U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE ROBERT LATTA (R-OH)

Q1. I recently introduced a bill, the Electric Supply Chain Act, that would direct the department to conduct periodic assessments of the supply chain for infrastructure and grid components that are necessary for our power sector. Some of my colleagues have expressed concern that DOE would lack the staff to conduct such an assessment. There are about 135,000 contractors and over 13,000 employees working for DOE.

Can you commit that your department is equipped to conduct this type of study on a topic so important to our country?

A1. The Department of Energy's (DOE) Office of Manufacturing and Energy Supply Chains (MESC) conducts analyses in energy and grid component supply chains to identify risks and opportunities, including understanding national and economic security implications. Across DOE, the staff and national laboratory contractors bring deep technical and market expertise in a range of power generation and grid infrastructure. Combined with the supply chain tools and framework that MESC has developed with multiple national laboratories, the Department is well positioned to complete the analysis for such periodic assessments.

Q2. Permitting reform is a shiny word in DC, and it means different things to different people. Given your experience and background, what would be the most meaningful areas for reform?

A2. Modernizing the federal permitting process is key to unlocking America's energy potential and we are already working on meaningful areas for reform, in particular as it relates to National Environmental Policy Act (NEPA) procedures.

The Department of Energy has recently published updates to its NEPA procedures.[1] This overhaul was an interagency effort to simplify NEPA compliance, lower construction costs, eliminate years-long delays, and ensure environmental reviews can no longer be used to stall American energy production and infrastructure development.

[1] https://www.energy.gov/nepa/doe-nepa-rulemaking-2025

The Department of Energy is also developing *Permit AI t*o improve the speed and quality of federal permitting processes through investments in data, AI, and public access. Researchers at the Pacific Northwest National Laboratory (PNNL) are aggregating environmental documents from various siloed federal databases and using AI to transform them into a machine-readable dataset, known as NEPA Text Corpus (NEPATEC), which is then made available to the public. PNNL released NEPATEC 1.0 in June 2024 with ~28,000 documents and with 4.6 million pages, and over 3.6 billion tokens of textual data from 100+ agencies. In August, NEPATEC 2.0 was released, encompassing approximately 120,000 documents from 60,000 projects prepared by more than 60 different agencies.

PNNL researchers are training large language models using NEPATEC documents to develop tools that will improve the speed and quality of federal environmental analysis. Four federal agencies have already partnered with the Department of Energy in this effort: the Department of Agriculture, the Department of the Interior, the National Institute of Standards and Technologies, and the United Staes (U.S.) Army Corps of Engineers.

Q2b. What has DOE identified as the challenges and barriers to siting and constructing sufficient generation and transmission infrastructure necessary for reliable, safe, affordable, and timely delivery of power?

A2b. Pursuant to President Trump's Executive Orders, the Department will prioritize more efficient permitting to enable private sector investments and build the energy infrastructure needed to make energy more affordable, reliable, and secure. To that end, the Department will identify and exercise its legal authorities to expedite the approval and construction of reliable energy infrastructure.

Q3. Can DOE supply to the Committee statutory reforms it needs to see in order to truly unleash American energy?

A3. Unleashing American energy will depend on affordable, reliable, and secure energy sources including natural gas, coal, advanced nuclear, geothermal, and

hydropower readily keeping up with demand during unprecedented load growth. Unleashing American energy would allow the United States to increase its energy exports by focusing on energy addition, not subtraction.

This means promoting growth in energy sectors with federal support and reducing undue regulatory burden, including improvements to the speed and quality of federal permitting processes. Further, data-driven policy is required for a secure and reliable grid and transmission system.

Unleashing American Energy will require prioritization of technological breakthroughs in energy, with support from America's robust Research and Development (R&D) enterprise. Strategic Federal support of this R&D with rigorously enforced project milestones that ensure taxpayer resources are allocated appropriately will allow America to continue to lead the way globally in energy innovation. America must lead the commercialization of affordable and abundant nuclear energy and pursue all lawful avenues to the safe and rapid deployment of advanced reactors.

Q4. DOE is responsible for energy sector security, and cybersecurity. What are some key steps for the Department to reprioritize energy sector cybersecurity—given the persistent threats of our adversaries?

A4. The Office of Cybersecurity, Energy Security, and Emergency Response (CESER) has delegated authority from the U.S. Secretary of Energy to lead federal government programs to strengthen the security and resilience of the U.S. energy sector. CESER works to provide timely information to the energy sector, develop world-class security technologies, harden U.S. energy infrastructure, and respond and recover from incidents. CESER is continuously developing and improving capabilities to detect, evaluate, and mitigate cybersecurity threats. Applying a multi-layered strategy, CESER integrates real-time intelligence to neutralize cyber threats; advance frameworks for hardening critical infrastructure and supply chains; and deploy technology solutions to safeguard the U.S. energy sector against manipulation by domestic or foreign adversaries.

As the Sector Risk Management Agency (SRMA) for the energy sector, CESER leads forums with industry leaders and develops joint action plans to drive coordinated defenses against emerging threats, including cyber threats. Through proactive private-public sector partnerships, CESER has enhanced threat intelligence sharing and analysis and increased collaboration with intelligence agencies resulting in deeper insights into adversary tactics and techniques. For example, CESER's Energy Threat Analysis Center (ETAC) facilitates real-time threat analysis and dissemination of actionable intelligence to energy stakeholders so they can implement more effective cyber defensive measures. CESER and other relevant DOE program offices lead R&D focused on cutting-edge cyber and physical security technologies and tools that can be adopted by industry for energy resilience. By leveraging specialized expertise from the DOE National Laboratories, DOE develops and demonstrates new operational technology applications, features, and processes. CESER is leaning into the cutting edge of artificial intelligence (AI) R&D to leverage AI-enabled cyber defense technologies, including threat detection and automated response tools.

CESER also provides technical support to energy sector stakeholders through programs like Cyber-Informed Engineering and Cyber Testing for Resilient Industrial Control Systems (CyTRICS), which help companies build cyber protections into their systems and test equipment for vulnerabilities. Through these and other on-going efforts, CESER provides industry with risk-informed analysis, tools and technologies, and best practices for coordinated defenses against the evolving cyber threat landscape.

Q5. The NSA Crane naval facility recently hosted an Industry Day to gauge private-sector interest in resilient energy solutions, including technologies like SMRs and advanced microgrids.

Q5A. How can the Department of Energy support efforts like this — where military installations serve as proving grounds for private investment in energy resilience that also enhance national security?

A5A. DOE leads research, development, and demonstrations of advanced microgrid systems that improve the reliability and resilience of firm power delivery systems across

defense, industrial, commercial, and residential sectors. Advanced microgrid systems can aggregate, integrate, control, and optimize utilization of all available energy resources—including small modular reactors (SMR) and dynamic energy storage technologies—to provide resilient energy solutions to utilities and local demand installations, including defense critical energy infrastructure and large electric loads such as data centers. Through multi-agency collaboration, leveraging deep cross-functional technical expertise and combined resources, DOE can accelerate microgrid innovations that leverage SMR technologies and dynamic energy storage solutions, motivating private sector interest and investments, while robustly addressing defense sector resilience needs.

DOE is actively collaborating with the Department of Defense (DoD) and the branches of military to identify military installations that can benefit from private developers to install reliable and resilient sources of energy such as nuclear reactors. The Office of Nuclear Energy (NE) has provided technical expertise and collaborated on efforts such as the microreactor pilot program at the Eielson Airforce base, which is working to demonstrate Oklo's Aurora reactor, and the Army Nuclear Power Installation effort which aims to build fixed on-site microreactor nuclear power systems on select military installations to support global operations across land, air, sea, space, and cyberspace. Additionally, per Executive Order (EO) 14299, DOE is providing technical input to DoD and Army, on the design, construction, and operation of advanced nuclear reactors on a military installation to support the development of a program of record for the utilization of nuclear energy for both installation energy and operational energy.

Q5b. Would DOE be open to partnering with DoD on pilot efforts at military facilities to help streamline siting, regulatory, or financing challenges for next-gen energy projects?

A5b. DOE has partnered and is open to future partnerships with DoD to advance next-generation energy pilot projects at military facilities, leveraging outcomes to motivate private sector interests and investment. For example, DOE's Office of Electricity (OE) has done this in the past. DOE partnered with DoD, DHS and five national labs on a Joint Capability Technology Demonstration project, called Smart Power Infrastructure Demonstration for Energy Reliability and Security (SPIDERS), to reduce the

unacceptably high risk of mission impact from extended electric grid outages by developing the capability to maintain firm energy delivery for mission assurance. The SPIDERS project demonstrated a secure microgrid architecture with the ability to maintain operational surety through trusted, reliable, and resilient firm electric power generation and distribution on military installations.

OE also provided project management oversight on a project to install a $1.2 million, 75-kW/4-hour Battery Energy Storage System on the Ellsworth Air Force Base, providing redundant, resilient energy to key Department of the Air Force assets. The project was awarded a 2024 Air Force Community Partnership Award by the Office of the Assistant Secretary of the Air Force for Energy, Installations, and Environment for contributing to a mutually beneficial partnership between the U.S. Department of War (DoW) installation and surrounding communities.

NE has existing collaborations with DoD and is developing additional Memoranda of Understanding with the Department of Defense to support efforts to pilot nuclear reactors on military installations. DOE is streamlining the guidance for the DOE Authorization process which would allow reactors to demonstrate their design for research, development, and demonstration purposes. Reactors that complete DOE Authorization may be able to more quickly pursue a Nuclear Regulatory Commission (NRC) license, to the extent that safety aspects of the reactors are already reviewed and proven through the DOE Authorization process. DoD can benefit from the streamlined DOE Authorization and NRC licensing efforts via shared expertise for authorizing their own reactors, or benefit from access to more nuclear reactor options as licensing is accelerated.

NE funds microreactor research and development to identify and address technology solutions to improve the economic viability and licensing readiness of microreactors and reduce technical risk of various microreactor concepts. The National Reactor Innovation Center (NRIC) is funding the establishment of demonstration test

beds to provide the infrastructure for reactor vendors to test their concepts and generate data to support design and licensing. This includes support for the Demonstration of Microreactor Experiments (DOME) test bed facility at the Idaho National Laboratory (INL). The DOME experiments will fast-track the deployment of American microreactor technologies to keep pace with the nation's demand for more abundant, affordable, and reliable power. All these efforts are supporting rapid development of the type of microreactors that DoD is seeking to use.

Q6. What specific federal programs or authorities could be leveraged to accelerate first-of-a-kind nuclear deployment in states that are seeking to develop nuclear programs?

A6. The Office of Nuclear Energy supports a number of programs to enable and accelerate the deployment of first-of-a-kind nuclear technologies. The Atomic Energy Act of 1954 permits the Department to authorize and operate government-owned reactors for research and development purposes. The President directed the Department of Energy to leverage this authority to establish a pilot program consistent EO 14301, *Reforming Nuclear Reactor Testing at the Department of Energy.* DOE is also supporting a program to ensure America leads the world in AI to help lower energy costs through co-location of data centers and new energy infrastructure, such as nuclear on federal lands.

