

WHITEWASH REPORT

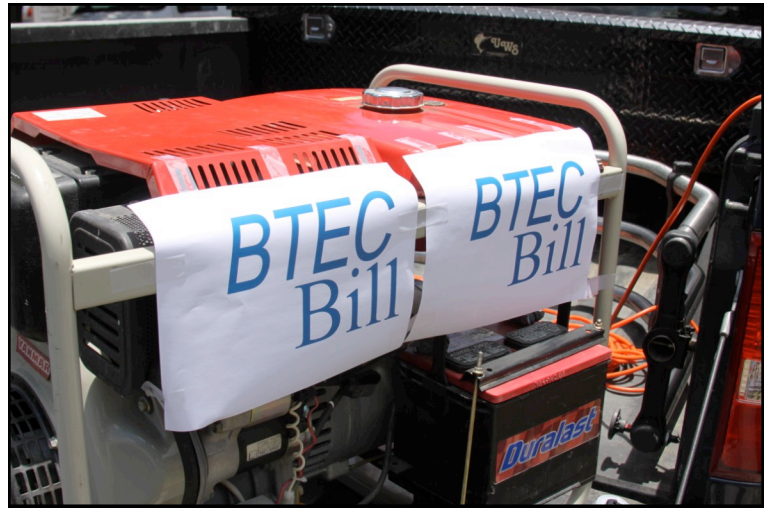
News About Bill White That You Won't Hear At The 2010 Texas Democratic Convention

Bill White Unethically Steered \$2 Million Contract To Company He Had Financial Relationship With Following Hurricane Rita

For months Bill White has refused to release his taxes from his years in public service. While still refusing to release all these taxes, White finally released taxes from his years as Houston mayor, and it is now clear what White had been afraid of the public learning about his unethical actions as mayor.

Following the landfall of Hurricane Rita in 2005, White directed the Coastal Water Authority to award a \$2 million contract to BTEC, a company whose majority owner, the Wedge Group, paid White more than \$81,000 in 2005.

White was CEO of Wedge Group from 1997-2003, and he received more than \$460,000 in payments from Wedge Group while Houston mayor. In 2001, White was CEO of Wedge Group when it purchased a controlling interest in BTEC, and White became a manager and board member of BTEC. In 2006, White was invited to



Bill White earned the nickname "BTEC Bill" for unethically steering business to BTEC, a company he had a financial relationship with, following Hurricane Rita.

make a private \$1 million investment in BTEC, an opportunity unavailable to the public, and soon thereafter made more than \$500,000 in profit.

While still mayor, White later wrote an op-ed promoting mandates for equipment sold by BTEC and

CONTINUED ON PAGE 4

Bill White Supports Limited Voting Rights For Military Men And Women

Bill White obviously does not respect the military men and women who daily sacrifice their lives to defend and preserve our freedoms.

On March 6, 1997, while Chairman of the Texas Democratic Party, Bill White held a press conference to announce his support for frivolous lawsuits filed by two candidates in Val Verde County who claimed that approximately 800 mail-in ballots cast by military members caused them to lose their November 1996 elections.

The next day, the San Antonio Express-News

reported that White claimed "military voters are entitled to have a say in the races for federal offices – president, vice president and the Congress – but not in state, county or local elections."

Since learning of Bill White's shameful attempt to disenfranchise our service men and women, several veterans are calling on Bill White to be held accountable and apologize for his actions.

Captain Scott O'Grady, a U.S. Air Force veteran known for his service in Bosnia, was one of the first to

CONTINUED ON PAGE 4

Company That Paid Bill White \$2.6 Million To Serve On Its Board Under Investigation By Congress For Potentially Polluting Groundwater In North Texas

While mayor of Houston, Bill White earned more than \$2.6 million serving on the board of BJ Services, a company under investigation by Congress for possibly polluting the groundwater in North Texas. Words being used to describe this agreement include “unusual,” “rare,” “ill-advised,” and “dangerous.”

BJ Services continued to tell the EPA it was complying with an agreement barring the injection of diesel fuel near drinking-water aquifers after admitting to Congress that it had violated the pact.

The New York Times recently reported on BJ Services: “One of the world's largest oilfield services companies continued to tell U.S. EPA it was complying with an agreement barring the injection of diesel fuel near drinking-water aquifers, documents show, after admitting to Congress that it had violated the pact. BJ Services Co. acknowledged in January 2008 to investigators from the House Oversight and Government Reform Committee that it had violated a 2003 agreement not to use diesel in specific types of hydraulic fracturing.”

