ONE HUNDRED NINETEENTH CONGRESS

Congress of the United States

House of Representatives COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING

Washington, DC 20515-6115

Majority (202) 225-3641 Minority (202) 225-2927

MEMORANDUM June 7, 2025

TO: Members of the Subcommittee on Energy

FROM: Committee Majority Staff

RE: Hearing titled "The Fiscal Year 2026 Department of Energy Budget."

I. Introduction

The Subcommittee on Energy will hold a hearing on Tuesday, June 10, 2025, at 10:00 a.m. (ET) in 2123 Rayburn House Office Building. The hearing is entitled, "The Fiscal Year 2026 Department of Energy Budget."

II. WITNESSES

The Honorable Chris Wright, Secretary, U.S. Department of Energy

III. BACKGROUND

The U.S. Department of Energy (DOE) is one of the more dynamic 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. By the early 1970s, concerns about domestic energy supplies and shortages increased attention on energy research and

¹ 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 maintains that, subject to the needs of common defense and security, the research, development, and control of nuclear energy and related technology be directed toward "improving the public welfare, increasing the standard of living, strengthening free competition in private enterprise, and promoting world peace." It serves as a guiding policy for civilian nuclear power development in the United States and export of U.S. nuclear technology internationally.

development, as well as regulatory interventions to ensure reliable and affordable energy supplies.² By 1977, in response to the continued energy concerns of the time, Congress and the 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.³ 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.⁴

Today, the Secretary of Energy, a member of the National Security Council (NSC) and the National Energy Dominance Council (NEDC), 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, to reduce the risks and impacts of cyber threats, and to lead energy emergency response and restoration activities. It conducts regulatory programs, including establishing minimum energy efficiency standards and permitting certain natural gas exports. DOE also provides a central energy data collection and analysis program through the Energy Information Administration (EIA).⁵

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.

The Trump administration proposed a budget of \$46.32 billion for DOE for fiscal year (FY) 2026.⁶ The budget requests a \$3.49 billion reduction, or 7.01 percent, below the FY 2025 enacted level.⁷ Between FY 2021-25, DOE's base budget increased by 20.51 percent, from \$39.6

² 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.

³ See Pub. L. 95-91 (Aug. 4, 1977); see also (42 USC 84).

⁴ See U.S. DEP'T OF ENERGY, <u>A Brief History of the Department of Energy, https://www.energy.gov/lm/brief-history-department-energy (last visited June 6, 2025); U.S. DEP'T OF ENERGY, The Institutional Origins of the Department of Energy (last visited June 6, 2025), https://www.energy.gov/sites/prod/files/Origins-of-the-Department-of-Energy.pdf.</u>

⁵ For links to the offices and descriptions of activities, see <u>DOE Offices</u>.

⁶ See, e.g., Department of Energy FY 2026 Congressional Justification, Budget in Brief (May 2025) https://www.energy.gov/sites/default/files/2025-06/doe-fy-2026-bib-v6.pdf.

⁷ Id.

billion enacted in FY 2021 to \$49.8 billion enacted in FY 2025. In addition to annual appropriations, in the 117th Congress, the Infrastructure Investment and Jobs Act (P.L. 117-58) provided advanced, five-year appropriations of \$62 billion and authorized 56 new programs, and the Inflation Reduction Act (P.L. 117-169) provided advanced, multi-year appropriations of \$35 billion and authorized 15 new programs.

The agency workforce has seen significant growth in recent years. In FY 2024, 15,857 Federal employees and 135,103 contractors executed DOE programs and missions. By comparison, in FY 2021, the Department reported 13,290 federal employees and 115,226 contractors. Department reported 13,290 federal employees and 115,226 contractors.

Funding requests for FY 2026 from the President for select offices and programs are attached in the appendix.

IV. ISSUES

The following issues may be examined at the hearing:

- Funding priorities;
- DOE mission priorities;
- Major budget changes;
- National energy policy and energy reliability priorities; and
- Management generally, and plans for reorganization to execute priorities.

V. STAFF CONTACTS

If you have any questions regarding this hearing, please contact Mary Martin, Peter Spencer, Andrew Furman, and Clara Cargile on the Committee staff at (202) 225-3641.

