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THE PRESIDENT'S BUDGET REQUEST FOR THE U.S. DEPARTMENT OF ENERGY FOR FISCAL YEAR 2026

HEARING

BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES UNITED STATES SENATE

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

JUNE 18, 2025

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THE PRESIDENT'S BUDGET REQUEST FOR THE U.S. DEPARTMENT OF ENERGY FOR FISCAL YEAR 2026

WEDNESDAY, JUNE 18, 2025

U.S. SENATE,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The Committee met, pursuant to notice, at 10:00 a.m. in Room SD–366, Dirksen Senate Office Building, Hon. Mike Lee, Chairman of the Committee, presiding.

OPENING STATEMENT OF HON. MIKE LEE, U.S. SENATOR FROM UTAH

The CHAIRMAN. Good morning. The Committee will come to order.

We will hear today from Secretary Wright, the Secretary of Energy, as we discuss the Fiscal Year 2026 budget for the U.S. Department of Energy.

Welcome, Mr. Secretary, and thank you for meeting with us today.

When we last saw you before the Committee, back in January, you were then President Trump's nominee to lead the Department of Energy. You are now five months into that role and you are already delivering results. Congratulations on that. This Committee has, since then, favorably reported ten additional nominees, including James Danly, who is already serving as your Deputy, and nine more who still await confirmation by the full Senate. I encourage Senate leadership to move forward with those well-qualified nominees, who again, have received our favorable recommendation out of this Committee, to move them forward promptly so that they can get in place and then help you implement President Trump's America First agenda.

The Department's budget in recent years has ballooned. We have seen a dramatic expansion fueled by the misnamed Inflation Reduction Act, which instead provided tens of billions of dollars to fund green energy projects that make energy less reliable and more expensive for the American people. Perhaps the worst example of this—the Department of Energy's Loan Programs Office. The IRA gave it over $300 billion in new lending authority, far exceeding the traditional portfolio, and the previous administration rushed to approve nearly $100 billion of those loans in just a few months, more than twice what it had previously disbursed over the last 15 years. So I want to commend you, Mr. Secretary, for taking strong

action to protect taxpayers' dollars, including by canceling nearly $4 billion in funding for worthless IRA projects that were rushed out the door hastily, under the dark of night, between election day and President Trump's inauguration.

Under your leadership as Secretary of Energy, DOE is back to approving LNG exports consistent with DOE precedent, with nearly ten billion cubic feet per day's worth of export applications, now green-lighted after the previous administration's unlawful pause. Your Department is also addressing, in meaningful ways, growing grid reliability issues, crises caused by issuing numerous 202(c) orders to keep baseload generation online during the most stressed months, helping to avoid blackouts, and keeping energy prices stable for Americans all across the country. All of this tends to set the stage for a return to the Department of Energy's proper role, that is, focusing on basic research and development in energy and science that foster innovation, strengthen energy independence, and reduce energy costs for the American people, all while assuring greater reliability. I look forward to hearing from you today, and in particular, hearing how you plan to continue strengthening oversight, discipline, and accountability within your Department, and how you will manage programs like the Loan Programs Office, the science labs, and new transmission initiatives in a way that will protect taxpayers, strengthen our energy independence, and serve the best interests of the American people.

So again, welcome, Mr. Secretary, and I would now like to recognize Senator Heinrich, the Ranking Member, for his opening statement.

OPENING STATEMENT OF HON. MARTIN HEINRICH, U.S. SENATOR FROM NEW MEXICO

Senator HEINRICH. Thank you, Chairman Lee, and welcome, Secretary Wright.

Secretary Wright, we are here to discuss the FY26 budget request, and while this is our first opportunity to ask you questions since your confirmation, it's not your first time defending this budget. Last week, you testified before the Energy and Commerce Committee, and earlier in May, you appeared before the House and Senate Energy and Water Development Subcommittees. It is clear from those hearings that there seems to be a noticeable disconnect between what you have stated publicly and the actions taken under your leadership as Secretary of the Department of Energy.

At your nomination hearing in January, I asked you if the executive branch has the authority, without Congress's approval, to withhold or terminate funding for an activity Congress approved in law. You said that you would "follow the laws and statutes of the United States of America." On May 30th, $3.7 billion in awards from the Office of Clean Energy Demonstrations were canceled without notice or without justification. Cancellation of these awards crosses into impoundment territory and is certainly a breach of contract. Actions like these will severely damage our country's ability to lead in developing and commercializing next-generation technologies while ceding ground to our competitors.

Another way to undermine our leadership: demoralizing the scientists and staff at DOE, the largest federal sponsor of basic re-

search in the physical sciences. I know you realize this because on February 5th, you called DOE staff "the unbelievable humans that are in the room today, that are across our national labs, in our cleanup facilities, in our offices around the country." Less than a month later, however, 2,000 DOE employees, including hundreds of National Nuclear Security Administration employees responsible for safeguarding the nation's nuclear stockpile, were fired. That was unacceptable. But only after heavy criticism did the Department partially rescind the NNSA termination order and scramble to reinstate these employees.

In coming months, the Department is reportedly set to lose thousands of additional employees to early buyouts. As my colleague, Ranking Member Murray noted, taxpayers have spent $70 million to pay people not to work at this point, but it seems that you may be regretting that decision. The Washington Post reported that across the government, officials are rehiring federal workers who were forced out or encouraged to resign. You know that this is no way to run a business or an agency, and I believe that we have to do better. And just yesterday, I heard from the national labs that this budget would cut funding for the labs by $2.75 billion, or 11 percent, compared to Fiscal Year 2024, an estimated loss of more than 7,700 jobs once fully implemented. Our nation's scientific and energy leadership is on the line.

And let's talk a little bit about energy dominance. In your confirmation hearings, you said that you would be an "unabashed steward for all sources of affordable, reliable, and secure American energy and the infrastructure needed to develop, deliver, and secure them." However, last week, before the Energy and Commerce Committee, you said, "I have never been for all of the above. And if I said it at one point in time, I misspoke. I am against energy sources that make the energy system more expensive or less reliable." I wouldn't call that misspeaking. That's a disconnect. If you truly were against energy sources that make the energy system more expensive or less reliable, I don't believe that you would be propping up the uneconomic J.H. Campbell coal power plant in Michigan to produce expensive and inefficient power. A new report by Energy Innovation shows that the average megawatt of power generated by U.S. coal plants is 28 percent more expensive in 2024 compared to 2021. And that means that families spent $6.2 billion more on electricity generated by coal in 2024 than they would have just three years ago.

As electricity demand continues to grow, we will not be able to meet the energy needs of new data centers while keeping household bills low if we prevent the growth of affordable clean energy resources. We need a true all-of-the-above strategy to adequately deliver our energy goals, and this budget fails to deliver on that. During your time as Secretary, you have also said that ten percent of Americans in the last 12 months have received a utility disconnection notice, and that one of your goals was to shrink that number to zero by making energy more abundant and affordable. That is a worthy mission. And yet, this budget eliminates the Weatherization Assistance Program, which saves households an average of $372 a year. You have often said that artificial intelligence is the Manhattan Project of our time. And yet, this budget proposes

a 14 percent cut to the Office of Science and a 57 percent cut to ARPA–E, where our major AI R&D efforts are currently underway. We cannot expect to maintain U.S. leadership in emerging technologies if we shortchange the office's programs, and most importantly, the people needed to do so.

Lastly, I want to want to raise DOE's failure to respond in a timely and substantive manner to congressional oversight requests. I have sent four letters on topics ranging from staff reductions to funding freezes and project cancellations. I have received zero responses. That is unacceptable. You and I may disagree on many things, but the need to ensure that Americans have access to affordable domestic sources of energy and support our research and energy leadership should be shared goals. This budget proposal does not support those goals adequately, nor do many of the current actions at the Department, and I hope we see changes.

Thank you.

The CHAIRMAN. Thank you, Senator Heinrich.

Secretary Wright, you are now invited to give your opening statement.

STATEMENT OF HON. CHRISTOPHER A. WRIGHT, SECRETARY, U.S. DEPARTMENT OF ENERGY

Secretary WRIGHT. Thank you, Chairman Lee, Ranking Member Heinrich, and members of the Committee, it is an honor to appear before you today as Secretary of Energy to discuss the President's Fiscal Year 2026 budget request for the Department of Energy.

Under President Trump's leadership, our priorities for the Department are clear: to achieve American energy dominance, bolster our national security, meet our Cold War legacy cleanup commitments, and unleash historic innovation, including AI, for our nation and world. We are driven by a bedrock conviction that an affordable, reliable, secure energy supply is the foundation of a strong and prosperous nation. When America leads in energy, we lead in prosperity, security, and human flourishing. We are committed to advancing our critical missions while cutting red tape, increasing efficiency, and ensuring we are better stewards of taxpayer dollars. The President's Fiscal Year 2026 budget will ensure taxpayer resources are allocated appropriately and cost effectively. We will invest DOE's resources in technologies and sources that support affordable, reliable, and secure energy and provide a return on investment for the American taxpayers.

DOE has several tools at its disposal that can advance these emerging energy technologies, and I thank the Committee for their leadership in establishing a new energy dominance financing program for DOE's Loan Programs Office as part of the One Big Beautiful Bill. This will enable DOE to return to its core mission of supporting projects that are most critical to America's energy security while maintaining responsible stewardship of taxpayer dollars, something DOE failed to do in the previous administration. It is deeply concerning how many billions of dollars were rushed out the door without proper due diligence in the final days of the Biden administration.

DOE is undertaking a thorough review of financial assistance that identifies waste of taxpayer dollars, protects America's na-

tional security, and advances President Trump's commitment to unleash American energy dominance. As a result, we recently announced the termination of 24 projects, totaling over $3.7 billion in taxpayer-funded financial assistance. These projects failed to meet the economic, national security, or energy security standards necessary to sustain DOE's investment, and the taxpayers should not be forced to subsidize them. Instead, we are advancing a policy of energy addition, fully leveraging affordable, reliable, and secure resources that have powered our country for generations. The United States is blessed with an abundance of coal, oil, and natural gas, and our administration is committed to using them to meet the growing energy needs of the American people. Every one of these resources was unleashed through our world-changing power of American innovation.

Our national labs are the engine that drives research and development to expand our energy dominance. We will prioritize research that supports true technological breakthroughs and maintains America's global competitiveness. America must play a leading role in the commercialization of reliable, safe, and secure nuclear energy, and we are taking steps to accelerate innovation in this sector. DOE is working to advance the rapid deployment of next-generation nuclear technology, including small modular reactors. I am proud to report that we have officially ended the previous administration's reckless pause on LNG export permits and have returned to regular order for reviewing and approving new permits. DOE will also work to replenish the Strategic Petroleum Reserve, a national asset that protects our security in times of crisis. And I want to thank this Committee for prioritizing funding to refill the SPR in the One Big Beautiful Bill.

We are advancing President Trump's pledge to lower the cost of living and expand choice by right-sizing DOE's approach to home efficiency standards and regulations. Under the President's direction, we have begun slashing more than 47 regulations as part of the largest deregulatory effort in history. These actions are projected to save the American people approximately $11 billion while restoring consumer freedom and lowering costs.

The responsible stewardship and modernization of the nation's nuclear weapon systems is paramount for this administration. DOE is focused on addressing critical upgrades for the U.S. nuclear stockpile and maintaining our engine powerhouses for submarines and aircraft carriers. Both tasks will become even more crucial in the next few years. Our nuclear innovation, as a nation, began with the Manhattan Project, and the next Manhattan Project is clearly AI. DOE has a significant role to play in driving AI innovation for scientific discovery and national security. Our agency has world-class high-performance computing capabilities, including four of the world's top ten computers.

Harnessing our energy potential to power global AI leadership while meeting growing demand will be the challenge of our time, but America does not back down from big challenges or big builds. As Secretary of Energy, I am honored by the responsibility to help meet the American people's growing energy needs and lead the world in energy development. I appreciate the opportunity to work with many of you on this Committee to unlock America's full en-

ergy potential and drive down costs for families with the One Big Beautiful Bill, and I look forward to continuing to work together to achieve President Trump's energy dominance agenda. Thank you for the opportunity to testify before the Committee today.

[The prepared statement of Secretary Wright follows:]

Testimony of Secretary Christopher Wright

U.S. Department of Energy

Before the

U.S. Senate Committee on Energy and Natural Resources

June 18, 2025

Chairman Lee, Ranking Member Heinrich, and Members of the Committee, it is an honor to appear before you and this Committee today as the Secretary of Energy to discuss the President's Fiscal Year (FY) 2026 Budget request for the Department of Energy ("the Department" or "DOE").

America has a historic opportunity to secure our energy systems; deliver leadership in scientific and technological innovation, including in artificial intelligence (AI); maintain and strengthen our weapons stockpiles; and meet Cold War legacy waste commitments. The Department of Energy is capable of meeting these critical missions while increasing efficiency, unleashing innovation, and ensuring we are better stewards of taxpayer dollars. President Trump is committed to balancing the budget and implementing fiscal restraint – focusing agency funding on the crucial goal of unleashing American energy dominance. This is a commitment I share and a duty I intend to fulfill.

Since President Trump was inaugurated, the Department of Energy has been hard at work to deliver on these goals of unleashing energy expansion while improving operational efficiency. I am proud to report that we have officially ended the previous administration's reckless pause on Liquified Natural Gas (LNG) export permits and returned DOE to regular order for reviewing and approving new permits. Under President Trump's leadership, the Department has approved applications from projects that will export more than 11.45 billion cubic feet per day (Bcf/d) of natural gas as LNG, adding more incremental volume than the world's second-largest LNG-exporting nation is exporting today.

Additionally, we are advancing President Trump's pledge to lower the cost-of-living and expand consumer choice for all Americans by rightsizing DOE's regulatory approach to home appliance efficiency standards. At President Trump's direction, DOE has begun slashing more than 47 burdensome and costly regulations, eliminating and modifying dozens of consumer appliance standards, regulations limiting building and energy production and unscientific requirements for grant recipients. Under the Congressional Review Act, Congress has passed and the President has signed multiple resolutions of disapproval, which have nullified DOE's rules to impose burdensome energy conservation standards for walk-in coolers and freezers, efficiency standards

for gas-fired instantaneous water heaters, and energy standards for commercial refrigeration equipment. DOE has also delayed compliance with test procedures for central air conditioning and heat pumps, as well as extended the deadline for compliance with energy-conservation standards for manufactured housing. In addition, DOE published a final rule withdrawing coverage of miscellaneous gas products such as outdoor heaters and decorative hearths, meaning those beloved products are exempt from unnecessary regulations.

By removing burdensome rules, we are returning freedom of choice to the American people, ensuring consumers can choose the home appliances that work best for their lives and budgets.

While we actively work to strengthen America's role as the world's leader in oil and natural gas production and lower costs for all Americans, we are also taking steps to accelerate innovation in the commercial nuclear development. In the first 100 days, DOE issued two disbursements to support the reopening of Michigan's Palisades Nuclear Energy Plant. We allocated high-assay low-enriched uranium (HALEU) material to five U.S. advanced nuclear reactor developers to boost domestic reactor deployment. It is imperative to jumpstart America's nuclear energy industrial base, and I am taking immediate action to accelerate the deployment of small modular reactors (SMRs). As electricity demand continues to grow, fueled by AI development and the growth of American manufacturing, Americans will need more energy from more sources, including nuclear.

Priorities

My priorities for the Department of Energy are clear – to unleash a golden era of American energy dominance while strengthening our national security. Energy is the essential ingredient that enables everything we do. Access to an abundant and reliable energy supply is a key ingredient to unlocking prosperity and ensuring human flourishing and innovation.

As a first order of business, the Department of Energy must increase the accountability and stewardship of American taxpayer dollars. This is why I have 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. It is deeply concerning how many billions of dollars were rushed out the door without proper due diligence in the final days of the Biden administration. 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. As a result, we have announced the termination of 24 projects totaling over $3.7 billion in taxpayer-funded financial assistance. These projects failed to advance the energy needs of the American people, were not economically viable, and would not generate a

positive return on investment of taxpayer dollars.

Consequently, we are focused on energy addition, versus subtraction or even replacement. As government leaders, we need to be of the mindset that more is better; replacing energy sources does not add to the finite energy supply that American families, businesses, and innovators are competing for.

This means fully leveraging the reliable sources of energy that have fueled American innovation and security for decades. Coal, oil, and gas are abundant natural resources that our country has been blessed with, and the Trump Administration is committed to using them to provide affordable, reliable, and secure energy for Americans. To this end, we are returning the Office of Fossil Energy to its original mission – advancing affordable, reliable, and secure energy sources for the American people while continuing to support research and development in emerging technologies that advance these sources. This will not only enable greater focus on expanding energy access for the American people but also promote more efficient use of taxpayer dollars.

The United States is the largest global producer and exporter of natural gas, and DOE is doing everything to ensure that the United States retains and builds on this enviable position. Our policy approach for LNG and other energy sources is to make it less expensive and more reliable, and achieve more American energy production and infrastructure development, not less. Right now, eight large-scale U.S. export terminals are now producing around 15 Bcf/d of LNG exports to the global market. With additional capacity currently under construction, exports are expected to average 16 Bcf/d next year. Exports are on track to nearly double from current levels and reach around 29 Bcf/d around 2030 once all the export capacity under construction is completed. This amount could grow as more projects reach a final investment decision.

A vital area of focus is expanding commercial nuclear power across the country. America must lead the commercialization of affordable, reliable, safe, and secure nuclear energy. DOE will focus on the rapid deployment and export of advanced nuclear reactors, including small modular reactors. Small modular reactors will provide reliable power for our Nation's growing energy demands, with the added benefits of flexible deployment due to their compact size and modular design.

We also need to unleash American energy innovation, and the National Labs are the engine that drives research and development to further this aim. When it comes to our National Labs, we are capable of doing more with less. We can both increase efficiency and drive innovation. We will prioritize research that supports true technological breakthroughs, such as nuclear fusion, high-performance computing, quantum computing, and AI, which will maintain America's global competitiveness.

I recently visited DOE's Berkeley National Lab, where I joined leaders from Dell Technologies and NVIDIA in announcing a contract for a new supercomputer – the Doudna system – named after Nobel Prize winner Jennifer Doudna. This system will be one of the most advanced supercomputers ever deployed by the Department, advancing U.S. leadership in the global race for AI. This is exactly the type of innovation between government and the private sector that the Trump administration is focused on unleashing over the next four years.

AI is the next Manhattan Project. AI technology will define the future of the world, and it is essential that the U.S. leads in the development of this technology. DOE has a significant role to play in driving AI innovation for scientific discovery, energy innovation, and national security. Our agency has the world-class high-performance computing capabilities that enable fast and efficient AI research and development, including four of the world's top ten supercomputers. To ensure American leadership, we must not overburden AI development with restrictions and regulations – including those on energy supplies essential for AI data centers. We need all energy sources to power the global AI race and meet growing data centers energy demand, including natural gas, nuclear, geothermal, and coal, while also ensuring the security of the grid.

Fortifying America's electric grid is critical to the reliable and secure delivery of electricity. We are now faced with evolving and rapid changes to the system that threaten the reliability of our grid. Aging infrastructure and increases in demand are multifaceted stressors to the grid, putting the national and economic security of the American people at risk. The threats to America's energy infrastructure are also evolving at an unprecedented pace. Cyber adversaries and physical attacks are no longer isolated challenges – they are converging to create a complex and persistent threat landscape. I am committed to restoring American energy dominance to ensure that we make energy more affordable, reliable, and secure.

DOE is also working to replenish the Strategic Petroleum Reserve (SPR). The SPR is a national asset that protects our security in times of crisis. The last administration's politically motivated depletion of 180 million barrels has significantly degraded SPR infrastructure, brought storage levels to historic lows, and weakened America's ability to respond to new geopolitical oil market shocks. At the end of calendar year 2024, the SPR held 394 million barrels of crude out of a 714-million-barrel top-line capacity, or operational capacity of approximately 680 million barrels. It is noted that the time needed to refill the SPR is six times greater than the time required to do a drawdown; thus, it is important to make material progress immediately.

In his 2025 Inaugural Address, President Trump made a commitment to "bring prices down, fill our strategic reserves up again right to the top, and export American energy all over the world." Subsequently, I issued a Secretarial Order to refill the SPR and review SPR infrastructure and develop appropriate plans to safeguard this important strategic asset.

We appreciate the work of the Committee to provide fiscal responsibility and critical funding for key parts of our energy infrastructure through reconciliation, such as the Strategic Petroleum Reserve (SPR). The SPR funding will enhance its infrastructure and longevity, building back its inventory to ensure the reserve can protect our security in times of crisis for many decades to come.

Critical minerals and materials, used in applications across energy, defense, industry, and consumer electronics, are essential for economic growth and national security. Currently, however, the United States is reliant on other countries, like China, which dominates midstream processing and refining. It is essential that we focus on building domestic capabilities to extract, process, manufacture, and recover end-of-life critical materials for our industrial needs, energy goals, and national security. DOE is already directly supporting the goals laid out in recent executive orders on critical minerals and materials by identifying and expediting pending projects to support domestic mineral production, coordinating with other agencies including the U.S. Department of Defense, exploring the effectiveness of offtake agreements and pricing support, and developing new programs to bolster domestic mining and production.

America doesn't back down from big challenges or big builds. If we want abundant, affordable, and secure energy, we must invest in the infrastructure, generation, and innovation that get us there. We are working to accelerate projects through permitting reform. Every delay is a dollar lost. We need to break ground faster with streamlined permitting, standardized designs, and public-private partnerships to build at the speed of national need. And we need to do so with security in mind to be more resilient to attacks and failures. A proactive approach will minimize disruptions and ensure the reliable delivery of essential energy resources. Every mile of protected infrastructure is a step toward greater energy independence and national resilience.

To accomplish many of the goals this administration has set, the energy sector needs relief from the burdensome permitting process that sabotages America's natural competitive advantages for an abundant energy supply and reliable grid. DOE is identifying and exercising the legal authorities it has to streamline the permitting process for energy infrastructure to bolster our grid security and reliability. It is imperative that the Federal Government swiftly and effectively implements President Trump's agenda for the American people.

DOE also remains committed to the responsible and safe cleanup of our Nation's environmental legacy sites, from the Manhattan Project to the Cold War. DOE's Environmental Management program will continue to perform its cleanup efforts at all 14 of the active sites.

I believe the Department of Energy is well positioned to meet the next chapter of American energy security, but we will need to continue to strengthen our Nation's energy leadership by developing our enviable resources, bolstering global partnerships, and advancing new

technologies. We need to continue to foster innovations in quantum computing and AI. We have an urgent need to upgrade our nuclear arsenal and our broader capabilities to design and construct nuclear weapons and power systems. DOE can and will accomplish these goals by cutting red tape, prioritizing common-sense solutions, and cultivating American ingenuity.

FY 2026 President's Budget Request

DOE proposes $46.3 billion in discretionary budget authority for FY 2026. Our fiscally responsible budget will ensure taxpayer resources are allocated appropriately and cost-effectively. This budget will return DOE to its core mission of advancing energy innovation and global competitiveness through research and development. We will invest DOE's resources in sources and technologies that support affordable, reliable, and secure energy and provide a return on investment for the American taxpayers, while restoring confidence in America's fiscal management.

The responsible stewardship and modernization of the Nation's nuclear weapons systems is paramount for the Department of Energy and this Administration. With $30 billion for the National Nuclear Security Administration, we will address critical upgrades for the U.S. nuclear stockpile and maintain our engine powerhouses for submarines and aircraft carriers. Both tasks will become even more crucial in the next few years.

The President's budget proposes the cancellation of $15.247 billion in IIJA funds and a decrease of $2.572 billion relative to the FY 2025 enacted level for the Energy Efficiency and Renewable Energy account. This will halt investment in the Green New Deal projects that waste taxpayer money while failing to help meet the growing energy needs of the American people. While we will continue to invest in advancing emerging energy technologies, we must ensure that every single dollar spent is accountable to the taxpayers and generates a positive return on investment. This Administration is ending the reckless subsidizing of unreliable, unaffordable, and less secure energy sources.

The FY 2026 Budget includes $1.37 billion for the Office of Nuclear Energy, shifting the program's focus to innovation in fuels and reactor design to further U.S. dominance in nuclear technology, and curtailing overspending on non-essential activities. As global energy demand continues to grow, DOE must prioritize commercialization of affordable, reliable, safe, and secure nuclear energy. This budget will enable the rapid deployment of next-generation nuclear technology across the United States. Nuclear energy is incredible. It can provide not just electricity, but also high-temperature process heat, critical to making the materials we need for planes, trains, cars, and houses. Now is the time for a true nuclear renaissance. DOE is going to use all available tools, including direct funding and loans, to unleash this pivotal form of reliable energy. The Budget also includes $750 million of credit subsidy for the Loans Program Office to

accelerate the innovation and deployment of commercial nuclear technologies.

The Budget funds the Office of Science at $7.1 billion to support cutting-edge basic research in the physical sciences. These investments support identifying and accelerating critical and emerging technologies to strengthen the connection between advances in fundamental science and technology innovation. This Budget supports research focused on Administration priorities, including fusion energy, quantum information sciences, high speed computing, and artificial intelligence and machine learning, which bolsters U.S. leadership in science, technology, and innovation and supports the Department's national security mission.

We will also re-focus ARPA-E by decreasing its funding by $260 million relative to the FY 2025 enacted level. ARPA-E will no longer fund so-called green technologies and instead will focus on high risk, high reward research that advances reliable energy technologies and other critical and emerging technologies.

The Budget also includes $8.09 billion for the Environmental Management program and reflects this Administration's strong commitment to clean up and protect communities that supported defense production programs and government-sponsored nuclear energy research, including $3.07 billion to continue cleanup progress at the Hanford site in Washington.

The Department is also focused on streamlining our operations within the agency, consolidating offices and activities to increase efficiency. We will return the Office of Fossil Energy to its proper name and restore its central function of supporting the production of fossil energy, including coal, and critical minerals for the United States, funding the office at $595 million.

The Administration proposes to eliminate spending that is at odds with the intentions and policies outlined in President Trump's Executive Orders, Presidential Memoranda, Proclamations, and other guidance.

As Secretary of Energy, I am honored and humbled by the responsibility to help meet the American people's growing energy needs and lead the world in energy development. Thank you for the opportunity to testify before this committee.

The CHAIRMAN. Thank you, Secretary Wright. We will now invite members of the Committee to ask you questions in five-minute rounds. I will begin, and then we will have Senator Heinrich after me, and then we will alternate between Republicans and Democrats thereafter, in order of seniority, subject to the early-bird rule adopted by the Committee.

So I will begin now.

Secretary Wright, the Energy Information Agency (EIA) defines something known as the LCOE—the Levelized Cost of Electricity—as "the estimated revenue required to build and operate a generator over a specified cost recovery period." Now, as I understand it, this LCOE calculation does not take into account existing generation resources—stuff that's already in place spinning out electrons, especially dispatchable generation, which is retiring at an alarmingly rapid pace. Additionally, wind and solar have been shown in many instances to have a negative effect on the levelized cost of dispatchable generation. This is because generation, like gas, nuclear, and coal, among others, are forced to reduce output while still having fixed operational costs that go along with those enterprises, all to accommodate for electrons put onto the grid by other sources, intermittent renewable generation sources.

I recently introduced a bill that would repeal all the IRA subsidies for inferior generation, like wind and solar. Can you elaborate on how tax incentives for those generating sources—the intermittent sources—actually increase the levelized cost of firm resources, thereby increasing costs for consumers at the end of the day?

Secretary WRIGHT. Yes, Senator, thank you for the question. It's an issue I am quite passionate about. I worked on solar energy in graduate school many years ago and so, as I said in my opening statement and have maintained ever since, I am for all sources of affordable, reliable energy. I am not for all sources of energy, period—only ones that contribute to affordable, reliable, secure energy. The levelized cost of ownership idea is decades-old, and it came out to compare always-on dispatchable sources—the cost with which we build a new nuclear plant, a new coal plant, or a new gas plant—because they provide the same thing. They provide electricity on demand. I compare—it was never intended, of course, for a source that you don't know when it's going to be there and when it's going to be gone. That's just a completely different entity.

When your child is born premature, and you place that child in a life-saving incubator, it's not okay to say it's going to turn on when the wind starts blowing or, well, it's on right now, but when the sun goes down, it's probably going to be off until the morning. There simply are no customers for electricity that you may have it or you may not have it. I gave it—imagine if you had a competitor for Uber that came out—they are called "no go." And it came out and said our levelized cost per mile of transport is going to be ten percent cheaper than Uber. Everybody should run to that, it's cheaper. Now, we don't know when we are going to come pick you up and when we do pick you up, we don't know where we are going to drop you off, but our cost is ten percent cheaper. They are just two entirely different things.

And so, as you rightly pointed out, what matters is the system cost, but if you have sources—and I can talk more about the Texas electricity grid later, but peak demand is the actual time that you usually get the lowest delivery from renewables. So you have to have the other grid, the reliable grid, to provide electricity at peak demand to keep everyone alive and the incubator on. And then we have a whole second grid that comes and goes with the weather. And, of course, to manage both of those together, it's guaranteed, and data has shown it in spades, to be more expensive and a less reliable grid. And further, that no-go company that wouldn't fly, if we subsidized it and helped them buy these vehicles and stand up a business, with the business model that doesn't work, you just cascade a problem. They are very unique subsidies, where we spend a dollar of subsidy and it doesn't defray consumer cost. The government spends a dollar of subsidy and consumers pay a dollar extra for their electricity.

The CHAIRMAN. Thank you. No, that's helpful. Very good explanation.

There is a residential solar company called Sunnova that received $3 billion—a $3 billion loan guarantee from the previous administration's Department of Energy that recently filed for Chapter 11 bankruptcy. And now, Biden's Loan Programs Office Director, Jigar Shah, was aware of accusations that Sunnova defrauded seniors, selling solar to those who were "on their death beds." Despite this, Mr. Shah instructed DOE staff to prioritize Sunnova's loan application after attending a dinner hosted by a Sunnova Board Member. The Board Member's spouse was the former chair of the DNC. The DOE Inspector General determined that Shah's actions potentially violated the ethical standards for executive branch employees.