During the Democratic primary, Bill White displayed his dishonesty on February 8, 2010, when he failed to disclose his lucrative relationship with BJ Services when discussing the Barnett Shale with his opponent.

After Bill White’s Democratic opponent pointed out White’s conflict of interest relating to drilling in the Barnett Shale, White’s spokeswoman dismissed White’s connection to the Barnett Shale as “stock that Bill has in a retirement account.”



Bill White made \$2.6 million serving on the board of BJ Services, a company under investigation by Congress for possibly polluting North Texas groundwater.

Here is the truth about BJ Services and Bill White:
 Bill White was appointed to the BJ Services board of directors on Jan. 22, 2003 – just 83 days after he declared his candidacy for mayor of Houston – and he continued to serve on the company’s board his entire tenure as mayor. He earned more than \$2.6 million from BJ Services since 2003, including \$682,964 in executive compensation in 2009, \$124,167 of which was cash.

Bill White Wrote Memo To President Obama's Chief Of Staff Telling Administration How To Sell Harmful Cap And Trade Legislation To The Public

In 2008, less than two weeks after President Obama was elected, Bill White advised the incoming Obama Administration how to sell harmful cap and trade legislation to the public.

On Nov. 17, 2008, White sent incoming White House Chief of Staff Rahm Emanuel an email titled, "Energy Policy at the Beginning of an

Administration." In the memo, White brags about his "work on Capitol Hill or the Administration on energy over 33 years, during the Ford, Carter, and Clinton Administration." He goes on to offer "conclusions, but for brevity not all the reasoning."

Bill White is now attempting to claim that he opposes cap and trade.

Mayor Bill White

From: Mayor Bill White
Sent: Monday, November 17, 2008 4:01 PM
To: Rahm Emanuel (amanda.anderson@ptt.gov)
Subject: Energy Policy at the Beginning of an Administration

[DICTATED BUT NOT PROOFREAD]

I write to share a few specific recommendations about energy policy at the beginning of the Obama Administration based on my work on Capitol Hill or the Administration on energy over 33 years, during the Ford, Carter, and Clinton Administrations. These observations are also based on my private sector involvement in the energy business for decades, and my experience in talking about energy policy over a hundred times to diverse groups of citizens in America's fourth largest city. I offer my conclusions, but for brevity not all the reasoning.

Based on that experience, President-elect Obama should focus on several high-impact objectives during the first year to make steady progress to meet energy policy goals while also stimulating the economy. But he should not try to do something "comprehensive" on domestic carbon emissions until these tools are in place.

- Establish an aggressive program, which includes consumer tax credits, to accelerate the use of vehicles with fuel efficiency above 40 miles per gallon, to sharply increase the miles per gallon of any manufacturer's automobile fleet sold within the United States. This can be combined with direct federal assistance to, as the President-elect has said, to help automakers retool. We can cut imports and reduce emissions in Obama's first term through substantial increases in auto fuel efficiency. We have an historic opportunity to dramatically increase fuel efficiency with the subsidies and tax credits that may be provided through a "stimulus package."
- Fund a national program to retrofit one million existing low-income houses and apartments to cut electricity consumption for those households by more than 10% annually. For years Houston's Residential Energy Efficiency Program has done it for many thousands of households at \$950/HH. Our crews go up and down blocks in lower income neighborhoods, pressuring residences to identify and seal all the cracks, improve insulation, and replace all the light bulbs. We have audited the savings, which average 12%

1

on utility bills. This organizational model has cut the cost per household by 80% compared to the traditional, existing federal weatherization programs. If every city did this it would cut power consumption materially and eliminate the need to construct many large, new generation plants. (The cities and states themselves can and are tightening codes for new construction, but we need to retrofit to have a big impact in four years.)

- Increase the availability of natural gas, a clean fuel. New electrical power generation built in the country over the next five years should be almost entirely generated by natural gas or renewables. New coal-fired plants would defeat any realistic, intermediate-term goals to contain greenhouse gases. And there are several actions, involving gas from Eastern Gulf, Alaska, unconventional gas infrastructure and LNG, which can stabilize the supply of natural gas to assume availability or distributed generation and to prevent large price spikes in the event of a cold winter.
- Incentivize investments in power transmission and distribution grids so they can maximize the value of small scale distributed generation through netback metering. The Federal government can offer support for installation of "real-time" metering where state and local governments offer complementary incentives for green distributed power such as rooftop solar; small gas turbines; and plug in vehicles which can also discharge power.
- Avoid during 2009 wading into the mire of cap-and-trade or user taxes on carbon before the new Administration and Congress has made progress on the above four items. The law of unintended consequences will prevail if carbon caps are imposed before the necessary tools are in place. A carbon-based tax or sales schemes could be characterized as intrusive government increasing costs or simply another scheme to extract money from the public unless there is a clear "path forward" on (a) transportation fuel efficiency; (b) efficiency of electrical power use; and (c) affordable clean power alternatives. A combination of the items I have described above can significantly reduce U.S. carbon emissions, within 48 months.

