



## MEMORANDUM

April 29, 2024

TO: Members of the Subcommittee on Energy, Climate, and Grid Security

FROM: Committee Majority Staff

RE: Hearing entitled "The Fiscal Year 2025 Department of Energy Budget"

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### I. INTRODUCTION

The Subcommittee on Energy, Climate, and Grid Security has scheduled a hearing on Wednesday, May 1, 2024, at 10:00 a.m. (ET) in 2123 Rayburn House Office Building. The title of the hearing is: "The Fiscal Year 2025 Department of Energy Budget."

### II. WITNESSES

- **The Honorable Jennifer Granholm**, Secretary, U.S. Department of Energy.

### III. BACKGROUND

The U.S. Department of Energy (DOE) is one of the more diverse Federal agencies: it performs critical nuclear weapons, national security, and energy security missions; maintains world-class scientific, technological, and engineering capabilities; operates as the largest non-Defense Department contracting agency in the Federal government; and manages some of the most challenging environmental remediation projects in the world.

DOE traces its origins and core nuclear weapons, scientific, and technological missions to the Manhattan Project and subsequently, to the Atomic Energy Commission, which was established by the Atomic Energy Act of 1946, as amended in 1954.<sup>1</sup> By the early 1970s, concerns about domestic energy supplies and shortages increased attention on energy research and development, as well as regulatory interventions to ensure reliable and affordable energy supplies.<sup>2</sup> By 1977, in response to the continued energy concerns of the time, Congress and the

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<sup>1</sup> See Atomic Energy Act of 1954 ([42 U.S.C. § 2011 et seq.](#)). The Act established the nation's policy of civilian control of nuclear energy, which maintained that, subject to the needs of common defense and security, the research, development, and control of nuclear energy and related technology would be directed toward "improving the public welfare, increasing the standard of living, strengthening free competition in private enterprise, and promoting world peace." It served as a guiding policy for civilian nuclear power development in the United States and export of U.S. nuclear technology internationally.

<sup>2</sup> In light of the changing energy policy and regulatory demands, Congress disbanded the Atomic Energy Commission in 1975 and transferred its nuclear regulatory functions to a newly established Nuclear Regulatory Commission and its defense and R&D programs moved with other federal energy research programs to a new agency, the Energy Research and Development Organization.

administration sought to develop a structure for implementing a coherent national energy policy. As a result, Congress enacted the Department of Energy Organization Act to establish DOE in its current form.<sup>3</sup> The new agency consolidated the core nuclear weapons and R&D programs of its predecessor agencies with other energy-related programs from throughout the Federal government into a single department under the authority of a single Cabinet Secretary.<sup>4</sup>

Today, the Secretary of Energy, a member of the National Security Council (NSC), is responsible for a broad range of national security, scientific, and environmental activities, including maintenance of the nation's nuclear weapons deterrent, supporting the United States' international nonproliferation programs, and nuclear propulsion work for the U.S. Navy. The Secretary oversees environmental cleanup of the nuclear weapons complex, and management and disposal of commercial and DOE-owned spent nuclear fuel and high-level radioactive waste.

DOE supports and conducts basic science research and advanced computing research, promotes scientific and technical innovation, energy-related research, and energy conservation. It maintains the Strategic Petroleum Reserve (SPR) to assure fuel supply security. It conducts programs to ensure domestic energy security, reliability, and resilience, including work to secure U.S. energy infrastructure against all hazards, reduce the risks and impacts of cyber threats, and lead energy response and restoration activities. It conducts regulatory programs, including for establishing minimum energy efficiency standards and for oversight and permitting for certain natural gas exports. DOE also provides a central energy data collection and analysis program through the Energy Information Administration (EIA).<sup>5</sup>

The Secretary oversees DOE's performance of these various missions through a nationwide enterprise that is comprised of 84 sites across 29 states and the District of Columbia, including 17 National Laboratories. Roughly 14,800 Federal employees and 124,460 contractors execute these missions.<sup>6</sup>

The Biden administration's proposed a budget of \$51.42 billion for DOE for fiscal year (FY) 2025.<sup>7</sup> The budget requests a \$1.16 billion increase, or 2.3 percent, above the FY 2024 enacted level. Since FY 2021, DOE's budget has increased some \$11.8 billion, or about 30 percent.