Additionally, NE supports a number of cost-shared partnerships with industry to help reduce technical, regulatory and operational risks for a broad set of advanced reactor designs to meet the future energy needs of states seeking to develop nuclear programs. Further, directed research at national laboratories generates data to support design and licensing and developing technologies to improve performance and economic competitiveness of these first-of-a-kind technologies. Other DOE offices such as the Loan Programs Office provide resources to help accelerate first-of-a-kind nuclear deployments.

Specific to nuclear deployment in states, NE's NRIC invested in the Siting Tool for Advanced Nuclear Development which can be used to identify and examine potentially feasible sites where advanced nuclear facilities might be welcomed by host

communities. Additionally, NE's Gateway for Accelerated Innovation in Nuclear program is engaging with nuclear-curious communities around the country as they consider advanced nuclear technologies by investigating, documenting and sharing the differences and similarities for communities as they move through the process to provide examples and opportunities when new communities and their partners start down this path.

Q7. What are the considerations and available authorities for signing or financially supporting long-term power purchase agreements for advanced SMR reactors to de-risk early commercial projects?

A7. Many DOE facilities, like INL, are limited to Power Purchase Agreements (PPA) with a maximum term of ten years, as authorized by "Revision of Title 40, United States Code, 'Public Buildings, Property, and Works'" (Pub. L. 107-217, Aug. 21, 2002; 40 U.S.C. 501(b)) and implemented by Federal Acquisition Regulation 41.103(a)(1). However, Oak Ridge, Paducah, and Portsmouth are authorized to enter twenty-five-year contracts with utility providers, pursuant to Section 164 of the Atomic Energy Act of 1954 (Pub. L. 83-703, Aug. 30, 1954; 42 U.S.C. 2204) (AEA). In order to de-risk early commercial projects to deploy advanced SMR, many utilities require a PPA with a term in the range of 40 to 60 years.

Q8. Given the recent Executive Order, what are DOE plans for hosting early deployments on federal land or DOE owned sites to demonstrate advanced nuclear energy?

A8. NE is working closely with advanced nuclear energy developers on deployment projects at INL and other DOE sites. In addition, DOE has established a program to potentially use DOE land for AI infrastructure development to support growing demand for data centers. In April 2025, DOE identified 16 potential sites uniquely positioned for rapid data center construction, including in-place energy infrastructure with the ability to fast-track permitting for new energy generation such as nuclear

.

Q9. What is DOE doing to work with the NRC to streamline licensing pathways for advanced non-light water reactor designs?

A9. Pursuant to recent executive orders, DOE and the NRC have been cooperating to establish an expedited pathway to license advanced reactor designs tested and authorized by the DOE, ensuring demonstrated safety performance while reducing duplicative reviews between agencies. DOE and NRC staff have been meeting on a bi-weekly basis to discuss areas for leveraging DOE authorization to expedite NRC licensing. DOE and the NRC continue to coordinate technical readiness and share expertise and knowledge on advanced nuclear reactor technologies and nuclear energy innovation.

Q10. What is DOE doing to ensure regulations are harmonized to ensure predictability, consistency, and efficiency across DOE and NRC licensing activities?

A10. On May 23, 2025, the President issued EO 14301 ("Reforming Nuclear Reactor Testing at the Department of Energy") which requires that the Secretary, by August 21, 2025, "take appropriate action to revise the regulations, guidance, and procedures and practices of the Department" to expedite the deployment of advanced reactors under the Department's jurisdiction. To that end, NE is supporting a regulatory reform activity to reduce unnecessary burdens, streamline processes and significantly accelerate approval times. The Department continues to coordinate closely across its own offices and with the NRC, DoD, and industry to harmonize regulations and ensure predictability, consistency, and efficiency in authorizing new reactors and fuel facilities. Additionally, DOE works with the NRC on an expedited pathway for NRC licensing of reactor designs tested and authorized by DOE and proven to operate safely. DOE plans to continue coordination activities with these entities to help accelerate the pace of permitting and authorizations for nuclear energy projects, to the extent appropriate.

Q11. What existing mechanisms, including under the ADVANCE Act and Nuclear Energy Innovation and Modernization Act, is DOE considering to provide DOE funding or other support specific to pre-licensing efforts for advanced non-light water reactors?

A11. A critical step to enable widespread demonstration and deployment of advanced reactors is certainty in completing the regulatory process for these innovative designs. To

facilitate the deployment of advanced reactors, Congress authorized the Advanced Nuclear Energy Licensing Cost-Share Grant Program (42 U.S.C. § 16280) in the Nuclear Energy Innovation Capabilities Act of 2017 (Public Law 115-248). DOE formally established the Advanced Nuclear Energy Licensing Cost-Share Grant Program in January of 2025 through issuance of a Notice of Funding Opportunity (NOFO). The competitive funding opportunity will help to defray the cost of licensing fees for first movers attempting to bring advanced reactors to market. DOE is offering funding to support both earlier stage pre-application activities, such as review of white papers and topical reports prior to a formal license application being submitted to the NRC, as well as review activities that occur after a formal license application has been docketed by the NRC.

The Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy (ADVANCE) Act is aimed at accelerating the development and deployment of advanced nuclear reactors. It focuses on streamlining the licensing and regulatory processes for new nuclear technologies, particularly advanced reactors, while maintaining safety standards. Further, through the Advanced Reactor Regulatory Development program, DOE is coordinating closely with the NRC and industry to address key licensing hurdles hindering the widescale deployment of advanced reactors.

Q12. What is the status of DOE work to implement the nuclear fuel availability provisions of the Energy Act of 2020 and the Nuclear Fuel Security Act, including projected timeframes and targets to meet the needs for new fuel capacity to offset Russian sourced fuel?

A12. Funding support has been provided to advance the development of Low Enriched Uranium (LEU), and High-assay Low Enriched Uranium (HALEU) through Requests for Proposals and is in the final stages of development and review. NE anticipates receiving industry proposals by mid-September 2025 and will establish a Source Evaluation Board to review proposals with the intention of announcing awards before the end of the calendar year. The ban on Russian uranium is scheduled to be implemented in full force with any waivers granted by NE ending in January 2028. To offset reduced Russian

supply, NE is reclaiming and processing uranium material to support near-term deployments while critical infrastructure for uranium is established.

Q13. What are DOE's plans concerning plutonium disposition to make excess plutonium available for advanced fuels?

A13. Section (c)(3) of E.O. 14302, *Reinvigorating the Nuclear Industrial Base*, directs the Secretary of Energy to "halt the surplus plutonium dilute and dispose program" and "establish a program to dispose of surplus plutonium by processing and making it available to industry in a form that can be utilized for the fabrication of fuel for advanced reactor nuclear technologies." The Department is in the process of implementing the President's Nuclear Executive Orders and will provide an update at the appropriate time.

Q14. How will the Department of Energy under your leadership support universities to accelerate the development and deployment of SMRs, particularly through funding, regulatory streamlining, or public-private partnerships, to ensure the U.S. leads in this transformative energy technology?

A14. Support of university programs both with and without research reactors provide the technical training and education to operate both existing and future reactor platforms including SMRs. Additionally, these programs provide the foundation of basic research and development to globally lead transformative nuclear energy technology. Potential public-private partnerships at the university level further enhance the developments of these technology and career pathways for students. Universities can partner with SMR developers in public-private partnerships to help accelerate the development and deployment of SMRs and U.S. universities can be selected as sites for advanced test reactors. For example, Natura Resources LLC has selected Abilene Christian University to lead an effort to design, license, and build a molten salt research reactor in collaboration with three other major universities.

Q15. What actions are being taken by the U.S. Department of Energy's Loan Program Office (LPO) to actively support coal plant extensions in the near term; the development of nuclear energy in the short- and long-term; and the development of natural gas pipelines as well as gas generation.

A15. LPO administers programs that finance projects across a wide variety of energy technologies, with a mission to finance American energy and manufacturing projects that meaningfully contribute to U.S. energy security, grid reliability, and lowering costs for all Americans. Subject to project specific criteria, coal, nuclear, and natural gas technologies are eligible under the recently revised Section 1706 Energy Dominance Financing Program. These energy technologies may also be eligible under the Section 1703 program if they utilize new or significantly improved technology and meet other statutory eligibility requirements. LPO works at the direction of the Administration and DOE to boost affordable, reliable, and abundant energy that supports America's national security and economic growth.

As outlined in EO 14302, Reinvigorating the Nuclear Industrial Base (May 29, 2025), LPO is highly focused on activities that support nuclear energy to execute on the President's goal to facilitate 5 gigawatts of power uprates to existing nuclear reactors and have 10 new large reactors with complete designs under construction by 2030. For example, LPO is actively working with Holtec to finance the restoration and resumption of service of Palisades, an 800-MW nuclear power plant. LPO is working with several applicants for restarts of additional reactors that ceased operations and is partnering with industry to support domestic nuclear supply chain growth.

LPO is also actively engaged with a variety of energy-producing industries, including operators and developers of coal and natural gas-fired power generation facilities and gas transportation assets, as well as other industry groups representing hydrocarbons.

Q16. In the President's recently released budget, for the LPO, it highlighted anticipated investments in nuclear technology, specifically small modular reactors—which is great. Where do you see "clean coal technology," such as coal and petcoke gasification, ranking as a priority for LPO?

A16. LPO works at the direction of the Administration and DOE to support affordable, reliable, and abundant energy that advances America's national security and economic

growth. On April 8, 2025, the President issued EO 1461, Reinvigorating America's Beautiful Clean Coal Industry and Amending EO 14241. LPO is actively working to support the President's vision of unleashing American energy dominance by supporting projects utilizing clean coal technology. LPO's loan programs are efficient tools for implementing the Administration's energy priorities of the Administration and the President's executive orders.

Q17. An important project in Representative Houchin's state is Wabash Valley Resources, which plans to use LPO funding to retrofit a shuttered coal plant in West Terre Haute, Indiana to produce anhydrous ammonia fertilizer for Midwestern farmers using coal gasification technology. The Wabash project began their loan application under the first Trump Administration, but because the Biden Administration had "green new deal" priorities, Wabash's loan was continually delayed for several years. As a result of the failed and damaging policies implemented under the Biden administration, Wabash Valley has been effectively stalled in moving forward with this critical project. When can we expect a decision on their long-pending loan application?

A17. DOE issued a conditional commitment to the Wabash project on September 16, 2024. Because of the Department's commitment to protecting the confidential business information of its applicants, we are limited in what additional information we can share about the status of the project outside of what has been previously announced. However, please be assured the Department affords due consideration and review to each project and application under review.