The public can understand that we need to lower energy costs, reduce emissions, and cut imports. We can accomplish that goal while reducing carbon emissions. But do not allow the concept of reducing carbon emissions to drive this process. Lowering energy bills with clean domestic energy is a much better approach.

2

Rahm, for several years I have spoken about this kind of program once or twice a week to audiences of all sorts in and around the nation's fourth largest city, which is bigger than sixteen states. The public, in all demographic groups, by strong margins will support a program consisting of the elements I have described. Be wary of policies which could sharply escalate prices rather than lowering total gasoline or power bills.

BILL WHITE
 MAYOR

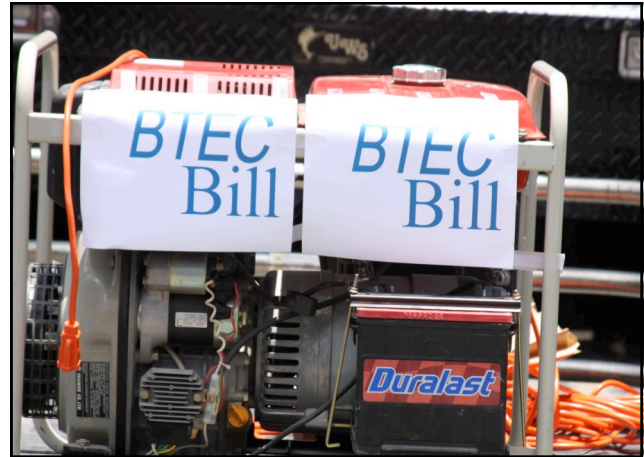
Bill White Unethically Steered \$2 Million Contract To Company He Had Financial Relationship With Following Hurricane Rita

CONTINUED FROM PAGE 1

soon made another \$160,000 in profit.

Bill White has said, “I had no interest in a company called BTEC during the time of Hurricane Rita,” but he is not being truthful. The respected nonpartisan Congressional Research Service has declared that compensation from a company represents a continuing financial interest, and Bill White was receiving compensation from BTEC’s majority owner when he steered the \$2 million contract to BTEC.

Bill White continues to refuse to release his tax returns for the years he served the public as Deputy Secretary of Energy (1993-1995) and as Chairman of the Texas Democratic Party (1995-



While mayor, “BTEC Bill” steered a \$2 million contract to BTEC following Hurricane Rita.

1998), despite being required by law to file annual personal financial disclosures while holding those positions.

What other unethical behavior is Bill White hiding? What is he afraid of the public learning about his past?

Bill White Supports Limited Voting Rights For Military Men And Women

CONTINUED FROM PAGE 1

call Bill White out on his anti-military stance.

“As someone who has served overseas, I am personally offended by Bill White’s belief that soldiers, sailors, airmen, and Marines serving their nation should be denied the right to vote for candidates seeking county, local, and state offices – including the office he is now running for. Bill White should be ashamed of his anti-military beliefs,” O’Grady said.

Gen. Leroy Sisco (USA-Ret) said, “Bill White calls that ‘strong support for the military’ but it’s really an unconscionable attempt to limit their votes because he doesn’t like the way some of them vote. His attitude toward the military is shocking. He would callously rob active duty and even their spouses of the right to vote here in Texas. I’m outraged by it, and I’ve heard from many retired military and wounded heroes from all over Texas

who are outraged as well.”

Former Navy SEAL and Afghanistan combat veteran Marcus Luttrell said, “Texas is my home and I never gave up my home of record while I was abroad for 10 years. Texas is everything to me – I wore a Texas flag when I fought in Afghanistan. I’d like to see Bill White come tell me that I don’t have the right to vote in Texas.”

Bill White also defended legislation that military advocates warned “would sharply restrict voting rights for Texas armed services personnel stationed elsewhere.” The Houston Chronicle described the legislation with an article titled, “Bill would deny military personnel vote in local elections,” describing the anti-military legislation.

Bill White must be held accountable for such reprehensible actions, which go against the Texas values that citizens of our great state look for in their leaders.