas chasing venture capital that has been the engine of innovation for decades in the United States is being subordinated to the judgments and political inclinations of a government bureaucracy that has never before wielded such market power. All of which sounds very TTAC... in fact, our lengthy Bailout Watch series [began](#) with a similar analysis of the ATVML program (albeit with a Detroit-focused twist). Unfortunately, Siry’s intentions in this case are questionable... as are his conclusions. At the very bottom of his editorial, Siry reveals himself to be a “special advisor to Coda Automotive,” [the EV startup](#) born from the ashes of Miles Electric Vehicles. That Coda has not sought an ATVML handout (because all its manufacturing is done in China) is presumed to give Siry a free

pass on conflict-of-interest questions, but Siry's critique relates directly to the private capital market as well. Siry writes: The proposition is so irresistible that any reasonable person would prefer to back a company that has received a DOE loan or grant than a company that has not. It is this distortion of the market for private capital that will have a stifling effect on innovation, as private capital chases fewer deals and companies that do not have government backing have a harder time attracting private capital. This doesn't mean deals won't get done outside of the energy department's umbrella, but it means fewer deals will be done and at worse terms. Translation: Coda can't raise funds without DOE backing, a reality the company petulantly hinted at in [the most recent post](#) on its corporate blog. There, the company lashed out at analyst suggestions that DOE loans would be best spent on established automakers, and now Siry is bashing the DOE's "kingmaking" of "small startups with no product on the market." So which is it? The answer can be found in Siry's conclusion: A potential solution to this problem may seem counter-intuitive. The best way to avoid market distortion would be for the DOE to cast the net more broadly and provide loans and grants to a larger number of companies — which ironically means being less selective. Subject to the existing equity matching requirement, this would allow the private markets to function more effectively in funding a broader range of companies and driving more innovation. Several innovative companies with great potential have been in the DOE pipeline for many months. Perhaps it is time for the DOE to stop playing favorites and start spreading the love. Give out money to more firms, less selectively. What a plan. But if Siry is suggesting that Coda Automotive represents the kind of "innovation" being "stifled" by the ATVML program, he's able to see far more innovation in selling an electrified Chinese Hafei sedan with 100

miles of range for \$45k than we do (he doesn't explicitly, preferring Aptera as a poster child for stifled innovation). The reality is that the EV sector is crammed with as many [hucksters](#) and wannabes as legitimate innovators, and "spreading the love" is more likely to result in wasted investments. In theory we agree that DOE "kingmaking" distorts the market, and elevated some questionable firms to near-player status... but interpreting those results as a reason for the DOE to be "less selective" with its lending makes even less sense. Unless, of course, you work for a firm that might benefit from lowered loan standards. As a lesson in the ATVML's unintended consequences, Siry's editorial is dead-on. As a roadmap for future DOE policy, however, it comes up way short. Posted in [Electric Vehicles](#), [Government](#), [Green](#), [News Blog](#) Tagged as [ATVML](#), [Coda](#), [DOE](#), [electric car](#), [EV](#), [Fisker](#), [Tesla](#) "

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While that is all well and good, history has proven that there has never been such a fund that was not entirely controlled by crony manipulations which cut out every qualified applicant and only gave the money to friends of the organizers. We testify to the FBI, Congress, the SEC, the GAO and others on such matters and nobody has ever found a program like this which did not turn into a political criminal slush fund. Our team has built the most potent and effective energy technologies in California, that beat every competing solution, but every proposal, and that of every peer, was overturned by lesser technologies that were owned by political insiders. Here is a tiny sample of the tens of thousands of Congressional and news reports about why this program already has Silicon Valley oligarchs turning it into a criminal scam:

## [Darryl Siry: How the Energy Department stifles innovation ...](#)

◁ <https://www.autoblog.com/2009/12/07/darryl-siry-how-the-energy-department-stifles-innovation/>

**Darryl Siry** is making the most of his perch at Wired's Autopia to bring interesting discussion topics to the attention of the green car community. The latest: how the U.S. **Department of Energy's** ...

## [Former Tesla Executive Questions "Green" Corporate Welfare ...](#)

< <https://blog.independent.org/2009/12/02/former-tesla-executive-questions-green-corporate-welfare/>

In a December 1 article in Wired, 'In Role as Kingmaker, the **Energy Department** Stifles Innovation,' former Tesla Motors Chief Marketing Officer **Darryl Siry** critiques the federal government's campaign of 'green' corporate welfare for the American automobile industry (Advanced Technology Vehicles Manufacturing Loan Program).