How can the American people be confident that the Loan Programs Office inside the Department of Energy is acting in their best interest when actions like those taken by Jigar Shah have undermined the credibility of that same office?

Secretary WRIGHT. Huge undermining of the credibility, Senator, huge undermining. And it's one of the reasons people are mad at me for being slow and process-oriented, but it's in response to things like that that we have created this program review process where we have a team of cross-functional people to evaluate every project of any meaningful scale. If it's a few million dollars or more, and there are 500 such projects, we are going to evaluate every one of them in a business-like, professional manner, not a political manner, not a self-interested manner, but a business-like manner. And so, yeah, clearly, we need a very different culture at DOE and we are working every day to build that.

The CHAIRMAN. Wonderful. Thank you.

Senator Heinrich.

Senator HEINRICH. Secretary, first-off, will you commit to responding to the letters that I have sent your office?

Secretary WRIGHT. Senator, the most efficient communication, of course, is to reach out and we can jump on the phone at any time. I know we have done that a few times. I am happy to do that much more. My schedule is very tough, and I should respond, and will respond to your letters.

Senator HEINRICH. I'm sorry, I should not have to spend time in these hearings on this. It's a simple communication that I want something formally in writing on. I am not telling you how to respond to it. I am just asking you to do what every Secretary of Energy has always done and respond to my letters. Democrats and Republicans alike.

Secretary WRIGHT. You bet. You will get a response.

Senator HEINRICH. I appreciate that.

I want to go directly to the heart of some of what you described in your Uber analogy. And first off, do you know what the average price per kilowatt-hour that retail customers pay across the country is according to EIA?

Secretary WRIGHT. Yes, it's about 14 cents.

Senator HEINRICH. I think it's 17.1 right now. I bring that up because I pay substantially less than that. I am in a utility in central New Mexico. Most people formally know it as PNM, and I pay about 12 and change cents per kilowatt-hour. And yet, their generation is largely clean, mostly renewable with batteries. And they have been able to maintain that cost profile of just over 12 cents per kilowatt-hour using renewables and batteries. And I think you are absolutely correct that we should be comparing apples to apples. But today, with a little bit of storage, they are able to manage the grid with low cost and reliability with renewables. So when you paint a picture like they just turn off in the middle of the night or when the wind doesn't blow, that's not my personal experience. That's not how we are managing the grid today.

Now, I want to talk a little bit about soaring power demand because that's something that you and I both agree on. You said that soaring U.S. power demand is a train wreck waiting to happen and that it necessitates significant investments in regulatory reforms. Doubling down on unaffordable energy will not get us the energy that we need. The NextEra CEO has recently pointed out that the cost per kilowatt to build a gas-fired facility has gone up from $785 back in 2022 to $2,400 today. And he also stated that retirement of every coal plant in America, if we stopped that, would only get us an extra 40 gigawatts. Natural gas generation, because there is a five- to seven-year backlog on turbines now, will likely get us maybe 75 gigawatts by 2030. And so, I don't want to get into a back-and-forth over different energy sources so much as just to understand. Did DOE do a modeling process to determine the specific impacts of this proposed budget on both supply—energy supply—and cost?

Secretary WRIGHT. Absolutely. We have a team, in fact, that develops a model of the grid that looks at the grid by regions. And one of the comments you mentioned in your opening statement was that we did issue a 202(c) order to keep a coal plant in southwestern Michigan open because of small reserve margins in MISO, and that plant was being retired without new capacity on the MISO grid to back it up. We were criticized for that, and two days later there was a blackout.

Senator HEINRICH. Did the State of Michigan agree with that analysis? Did you consult with them?

Secretary WRIGHT. Well, we spoke to the grid operators, the utility operator of that company, and had plenty of back-and-forth dia-

logue on that. I think, in general, people realize this was a good move for energy——

Senator HEINRICH. Let's go back to the modeling that was done on this budget. Can you share that modeling with us?

Secretary WRIGHT. Sure.

Senator HEINRICH. Great.

I mentioned in my opening remarks that the President's budget would cut funding at our national labs by $2.75 billion. At Sandia Labs in my home state, I am hearing from engineers, pretty much every time I go home right now, that this will significantly affect the Center for Integrated Nanotechnologies, national user facilities, research equipment, that it will limit fusion research on reactor environments and advanced materials and jeopardize environmental monitoring, potentially exposing DOE to fines under a consent agreement with the New Mexico Environment Department. Did DOE do analysis and ask the labs for their analysis on the impacts of this budget on their ability to do their mission work?

Secretary WRIGHT. The budget has not been allocated down to individual labs and all that, but all of the allocation of funds and decisions of how it will be impacted will be done on a lab-by-lab basis, but no, this budget, unfortunately, comes from the tough world we are in today, where we, the American taxpayers, pay a dollar of tax and the Federal Government spends a dollar of thirty. It's just an unsustainable problem we are on. I share a passion for the national labs, like you do. My goal is to grow, not shrink the output of top quality science at our labs. But do we need to be a little wiser and get the political science, not the real science, out of labs? Do we need to be a little bit more efficient in running labs? We do. But are we going to gut the technology and science in what we are doing in fusion and nanotechnology at the labs? Absolutely, we are not.

Senator HEINRICH. Chairman, I am out of time for now, at least until the next round.

The CHAIRMAN. Senator Justice.

Senator JUSTICE. Thank you, Mr. Chairman and Ranking Member and all the folks that are on the Committee.

I want to do just this—you know, we are so blessed to have this man, it's off the chart. And I apologize—I apologize for your service that you have absolutely dedicated to all of us in every way and then you have to be grilled. You know, we want, and we always would stand up—I would always stand up for, you know, good answers—good answers. This man says over and over and over, I am an energy guy. I understand this absolutely as well as anybody in this room, I guarantee it—guaran-flat-tee it. Now, with all that being said, he has said over and over, what he is tasked with is affordable, reliable energy. That's what we have got to have in this country today. And if we don't have that, we are in real trouble.

Now, we know, I know, I will promise you this, we can volley back and forth, but absolutely, with all in me, I would vouch for this man right here. That's all there is to it. He is just that good. If you can't see his passion, you are not looking. That's all there is to it. He is eat-up with passion. He is stuck on "on" all the time. And absolutely, he has knowledge off the chart. Chris, I appreciate

you. I really do. And I will fight a buzz saw for you any day. That's all there is to it.

I can tell you just this, that from an energy standpoint, if we don't get our act together, a year from today, a year and a half from today, we are hitting the fan. That's all there is to it. We are absolutely on a plane and we are flying right at the ground and we are going to hit the ground if we don't do something. This man can lead us. He can lead us with knowledge and his passion. He can lead us to where we don't hit the ground. And with all that being said, we all know, we are going to have a decision to make. How is it going to feel to make the decision? You are going to make the decision either for homes or really and truly for industry and jobs and AI and on and on and on. You are not going to be able to do both unless you have got a real leader of the band, and that's why I vouch for this man with all in me.

Now, I can go on and on and on, but there is a fella, his name is Jim Billings. He ran a small seed corn company. They asked Jim Billings a long time ago to write an absolute critique of what he did because he was being bought out by a bigger company. And basically, what Jim Billings did is, he wrote 13 pages of the single space, and I have told you this before. And then, he laid his pencil down and sat back and then he decided to write and he wrote, "see the right man in the right job and they are motivated." And he put his pencil down because that's what the President does. Our President recognizes the energy situation. And the last thing I would say is just this, tell me a time in history—tell me a time in history that we have progressed without abundant, cheap, and now clean energy. There is nothing about this man that wants to damage our environment, our lands, our waters. He wants to lead us. And I truly believe our President wants to do the same thing.

Mr. Chairman, I am done. Thank you so much.

The CHAIRMAN. Senator Cantwell.

Senator CANTWELL. Thank you, Mr. Chairman.

Mr. Secretary, good to see you. We had a chance to say hello earlier. I invited you again to the Tri Cities. You said you think you are coming sometime soon—this summer or fall. So we look forward to seeing you there and being with you.

The Hanford budget and the Tri-Party Agreement—there have been cuts to the Hanford office, they lost 94 people out of their 308 Department of Energy workforce. These are managers. There are various issues with the budget request. So how do you plan to meet the Tri-Party Agreement with the budget and workforce depletions?

Secretary WRIGHT. Yeah, a huge part of the effort at the Department, the first few months, has been to right-size the Department, which is to look at how do we do things today and what is a more efficient way to do that? The Department head count grew well over 20 percent over the last four years. And I would say there is no evidence that it was more productive at the end of those four years.

So again, as a business man, except for during COVID, I never laid anyone off in my entire career. So I don't take the personnel decisions lightly. In fact, I take them very heavily.

Senator CANTWELL. I think a big moment is coming at Hanford, so, you know, I wish I could—anyway, we will see each other in the Tri-Cities, and we will go over it, but——

Secretary WRIGHT. Yes.

Senator CANTWELL [continuing]. For a long time, there were lots of schemes about how we were going to clean up Hanford. But guess what? Vitrification is on the move. So now there is so much more the Federal Government can do in meeting the budget to meet the Tri-Party Agreement because we are actually on our way. So I guess, you know, we will talk about this in more detail, but that's what is at stake here. The normal funding is missing the opportunity to actually get this project that has cost us so much over such a long period of time, where we really need it to be. So that's the key point, but we will go over those details.

Do you support baseload hydropower online?

Secretary WRIGHT. Absolutely. Hydro has been a great resource for this country.

Senator CANTWELL. Okay. So you think—you consider that part of baseload power?

We have—Senator Murkowski and I have a bill, basically giving tax credits at very low cost just to help keep the efficiency of the hydro system. As we look at all the challenges we face with new power demands, making that system as efficient as possible is really critical, and we consider that baseload power. So I am just asking. Maybe you can look at the Murkowski-Cantwell bill.

Secretary WRIGHT. Yeah, I would view it as baseload power to the extent that we can repower and increase the yield from existing hydro assets——

Senator CANTWELL. That's exactly what we are talking about.

Secretary WRIGHT. They are quite beneficial to our electricity grid.

Senator CANTWELL. Thank you. They are beneficial in a lot of ways, but definitely to the grid. So thank you for that.

Do you support eliminating 45V? Maybe this was asked by my colleague while I was gone, but 45V, the Hydrogen Production Tax Credit, was proposed to be eliminated. Do you support that, or where are you on the hydrogen tax credit?

Secretary WRIGHT. The government record in picking winners and losers and subsidizing in energy is a very poor one. So my default position is, the less government involvement on the scales of energy sources, the better. I realize in the real world, that's not possible. So we have got to get rid of—you have got to prioritize which ones are the most offensive, and I mentioned wind, solar, and battery certainly as technologies that we have subsidized and they have led to more expensive electricity. I would put them, maybe, as the most offensive.

Hydrogen—it's tough with the math to see how, in the long term, it becomes a meaningful commercial energy source.

Senator CANTWELL. But again, there are lots of chapters here, and we could, again, talk about them.

Secretary WRIGHT. Yes.

Senator CANTWELL. But I actually think getting rid of the tax credits that we have, some of the other ones, broadly, are going to lead to an increased electricity cost. And so, can I get you to tell

me about the hydrogen hubs, whether you support the hydrogen hubs and moving forward on this?

Secretary WRIGHT. So we have put together, as I am sure you have heard, and we have published it on the website, you know, this project review process. We have a cross-functional team that evaluates every project. We are going through 500 projects.

Senator CANTWELL. But is that data cull a way to kill the projects, or do you really believe in funding some?

Secretary WRIGHT. Oh, absolutely. We are funding plenty of projects right now and we don't stop funding any project. We are funding all of the existing projects right now, and when we evaluate them, no, plenty of projects will pass. Plenty of projects will pass. For other projects, we will say, hey, can you modify it this way to make it much more beneficial? Some projects will be modified and some projects will be ended.

Senator CANTWELL. What application are you most excited about in the hydrogen hub area? What application? Fertilizer? Jet fuel? Something else? What are you most excited about?

Secretary WRIGHT. Well, so, the highest-value use of hydrogen, right? So it's expensive to produce but there are high-value uses of hydrogen, like we produce it today commercially because in refining it's very high-value in fertilizers, materials, in chemistry. The problem is, what is the cost to produce the hydrogen, and are there uses of it where the value is above the cost?

Senator CANTWELL. Yes.

Secretary WRIGHT. I say energy is about two things. It's just about people and math.

Senator CANTWELL. Well, we think, going back to the 45V—my time is expired, but in looking at green hydro, which we have in the Northwest, it drives down the cost and provides sources for very hard-to-serve, hard-to-decarbonize big sectors of the economy.

Thank you, Mr. Chairman.

Secretary WRIGHT. Thank you, Senator.

The CHAIRMAN. Senator Hyde-Smith.

Senator HYDE-SMITH. Thank you, Mr. Chairman, and thank you, Mr. Secretary, for your willingness to serve, the tenacity you serve with, and you bring so much to the table, and we are very grateful for that, and you continue to do it every day, to just impress us.

I, too, want to invite you to my home State of Mississippi. It's pretty hot right now, but the humidity today here, I think, is matching it. But we have just positioned ourselves for greater artificial intelligence, infrastructure growth, so many things, like many states that you talk to, the members here. We have attracted several significant investments, like Amazon Web Services, the hyperskilled data centers from many major companies that we are excited about, but, of course, what is crucial for supporting fast-growing AI is reliable energy and affordable energy.

The Mississippi Power Play initiative was recently unveiled by our state leaders, and it is about increasing energy production, but also ensuring that those things that follow—the affordability of that, the reliability of that, and access for all of these companies that are choosing to come to our state. But we are uniquely positioned to use underground salt caverns that offer energy storage to enhance the grid reliability in high-peak seasons. We are fortunate

to have that, but moreover, the state established an artificial intelligence regulation task force to guide the state as so many new technologies come onboard, as the AI demand proactively comes addressing all of these issues. The state has really stepped up, and our state leadership is doing that with the stakeholders' collaboration and the workforce training that's going to take place for the programs to support all of these initiatives. So we are really excited about this in Mississippi.

But you would see firsthand that we are working to shape America's path forward in energy independence and AI dominance and aligning perfectly with our national security, our economic growth goals, and the potentials that are there. So I believe your insight is going to greatly benefit this country, is going to greatly benefit Mississippi in our efforts to strengthen this, and I am honored that you are at the helm.

In your testimony, you mentioned reorganizing the visions within the Energy Department, including refocusing the Office of Fossil Energy on its original mission of supporting fossil energy production. Thank you. Will you discuss how the Department plans to strengthen this mission and find innovative ways to help achieve the President's goal of energy independence through the reorganization of the Office of Fossil Energy?

Secretary WRIGHT. Yes, thank you.

So it's actually one of our smaller budgets, the Office of Fossil Energy, even though it's over 80 percent of American energy. When I was born it was sort of mid-80 percent. It's mid-80 percent today. So it's the dominant source of energy in the United States and the world, but it has been a commercial success for a long time. It doesn't need a lot of involvement from the Department, except for permitting, getting out of the way, and issuing LNG permits so you can build infrastructure. But we do have some money to invest in next-generation technologies. So there is some research funding in fossil energy.

The part that was removed was, you know, several hundred million dollars that was focused on reducing greenhouse gases. I have written about climate change for 20 years, so it's a very real thing, but funding things that, you know, take a ton of carbon out of the atmosphere at a several-hundred-dollar cost, and if you look at what's the benefit from reducing that ton of carbon—that's this so-called social cost of carbon, which is very hard to calculate—but the previous administration went through torturous math of almost no discount rate and assumed that agricultural productivity declines, despite the 50-year upward trend, that people won't get air conditioning as the planet gets a little warmer. They did all sorts of just crazy—they use a climate scenario that has been widely dismissed as completely implausible called RCP8.5—and they stretched it up to $100 for the social cost of a ton of carbon.

So if that's the negative impact, should we spend $300 to reduce a cost that maybe is $100? And that's a stretch. A more credible estimate maybe is $10 or $20. And then, America is only four percent of the global population. So should we spend $300 to save a quarter? That's, you know, clearly that math just doesn't add up. The Department will continue to support technologies to maybe find better ways to reduce greenhouse gas emissions. It is a real

issue, but we should be credible about it and not just throwing money out of it because it's expensive and, you know, for a coal plant, for example, the dew sequestration, basically, you lose a third of the power out of the plant to inject the CO_2 underground. So we are, as you and I, when we first connected, we are about common sense, things that make sense. If we can spend a dollar and get $2 of benefit, we will do that every day and on Sundays too, but we want to critically look at things. Is this making our country better? Is this making our world better or not?

Thank you, Senator.

Senator HYDE-SMITH. Thank you. Your approach is very refreshing.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Hickenlooper.

Senator HICKENLOOPER. Thank you, Mr. Chair, and thank you, Mr. Secretary for taking the time and for your public service on this.

I want to go into a little bit of the issues around climate change again and the cost per carbon because I think they are widely debated, a lot of criticism that the costs are not significant. I have that liability that I actually studied this stuff way back in—you know, I got my master's in earth and environmental science, as we discussed, in 1979, when we called it the greenhouse effect. But it is a little unnerving, as I went through my geology years, all through the 80s, that much of what was predicted then, that I was skeptical about, has come true. And it's extreme weather, the droughts, specifically in the western United States and southwestern United States that were widely predicted back then.

And we look at the costs there, so I think when we look at the value of carbon, we have to begin assessing some of these issues. In places in California and Florida, people can't get home insurance, right? In Florida, from 2023 alone, there was a 90 percent increase in what people had to spend to get their homes insured. Miami was 322 percent in 2024. Tampa, 213 percent. You look in California, and I am sure my associate, my colleague here will go into this even more—only 31 percent by one measure—only 31 percent of residents still have insurance. They can't get insurance.

So this is the result of either these extreme weather events of rain, you know, these rivers in the sky, or it's wildfires. In each case, how do you reconcile, if you begin looking at those costs, the benefit that you get from renewables and clean energy if eventually we are going to have to address climate change? One way or another, if this is continuing to grow at the level it is, we are going to have to address it somehow.

Secretary WRIGHT. So Senator, I always appreciate your thoughtful approach to all of these issues that interplay between energy and climate change. And so, yes, many pieces there. And as you and I have talked, the world has been decarbonizing in the way we produce energy for about 200 years, you know, going from wood, to coal, to oil, to natural gas. Nuclear probably is going to be the biggest growing energy source sometime in the future. Today, it's natural gas, but we have moved down that lower carbon intensity-ladder, and I think eventually we will get to, probably, a carbon-neutral energy system, but yeah, it's likely generations from now. And

so, we have tried to accelerate that. You mentioned it, you know, globally, the world has spent—it depends on how you count it—somewhere between $3 and $10 trillion on wind, solar, and batteries, and last year is the first year they passed three percent of global primary energy. So it has been a very expensive—it has been an energy resource maybe intended for decarbonization——

Senator HICKENLOOPER. We have made great investments in it. We don't argue that. The world has made great investments and we have seen the price come down dramatically.

Secretary WRIGHT. We have seen the price per unit of electricity from them come down, but everywhere they have had meaningful penetration they have led to more expensive electricity.

Senator HICKENLOOPER. Well, would you say, in Texas, you look at their—so Texas has 80 percent more wind and solar than any other state in the country. And yet, when you look at it, they have among the very lowest costs of electricity to a home.

Secretary WRIGHT. They have the most expensive electricity of the southern states. So it's kind of—Texas does have lower-cost electricity, as do many states across the country, but not because of wind and solar—I would say, in spite of wind and solar. The alternative is Florida there that—both of them dominantly run on natural gas, but Florida did not load its natural gas grid with just massive amounts of wind and solar that make the grid turn up and down all the time and drive up prices. So Texas has done, you know, better than New York or New England, for sure, but its electricity is affordable not because, but in spite of wind and solar.

But let's come back to your comments about insurance. These are very real, very human issues. We do have trouble with insurance markets. I would maintain this is the way markets are regulated, the way they are controlled, and their restrictions on freedom to compete, because, if you look at the losses from extreme weather damages that are paid out by insurance—insured losses from extreme weather damage—it has been on a multi-decade downward trend—not an upward trend, but downward trend. Over 20 percent decline over the last 30 years. Deaths from extreme weather have declined over 98 percent. So extreme weather is not actually exploding and growing as everyone says. Drought is actually on a downward trend in the U.S. and globally, so——

Senator HICKENLOOPER. Well, we will take you down on the Colorado River when you think that—we have got 10,000 years of data on the Colorado River, and that's a drought that is not slowing down. I am out of time, but I will come back for a second round, I promise.

Secretary WRIGHT. Let's go down the Colorado River together, my friend.

Senator HICKENLOOPER. Well, absolutely, and I hope when you are coming back to Colorado at some point, I want to go out to NREL too, as well, but we will get to that in the second round.

Secretary WRIGHT. We would love to.

The CHAIRMAN. Senator Padilla.

Senator PADILLA. Thank you, Mr. Chair, and I know five minutes go quick, so I am going to jump right into it. The first couple of questions may seem off-topic, but there is a point. Please humor me here.

You are a science guy. Cybersecurity is a top concern for the country. Should we be embracing policies to ensure people's privacy or security or should we be trying to do both?

Secretary WRIGHT. Both.

Senator PADILLA. Thank you.

We love our freedoms in America. Should we be pursuing policy that ensures public safety or protects civil liberties or should we strive to do both?

Secretary WRIGHT. Both.

Senator PADILLA. I suggest this because, for all the talk that I am hearing about the need to prioritize affordable, reliable energy, I agree, we also need to be advancing clean energy for the sake of the grid, for the sake of environmental protection, for the sake of public health. We don't have to choose between the two. They are not mutually exclusive. We should be striving to do both. That's my position. Do you agree or disagree?

Secretary WRIGHT. I would agree.

Senator PADILLA. Thank you very much.

Now, a couple things also to correct the record or to comment on some of the statements you made at the outset where you make suggestions that some of the funds released at the tail-end of the Biden administration were rushed out at the last minute without appropriate due diligence and review. In my experience, our office has experienced that it came out at the tail-end of the Biden administration because of the due diligence and the review that took place. We had been anxious and pushing the administration for years to move on some of these projects. So I just wanted to note that different point of view.

Second, your comment about oil and gas resources in America, you seemed to have left out the potential and positive contributions of solar and wind and geothermal. You painted a picture of the intermittency being a challenge. I point to the experience and quantifiable progress made in California when they integrated battery storage into grid reliability and affordability.

So, that being said, let me jump back to the key topic of today's hearing. I will go back to several of the statements you made during your confirmation hearing—your confirmation hearing, your statements, Mr. Secretary. You said there were three priorities you had. The first was to unleash American energy at home and abroad to restore energy dominance. However, the budget request proposes a 74 percent reduction in the Office of Energy Efficiency and Renewable Energy. It zeros out the Wind and Solar Energy Technologies Offices and it also zeros out the Office of Clean Energy Demonstration, which was authorized by the Bipartisan Infrastructure Law. Solar was the fastest growing energy source in the world last year. So how does completely eliminating the Solar Energy Technologies Office advance America's leadership?

Secretary WRIGHT. So solar wasn't close to the fastest growing energy source in the world last year—that's installed capacity, not energy produced, that data, and one year is a tricky data thing. Solar is growing fast. I have worked in solar. I am in favor of solar. And so, we have way over-invested resources in hoping wind and solar will, you know, will magically transform into something they

are not, but solar will continue to grow, for sure. All I have advocated is we should subsidize it less.

Senator PADILLA. I don't mean to be rude in cutting you off, but our data suggests otherwise, and we will certainly follow up with questions for the record and beyond.

Secretary WRIGHT. Yes.

Senator PADILLA. The second priority you identified in your confirmation hearing was that we must lead the world in innovation and technology breakthroughs. I counter that with your budget request, which includes a 14 percent cut to the Office of Science and a 57 percent cut to ARPA–E. Again, there seems to be a disconnect between what you say are priorities and your budget requests. It has already been raised that these reductions would also lead to staff reductions in national labs, which we have recognized, you are on the record, these are premier research institutions. When you came to California, you reaffirmed your commitment to the national labs and you said that they were important to maintain and secure a "competitive advantage and security."

So unless I got that wrong, how do you expect the United States to lead the world when your budget proposal seeks to decimate our research and development capabilities?

Secretary WRIGHT. It does hurt me to cut spending in science.

Senator PADILLA. Then don't do it.

Secretary WRIGHT. I share that passion with you.

Senator PADILLA. Then don't do it.

Secretary WRIGHT. I share that passion with you.

Senator PADILLA. Then don't even propose it.

Lastly, and I know my time is nearly up—your third stated priority was to "build things in America again and remove barriers to progress." However, in May, the Department of Energy announced the cancellation of 24 projects, totaling $3.7 billion in investments under the Industrial Demonstrations Program. Now, these funds were intended to support unprecedented innovation in the cement, glass, chemicals, and iron industries, at the core for the future growth of infrastructure in America. And it's not just because a billion of the public and private dollars are in California, and the thousands of jobs related, but how does canceling industrial grants that lead to more industrial jobs further the goal of building things in America again?

Secretary WRIGHT. Because an evaluation showed that the projects at the end were not viable. There is no point in building a bridge to nowhere. If you make a factory, make a product 25 percent more expensive, but customers won't pay 25 percent, it clears——

Senator PADILLA. Well, the projects that are being cut are more than just viable. I would argue they are critical, and we will be following up with you, and again, hope for responses, as Senator Heinrich has emphasized.

Thank you very much.

Thank you, Mr. Chair.

Secretary WRIGHT. Thank you, Senator.

The CHAIRMAN. Senator Daines.

Senator DAINES. Secretary Wright, it's great to have you back here. Last week, the EPA announced they have started the process

to roll back President Biden's anti-energy rules, including MATS and Clean Power Plan 2.0. The Biden administration specifically targeted Colstrip there in Montana with these rules with the express intention of closing it down for good. Mr. Secretary, as you know, this would have been devastating for Montana jobs, devastating for grid reliability and energy production in the region at a time when we need more energy. It is vital we continue to expand energy production, not shut it down or replace it. That means building more projects while ensuring coal plants like Colstrip continue to produce baseload power—reliable, affordable power.

My question, Secretary Wright, is, as EPA and other agencies work to rescind and rewrite rules, will you weigh-in to ensure that grid reliability, energy affordability, and baseload power are top-of-mind for rules that are affecting power generation?

Secretary WRIGHT. Absolutely, yes, Senator. I am passionate about that, and in fact, I testified in Congress multiple times before I got my new job on just that issue that when regulations pursue a narrow agenda and they don't consider the broader impacts of what they are doing, they can be destructive on our country and on our people. And yeah, I am very passionate about those topics.

Senator DAINES. Secretary Wright, thank you. And I will tell you, thank you. We truly have a subject matter expert on energy in yourself and your experience as a scientist, as a leader, and somebody who is not an ideologue, who is very pragmatic in trying to solve these important challenges facing our country as it relates to energy and the constraints we face today.

Last week, Senator Hoeven and I, along with our colleagues from the Montana and North Dakota delegations, sent you a letter expressing our strong support for DOE's efforts to advance American energy dominance, particularly through the approval of the North Plains Connector interregional transmission project. As you know, the Department's GRIP Program awarded a $700 million grant to the Montana Department of Commerce for this critical project. When completed, this North Plains Connector would extend a 420-mile high-voltage transmission line capable of carrying up to 525 kilovolts of electricity between eastern Montana and western North Dakota. Right now, Montana exports the majority of its electricity, including from Colstrip—we go west to states like Oregon and Washington. This project would have the potential to diversify Montana's generation assets, unlocking billions in private investment, and enhance our nation's energy security by connecting eastern and western electric grids.

My question, Secretary Wright: to keep this critical project on track to meet its 2032 operational target, will you commit to supporting advancement of the North Plains Connector GRIP award to ensure that we can move this forward?

Secretary WRIGHT. So Senator, thanks for that impassioned layout of that project. I am quite familiar with the project. I have met with the developers of the project as well. Of course, it's very, very logical connecting two separate grids together to allow flows back and forth. It's a very encouraging project. We are committed to following this project review process where a crew of people evaluate—not political, not biased for this or that—just look at the

math, look at the numbers, and is this thing viable and beneficial for America? You know, yes, no, or it's adjustable. It's modifiable.

So we haven't finished that on that project yet, but I think you make a strong case for the project, and interconnections between grids is certainly something the United States needs more of.

Senator DAINES. Thank you, Mr. Secretary.

My last questions and points here are regarding the small refinery exemption. Last week, the EPA released their renewable fuel obligations, which will put significant pressure on Montana's small refineries. Unfortunately, the Biden administration never issued small refinery exemptions and the refineries in Montana suffered. DOE plays an important role in consulting with EPA over small refinery exemptions, and it's important that your voice is heard as EPA makes their decisions.

Secretary Wright, I would ask if you are willing to work with Administrator Zeldin to ensure that our Montana refineries with the small refinery exemption have the resources they need to continue operating?

Secretary WRIGHT. Yes, indeed, Senator. I said this earlier, but I think government involvement in energy has a bad historical track record. You raise another example where, you know, what maybe sounded like a reasonable idea became a blunt tool that says thou must do this. There are all different refineries in all different settings and all different access to feedstocks, and that rule is not well-suited to the problem you have got. And there are ways to address the problem, and as you just said, the last administration chose not to address those problems, but yeah, I think this administration is very practical and wants to look at what trade-off package makes the most sense.

So I hear you, and yes, I am engaged and will continue to be engaged with EPA on this dialogue.

Senator DAINES. Secretary Wright, thank you.

Secretary WRIGHT. Thank you for raising it.

The CHAIRMAN. Senator Cortez Masto.

Senator CORTEZ MASTO. Thank you, Mr. Chairman.

Secretary Wright, welcome, thank you for being here.

Do you support an all-of-the-above approach to tackle growing electricity demand?

Secretary WRIGHT. I have always said in the past that I don't support all of the above because that's political—I will support your thing if you support my thing. I think energy is the infrastructure for life and humanity. And to me, energy is about two things—it's about people—humans—and math. And so, I support every——

Senator CORTEZ MASTO. Humans and math—so let me ask you this.

Secretary WRIGHT. Yes.