In addition to the current request, DOE is implementing the Infrastructure Investment and Jobs Act ([P.L. 117-58](#)), which provided advanced, five-year appropriations of \$62 billion and authorized 56 new programs, and the Inflation Reduction Act ([P.L. 117-169](#)), which provided advanced, multi-year appropriations of \$35 billion and authorized 15 new programs.

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<sup>3</sup> See [Department of Energy Organization Act \(August 4, 1977\)](#); see also [42 U.S.C Chapter 84](#).

<sup>4</sup> See [A Brief History of the Department of Energy](#)" and "[The Institutional Origins of the Department of Energy](#)" available at [energy.gov](#)

<sup>5</sup> For links to the offices and descriptions of activities, see [DOE Offices](#).

<sup>6</sup> See [Fiscal Year 2023 Agency Financial Report](#), federal employees do not include FERC employees.

<sup>7</sup> For DOE budget materials, see [DOE FY 2025 Budget \(Justification and Supporting Documents\)](#)

FY 2025 funding requests from the President for select offices and programs are summarized below. (References to the general percentage increase or decrease from the FY 2024 enacted levels are provided for general program areas.)

### **Nuclear Security**

*National Nuclear Security Administration (NNSA):* \$24.99 billion (+\$.86 billion or +3.6 percent)

Weapons Activities: \$19.8 billion

Defense Nuclear Nonproliferation: \$2.5 billion

Naval Reactors: \$2.1 billion

Federal Salaries and Expenses: \$564 million

### **Science**

*Office of Science:* \$8.58 billion (+\$343 million or +4.2 percent)

### **Energy**

Energy Programs total: \$7.94 billion (+\$413 million)

*Energy Efficiency and Renewable Energy:* \$3.1 billion (-\$342 million or -9.9 percent)

Vehicle Technologies: \$502 million

Bioenergy Technologies: \$280 million

Hydrogen and Fuel Cell Technologies: \$170 million

Renewable Energy Grid Integration: \$65 million

Solar Energy: \$318 million

Wind Energy: \$199 million

Water Power: \$160 million

Geothermal Technology: \$156 million

Advanced Materials & Manufacturing Technologies: \$220 million

Industrial Efficiency & Decarbonization: \$287 million

Building Technologies: \$340 million

Corporate Support: \$421 million

*Electricity:* \$293 million (+\$13 million or +4.6 percent)

Transmission Reliability and Resilience: \$39 million

Energy Delivery Grid Operations Technology: \$31 million

Resilient Distribution Systems: \$49 million

Cyber Resilient and Secure Utility Communications Networks: \$15 million

Energy Storage Research: \$94.8 million

Transformer Resilience and Advanced Components: \$32.5 million

Applied Grid Solutions: \$12 million

Program Direction: \$19.7 million

*Office of Clean Energy Demonstrations:* \$180 million (+\$130 million or +260 percent)

Clean Energy Demonstrations: \$100 million

Program Direction: \$80 million

*Cybersecurity, Energy Security, and Emergency Response (CESER):* \$200 million (+\$0 million or +0 percent)

Risk Management Technology and Tools: \$107 million  
Response and Restoration: \$33 million  
Preparedness, Policy, and Risk Analysis: \$28.5 million  
Program Direction: \$32 million

*Petroleum Accounts (under CESER):* \$261.4 million (+\$28 million or +12 percent)

Strategic Petroleum Reserve<sup>8</sup>: \$241 million  
Northeast Home Heating Oil Reserve: \$7 million  
Naval Petroleum and Oil Shale Reserves: \$13 million  
Energy Security and Infrastructure Modernization Fund: \$0 million

*Fossil Energy and Carbon Management:* \$900 million (+\$35 million or +4 percent)