Q18. Sec. 302 (b) of the Nuclear Waste Policy Act requires that no license nor relicense of a nuclear reactor can be issued until 1) a contract has been entered into with DOE to dispose of the spent fuel or 2) that the Secretary affirms in writing that the reactor applicant is actively and in good faith negotiating with the Secretary for such contract.

Q18A. What is the status of DOE contracting for the disposition of spent fuel for reactors currently with applications before the Nuclear Regulatory Commission?

A18A. The following entities are currently in active, good faith negotiations with DOE for a disposition contract, pursuant to Sec. 302(b) of the NWPA.

- Kairos Power LLC
- US SFR Owner, LLC (TerraPower)
- Long Mott Energy, LLC (X-energy)

- Atomic Alchemy
- Ultra Safe Nuclear Corporation and the University of Illinois Urbana-Champaign
- Oklo
- Abilene Christian University

Q18B. With new reactor operating license decisions coming before the Nuclear Regulatory Commission in 2025 and 2026, will DOE be in a position to have contracts signed or in active, good faith negotiation, to enable licenses to be issued?

A18B. Yes, with respect to the entities referenced directly above, assuming that those entities remain in active, good faith negotiations with DOE.

Q19. How does DOE plan to improve its NEPA process so businesses can have predictable, timely decisions and can build and be productive?

A19. NEPA has been weaponized by the previous administration and radical activists as a tool to hamper domestic energy production. Modernizing the federal permitting process is key to unlocking America's energy potential and returning to the original intent of NEPA, which was to ensure that federal agencies consider the environmental consequences of their proposed actions during the planning stages, rather than to delay or stop projects based upon ideological differences.

DOE has recently published updates to its NEPA procedures. This overhaul was an interagency effort to simplify NEPA compliance, lower construction costs, eliminate years-long delays, and ensure environmental reviews can no longer be used to stall American energy production and infrastructure development. This update fulfils President Trump's EO 14154, *Unleashing American Energy*, and implements reforms enacted by Congress under the 2023 BUILDER Act.

DOE is developing PermitAI to improve the speed and quality of federal permitting processes through investments in data, AI, and public access. Researcher at PNNL are aggregating environmental documents from various siloed federal databases and using AI to transform them into a machine-readable dataset, known as NEPATEC,

which is then made available to the public. PNNL released NEPATEC 1.0 in June 2024 with ~28,000 documents and with 4.6 million pages, and over 3.6 billion tokens of textual data from 100+ agencies. PNNL researchers are training large language models using NEPATEC documents to develop tools that will improve the speed and quality of federal environmental analysis. The tools being developed as part of this project will enable more efficient searching of historical NEPA documents and project information to swiftly identify and address potential issues. The tools will also facilitate fact-finding and summarization of prior insights through a conversational AI assistant, build the capability to categorize and perform an initial assessment of public comments on NEPA analysis, extract relevant project impacts, and, eventually, assist humans, such as environmental analysts, in validating data and drafting initial NEPA review documents. The Department aims to complete the research and development of these tools in 2026. We will then continue to improve them based on user feedback and by engaging with interagency partners to facilitate technology adoption.

Four federal agencies have already partnered with the Department of Energy in this effort: the Department of Agriculture, the Department of the Interior, the National Institute of Standards and Technologies, and the U.S. Army Corps of Engineers. They are contributing hundreds of testers to assist in calibrating and refining the assessment tools. More agencies are considering signing up, aiming to contribute more documents to the dataset, update their permitting technology and deliver projects faster.

The *PermitAI* project aims to release NEPATEC 2.0 in August and 3.0 before year's end, expanding the database to more than 100,000 documents. The database can also extend beyond NEPA documents to include other permitting review documents. Agencies are welcome to host copies of their NEPA documents on the *PermitAI* platform that implements the Council on Environmental Quality's NEPA and Permitting Data and Technology Standards.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE BRETT GUTHRIE (R-KY)

Q1. In Kentucky, a company named Global Laser Enrichment (GLE) is licensing a facility that will deploy a next generation enrichment facility adjacent to the Department of Energy's (DOE) legacy Paducah, KY gaseous diffusion plant. The plant will support the company's goal to reestablish domestic nuclear fuel capacity and create significant economic development and jobs in the Kentucky region. Specifically, an analysis by the Greater Paducah Economic Development Council found that the construction of this facility will create 1,000 direct jobs, and once operational, GLE will support over 350 well-paying domestic energy infrastructure jobs.

I appreciate your continued support for rebuilding the domestic front-end of the nuclear fuel cycle.

Q1A. With the DOE's current low-enrichment uranium (LEU) Request for Proposal (RFP), will the DOE remain committed to supporting new market entrants who can deploy cutting-edge enrichment technologies?

A1A. Yes, DOE will continue to support uranium enrichment technologies. GLE provides a unique and potentially transformative laser technology that could enhance LEU production as the technology readiness level increases.

Q1B. Will DOE consider using flexible financial arrangements authorized in the Nuclear Fuel Security Act, such as milestone payments or cost-shares, to derisk accelerated capital investment and public-private partnerships, as part of this LEU RFP?

A1B. DOE has established an Indefinite-Delivery, Indefinite-Quantity (IDIQ) contract to support the expansion of LEU in the U.S. The IDIQ process allows flexibility to support a successful public-private partnership by establishing clear milestones.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE DIANA HARSHBARGER (R-TN)

Q1. Oak Ridge National Laboratory has a centrifuge technology. I understand that NNSA has selected an industrial partner to help advance the Lab's US-derived technology with plans to build a pilot plant. Can you provide an update for the record on where this program is and where it ranks in NNSA's priorities? China and Russia are not sitting idle, as you know. We need to take care of our national security interests.

A1. NNSA is responsible for ensuring a reliable supply of unobligated enriched uranium for defense mission requirements, including LEU for tritium production and highly enriched uranium (HEU) for naval nuclear propulsion. NNSA possesses sufficient unobligated LEU for tritium production through the early 2040s and sufficient unobligated HEU for naval nuclear propulsion into the 2050s. NNSA must establish a new domestic uranium enrichment capability to continue providing enriched uranium for defense mission needs beyond these dates.

NNSA plans to meet its defense mission requirements by incrementally deploying enrichment capacity using gas centrifuge technologies, including the Domestic Uranium Enrichment Centrifuge Experiment (DUECE) technology currently under development at Oak Ridge National Laboratory. In fiscal year (FY) 2024, NNSA awarded a firm-fixed price contract to BWXT-Nuclear Fuels Services, Inc. (BWXT) to execute a year-long engineering study to evaluate options for deploying the DUECE technology in a pilot plant. Based on progress made during the engineering study, NNSA determined that a sole source procurement for completion of the DUECE pilot plant effort would provide the best value to the government, streamline the pilot plant deployment, and ensure timely execution for meeting defense mission needs. NNSA released a Notice of Intent to sole source the DUECE pilot plant to a BWXT subsidiary on April 9, 2025, and anticipates a contract award (if negotiations are successful) by the end of FY 2025. The successful deployment of the DUECE technology to meet defense fuels requirements is a top priority for NNSA.

Q2. Your agency has made it clear that the nation's power system must double to meet the growing demand from American AI and the reshoring of manufacturing. To address this demand, the Tennessee Valley Authority has launched into action to build more resilient energy generating capacity, including investing in gas and nuclear. TVA is now the first utility to seek a construction permit from the Nuclear Regulatory Commission for building a small modular reactor. Can you address in more detail how DOE plans on supporting U.S. leadership in new nuclear technologies, including efforts to support funding of domestic deployment and increasing efficiency in permitting of these first-of-a-kind technologies?

A2. The Department is supporting U.S. leadership in the development and deployment of new nuclear technologies in multiple ways. NE is funding a number of activities aimed at accelerating the deployment of advanced reactors, to include SMR, and making them cost competitive. The NRIC partners with industry through the Advanced Construction Technologies (ACT) Initiative to develop advanced nuclear construction technologies that could significantly reduce the cost and schedule for new nuclear builds. Additionally, NE's Advanced Reactor Technology (ART) program supports research to address technical risks and improve the economic competitiveness of advanced reactors. Further, the Advanced Reactor Demonstration Program, Risk Reduction projects are funding activities to reduce the technical, operational, and regulatory risks for a diverse portfolio of advanced reactor designs to improve efficiency and reduce costs.

Additionally, the Department is working with two Advanced Reactor Demonstration Program demonstration pathway awardees, X-energy and TerraPower, on two new designs that each provide distinct value propositions in the U.S. energy economy. Government cost-share and project management oversight, including independent project and cost reviews, are helping to ensure that these projects are on a pathway to offering competitive products that will facilitate follow-on deployments. NE is also managing the Generation III+ (Gen III+) SMR Pathway to Deployment program. This program will release up to $900 million through a funding opportunity for up to two SMR demonstrations, with both financial and commercial viability at its core and additional projects which advance siting initiatives, improve the domestic supply chain, and progress the reliability of future project costs or schedules, to support the future buildout of Gen III+ SMR orderbooks.

Finally, DOE is committed to the expedient resolution of permits, including actions required by the NEPA. The Department is also coordinating closely amongst its own offices, with the NRC, and industry to address and resolve key regulatory framework and technical challenges that directly impact advanced reactor demonstration and deployment. Through each of the efforts identified above, DOE is working to support U.S. leadership in new nuclear technologies.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE MARIANNETTE MILLER-MEEKS

Q1. As we work to meet rising electricity demand and modernize the grid, one cost-effective solution is "reconductoring" existing transmission and distribution lines with advanced conductors that increase capacity without requiring new rights-of-way.

Q1a. What specific steps is the Department taking—or willing to consider—to incentivize reconductoring efforts, particularly in ways that enhance system performance and efficiency while keeping electricity reliable and affordable for consumers?

A1a. LPO is engaged on a variety of grid enhancing projects, including reconductoring—not just as a maintenance activity, but as a strategic tool for improving capacity, reliability, and long-term affordability. The recently revised section 1706 EDF program provides LPO an expanded legal authority to support a wide range of advanced reconductoring projects, including those that enable the provision of reliable, forecastable electricity supply. LPO is actively engaged with utilities and developers on additional reconductoring opportunities. In evaluating potential applications, LPO considers potential and projected reliability and affordability impacts of the project. Utility borrowers are required to pass along all cost savings from LPO financing to ratepayers, meaning that LPO's lower-cost capital can support reconductoring projects with lower impacts on ratepayer affordability than would otherwise be possible.

The OE funded the Advanced Conductor Scan Report, an in-depth report that analyzed conductor types and technologies, regulatory issues, manufacturing, and national and global trends in this area. OE also funded development of the Reconductoring Economic and Financial Analysis Tool, which evaluates and identifies options for transmission capacity upgrades and helps planners understand the costs and benefits of conductors in each application.

Q1b. Will you work with my office and this Committee on legislative solutions to strengthen your authorities and the Department's ability to incentivize steps like reconductoring to modernize the grid?