Senator CORTEZ MASTO. Because we are in agreement on geothermal, and I have to thank Senator Murkowski and Senator Coons. Yesterday, we had a great conversation about geothermal, and it is in your fiscal year budget, which is fantastic. You know why it's fantastic? Because we have a lot of geothermal in Nevada. But there's not a lot of geothermal in the rest of the country. It's in a lot of the West. It's in Alaska. Not necessarily in the rest of the country. And I believe that an all-of-the-above energy approach

is necessary for the states to decide what their energy portfolio will be, based on their geology, geography, and what they have abundance of. It's not political, but it gives the states that choice. And one choice we have in Nevada, along with geothermal, is solar.

And so, my question for you is, in the Fiscal Year budget, why did you zero-out funds for solar energy and renewable grid integration, which is necessary for many states who are already investing in it and necessary for their energy portfolio?

Secretary WRIGHT. So the EERE Office had a huge reduction in its budget but it didn't go away. And things like OCED and GRIP got folded into EERE. So these things aren't going away, but there is a dramatic reduction in focus. By far, the biggest energy expenditure line is——

Senator CORTEZ MASTO. Why solar?

Secretary WRIGHT. What?

Senator CORTEZ MASTO. Why solar?

Secretary WRIGHT. Just because of the relative over-investment in it. We spent four times as much in EERE than in hydrocarbons in the last administration, and one provides three percent of American energy and one provides 80-plus percent of American——

Senator CORTEZ MASTO. I don't have much time. I am going to jump to the next one. But oil and gas have had subsidies for decades and they will continue to have subsidies for decades. So I don't understand the political decisions this administration has made, because I think that's the politics that's happening here. You are favoring one type of energy over another. But let me jump to my next question because I appreciate you being here. So thank you.

On May 23, President Trump invoked the Defense Production Act by issuing a waiver for critical minerals. I support it. We need to have critical minerals here. We need to have energy independence. Critical minerals are key for that. But one week later, DOE canceled 24 projects, including one in Nevada that is using innovative solutions to create the country's only all-domestic source of alumina. Now, I assume you are aware that the U.S. is import-reliant on alumina, as we produce less than one-sixth of the aluminum we consume. And I am sure you are also aware that China currently dominates global production, accounting for roughly 60 percent of the global alumina supply chain. So please explain to me how you are making a decision when you identify critical minerals that are necessary, but at the same time, you are taking away the essential funding for this country to be independent when it comes to these critical minerals. Why? Why did you cancel those 24 projects, including that one in Nevada?

Secretary WRIGHT. So thanks for the passion on that. I am pro solar and pro critical minerals as well. So it really just comes down to the devil is in the details. We review every project. We are going through over 500 of them, just to say, is this project, at the end of the day, going to lead to a positive outcome?

Senator CORTEZ MASTO. But what legal precedent did you and the Department utilize to roll back congressionally approved funds for this enacted program and those 24 programs? They were already enacted. Congress approved them. They were already ap-

proved by the last administration. So what legal authority did you have to come back and terminate those?

Secretary WRIGHT. All of the contracts—just like in business—all of the contracts have cancellation clauses, and we are in dialogue with every one of those parties. Some of these projects can be fixed to make them more viable. And a lot of these projects will be——

Senator CORTEZ MASTO. So is this one that you will be looking at, that critical mineral for alumina, which we need in this country to be energy independent? Are you willing to look at that project and renew it?

Secretary WRIGHT. Willing to look at all of them. We are in dialogues today with eight of the projects that were preliminarily canceled that——

Senator CORTEZ MASTO. So can I get a commitment that you will look at the Nevada projects as well that you defunded, because they are critical mineral mining and extraction, and the production that we need to bring back to the state. Will you work with me for those Nevada projects?

Secretary WRIGHT. Absolutely. We will look at those projects.

Senator CORTEZ MASTO. Thank you.

Secretary WRIGHT. And absolutely, we want to bring back mining to this country.

Senator CORTEZ MASTO. Thank you.

The CHAIRMAN. Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman.

Mr. Secretary, welcome, and thank you for coming to Alaska a couple weeks ago. The time that you spent there, along with Secretary Burgum, Administrator Zeldin—I really, deeply appreciate it. I know you had the opportunity to go up north and get a little fresh air, but really have a chance to engage with so many that are doing amazing things in the energy space. And I really appreciated the comments that you had made at the Sunday roundtable, if you will. You had an observation about energy in Alaska that I thought was really telling. You noted that there are the big things—the big things where we are able to take our energy assets for export to help our friends and allies. That second tier, which is that energy that is going to allow us, as Alaskans, to have more affordable, accessible energy for our own use, and then a recognition that in certain parts of the state, things just look different. And I think the words that you used were something like, you know, energy or power generation is going to look different in different places, and a recognition that when it comes to some of the smaller-scale things, we just have to allow ourselves to have some flexibility and some creativity. So I loved the way you had captured that and I just thank you for that.

First question, super-easy. Are we going to build an Alaska LNG pipeline?

Secretary WRIGHT. Yes.

Senator MURKOWSKI. Okay, there we go—innovation. I could really delve into the gas line, but I am going to move on to some of the other things that relate to the budget. I had an opportunity on that Sunday to visit with seven or so of the national lab directors. It was great conversation. I really appreciated it. And we talked about some of the contributions that we are seeing out of

our national labs. NREL, specifically, has been working with our Cold Climate Housing Center, just some great innovative technologies. So just a direct question to you on the assets, the resources that we are directing to sustain our national labs' ability to really coordinate directly with communities, the ability to offer technical assistance. Are you good with the budget and where you are and in a recognition that there is so much value to be had from the work of our national labs?

Secretary WRIGHT. Oh, I love the national labs. They have delivered tremendous value to us throughout their history and they will in the future as well. And I am actually very open to expanding the lab budget back a little bit from where the current proposal is. I have been voicing that. AI is moving very fast right now. Quantum computing is about to arrive. And fusion energy, a thing I worked on in my youth, is going to come to pass. And this is a time, I think, to lean in as much as we can on these large scientific efforts. And so, I am keen, actually, to grow the budget for our national labs in those key areas of AI——

Senator MURKOWSKI. Well, I will look forward to working with you on that. I think the contributions that we get are so important. And as you say, things are just moving at breakneck speed, so how we keep up with all of this—one of the concerns that I heard, in addition to budget, was also the impact that they have seen with some of the reductions in force and just, you know, the people that are doing really extraordinary things that may move on may not be the easiest to replace. So know that I am just very, very cognizant of that.

I want to ask a question about the Tribal Energy Loan Guarantee Program. As you know, I am Chairman of the Senate Committee on Indian Affairs. The budget is proposing a significant reduction in the Tribal Energy Loan Guarantee Program. I know this is not just for me—my colleague here from North Dakota, there is so much potential, I think we recognize, on tribal lands still remaining undeveloped. I guess I would ask for your thoughts on how we can be doing better. If you don't think it's within the construct of the Tribal Energy Loan Guarantee, how is it that we can be more helpful working in partnership to address some of the exorbitantly high energy prices that we see in our tribal lands?

Secretary WRIGHT. Thank you for your passion on this issue. I share it, as you know.

Senator MURKOWSKI. Yes.

Secretary WRIGHT. So in the history of the tribal thing, I think it has made one loan. That is it——

Senator MURKOWSKI. It has been very disappointing.

Secretary WRIGHT. So it's like, hey, we have, you know, a whole office and it has got one thing to loan. So I would say that's like a re-org, but it is not a pulling back. I would love to do more projects in tribal areas and remote areas. So I wouldn't read, you know, an office that's not doing anything being folded into something else as a change in commitment or change in interest in that area. In fact, some of the best meetings I had in Alaska were from some of your colleagues up there that are working on energy in remote Alaskan villages. And as you know so well, it's just so different, right? If you are—I critique wind and solar and their impact

on the larger scale here. They are competing against natural gas that on an oil barrel equivalent price is $20—$20 a barrel energy cost for pipeline natural gas. In Alaska, they are competing with $10-plus diesel, which is $400—20 times more expensive base energy. If you can put solar or wind or micro-hydro on a grid there, you can shrink your diesel cost and extend the time between refueling and shipping.

So yes, as you and I have both said so many times, there are different energy answers in different settings at all times. I am not a—I am a—people and math, people and math. And one of the problems I think we have made the least progress on is affordable energy in remote communities.

Senator MURKOWSKI. We have great work to do together, and I look forward to exploring more with you on that.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Wyden.

Senator WYDEN. Thank you very much, Mr. Chairman.

Mr. Secretary, good to have a chance to talk with you this morning when you came up to the office. We discussed the clean energy tax incentives law that I wrote in the Finance Committee. As you know, it is technology-neutral—no mandates, voluntary incentives. Now, I understand that there was some discussion earlier. I had to be somewhere else. But there was some discussion earlier about renewables, and renewables in Florida, and matters like that. I wanted to run by you something that the CEO for the utility in Florida, actually the utility that covers Mar-a-Lago, said the other day, and get your reaction because maybe it can help us make some progress here. The CEO said, "I am a CEO who has gas plant holdings. I believe deeply in natural gas. I also believe because we have such a need for energy now," and we have to deal with AI and many of the concerns that we are talking about, and he said, "I need electrons from any place on the planet where I can get them. I just need electrons." And that certainly woke everybody up. That kind of drives it home. And people said, well, what about renewables? And he said, "I have got to have electrons from the renewables sector. It is urgent. I won't be able to meet the growth and the AI needs."

So why can't we just say we got this economic emergency and we are going to get the electrons from everywhere? I know about the comments you and others have made about intermittent uses and the like. That's why we have batteries to help with that. But the more important issue is, when a gas executive who says he believes in gas, not somebody who is walking away—he says he believes in gas, but that the problem is so serious today, in terms of having energy, he wants to get his electrons from anywhere he can get them. Why can't we get renewables to him?

Secretary WRIGHT. Well, I have had the same dialogue with the same CEO. He is the biggest renewable developer in the world and runs a big business, but to me, it's about people and it's about math. So we can—nobody is proposing to stop solar power, right? The idea is it has been subsidized for a quarter of a century, and it should compete on its own, and it will. Solar will continue to grow. It'll continue to get built. That's happening right now.

Senator WYDEN. Respectfully, Mr. Secretary, it's getting short shrift in the central climate change law of our time. Until I wrote this law, we had never, in 50 years, done anything on cap and trade or pricing or anything that anybody, whether they were left or right, had agreed on. And now, solar is getting short shrift. We are hearing about it from companies who really feel that it is being left out at a time when we ought to be saying this is something—that's why I put technological neutrality as my lodestar. I wanted to make sure that everybody could play. That it would be voluntary, we would have incentives and the like, and solar is getting short shrift now.

Now, maybe you can do something here as we try to wrap up what we are working on in the reconciliation bill. But I would really urge you in the strongest possible way to pursue an approach that I am the author of, and I like the idea that a gas executive is saying, I am for gas. I am for it. When I was Chairman of the Committee, my first hearing, because I thought it was relevant to the debate, was on natural gas. But right now, we have got to have renewables, and the best way to get them and satisfy that electron need is that way. Can you help?

Secretary WRIGHT. Well, what I would like—the bigger the government's involvement has been in energy, and you can look at Germany or Denmark or the UK, if you want to see people ten years ahead of us. When the government goes into energy and subsidizes certain kinds of energy, you get a lot more of that. And the net result has been expenditures of money on the subsidies and a less reliable, more expensive system. And that doesn't—nobody wins from that. The only people that win are the people collecting the subsidies, the businessmen who get paid to develop stuff——

Senator WYDEN. My time is going expire. But the fact is, this is written so that everybody can be part of a marketplace. It doesn't give a preference to somebody. It says technological neutrality. I hope you will think it over.

Thank you, Mr. Chairman.

Secretary WRIGHT. Thank you, Senator.

The CHAIRMAN. Senator Barrasso.

Senator BARRASSO. Thanks, Mr. Chairman. Thank you very much, Mr. Secretary, I appreciate you being here.

Over the last few years, I believe Congress irresponsibly saddled you, your Department, with 71 new programs overseeing hundreds of billions of taxpayer dollars, and I think the situation is fraught with waste, fraud, and abuse. And it left the Department—your Department now—without a clear direction. So can you talk a little bit about how you are getting the Department of Energy back in a focused direction with regard to your overall mission?

Secretary WRIGHT. Yeah, I would say the simplest thing is treating it like a business, yeah. We're not—I have been writing on energy for 20 years. I never infused it with politics. You know, to me, energy is about humans and math, right? Energy is to better people's lives and expand their opportunities of how they can do things, and the way to do that just comes down to what is the lowest system cost to deliver whatever that form of energy is in a reliable, secure way and reduce the environmental impacts of it, of course, as well. And the track record of markets in that has been

quite good, but the government getting in and through our Department, shoveling out more than $100 billion, most of it rushed between election day and inauguration.

I mentioned before the numbers on LPO. That's loans. Our Department also gives out financial assistance. It's like grants. They give financial assistance to businesses. This is IRA and IIJA money. Those laws passed in 2022. In the full year 2023, a little over $8 billion of assistance grants were given out in the full year of 2023, and $26 billion after election day and before inauguration. And so, what we have done is, created, and maybe frustratingly slow to some people, but we haven't been lazy—we have put together a committee of cross-functional people that are going to evaluate every project, you know, on is it technically viable, is the engineering done, is it financially viable. At the end of the day, is it going to be a bridge to nowhere, or is it going to be a business where customers are going to pay for the product and it's going to go on.

And the projects that we have evaluated have passed and they are continuing to fund. For some projects, we have engaged with the other party and we have modified them, so it's a positive for the American taxpayers. And a lot of projects have not passed because they are just—we are just paying someone to build something more expensive than people are willing to buy today, and nobody wins from that. And I want to restore confidence in our Department again, you know? We are professionals that are here to work for the American people, not for our own interest, not for any politically favored, you know, technology here or there. We just want to make the American energy system better, but that means people and process and accountability.

Senator BARRASSO. You know, Congress has made key investments in nuclear innovation, and you are an expert in the area. These investments include the Nuclear Fuel Security Act to strengthen our fuel supply chain and the Advanced Reactor Demonstration Program to move advanced reactors forward. Can you speak about those plans in the program?

Secretary WRIGHT. Yeah, there are lots of them. In fact, I have a new one today. We will announce today a new solicitation that we would like to get three new small modular reactors critical, meaning producing power by July 4 of next year, at the Idaho National Lab in our containment facility that can sort of speed up ideas that are ready to go. Let's get them on the ground and test them and prove them because look, the Americans invented the nuclear power industry. We came out and built 100-plus plants rapidly. Then we created an NRC and stopped. And we haven't done much for 30 or 40 years. You and I and many others really want to get that nuclear ball rolling again.

We are working with companies to get domestic fuel enrichment going in the United States again, another just critical problem. Congress rightfully passed a bill saying we shouldn't be importing Russian uranium. Well, I don't want to import Russian uranium either, but we have got to get it from somewhere. We have got to enrich uranium in the United States by American companies and ramp that up.

Those are the kinds of things we are working on, but there is a bunch of great innovative companies with a lot of private capital behind them. It's private capital that's going to drive this, but we are going to help in every way we can.

Senator BARRASSO. Thank you, Mr. Secretary.

And finally, we were together when the President signed his coal executive orders. You know, the last administration was flat-out anti-coal in every way they could be. They wouldn't support the projects that we needed, even the ones that resulted in diminished emissions. They just were against everything. I thought it was shortsighted, and left our valuable resource underutilized. What's the Department doing in terms of restarting coal research, whether novel combustion, carbon capture, coal products made from newly mined coal as a result of the President signing the executive orders?

Secretary WRIGHT. So a number of different efforts there. One, I will just state the facts—coal has been the largest source of global electricity for a hundred years. It will be when I die as well. There is a reason coal is the biggest provider of global electricity, but I will be in your great state on July 11th for the opening of a new coal mine that's combined with rare earth element mining right there. And that, to me, is incredibly exciting. And maybe the biggest thing I have been involved in with coal right now is that we need all this extra power everyone is talking about for AI and we need to win the AI race. The first thing is to stop digging the hole. So we have got to stop closing all these coal plants with tons of useful life left in them.

Senator BARRASSO. I look forward to being with you on July 11th in Wyoming.

Thanks, Mr. Secretary.

Secretary WRIGHT. Thank you, Senator.

Senator BARRASSO. Thank you, Mr. Chairman.

The CHAIRMAN. Senator King.

Senator KING. Thank you, Mr. Chairman.

Mr. Secretary, good to see you again, thank you.

I want to talk about the grid because we all know that there is going to be a tremendous expansion of demand for electricity over the next 10, 20, 30 years, and that's going to require significant attention to the grid. And the Grid Resilience and Innovation Partnership Program was created under the Bipartisan Infrastructure bill. My concern is that there are a significant number of programs under that that have received approval, but are now being reviewed by your office. My first question is, can you assure me that that review is professional and engineering-based and not political?

Secretary WRIGHT. Absolutely, it is. We are evaluating the engineering, the science, the finance, and just the viability of the projects. It is just a business review. Unfortunately, it wasn't done before when grants were given, but I would say in the GRIP Program, there are a lot of very good projects there, but we are just trying to be careful and thoughtful.

Senator KING. Well, you know, one that I am particularly interested in is the largest grid-scale battery project that is being manufactured in West Virginia, but is scheduled to be located in a small

town in Maine that would make a huge difference and I hope—what is your timeline on this review?

Secretary WRIGHT. It's—we stood up this process a few weeks ago. Now, we are going to get, probably—trying to think of a number here—but at least 20 of these a week out and done, but Senator, you raised that again. I am very interested in that technology as well. And my Chief of Staff is here with me, and we will make sure that in the next, you know, few weeks at most——

Senator KING. Good.

Secretary WRIGHT [continuing]. We will get onto that project.

Senator KING. Well, because batteries are part of the solution—not the whole solution—but development of that technology, which was described to this Committee something like two or three years ago, is very promising. So I hope we can move forward on that.

Secretary WRIGHT. Yes.

Senator KING. Following up on the same area—the Grid Deployment Office—again, looking at the demands on the grid, the problem is, the budget proposes a 75 percent cut in the Grid Deployment Office. I don't understand how this is a place to cut where this is obviously an increasing demand and pressure on the system.

Secretary WRIGHT. It is, but I would look at it more as part of a reorganization of the Department. You know, the central thing there is the Office of Electricity and CESER—the cybersecurity thing—they are sort of the two core offices around that. There were a lot of other smaller offices set around, but I would look at the whole complex. So the Office of Electricity is all about the grid. So the Grid Deployment Office was, you know, it's got grid in the name, but it's really just a sub-office.

Senator KING. Well, as long at the resources going to strengthening the grid are not diminished. If you are talking about diminishing some other programs, that's one thing, but again, one of the things I have noticed just in my career in energy is, it used to be that the principal part of your electric bill was the cost of energy. Now, in many places, transmission distribution is 50 percent or more. And that's only going to increase unless we start to think about new technologies, what are called GETs, which I am sure you are familiar with—grid enhancing technologies—so that we're not simply rebuilding massive facilities that could be obviated by new technologies.

Secretary WRIGHT. Well, I agree so much, Senator. You know, ten years ago, I am like, we just got to build more transmission lines. We have got to build our infrastructure. It turns out, it's so hard to get approval to build anything. But as you just said——

Senator KING. You can reconductor.

Secretary WRIGHT. Exactly. We can reconductor. We can do dynamic land rating, even with our existing things. There is so much upside in the grid and there, I think, we just have to find some practical solutions and get local regulators to implement these things, but I agree with you, a lot of upside in being smarter about the grid.

Senator KING. My other concern with the budget is ARPA–E. Research is one of the things the Federal Government can do, particularly basic research that doesn't necessarily lead immediately to commercialization. If it led immediately to commercialization, the

private sector would be doing it. This is where the government can fill in a gap in the market. I am a big supporter of the market, but the market doesn't factor in all these elements.

Why are we cutting ARPA–E by more than half?

Secretary WRIGHT. That's a great question. And look, I share an interest in basic science, the national labs, nuclear physics. There is a lot of stuff. If the government doesn't do it, then no one will do it.

Senator KING. And you, of all people, know that fracking came out of support by the Department of Energy.

Secretary WRIGHT. And so, yes, there are discussions about ARPA–E—what is the right thing to do? I know in the previous Trump administration it was zeroed out entirely. Rest assured, we want to keep ARPA–E. We will keep ARPA–E, and it will be at a reasonable level, but you know, it had grown fast and wild, and it backed a number of great projects, and maybe a lot of more politically motivated, not technically motivated projects. So it's going to be sizable and meaningful.

Senator KING. Given the demand that we are going to have for energy, it seems to me that research in new technologies is going to be critical to meeting that demand. And I hope that you will maintain the level of support that's required by the demand, if you will.

Secretary WRIGHT. I agree with your point entirely.

Senator KING. Thank you, Mr. Secretary. Thank you, Mr. Chairman.

Secretary WRIGHT. Thank you, Senator.

The CHAIRMAN. Senator Hoeven.

Senator HOEVEN. Thank you, Mr. Chair.

Secretary, good to see you again, appreciate all your good work. Hope you are enjoying it. Great to have you in the slot.

I am going to start on a shared experience, and it actually relates to something that Senator King just mentioned, and that's the Bakken and the shale, and we actually shared that experience during the period we went through, you know, in say, the 2000–2010 era where we cracked the code in the Bakken and the shale play. I was in the Governor's office and worked on policy to help create a good environment so that entrepreneurs like you and the companies you created could get that done. You did. Great. And obviously, producing an incredible amount of oil down in the Permian and the Ranking Member's State of New Mexico, and obviously Texas and Louisiana, but in our state, we produced over five billion barrels out of the Bakken as a result of that. A lot of energy we don't have to get from foreign sources and adversaries, right?

Secretary WRIGHT. Yes.

Senator HOEVEN. But we need to put—essentially now, we need to do it again. We need to crack the code again. Now we need to develop the carbon CO_2 floods that are going to bring out probably an equal amount or more, given that we are only getting, what, less than ten percent of the oil out of the Bakken shale and the other shale plays. We now need to develop these floods. We have used hot water and other things, but really the CO_2 will be much more effective. And we can put a whole other life on this energy

production—domestic, high-quality, highest quality oil right here at home.

Talk to me about how we are going to get that done. How are we going to crack that code again?

Secretary WRIGHT. Yeah, great question. So there is research, you know, in private industry on this and there is research at the Department of Energy. And in fact, the guy I picked to lead the Fossil Energy Office, which will be renamed the Hydrocarbon Office—I really don't like some of the names we've got in the Department—but in any case, he's a technology guy. And his big focus is just what you said—what's next? He's a young guy from North Dakota, actually.

Senator HOEVEN. Oh, he has got to be sharp then.

[Laughter.]

Secretary WRIGHT. He is a high-tech guy who wants to look at what technology is five, ten, 20 years out on the road. And you are right that the single biggest target of that next generation is enhanced oil recovery out of shales. We can get ten percent out with the technologies we have got today. How do we get more?

And I think you are right that it's likely that the most viable ways to do it will be some kind of miscible gas that is injected underground. CO_2 is certainly a great candidate for that.

Senator HOEVEN. There are others——

Secretary WRIGHT. Right, could be methane or—but 100 percent. And your research center that you have got in North Dakota with some great technical people there has been a leader in that effort, and I suspect will be growing leaders in that effort.

One of the things, if I could ask one thing for the whole Senate is, please help confirm my people. You know, I have got ten people that have gone through your Committee that are sitting there and I don't have them in the office. I don't have them on the team because of some procedural thing. They have already been vetted. They have already got bipartisan votes among this Committee. I would desperately need some more people in the office to help me, including on this one.

Senator HOEVEN. Glad you made that pitch, very important. We are all aware of that and we all do what we can to help make that happen. I appreciate that.

We talked a little bit about critical minerals. We have a very interesting project going on in North Dakota right now with Talon Metals. They are affiliated with Rio Tinto and some other big mining companies and that kind of thing. But essentially, they are mining nickel ore out of Minnesota, which has very rich ore deposits—from northern Minnesota bringing it over to North Dakota. And they are actually setting up a processing facility at what was the Westmoreland Coal Mine, which is a coal mine that shut down—reopening the mine, but for critical mineral development. They will process the nickel and then that will actually go to like Tesla and other places that need the nickel for batteries so that they aren't buying that from foreign countries. And then, the tailings will be mixed with coal ash to produce building materials.

Talk to me about how we do more of that. You mentioned the project in Wyoming, but this is a project in North Dakota. Same thing, where we are now going to get critical minerals here at

home, and the key is to do it in a commercially viable way. That's what we have got to—this stuff works when we make it commercially viable. We can do all of it. The question is, can we make it commercially viable, right?

Secretary WRIGHT. So Senator, one of the things I am excited about, this time we are right now in our country's history, like we built big things and we innovated and we built giant things and then we became a country where it was easy to stop things and hard to do things. And we just killed the mining industry. It just shrunk to a few existing mines. No one has built a new mine in this country in forever. But I think we have a different attitude today in America, that we use these materials, they come out of mines—shouldn't they come out of our mines? Because not only do we have the materials here, but we can drive innovation to do smarter mining and better mining. But since it has all been out of sight, out of mind overseas, the amount of people that study and think about mining in our country has shrunk so small and it's up to you and I and everyone in this room to make mining and materials processing sexy again.

But I believe we will because it's now national security. We have seen the national security downside of this, but yes, we need to get going on this stuff, and I think what could happen in the next decade is thrilling.

Senator HOEVEN. I love that. We are going to make mining sexy again. That's a great way to put it. And we are looking forward to getting out to the Energy Environmental Research Center, which you mentioned earlier.

Secretary WRIGHT. Yes.

Senator HOEVEN. And again, thanks for all your great work, appreciate it.

Secretary WRIGHT. Thank you, Senator.

Senator HOEVEN. Thanks, Mr. Chair.

The CHAIRMAN. Thank you.

Senator Cotton.

Senator COTTON. Secretary, welcome.

The demand for lithium has substantially increased in recent years, but the United States is currently only responsible for about one percent of lithium mining and less than five percent of advanced lithium chemical processing capacity globally—that despite lithium being necessary in a wide range of uses, to include critical military capabilities. In September of last year, the Department of Energy selected Standard Lithium and Equinor for a $225 million grant to develop the lithium reserves in South Arkansas in the Smackover Formation, where Geological Survey has found between 15 million and 19 million tons of lithium. I know that this grant was announced before your tenure, and it is under review now. When can Arkansans expect an answer on when the grant will be approved?

Secretary WRIGHT. I think all the sizable projects will be done this summer. You know, we are in middle of June now, so by the end of August, for sure, maybe much sooner than that. And Senator, it is frustrating, I am sure, for people on the other side, you know, this—we continue to fund existing projects, but given the track record of what happened when we walked in the door, which

is pretty alarming, and the more I have dug into it, the more alarming it is. You probably heard me say before, you know, $90 billion, you know, lent after election day and before inauguration—over double the previous 15 years, $25 billion of that in the last two days.

So in any case, there is a lot of crazy stuff, like a piece of paper—there was a project that got funded for $2.5 million, and then, right at the end of the administration, with a sheet that said justification for increase, there was nothing on it, its funding went from a little over $2 million to over $200 million. So we want to be careful with the American taxpayer monies, with monies you have allocated, that these projects are responsible and credible and thoughtful and they are going to lead to some good results. You talk about a very exciting one, this—it's hard to build mines in America. Heck, we can get lithium out of brine, so you know, out of boreholes in salt. So very exciting, very keen. We will be on that and let's be talking about it.

Senator COTTON. Yes.

Secretary WRIGHT. But we will sort that out this summer.

Senator COTTON. And we understand that there were a lot of inappropriate actions in the lame-duck period up to, as you say, the very last day—projects being funded that, frankly, never should have been funded. But obviously, I think this is one of the critical projects that should be funded, lithium being so vital for almost every walk of modern life and now being one of those things that's in dispute with trade negotiations with China.

I want to turn to another topic we have discussed in the past, Mr. Secretary, and that's security at our national labs. I have introduced legislation with Chairman Lee and some of my other colleagues that would ban foreign scientists from adversarial countries like Russia and China and Iran. You, I know, are conducting a review of security policies at our 17 national labs. When do you expect the review to be completed?

Secretary WRIGHT. It is an ongoing process, and every time I see the lab directors—I saw half of them in Alaska, I saw all of them a week ago. I have been to half of the labs now and I will get to the other half. So it's a real topic and it's a balance. It is a balance. Do we want, you know, Chinese nationals in our weapons research or in our critical economic new breakthrough stuff? No, we don't. But we have, of course, projects—I have approved three Chinese foreign nationals to work on stuff because they have very unique expertise. It's not sensitive stuff. And if we don't use, you know, a specific person, there were hundreds of potentials. So we have shrunk that down dramatically small because you raise a very real concern. I have stressed it to the lab directors. I think they get it, too. So we have like a matrix approach and we are trying to balance—not stopping scientific research—but erring on the side of caution that these are national jewels and national gems, and clearly these countries of concern have clearly shown zero scruples to steal everything we have.

Senator COTTON. And speaking of caution, have you identified any urgent vulnerabilities that have needed to be patched before your review is complete?

Secretary WRIGHT. We have——

Senator COTTON. You know, let me stop you. If you would like to respond to me through other channels, that's fine.

Secretary WRIGHT. Yeah, let's—I will just say it's a real issue. It's a real issue.

Senator COTTON. Are there any Iranian scientists in any of our labs as of right now?

Secretary WRIGHT. Not that I am aware of.

Senator COTTON. Okay, I hope your lab directors hear that.

All right, I will yield back the rest of my time. Thank you.

The CHAIRMAN. Thanks, Senator Cotton.

Secretary WRIGHT. Thank you, Senator.

The CHAIRMAN. Okay, we have now completed round one. There is interest in doing a round two. We do need to be out of here by about noon. So what I am going to propose is that we try to keep, in the second round, let's try to keep them shorter.

Senator Heinrich, why don't we go to you next and try, each of us doing a round two, try to keep it to a question or two so we can make sure we are finished by noon, if that's all right? Thank you.

Senator HEINRICH. Secretary, in New Mexico, we have a couple of geothermal projects, and I appreciate your enthusiasm for advanced geothermal, also a grid reliability project. They have both been in the Loan Programs Office pipeline for a very long time, and over the course of the last six months, the back-and-forth communication has gone away. And so, I would just ask you if you would commit to sort of making sure that your Loan Programs Office reengages with those two projects.