## [Stifling Innovation by Subsidizing It | Cato @ Liberty](#)

◁ <https://www.cato.org/blog/stifling-innovation-subsidizing-it>

Dec 4, 2009 **darryl siry, department of energy**, fisker, Ford, nissan, subsidies, tesla This work is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License . Topics



## [Siry Slams DOE Loan Program For "Stifling Innovation" - The ...](#)

< <https://www.thetruthaboutcars.com/2009/12/siry-slams-doe-loan-program-for-stifling-innovation/>

Dec 1, 2009 By on December 1, 2009. Former Tesla PR honcho Daryl **Siry** lays into the **Department of Energy's** Advanced Technology Vehicle Manufacturing Loan program (ATVML) at Wired's Autopia blog, taking the \$25b program to task for "stifling innovation." At its core, his argument is a simple one:

## [The Cleantech Crash - CBS News](#)

◁ <https://www.cbsnews.com/news/cleantech-crash-60-minutes/>

**60 Minutes** All Access subscribers, Click here The following is a script from "**The Cleantech Crash**" which aired on Jan. 5, 2014. Lesley Stahl is the correspondent.

## [Watch 60 Minutes: The Cleantech Crash - Full show on CBS All ...](#)

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[https://www.cbs.com/shows/60\\_minutes/video/6L6Mt\\_t61eKhZrZ26bOrpJgcFOE1ZK\\_b/the-cleantech-crash/](https://www.cbs.com/shows/60_minutes/video/6L6Mt_t61eKhZrZ26bOrpJgcFOE1ZK_b/the-cleantech-crash/)

**The Cleantech Crash.** Player Feedback. Use the form below to send us your comments. If you are experiencing problems, please describe them. ... **60 Minutes** Overtime ...

The FBI, the public and the news media now have the ability to CIA-like track every cent of every dollar between stock market ownerships, political campaigns, pension funds, VC's, covert family trust funds, Nevada corporations and Cayman islands accounts. With face-tracking alone, ex-San Francisco Bay Guardian reporters have already found some strange connections between all of the players in this Catalyst Fund. Do you even know how face-tracking works?

Face-tracking harvesters grab one picture of you and then use AI to find every other digital picture of you on the web. They open every social media post, resume, news clipping, dating account etc. and sell the full dossier on you to Axciom, the NSA, Political manipulators etc. and hack your bank accounts and credit cards. Never put an unsecured photo of yourself online like the Catalyst Fund insiders and their connections did. Anybody can take a screen grab of your photo on here, put it in Google's, Yandex's or Palantir's reverse image search, find all your other images and social media accounts online and get into your bank account or medical records in 30 minutes. The fact of the internet's failed

security is in the headlines every day. The danger of posting pictures on the web is pretty clearly covered in every major newspaper. Fusion GPS, Black Cube and political operatives harvest every photo on here every hour and use the data to spy on people for political dirty tricks. Most 3-letter law enforcement spy operations copy everything on Ok Cupid and analyze it. Don't you wonder why you never see anybody famous, political, in public service or in law on a dating site? Read Edward Snowden's book 'Permanent Record' or any weekly report at Krebs On Security.

For example: Yandex is by far the best reverse image search engine, with a scary-powerful ability to recognize faces, landscapes, and objects. This Russian site draws heavily upon user-generated content, such as tourist review sites (e.g. FourSquare and TripAdvisor) and social networks (e.g. dating sites), for remarkably accurate results with facial and landscape recognition queries. Its strengths lie in photographs taken in a European or former-Soviet context. While photographs from North America, Africa, and other places may still return useful results on Yandex, you may find yourself frustrated by scrolling through results mostly from Russia, Ukraine, and eastern Europe rather than the country of your target images. To use Yandex, go to [images.yandex.com](http://images.yandex.com), then choose the camera icon on the right. From there, you can either upload a saved image or type in the URL of one hosted online.

If you get stuck with the Russian user interface, look out for Выберите файл (Choose file), Введите адрес картинки (Enter image address), and Найти (Search). After searching, look out for Похожие картинки (Similar images), and Ещё похожие (More similar). The facial recognition algorithms used by Yandex

are shockingly good. Not only will Yandex look for photographs that look similar to the one that has a face in it, but it will also look for other photographs of the same person (determined through matching facial similarities) with completely different lighting, background colors, and positions. Google and Bing also look for other photographs showing a person with similar clothes and general facial features, Yandex will search for those matches, and also other photographs of a facial match. Political spies have even better programs than this do...watch out! The web is not safe!