A1b. The Department looks forward to working with your Office and the Committee.

Q2. The budget shows a 25% reduction for the Cybersecurity, Energy Security, and Emergency Response (CESER) office from $200 million to $150 million. Given the evolving cybersecurity threats from AI and advanced computing that you've identified, how will you maintain our energy infrastructure's security posture with reduced resources? What specific AI-enabled threats are you most concerned about?

A2. DOE is committed to maintaining the security posture of U.S. critical energy infrastructure against cybersecurity threats, including those amplified by AI and advanced computing. Through rigorous resource prioritization to maximize impact, CESER is concentrating on practical, scalable, and adoptable initiatives that leverage existing collaboration capabilities. These include optimizing threat analysis, fostering robust public-private information sharing, and prioritizing investment in critical components vulnerable to sophisticated attacks.

The advancement of AI has the potential to accelerate and automate adversary reconnaissance and vulnerability exploitation, making attacks more efficient and difficult to detect in their early stages. Another concern is the use of AI to generate highly convincing social engineering campaigns, such as sophisticated phishing or deepfake impersonations, that could bypass traditional human and technical defenses. DOE is vigilant about the potential for AI to enhance the precision and impact of disruptive attacks on defense energy assets, operational technology, and industrial control systems. The growing complexity of malware that uses AI for adaptive evasion and polymorphic behavior makes it harder for conventional security tools to detect and mitigate. The Department is continuously adapting its defenses and strategies to address evolving AI-enabled threats within the budget framework.

Q3. The Advanced Research Projects Agency - Energy (ARPA-E) is a critical part of DOE's innovation apparatus. Charged with accelerating the most promising, groundbreaking technologies, ARPA-E is the spark that moves projects forward. Since its inception, APRA-E has awarded more than $13 million to 9 Iowa-based projects, including projects located at Iowa State University and the Ames National Lab. ARPA-E projects have attracted $22.2 billion in reported value from 34 exits.

Q3A. APRA-E is one of the first steps from taking a technology developed in a lab toward commercialization. How else can the Department support new and novel technologies?

A3A. ARPA-E identifies and promotes revolutionary advances in energy, translating scientific discoveries and cutting-edge inventions into technological innovations. Beyond ARPA-E, the Department's technological support was laid out in the February 5th, 2025, Secretarial Order, stating "... the Department's R&D efforts will prioritize affordable, reliable, and secure energy technologies, including fossil fuels, advanced nuclear, geothermal, and hydropower. The Department must also prioritize true technological breakthroughs—such as nuclear fusion, high-performance computing, quantum computing, and AI—to maintain America's global competitiveness."

Q3B. What is the biggest barrier to commercializing a new technology and how can the Department help companies address those barriers?

A3B. In 2017, ARPA-E determined that further de-risking of early-stage technology was necessary in some areas to validate technologies. To this end, ARPA-E created Seeding Critical Advances for Leading Energy technologies with Untapped Potential (SCALEUP) first launched in 2019. SCALEUP is designed to fund successful technologies that were previously funded by ARPA-E for which the proof-of-concept R&D challenges have been addressed, but need to be proven at a larger pilot scale to enable industry, investors, and partners to justify substantial commitments of financial resources, personnel, production facilities, and materials to develop promising ARPA-E technologies into early commercial products.

Q4. DOE recently used a Section 202 (c) order in Puerto Rico that included provisions for vegetation management near power lines. This seems like an expansion beyond the traditional use of 202 (c) for keeping generation online during emergencies. Do you envision using similar orders for vegetation management in other parts of the country?

What guardrails exist to ensure 202 (c) remains a true emergency authority rather than a routine grid management tool?

A4. Under section 202(c) of the Federal Power Act (FPA), when the Secretary determines that an energy emergency exists, the Secretary has the authority to require the temporary connections of facilities and generation, delivery, interchange, or transmission of electric energy as in its judgement will best meet the emergency and serve the public interest. As such, future invocation of the Secretary's 202(c) authority will depend upon the nature, scope, and extent of an emergency.

The Secretary determined that an emergency exists in Puerto Rico due to insufficient reserve capacity and recent system-wide blackouts demonstrating the fragility and vulnerability of the Puerto Rican electrical grid. This emergency is a result of decades of deferred maintenance, insufficient investment, the bankruptcy of the system owner, and devasting hurricanes and earthquakes. DOE remains committed to maintaining the critical energy infrastructure across the U.S., including Puerto Rico. The recent orders will best meet the emergency and serve the public interest by directing Puerto Rico Electric Power Authority to make common sense fixes to ensure operational availability of specified transmission facilities. These orders provide urgent and immediate assistance to the American citizens of Puerto Rico.

Additionally, the specified transmission facilities are limited to only those necessary to meet the emergency and serve the public interest, and, to the maximum extent practicable, is consistent with applicable Federal, State, or local environmental laws or regulations and minimizes any adverse environmental impacts.

Q5. The budget creates a new $15 million Manufacturing and Energy Supply Chains account focused on critical minerals. With China dominating many critical mineral supply chains needed for energy technologies, what are your top three priorities for reducing our dependence on foreign sources? How will you coordinate with the new Mineral Production and Processing Technologies program under Fossil Energy?

A5. DOE's MESC office plays a unique role in catalyzing investments to secure our national and economic security against vulnerabilities in U.S. energy supply chains and to

unleash American energy. MESC's investments are based in analysis to support the U.S. Department of Energy mission and strategy. MESC is prioritizing analysis of 1) domestic critical minerals ; 2) energy products ; and 3) increasing domestic manufacturing. MESC co-leads the Critical Materials Collaborative (CMC), a cross-DOE effort, with the Office of Fossil Energy and Office of Energy Efficiency and Renewable Energy to coordinate on all aspects of critical minerals and materials work.

Q6. Section 1706 of the Inflation Reduction Act enables DOE to support projects that replace or repurpose energy infrastructure that has ceased operations. At the same time, the Administration has emphasized the need to or in some cases pushed to keep certain coal plants online for reliability. Given this policy tension, how is DOE approaching eligibility for projects that would otherwise seek to replace aging coal plants with cleaner, dispatchable generation?

A6. As we see record projections for energy demand, it is more important than ever that we minimize any potential capacity shortfall that could lead to unnecessary power outages. In some cases, that means directing power plants, including coal-fired power plants, to remain operational. Through streamlining processes and developing the infrastructure needed to deliver and secure power, the Department of Energy is working to add all sources of affordable and reliable American energy to our grid. The Department has and will continue to identify and exercise its legal authorities to expedite the approval and construction of reliable energy infrastructure.

Q7. Many utilities are pursuing innovative combinations of generation, storage, and repowering strategies to meet grid reliability and decarbonization goals. Can you confirm that technologies such as long-duration energy storage, natural gas plants replacing retiring coal, and wind remain eligible under the LPO's current guidance and program authority?

A7. Generally speaking, LPO has the ability to consider applications for a diversity of technology solutions. For example, long-duration energy storage and natural gas plants replacing retiring coal may be eligible technologies under the revised Title 17, Section 1706 Energy Dominance Financing Program, subject to the project meeting all applicable program eligibility requirements. These energy technologies may also be eligible under Title 17, Section 1703 if they (1) avoid, reduce, utilize, or sequester air pollutants or

anthropogenic emissions of greenhouse gases and (2) employ new or significantly improved technologies. Importantly, technical eligibility does not guarantee LPO financing: LPO conducts rigorous financial due diligence to ensure that projects have a reasonable prospect of repayment, and that LPO financing will meaningfully contribute to the Administration and DOE goals of affordable, reliable, and abundant energy that supports America's national security and economic growth.

On January 20, 2025, the President issued a Presidential Memorandum, *Temporary Withdrawal of All Areas on the Outer Continental Shelf from Offshore Wind Leasing and Review of the Federal Government's Leasing and Permitting Practices for Wind Projects*, which paused the offshore wind sales in Federal waters and new permits or leases issued for wind projects on public lands. In accordance with the President's Memorandum, LPO is reviewing all awards to ensure projects align with the direction of the Administration and DOE to expand affordable, reliable, and secure American energy and lower energy prices for the American people.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE LAUREL LEE (R-FL)

Q1. I agree with you that protecting our energy infrastructure against threats—including cyber adversaries—is a critical component of unleashing American energy dominance and strengthening our national security. In your assessment, what are some of the most pressing cybersecurity adversaries and threats facing our electric grid today?

A1. The U.S. energy grid faces an evolving cyber threat landscape. Some cyber incidents result from well-known exploits, including but not limited to: unauthorized access gained from weak passwords, obtaining credentials through phishing, and poor or improper cyber hygiene performed by grid operators (i.e., delayed software patching, improperly configured network devices, and inadequately segmented networks). Other risks contribute to a larger, more complex grid attack surface. They include increasing penetration of network-connected digital power electronics in grid control systems, a larger scale of controllable loads at the grid edge, and more interfaces across the information technology/operations technology boundary.

The Office of the Director of National Intelligence's unclassified 2025 *Annual Threat Assessment* states that "China has demonstrated the ability to compromise U.S. infrastructure through formidable cyber capabilities that it could employ during a conflict with the United States." In addition, the report affirms "China almost certainly has a multifaceted, national-level strategy designed to displace the United States as the world's most influential AI power by 2030."

Also of concern is how "China is using an aggressive, whole-of-government approach, combined with state direction of the private sector, to become a global science and technology (S&T) superpower, surpass the United States, promote self-reliance, and achieve further economic, political, and military gain. Beijing has prioritized technology sectors such as advanced power and energy, AI, biotechnology, quantum information science, and semiconductors, further challenging U.S. efforts to protect critical technologies by tailoring restrictions narrowly to address national security concerns."

The 2025 *Threat Assessment* further acknowledges that "[t]he PRC remains the most active and persistent cyber threat to U.S. government, private-sector, and critical infrastructure networks. The PRC's campaign to preposition access on critical infrastructure for attacks during crisis or conflict, tracked publicly as Volt Typhoon, and its more recently identified compromise of U.S. telecommunications infrastructure, also referred to as Salt Typhoon, demonstrates the growing breadth and depth of the PRC's capabilities to compromise U.S. infrastructure."

Beyond China, the 2025 *Annual Threat Assessment* also notes that "Russia's advanced cyber capabilities, its repeated success compromising sensitive targets for intelligence collection, and its past attempts to pre-position access on U.S. critical infrastructure make it a persistent counterintelligence and cyber-attack threat. Moscow's unique strength is the practical experience it has gained integrating cyber-attacks and operations with wartime military action, almost certainly amplifying its potential to focus combined impact on U.S. targets in time of conflict."

Q1A. Can you describe the steps that the Department of Energy will take under your leadership to bolster the cybersecurity of our electric grid against these threats?