⁸ Department of Energy FY 2022 Congressional Budget Request (June 2021), https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-in-brief-v4.pdf

⁹ See U.S. DEP'T OF ENERGY, Fiscal Year 2024 Agency Financial Report, https://www.energy.gov/sites/default/files/2024-12/fy-2024-doe-agency-financial-report_0.pdf, (federal employees do not include FERC employees).

¹⁰ See U.S. DEP'T OF ENERGY, Fiscal Year 2021 Agency Financial Report, https://www.energy.gov/sites/default/files/2023-10/fy-2021-doe-agency-financial-report.pdf, (federal employees do not include FERC employees. In FY 2017, there were 13,222 federal employees, not including FERC employees, and 97,981 contractors).

Appendix

DEPARTMENT OF ENERGY

FY 2026 Appropriation Summary

(\$K)

	FY 2024 Enacted	FY 2025 Enacted	FY 2026 Request	FY 2026 Request vs FY 2025 Enacted	
				\$	%
Department of Energy Budget by Appropriation					
Energy Efficiency and Renewable Energy ¹	3,460,000	3,460,000	888,000	-2,572,000	-74%
Electricity	280,000	280,000	193,000	-87,000	-31%
Cybersecurity, Energy Security and Emergency Response	200,000	200,000	150,000	-50,000	-25%
Strategic Petroleum Reserve	213,390	213,390	206,325	-7,065	-3%
Naval Petroleum and Oil Shale Reserves	13,010	13,010	13,000	-10	0%
SPR Petroleum Account	100	100	100	0	0%
Northeast Home Heating Oil Reserve	7,150	7,150	3,575	-3,575	-50%
Total, Petroleum Reserve Accounts	233,650	233,650	223,000	-10,650	-5%
Nuclear Energy (270) ²	1,525,000	1,525,000	1,210,000	-315,000	-21%
Fossil Energy	865,000	865,000	595,000	-270,000	-31%
Uranium Enrichment Decontamination and Decommissioning (UED&D)	855,000	855,000	814,380	-40,620	-5%
Energy Information Administration	135,000	135,000	135,000	0	0%
Non-Defense Environmental Cleanup	342,000	342,000	322,371	-19,629	-6%
Science	8,240,000	8,240,000	7,092,000	-1,148,000	-14%
Office of Technology Commercialization ³	20,000	20,000	_	-20,000	-100%
Office of Clean Energy Demonstrations	50,000	50,000	_	-50,000	-100%
Grid Deployment ⁴	60,000	60,000	15,000	-45,000	-75%
Office of Manufacturing & Energy Supply Chains ⁵	_	_	15,000	+15,000	N/A
Advanced Research Projects Agency - Energy	460,000	460,000	200,000	-260,000	-57%
Nuclear Waste Disposal Fund	12,040	12,040	12,040	0	0%
Departmental Administration	286,500	286,500	174,926	-111,574	-39%
Indian Energy Policy and Programs	70,000	70,000	50,000	-20,000	-29%
Inspector General	86,000	86,000	90,000	+4,000	+5%
Title 17 Innovative Technology Loan Guarantee Program Advanced Technology Vehicles Manufacturing Loan	58,719	(121,000)	682,588	+803,588	-664%
Program	13,000	13,000	9,500	-3,500	-27%
Tribal Energy Loan Guarantee Program	6,300	6,300	(12,000)	-18,300	-290%

¹ The Office of Energy Efficiency and Renewable Energy funding levels for FY 2024 Enacted and FY 2025 Enacted included the Offices of State and Community Energy Programs, Federal Energy Management Program, and Manufacturing and Energy Supply Chains.

² Naval Reactors and Nuclear Energy (050) amounts do not reflect the mandated transfer of \$92.8 million in FY 2024 and FY 2025 from Naval Reactors to the Office of Nuclear Energy for operation of the Advanced Test Reactor

³ The Office of Technology Commercialization, formerly known as the Office of Technology Transitions, is funded in the Departmental Administration appropriation in FY 2026 at \$10 million.

⁴ Funding for the Grid Deployment account in FY 2026 will support OE programs and projects, with close coordination with CESER, that increase generation and transmission capacity and strengthen grid security.