Every photo of every Catalyst insider or connected-person leaving a hotel or restaurant with a younger attractive person-of-interest can be found in minutes. The reporters are already cross comparing such photos like the ICIJ investigators do with the Panama Papers and the Swiss Leaks. I have heard from reporters at the Guardian and Der Spiegel that they already see some pretty suspicious things with Catalyst and that they see that only a few Sandhill Road insiders have rigged it for themselves.

Bribes come in many forms, right? The last we heard, Oxford University Alumni were trying to stay away from bribes because of all the rich parents getting caught paying bribes to get their kids into Oxford and Stanford. The kinds of bribes that the Catalyst VC's are doing has captured the attention of the FBI, the FTC and the SEC. Those bribes include: Billions of dollars of Google, Twitter, Facebook, Tesla, Netflix and Sony Pictures stock and stock warrants which is never reported to the FEC; Billions of dollars of Google, Twitter, Facebook, Tesla, Netflix and Sony Pictures search engine rigging and shadow-banning which is never reported to the FEC; Free rent; Male and female prostitutes; Cars; Dinners; Party Financing; Sports Event Tickets;

Political campaign printing and mailing services "Donations"; Secret PAC Financing; Jobs in Corporations in Silicon Valley For The Family Members of Those Who Take Bribes And Those Who Take Bribes; "Consulting" contracts from McKinsey as fronted pay-off gigs; Overpriced "Speaking Engagements" which are really just pay-offs conduited for donors; Gallery art; Private jet rides and the use of Government fuel depots (ie: Google handed out NASA jet fuel to staff); Recreational drugs; Real Estate; Fake mortgages; The use of Cayman, Boca Des Tores, Swiss and related money-laundering accounts; The use of HSBC, Wells Fargo, Goldman Sachs and Deutsche Bank money laundering accounts and covert stock accounts; Free spam and bulk mailing services owned by Silicon Valley corporations; Use of high tech law firms such as Perkins Coie, Wilson Sonsini, MoFo, Covington & Burling, etc. to conduit bribes to officials; Payroll W2 and 1099 payments which were actually bribe payments for political work such as character assassinations and internet rigging; and other means now documented by whistle-blowers, The FBI, the FTC, The SEC, The FEC and journalists. Pension fund scams, CALPERS scams and Sandhill Road VC's raping pension funds with BS tech hype are of deep concern to the U.S. Congress.

Walk carefully when you are promoting this thing. The eyes of the world are upon it and you. Do the right thing!

- Michael Likosky wrote:

>From California

Hi All,

California Governor Gavin Newsom is rolling out the Catalyst

Fund to take Climate Change on head-on.

It will be capitalized at \$1 billion dollars, a modest amount given the sheer scale of the challenge we face. However, the Governor displays investment acumen.

This fund will inspire coalesce government and private firms, as well as families and households through their pension funds to invest together with one another. Rather than advance grants, Catalyst will provide modest targeted loans and limited loan guarantees to bring private sector ingenuity and capital to the table. Moreover, the fund will grow in size without additional public funds.

The last time this catalytic approach was initiated was during the New Deal - following the first wave of grant capital - by President Franklin Roosevelt with his own catalytic funds "clothed with the power of government but possessed of the flexibility and initiative of a private enterprise." Just such an approach is urgently needed today.

It is not that the problem is too big for government to solve. Instead, the problem is too big to exclude our pensions, small businesses and communities from the solution. Too much talent lies outside government.

The Catalyst Fund will, of course, not finance Tesla or Google. Nor will it crowd out venture capital or even projects that require 100% government funding. So many of our projects fall through the gaps, any struggling American household knows how this is.

These projects may only need a small loan just to get started or to cross the finish line. They can be repaid incrementally over time, or even quicker if business takes off. These projects can pay for themselves over time.

Without solutions such as the fund, the American dream will survive only in our heads and history books. This fund on its own will, of course, not solve the globe's problems. However, what it will do is to inspire a California For All, not limited by its borders.

If you would like to learn more about the Catalyst Fund, including the types of projects it will fund, please do be in

touch.

- Michael

Michael Likosky DPhil (Oxford)