A1A. CESER is prioritizing securing the U.S. energy sector against cyber threats. CESER programs strengthen defensive strategies with industry partners, the DOE Office of Intelligence and Counterintelligence (IN), and DOW. CESER and IN provide threat information to industry on a regular basis. CESER also partners with DOW to identify and secure the U.S. energy infrastructure that supports critical defense facilities, also known as "defense critical electric infrastructure."

Threat actors are also exploiting cyber vulnerabilities in Chinese-manufactured components. CESER is addressing risks from unauthorized wireless communications embedded in inverter systems and focusing attention on equipment mismanagement. Common vulnerabilities in grid components of concern include undisclosed or poorly documented communications devices, incomplete bill of materials (BOMs), and misconfigured remote access. While the presence of communication capabilities is not

inherently malicious, CESER finds that these factors underscore the importance of rigorous forensic analysis and supply chain transparency to ensure grid security. This is why CESER continuously reviews energy infrastructure technology and devices at the same time it is developing tools to strengthen grid resilience.

In addition to these activities to address immediate threats and concerns, CESER and the Office of Electricity undertake research and development to provide secure technology solutions for the future grid. These efforts include implementation of cyber-informed engineering principles in new grid components, development of secure operational technology network architectures, testbed activities to de-risk and validate new solutions, and modeling and analytic support to characterize and mitigate system vulnerabilities.

Q1b. What role will the Office of Cybersecurity, Energy Security, and Emergency Response (CESER) play in securing the grid from cyberattacks?

A1b. As delegated by the U.S. Secretary of Energy, CESER leads the federal SRMA for the energy sector and coordination for Emergency Support Function (ESF) #12 under the National Response Framework. Accordingly, CESER manages the full spectrum of energy sector threats from natural hazards to cyber or physical security compromises. CESER works closely with the DOE Office of Intelligence and Counterintelligence (IN) and DOE National Laboratories on cybersecurity programs.

The CESER-led ETAC and Cybersecurity Risk Information Sharing Program facilitate the detection, understanding, mitigation, and response to foreign and domestic adversary actions. CESER assesses and mitigates risks and vulnerabilities associated with Chinese-manufactured components through the CyTRICS program and implementation of software bill of materials requirements.

CESER assists the energy industry in maintaining critical functions during compromise with applications such as Consequence-driven Cyber-informed Engineering.

Complementing these efforts, the DOE Cybersecurity Supply Chain program protects U.S. critical energy infrastructure by advancing best practices in supply chain risk management.

CESER has proposed the Artificial Intelligence for Operational Resilient Technologies and Systems (AI-FORTS) program for FY 2026. AI-FORTS will utilize AI in energy infrastructure to ensure critical systems remain resilient to failures, physical attacks, and cyber-attacks.

In addition, the Cyber Advanced Resilience Measures for Operational Readiness program proposed for FY 2026 will enhance cybersecurity defense and operational resilience for energy infrastructure asset owners and operators critical to national security.

For preparedness and response to cyber incidents, CESER provides technical assistance, tools, and subject matter expertise to energy sector industry partners. During a cyber incident in the energy sector, CESER manages implementation of the National Cyber Incident Response Plan in coordination with interagency counterparts. CESER shares threat information and mitigation recommendations with industry and government partners and leads federal consequence management activities.

Q2A. I also share your belief that it is essential to drive AI innovation and ensure that the U.S. wins the global AI race against China. How can AI be leveraged to help prevent and respond to attacks on critical energy infrastructure?
Can you describe the work that CESER is performing in the AI space?

A2A. CESER applies AI defensive and offensive measures to enhance energy sector security, resilience, and operational efficiency. CESER leverages AI to help prevent and respond to attacks on critical energy infrastructure and plans several lines of activity to expand these efforts.

Enhanced Threat Detection and Monitoring – Through tools developed by programs like AI-FORTS, CESER can provide advanced network monitoring and

anomaly detection, accelerating the identification of cyber threats. This includes deciphering operational technology (OT) protocols, analyzing Packet Capture (PCAP) data, and improving beaconing attack detection.

Predictive Maintenance and Optimized Operations – AI can contribute to more secure and resilient energy systems through applications like predictive maintenance and optimized grid operations. These applications inherently reduce vulnerabilities and improve system stability against potential disruptions.

Automated Cybersecurity Tasks – AI can automate various cybersecurity tasks, such as enhancing cyber threat hunting and improving the detection of malicious activity, allowing for more rapid and effective responses.

Operate-Through-Compromise Capabilities – AI can facilitate development of decentralized control systems for rapid self-healing, reconfiguration, or graceful degradation, allowing critical functions to continue even when a system is compromised. This includes leveraging multi-agent deep reinforcement learning for decentralized grid operation when communication paths are disrupted.

Supply Chain Security – Tailored AI tools can automate parts of the testing and verification process for supply chain components, increasing the efficiency, accuracy, and consistency of supply chain risk management efforts. This reduces the risk of compromised hardware or software entering critical infrastructure.

Situational Awareness and Actionable Intelligence – AI can equip owners and operators with actionable intelligence to detect and respond more effectively to anomalous cyber activities within industrial control systems and networks. This is achieved by applying advanced AI analytics to operational data and leveraging the physics of energy delivery.

Artificial Intelligence for Operationally Resilient Technologies and Systems (AI-FORTS) – CESER has proposed this new initiative in FY 2026 which has three program pillars.

(1) Secure From AI – The first pillar focus is on mitigating AI-posed risks to the energy sector, particularly Large Language Models (LLMs). CESER is developing reproducible evaluation metrics for LLMs using agentic and knowledge-based testing suites. This includes testing public and pre-deployment LLMs in coordination with NIST and the United Kingdom AI Safety Institute to understand and minimize the potential to upskill adversarial actors. CESER and collaborators are also establishing an AI proving ground with actual grid equipment for testing attacker and defender AI in live environments.

(2) Secure With AI – This pillar will leverage AI to enhance energy security with the following:
   a) Data Curation and Tools – CESER will establish formal partnership agreements to access and curate large, sensitive energy sector operational and cybersecurity datasets. This will help secure storage and sharing for AI research.
   b) AI-Enabled Cybersecurity Tools – Developing autonomous operate-through-compromise tools (decentralized control systems for self-healing and graceful degradation) and automated cybersecurity tools (for deciphering OT protocols, threat hunting, and beaconing attack detection).
   c) I for Supply Chain Security – CESER will develop tailored AI tools to automate supply chain component testing and verification. This includes integrating AI into Energy Cyber Sense and CyTRICS to enhance efficiency and expand testing capabilities for hardware and software in critical grid components.

(3) Secure AI – The third pillar focus is on the security of AI-based systems used to operate, control, or defend U.S. energy systems with the following:
   a) AI Testbeds – Creating an AI testbed to rigorously test AI models for vulnerabilities, adversarial robustness (including evasion, privacy, and data poisoning attacks), and suitability for critical energy applications. This testbed will provide actionable assessments and design systems with built-in defenses.

b) A developing interpretable AI tools for energy applications and promulgating best practices to increase utility and stakeholder trust and adoption of AI tools.

Q2. I also share your belief that it is essential to drive AI innovation and ensure that the US wins the global AI race against China. How can AI be leveraged to help prevent and respond to attacks on critical energy infrastructure?

Q2B. The President's Budget funds the Office of Science at $7.1 billion. How will funding to this office support the Administration's AI priorities?

A2B. The President's Budget Request prioritizes investments in AI to maintain U.S. leadership in critical and emerging technologies. In the Office of Science (SC), the President's Budget Request proposes a $79 million increase for AI, bringing the total to $353 million. AI has the power to accelerate scientific discovery by developing new data analysis tools and integrating data-focused approaches with our traditional R&D ecosystem. Several AI topics are coordinated across SC programs, particularly those in scientific hypothesis generation and reasoning, real-time control and experimental automation, accelerator and detector controls systems, large-scale science infrastructure applications, and the development of AI for extreme environments and extreme scale. SC is uniquely positioned to advance AI to maintain U.S. leadership in science and technology and drive U.S economic competitiveness.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE CRAIG GOLDMAN (R-TX)

Q1. How can the Department of Energy collaborate with the Nuclear Regulatory Commission to support its implementation of the ADVANCE Act to streamline its regulations and accelerate the deployment of new nuclear projects?

A1. DOE and the NRC coordinate closely to address and resolve key regulatory framework issues that directly impact the critical path to advanced reactor demonstration and deployment. To that end, DOE and NRC coordinate technical readiness and sharing of technical expertise and knowledge on advanced reactor technologies and nuclear energy innovation, including through the National Reactor Innovation Center. Most recently, pursuant to EO 14300, DOE and the NRC have been cooperating to establish an expedited pathway to license reactor designs that have been authorized and tested by DOE and have demonstrated the ability to function safely, without duplicating efforts that have been addressed in the DOE process.

Q2. In Texas, Abilene Christian University is developing an NRC-approved university-based molten salt research reactor. This reactor is the first of its kind, and I am very proud that it is being developed in Texas.

Q2a. In your testimony you emphasized the Department's commitment to accelerating the deployment of small modular reactors (SMRs) and supporting advanced nuclear technologies through initiatives such as high-assay low-enriched uranium allocations and direct funding. Given the growing energy demands, how does the Fiscal Year 2026 budget specifically support the rapid commercialization of next- generation nuclear energy, and what metrics will the Department of Energy use to evaluate the success of these investments?

A2. The FY 2026 budget request for the Office of Nuclear Energy continues to provide support for enabling and accelerating the development, demonstration and deployment of next-generation nuclear energy technologies. The FY 2026 request for the Advanced Reactor Technologies Program of $55 million will support R&D on fast reactors, molten salt reactors, high temperature gas reactors, and microreactors to address the highest impact technical challenges to enable industry to mature and ultimately demonstrate these next generation reactors. In FY 2026 the National NRIC will complete construction of the DOME test bed on an accelerated schedule. The FY 2026 request for the Advanced Reactor Demonstration Program Risk Reduction awards will continue

support for activities to reduce regulatory, technical and operational risks for five next generation reactor designs. The Risk Reduction projects have been continuing to make great progress. Most notably, Kairos Power recently started nuclear construction on their Hermes reactor and was the first advanced non-light water reactor to receive an approved construction permit from the NRC. Finally, the FY 2026 request supports initiation of construction activities for a second NRIC test bed to generate data to support design and licensing.

The Department will use several metrics to evaluate the success of these investments. One metric is the submittal and approval of applications for DOE authorization. Another important metric will be start of operations of next-generation designs. It is expected that the first next-generation technologies will begin to come online as early as 2026, including at the DOME test bed. DOE's activities to increase technical, regulatory and operational certainty for next generation technologies will help to unlock private sector investment and build orderbooks for these important technologies.

Q3. In the Executive Orders concerning nuclear fuels, there is reference to a fuel bank for advanced fuels—or HALEU—for Department of Energy regulated new reactors. During the previous Trump Administration, this Committee developed policy in the Energy Act of 2020 to establish a consortium to develop a commercial market for these advanced fuels.