Secretary WRIGHT. Yes, yes indeed, Senator.

Senator HEINRICH. Thank you.

I want to ask you a little bit more about this review board process because you described it as a business review, as professional, not political, but your own attorneys briefed my staff yesterday and said that there were political appointees on those review boards. Is that the case or is that not the case?

Secretary WRIGHT. Well, it is absolutely the case.

Senator HEINRICH. So my understanding is that in previous administrations these kinds of reviews have been done by career staff. If it's a business review, why do we have political appointees on these review boards?

Secretary WRIGHT. Oh, it's a hybrid of the two. I am pretty confident it was that way before. I don't think the careers would have shoveled out $25 billion in the last two days before inauguration. That's——

Senator HEINRICH. For example, in the Loan Programs Office, there were no politicals on the review board. The final sign-off comes from a political appointee, but prior to that, the actual review committee did not have politicals. So I am wondering, if we want to do this in a professional way, why are we putting politicals on these review boards? Why not save that for the final process and let the professionals do their job?

Secretary WRIGHT. Senator, I am highly confident the decision-making process now is vastly more professional and vastly less political than it was in the previous administration.

Senator HEINRICH. How am I supposed to evaluate that if there weren't politicals on these review boards before, and now, we have

politicals in the review boards? So why should I believe that to be the case if there is—why not let the professionals in your Department—and you have some of the best in the entire world—do their job, and then you can make a political decision?

Secretary WRIGHT. Because the political appointees that are in it are people I chose, they are business leaders, they are entrepreneurs, they are on the political team we brought in, but their job is to evaluate the math, the financial statements, go back and forth with questions. They are playing a business role, and if you look at—and we should have a lunch. We should have a lunch, and you should see how we do things today, and I can show you how things were done before. The change in professionalism, and not political—professional business evaluation—is dramatic.

Senator HEINRICH. I am going to wrap up my questions here, and I look forward to having lunch with you. I do want to point out, I made a mistake earlier. I cited my cost of retail electricity incorrectly. It was not 12 cents per kilowatt-hour, it was 10.8, and that is with 35 percent solar, 15 percent wind, 15 percent battery storage, and only five percent coal, 23 percent gas. So——

Secretary WRIGHT. Are those capacity or produced energy numbers?

Senator HEINRICH. Those are capacity numbers.

Secretary WRIGHT. Yes.

Senator HEINRICH. Yes, that my utility provided to me when I asked. That's the retail price for an individual at their home. So if they are able to do that at 10.8 cents a kilowatt-hour, or even 11 or 12, well below the national average, something's not adding up here.

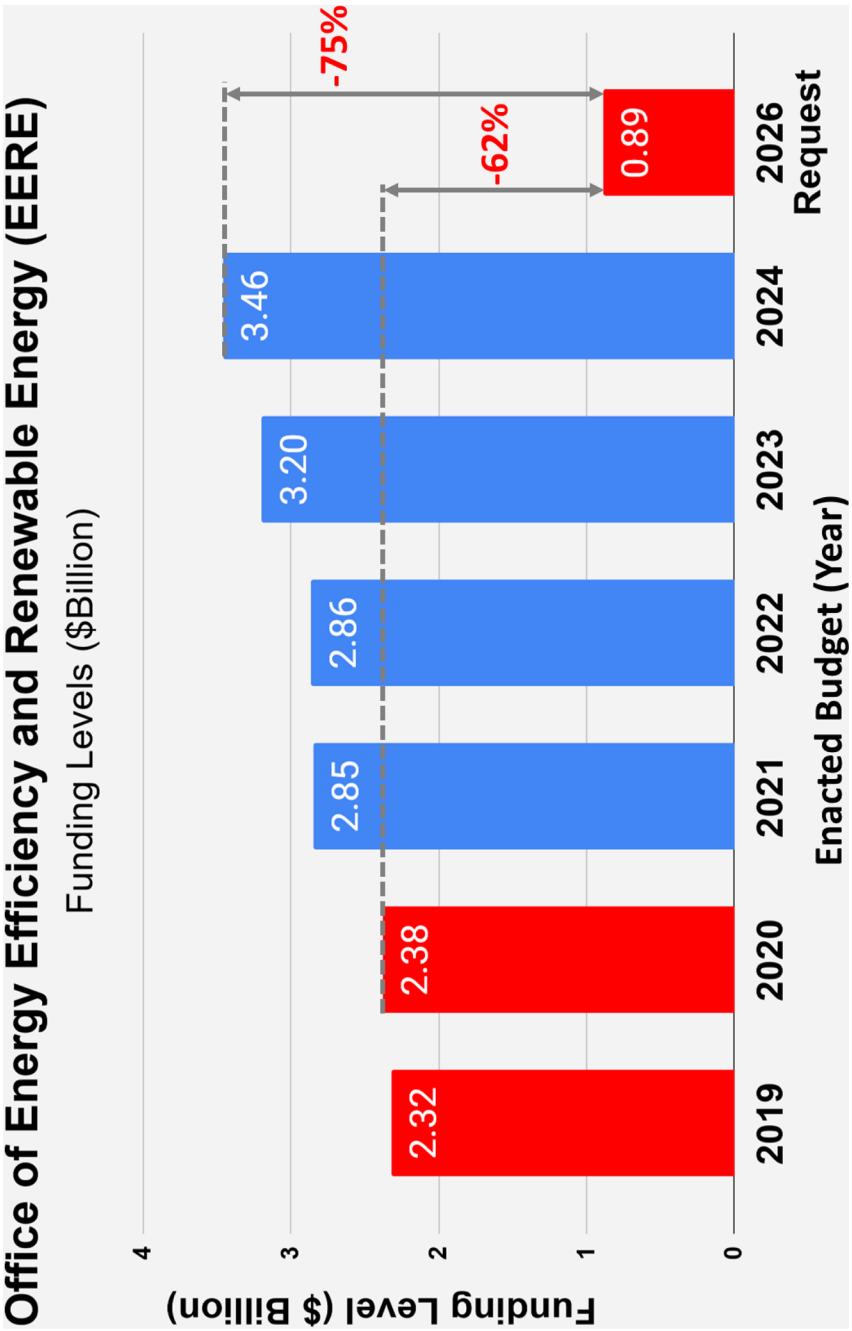
Secretary WRIGHT. New Mexico has done a good job. Absolutely.

The CHAIRMAN. Senator Hickenlooper.

Senator HICKENLOOPER. That's so clever to say New Mexico has done a good job. What Senator won't bask in that reflected glory?

Let me turn to something that I think Senator King has already talked about a little bit, but I think that I look at energy efficiency—as a former Governor and a former mayor, we knew that the cheapest energy we could find was the energy that we didn't have to use. So when you look at, whether it's home insulation or all these different ways of trying to find more efficient ways of using the energy we already have and saving it, most of the studies show that it's two to three times cheaper than when you are talking about natural gas or wind or solar or anything. It's cheaper to get it through efficiencies. Some of the energy efficiency experts estimate that at somewhere between two and five cents per kilowatt-hour.

[Displayed chart follows:]


Office of Energy Efficiency and Renewable Energy (EERE)
Funding Levels ($Billion)
Funding Level ($ Billion)
0
1
2
3
4
2.32
2.38
2.85
2.86
3.20
3.46
0.89
-75%
-62%
2019
2020
2021
2022
2023
2024
2026 Request
Enacted Budget (Year)

Senator HICKENLOOPER. I think that we look at the parts of your enterprise that really work on this and we see their budgets being dramatically cut. We have a——

Secretary WRIGHT. It's right over your head, I can——

Senator HICKENLOOPER. Well, I couldn't see it. But anyway, you look at what the—this is Energy Efficiency and Renewable Energy, which, of course, since NREL, the National Renewable Energy Laboratory is involved in a bunch of this work and is in my home turf—I can almost, on a really clear day, if I get up on the third floor, I can almost see them. That's a dramatic cut. I mean, and you can go even back to pre-Biden levels, that's a dramatic cut, and am I wrong that this is leading to some of the most cost-effective ways of addressing our climate, or our energy costs?

Secretary WRIGHT. So I think you are right, Senator, that energy efficiency is a huge opportunity, and of course, it's pursued in all different ways, just government expenditure from one department, I don't think is a great——

Senator HICKENLOOPER. It would have to be a well-run department, so I am assuming that it's not just from one department, it would be a department that is now using better systems and doing things more correct, more properly.

Secretary WRIGHT. We are, you know, we have gone from, you know, ten computer systems down to one, so yes we are doing everything we can to run the department more like a business and refocus it a little bit as well. But I think less expenditure in a department that has got efficiency in its name does not mean a walking away from efficiency, but I think the biggest drivers of efficiencies, like most things, have been market forces, right? People find ways to do efficiencies, as you and I do in our lives and all that. And I have been quite critical and quite concerned about, like, the regulatory example for the DOE, you know. If we just keep regulating, you know, you could only buy the super-efficient Cadillac, well, other people can't afford the Cadillac. So different people evaluate trade-offs differently. So I am always skeptical of fitting a one-size-fits-all answer onto our whole population.

Senator HICKENLOOPER. But that's the whole point of doing—the research they are doing is looking at a variety of ways to achieve this goal that pretty much everybody agrees is dramatically less expensive than having to go out and create new energy.

Secretary WRIGHT. Efforts in energy efficiency at the Department and at NREL or whatever aren't going away.

Senator HICKENLOOPER. Got you. Okay. Well, hopefully they will get added expense.

Just one more quick question. The intermittent—and I understand some of the legitimate concerns about intermittent energy—but at a certain point, when you have places where you can get baseload secure and effective, that way if the wind or the solar doesn't have batteries, I mean, ultimately, I think the question is whether you can get solar and wind with batteries to be cost-effective with coal or natural gas, which I think you can, certainly if you look at the direction of funding. But even forgetting that, if your baseload is—if you have got backup, already redundant energy for your baseload so that, let's say you only have 30 percent wind and 25 percent solar, if you have a cloudy day or you have

a windless day, you still have someplace you can, you know, turn on natural gas-powered plants or whatever. That really takes away a lot of the stridency, you know, that these intermittent sources of energy are somehow failed.

Secretary WRIGHT. Well, but it adds to the system cost. Like the biggest demand in PJM, the grid we are all in right here, 65 million people. Peak demand was the night after inauguration. At that time, 44 percent of the electricity came from gas, 22 percent from coal, 22 percent from nuclear, six percent from hydro, four percent from oil, two percent from wind, zero percent from solar. So you needed, if we had zero wind and solar, we needed exactly the same grid, and then we add wind and solar on top. So there is just no way that is ever going to be cheaper.

Senator HICKENLOOPER. All right, well those are the two things we will discuss on our lunch.

Secretary WRIGHT. Yes.

Senator HICKENLOOPER. In terms of both the issues around climate change because I think there is a lot to discuss there.

Senator KING. Can I come to that lunch, Senator?

Senator HICKENLOOPER. If you are polite.

Senator KING. I will pay.

Senator HICKENLOOPER. Oh, he will pay. All right, if it's okay with you.

Senator HEINRICH. It's getting bigger and bigger.

Secretary WRIGHT. I look forward to that lunch.

Senator HICKENLOOPER. Thank you.

The CHAIRMAN. Mr. Secretary, accelerating the deployment of new nuclear energy is something that I think you agree is critical to the U.S. achieving global energy dominance and meeting our needs, our energy demands, our national security needs, particularly with the rise of artificial intelligence and the emerging AI race that is surrounding that. The Department of Energy has existing authority under the Atomic Energy Act, as you know, to authorize nuclear facilities, including reactors, and it appears poised to be able to maximize the use of that authority pursuant to President Trump's recent executive orders. Can you discuss with us the Department's authority to authorize nuclear projects, including reactors and fuel cycle facilities, and just describe for us how the Department may use that authority to speed up the development and the deployment of new nuclear energy and whether Congress ought to consider any legislative changes beyond that to help expand that authority?

Secretary WRIGHT. Yes, Senator, I think we can see from the historical record just what happened to our nuclear industry over the last 20 or 30 years—almost impossible to permit anything, deathly slow, which means expensive. Uncertainty scares capital away. So we are going to try to use all the resources of the Department. I mentioned these test reactors. We want, 12 months from now, to have reactors that are critical, meaning they are turned on and running in the Idaho National Lab. These are reactors that have been talked about for 15 years. Some of them can be built quickly and ready to go, and we want to use that authority because our fear is, the old way it worked, five years from now we would still be talking about that soon we are going to have SMRs.

So we are going to use that authority. One of the limits on our authority—we have also put out requests for people to build data centers or energy production on government lands, and we are going to see that happen. Right now, if they are authorized through the DOE, they can run a reactor, but you can't sell electricity from it. So we can run for a test or for other purposes, but there is a limit there. Of course, together, hopefully we can get the NRC to be focused on safety and environmental protection in a reasonable fashion and not in the obstructionist, way over-the-top approach it has been in.

Grand Central Station in New York City, a train station, you know, hundreds of thousands of people walk through every day—you could not permit that as a nuclear power plant today because the radiation is too high. Using linear, no-threshold math—if a lot is bad, well then, a very little is still a little bit bad—makes it so that it just has become impractical to build cost-competitive nuclear plants. China builds a nuclear plant for a third of the cost we do in a fourth of the time. We want to protect our people. We want safety. We want to do all the right things, but we have got to be smarter about how we do that or nuclear will forever be on the edge of "going to happen." We need to make it happen. It's just a great energy source that can help the world.

The CHAIRMAN. Yes, it is, indeed, and there is something of a difference I think between, on the one hand, a slow regulatory process that is advancing the ball and making things safer, then, at some point, one might reach the point of diminishing marginal returns with regard to how long it takes. And it sounds like you agree that the system within the NRC isn't necessarily calibrated in order to maximize that.

Secretary WRIGHT. Yes, and I have got to say, I think a lot of the presidential actions, executive orders that are messaging and changing some regulations and stuff in the One Big Beautiful Bill are aimed at how do we unleash American energy, how do we get less regulation, more ability to permit stuff and to move ahead with stuff and spend less money on industrial subsidies that have been unhelpful to our electricity and unhelpful to our grid, and it's just dollars we don't have.

The CHAIRMAN. Yes.

Okay. That concludes today's hearing. I want to thank my colleagues for being here, for participating. I want to thank you, Secretary Wright, for being here and answering our questions.

The deadline for submitting questions for the record will be 6:00 p.m. tomorrow, Thursday, June 19th. Senators also have until 6:00 p.m. next Wednesday, June 25th, to add statements for the record for today's hearing.

Thanks again, Mr. Secretary, for your testimony. The Committee stands adjourned.

[Whereupon, at 12:15 p.m., the hearing was adjourned.]

APPENDIX MATERIAL SUBMITTED

U.S. Senate Committee on Energy and Natural Resources
June 18, 2025, Hearing: *DOE's FY2026 Budget Request*
Questions for the Record Submitted to the Honorable Chris Wright

QUESTIONS FROM RANKING MEMBER MARTIN HEINRICH

Q1. President Trump's budget seeks to slash $20 billion from the Department of Energy's science and energy programs, including cuts of over $1 billion to the Office of Science, a 74% cut to the Office of Energy Efficiency and Renewable Energy, and a 24% cut to the Office of Nuclear Energy. These three offices are the primary source of funding for the basic and applied science national labs, and, slashing their budgets will result in significant layoffs at the labs, especially at NREL in your home state of Colorado. You called the labs "the crown jewel of our nation's scientific research and technology innovation," and I agree that they are an integral and essential part of US dominance in science and tech innovation. I am incredibly proud of the work done at Los Alamos and Sandia in New Mexico.

- How can you claim to support our national labs and come before us to support a budget that would be so destructive to them?

A1. The President's Budget Request reverts the Department to its core duties of advancing cutting-edge scientific research and technological development rather than the previous administration's focus on the demonstration and deployment of unproven technologies. This budget empowers the Department of Energy's (DOE) Office of Science to conduct world-class fundamental and basic research while making critical investments in transformative technologies key to United States (U.S.) competitiveness in areas including high-performance computing, artificial intelligence, quantum information science, nuclear energy (fission and fusion), and critical minerals. Regarding the Office of Nuclear Energy, the request reduces funding for non-essential research on nuclear energy to focus on what is truly needed to achieve national dominance in nuclear technology. This includes developing innovative concepts for nuclear reactors, researching advanced nuclear fuels, and maintaining the capabilities of the Idaho National Laboratory. DOE recognizes that the national laboratories play a vital role in advancing scientific discovery and technological innovation. They drive fundamental discoveries that underpin future technological advancements, pushing the boundaries of human knowledge in areas critical to national security and economic competitiveness. Their activities bridge the gap between basic research and practical application, translating scientific breakthroughs into tangible technologies with real-world impact. The President's Budget Request reflects a commitment to responsible stewardship of taxpayer dollars, balancing broader Administration priorities. Strategic choices must be

made to ensure resources are allocated to maximize overall benefit to the nation. This budget prioritizes investments in national laboratories that offer the greatest potential for near-term impact, preserve the foundation for scientific discovery, and advance core administration goals.

Q2. As the nation's major sponsor of physical sciences research, the DOE Office of Science plays a vital role in the American scientific ecosystem. The Office of Science not only sponsors priority research programs in areas like quantum computing and artificial intelligence; it is also vital to maintaining the U.S. pipeline of science and engineering talent through its workforce programs.

- Do you commit to maintaining these workforce development programs that address the on-going shortage of STEM workers necessary for American global competitiveness?

A2. The Office of Science's research programs and workforce development programs play an important role in cultivating the next generation of scientists and engineers, ensuring a robust pipeline of science, technology, engineering, and mathematics talent crucial for maintaining American global competitiveness. As part of our commitment to strategically prioritize resources, the Department will work to ensure that these programs align with Administration priorities in critical and emerging technologies like quantum information science, artificial intelligence, and fusion energy, while contributing to critical workforce needs.

Q3. The Advanced Reactor Demonstration Program is a hallmark program to advance nuclear energy deployment in the United States. The two Pathway 1 demonstrations are nearing operation in the next several years, and other ARDP projects are advancing rapidly as well, including Kairos Power's Hermes demonstration project and its associated laboratory in Albuquerque. It's clear that the ARDP is a continuing bipartisan priority in Congress and part of the Administration's Energy Dominance vision, but other related nuclear activities are at risk. Nuclear fuel enrichment implementation has been greatly delayed. At the same time, LPO has seen significant staff and resource reductions, making it much harder for LPO to assist nuclear energy deployment. The President's FY26 Budget Request would also cut nearly a quarter of DOE's Office of Nuclear Energy budget. We cannot operate these pivotal demonstrations without fuel, and we need federal financing and support to scale these technologies up to commercial maturity. How do you square the stated support for ARDP with delays in fuel implementation and DOE staff and resource reductions?

U.S. Senate Committee on Energy and Natural Resources
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Questions for the Record Submitted to the Honorable Chris Wright

A3. The Department is fully aware of the high-assay low-enriched uranium (HALEU) fuel requirements for the Advanced Reactor Demonstration Program (ARDP) projects and is supporting actions to supply fuel for the initial cores. X-energy and Kairos Power have received conditional commitments from the Department to meet their near-term fuel needs through the HALEU allocation program. In the case of the TerraPower Natrium demonstration project, the timelines and quantities associated with the fuel needs necessitate that they be met through alternate enrichment sources. In terms of funding, the Fiscal Year (FY) 2026 Budget request for the Office of Nuclear Energy reflects a focus on activities needed to achieve national dominance in nuclear technology, including developing innovative concepts for nuclear reactors. The ARDP demonstration projects have remaining unobligated funds available from the Infrastructure Investment and Jobs Act (IIJA) appropriations allocated to the ARDP projects that will allow these critical activities to continue through FY 2026. Additional appropriations will be required beyond that time in order to fully support the projects. With the FY 2026 request, the Department will have received sufficient funding for four of the five ARDP Risk Reduction projects, at the original project costs.

The Department's Loan Program Office (LPO) is continuing to support nuclear projects and in April 2025, LPO released the third loan disbursement ($100M+) to Holtec to help fund the restart of the Palisades Nuclear Plant. Finally, the Office of Nuclear Energy is pursuing a number of avenues to balance workloads and mitigate impacts of staffing reductions.

Q4. Recent unclassified satellite imagery gathered from China indicates that the country appears on track to deliver a 100 MJ fusion neutron source capability by 2030 that will support its nuclear stockpile readiness, including for hypersonics and space capabilities. The US currently operates an 8 MJ source and has no stated plans to achieve 100 MJ until at least 2050.

How is the Department planning to ensure that the US has the fusion facilities and other neutron sources needed for the readiness of our nuclear arsenal and how can $8 billion in private sector capital in fusion companies be leveraged to meet NNSA needs?

A4. National Nuclear Security Administration (NNSA) continues to be a world leader in high energy density (HED) science. The NNSA currently operates and maintains

world-class HED facilities for stockpile stewardship, modernization, and readiness: National Ignition Facility (NIF) at Lawrence Livermore National Laboratory (LLNL), the Z Machine at Sandia National Laboratories (SNL), and the Omega Laser Facility at the University of Rochester's Laboratory for Laser Energetics. NIF is the only facility in the world to achieve fusion ignition in the laboratory.

Maintaining and extending U.S. leadership in this key national security technology area will require a strong commitment to fundamental research, technology maturation, and planning for next generation HED capabilities that would provide access to never-before-reached regimes of weapons-like conditions in a laboratory. NNSA is planning to develop pulsed power and laser technologies for this effort, leveraging the expertise at SNL for pulsed power and LLNL for laser drivers.

To leverage private sector innovation, NNSA is actively collaborating with fusion energy startups through Cooperative Research and Development Agreements (CRADAs). These partnerships focus on areas of mutual technical benefit (primarily focused on pulsed power) between the companies and national laboratories, allowing NNSA to benefit from the substantial private investment in fusion technology.

National laboratories (Los Alamos National Laboratory (LANL), LLNL, and SNL) maintain CRADAs with numerous Inertial Fusion Energy (IFE) companies. These collaborations primarily focus on advancing pulsed power driver technologies but also include partnerships with laser-based systems. Research areas encompass advancing Impedance Matched Marx Generators at LLNL, optimizing power flow and insulator stack design at SNL, and developing high-yield target designs for laser-based systems at LANL.

Furthermore, SNL has approved one IFE company to conduct four experiments on the Z machine in late calendar year 2025, following a solicitation for proposals from multiple IFE companies for FY 2026 access. NNSA is currently evaluating the risks and benefits of expanding partnerships with IFE companies beyond current technology maturation efforts.

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Q5. The Department of Energy's budget request proposes almost a 94% cut to the Building Technologies Office within EERE, with the remaining 20 million being used to quote "repeal inefficient standards."

Q5A. How much money has DOE's energy efficiency standards saved consumers?

A5A. DOE's energy efficiency standards have provided nearly $1 trillion in consumer savings over the past 30 years and save the average family at least $100 a year, with some estimates as high as $576 in saving per year on utility bills.

Q5B. DOE recently announced the elimination of 47 regulations, the legality of which is suspect at best, and claimed that rolling back these energy efficiency standards will save consumers and businesses $11 billion.

Whereas a recent report shows that these rollbacks will actually cost Americans nearly five times more than they save — to the tune of $54.5 billion in net costs.

A5B. This question asks about deliberations between Office of Information and Regulatory Affairs and DOE, so a response is not ripe at this time. Once those deliberations are complete, we will welcome further conversations with the Committee.

Q5C. Did the Department conduct a full cost-benefit analysis before finalizing the decision to roll back these rules — including long-term consumer energy costs, and economic productivity losses?

A5C. By removing burdensome regulations, we are restoring freedom of choice to the American people, ensuring consumers can choose the home appliances that best fit their lives and budgets. This administration has pledged to protect Americans' freedom to choose the goods and appliances that work best for their homes while ending the regulatory overreach of the previous administration. The Department is working to restore common sense to energy policymaking and to enhance choice and affordability for American consumers. Under the Energy Policy and Conservation Act, DOE is statutorily required to periodically review its existing standards to determine whether more stringent standards would be technologically feasible, economically justified, and would result in significant energy savings. As with all of its rulemakings, DOE strives to

provide clear and accurate analysis to inform the development of new or amended energy conservation standards, fulfilling the obligations established by Congress.

At President Trump's direction, DOE has officially withdrawn four conservation standards before they took effect, including standards on electric motors, ceiling fans, dehumidifiers, and external power supplies. DOE has also delayed the implementation of efficiency standards for walk-in coolers and freezers, as well as gas instantaneous water heaters, and test procedures for central air conditioning and heat pumps. In addition, DOE extended the compliance deadline for manufactured housing energy-conservation standards and published a final rule withdrawing coverage of miscellaneous gas products — such as outdoor heaters and decorative hearths — exempting these items from unnecessary regulations.

Q5D. Do you commit to sharing that analysis with the Committee?

A5D. As in all its rulemakings, DOE endeavors to provide clear and accurate analysis to inform the development of new or amended energy conservation standards, meeting its obligations laid out by Congress.

Q6. The NNSA Enterprise Blueprint has been published and briefed to Congress. I have been keeping track of Sandia National Labs' infrastructure projects in the blueprint, including its CREST project to refurbish its unique research nuclear reactor for more accurate radiation effect testing.

Is DOE confident that CREST is on track, and are you requesting congressional funding for it in the FY26 budget?

A6. Yes, the Combined Radiation Environment for Survivability Testing (CREST) project is on track to meet Critical Decision (CD)-1, *Approve Alternative Selection and Cost Range*. $52.248 million is included in the President's Budget Request to initiate the preliminary design in FY 2026.

Q7. As CEO of Liberty, you appeared on CNBC in 2022 calling for "sobriety in government policy". And I agree that policy certainty is fundamental to de-risking investments and enabling long-term planning in energy. But I am concerned that you are not exercising "sobriety in government policy" when you cancel energy infrastructure projects and push to rollback energy incentives.

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How are companies supposed to trust a DOE contract, or make decisions based on DOE regulations and guidance, knowing DOE might move to cancel, undo, or reverse them at any time?

A7. Stability and transparency in government policy are essential to unlocking private investment and accelerating innovation. When DOE issues guidance, enters into contracts, or supports a project, it sends a signal to industry - and it takes that responsibility seriously.

That said, the Department is not going to double down on programs or projects that no longer serve their intended purpose. When market conditions fundamentally change, the sober response is to recalibrate – not to continue ineffective spending for the sake of consistency. The energy landscape has evolved dramatically since many of these programs and projects were initiated. The prior Administration was not intensely focused on American energy dominance. The Department has a duty to make critically important project decisions so that its investments promote fiscal responsibility and advance a more affordable, reliable and secure energy supply. A key priority is to ensure that taxpayer dollars are aligned with the highest impact outcomes for national energy security.

Companies can trust the Department is doing what's best for the American people. The Department will follow all applicable regulations, provide companies with advance notice of changes, and determine the best path forward for all programs and projects. The Department intends to put every taxpayer dollar to use in ways that directly advance research and development to unleash American energy dominance.

Q8. * The Tribal Energy Loan Guarantee Program fills a critical financing gap for Tribes. And I'd like to submit for the record six letters signed by 54 Tribes and Tribal organizations in support of the program. I am concerned that your budget request cuts administrative funds by 84%, rescinds last year's balances, and cancels all $10.5 million in credit subsidy—leaving the program without staff or lending capacity.

It also proposes a nearly 30% cut to the Office of Indian Energy. Together, these cuts severely limit Tribal Nations' ability to power their communities and undermine our federal trust responsibility.

*The letters appear with a short preceding statement on pages 115-137 of this hearing document.

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This, to me, looks like you are deliberately choosing to not Why eliminate funding for essential Tribal energy infrastructure—and how does this align with our obligations to Tribal Nations?

A8. LPO Tribal Energy Loan Guarantee Program (TELGP) is authorized by Section 2602 of the Energy Policy Act of 1992, as amended by the Energy Policy Act of 2005. TELGP is designed to provide direct loans or partial loan guarantees for a broad range of energy related projects to federally recognized tribes or Tribal Energy Development Organizations that are wholly or substantially owned by a federally recognized Indian tribe or Alaska Native Corporation. LPO has one loan guarantee valued at $72.8 million in the TELGP portfolio.

The Department is committed to supporting tribal energy development. The Office of Indian Energy Policy and Programs (IE) anticipates that the FY 2026 budget request could provide an opportunity to engage with and fund tribal energy projects where tribes are investing in expanded energy resources on tribal land to provide lower cost and more reliable energy directly to tribal businesses, homes, and facilities. These projects increase tribal energy independence, expand reliable and affordable energy resources for tribes, and take advantage of energy resources on tribal land. One area DOE has made the least progress in is affordable energy in remote communities.

Through financial and technical assistance, IE will catalyze American Indian and Alaskan Native nations to lead the development of reliable, firm energy infrastructure in Indian Country to advance energy abundance, help restore American energy dominance, and address energy access challenges in Indian Country. The FY 2026 Budget Request aligns with IE's mission, streamlines its management footprint, and proposes to expand reliable, firm energy infrastructure development in Indian Country. IE offers financial and technical assistance to Indian Tribes, including Alaska Native villages, and eligible Tribal entities for advancing electrification and energy development and deployment on Indian lands, reducing energy costs, and assisting economic development in Tribal communities where unemployment and poverty rates far exceed

Q9. Your budget proposal would eliminate the Office of State and Community Energy Programs, the office responsible for administering the home energy rebate programs. These are rebates that can provide households with up to $14,000 for eligible electric

appliance upgrades. Currently, Pennsylvania, West Virginia, Florida, Massachusetts, Vermont, Connecticut and Washington are ready to launch their Home Energy Rebates programs – they just need DOE approval.

Given the Temporary Restraining Order prohibiting DOE from "pausing, freezing, impeding, blocking, canceling, or terminating any awards or obligations", what is stopping DOE from allowing these states to go forward?

A9. All programs are under review and revision to ensure that programs are not only in line with the Administration's goals, but that these programs can function to the best of their ability. The Home Energy Rebates Program is currently undergoing that review and as soon as it is completed, awards will be made, if appropriate. This Administration intends to ensure that every tax dollar spent is being spent on the public good and that failed energy policies of the past are not extended.