Carbon Management Technologies:  
Hydrogen with Carbon Management: \$85 million  
Carbon Transport and Storage: \$97million  
Carbon Dioxide Removal: \$90 million  
Carbon Utilization: \$0  
Carbon Dioxide Conversion: \$60 million  
Point-Source Carbon Capture: \$96 million  
Carbon Management, policy, analysis, engagement: \$7 million

Resource Sustainability:

Advanced Remediation Technologies: \$15 million  
Methane Mitigation Technologies: \$76 million  
Natural Gas Decarbonization and Hydrogen Technologies: \$24 million  
Mineral Sustainability: \$78 million  
Analysis and Engagement: \$2 million

Resource sustainability: \$195 million

Energy Asset Transformation: \$6 million

University Training and Research: \$19 million

Special Recruitment: \$1 million

Program Direction: \$97 million

National Energy Technology Laboratory (NETL) Infrastructure: \$51 million

NETL Research and Operations: \$95 million

NETL Interagency Working Group: \$0

*Office of Nuclear Energy:* \$1.6 billion (-\$94 million or -5.6 percent)

Nuclear Energy University Programs: \$143 million

Reactor Concepts RD&D: \$88 million

Nuclear Energy Enabling Technologies: \$105 million

Fuel Cycle R&D: \$447 million

Advanced Reactor Demonstration Program \$218 million

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<sup>8</sup> Includes Facilities Development and Operations, at requested \$208 million; SPR operations, at \$32.5 million; and Northeast Gasoline Supply Reserve, at \$0 million.

Infrastructure: \$334 million  
Idaho Sitewide Safeguards and Security: \$150 million  
International Nuclear Energy Cooperation: \$8 million  
Program Direction: \$97 million

*Nuclear Waste Fund Oversight*: \$12 million (+\$0 or +0 percent)

*Indian Energy Policy and Programs*: \$95 million (+\$25 million or +36 percent)

#### *Loan Programs*

Title XVII Loan Guarantee Program: \$-185 million (offset of \$185 million in collections)  
Advanced Technology Vehicles Manufacturing Loan Program: \$28 million  
Tribal Energy Loan Guarantee Program: \$6 million

*Advanced Research Projects Agency - Energy*: \$450 million (-\$10 million or -2.2 percent)

*Power Marketing Administrations*: \$112.5 million (-\$1 million or -1 percent)

*Federal Energy Management Program*: \$64 million (+\$64 million)

*Grid Deployment Office*: \$102 million (\$41.8 million or 70 percent)

*Manufacturing and Energy Supply Chains*: \$113 million (+\$113 million)

*Office of State and Community Programs*<sup>9</sup>: \$574 million (+\$574 million)

#### **Environmental Cleanup**

*Environmental Management*: \$8.6 billion (-\$153 million or - 1.8 percent)

*Office of Legacy Management*: \$205 million (+\$9 million or +5 percent)

#### **Miscellaneous Management, Offices, Programs**

*Departmental Administration*: \$335 million, net: (+\$48 million or +17 percent)

*Office of the Inspector General*: \$149 million (+\$63 million or +73 percent)

*Energy Information Administration (EIA)*: \$142 million (+\$7 million or +5 percent)

*Environment, Health, Safety, and Security*: \$232 million (+\$1 million or +0.1 percent)

*Office of Enterprise Assessments*<sup>10</sup>: \$94 million (+\$0 million or +0 percent)

*Office of Hearings and Appeals*: \$4.5 million (no significant change)

*Office of Technology Transitions*: \$27 million (+\$7 million or +36 percent)

#### **IV. ISSUES**

The following issues may be examined at the hearing:

- Funding priorities;

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<sup>9</sup> Implements the Weatherization Assistance Program, State Energy Program, Community Energy Programs, Energy Future Grants.

<sup>10</sup> This office conducts independent oversight of safety and security of DOE operations for the Secretary.

- DOE mission priorities;
- Major budget changes;
- National energy policy and energy reliability priorities; and
- Management generally.

**V. STAFF CONTACTS**

If you have any questions regarding this hearing, please contact Brandon Mooney, Peter Spencer, Elise Krekorian, and Mary Martin of the Committee staff at (202) 225-3641.