Q3A. Will you work with the Committee to ensure this bank is consistent with the law and will support the development of a commercial market for advanced fuels for advanced reactors and not become an impediment to such development?

A3A. Yes, NE will continue to work with the Committee to ensure its activities are consistent with the law. NE established the HALEU Consortium and has regularly utilized this platform to present updates on the development of advanced nuclear fuels and other NE led projects. In support of the development of the commercial market, NE established the HALEU Allocation Process that prioritizes fuel requests based on several key factors such as schedules, fuel fabrication development, and design maturity. That

process was presented during a consortium meeting. Additionally, NE has informed commercial vendors of pending Request for Proposals and NOFOs through the HALEU Consortium.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE KATHY CASTOR (D-FL)

Q1. Energy Star is a joint DOE and EPA program, mandated in statute by Congress. The President's FY26 budget request proposes to eliminate the office that runs the program. In a recent press release, DOE claimed to save Americans $11 billion by rolling back energy efficiency standards. However, according to DOE's own estimates, eliminating those standards would increase Americans' utility bills by more than $54 billion.
How does the Department justify the elimination of efficiency standards, especially when rolling back the standards saves Americans far less?
Were the long-term savings from efficiency standards considered before DOE made this announcement?

A1. The Energy Policy Act, Section 131 formally codified the ENERGY STAR program within Environmental Protection Agency and DOE in 2005. The roles and responsibilities of each agency are outlined in a memorandum of understanding, which remains in place. DOE is reviewing the program and its role in implementation and determining how best to move forward within legislative requirements.

The President's FY 2026 Budget Request funds deregulatory actions to repeal inefficient standards and meet statutory requirements, unlocking cost-savings to American consumers through the rollback of unnecessary or uncalibrated requirements for a wide range of commercially available products. The Request also includes funding to continue statutorily required activities supporting building energy codes, working in collaboration with industry.

Q2. China is doubling down on industrial sector innovation and decarbonization. In April, China announced 101 new demonstration projects – including low-carbon steel, geothermal heat pumps, and green fertilizer. These projects will receive direct financial support, expedited approvals, and prioritization in government procurement. In May, the Department of Energy announced it would cancel $3.7 billion from the Industrial Demonstrations Program. How does allowing China to overtake the United States in these key sectors strengthens our national security?

A2. The Department of Energy's financial assistance activities are meant to benefit the U.S. public interest. The decisions to not continue funding for certain awards under the Industrial Demonstrations Program and across the larger Office of Clean Energy Demonstrations (OCED) portfolio were made after a thorough and individualized

financial review of each award. The review found that these projects failed to advance the energy needs of the American people.

Wasteful spending does not help the United States maintain and grow its energy dominance strategy against competitors like China. The Department of Energy is focused on removing the government as a barrier to unleash private capital, which will supercharge new and emerging technologies to decisively defeat China in the race for energy dominance and secure our nation's future.

Q3. The Inflation Reduction Act expanded the Title 17 Clean Energy Financing Program at the Loan Programs Office (LPO) to invest in energy infrastructure—including critical minerals. The President's FY26 budget proposal requests $750 million in credit subsidy for the Title 17 program. However, H.R.1, the One Big Beautiful Bill Act, passed by House Republicans passed last month eliminates unused credit subsidy funding provided in the IRA. LPO has been described by Secretary Wright as "the most efficient tool we have" to support early-stage technologies. It costs companies about $6 million to do the due diligence to get a loan through LPO, and it takes about a year just to reach conditional commitment. These are thoroughly vetted projects that secure American energy dominance, supply chain security, and grid resilience. How will the proposals in the FY26 budget and H.R. 1 impact LPO's ability to help the United States secure our critical mineral supply chains?

A3. LPO is committed to financing projects that meaningfully contribute to American energy and supply chain security, reliability, and affordability. Under new leadership, LPO is focused on ensuring a rigorous due diligence process that limits risks to taxpayers, while reducing unnecessary burden and costs to applicants.

LPO retains strong ability and flexibility to finance critical mineral projects across several potential loan programs. To date, LPO has financed most projects in its critical minerals portfolio through the Advanced Technology Vehicles Manufacturing Loan Program (ATVM). These projects have qualified through demonstrated automotive offtake of qualifying advanced vehicle technology components, such as lithium carbonate and graphite anode material for lithium-ion batteries. The One Big Beautiful Bill Act (OBBBA) rescinded ATVM's unobligated credit subsidy made available under the Inflation Reduction Act (IRA) OBBBA also amended the definition of "energy

infrastructure" under the recently revised Section 1706 Energy Dominance Financing Program to include "critical minerals," allowing LPO to finance critical minerals projects under the new statutory eligibility parameters. Pursuant to recent amendments, critical mineral projects are also eligible under the Section 1703 program (*see* 42 U.S.C. 16513(b)(13)).

Q4. The Infrastructure Investment and Jobs Act provided $10.5 billion for the Grid Resilience and Innovation Partnerships (GRIP) Program to enhance grid flexibility and improve the resilience of the power system against extreme weather. $7.6 billion of that funding was announced for 105 projects in all 50 states. GRIP grant awards were supposed to go to companies manufacturing grid enhancing technologies in Florida—enabling transmission operators to maximize the capacity of existing power lines at a time when Floridians are faced with rising energy prices and disaster-induced reliability challenges. However, companies have been unable to access their funds and my office's inquiries at DOE have gone unanswered. Please respond to these inquiries and provide a clear timeline for the disbursement of all Congressionally-mandated and obligated funds under the GRIP program.

A4. The GRIP program has not been eliminated, and its projects are undergoing review to increase accountability and promote responsible stewardship of American taxpayer dollars. DOE has implemented a new policy to ensure responsibility for DOE's financial assistance that identifies waste of taxpayer dollars, protects America's national security and advances President Trump's commitment to unleash affordable, reliable and secure energy. DOE is committed to conducting a thorough review of these projects under its existing authorities to ensure they are, among other things, financially sound and economically viable, aligned with national and economic security interests, and consistent with Federal law and this Administration's policies.

Q5. In the FY26 budget request, the Advanced Reactors Demonstration Program (ARDP) faces a large cut. This would present a challenge to U.S. efforts to strengthen our nuclear energy capabilities. Molten salt reactor technology is a promising part of these efforts and could unlock new economic opportunities for the United States such as civilian maritime nuclear propulsion and floating nuclear power plants.

Q5A. How does the FY26 budget request impact the ADRP risk reduction effort known as the Molten Chloride Reactor Experiment – for a type of molten salt reactor – planned for Idaho National Laboratory (INL)?

A5A. At the original project cost, full funding for the Molten Chloride Reactor Experiment (MCRE) is provided with the FY 2025 enacted budget and no funds are requested for the MCRE project in FY 2026. FY 2025 funds are expected to be carried over into FY 2026 to support demonstration of the fuel salt synthesis process with prototypic material, establishment of the fuel salt synthesis line at INL, and installation of a non-nuclear prototype of MCRE at the TerraPower facilities in Everett, Washington.

Q5B. How does this budget request ensure that INL's important test beds, specifically the Laboratory for Operations and Testing in the U.S. (LOTUS), will be ready?

A5B. LOTUS is one of two demonstration test beds being developed by NRIC to provide the infrastructure where industry can test their reactor concepts to generate data to support design and licensing. The FY 2026 budget request supports initiation of construction activities, and continuation of long lead procurements to enable LOTUS to be available on a timeline that supports the first planned test, MCRE.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE KEVIN MULLIN (D-CA)

Q1. There are reports that the Administration may cut federal funding to the state of California, in particular research institutions. Considering the critical role that California serves in the energy economy and innovation, such an action would not only undermine our nation's efforts to advance and continue to lead in innovative energy technology but would also have a crippling effect on the state and the nation's economy. Please describe the role, if any, that the Department of Energy will play in planning and/or carrying out this effort.

A1. The Department of Energy has an outlined policy entitled "Ensuring Responsibility for Financial Assistance" to evaluate funding on a case-by-case basis to identity waste of taxpayer dollars, protect America's national security and advance President Trump's commitment to unleash affordable, reliable and secure energy for the American people. After a thorough and individualized financial review of each award, if DOE finds that these projects fail to advance the energy needs of the American people, were not economically viable, and/or would not generate a positive return on investment of taxpayer dollars, that funding will be terminated or denied. DOE, and every federal agency, has a responsibility to the American taxpayer to do our due diligence in ensuring we are utilizing taxpayer dollars to strengthen our national security, bolster affordable, reliable energy sources and advance projects that generate the highest possible return on investment.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE JENNIFER MCCLELLAN

Q1. Since January 20, 2025, have any DOE personnel been instructed to withhold information about the status of grants or contracts, or to provide only vague or generic replies to recipients?

A1. No. The Department publicly announced the Secretarial Policy on Ensuring Responsibility for Financial Assistance as well as the fact that it is engaged in an ongoing review of its financial assistance portfolio. Accordingly, when financial assistance recipients have inquired as to the status of their awards, the Department has advised them of this ongoing review.

Q1A. Have all affected grant recipients been notified when their grants are under review or under consideration for cancellation?

A1A. Under the Secretarial Policy of Ensuring Responsibility for Financial Assistance, program offices are tasked with reviewing their entire financial assistance portfolios. The Department has publicly announced that it is conducting this review. In addition, program offices have had communications with financial assistance recipients, for example, to request additional information to facilitate this review.

Q2. With respect to grants that have been cancelled since January 20, 2025:
Q2A. Please describe in detail the process used to make the determinations for cancellation.

A2A. Pursuant to the Secretarial Policy on Ensuring Responsibility for Financial Assistance, the Department created a Portfolio Review Process or "PRP" that tasked program offices with reviewing their financial assistance portfolios against a number of criteria; developing proposals to retain, modify or terminate awards; presenting these proposals for feedback and recommendations to a committee of cross-functional stakeholders comprised of leads from the program offices and senior management; and making (and implementing) determinations to continue, modify, or terminate awards. These determinations are based on information submitted by award recipients; project financial and technical viability; market conditions; national security; award terms and conditions, including whether a project has met agreed-to performance milestones; and whether a project continues to effectuate program goals and Department priorities.

Q2B. Were DOE subject matter experts involved in reviewing and deciding to cancel each grant that was cancelled?

A2B. The PRP is an ongoing process that involves program staff and counsel.

Q2C. Were you (the Secretary) personally involved in reviewing and deciding to cancel each grant that was cancelled?

A2C. No. Under the PRP, program offices are tasked with deciding whether to terminate, modify or continue financial assistance awards.

Q2D. Which political appointees are involved in the review and decision-making process? Please provide names and titles/positions.

A2D. Under the PRP, program offices are tasked with reviewing their financial assistance portfolios against a number of criteria; developing proposals to retain, modify or terminate awards; presenting these proposals for feedback and recommendations to a committee of cross-functional stakeholders comprised of leads from the program offices and senior management; and making (and implementing) determinations to continue, modify, or terminate awards. Although the program offices are led by political appointees (all of whom are listed on the Department's website), the process involves program staff and counsel.