Q10. Wood Mackenzie's 2024 U.S. Solar Market Insight Report found that it took just 15 months on average to build a storage facility, while solar projects take about 18 months. That combination of rapid deployment and falling costs is part of why solar-plus-storage made up 84% of new U.S. grid capacity installed in 2024.

In light of this market trend, why would you cut funding in half for the Solar Energy Technologies Office—the very office working to lower the cost of integrating battery storage with solar PV and the grid?

A10. DOE research has led to dramatic decline in costs for solar deployments, including solar plus storage, and private capital is flowing into this sector. The request reallocates resources to more critical needs to make more responsible choices with taxpayer money. Moving these resources to energy technologies like hydropower, geothermal, or other non-lithium energy storage, is a better use of limited government funds.

Q11. The Department's decision to illegally cancel more than 20 energy infrastructure projects totaling $3.7 billion will kill American jobs, raise costs on families, weaken our economic competitiveness, and erode American global energy dominance. Specifically, some of these projects work to reshore our manufacturing and critical materials production, a supposed Trump Administration goal.

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These projects went through a rigorous, apolitical merit review process, something that is lacking from this administration. I've now been told that the entire process to cancel these 24 awards took just two weeks.

Can you please lay out what due diligence was done in order to cancel these projects? Do you have any plans as to how you will recoup these funds?

Were any independent experts involved in these cancellations? I have been told that these decisions were made solely by political appointees, I hope that is not the case. How do you plan to negotiate with these companies when you have gutted the staff at OCED?

Second, are more projects in the pipeline to be cancelled? I'm hearing that there are cancellations coming out of GDO and MESC soon.

A11. The Department continues to work through its agency-wide review of projects. Each project goes through a thorough financial review, analysis of the project's merits and careful evaluation of milestones to ensure sound investment of taxpayer resources. The Department's review is ongoing.

Q12. Earlier this year, the President established the National Energy Dominance Council chaired by Secretary Burgum with you as the Vice-Chair. Recently, Jarrod Agen, the Executive Director of the Council, spoke at an event and is quoted as saying, "renewables can't stand on their own feet." The Department recently announced that it would designate coal in steelmaking as a critical material. This, however, is not the first time the Administration has tried to prop up the coal industry. In 2018, the President ordered then-Energy Secretary Rick Perry to "prepare immediate steps" to prevent the closure of coal plants. Mr. Secretary, wouldn't Mr. Agen's logic also apply to coal plants? Isn't the Department putting its thumb on the scale – picking winners and losers?

A12. Coal, specifically metallurgical coal, is critical to nearly all forms of energy. We need it to make steel that goes into our pipelines and our oil, gas, and geothermal wells; it strengthens our grid; and supports our energy sources. We are not picking winners and losers; we are recognizing how critical metallurgical coal is to our energy system.

We are also focused on policies that promote new energy technologies, unlock innovation, and enable companies to produce and use the energy needed to power a strong economy. Over the past decade, renewable energy has benefited from federal subsidies. Even prior to the IIJA, between 2016 and 2022, half of the federal funds for energy subsidies went to renewable energy. The Administration has taken a number of

actions to help decrease the regulatory burden on coal mines and plants. We have designated metallurgical coal for steelmaking as a critical mineral. These steps are ensuring that America has the coal needed for steelmaking and for supporting a robust domestic energy sector.

Q13. Secretary Wright, you are an engineer who professes to follow logic and reason. Yet, I am struggling to understand your actions at the Energy Information Administration. You scrapped the 2025 International Energy Outlook and deleted the explanatory narrative from the Annual Energy Outlook before attacking the report. Further, the chaos and uncertainty in EIA has led to almost a third of its staff to accept the DRP. It looks an awful lot like you'd rather not face the truth of the explosive growth of renewable energy and the prediction that domestic production of oil and gas has peaked.

Q13A. How can you claim to be making smart business decisions when you willfully suppress the data and reports coming from this impartial office?

A13A. Energy Information Administration (EIA) is an independent agency within DOE. Decisions on publication timing and analytic content are made by EIA leadership and are not subject to review or approval by the Secretary of Energy or any other government official. EIA remains committed to publishing impactful and helpful data and analysis and is evaluating the timing and cadence of future publications of the International Energy Outlook and the Annual Energy Outlook, given currently available resources.

Q13B. Since the PBR asks for EIA's budget to remain at FY25 levels, will you commit to bringing the office back to full staffing and allowing these statisticians to continue to impartially report the data as it is, not as you want it to be?

A13B. I am committed to maintaining EIA's independence. As evidenced by the President's FY 2026 Budget Request, DOE is focused on supporting EIA's work and ensuring EIA has the resources and expertise needed to grow its capabilities as the nation's pre-eminent provider of impartial energy data and analysis.

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QUESTION FROM SENATOR JOHN BARRASSO

Q1. The Nuclear Fuel Security Act was enacted to increase domestic production of low-enriched uranium and ensure fuel security. To meet this goal, the United States should promote diversity within its fuel supply chain. Will the Department administer this program in a manner consistent with the need for fuel supply diversity?

A1. The Department of Energy's Office of Nuclear (NE) is continuing forward with Request for Proposals for Low-Enriched Uranium (LEU) Enrichment Acquisition, which intended to spur additional domestic LEU production capacity to reduce use of Russian nuclear fuel and ensure LEU demand is met through trusted sources. DOE/NE is working to meet this goal, which includes diversity of supply in the uranium fuel supply chain.

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QUESTIONS FROM SENATOR RON WYDEN

Q1. The Bonneville Power Administration (BPA) authorizing statutes are clear that BPA must maintain and build out the transmission system in the Pacific Northwest to meet its customers' needs. However, BPA has paused all new transmission projects and is failing to process its transmission service requests. BPA is unable to fulfill this responsibility largely due to issues with hiring and retaining qualified staff that have been made substantially worse by the ongoing Trump hiring freeze. What is DOE's strategy for addressing this harm and supporting the workforce necessary to meet the energy reliability and economic needs of the Pacific Northwest? What, specifically, will DOE do to help BPA adopt the newest technologies and enable public-private partnerships to build critical infrastructure like transmission?

A1. BPA has not paused transmission projects. BPA continues to rapidly advance expansion of the region's federal transmission system through a portfolio of projects totaling approximately $5 billion in investment.

BPA is working with the region to develop and implement queue processing reforms by the end of this calendar year. In addition to the queue processing reforms, BPA has initiated a transformation of its transmission service planning processes. Recently, BPA held two days of workshops with its customers and interested stakeholders to establish objectives and timelines for its Grid Access Transformation Project. The goal of this initiative is to begin processing the long-term transmission service queue and to significantly reduce timelines for transmission planning, design, and construction, while meeting all statutory, compliance, and reliability obligations. BPA's initiative will consider options for customer-directed builds of transmission facilities.

The Department is aware of concerns regarding the impacts to BPA from Department-wide reduction-in-force initiatives and will consider these mission impacts when making future workforce planning decisions.

Q2. One of the stated goals of President Trump's energy policy is shoring up reliable and accessible energy sources. The administration's decision to cancel billions of dollars for already obligated decarbonization and carbon sequestration awards has set a disastrous precedent. Communities in Oregon and across the nation are living in uncertainty, not knowing if funding will be stripped away from them at the last minute for critical energy projects. Will you commit to not cancelling any more energy and grid resilience grants that have already been awarded or obligated?

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A2. DOE has implemented a 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.

Q3. In your written responses following your confirmation hearing you stated "Increasing the resilience of the electricity grid and other critical infrastructure is essential to better human lives and secure America's competitiveness and independence." However, the president's budget proposes the Grid Deployment office be cut down to $15 million, a 75% cut from FY 25. How can the administration fully address the needs of communities in need of modernized transmission systems or dealing with an outdated electric grid susceptible to extreme weather when it is kneecapping the office in charge?

A3. The Department is focused on streamlining operations within the agency to increase efficiency. The Department has two additional offices that support critical grid infrastructure, the Office of Electricity (OE) and the Office of Cybersecurity, Energy Security and Emergency Response (CESER). In FY 2026, funding for Grid Deployment will support OE programs and projects, in close coordination with CESER, that increase generation and transmission capacity and strengthen grid security.

Q4. Balancing the need for affordable, reliable power, transportation access, and tribal resources like salmon in the Pacific Northwest is a delicate act. Oregon, Washington, and four tribal nations signed an agreement with the federal government in 2023 to pause costly litigation on dams and invest in Tribal energy and salmon recovery. The president's budget does not deliver on any of the government's promises to our communities, and now the President is unilaterally terminating the agreement altogether. At a time when this administration claims we need to develop more energy, you are upending the plan for doing just that. Why is this administration taking such a reckless action that will harm Northwest tribal communities and their effort to increase energy production during your alleged "energy emergency"? If not through the proposals clearly outlined in this agreement, how will the administration plan to support development of tribal-led energy projects going forward? Does the Department of Energy plan to use its longstanding and underutilized Tribal Energy Preference authority to support the development of energy resources on tribal lands in the Pacific Northwest and across the country? If so, how?

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A4. Withdrawal from the Memorandum of understanding (MOU) is not a reckless action. If left intact, the MOU would undermine American energy dominance by eliminating over 3,000 megawatts of affordable, reliable, and secure hydroelectric generating capacity. Withdrawal from this agreement preserves the Columbia River while protecting this vital generation. The Trump administration continues to support Tribal-led energy projects through multiple programs:

- IE offers financial and technical assistance to Indian Tribes, including Alaska Native villages, and eligible Tribal entities for advancing electrification and energy development and deployment on Indian lands, reducing energy costs, and assisting economic development in Tribal communities where unemployment and poverty rates far exceed national averages. Tribes have varying energy resource opportunities, needs, and challenges. Through financial assistance and technical assistance, IE catalyzes American Indian and Alaskan Native nations to lead the development of reliable, firm power in Indian Country. These efforts advance energy abundance, help to restore American energy dominance, and address energy access challenges in Indian Country.
- LPO's TELGP is authorized by Section 2602 of the Energy Policy Act of 1992, as amended by the Energy Policy Act of 2005. TELGP is designed to provide direct loans or partial loan guarantees for a broad range of energy related projects to federally recognized tribes, including Alaska Native village or regional or village corporations; or a Tribal Energy Development Organization that is wholly or substantially owned by a federally recognized Indian tribe or Alaska Native Corporation.

Q5. Donald Trump's key promise to America during his campaign was that he would lower the cost of living, from grocery bills to power bills. The Office of State and Community Energy Programs (SCEP) is essential for lowering the power bills of millions of hardworking American families in a timely manner, compared to longer term efforts to add new generation capacity to the grid. SCEP houses the Weatherization Assistance Program, which services approximately 32,000 homes every year and has helped improve the lives of more than 7.2 million families, each of whom now save an average of $372 every year. SCEP also uses home energy rebates, as directed by Congress, to give directly to consumers to upgrade their homes and lower their electricity bills. The State Energy Program (SEP) is also located within SCEP and provides funding to states to

develop and implement energy efficiency and renewable energy initiatives to meet rising energy demand in the most affordable ways. The President's Budget proposes to eliminate funding for SCEP entirely, leaving homeowners on the hook to deal with the aftermath of a reckless withdrawal of support for renewable energy and low-income assistance programs. Can you explain, in detail, precisely how the administration plans to support American families struggling with electricity bills this year? Can you also explain why measurably successful efforts such as weatherization are being completely dismissed by this administration? You emphasized "people and math" and "benefit-cost analysis" a great deal in your testimony - does the administration then believe that lowering power bills of millions of Americans by hundreds of dollars every year is a net negative on society?

Lowering power bills for millions of Americans is a net positive and not a net negative for American society. The President promised to lower energy costs, as his policies reflect.

A5. SCEP intends to allocate FY 2026 funding to the states for the State Energy Program and Weatherization Assistance Program as directed by Congress.

Q6. Much of your testimony implicitly relied upon the use of benefit-cost analysis (BCA) – you stated "it is all about people and math" multiple times. BCA is a useful tool, but one that is easily manipulable through the omission of particular values and variables or selective "snapshot in time" approaches that do not factor into account changes in underlying factors, opportunity costs of capital, etc. Please clarify the Department's specific approach to BCA modelling and detail the underlying assumptions that are used in your analysis.

A6. The Department uses a variety of tools, analyses, and historical practices to evaluate the most effective use of taxpayer dollars and empower the American consumer. The Department continues its review of regulations to align the Department with administration priorities and protect the American taxpayer. By proceeding with deregulatory measures, DOE is promoting consumer choice and freedom and saving unnecessary costs for consumers and producers.

Q7. You claimed that ARPA-E "grew too fast and wild" and has been too political in their past work, in order to justify the massive budget cuts that you have requested. Can you provide specific examples of what you believe to be undue politicization in the office and clarify how, exactly, the scientific research produced by ARPA-E has been politically controversial in the past? In addition, as our adversaries continue to invest more in next-generation energy research, how do you justify requesting these astonishingly high cuts of 57%?

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A7. The President's FY 2026 budget request will ensure taxpayer dollars are allocated appropriately and cost-effectively. This budget will return DOE, including Advanced Research Projects Agency–Energy (ARPA-E), to its core mission of advancing energy innovation and global competitiveness through research and development. ARPA-E's portfolio of projects is currently under review. Going forward, ARPA-E will focus on high risk, high reward research that advances reliable energy technologies and other critical and emerging technologies. ARPA-E's funding level reflects the Department's focus on fiscal responsibility and ensuring taxpayer resources are allocated appropriately.

Q8. In your remarks in support of nuclear technology, you suggest that private capital will drive things but that the government will provide support and subsidization. Yet, you cite past subsidization of clean energy sources - such as solar - as wasteful. On what basis do you make determinations of appropriate versus inappropriate government subsidization of specific energy sources?

A8. DOE is committed to lowering high energy costs to ensure everyday Americans benefit. Part of ensuring energy affordability is spending taxpayer dollars in the most efficient manner. This means supporting energy technologies that generate a positive return on investment. Continuing to subsidize mature, high-cost energy sources is a waste of taxpayer dollars, distorts energy markets, and undermines the goal of lowering energy costs for Americans.

Q9. You acknowledge that efforts at enhancing energy efficiency are some of the most cost-effective ways to relieve load strain and support the rapidly growing grid. What then justifies the proposed dramatic cuts to the DOE's energy efficiency efforts, during a time when Donald Trump insists we are in an "energy emergency?"

A9. U.S. electricity demand is estimated to grow approximately 25% by 2030, driven by artificial intelligence (AI), data centers, new manufacturing, and economic growth.[a] The North American Reliability Corporation (NERC), grid operators, and utilities have all indicated there could be potential electricity scarcity conditions in the future unless

[a] ICF (2025) "How to Manage Surging Electricity Demand". https://www.icf.com/insights/energy/demand-growth-challenges-opportunities-utilities

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additional electricity supply is added to the system.[a,b] DOE is pursuing a range of activities to ensure the electricity system can reliably and affordably meet growing demand levels. The Office of Energy Efficiency and Renewable Energy (EERE) continues to support targeted R&D that increases the performance and efficiency of targeted industrial, buildings, and transportation technologies as well as their ability to respond flexibly to support evolving grid conditions.

[a] NERC (2024) "Long-Term Reliability Assessment." https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_Long%20Term%20Reliability%20Assessment_2024.pdf

[b] NERC (2025) "2025 Summer Assessment". https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_SRA_2025.pdf

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QUESTION FROM SENATOR JOHN HOEVEN

Q1. The recycling, treatment, and disposal of produced water remains one of the most pressing technical challenges with respect to oil and gas development. Our ability to expand domestic energy production is directly tied to how effectively produced water is managed and repurposed. What role can the federal government play in ensuring produced water is managed efficiently and safely in order to support increased domestic energy production?

A1. The Department agrees that the effective management of oil and gas produced water is an important aspect of oil and gas production, and that it is key to controlling costs, reducing freshwater demand, and preventing adverse environmental impacts. Our Oil and Natural Gas Research Program in the Office of Fossil Energy has a robust, on-going effort aimed at optimizing water management for producers, re-using produced water within the oilfield, and treating produced water for use outside the oilfield. We are also working with States and producers to manage underground injection of produced water to avoid induced seismicity.

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QUESTIONS FROM SENATOR MARIA CANTWELL

Q1. Hydropower Investment Tax Credit
Thank you for your support and acknowledgement of the importance of keeping existing baseload hydropower capacity online and agreeing to review S. 1183, the Maintaining and Enhancing Hydroelectricity and River Restoration Act of 2025 that I introduced with Senator Murkowski and has six Republican cosponsors. This bipartisan bill would: Provide a 30% investment tax credit (ITC) for capital expenditures related to dam safety, environmental improvements and general infrastructure repairs at existing hydropower facilities;

Directly support reinvestment and encourage continued operation of clean, dispatchable, and baseload hydropower that might otherwise be retired due to licensing costs or regulatory uncertainty.

Our bipartisan bill is supported by the hydropower association, utilities, and conservation organizations and has a minimal score.

Do you think enactment of S. 1183 would incentivize critical infrastructure upgrades and help ensure America's existing hydropower fleet is kept online?

Do you support Congress passing S.1183?

A1. 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. This is a pivotal moment for American hydropower. DOE would welcome a technical assistance request to comment on potential impacts of specific provisions and share analyses that could inform the committee's work on hydropower.

Q2. Hydropower Grid Support Services
Does DOE have analysis that describes the ancillary grid support services and other attributes hydropower projects provide to the electricity grid?

Please also provide your own personal views on the role hydropower can play toward your stated goal of maintaining a reliable and resilient grid.

A2. DOE's HydroWIRES (Water Innovation for a Resilient Electricity System) Initiative within the Water Power Technologies Office has several datasets and analyses that describe the ancillary grid support services and other attributes hydropower projects

provide to the electricity grid. These analyses cover a range of hydropower capabilities and services including ancillary grid services, frequency/voltage analysis, black-start, and flexibility..[a] The following outlines how hydropower meets the goals of maintaining a reliable and resilient grid.

In brief:

- Black start: About 40% of the units in the United States maintained and tested for providing black start are hydropower turbines, although hydropower makes up only about 10% of overall U.S. generating capacity..[b]
- Inertia: Hydropower is a source of grid stability because of the inertia it provides for the electricity system.
    - Hydropower is a strong source of inertia, meaning that kinetic energy stored within the rotating turbines gives them the propensity to remain rotating even after forces are no longer applied.
    - This stored energy means that even if power is shut off or if the plant fails, energy will be produced by the turbines for a couple of seconds following the failure.
    - Buffering capacity helps maintain grid stability by ensuring a consistent frequency and voltage as the power supply fluctuates, facilitating a reliable electricity supply amidst diverse energy sources.
- Frequency Response: By quickly responding to a decrease in frequency (60 Hz nominal) hydropower can prevent brownouts and blackouts from occurring.
    - Hydropower facilities, collectively, contribute between 30–60% of governor response to help stabilize system frequency after outage events.

[a] Oak Ridge National Laboratory. (n.d.). Real-time grid inertia monitoring [Project]. ORNL. Retrieved June 27, 2025, from https://www.ornl.gov/project/real-time-grid-inertia-monitoring

[b] U.S. Department of Energy. (2019, May). *Hydropower plants as black start resources*. U.S. Department of Energy. https://www.energy.gov/eere/water/articles/hydropower-plants-black-start-resources

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- Voltage Stability Response: By injecting reactive power onto the grid, hydropower can prevent large voltage drops to keep the grid operational and power flowing to consumers..[a]
    - Hydropower resources, as well as natural gas plants, generally operate at less than full capacity which allows them to provide more reactive power support when needed.
    - Without enough reactive power, voltage drops threaten the grid's stability. Therefore, reactive power doesn't actively keep our lights and electronics on. Think of it as the power that the AC grid uses to keep the current flowing to those devices.

Q3. Hydropower at Risk
Please provide any data and analysis DOE or its Labs have developed which estimate how many megawatts of hydropower generation are at risk of retirement in the next decade due to the cost of relicensing and modernization. A regional breakout of these risks would also be very helpful.

A3. In general, privately held hydropower plants that are undergoing Federal Energy Regulatory Commission (FERC) relicensing conduct detailed assessments of costs (e.g., needed repairs, capital costs for expected mandatory project mitigation and enhancement requirements, operations and maintenance costs, cost of permitting, etc.) against projected value for a 30 to 50 year term to support decisions on moving forward with seeking another license, selling the asset, or license surrender and decommissioning. Smaller hydropower plants <10 MW (megawatt) face a higher likelihood of decommissioning due to the inability to create the revenue to cover the growing costs of relicensing and modernization.

Over the next decade, more than 400 hydropower plants are expected to be relicensed in the United States. The Oak Ridge National Laboratory Market Report outlines these trends, for example "At the end of 2022 there were 136 pending FERC

[a] Hydropower Plants as Black Start Resources
Hydropower's Contributions to Grid Resilience
What is Reactive Power? | Ansys

relicenses with a combined capacity of 10.9 GW (gigawatts). Almost 75% of the 167 projects due to start the relicensing process between 2018 and 2022 have authorized capacities of less than 10MW. For about half of them, this is the first relicensing obtaining their original license in the 1980s. There are four large Pumped Storage Hydropower projects also being relicensed for the first time after obtaining 50-year original licenses in the 1970s.".[a]

The FERC website maintains an active list of hydropower projects with information on permit timeframes that can be filtered by state and license expiration dates..[b] The Oak Ridge National Lab HydroSource[c] *Hydropower Relicensing and Surrender Data and Metadata* that is available for advanced analyses and an accompanying data explorer tool to follow permitting trends: The HydroSource Data Explorer is a geo-spatial platform that enables hydropower data exploration. This includes a relicensing map series that illustrates "Expected FERC Relicensing" over the next ten years (with the input data of FERC permit expiration date and not the decision of the owner of if they will proceed with permitting) that is organized by region and illustrates hydropower capacity.

Q4. Hydro Economic Impact
Does the DOE have jobs and local economic impact analysis data for the existing hydropower fleet?

How would enactment of S. 1183 credit maintain local jobs and economic activity, particularly with regard to rural areas and municipal hydropower and water infrastructure?

A4. The hydropower industry represents 7.5% of workers employed in the electricity sector. In 2022, the workforce was estimated at 72,415 workers – with 7,901 working in

[a] Megan M. Johnson and Rocio Uría-Martínez. 2024. U.S. Hydropower Relicensing and Surrender Data and Metadata, 2024. HydroSource, Oak Ridge National Laboratory, Oak Ridge, Tennessee, USA. https://doi.org/10.21951/Relicense_FY24/2373180

[b] Federal Energy Regulatory Commission. (2025, June 10). Active Licenses [Data file]. https://www.ferc.gov/sites/default/files/2025-06/ActiveLicense_6.10.2025.xlsx

[c] Oak Ridge National Laboratory. (n.d.). HydroSource. U.S. Department of Energy. Retrieved July 2, 2025, from https://hydrosource.ornl.gov/

pumped storage hydropower and 64,514 supporting conventional hydropower. This includes workers onsite at hydropower facilities of all sizes as well as offsite workers in fields such as technology development, regulatory affairs, and construction. The 2022 National Renewable Energy Laboratory (NREL) "US Hydropower Workforce: Challenges and Opportunities" Report included regional information about this workforce, showing that jobs are spread across the continental U.S. with the Northwest having the most jobs (7,516), followed by the Southwest (3,645) and the Southeast (2,799)..[a]

S. 1183 would incentivize hydropower upgrades and continued operation, which has the indirect benefit of supporting job retention in hydropower operations, supply chains, and construction. Modernization projects spurred by S. 1183 would help retain existing workers and could also attract new workers, addressing the industry's challenges of an aging workforce and difficulty hiring skilled workers in remote locations. As a result, enactment of S. 1183 could increase the need for hydropower training programs. Congressional action to incentivize or fund such programs would complement modernization incentives. This addresses a gap identified by the hydropower industry regarding the IRA and the IIJA; while the acts provided incentives for new and existing hydropower projects, they lacked resources for workforce training. While the average person might tend to think of federal hydropower operators or large private utilities, many hydropower operators are small, remote utilities and have limited resources for training and recruiting new workers to the hydropower sector. Current industry-wide training efforts rely on small, underfunded programs like partial scholarships. DOE's Hydropower Collegiate Competition, funded by the Water Power Technologies Office, is well-supported by the hydropower industry and serves as a key recruitment tool. Industry leaders already agree that more programs like this are needed, and this need would likely intensify if S. 1183 is passed into law.

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[a] Daw, J., Stefek, J., DeGeorge, E., Philip, R. T., Cardinal, A., & Parkhill, L. (2022). *U.S. Hydropower Workforce: Challenges and Opportunities* (NREL/TP-7A40-83817). National Renewable Energy Laboratory. https://www.nrel.gov/docs/fy23osti/83817.pdf

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Q5. One of the most widely supported, and bipartisan, energy investments made by Congress has been figuring out how we can accelerate the use of hydrogen. Particularly as an alternative fuel in hard to decarbonize sectors in the transportation, industrial, and agricultural sectors. That is certainly the case in Washington state, where we are particularly well positioned to produce, deploy, and benefit from green hydrogen made from hydropower across a variety of applications.

That's why there was so much effort, collaboration, and excitement when DOE selected the Pacific Northwest Hydrogen Hub. We thought that this joint application from entities in Washington, Oregon, and Montana, would serve as a national model of how an integrated, totally emission free hydrogen network. We thought the $5 billion private match against the $1 billion provided by DOE – following the law written in this Committee I would note-- would turbocharge this initiative.

The Pacific Northwest Hydrogen Association has completed its Phase One work under Hydrogen Hub program and has applied to continue to Phase Two at the end of June. Has the Department reviewed or provided any feedback on the PNWH2 draft and final continuation applications?

Will you commit to staying in regular contact with me and this Subcommittee on continued implementation of the Hubs Program, including on communications to hubs and their partners?

A5. The Department is currently 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, consistent with the Secretarial Memorandum entitled, "Ensuring Responsibility for Financial Assistance." The Department has also requested additional information needed to evaluate financial assistance awards.

The Pacific Northwest Hydrogen Hub is part of this review process. The Department is also committed to informing you and the Subcommittee of the results of the review and future of the Hydrogen Hubs upon the completion of the review.

Q6. Hydrogen Hubs Application Review
How is the Department working in good faith to review the PNWH2 application and make a continuation decision in a timely manner?

How can you assure me that this review is providing added value relative to the rigorous and professional criteria used in the original Hub selection process?

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A6. The project review process being undertaken in the Department will be completed by the end of the summer and will take into consideration actual work performed to date, as well as other financial and economic changes since the time the award was issued. The Office of Clean Energy Demonstrations (OCED) will also consider any comparison between what was projected at the time of the original Hub selection and what has happened since then.

Q7. Hydrogen Hubs Data Review Call
I understand the Hydrogen Hubs have all received a large data call with a short turnaround deadline - mostly for data that has already been submitted and for data that is already scheduled to be provided throughout the course of the grant agreement process.

A7. To accomplish DOE's review process, DOE requires OCED-funded financial assistance recipients, such as the Hydrogen Hubs, to provide written responses and supporting documentation to facilitate this review. DOE/OCED needs to obtain the most current, accurate and complete information about the project for DOE/OCED to make an informed decision, recognizing some answers are not available at this time.

Q8. Continuing Hydrogen Hubs
Hydrogen companies in Washington and across the country have spent many millions on development and engineering for these hydrogen facilities.

- How is DOE working with the hubs and their companies to ensure that this will not all be a wasted effort and that projects that make economic sense can still move forward?

A8. The Hydrogen Hubs are part of the project review process being undertaken in the Department, which should be completed by the end of the summer. Projects that meet the criteria will continue while those projects that do not meet the Department's criteria will be terminated to ensure funding and efforts are not wasted.

Q9A. Hydrogen Production Tax Credit: Do you support eliminating the 45V hydrogen production tax credit as is being proposed in the House passed reconciliation bill and Senate Finance Committee's proposal?

A9A. DOE is committed to lowering high energy costs to ensure everyday Americans benefit. Central to this is ensuring that taxpayer dollars are spent in an efficient

manner and advance the goals of supporting emerging energy technologies and generating a positive return on investment. Taxpayer-funded incentives for all energy technologies, including for established technologies, such as hydrogen, must be evaluated in the same manner.

Q9B. How will killing the 45V credit change the economics of Hub participants that are have made financial decisions about their project assuming the benefit of this credit?

A9B. As of June 18, 2025 no changes have been made to the 45V tax credit.

Q10. Electric Vehicles
This Administration's deep animus toward electric vehicles is difficult for my constituents to understand given the incredible cost savings EVs can provide American households. Charging an EV in Washington costs about 80–85% less per mile than fueling a gasoline vehicle.

With EVs costs now largely equivalent to their gasoline counterparts when compared to models with similar size and features, how much less would it cost an EV driver in Washington state to power their vehicle per year than the driver of an ICE vehicle?

A10. Under President Trump's leadership, the Department of Energy is advancing policies that expand consumer choice, including the ability to choose which vehicle works best for their lifestyle and budget. DOE is working to improve technology for all vehicles so that drivers have more choices of innovative gasoline, hybrid, and electric vehicles. Individual consumer fuel cost savings can vary greatly due to multiple factors such as local fuel and electricity costs, vehicle specifications such as class, model year, fuel efficiency, and average vehicle miles traveled.

Q11. Electric Vehicles Adoption Rates
Approximately 28% of vehicles in Norway are electric, and EVs accounted for 90% of vehicles sales in Norway last year. Electric cars accounted for almost half of all car sales in China in 2024, with over 11 million electric cars sold last year.

- Has such high EV adoption rates been helpful or harmful to the Norwegian grid?
- If the U.S. were able to achieve a similar EV penetration rate as Norway, what impact would that have on oil demand and subsequent the price of gasoline and diesel fuel in the U.S.?
- China has overtaken Japan as the world's largest car exporter, with EVs driving much of this growth, do you share the stated concerns of domestic carmakers that the U.S.

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is falling dramatically behind China in the global competition to provide drivers with the next generation of passenger vehicles?

A11. DOE is focused on improving U.S. grid systems and operations and has not modeled the Norwegian energy system, which is a different market and grid. The effect of EVs on the grid depends on many different variables and interactions including charging behaviors, available vehicle and grid technologies, and managed charging, rate structures. DOE is investing in technology and supply chain advancements to ensure the U.S. automotive industry becomes more competitive and innovative for all kinds of vehicles.