⁵ Funding for the MESC account in FY 2026 will support EERE and FE activities to address supply chain vulnerability areas, to include critical minerals and materials. The Office of Manufacturing and Energy Supply Chains was funded at \$19 million in the Energy Efficiency and Renewable Energy appropriation in both FY 2024 Enacted and FY 2025 Enacted.

Total, Credit Programs Energy Projects Critical and Emerging Technologies Total, Energy Programs Weapons Activities¹ Defense Nuclear Nonproliferation Naval Reactors² Federal Salaries and Expenses Total, National Nuclear Security Administration Defense Environmental Cleanup Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration Falcon and Amistad Operating & Maintenance Fund	FY 2024 Enacted 78,019 83,724 — 17,341,933 19,108,000 2,581,000 1,946,000 500,000 24,135,000 7,285,000 1,080,000 285,000 8,650,000	FY 2025 Enacted -101,700 — 17,078,490 19,293,000 2,396,000 1,946,000 500,000 24,135,000 7,285,000 1,107,000	FY 2026 Request 680,088 2,000 12,861,805 24,856,400 2,284,600 2,346,000 555,000 30,042,000 6,956,000	\$ +781,788 0 +2,000 -4,216,685 +5,563,400 -111,400 +400,000 +55,000	-769% N/A N/A -25% +29% +21%
Energy Projects Critical and Emerging Technologies Total, Energy Programs Weapons Activities¹ Defense Nuclear Nonproliferation Naval Reactors² Federal Salaries and Expenses Total, National Nuclear Security Administration Defense Environmental Cleanup Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	78,019 83,724 — 17,341,933 19,108,000 2,581,000 1,946,000 500,000 24,135,000 7,285,000 1,080,000 285,000	-101,700 17,078,490 19,293,000 2,396,000 1,946,000 500,000 24,135,000 7,285,000	680,088 	+781,788 0 +2,000 -4,216,685 +5,563,400 -111,400 +400,000 +55,000	-769% N/A N/A -25% +29% -5% +21%
Energy Projects Critical and Emerging Technologies Total, Energy Programs Weapons Activities¹ Defense Nuclear Nonproliferation Naval Reactors² Federal Salaries and Expenses Total, National Nuclear Security Administration Defense Environmental Cleanup Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	83,724 — 17,341,933 19,108,000 2,581,000 1,946,000 500,000 24,135,000 7,285,000 1,080,000 285,000	17,078,490 19,293,000 2,396,000 1,946,000 500,000 24,135,000 7,285,000	2,000 12,861,805 24,856,400 2,284,600 2,346,000 555,000 30,042,000	0 +2,000 -4,216,685 +5,563,400 -111,400 +400,000 +55,000	N/A - 25% +29% -5% +21%
Critical and Emerging Technologies Total, Energy Programs Weapons Activities¹ Defense Nuclear Nonproliferation Naval Reactors² Federal Salaries and Expenses Total, National Nuclear Security Administration Defense Environmental Cleanup Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	17,341,933 19,108,000 2,581,000 1,946,000 500,000 24,135,000 7,285,000 1,080,000 285,000	19,293,000 2,396,000 1,946,000 500,000 24,135,000 7,285,000	12,861,805 24,856,400 2,284,600 2,346,000 555,000 30,042,000	+2,000 -4,216,685 +5,563,400 -111,400 +400,000 +55,000	N/A N/A - 25% +29% -5% +21% +11%
Total, Energy Programs Weapons Activities¹ Defense Nuclear Nonproliferation Naval Reactors² Federal Salaries and Expenses Total, National Nuclear Security Administration Defense Environmental Cleanup Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	19,108,000 2,581,000 1,946,000 500,000 24,135,000 7,285,000 1,080,000 285,000	19,293,000 2,396,000 1,946,000 500,000 24,135,000 7,285,000	12,861,805 24,856,400 2,284,600 2,346,000 555,000 30,042,000	-4,216,685 +5,563,400 -111,400 +400,000 +55,000	-25% +29% -5% +21%
Weapons Activities¹ Defense Nuclear Nonproliferation Naval Reactors² Federal Salaries and Expenses Total, National Nuclear Security Administration Defense Environmental Cleanup Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	19,108,000 2,581,000 1,946,000 500,000 24,135,000 7,285,000 1,080,000 285,000	19,293,000 2,396,000 1,946,000 500,000 24,135,000 7,285,000	24,856,400 2,284,600 2,346,000 555,000 30,042,000	+5,563,400 -111,400 +400,000 +55,000	+29% -5% +21%