Q2E. What opportunities were grant recipients given to address any of DOE's concerns before their grant was canceled?

A2E. The PRP was designed to enable program leadership and staff to engage with financial assistance recipients to obtain information bearing on proposals to terminate, modify or continue awards; it was likewise designed to enable financial assistance recipients to engage with program leadership and staff through informal dispute resolution, non-binding mediation, and – if necessary – a formal appeal after being notified of a program office's intent to terminate or modify an award.

Q2F. What documentation exists to demonstrate the process used for review?

A2. The PRP was created pursuant to the Secretarial Policy on Ensuring Responsibility for Financial Assistance, a copy of which is available on the Department's website. The review process was further documented in the PRP charter.

Q3. Has DOE conducted any analysis to determine how much money has been wasted on projects stalled by canceled grants, funding freezes, workforce cuts, and lack of communication from DOE?

A3. The purpose of the PRP is to ensure the sound stewardship of the Department's financial assistance programs by creating a mechanism to ensure that projects are financially and technically viable; that they are consistent with national security, as well as agreed-to terms and conditions(including whether a project performance milestones); and that they continue to effectuate program goals and Department priorities. This deliberative process involves inputs from cross-functional stakeholders as well as program staff and counsel.

Q4. The Federal Energy Management Program is a statutorily required program that is on track to save the federal government over $60 billion by 2030. This program was only funded at $57 million in FY25, and DOE's FY26 budget requests just $8 million "to wind down" activities. Why is DOE slashing and winding down a program whose mandate is to save the government money through increased efficiency?

A4. The Congressional Justifications submitted by the Department of Energy explain the rationale for the FY 2026 President's Budget Request.

Q5. DOE's FY26 Budget in Brief notes that no funding from the Office of Indian Energy will go to wind, solar, or battery storage (page 52).

The Energy Policy Act of 2005 requires that the Office of Indian Energy carry out programs in accordance with Tribal Self-Determination principles (47 USC 7144e). Please explain how this restriction on funding to wind, solar, and battery storage adheres to Tribal self-determination principles and how this policy is in accordance with the law. When testifying before the Senate Energy and Natural Resources Committee on June 18, 2025, you indicated that wind and solar were the most cost-effective resources for some Tribes in response to questions from Senator Murkowski. If this is your position, then

why are you restricting the Office of Indian Energy from funding these types of technologies?

A5. The reliability and security of our power grid are critically threatened by inadequate and intermittent energy supplies, necessitating rapid and robust reforms. Without decisive intervention, the Nation's power grid will be unable to support tribal energy needs nor expanded manufacturing, re-industrialization efforts, and the data centers needed to win the AI race.

The Office of Indian Energy will prioritize energy solutions based on people and math, with consideration for the local context and available resources. The Office's decisions will continue to be guided by robust analysis aimed at enhancing energy reliability, security and affordability across Indian Country, where the impacts of unreliable and high-cost power are acutely felt. Energy resources or technologies which address these challenges given the unique circumstances of any particular Tribe are a priority for the Office. Notably, this approach advances Tribal self-determination far beyond the prior administration, which arbitrarily limited the Office of Indian Energy's financial assistance to a narrow list of "clean" energy resources.

Q6. Fusion companies have announced their plans to start building the world's first grid-scale fusion power plants in just a few years. This puts their deployment timelines on a similar trajectory as many advanced nuclear companies.

Q6A. Do you think we should provide comparable levels of commercial demonstration support for fusion, like there is for new advanced nuclear?

A6A. Commercialization is a complex process that links research and development with bringing a product to market. Commercial demonstration support focuses mainly on the latter aspects.

The National Academics for Science, Engineering and Medicine report, *Bringing Fusion to the U.S. Grid,* was clear that the Department of Energy should move forward to foster the creation of national teams, including public-private partnerships, that will develop conceptual pilot plant designs and technology roadmaps and lead to an

engineering design of a pilot plant that will bring fusion to commercial viability. We have done this through the Milestone Program, which was launched in 2024.

Successful commercialization will also require addressing the scientific and technical gaps to make fusion a viable energy source for the future. The Fusion Energy Sciences Advisory Committee (FESAC) Long Range Plan and more recently the FESAC Facilities Construction Project Report outline the need for a focus on Fusion Materials and Technology test stands and facilities to de-risk fusion materials, tritium breeding blankets, and fusion fuel cycles aligned with technology roadmaps from the private sector.

Q6A. A recent GAO report found that of the DOE fusion budget, only about 1% is going to commercial fusion efforts. Would you agree we need to be spending a greater share of our existing fusion budget on commercialization?

A6A. DOE has conducted our own assessment, over a similar time period (FY2020-FY2024) as the GAO report, of the Fusion Energy Science's budget to evaluate the relevance of the supported portfolio to fusion commercialization. It was found that more than half of the FES research supported activities focused on closing remaining physics and technology gaps identified by a consensus of the fusion S&T community and de-risking the path to translate this knowledge to the private sector, making it directly relevant to commercialization.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE KIM SCHRIER (D-WA)

Q1. Please provide an update to the status of the Section 247 of the Energy Policy Act of 2005, Maintaining and Enhancing Hydroelectricity Incentives, as amended by Section 40333 of the Infrastructure Investment and Jobs Act of 2021. This program funds dam safety, environmental improvements, and grid resiliency projects critical to countless dam operators for modernization.

A1. DOE has implemented a new policy to ensure responsibility for DOE's financial assistance that identifies waste of taxpayer dollars, protects America's national security and advances President Trump's commitment to unleash affordable, reliable and secure energy. DOE is committed to conducting a thorough review of these projects under its existing authorities to ensure they are, among other things, financially sound and economically viable, aligned with national and economic security interests, and consistent with Federal law and this Administration's policies.

Q2. Recently, you called on Congress to maintain tax incentives for nuclear and geothermal technologies. My state has significant hydropower, which is a clean, baseload energy source. Can you speak to the work the Department of Energy is doing in the hydropower space, and if your support for baseload energy also extends to this sector?

A2. Hydropower has powered America with reliable, secure, and affordable energy for over a century, but the continued operation of American hydropower and the stability of our electric grid are at risk. Hydropower is a critical source of firm power and storage, and the Trump administration supports efforts to leverage this resource. DOE's Water Power Technologies Office (WPTO) administers a broad portfolio of activities to strengthen the body of technical knowledge and support for industry efforts to develop, demonstrate, and deploy hydropower and marine energy technologies at all scales. To accomplish its objectives, WPTO supports R&D across industry, academia, and the National Laboratories through a variety of mechanisms and innovative partnerships. The Trump administration's FY 2026 budget request emphasizes ongoing National Laboratory R&D to advance small hydropower, including powering non-powered dams, modernizing irrigation systems, and improving existing hydropower facilities through modernization and fish passage.

Q3 You have testified previously that you will have all projects vetted and done by the end of the summer. But as DOE conducts these reviews, essentially duplicating work already done for funding that was already passed on a bipartisan basis and for projects supported on a bipartisan basis, billions of dollars worth of economic growth and family-wage jobs are on the line. Are you aware of the uncertainty that this pause on hydrogen hubs is having on this prospective industry?

A3. On May 15, 2025, the Secretary of Energy announced a new policy for increasing accountability and identifying wasteful spending of taxpayer dollars. In a Secretarial Memorandum entitled, "Ensuring Responsibility for Financial Assistance," the Secretary outlined the DOE policy for evaluating financial assistance on a case-by-case basis to identity waste of taxpayer dollars, protect America's national security, and advance President Trump's commitment to unleash affordable, reliable and secure energy for the American people.

In the case of OCED, the need for such a review has become more apparent over time. Recent DOE Inspector General reports, including one specifically focused on the hydrogen hub program, found OCED's past practices risk improper reimbursement of costs, fraud, waste, and undisclosed conflicts-of-interest, and jeopardize program outcomes, including unachieved goals and objectives. There is also a draft Government Accountability Office (GAO) report which found OCED's hydrogen hub program "did not meet" 4 of 9 GAO standards to reduce the risk of waste, fraud, and abuse. OCED scored lower than any of the other four federal agencies GAO examined as part of its audit. Compounding these failures, starting on November 6, 2025, and through January 20, 2025, OCED chose to obligate more than $5 billion in funding on select projects beyond the first phase of an award notwithstanding OCED's obligation approach prior to November 6th that, in general, OCED would only obligate funding for the first phase. This change in obligation approach has made it more challenging for the new Administration to take a responsible look at whether these awards should be funded.

OCED is committed to supporting the President's agenda to unleash American energy through a responsible and thoughtful approach. OCED is evaluating the hydrogen

hub program and is working with hydrogen hubs while the Departmental review of federal financial assistance is occurring.

Q4. I've spoken to the Hubs–their projects and partners are very worried because their investors are now thinking of packing up their bags and going elsewhere. How is the DOE going to demonstrate to these companies and their investors from around the world that the United States government is a reliable partner on energy industrial development?

A4. The Department is committed to reviewing all DOE financial assistance agreements on a case-by-case basis to identity waste of taxpayer dollars, protect America's national security, and advance President Trump's commitment to unleash affordable, reliable and secure energy for the American people. The best way for the United States government to demonstrate it is a reliable partner with the private sector is to ensure funded projects meet these goals.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE LIZZIE FLETCHER (D-TX)

Q1. During the hearing, you commented that the devasting blackouts caused by Winter Storm Uri were caused by renewable energy generation failures. The Federal Regulatory Energy Commission's (FERC) "The February 2021 Cold Weather Outages in Texas and the South Central United States" report concluded that natural gas power plants represented 58 percent of generating units experiencing outages during the storm, while solar and wind only accounted for 29 percent combined. Additionally, the report concluded that 87 percent of unplanned generation outages due to fuel issues were related to natural gas, and 43.3 percent of natural gas production declines were caused by freezing temperatures and weather.

Your Department of Energy (DOE) FY26 budget includes a nearly 50 percent cut to the Natural Gas Infrastructure and Hydrogen Technologies program within the Office of Fossil Energy. Your Budget in Brief states, "The Natural Gas Infrastructure and Hydrogen Technologies program will conduct research to develop technologies and solutions to improve the reliability, safety, and security of oil and natural gas pipelines."
Will this budget cut impact natural gas infrastructure weatherization research and development?

A1. Under President Trump's leadership, the DOE is focused on advancing affordable, reliable, and secure baseload energy sources that provide dependable power when Americans need it most. DOE's Office of Fossil Energy Natural Gas Infrastructure and Hydrogen Technologies Program (NGIHT Program) FY 2026 budget request, while adjusted, aligns with overarching Administration priorities of advancing energy, unleashing American energy innovation, and ensuring a robust and reliable natural gas production and transportation system.