Q12. Innovation Ecosystem
This Administration is proposing to decimate our innovation ecosystem – cutting DOE's Office of Science by 14 percent, ARPA-E by 57 percent, the National Science Foundation by 55 percent, and NIST by 52 percent.

- Is it accurate that is enacted your DOE's FY26 budget request risks over 1,100 jobs at the Pacific Northwest National Lab in my home state and nearly 8,000 jobs across the lab complex if enacted as proposed?

A12. The Department is committed to a thorough evaluation of the workforce impacts of the proposed budget request. We recognize that budget reductions will necessitate strategic decisions regarding workforce management. We will work closely with the National Laboratories, Congress, and other stakeholders to ensure that the laboratories remain strong and vibrant centers of scientific and technological innovation. The Department will prioritize core mission activities to ensure that critical research expertise and capabilities are maintained.

Q13. As of 2025, ARPA-E projects have attracted $22.2 billion in reported value from 34 exits.

Q13A. How does the taxpayer investment into ARPA-E since its creation compare with the amount of private capital raised by companies awarded ARPA-E grants? Is your position that all those companies would have been able to attract the same amount of capital without APRA-E support or is this an effort to minimize technological competition with established power energy solutions that rely on fossil fuels?

A13A. ARPA-E has received approximately $4.1 billion in funding since its creation, with 258 of its projects raising over $14.6 billion in private follow-on funding or direct

investment. The 34 exits yielding $22.2 billion in reported value are public listings, mergers, and acquisitions recorded at the time of the deals. Projects that receive ARPA-E support are, when selected, considered "high risk" and too early in the development process for private sector support. They are subject to strict technical and commercialization milestones intended to ensure accountability and transparency.

Q13B. Will cutting ARPA-E funding in half lead to more innovation or less innovation in the United States?

A13B. This budget will return DOE, including ARPA-E, to its core mission of advancing energy innovation and global competitiveness through research and development. ARPA-E's funding level reflects the Department's focus on fiscal responsibility and ensuring taxpayer resources are allocated appropriately.

Q14. Electricity Price Increases: I am troubled by your testimony that the Energy Department under this Administration is moving away from an all-of-the-above energy strategy that was proved to be so successful in diversifying our nation's energy mix. The previously bipartisan and consensus strategy that made wind and solar the cheapest source of new generation and was bringing new power sources online like advanced nuclear and fusion energy. Congress is currently considering proposals to repeal clean energy tax incentives from the Inflation Reduction Act, pulling the rug out from under domestic manufacturers, installers, and utilities. Repealing the IRA will likely result in a more than 10 percent increase in electricity prices for commercial and industrial customers in my state, how does this fit with the administration's promise to lower energy prices and the cost of living? Also, given the speed with which we can get renewables online, do you believe repealing these credits will help us meet rapidly growing demand in the Pacific Northwest?

A14. President Trump's administration is committed to advancing a strategy of energy addition, and supporting all forms of energy that are affordable, reliable, and secure. If we are going to keep the lights on, win the AI race, and keep electricity prices from skyrocketing, the United States must unleash American energy.

Wind and solar are not the cheapest forms of energy. Comparisons based on an Levelized Cost of Energy analysis fail to understand the need to match generation and demand. Among other factors, the configuration of an affordable electricity system is dependent on geography, the timing of electricity demand, electric market configuration and policy constraints, and the value of grid reliability to the customers. The goal of any

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power grid system is to provide reliable 24/7 energy. Brownouts and blackouts must be considered as failures to achieve such goals. A reliable and affordable grid is necessary for economic development; no nation can progress with an unreliable grid.

The hidden true cost of renewables is best described by this example: what is the capital cost to build a power generation "system" that can deliver electricity to the grid that is dependably dispatchable 80% of the time? According to EIA, a natural gas combined cycle –multi-shaft generator capable of delivering 1,000MW is $1,062/kW. The cost to build the equivalent 1,000MW onshore wind system is $8,590/kW, while offshore wind is $12,082/kW and Solar photovoltaic is $8,362/kW. To achieve the same reliability of a firm power generator, however, one would have to add backup power from a firm source. Even adding 1,000MW of battery backup power, which has about 5-hour discharge ability at $26,320/kW, will not be enough to achieve a reliable grid. There is currently no economically feasible technology to address seasonal deficiencies in wind and solar generation, nor is there a technology to help address multi-day periods of very low wind and solar generation (dunkelflaute.[a] periods). Wind and solar will never be able to generate electricity in a manner which meets modern needs.

According to DOE, the average capacity factor for wind plants built in 2021 was 37%, indicating the average percentage of time a wind turbine is producing electricity at its maximum capacity. Similarly, the average annual U.S. solar capacity factor has been around the mid-20% mark. The highest Capacity Factors (from 2014-2017 data) are: Arizona: 29.1%, Utah: 29%, California: 28.4%, and Nevada: 27.8%. It is worth noting that these are annualized capacity factors. There are sustained periods when capacity is barely usable..[b]

Since solar and wind have periods when they are not operating, investment in significant backup generation is necessary. A system with high-renewable deployments will necessitate the deployment of very low utilization firm generation assets. This means that we not only have to pay for wind and solar plants but also for their backup.

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[a] https://www.collinsdictionary.com/us/dictionary/english/dunkelflaute

[b] https://www.energy.gov/sites/default/files/2023-08/land-based-wind-market-report-2023-edition.pdf

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The need to add low utilization assets to the grid occurs at significantly higher rates in capacity markets and creates periods of excessive energy prices. These ultimately combine to create high electricity cost and volatility to ratepayers.

All energy sources, including hydrocarbons, require connection to the grid through new transmission lines. Since baseload sources are only restricted geographically to available natural gas lines, and are usually located near large urban load centers, the additional costs for transmission lines serving these generators are much less than wind power or utility scale solar. An example of one such occurrence is Texas, which had to create the Competitive Renewable Energy Zones (CREZ) project in 2013. CREZ connected remote wind centers to large urban areas in Texas. The estimated ratepayer cost for that project was $7 billion, which only covered the deployment of additional transmission infrastructure.

The 20+ years of subsidies for wind and solar plus aggressive environmental policies have made a huge distortion in market incentives and have adversely affected the economics for reliable power generators, nuclear, hydropower and both coal and natural gas. These distortions result in less time for reliable power plants to recover their costs through energy sales. The final result is a less reliable grid that both NERC and DOE have warned about..[a]

Finally, due to these huge market distortions, we are building the wrong type of power generation and moving away from a reliable electricity grid. What is needed to power the coming manufacturing and datacenter boom is firm reliable power, not intermittent solutions which end up costing more on a systemwide basis.

Q15A. Is it accurate that the Loan Program Office has collected $5.8 billion in interest payments, exceeding its losses and demonstrating a positive return for taxpayer?

A15. Yes, it is accurate that, as of March 31, 2025, LPO has collected $5.8 billion in interest payments, exceeding $1.03 billion in actual and estimated losses. This can be found publicly on LPO's website: Portfolio | Department of Energy.

[a] https://www.nerc.com/news/Pages/Grid-Reliable-and-Resilient-in-2024-However,-Emerging-Risks--Create-New-Challenges.aspx

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Q15B. What is the loss rate for LPO funded projects and how does that compare to private sector loss rates and do you think this Administration will improve on these historic trends?

A15B LPO's actual and estimated losses as a percentage of total disbursements is 2.18% as of March 31, 2025. This can be found publicly on LPO's website: Portfolio | Department of Energy https://www.energy.gov/lpo/portfolio". LPO's portfolio maintains a low aggregate loss rate, which compares favorably with commercial bank portfolios that contain far less innovation.

Q16A. Given the remarkable success of the LPO under previous Administrations, what problems are you trying to solve by withholding billions of dollars in approved loans and what will be the resulting loss in economic growth and new generation capacity?

A16A. While LPO is conducting its due diligence to review all loans in its portfolio, the office is actively working with a wide range of borrowers and applicants to continue investing in critical and transformative energy and manufacturing projects that will better American lives, bring back jobs and industrial strength, and restore American energy dominance. LPO is mandated to meet a reasonable prospect of repayment and committed to the responsible stewardship of taxpayer funds.

LPO's renewed mission is to provide financing to American energy and manufacturing projects that meaningfully advance affordable, reliable and secure energy sources and lower costs for all Americans. LPO empowers the private sector to invest in the future, win the AI race, bring back jobs and industrial strength, and restore American energy dominance.

LPO stands ready to execute the Trump Administration's priorities to secure and strengthen America's energy assets, accelerate innovation and technologies, expand reliable and affordable energy, and create American jobs. The LPO is a vital tool for our energy future. Under this administration, we will focus on priority technology sectors and projects that will advance America's energy dominance — including nuclear, critical materials, clean coal and hydrocarbons, grid and transmission, geothermal, and manufacturing and transportation.

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Q16B. What do you expect the interest rate and loss rate will be for advanced nuclear construction supported by the LPO?

A16B. The interest rate and loss rate for nuclear projects will depend on the risk profile and structure of the particular transactions. The LPO is mandated to meet a reasonable prospect of repayment and given the size of nuclear loans and the commitment required for them to be successful, LPO will need credit strength from borrowers to mitigate cost overrun and project abandonment risks.

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QUESTIONS FROM SENATOR MAZIE K. HIRONO

Q1. On May 16, the DOE announced a direct final rule on "gender equity" that would rescind regulations that address sex-based discrimination in federally-funded education programs. In part, the direct final rule would make it more difficult for colleges and universities to promote gender equity – including, for example, through programs that promote women in STEM. I have been a longtime supporter of programs like these because they allow us to recruit and train the best scientists and engineers in the world – making us more competitive as a nation. I am concerned that the DOE announced this direct final rule, along with several others that prevent discrimination in education. Direct final rules are only supposed to be used for non-controversial changes, which clearly does not apply here. On June 16, I joined with other senators and representatives in sending you an adverse comment letter on this rule as well as letters on three other direct final rules DOE announced on May 16, all of which should have been subject to a notice and comment process under the Administrative Procedure Act. Will you commit to reviewing the adverse comments and rescinding the direct final rules?

A1. The Department is committed to non-discrimination and will review the comments submitted in response to the final rules.

Q2. The President's FY 2026 budget proposes cuts to federal investment in science and technology innovation, including a 14% cut to the Office of Science and a 57% cut to advanced technology research under ARPA-E. DOE is also weakening support for research at universities and small businesses by placing a low 15% cap on indirect costs, such as lab expenses and other costs that are not attributable to just one grant. According to the Small Business Technology Council, many small businesses will no longer be able to participate in the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs because of the additional research costs that DOE is now shifting onto them. Has DOE calculated how much breakthrough energy research will be lost when small innovative companies can no longer afford to participate in DOE's programs?

A2. A core SBIR and STTR statutory goal is to fund promising early-stage ideas that advance each agency's mission. While the Small Business Administration liberally defines a small business as 500 employees or fewer, the median number of employees for DOE's SBIR and STTR FY 2024 Phase I cohort is nine employees, with 35% of awardees having 5 or fewer employees.

The DOE SBIR and STTR Program has not quantitatively calculated the potential impact on breakthrough energy technologies for SBIR and STTR of the 15% indirect rate cap, which excludes Institutes of Higher Education and Tribal entities. Indirect costs

support small business operations such as payroll systems, IT infrastructure, cybersecurity practices, laboratory equipment, employee benefits, rent and office supplies. The critical path for a successful SBIR and STTR awardee requires sufficient cash flow until the technology is mature enough for market entry, i.e., 'during the Valley of Death.' For a business with a typical indirect rate of 50%, the cap of 15% could impact their ability to execute essential business operations and affect cash flow during a critical time period.

Q3. In May, press reports indicated that DOE and EPA were planning to eliminate the Energy Star Program to help people identify more efficient appliances. The approximately $36 million cost of the program saves American households more than $40 billion annually on their energy bills. Moreover, the program is established under federal statute (42 U.S.C. § 6294a) and it is illegal for the Administration to terminate it unilaterally. On May 20, 2025, I joined Senator Welch, Ranking Member Heinrich, and 19 other senators on a letter to you and Administrator Zeldin objecting to removal of the Energy Star program. I have not yet received a response from you or Administrator Zeldin. What is the status of the Energy Star program? Given the clear benefits to lowering consumer energy bills, will you commit to working with EPA Administrator Zeldin to continuing the Energy Star Program?

A3. Section 131 of the Energy Policy Act of 2005 formally codified the ENERGY STAR program within the Environmental Protection Agency (EPA) and DOE. 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 with legislative requirements.

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QUESTIONS FROM SENATOR CATHERINE CORTEZ MASTO

Q1. The U.S. Energy Information Administration (EIA) projects continued increases in retail energy prices beyond 2026, as analysts warn that proposed cuts to clean energy tax credits could raise household utility bills by as much as $110 this year. Yet the Fiscal Year (FY) 2026 Budget proposes to cut or eliminate key energy assistance programs like the Department of Energy's (DOE) Weatherization Assistance Program (WAP) and Department of Health and Human Services' Low-Income Home Energy Assistance Program (LIHEAP).

What is the rationale for cutting programs like WAP that help Americans manage energy costs during a period of rising prices, increased demand, and tariff uncertainty

A1. Over the past four years, federal spending has continued to increase, yet the Department of Energy failed to deliver meaningful cost savings for the American people. The President's FY2026 Budget Request restores fiscal responsibility and common sense to federal spending, ensuring every single dollar spent is in the best interest of the American people.

With President Trump's leadership, the Department of Energy is working to increase supply of affordable, reliable energy and lower costs for all Americans. Removing burdensome regulations, ending expensive and counterproductive subsidies and expanding baseload sources will help deliver cost savings while unleashing America's energy potential.

Q2. The FY 2026 Budget proposes a $20 million cut to DOE's Indian Energy Policy and Programs and reduces staffing and funding for the Tribal Energy Loan Guarantee Program (TELGP).

- Given your stated commitment to supporting remote and underserved communities, why is the Department seeking to reduce energy funding for Indian Country?
- What is DOE's long-term strategy for TELGP? Was Tribal consultation conducted before proposing these cuts—and if so, how and with which Tribal entities?
- How will the Department measure progress in meeting the energy needs of Native communities, and what steps will be taken to ensure transparency and accountability in these efforts?

A2. Numerous factors challenge Indian Tribes interested in developing their vast energy resources. Energy and infrastructure development in Indian Country is constrained due to limited funding and/or access to financing, inadequate infrastructure,

limited technical capacity, and a complicated legal and regulatory structure governing Indian lands. As a result, many Indian Tribes spend a disproportionate amount of their income on energy (28.3% higher on average than the U.S. National median energy burden of 3% with some paying well over 4 times the national average) and a significant number, especially in Alaska, experience a severe energy burden (i.e., paying more than 10% of income on energy).[a].

IE prioritizes expanding access to reliable, firm energy across Indian Country to reduce overall energy costs for consumers and create employment opportunities. To do so, IE supports unleashing Tribal energy development through financial assistance and technical assistance.

LPO's TELGP is authorized by Section 2602 of the Energy Policy Act of 1992, as amended by the Energy Policy Act of 2005. TELGP is designed to provide direct loans or partial loan guarantees for a broad range of energy related projects to federally recognized tribes, including Alaska Native village or regional or village corporations; or a Tribal Energy Development Organization that is wholly or substantially owned by a federally recognized Indian tribe or Alaska Native Corporation. LPO has one loan guarantee valued at $72.8 million in the TELGP portfolio.

Q3A. Hurricane season has begun, placing renewed urgency on grid reliability in Puerto Rico.
* This week, I led a letter to the Department urging reconsideration of the decision to redirect $365 million from the Puerto Rico Energy Resilience Fund (PR-ERF), which Congress intended to support the island's most vulnerable residents.
Before deciding to reallocate the $365 million, did DOE conduct outreach to affected communities, grantees, or local stakeholders? If so, with whom and how did that feedback inform this decision?

A3A. The Department of Energy is focused on fortifying America's electric grid and ensuring the reliable delivery of electricity across the country, and nowhere is this more needed than in Puerto Rico. By redirecting these funds, we will ensure taxpayer dollars are used to strengthen access to affordable, reliable and secure power, benefiting more

[a] Megan Day, Ricardo Oliveira, Jon Weers, and Aaron Vimont. (2019) Low-Income Energy Affordability Data (LEAD) Tool Methodology.
https://lead.openei.org/assets/docs/LEAD-Tool-Methodology.pdf.

*The letter appears on page 112 of this hearing document.

citizens as quickly as possible. This strategic shift allows us to address the root causes of the grid's instability, strengthening grid infrastructure and delivering lasting relief for Puerto Rico.

DOE worked in close coordination with Puerto Rico Governor Jenniffer González-Colón, Energy Czar Josué A. Colón-Ortiz, Puerto Rico's energy industry and key community leaders and stakeholders to ensure maximum effectiveness of DOE resiliency funds.

Q3B. Hurricane season has begun, placing renewed urgency on grid reliability in Puerto Rico. This week, I led a letter to the Department urging reconsideration of the decision to redirect $365 million from the Puerto Rico Energy Resilience Fund (PR-ERF), which Congress intended to support the island's most vulnerable residents.
How will the redirected funds help Puerto Ricans during this hurricane season, and what steps are being taken to prioritize medically vulnerable populations?

A3B. 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.

Q3. Hurricane season has begun, placing renewed urgency on grid reliability in Puerto Rico. This week, I led a letter to the Department urging reconsideration of the decision to redirect $365 million from the Puerto Rico Energy Resilience Fund (PR-ERF), which Congress intended to support the island's most vulnerable residents.

What legal authority is the Department relying on to justify this reallocation, which appears contrary to clear Congressional intent?

A3C. Our actions to deploy immediate solutions for the millions of people who depend on Puerto Rico's fragile grid to power their homes and businesses are fully consistent with the appropriation language providing $1 billion to carry out activities to improve the resilience of the Puerto Rican electric grid.

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Questions for the Record Submitted to the Honorable Chris Wright

Q3D. Hurricane season has begun, placing renewed urgency on grid reliability in Puerto Rico. This week, I led a letter to the Department urging reconsideration of the decision to redirect $365 million from the Puerto Rico Energy Resilience Fund (PR-ERF), which Congress intended to support the island's most vulnerable residents.
What criteria will DOE use to determine which communities or facilities are prioritized under the revised deployment of the PR-ERF, and how will transparency in that process be ensured?

A3D. DOE will prioritize 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.

DOE worked in close coordination with Puerto Rico Governor Jenniffer González-Colón, Energy Czar Josué A. Colón-Ortiz, Puerto Rico's energy industry and key community leaders and stakeholders to ensure maximum effectiveness of DOE resiliency funds.

Q4. DOE has invested over $5 billion into Nevada's critical mineral and battery industries through programs established by the Inflation Reduction Act and Bipartisan Infrastructure Law, efforts you've rightly described as essential for domestic capability and national security. Yet the Administration's budget proposal and the Republican budget reconciliation plan would phase out tax credits and cancel billions in clean energy investments. If domestic mineral independence is a priority, how do you justify phasing out investments and credits that support U.S. supply chains and global competitiveness? DOE's Manufacturing and Energy Supply Chains Office and Loan Programs Office have been central to advancing mineral and battery projects in Nevada. Can you commit to upholding existing contracts and obligations for these projects?

Also, I would request that you provide the staffing and operational changes for each of the offices that have been applied since January 21. Lastly, what specific impacts to both programs are outlined?

A4. The Manufacturing and Energy Supply Chains (MESC) Office remains committed to supporting the Department of Energy's mission of secure, reliable, and affordable energy for the American people. DOE is currently evaluating each project on a case-by-case basis to identify waste of taxpayer dollars, promote responsible stewardship, and protect America's national security, consistent with Secretarial

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Memorandum the entitled, "Ensuring Responsibility for Financial Assistance." The Department has also requested additional information needed to evaluate financial assistance awards. Awardees will be notified of the outcome of the review. The Department is fully committed to securing our Nation's supply chains and energy security.

Q5. DOE's Office of Science and ARPA-E are critical to advancing innovation in energy, AI, and other emerging technologies. Yet despite emphasizing the importance of "high-risk, high-reward" research in your written testimony, the FY 2026 Budget proposes cuts to science funding.

- Has the Department conducted any analysis on how these reductions may affect U.S. leadership in areas like AI or quantum computing? If so, will you provide that analysis to the Committee?
- You've referred to AI as the "next Manhattan Project." Do you agree that cutting research funding risks slowing economic growth and weakening U.S. competitiveness, particularly as China rapidly expands its research capacity and global standing?

A5. The President's Budget Request prioritizes investments in AI and quantum information science (QIS) for maintaining U.S. leadership in critical and emerging technologies. In the Office of Science, the President's Budget Request proposes an increase in AI by $85M or 32% bringing the total to $353M. In QIS, the Request proposes an increase of $50M or 18% to a total of $329M. These investments are focused on areas with the greatest potential for near-term impact and ensure the U.S. remains at the forefront of these transformative fields. The targeted increases will catalyze breakthroughs that strengthen our national security and drive economic growth. In addition, foundational capabilities at the Office of Science's computational and experimental user facilities are available to the national QIS and AI research communities.

Q6. Recent reports indicate of 3,500 DOE employee have accepted buyouts under the Trump Administration, with an additional 500 terminations under your leadership. Internal documents reportedly show DOE is considering further Reductions in Force (RIFs) and classifies only 56% of staff as "essential".

Can you confirm the accuracy of these figures and reports? When will the Department's reorganization plan be made available to congress and the public?

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Does DOE Currently have sufficient staffing to meet its contractual and program implementation obligations?

A6. In accordance with the terms the Deferred Resignation Program (DRP), 3,038 DOE employees have entered the DRP offered by the Office of Personnel Management (OPM) and DOE and will be on administrative leave until they separate on September 30 or December 31, 2025. Additionally, 69 employees are currently on administrative leave outside of the two DRP. Earlier in 2025, 643 probationary employees were terminated; however, those terminations were subsequently cancelled in accordance with Court Orders. Furthermore, 51 of those probationary employees then chose to separate from DOE. Additionally, 23 employees have been terminated for cause, 11 of which were probationary employees.

The Department of Energy continues to take a hard business look at our current capabilities and how we need to evolve to meet growing energy needs. In partnership with the Office of Management and Budget (OMB) and OPM, DOE is evaluating agency mission and goals to ensure staff are strategically aligned to support agency priorities. DOE is developing a managed hiring process to prioritize recruitment of mission critical positions while also examining organizational realignments to increase operational efficiency and effectiveness.

Q7. In your written testimony, you referenced the Administration's efforts to roll back appliance and energy efficiency standards, framing them as burdensome. However, these standards have historically saved consumers and businesses money while driving innovation.

How does rescinding efficiency rules reduce costs for Americans over the long term? What specific provisions in the FY 2026 Budget demonstrate a serious commitment to lowering everyday costs for American families, as promised on Day One?

A7. The president's FY 2026 Budget Request[a] 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

[a] Volume 4 Page 15 https://www.energy.gov/sites/default/files/2025-06/doe-fy-2026-vol-4-eere-v2.pdf

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.

Q8. You co-lead the President's National Energy Council alongside Secretary Burgum, yet public reporting has described the Council's operations as opaque, with unclear functions and limited information available.

- What is the current status of the Council, and are there specific FY 2026 DOE budget initiatives or line-items tied to its work?
- What steps have been taken to ensure transparency across departments? Will the Administration commit to publishing a public log of Council meetings, attendees, and topics discussed?

A8. The Council's primary functions include advising the President on increasing energy production, improving energy infrastructure and regulation, developing a National Energy Dominance Strategy, fostering cooperation amongst governmental agencies and with the private sector, and ensuring consistency in energy policies. Many of these initiatives align with DOE's mission, as outlined in the FY 2026 budget. The President's February Executive Order establishing the Council requires reporting to the Office of the Chief of Staff and directs agencies to cooperate with the Council and provide assistance, information, and advice.

Q9. Can you confirm that the FY 2026 Budget does not request funding to restart the Yucca Mountain project?

A9. The FY 2026 Budget does not request funding to restart the Yucca Mountain project.

Q9A. Can you describe the Trump Administration's plans for nuclear waste management and disposal in the FY 2026 Budget and beyond?

A9A. As directed by President Trump's nuclear-related Executive Orders, DOE is evaluating all options for the long-term management of spent nuclear fuel (SNF) and high-level waste (HLW), including reprocessing and recycling, storage and disposal. DOE will continue to conduct research and development to ensure the continued safe and secure storage of SNF and HLW that is currently located in various states around the

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country. DOE will also continue to proceed with advancing SNF reprocessing and recycling.

Q9B. How does the Department plan to implement a collaborative, consent-based approach to repository siting? What safeguards will ensure a repository cannot be sited in a state that does not consent? Will you commit not to proceed with siting if a state is opposed?

A9. We will be actively communicating with state, Tribal, and local officials to discuss collaborative ways to solve our Nation's SNF dilemma. We are in the process of developing meaningful relationships with states, Tribes, and localities that will allow them to consider opportunities associated with the nuclear fuel cycle, including opportunities relating to enrichment, conversion, fabrication, de-conversion, SNF reprocessing and recycling, advanced manufacturing, and the long-term management of SNF and HLW.

Q10. In your written testimony, you stated, *"Every delay is a dollar lost,"* in reference to permitting. Has the Department conducted any analysis of the cost to taxpayers resulting from delays, reviews, or cancellations of federal funding—particularly decisions influenced by directives from Elon Musk's DOGE office or President Trump? If so, are you willing to share that analysis with the Committee?

A10. Congress has entrusted the Department of Energy with the wise investment of significant sums over the past few years, and a great deal of diligence is required to ensure those funds are used properly. The IIJAand Inflation Reduction Act (IRA) together provided the Department with more than $85 billion in taxpayer spending, over FY 2022-2025 and over $300 billion in loan authority. Since that time, the American people have spoken. With overwhelming support, they elected President Trump with a mandate to unleash a golden era of American energy dominance. In doing so, the President has directed the review of all IRA and IIJA balances in an effort to ensure alignment with that mission – to increase energy abundance and reduce costs for the American energy consumer. That review remains in place today but with the commitment that we pay our bills and comply with the law.

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The Department of Government Efficiency website provides detailed information on the savings we have found. Soon, we will share all our payments in the spirit of transparency for Americans' awareness of what we are doing with their money.

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QUESTIONS FROM SENATOR JOHN HICKENLOOPER

Q1. Meeting Immediate Energy Demand
Our country faces a surge in electricity demand, yet new gas plants take 5 years or more to come online. In 2024, 93% of new capacity was renewable and energy storage – and 95% of projects in the queue are solar, wind, and storage. There is no path to building new coal, gas, or nuclear in the short-term. Our options are solar, wind, and energy storage.

Why does the DOE budget eliminate all funding for wind and solar R&D, the very technologies we can build now to meet the needs of communities, AI, and utilities, and cut the Office of Energy Efficiency and Renewable Energy 62% below even 2019 levels?

A1. The rapid deployment of variable sources of electricity generation, such as wind and solar, has created additional system costs, and added complexity for grid operators. It's not just about fast deployment of resources, but how the energy system as a whole operates—and who bears those costs. The Department's research and development (R&D) efforts are prioritizing affordable, reliable, and secure energy technologies that can add the most value to the grid, including baseload power from fossil fuels, advanced nuclear, geothermal, and hydropower, while lowering costs for all Americans.

Q2. National Renewable Energy Laboratory
The DOE budget claims it "unleashes America's energy innovation through investments at our National Laboratories." You've publicly supported the work of the National Renewable Energy Laboratory and visited the Colorado campus just months ago. But we understand this budget would result in layoffs of over half of NREL's staff, cutting U.S. leadership in clean energy research and development.

- How do you reconcile your public support for NREL with a budget proposal that would cut half its staff?

A2. EERE's FY26 request for Facilities and Infrastructure to operate and maintain NREL decreases by only 5% from FY 2025 to FY2026. This funding reprioritizes research to focus on the most pressing energy issues for the American people and ensures continuity of essential laboratory operations. The request provides direct funding for operational activities of major facilities and infrastructure and site-wide investments, including the continued construction of the Energy Materials and Processing at Scale facility.

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In addition to facilities and infrastructure, EERE supports NREL through targeted investments of R&D funding from all of EERE's technology offices.

Q3. Since the start of the Trump administration, DOE has seen significant reduction in its workforce – whether through deferred resignations or direct dismissals. Additionally, DOE's FY26 budget justification includes cuts to program direction budgets in many offices. How many DOE employees have been terminated or taken the deferred resignation under this administration not-date?

A3. In accordance with the terms the DRP, 3,038 DOE employees have entered the DRP offered by OPM and DOE and will be on Administrative Leave until they separate on September 30 or December 31, 2025. Additionally, 69 employees are currently on administrative leave outside of the two DRP. Earlier in 2025, 643 probationary employees were terminated; however, those terminations were subsequently cancelled in accordance with Court Orders. Furthermore, 51 of those probationary employees then chose to separate from DOE. Additionally, 23 employees have been terminated for cause, 11 of which were probationary employees.

The Department of Energy continues to take a hard business look at our current capabilities and how we need to evolve to meet growing energy needs. In partnership with OMB and OPM, DOE is evaluating agency mission and goals to ensure staff are strategically aligned to support agency priorities.

Q4. Grid Reliability
The North American Electricity Reliability Corporation (NERC) 2024 Long Term Reliability Assessment[a] highlights growing concerns about bulk electricity system reliability, driven in large part by rapidly rising electricity demand from AI data centers and manufacturing facilities, alongside retirement of aging resources.
In your confirmation hearing you acknowledged the importance of strengthening our electric grid to facilitate the interconnection of new generation resources necessary to serve AI and data center load growth. You also made comments recently talking about the ability of some programs within DOE which could help unlock additional transmission capacity in this country.

The budget for the Office of Electricity, whose purpose is to "driv[ing] innovation to strengthen, improve, and transform our electricity delivery system to reliably power

[a] https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_Long%20Term%20Reliability%20Assessment_2024.pdf

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homes, businesses, and communities" is cut by 31%. The budget slashes funding for the Grid Deployment Office, dedicated to catalyzing "the development of new and upgraded electric infrastructure across the country" by 75%. It also slashes funding for the Western Area Power Administration — which maintains critical transmission in states like Colorado — by 36%. How will DOE catalyze new and upgraded transmission with these dramatic cuts in programs designed to advance America's grid reliability?