Defense Nuclear Nonproliferation Naval Reactors² Federal Salaries and Expenses Total, National Nuclear Security Administration Defense Environmental Cleanup Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	2,581,000 1,946,000 500,000 24,135,000 7,285,000 1,080,000 285,000	2,396,000 1,946,000 500,000 24,135,000 7,285,000	2,284,600 2,346,000 555,000 30,042,000	-111,400 +400,000 +55,000	-5% +21%
Federal Salaries and Expenses Total, National Nuclear Security Administration Defense Environmental Cleanup Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	1,946,000 500,000 24,135,000 7,285,000 1,080,000 285,000	1,946,000 500,000 24,135,000 7,285,000	2,346,000 555,000 30,042,000	+400,000	+21%
Federal Salaries and Expenses Total, National Nuclear Security Administration Defense Environmental Cleanup Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	500,000 24,135,000 7,285,000 1,080,000 285,000	500,000 24,135,000 7,285,000	555,000 30,042,000	+55,000	
Total, National Nuclear Security Administration Defense Environmental Cleanup Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	24,135,000 7,285,000 1,080,000 285,000	24,135,000 7,285,000	30,042,000		+11%
Defense Environmental Cleanup Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	7,285,000 1,080,000 285,000	7,285,000		. E 007 000	
Other Defense Activities Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	1,080,000 285,000		6 056 000	+5,907,000	+24%
Defense Uranium Enrichment D&D Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	285,000	1,107,000	0,550,000	-329,000	-5%
Total, Environmental and Other Defense Activities Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration			1,182,000	+75,000	+7%
Nuclear Energy (050) Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	8,650,000	285,000	278,000	-7,000	-2%
Total, Atomic Energy Defense Activities Southeastern Power Administration Southwestern Power Administration Western Area Power Administration		8,677,000	8,416,000	-261,000	-3%
Southeastern Power Administration Southwestern Power Administration Western Area Power Administration	160,000	160,000	160,000	0	0%
Southwestern Power Administration Western Area Power Administration	32,945,000	32,972,000	38,618,000	+5,646,000	+17%
Western Area Power Administration	_	_	_	0	N/A
	11,440	11,440	10,400	-1,040	-9%
Falcon and Amistad Operating & Maintenance Fund	99,872	99,872	63,372	-36,500	-37%
, s	228	228	228	0	0%
Total, Power Marketing Administrations Total, Energy and Water Development and Related	111,540	111,540	74,000	-37,540	-34%
Agencies	50,398,473	50,162,030	51,553,805	+1,391,775	+3%
Excess Fees and Recoveries, FERC Title XVII Loan Guar. Prog Section 1703 Negative	-9,000	-9,000	-9,000 65.805	0	0%
Credit Subsidy Receipt	-6,493	-61,106	-65,805 -278,000	-4,699	+8%
UED&D Fund Offset	-285,000	-285,000	-278,000	+7,000	-2%
Sale of Northeast Gasoline Supply Reserve	-98,000		100.000	100,000	N/A
Sale of Northeast Home Heating Oil Reserve	40,000,000	40.806.024	-100,000	-100,000	N/A
Total Picture Continues Continues	49,999,980	49,806,924	51,101,000	+1,294,076	+3%
Total Discretionary Funding	49,999,980	49,806,924	46,319,000 F1 101 000	- <i>3,487,924</i> +1,294,076	-7%
DOE Budget Function NNSA Defense (050) Total	49,999,980	49,806,924	51,101,000		+3%
Non-NNSA Defense (050) Total	24,135,000 8,810,000	24,135,000 8,837,000	30,042,000 8,576,000	+5,907,000 -261,000	+24%
Defense (050)					-3%
	32,945,000	32,972,000	38,628,000	+5,646,000	+17%
Science (250)	8,240,000	8,240,000	7,092,000	-1,148,000	-14%
Energy (270) Non-Defense (Non-050)	8,814,980	8,594,924 16,834,924	<i>5,391,000</i> 12,483,000	-3,203,924 -4,351,924	-37% -26%

¹ FY 2026 Requested Funding includes \$4.782 billion in mandatory Reconciliation resources for NNSA Weapons Activities.