These Administration priorities guide the allocation of resources related to developing innovative natural gas infrastructure technologies. The FECM NGIHT Program continuously evaluates its R&D portfolio to ensure that it prioritizes infrastructure technologies that strengthen the natural gas production and transportation system's reliability and resiliency, including weatherization. This research includes improving efficiency, integrity, and security across the entire natural gas supply chain by developing, testing, and demonstrating advanced materials, novel sensors and sensor platforms, analytical tools, computational models, and best practices that will be

integrated into existing equipment control systems to monitor, predict, and prevent infrastructure failures.

Effective management of the NGIHT program and project portfolio includes rigorous enforcement of project milestones to ensure cost-effectiveness. Therefore, any R&D activities, including those focused on natural gas infrastructure weatherization, will be assessed within this framework to ensure they contribute to the Department's strategic objectives.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE ALEXANDRIA OCASIO-CORTEZ (D-NY)

Q1. The Department of Energy has announced that the remaining Puerto Rico Energy Resilience Fund (PR-ERF) funds will be redirected to address the root causes of the grid's instability. The Department of Energy released the PR100 report in March 2024. This report states that "scenarios with more rooftop PV enabled much faster recovery than those with more centralized generation" and that rooftop solar scenarios will be able to "maintain reliable service under normal operation conditions." The report similarly finds that the levelized cost of energy for solar in 2035 ($58/MWh) will be drastically less than current costs of natural gas ($115/MWh) or diesel ($230/MWh).

Given these findings, can you commit that the Department of Energy will only deploy PR-ERF funding in a way that prioritizes the deployment of more resilient, affordable solar energy?

A1. DOE is reprioritizing these awards and will redirect funding to support technologies that improve system flexibility and response, power flow and control, component strength, supply security, and safety. The redirection of these funds will expand access to reliable power for millions of people rather than thousands and generate a higher return on investment for taxpayers while advancing grid resiliency for Puerto Rico. The funding will be deployed to support practical fixes and emergency activities that offer a faster, more impactful solution to the current crisis, benefiting critical facilities like hospitals and community centers.

Q2. A spokesperson for the DOE informed Nuevo Dia that redirected PR-ERF funds would "help modernize the grid to increase its resilience ahead of the hurricane season." Given that Puerto Rico's hurricane season begins on June 1st and funds have not yet been spent, can you share a more detailed timeline for how these funds will be deployed?

A2. DOE is reprioritizing these awards and will redirect funding to support technologies that improve system flexibility and response, power flow and control, component strength, supply security, and safety. The redirection of these funds will expand access to reliable power for millions of people rather than thousands and generate a higher return on investment for taxpayers while advancing grid resiliency for Puerto Rico. The funding will be deployed to support practical fixes and emergency activities that offer a faster, more impactful solution to the current crisis, benefiting critical facilities like hospitals and community centers.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE DEBBIE DINGELL (D-MI)

Q1. Since the Inflation Reduction Act was signed into law, Michigan has led the clean energy manufacturing boom. We've seen over $40 billion in private investment and more than 25,000 new jobs created, with projections for up to 167,000 clean energy jobs over the next decade. This is happening right now in retooled EV plants, battery factories, and in rural and underserved communities across my state. But six months into this Administration, we've already seen $14.2 billion in investments stalled or canceled in Michigan, jeopardizing over 2,600 jobs. This is more than troubling to me. Why is the Administration trying to kneecap the American auto industry by repealing these credits and forcing delays and cancellations? I'm sure this Committee would like to see your analysis showing how many domestic auto jobs will be lost because of these decisions.

A1. This Administration prioritizes consumer choice and affordability over government incentivized adoption of specific technologies. Electric vehicle markets are still viable without government incentives, and rely on consumer demand and dropping prices, which is already seen globally.

Q2A. These investments aren't just about public spending. They've unlocked historic private capital. Repealing clean energy tax credits risks nearly $40 billion in Michigan investment alone. Meanwhile, China is watching and they're more than willing and ready to seize the market-share we're giving up. How is forfeiting this market-share to the Chinese Communist Party a smart manufacturing strategy?

A2A. The Administration has prioritized onshoring American manufacturing, production, and innovation and is taking actions to drive private investment. The Administration's trade policies aim at incentivizing domestic auto production with components, sub-assemblies, and specialized materials supply chains.

Q2B. Do you have data that says canceling these investments helps American competitiveness?

A2B. DOE would refer you to data from the U.S. Bureau of Economic Analysis regrading motor vehicle retail sales for domestic and foreign autos and light weight trucks, which shows rising sales for domestic trucks this year. To your earlier point, the automotive manufacturing industry is a critical asset to our national economy. This Administration's policies are focused on putting American manufacturing and innovation first, which will lead to domestic job creation and American competitiveness in the global market.

Q3. Over $13 billion in clean energy investments have been targeted for low-income communities in Michigan — bringing 17,000 jobs to places that are often overlooked. Another $5.8 billion in rural investments are at risk. What's your plan for those communities once you gut these credits? Or is the message from this Administration simply: "you're on your own"?

A3. The Department has been reviewing its programs and grants to ensure alignment with the Administration's priorities, and support investment in energy that is affordable, reliable and secure. Through this process, the Department has continued to prioritize the implementation of programs that will support the American energy economy and increase American prosperity for all communities. This includes actions that will advance energy abundance, reduce energy costs, and support economic and workforce development in rural communities.

Q4. I'm deeply concerned by the proposed 74 percent cut to the Office of Energy Efficiency and Renewable Energy and the 27 percent cut to the Advanced Technology Vehicles Manufacturing (ATVM) loan program. These are the very tools we need to stay competitive in a global economy. How do you expect America to lead in innovative vehicle technology and compete globally if we're "slashing our own tires" with these budget cuts?

A4. The FY 2026 Budget Request focuses on cost efficiencies and fiscal constraints and refocuses the Office of Energy Efficiency and Renewable Energy resources on the energy technologies that are best positioned to advance energy dominance.

The commercialization of vehicle technologies has contributed to cost savings for households and businesses, including gasoline cars that use less fuel, trucks that can travel up to twice as far on a gallon of diesel, and more affordable vehicles for many applications. Research has also begun to make supply chains more secure by reducing the need for critical minerals like rare earths in magnets and cobalt in batteries and demonstrating new ways to recycle batteries and other vehicle materials, keeping those critical minerals in the United States.[1]

[1] www.energy.gov/sites/default/files/2025-06/doe-fy-2026-vol-3.pdf

DOE's Vehicle Technologies Office will prioritize activities most essential to meeting this Administration's goals of energy dominance, growth of U.S. industry and manufacturing, support of national defense, and cost savings for households and businesses. These activities include research activities like promising and innovative battery chemistries, and specifically, on reducing needs for critical minerals and battery mineral recycling; off-road, rail, marine, and aviation technologies; as well as technology integration and analysis.

The Advanced Technology Vehicles Manufacturing (ATVM) Direct Loan Program was created to provide loans for the cost of re-equipping, expanding, or establishing manufacturing facilities in the United States to produce advanced technology vehicles or qualified components and for associated engineering integration costs.

To date, 16 projects have been financed in part by ATVM. DOE has disbursed $20 billion. Borrowers have repaid a collective $7 billion in principal and $1 billion in interest though January 2025. The ATVM portfolio has had two borrowers' default which resulted in losses.[1]

ATVM has primarily subsidized the financing of electric vehicle and related components manufacturing projects in a manner inconsistent with EO 14154, "Unleashing American Energy." Therefore, the FY 2026 Budget Request proposes the elimination of discretionary unobligated credit subsidy balances originally appropriated in 2009. In FY 2026, LPO expects to obligate approximately $5.25 billion under this program IRA funds, with an estimated combined credit subsidy cost of $287 million.[2]

[1] www.energy.gov/sites/default/files/2025-06/doe-fy-2026-vol-3.pdf
[2] www.energy.gov/sites/default/files/2025-06/doe-fy-2026-vol-3.pdf

Q5. Would you agree that the Chinese Communist Party wants to see us cut and dismantle our auto industry? This is an industry that built this country and drives our economy.

A5. China now consumes nearly three times as much energy in manufacturing than the United States. The same products that were once made in the United States or Europe are now being produced with higher greenhouse gas emissions, then loaded on a diesel-powered ship back to Europe and North America. The net result is higher prices, fewer jobs, and higher global emissions.

The solution to beating China, supporting American jobs, and reducing global emissions is to reshore domestic manufacturing.

U.S. House Committee on Energy and Commerce
Subcommittees on Energy and Environment
June 10, 2025 Hearing: The Fiscal Year 2026 Department of Energy Budget

QUESTIONS FROM REPRESENTATIVE TROY CARTER (D-LA)

Q1. As hydrogen is essential to a broad range of industry and manufacturing activities - steel manufacturing, ammonia production, oil and gas refining - how do you plan to maintain momentum in hydrogen power production and adoption if significant changes to the 45V tax credit reduce incentives for hydrogen development?

A1. Hydrogen power production and adoption should be capable of standing on its own regardless of specific policy provisions or government incentives. This Administration and the Department of Energy has a priority to be good stewards of taxpayer dollars.

Q2. I want to correct the record on some of your statements during the hearing about the connection between the blackout in portions of my district in Louisiana a few weeks ago and the coal plant in Michigan you've forced to stay open.

The blackout area and the coal plant are nearly a thousand miles apart. While both are on the MISO grid, MISO has extraordinarily limited ability to transmit power between its northern and southern halves—part of the reason it's so important for us to boost transmission capacity. In your order demanding that Campbell Plant stay open, you acknowledged this, citing reliability concerns only in MISO North and Central, not South, where Louisiana is.

But there's no physical way for power from this plant to have helped New Orleans. None. Additionally, the implication that renewable energy had anything to do with this outage is unfounded. While we're still investigating the event, we know that the issue was partially due to problems with nuclear plants, not renewables. It's a valuable reminder that no energy system is perfect.

Do you still stand by your statement that the Louisiana blackout justifies DOE's actions regarding the Campbell plant?

A2. On January 20, 2025, President Trump issued EO 14156—Declaring a National Energy Emergency. This EO highlighted that inadequate energy supply and infrastructure has threatened U.S. energy security and resulted in high energy prices for Americans. The President declared a national emergency to mitigate this threat to the economy, national security, and foreign policy. To help address the National Energy Emergency, DOE has taken decisive action, issuing a series of orders pursuant to Section 202(c) of the Federal Power Act.

On May 23, DOE issued an order to the Midcontinent Independent System Operator (MISO) to ensure the continued operation of the J.H. Campbell Power Plant in Michigan, which had been scheduled to close. Since the order was issued to MISO, the Campbell Power plant has remained operational, supporting grid reliability during periods of extreme heat in June and July.

Energy markets are complex and dynamic, with loads constantly shifting to meet demand. While there are too many variables to know the precise effect of a single generation source on another region while load balancing, maintaining sufficient generation supports stability across the broader system.