A4. The Department is focused on streamlining operations within the agency, consolidating offices and activities to increase efficiency. In addition to the Grid Deployment Office, DOE's OE and CESER also support critical grid infrastructure. FY 2026 requested funding will support OE programs and projects, in close coordination with CESER, that increase generation and transmission capacity and strengthen grid security.

The OE budget focuses on the core mission of electricity system reliability, resilience, affordability and security. OE continues to support innovation through work at the national labs and with industry on new methods for securing and controlling resources on the grid to meet the growing demand for reliable and flexible power for AI and data center load growth. This includes support for innovative technologies for transmission system operations and advanced grid modeling, which help system operators and planners reduce power outages and improve system stability and strength. OE's work also includes development and demonstration of grid enhancing technologies to better utilize existing infrastructure, as well as testing and evaluation of advanced conductors and other options to upgrade capacity on existing rights-of-way.

The Western Area Power Administration (WAPA) receives a small amount of annual appropriations each year and relies mainly on rates paid by customers to operate. The appropriation provides for capital grid modernization, transmission system hardening, and lifecycle management, and within that, prioritizes capital investments supporting increased cyber and physical security to ensure a more reliable, resilient transmission system. In FY 2026, WAPA's net BA will decrease to $63.6 million, or by 36%, and assumes an offsetting increase in alternative financing. Alternative financing comes from voluntary contributions by WAPA's customers. WAPA will need to work with its customers on the priorities, allocate customer funding to meet as much of those

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needs as possible, allocate the appropriations next, and defer the lowest priorities to a future year.

Q5A. The President's budget request proposes a $750 million credit subsidy for advanced nuclear under the Title XVII loan authority. If appropriated, that would increase LPO's budget from approximately $58 million to over $682 million when one takes into account proposed rescissions.

How will the LPO treat the full suite of technologies for which Title XVII authorizes loans, including wind, solar, and transmission?

A5A. LPO's renewed mission is to provide financing to American energy and manufacturing projects that meaningfully advance affordable, reliable and secure energy sources, lowering costs for all Americans. LPO's priority is to support American energy investments and onshore manufacturing projects while remaining committed to the responsible stewardship of taxpayer funds.

Q5B. Senate reconciliation text appears to gut LPO's ability to finance new greenfield projects by rescinding funding for the 1703 program—which would severely limit our ability to meet rising energy demand with new infrastructure, like geothermal or nuclear projects. Will you commit to working with me to ensure the LPO retains the authority to fund greenfield projects critical to our energy future?

A5B. Yes. LPO's renewed mission is to provide financing to American energy dominance and manufacturing projects that meaningfully contribute to U.S. energy security, grid reliability, and lowering costs for all Americans. LPO empowers the private sector to invest in the future, win the AI race, bring back jobs and industrial strength, and restore American energy dominance.

While LPO conducts due diligence to review all loans and conditional commitments in its portfolio, the office is actively engaging with a wide range of borrowers and applicants – from coal to nuclear – to continue investing in critical, transformative energy and manufacturing projects that improve American lives, reinvigorate industrial strength, and restore American energy dominance.

Q6. Energy Costs/Efficiency
Reducing energy poverty is a major emphasis of your leadership at DOE, as is improved energy security. The ENERGY STAR program helps on these fronts by informing the

public about energy efficient products that saves them money, reducing energy wasted through inefficient operation of buildings, and helping U.S. industrial facilities to be more resilient. The federal government's management of this program is almost universally supported by the business community and utilities, as shown by a recent letter signed by over 1000 businesses, cities, and other organizations supporting the program and the 840 utilities that rely on ENERGY STAR to promote their efficiency programs, including to provide rebates that reduce costs to consumers.

Can you comment on the status of ENERGY STAR and if the DOE will have a role in stewarding this public-private partnership success story?

A6. Section 131 of the Energy Policy Act of 2005 formally codified the ENERGY STAR program within EPA and DOE. 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.

Q7. Energy Affordability
1/3rd of Americans are struggling to pay electric bills, and analysis shows repealing the Inflation Reduction Act credits and programs could raise household energy costs by $100 to $400 annually.

Meanwhile, DOE is rolling back efficiency standards that have saved the average household over $570 a year on utility bills and canceling solar programs aimed at lowering energy costs for low-income families.

This budget shifts funding away from low-cost energy and energy savings advancements toward nuclear weapons programs. Do you have a plan to protect consumers from the from the rising energy prices that will result from this shift?

A7. This budget is part of a fiscal plan to restore confidence in America's fiscal management. By removing burdensome regulations, we are returning freedom of choice to the American people, ensuring consumers can choose the home appliances that work best for their lives and budgets. DOE supports Congress in their efforts to slash unnecessary red tape and regulations that raise prices, reduce consumer choice, and frustrate the American people.

Q8. Buildings

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Energy affordability is directly tied to the way we construct and retrofit our buildings, as well as the appliances and equipment that go in them. The DOE is proposing to gut the Buildings Technologies program, taking it from $332,000,000 to $20,000,000.

- Why is DOE making this massive cut to building energy technology research and development when energy costs are rising, and when more people are struggling to pay their home energy bills?

A8. DOE needs to unleash American energy innovation and can do so while increasing efficiency. The Building Technologies Office will focus on its core mission of advancing energy innovation of America's building infrastructure and energy systems, including technologies that reduce energy costs and construction costs for Americans, enable greater consumer choice, and expand U.S. technology dominance in global building technology markets.

Q9. Supply Chains and Industrial Energy
Domestic supply chains face multiple major needs, including:
TRANSFORMERS: In a 2024 report, the National Renewable Energy Lab predicted growing failure rates of distribution transformers beyond 2030 due to both the age of these assets and staggering load increases. NREL also reported that "required in-service transformer capacity in 2050 will be between 160% and 260% of 2021 levels, with annual transformer capacity demand increasing between 140% to more than 250% depending on the scenario." Yet, our supply chains are not ready to meet this critical need. Manufacturing lead time is now averaging up to 3 years for large transformers.
COPPER: The International Energy Agency's annual critical minerals outlook predicts global copper supplies will not meet surging electric demand over the next decade. Copper is a key element in electric transmission lines.

RARE EARTH ELEMENTS: Rare earth elements are key components in permanent magnets used for defense applications, turbine generators, batteries, solar panels and more. China represents over 60% of REE production and controls 92% of the processed REE markets.

DOE has helped U.S. manufacturers and industrial firms develop and deploy cutting-edge industrial technologies. However, the department's FY 2026 budget request includes a two-thirds cut in budgets for the Industrial Technologies Office and the Advanced Materials and Manufacturing Technologies Office. The Office of Manufacturing and Energy Supply Chains (MESC) has its budget zeroed out.

- What is the justification for these large cuts? Why is industrial energy not given higher priority in the budget to help ensure our government does not fall further behind China as we seek to reshore and diversify our supply chains?

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A9 The Department is fully committed to supporting tits mission of secure, reliable, and affordable energy for Americans. Reshoring and de-risking supply chains remain key priorities for the Department. Advancing American manufacturing and supply chains is central to the work done in the Department's Office of Manufacturing and Energy Supply Chains.

Q10. Renewables: Recent research shows coal power in the U.S. got 28% more expensive per megawatt hour generated between 2021 and 2024. Given that the inflation during those periods was 16%, the cost of coal is therefore putting inflationary pressure on electricity rates. Both budget proposals (from DOE and DOI) are dedicating billions to revitalizing the coal mining and coal generation, while zeroing out budget line items for affordable and reliable solar, wind, storage, and energy efficiency programs. Why does this budget ignore the economics and force taxpayers and ratepayers alike to pay substantially more for uneconomic coal?

A10. Since 2022, overall residential energy prices have risen, not just the cost of energy associated with coal-fired plants. The price of electricity is driven by more than the cost of the fuel or the cost of the generation. Factors such as utility spending on electricity distribution and transmission facilities also affect the cost to ratepayers. The increase observed in operating costs for coal plants is a result of the nationwide decrease in coal plant utilization due to coal plant retirements. We need more baseload power which will ultimately lower costs for consumers. The President's FY 2026 Budget supports research, development, and demonstration that will do just that — lower the costs associated with future energy needs.

Q11. Extreme cold temperatures can and have impacted coal and gas' reliability. For example: During Winter Storm Elliot, in Kentucky, Trimble County Unit 2, a coal-fired unit, lost 269 megawatts of power generation for more than six hours into the evening of Dec. 23 due to a "frozen" transmitter that tripped a coal mill at the unit. That same day a coal-fired unit at the utility's Mill Creek Generating Station lost 121 megawatts of power generation for almost three hours the afternoon of Dec. 23 due to frozen components in the unit's coal delivery system.

Coal and gas plants made up 73 percent of the capacity of generators that experienced unplanned outages or substantially reduced output during Winter Storm Uri in February 2021.

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According to the North American Electric Reliability Corporation (NERC), coal power saw an increase in its weighted effective forced outage rate to 12%, up from 10% average between 2014 and 2022.

In a May 2025 Texas heat wave, ERCOT projected peak demand to reach 84,000 megawatts – shattering previous May records and stressing the grid. Texas 22,000 MW of installed solar capacity, and projected addition of another 24 GW by the end of 2025, and battery storage capacity, which has more than doubled over the past year, are major assets for Texas to meet peak demands during heat waves and provide critical flexibility to balance supply and demand.

How can DOE ensure the development of a more reliable and resilient grid in the face of extreme weather and unpredictable storms when they are zeroing out or drastically cutting budgets for renewable and storage resources that support grid reliability?

A11. The Department is focused on streamlining operations within the agency and increasing coordination across the Grid Deployment Office, OE and CESER to deliver greater efficiencies. As part of the effort, the FY 2026 request includes funding to support critical grid infrastructure through several Departmental organizations' programs and projects that increase generation and transmission capacity and strengthen grid security.

Q12. DOE has been supporting the designation of three potential National Interest Electric Transmission Corridors (NIETCs), designed to significantly improve reliability, reduce electricity costs, and support increasing energy demand.

DOE has lost more than 4,000 staff members, including more than 70% of employees at the Grid Deployment Office which is charged with supporting transmission grid planning and programs.

Will you prioritize finalizing NIETC designations and ensure DOE has sufficient staff and staff expertise to fulfill this commitment without delays?

A12. The public comment window for Phase 3 of the NIETC Designation Process closed on April 15, 2025. DOE is currently reviewing extensive public feedback received during the public comment window to ensure the NIETC Designation Process is best positioned to accomplish DOE's mission and aligns with the Trump Administration's priorities.

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Q13. Data Center Deployment: The DOE's Office of Policy put out a Request for Information regarding data center development on 16 potential sites where permitting can be fast-tracked and energy infrastructure is more readily available. Will you leverage national laboratories to work with grid operators and AI hyperscalers to anticipate peak energy demand from model training at these facilities? How will DOE achieve fast-track permitting at these locations? And what programs and funding will facilitate the rapid development of generation infrastructure to support these facilities.

A13. DOE has expertise in modeling energy demand across sectors, including data centers. We have a Center of Expertise on Data Center Efficiency at our Lawrence Berkeley National Laboratory that is a leader in providing data center efficiency technical assistance. We are evaluating how existing projects at DOE's National Laboratories can be applied to the initiative to site AI data centers on DOE lands. We are also evaluating ways to accelerate permitting in this initiative. Finally, DOE anticipates that these projects would be funded with private capital rather than government funding, although we anticipate that developers may be able to apply for funding with the LPO for certain elements of data center development, subject to program eligibility.

Q14. Energy Storage
The North American Electric Reliability Corporation's latest report credits battery storage with helping prevent blackouts during recent $1 billion weather events, and the Electric Reliability Council of Texas says storage has cut its blackout risk tenfold. Why does the President's budget scale back funding for energy storage, instead of scaling it up to reduce price spikes and improve grid reliability?

A14. The President's budget request focuses funding for energy storage on the development of batteries in the context of supporting firm baseload power, microgrids, emergency response, and other Administration priorities. This budget continues to support the development of new storage technologies with more flexible siting, added modularity, and lower marginal duration cost attributes that will dramatically expand beneficial deployment opportunities for energy storage.

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Q15. Energy Expertise.
Will you commit to provide the resources and technical staff at DOE and world-class national labs like the National Renewable Energy Lab, to continue leading the world in solar, wind, energy storage technology development and deployment?

A15. One of our country's greatest assets is DOE's network of 17 National Laboratories. In my time as Secretary of Energy, I have had the privilege of visiting many of DOE's National Labs, including the National Renewable Energy Laboratory. We also need to unleash American energy innovation, and the National Labs are the engine that drives research and development to further this aim. Specifically, we will prioritize research that supports true technological breakthroughs, such as nuclear fusion, high-performance computing, quantum computing, and AI, which will maintain America's global competitiveness.

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QUESTIONS FROM SENATOR ALEX PADILLA

Q1. The Office of Energy Efficiency and Renewable Energy (E.E.R.E.) plays a pivotal role in reducing consumer costs, driving innovation, and improving the reliability and resilience of our energy systems. The proposed DOE budget guts E.E.R.E. and leaves the office without the personnel or resources it needs to deliver on its mission of driving down energy costs, creating good jobs, and maintaining a competitive edge internationally. In your confirmation testimony, you boasted that "energy is the essential agent of change that enables everything that we do." However, the DOE budget cuts will undermine and stifle the very energy innovation that you claim to care about.

- How would the proposed funding and staffing levels for E.E.R.E. support the office's ability to deliver energy savings for American families and businesses?
- Near and long-term improvements to our energy system are undermined by imposing tariffs, ending tax credits, and canceling R&D awards for energy storage, carbon capture and utilization, and other innovations. How can you justify electricity costs for home and business owners?
- E.E.R.E. investments have supported everything from rural energy affordability to advanced manufacturing and grid modernization. How will the Trump Administration's proposed cuts to E.E.R.E. impact the economic return and job creation E.E.R.E. programs have historically generated across red and blue states alike?

A1. EERE's FY 2026 request prioritizes the EERE workforce, maintaining support for program and project management. The requested funding maintains EERE's current staffing level, accounting for voluntary separations.

DOE needs to unleash American energy innovation and can do so while increasing efficiency. The Building Technologies Office will focus on its core mission of advancing energy innovation of America's building infrastructure and energy systems, including technologies that reduce energy costs and construction costs for Americans, enable greater consumer choice, and expand U.S. technology dominance in global building technology markets.

The proposed budget for the Advanced Materials and Manufacturing Technologies Office supports funding of R&D for AI-enabled smart manufacturing technologies which will reduce energy costs for industrial facilities through innovative manufacturing process control capabilities that enable efficient utilization of energy resources by domestic businesses.

The proposed budget for the Industrial Technologies Office will unleash cost savings and lower utility bills for manufacturers by accelerating the innovation of

affordable, secure, energy efficient technologies and processes for the products Americans rely on, including iron and steel, chemicals, cements and concrete, glass, and other industrial products that are energy intensive to manufacture and exposed to global trade and supply chain risks. The budget will also prioritize emerging needs, with a focus on supporting power availability for data center development to help protect the national grid and save manufacturers money.

Q2. One-third of E.E.R.E.'s R&D portfolio has delivered over $388 billion in net economic benefits, a return of more than 27% annually. During your confirmation hearing, you affirmed to members of the ENR committee that you would work to lower energy costs for families and businesses.

- How do you explain why we walk away from an investment, like E.E.R.E, that so clearly pays for itself many times over in economic growth and consumer savings?
- Can you provide examples of high-value programs that would be preserved under this proposed budget?

A2. EERE's FY 2026 request prioritizes the EERE workforce, maintaining support for program and project management. The requested funding maintains EERE's current staffing level, accounting for voluntary separations.

Building Technologies Office: The office will continue non-regulatory funding for technical assistance activities and industry partnerships (including Better Buildings).

Advanced Materials and Manufacturing Technologies Office : The proposed budget supports funding to position the U.S. as a global leader in energy production and advanced manufacturing, with a focus on administration priorities on critical materials and artificial intelligence (AI) technologies. This includes funding for high-value programs at the national laboratories such as the Critical Materials Innovation Hub and the Manufacturing Demonstration Facility. Modest but reduced support is also maintained for the Manufacturing USA program.

Office of Geothermal: The budget enables focus on high-impact R&D in enhanced geothermal systems, including subsurface enhancement; next-generation pilot tests; hydrothermal exploration and characterization; cross-industry R&D work on critical materials and geologic hydrogen; low-temperature geothermal, including technical assistance for federal / DoD sites; geothermal power and cooling technologies

for data centers; and development and maintenance of techno-economic tools and data for geothermal.

Industrial Technology Office: The proposed budget focuses on high-impact R&D, pilots, and technical assistance to strengthen national security and the global competitiveness of America's industrial sector by modernizing industrial infrastructure and advancing innovative energy-efficient technologies. This includes funding for priority activities in chemical manufacturing, including high-priority work in thermal reactor development; expanding National Lab capabilities for thermal energy management and industrial load flexibility; and technical assistance for partnerships between utilities and grid operators with operators of data centers and other large industrial loads.

Vehicle Technologies Office: The FY 2026 Request for Vehicle Technologies prioritizes activities most essential to meet Administration goals of energy dominance, growth of U.S. industry and manufacturing, support of national defense, and cost savings to households and businesses. The proposed budget focuses on Battery R&D, including critical mineral related battery research and reduces support for battery mineral and supply chain traceability and recycling and materials facilities at several National Labs; prioritizes research focused on engine and hybrid applications (e.g., construction, agriculture, rail, or mining), focusing on those with the greatest opportunity to reduce costs for businesses and farmers; and prioritizes statutory requirements for data collection and analysis, including publishing fuel economy data (e.g., fueleconomy.gov).

Water Poer Technologies Office: The funding request for the Water Power Technologies Office will support its core mission of advancing water power R&D, with a focus on activities led by the national labs related to key areas of opportunity such as validating technologies, improving grid integration, powering nonpowered dams, modernizing infrastructure, improving environmental performance to accelerate hydropower relicensing, and advancing marine energy systems and test facilities.

Q3. U.S. energy reliability and security increasingly depends on next-generation technologies, many of which are developed, demonstrated, and deployed here. The U.S. needs to continue exploring and developing these technologies if we want to remain globally competitive.

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How will DOE continue to modernize our grid, increase resilience, and reduce dependence on foreign energy sources under your budget cuts?

A3. The Department is focused on streamlining operations within the agency to increase efficiency. The Department has two additional offices that support critical grid infrastructure, OE and CESER. In FY 2026, funding for Grid Deployment will support OE programs and projects, in close coordination with CESER, that increase generation and transmission capacity and strengthen grid security.

Q5. Recent DOE actions seem to hint that the Department is actively undermining confidence in the Hydrogen Hub Program. DOE has been sending amended assistance agreement awards to the seven hydrogen hubs that have secured funding, including the ARCHES Hub in California.

- How will DOE ensure the data requests do not unduly delay project progress, expose confidential and sensitive information, or duplicate existing reporting requirements?
- How does current amendment language ensure timeline for responding to data requested is reasonable?

A5. DOE is currently 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, consistent with the Secretarial Memorandum entitled, "Ensuring Responsibility for Financial Assistance." The Department has also requested additional information needed to evaluate financial assistance awards.

The Hydrogen Hubs, including Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES), is part of this review process, which should be completed by the end of the summer. To accomplish DOE's objectives, DOE requires OCED-funded financial assistance recipients, including ARCHES, to provide written responses and supporting documentation to facilitate this review. DOE/OCED needs to obtain the most current, accurate and complete information about the project for DOE/OCED to make an informed decision, recognizing some answers are not available at this time. Projects that meet the criteria will continue while those projects that are not in the best interest will be terminated to ensure funding and efforts are not wasted.

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Q6. In May, DOE announced the cancellation of 24 projects totaling $3.7 billion in investments in heavy industry across the U.S. This includes many of the projects funded under the Industrial Demonstrations Program, which estimates show could drive $14 billion in private investment across 20 states.

- What was DOE's process around these cancelations?
- What is the status of awards made under IDP?
- Can you confirm whether DOE is, in fact, actively seeking to terminate critical investments in clean domestic manufacturing and the jobs, local economic development, and competitiveness advantages that come with such investments?
- I have not seen any public rubric or standard to measure how projects do or do not meet the criteria that your agency is using to determine their future. Does any such standard or rubric exist, and is it public?
- Who is overseeing decisions about whether IDP projects continue or not? As Secretary, do you have ultimate say in whether these investments in domestic manufacturing and competitiveness are maintained or slashed?

A6: The Department's agency-wide funding review is ongoing. Each project goes through a thorough financial review, analysis of the project's merits, and careful evaluation of milestones to determine to ensure sound investment of taxpayer resources.

Q7. OCED's budget is zeroed out in your FY26 proposal at the cost of American innovation and revitalizing manufacturing in our heavy industry sector.

- Aside from advocating for "more energy," do you have a plan for how your agency will promote domestic industrial manufacturing innovation and competitiveness?

A7. The Department is aggressively supporting the Administration's plan to promote domestic industrial manufacturing innovation and competitiveness. The Department has removed burdensome regulations that will help unleash American manufacturing and competitiveness. Most recently, the Department has announced new updates to DOE's National Environmental Policy Act procedures, fixing the broken permitting process and delivering on President Trump's pledge to unleash American energy dominance and accelerate critical energy infrastructure.

Q8. From coast to coast, extreme weather events have increased in both frequency and intensity, making power outages more and more common. Our nation's electric grid is frequently tested, and in many cases, it has not been able to weather the storm. A weak grid disrupts the lives of millions of Americans and costs the U.S. economy billions of dollars. The administration has cited the need to strengthen the grid to meet the expected demand of AI driven load growth.

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How does eliminating programs like the Grid Innovation Program, which support the development of transmission lines, help strengthen the grid?

A8. The Grid Resilience and Innovation Partnerships (GRIP) program, which the Grid Innovation Program is a part of, 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.

Q9. DOE has awarded grants to bolster grid reliability under the GRIP program. Why would the Department eliminate those programs when state, tribes, and local communities are relying on those grants to strengthen the grid?

A9. GRIP 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.

Q10A. The Coalition Harnessing Advanced Reliable Grid Enhancing Technologies and Operationalizing Artificial Intelligence, or CHARGE TO AI project in California aims to upgrade 100 miles of electric transmission lines with grid enhancing technologies to improve reliability and deliver affordable electricity faster. This project includes a portfolio of transmission projects primarily in my home state, as well as transmission investments in Nevada and Texas necessary to meet AI-driven data center demand growth.

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Can you commit that DOE will honor and fully execute the conditional awards that demonstrate reliability and economic benefits and are not inconsistent with your orders and priorities?

A10A. 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.

Q10B. The Coalition Harnessing Advanced Reliable Grid Enhancing Technologies and Operationalizing Artificial Intelligence, or CHARGE TO AI project in California aims to upgrade 100 miles of electric transmission lines with grid enhancing technologies to improve reliability and deliver affordable electricity faster. This project includes a portfolio of transmission projects primarily in my home state, as well as transmission investments in Nevada and Texas necessary to meet AI-driven data center demand growth.

DOE has put awarded funding from the GRIP 2 program on hold pending further review using unclear criteria. How will you ensure that GRIP 2 funds are leveraged to help address impacts to the transmission system from sky rocketing load growth driven by data center energy demand?

A10B. 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.

In addition to the project reviews, DOE is exploring opportunities to accelerate AI and energy infrastructure development across the country, prioritizing public-private partnerships to advance the use of innovative technologies and strategies.

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QUESTIONS FROM SENATOR RUBEN GALLEGO

Q1. Within the budget in brief for the Office of Indian Energy Policy and Programs, your budget states that these programs will not be used for work on solar or battery technologies. In states like Arizona, solar is one of the fastest deploying energies and areas for economic growth.

- How does limiting the use of funds for these renewable areas achieve the goal of universal energy affordability and economic growth that you have stated previously in this committee?
- Do you not see limiting the use of these funds as a limit to tribal sovereignty, since Tribal governments should have the discretion to make the energy choices that work best for their communities and economies?

A1. Federally recognized Indian Tribes are sovereign nations whose unique political and legal standing predates the founding of the United States, as acknowledged in the United States Constitution, treaties, Supreme Court decisions, Executive Orders, statutes, and existing federal policies. The Supreme Court has recognized that the United States has charged itself with moral obligations of the highest responsibility and trust. [*Seminole Nation v. United States*, 316 US 286, 297 (1942)]. The United States' longstanding government-to-government relationship with Indian Tribes forms the basis for the United States' trust responsibility to protect Tribal sovereignty and self-determination, Tribal lands, assets, resources, and treaty and other federally recognized and reserved rights. Congress established a policy of promoting Tribal self-determination and self-governance in the 1970s and has continued its support for the past fifty years including as recently as April 7, 2025, with unanimous Senate passage of a bipartisan resolution commemorating the 50th anniversary of the Indian Self-Determination and Education Assistance Act.

The mission of the Office of Indian Energy Policy and Programs (45 U.S.C. § 7144e) is to: promote Tribal energy development, efficiency, and use; reduce or stabilize energy costs, enhance and strengthen Tribal energy and economic infrastructure; and electrify Indian lands and homes. The Office carries out this mission within the scope of DOE's mission and in accordance with Tribal self-determination policies.

IE offers financial and technical assistance to Indian Tribes, including Alaska Native villages, and eligible Tribal entities for advancing electrification and energy

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development and deployment on Indian lands, reducing energy costs, and assisting economic development in Tribal communities where unemployment and poverty rates far exceed national averages. Tribes have varying energy resource opportunities, needs, and challenges. Through financial assistance and technical assistance, IE catalyzes American Indian and Alaskan Native nations to lead the development of reliable, firm power in Indian Country. These efforts advance energy abundance, help to restore American energy dominance, and address energy access challenges in Indian Country. The FY 2026 Budget Request will focus on the following priorities:

- Expand reliable, firm energy development in Indian Country.
- Leverage IE's grant making authority to fund energy infrastructure planning and deployment.
- Provide expert assistance to Tribes for productive engagement with project developers to unleash new American energy.
- Improve energy access for Tribes

Q2. On May 30, DOE canceled 24 projects that supported innovation in a wide variety of American industries. This included the Kohler Vikrell Electric Boiler & Microgrid System in Casa Grande, Arizona, which would install electric boilers and a solar + storage microgrid to demonstrate decarbonization of industrial heat and manufacturing. Although you claim to be in support of American manufacturing, your Department's recent actions tell a different story. How does terminating these projects align with your stated goal of supporting American manufacturing and critical minerals? Will you commit to honoring previously awarded contracts in the future, so that American companies can have financial certainty when partnering with DOE?

A2. Congress has entrusted the Department of Energy with wise investment of significant sums over the last few years, and a great deal of diligence is required to ensure prudent use of those funds. The "Infrastructure bill" (IIJA) and IRA provided the Department with more than $85 billion in taxpayer spending, over FY 2022-2025 over $300 billion in loan authority. Since that time, the American people have spoken. With overwhelming support, they elected President Trump with a mandate to unleash a golden era of American energy dominance. In doing so, the President has directed the review of all IRA and IIJA balances in an effort to ensure alignment with that mission – to increase energy abundance and reduce costs for the American energy consumer. That review

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remains in place today but with the commitment that we pay our bills and comply with the law.

Q3. Advanced Nuclear Reactors: In your confirmation process, we had productive public and private conversations about the future of nuclear energy and the potential for the next generation of smaller reactors. However, your budget includes a proposed decrease for the Office of Nuclear Energy's Advanced Reactor Demonstration Program from $315 million to $154 million. That is less than half of the current enacted level for that office. How does the Department plan to unleash energy dominance by cutting our investments in next generation technology? How does this move improve the safety and deployment of advanced nuclear?

A3. The FY 2026 budget request for the Advanced Reactor Demonstration Program (ARDP) reflects completion of a number of activities resulting in reduced funding requirements in FY 2026. The decrease in the National Reactor Innovation Center budget reflects completion of construction of the Demonstration of Microreactor Experiments test bed. Regarding the two ARDP demonstration projects, unobligated funds remain available from the IIJA appropriations allocated to these critical projects that will allow project activities to continue through FY 2026. The fact that DOE is keeping a budget line open for these projects in FY 2026 indicates that DOE recognizes the importance of these projects. However, additional appropriations will be required beyond that time in order to fully support the projects as they complete engineering and licensing activities and move into the construction phase. The decrease in the Risk Reduction for Future Demonstrations budget request reflects completion of funding for four of the five Risk Reduction projects, based on currently approved funding profiles.

Q4. In 2023, Arizona State University launched the *Electrified Processes for Industry eXcellence (EPIXC)* Institute, which became the Department of Energy's seventh Manufacturing Innovation Institute. EPIXC focuses on accelerating efficiency improvements in high-energy use sectors such as iron and steel, cement, chemicals, and food processing. It convenes an extensive network of U.S. industrial partners — including Shell, Dow, ExxonMobil, Siemens, and others — to co-invest in process heating technologies that enhance U.S. manufacturing competitiveness, lower emissions, and support energy resilience. While EPIXC and its industry partners are eager to move forward with their DOE-funded research and workforce programs, the Department has not processed budget modification requests — not only for EPIXC, but reportedly across all its Manufacturing Innovation Institutes. These modifications involve already-appropriated federal funds and are essential to launching new research activities,

maintaining momentum with industry partners, and ensuring continuity of skilled personnel. Though DOE has not issued stop-work orders or formal contract terminations, the lack of action is causing a de facto suspension of operations beyond the current budget period. What is the Department's explanation for not processing budget modifications for its Manufacturing Institutes, and what specific steps is DOE taking to allow these Institutes to continue with their congressionally funded work?

A4. The Manufacturing USA program is a national network of institutes that aims to revitalize American manufacturing and enable strong domestic supply chains through technological innovation and workforce development activities. The Department is presently evaluating active awards for future budget periods to ensure appropriate resources are allocated efficiently and are aligned with administration priorities. DOE continues to actively manage the projects and participate in interagency activities supporting Manufacturing USA.

Congress of the United States

Washington, DC 20515

June 17, 2025

The Honorable Chris Wright
Secretary
Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

Dear Secretary Wright:

We write to express our deep concern regarding the Department of Energy's (DOE) decision to redirect funding from the Puerto Rico Energy Resilience Fund away from providing the most vulnerable citizens of Puerto Rico with backup power.[1] As you know, these congressionally appropriated funds were intended to provide solar and battery storage at residential communities and health centers across the island. DOE has claimed that the funds will now be deployed to "support practical fixes that offer a faster, more impactful solution to the current crisis"[2]. We, however, remain greatly concerned that the people of Puerto Rico are being used as pawns in President Trump's attack on clean energy, and fail to see a justification for this action.

The long-term recovery process of Puerto Rico's electric grid has been marked by significant challenges, including recurring power outages that continue to impact the daily lives of Puerto Ricans, with one as recently as this past April.[3] We are concerned that redirecting this funding would restart the allocation process, delaying timely and needed resources to medically vulnerable populations. In addition, the legal justification for this "reallocation" of funds, with seeming disregard to congressional intent, remains unclear.

We strongly urge you to reconsider this action.

Sincerely,

Catherine Cortez Masto
United States Senator

Pablo José Hernández
Member of Congress

[1] "Energy Department to Redirect $365 Million to Support Grid Resilience Efforts in Puerto Rico," Department of Energy, May 21, 2025. https://www.energy.gov/articles/energy-department-redirect-365-million-support-grid-resilience-efforts-puerto-rico.
[2] Id.
[3] "Puerto Rico Faced a Massive Power Outage. Why Does this Keep Happening?" USA Today, April 17, 2025. https://www.usatoday.com/story/news/nation/2025/04/17/puerto-rico-power-outage-power-grid-problems/83137415007/.

Martin Heinrich
United States Senator

Jared Huffman
Member of Congress

Charles E. Schumer
United States Senator

Cory A. Booker
United States Senator

Richard Blumenthal
United States Senator

Adriano Espaillat
Member of Congress

Ruben Gallego
United States Senator

Kirsten Gillibrand
United States Senator

Mazie K. Hirono
United States Senator

Timothy M. Kennedy
Member of Congress

Edward J. Markey
United States Senator

Jeffrey A. Merkley
United States Senator

Kweisi Mfume
Member of Congress

Alexandria Ocasio-Cortez
Member of Congress

Nellie Pou
Member of Congress

Jacky Rosen
United States Senator

Bernard Sanders
United States Senator

Ritchie Torres
Member of Congress

Nydia M. Velázquez
Member of Congress

6.18.2025 Statement for the Record from RM Heinrich on the Tribal Energy Loan Program:

The Tribal Energy Loan Guarantee Program fills a critical financing gap for Tribes. I am concerned that the President's budget request cuts administrative funds by 84%, rescinds last year's balances, and cancels all $10.5 million in credit subsidy—leaving the program without staff or lending capacity. The President's Budget also proposes a nearly 30% cut to the Office of Indian Energy. Together, these cuts severely limit Tribal Nations' ability to power their communities and undermine our federal trust responsibility.

Because the proposed budget effectively destroys energy financing for Tribes, Tribes across the country have sent me seven letters—signed by 54 Tribes and Tribal organizations representing over 200 individual Tribes--that detail their support for the program. I am submitting these letters for the record alongside this statement.

To: Honorable Members of the U.S. Senate and House of Representatives
From: The Alliance for Tribal Clean Energy – Policy & Government Relations Team
Subject: How H.R. 1 Negatively Impacts Tribal Energy Development

About the Alliance
The Alliance for Tribal Clean Energy is a national, Indigenous-led 501(c)(3) nonprofit organization that supports Native Nations in strengthening energy sovereignty, developing local energy infrastructure, and advancing economic development. We work directly with Tribes to remove barriers to the development and ownership of energy projects on their land. These projects contribute to American energy independence, drive economic growth in rural regions, create high-quality jobs, and strengthen national security.

Clean Energy Investment Tax Credit & Production Tax Credit
The House bill, H.R. 1, also known as the "One Big Beautiful Bill Act" (OBBBA), imposes an aggressive general termination on the 48E and 45Y credits, requiring projects to commence construction within 60 days of enactment or be placed in service by December 31, 2028. These timelines are unworkable for projects in Indian Country that have longer lead times for raising capital than private industry and are subject to multiple stages of permitting approval unique to Tribal developments. This includes complex, multi-agency reviews under National Environmental Policy Act (NEPA), Bureau of Indian (BIA) right-of-way approvals, and lengthy Tribal consultation processes that often exceed typical market timelines.

According to a report released this week by *Energy Innovation*[1], H.R. 1 is expected to:

- **Increase annual energy bills** for American households by a total of **$170 billion** from 2025 to 2034,
- **Reduce America's workforce by 840,000 jobs** by 2030 and **another 790,000 jobs** by 2035,
- **Shrink the nation's GDP by $1.1 trillion** during the budget reconciliation window of 2025-2034, and
- **Decrease cumulative new electricity capacity additions by 120 gigawatts** by 2030 and 330 gigawatts by 2035.[2]

Transferability
The elimination of Investment Tax Credit (ITC) Transferability would significantly impact the ability of the US to keep pace with immediately expanding energy demand, forcing energy developers and owners to less efficient, more expensive financing structures, precipitating both higher wholesale and retail electricity prices. ITC Transferability provides a vital pathway to capital for taxable energy project developers and owners, accounting for an estimated $30B in new investment for energy infrastructure in 2024.[3]

Currently, taxable project developers and owners can readily secure Transfer Credit purchase commitments that are then utilized to significantly increase construction financing capacity. Tax exempt entities, including Tribal governments, are currently exempt from participation in the Transfer market, thus limiting their access to construction financing, placing them at a significant disadvantage from a development, supply chain, and financing perspective. Tribal leaders and clean energy advocates have called for a legislative or administrative fix to expand transfer market access to Tribes and other tax-exempt entities, ensuring parity with taxable developers and utilities. Allowing Tribal governments and entities to directly participate in the ITC transfer market would place Tribal owners and projects on more equal footing with the equipment supply chain and project finance markets as projects owned by taxable entities.

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[1] Orvis, R., Mahajan, M., Goldstein, R., O'Brien, D., Ashmoore, O. (June 11, 2025). *Assessing Impacts Of "One Big Beautiful Bill Act" On U.S. Energy Costs, Jobs, Health, Emissions*. Energy Innovation. https://energyinnovation.org/report/one-big-beautiful-bill-act/

[2] "*Assessing Impacts of the "One Big Beautiful Bill Act" on U.S. Energy Costs, Jobs, Health, and Emissions*. Energy Innovation: Policy and Technology LLC, June 2025. https://energyinnovation.org/report/assessing-impacts-of-the-2025-reconciliation-bill-on-u-s-energy-costs-jobs-health-and-emissions/

[3] "Crux Climate. "6 Takeaways from the 2024 Transferable Tax Market" *Crux Climate*, February 10, 2025.

Furthermore, it is important to recognize that many Tribal energy projects are focused on securing basic, reliable access to electricity, powering essential systems like lighting, life-critical heating and cooling, refrigeration, and other critical infrastructure for homes, businesses, and civic facilities. In too many rural communities, market forces alone fail to deliver these fundamental services. Preserving ITC transferability rules and expanding access for tax-exempt entities are vital strategies to mitigate cost inflation nationwide, particularly in Tribal and other rural communities located at the end of the power line.

Foreign Entities of Concern Provisions (FEOC)
The current FEOC provisions in this legislation preclude many Tribes from utilizing many of the energy tax credits. The provisions disqualify projects that involve equipment, materials, or financing tied to entities from certain foreign countries. This disproportionality impacts Tribes because many renewable energy components, particularly solar panels and batteries, are sourced from global supply chains that include FEOC-linked manufacturers, often due to cost or availability constraints.

Tribes face challenges accessing domestic alternatives, navigating complex compliance requirements without adequate technical assistance, and securing financing that meets FEOC standards. As a result, these provisions undermine Tribal clean energy efforts and create barriers to equitable access to federal energy incentives.

Specific Projects

The Alliance for Tribal Clean Energy provides no-cost, philanthropically-funded services to over 100 Tribal Nations. Below are examples of projects that would be negatively impacted by the current version of H.R. 1. To protect Tribal data sovereignty at their request, the identity of some individual Tribes has been hidden.

Alaska

Alaska Native villages face some of the highest energy costs in the country. Clean energy investments are critical to energy justice, self-determination, and survival.

Village in AK
This community pays among the highest electricity rates in the U.S. The proposed tax credit cuts would:

- Prevent formation of a Tribal utility, asset acquisition, and implementation of community solar to offset diesel.
- Eliminate the ability to build low-cost solar for critical infrastructure (e.g., administration, schools).
  Halt development of Railbelt power through a Village-owned IPP.
- Cancel the "Diesel Off Program," aimed at reducing long-term diesel dependency and costs.
- Cause a loss of up to $600,000 annually, 60 well-paying jobs, and opportunities for economic development.
- Put the continued existence of this ancient village at risk.

Village in AK – Solar Project Would:

- Power environmental remediation of U.S. Army-polluted lands.
- Supply power to Railbelt utilities to help mitigate soaring energy costs.

Metlakatla, AK

The proposed tax credit cuts would:

- Prevent energy infrastructure upgrades and block energy efficiency improvements in Tribal buildings.
    - Prevent the formation of a Tribal utility, acquisition of assets, and implementation of community solar to offset diesel costs.
    - Without the tax credits and the ability to receive direct pay, they would not have been able to develop a wind turbine project, an electric bus, and upgrades to their hydro power plants, along with a battery energy storage system.

Native Village of Port Heiden, AK – This village secured a Greenhouse Gas Reduction Fund grant to perform the topographic and waterway studies needed to design two run-of-the-river hydropower plants.[4]

Arizona

Extreme heat and unreliable grid infrastructure make clean energy critical for survival.

- *Hopi Tribe, AZ* – Following coal plant closures, 35% of homes remain unelectrified, and their grid infrastructure experiences frequent outages. The proposed tax credit cuts would:
    - Puts multiple microgrids in development at risk, thereby threatening water access and basic utility reliability.

California

- *Tribe in CA* – Loss of grant income would:
    - Halt a microgrid project focused on protecting elder homes, putting the most vulnerable members of this community at risk.
- *Tribe in CA* – The proposed tax credit cuts would:
    - Render their clean energy project economically unviable.
- Four other Tribes we support in California, who wish to remain unnamed, are pursuing microgrids to increase resiliency against wildfires and reliability from frequent power outages. These projects depend on tax credits and grant support.

Oregon

- *Tribe in OR* – Potential loss of GRIP grant funding will:
    - Block critical high-voltage transmission development, halting plans for up to 500 MW of solar and battery energy storage systems (BESS).

[4] Ayurella Horn-Muller, "This Alaska Native Fishing Village Was Trying to Power Their Town. Then Came Trump's Funding Cuts," *Grist*, June 12, 2025, accessed June 13, 2025
Naveena Sadasivam, "This Alaska Native Fishing Village Was Trying to Power Their Town. Then Came Trump's Funding Cuts," *Grist*, March 18, 2020.

South Dakota

Brutal winters demand resilient and reliable energy infrastructure.

- *Cheyenne River Sioux (KIPI Radio), SD* – The proposed tax credit cuts would:
  - Threaten the development of clean energy projects serving communication and community resilience.

These comments and project examples are submitted to help Congress better understand the real-world impacts of H.R. 1 on Indian Country. *We respectfully remind lawmakers of the federal government's trust and treaty responsibilities to Tribal Nations*, which include supporting their efforts to build secure, self-determined energy futures. For questions or to learn more about the Alliance for Tribal Clean Energy's work, we welcome you to contact us.

With respect and in service to Tribal Nations,

The Alliance for Tribal Clean Energy *Policy & Government Relations Team*

www.tribalcleanenergy.org | policy@tribalcleanenergy.org | 1629 K Street, NW | Washington, DC 20006

Flandreau Santee Sioux Tribe

P.O. Box 283 Flandreau, SD 57028 Ph. (605) 997-3891
www. fsst-nsn.gov Fax (605) 997-3878

June 11, 2025

The Honorable Chris Wright
Secretary of Energy, U.S. Department of Energy
1000 Independence Ave, SW
Washington, DC 20585

The Honorable Doug Burgum
Secretary of the Interior, U.S. Department of the Interior
1849 C Street, N.W.
Washington, DC 20240

Re: **Flandreau Santee Sioux Tribe's Letter of Support – Tribal Energy Loan Guarantee Program**

Dear Secretary Wright and Secretary Burgum,

I write to express the Flandreau Santee Sioux Tribe's (the "Tribe's") strong support for the continued funding of the Tribal Energy Loan Guarantee Program ("TELGP") and to respectfully urge the preservation of the in existing appropriations to facilitate the awarding of loan guarantees under this program that date back a number of sessions of Congress but have yet to be awarded. This funding fills a critical gap in the energy finance landscape, offering Tribes a pathway to access low-cost capital that is otherwise unavailable through traditional public infrastructure financing options. Moreover, preserving this program and access to unparalleled an loan guarantee unlocks a potential for economic development for our Tribe on a scale that preserves self-sufficiency unheard of for our location and worthy of our government-to-government relationship with the United States.

Due to limited access to the municipal bond market and other cost-efficient capital sources, Tribal energy projects are often forced to rely on high-interest rate financing and restrictive terms that render many projects economically unviable. With appropriate reforms, TELGP funds could serve as a crucial source of affordable capital for planned and developing Tribal energy infrastructure and economic development initiatives nationwide. These investments also support critical mineral development and expanded U.S. energy infrastructure.

In addition to the lost opportunities at the national level, local, state, and regional economies stand to benefit significantly from the increased energy generation and distribution. Enhancing Tribal energy infrastructure would also strengthen existing systems and help advance U.S. energy independence and resilience.

Across the country, millions of dollars in Tribal and partner equity and grants have been deployed to advance numerous shovel-ready projects. However, without access to broadly available, low-cost capital, these projects remain stranded. Despite substantial allocation appropriated to assess unprecedented guaranteed-loan allocations, DOE's Tribal Energy Financing Program (TEFP) has only financed a single energy project to date, utilizing only a fraction of the funding contemplated to be loaned. This limited impact reflects a structural mismatch between DOE's current corporate and venture capital orientation and the public finance approach needed to support infrastructure development for public bodies like Tribes.

With reform, TELGP could become a successful, replicable model by aligning with proven public finance practices already implemented by agencies such as USDA's Rural Development Community Facilities Loan Program, EPA's Water Infrastructure Finance Program, and DOT's Transportation Infrastructure Finance Program.

I urge you to protect and maintain TELGP funding. Without this crucial support, the full promise of Tribal energy development for communities, economies, and the nation risks going unrealized. Thank you for your diligent review. The Tribe is confident that through your combined efforts, you will ensure this critical funding remains in place.

Sincerely,

DocuSigned by:
28E4686DE03B4E0...
President Anthony Reider
Flandreau Santee Sioux Tribe

With Copies to:
The Honorable John Thune, Majority Leader
The Honorable Mike Rounds, U.S. Senator
The Honorable Dusty Johnson, U.S. Representative

The Navajo Nation DR. BUU NYGREN PRESIDENT

Yideeskąądi Nitsáhákees | *Think for the Future*

June 24, 2025

Honorable Lisa Murkowski
Chairman
Senate Committee on Indian Affairs
838 Hart Senate Office Building
Washington, D.C. 20510

Honorable Brian Schatz
Ranking Member
Senate Committee on Indian Affairs
838 Hart Senate Office Building
Washington, D.C. 20510

Dear Chairman Murkowski and Ranking Member Schatz,

I am writing to express my support for the Department of Energy's (DOE) Tribal Energy Financing Program (TEFP), formerly the Tribal Energy Loan Guarantee Program (TELGP). TEFP's mission to provide accessible capital to Native American and Alaska Native communities is essential to building out the energy generation and infrastructure capacity needed to ensure long-term tribal energy sovereignty and support national energy security.

The Navajo Nation has extraordinary potential to contribute to the United States' all-of-the-above energy strategy. We are rich in natural resources, including fossil fuels and renewable energy. However, we continue to face systemic barriers to accessing capital on equal footing with non-Tribal developers. TEFP should be restructured to unlock this development by offering loan guarantees not only for transmission and distribution but especially for new energy generation projects that create revenue and jobs.

Reforms should include prioritizing projects that develop energy resources on or near tribal lands and ensuring the program is flexible enough to support fossil and renewable generation alike. In addition, DOE should conduct an annual review of TEFP's application process, update outdated guidance documents, and improve clarity and transparency for tribal applicants.

If we are serious about the United States' energy dominance, then we must ensure that the Navajo Nation and all Tribes have access to capital and loan guarantees that are competitive with the private market. This is not only essential for the Navajo Nation and our economic self-determination—it is essential to meeting the United States' rising demand for affordable, reliable baseload power.

We appreciate your continued support of TEFP and your commitment to empowering tribal energy development. If you have any questions, please contact Vince Redhouse, Executive Director of the Navajo Nation Washington Office, at VRedhouse@nnwo.org or (202) 682-7390. We look forward to the opportunity to engage further on this issue. *Ahéhee'* (Thank you).

Sincerely,

Buu Nygren, *President*
THE NAVAJO NATION

OCETI SAKOWIN POWER AUTHORITY

Lyle Jack
Chairman
lyle.jack@ospower.org
(605) 407-9305

Jon Canis
General Counsel
jon.canis@ospower.org
(202) 294-5782

VIA EMAIL

June 16, 2025

To: The Honorable Lisa Murkowski
The Honorable John Thune
The Honorable John Hoeven
The Honorable Martin Heinrich
The Honorable Brian Schatz
The Honorable Mike Rounds
The Honorable Kevin Cramer

cc: Alanna Purdy, Darren Modzelewski, Anais Borja, Phoebe Hering, Sarah McGinnis, Samuel Hiratsuka

This letter is submitted by the Oceti Sakowin (pr. O-CHET-ee Sha-KO-wee) Power Authority (OSPA), and consolidates information provided by OSPA to the Senate Committee on Indian Affairs over the last several weeks. OSPA's positions are supported by resolutions approved by 35 Tribes, including the Tribes with the largest reservations and Indian populations in the country. The position statements are:

- **Preserve the funding for the Tribal Energy Loan Guarantee/Financing Program**
  - Afterward, the Indian Affairs Committee should hold hearings on how to reform and restructure the program to make it work for Tribes and fulfill its Congressionally mandated purpose.
- **Preserve DOE's Grid Resilience and Innovation Partnership (GRIP) Grant Program**
- **Preserve DOE's National Interest Electric Transmission Corridor (NIETC) Program**

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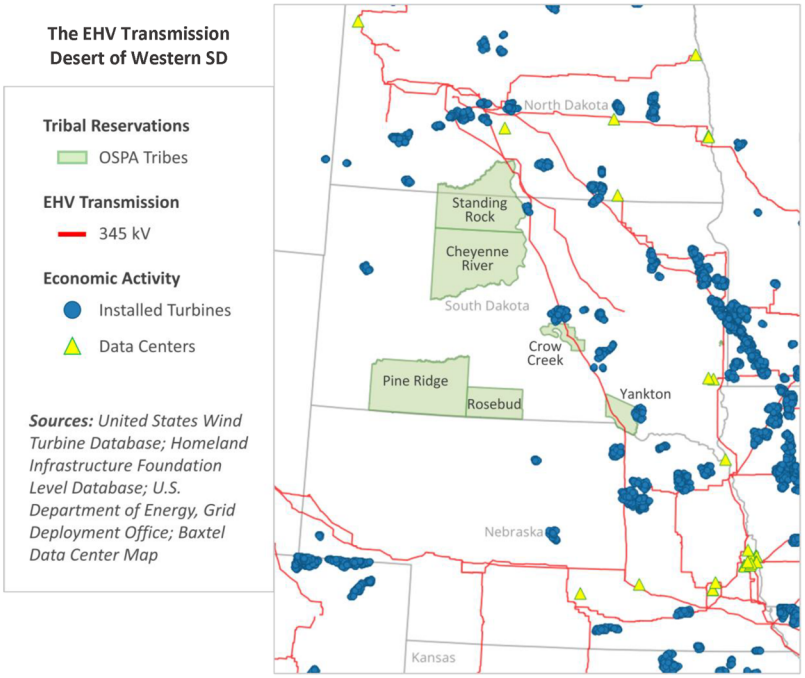
I. THE OCETI SAKOWIN POWER AUTHORITY URGES CONGRESS TO MAINTAIN FUNDING FOR THE TRIBAL ENERGY FINANCING PROGRAM, AND CALLS ON THE SENATE INDIAN AFFAIRS COMMITTEE TO HOLD A HEARING ON HOW TO REFORM THE PROGRAM

A. For 20 Years, the TELGP/TEFP Program Has Reflected Congress' Recognition of the Importance of Tribal Energy Development, and the Need to Provide Tribes with Access to Capital that Is Otherwise Not Available to Them

The Tribal Energy Loan Guarantee Program (TELGP), since renamed as the Tribal Energy Financing Program (TEFP), was authorized by Congress and signed into law by President W. Bush in 2005, but DOE did not request funding until 2016. The program was finally implemented during the first Trump Administration, after Congress provided that funding to DOE. The Congressional intent underlying TELGP has been recognized consistently through the W. Bush, Obama, Trump I and Biden Administrations: all of them pledged to use the program to provide Indian Tribes and Alaskan Native Villages with access to capital that they otherwise don't have, in order to help them develop their energy resources for the benefit of their people. All these administrations have recognized that support for Tribal energy infrastructure is required by the federal trust responsibility and is a federal obligation under treaties – and all the OSPA member Tribes are treaty Tribes.

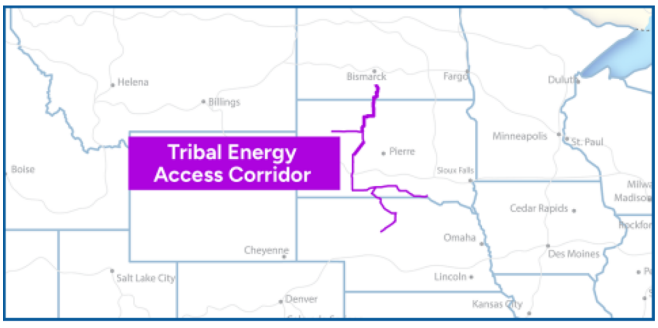
B. OSPA Has Documented the Compelling Need for Federal Support for Tribal Energy Infrastructure in the Upper Great Plains and Across the Country



OSPA has demonstrated that its largest member Tribes are in the middle of an extra high voltage (EHV) "transmission desert" that extends across all of South Dakota, west of the Missouri River. The map above shows the location of 345 kV EHV lines across the state – there are none on the Oglala, Rosebud, Cheyenne River and Standing Rock reservations within South Dakota. Moreover, this map demonstrates that the absence of EHV transmission constitutes an absolute barrier to energy and economic development: the yellow triangles show the locations of data centers, and the blue circles, utility-scale wind turbines. As the map makes clear, these drivers of economic development follow the EHV lines, and there are none on the largest reservations in South Dakota. Similar failures of the national power grid adversely affect Tribes and Native Villages across the country.

II. FUNDING FOR OTHER PROGRAMS THAT CAN BE USED TO SUPPORT TRIBAL ENERGY MUST ALSO BE RETAINED

The need to retain funding does not only apply to funding/financing programs that are specifically designed to support Tribal energy projects, but should also apply to other programs that may apply to Tribal energy projects. These include the Grid Resilience and Innovation Partnerships (GRIP) grant program, for which Tribal transmission projects are eligible; and the Transmission Facilitation Program (TFP) and Transmission Facility Financing (TFF) program, both of which would be available to support Tribal energy projects if the Tribal Energy Access NIETC designation is made final.



In December 2024, DOE advanced the Tribal Energy Access Corridor to Phase 3 of the NIETC designation process.

https://www.energy.gov/gdo/national-interest-electric-transmission-corridor-designation-process

III. RECONCILIATION BILL PROVISIONS THAT PROPOSE DEFUNDING TRIBAL ENERGY SUPPORT PROGRAMS ARE EXTRANEOUS UNDER THE BYRD RULE, AND WOULD CAUSE IRREPARABLE AND PERSONALIZED HARM TO TRIBES

The "Byrd Rule" imposed on reconciliation bills being considered in the Senate allows for a point of order to strike from the bill any provisions deemed "extraneous," including provisions that would result in net increases in budgetary outlays after the term of the reconciliation bill expires. 2 U.S.C. § 644(b)(1)(E). Proposed provisions to defund federal programs that support Tribal energy infrastructure meet this definition, because the energy infrastructure on Tribal lands is grossly deficient, and will not improve absent federal support – decades of federal court precedent establish that providing adequate infrastructure to enable Tribal economic development is part of the federal trust responsibility, and a duty under treaties with Tribes. In fact, the cost of upgrading inadequate infrastructure on reservations will only increase over time, and so will ensure that the eventual federal cost of upgrading the national power grid and other energy infrastructure on Tribal lands ultimately will exceed any savings in net outlays realized by cutting these programs today.

Since October 2022, the inadequacy of the national power grid across and around the OSPA member Tribes has been an absolute barrier to the development of the Tribes' energy resources and other economic development projects. Numerous courts have found that interference with the exercise of treaty rights and Tribal governmental sovereignty constitutes irreparable harm that merits the issuance of a preliminary injunction: "the prospect of significant interference with [tribal] self-government" constitutes irreparable harm, and "harm to tribal self government [is] not easily subject to valuation . . . ."[1]; "the treaty rights that are asserted are unique and the damages which have been or will be sustained are not susceptible of definite monetary determination."[2] Defunding federal programs that can end the transmission desert across western South Dakota, and empower Tribes to develop the natural resources on their reservations, would impose irreparable harm on OSPA member Tribes, and other Tribes across the country.

[1] *Prairie Band of Potawatomi Indians v. Pierce,* 253 F.3d 1234, 1252 (10th Cir. 2001) (citing *Seneca-Cayuga Tribe of Oklahoma v. State of Oklahoma*, 874 F.2d 709, 716 (10th Cir. 1989) ("finding irreparable injury where threatened loss of revenues and jobs created 'prospect of significant interference with [tribal] self-government'").
[2] *U.S. v. Washington*, 348 F. Supp. 312, 404 (W.D. Wash. 1974).

OCETI SAKOWIN
POWER AUTHORITY

IV. DOE'S NATIONAL INTEREST ENERGY TRANSMISSION CORRIDOR (NIETC) DESIGNATION PROGRAM SHOULD BE RETAINED

OSPA notes reports that the reconciliation bill negotiations have included proposals that DOE's NIETC program may be terminated. The NIETC program is extremely important to the OSPA member Tribes – after more than a year of conducting research and receiving public input, DOE has proposed to designate an area across the four largest OSPA member Tribes' reservations the Tribal Energy Access NIETC – and this designation, if made permanent, could be instrumental in attracting private investment to build EHV transmission lines on these Tribal lands. NIETC designation is purely a policy instrument, designed to spur transmission development in areas where growth in load and interconnection demand is expected in the near future. It is not a financing program per se, and designation triggers eligibility for permitting assistance, as well as potential eligibility for independent financing programs. Because a provision to eliminate the NIETC program "does not produce a change in outlays or revenues," it is extraneous under the Byrd Rule (2 U.S.C. § 644(b)(1)(A)) and, if adopted, should be stricken.

Respectfully submitted,

Lyle Jack
Chairman of the OSPA Board of Directors
lyle.jack@ospower.org
(605) 407-9305

Jon Canis
OSPA General Counsel
jon.canis@ospower.org
(202) 294-5782

Robert Blake

Owner / Red Lake Nation Tribal Citizen

Solar Bear

817 5th Avenue South

Minneapolis, MN 55404

To the Senate Indian Affairs Committee Staff:

Alanna_Purdy@indian.senate.gov

Darren_Modzelewski@indian.senate.gov

Anais_Borja@energy.senate.gov

Phoebe_Hering@energy.senate.gov

The below are a few examples of work that had gone into the development of the Red Lake Nation renewable energy plan. Funding from the Department of Energy Loan program would complete the proposed plan and help make the Red Lake Nation energy sovereign.

- The Red Lake Nation has been developing renewable energy projects on the reservation since 2015 with the hopes of starting its own tribal utility authority. The funds from the loan program were going to cover the costs of building a 20 mw utility scale project which would then power the community and be an economic driver of the community.
- The Red lake nation has been a huge employer in rural Minnesota for years with its three casinos employing hundreds of non-natives working various jobs in its gaming enterprises. Red lake understands that more and more people are turning to online gaming which has taken a hit revenue wise. Red lake would like to power the casinos with renewable energy so that in turn would offer the tribe a savings on energy which in turn will allow the tribe to keep more people employed in rural Minnesota.
- Red Lake understands that the youth are the future and focusing in on STEM careers and education is a great way to not only build out a future business but allow tribal citizens the ability to have technical jobs that require know how in an already competitive field. Surrounding the kids with real life examples of solar projects, electric vehicle charging stations, and battery energy storage systems allows the youth opportunities to learn firsthand what these systems of the future can accomplish.
- Food sovereignty is a huge way of life for folks on the Red Lake Indian reservation and underneath the 20 mw utility scale project plans were to include agrovoltaics farming practices. The idea was to create a business called Red Lake Solar farms and the vegetables grown would then be sold to local restaurants and also feed the community.

- The jobs that would be created from the 20 mw utility scale project would also include maintenance and operations also the management of scada systems which tribal citizens would then have to learn and would be a blue collar job.
- In short if this program was eliminated it would do irreparable harm to the community which have been doing everything and anything to apply for the grants and planning for the implementation of these renewable energy systems.

Miigwech / Thank you,

Robert Blake

robert@solarbear.earth

612-669-1165

Scotts Valley Energy Corporation

June 5, 2025

The Honorable Senator Mike Lee, Chairman
The Honorable Senator Martin Heinrich, Ranking Member
Senate Committee on Energy and Natural Resources
304 Dirksen Senate Building
Washington DC 20510

Re: **Retention of the $75-million appropriation for TELGP**

Chairman Lee and Ranking Member Heinrich,

As Chief Executive Officer of the Scotts Valley Energy Corporation (SVEC) - a division of Scotts Valley Enterprises, a federal corporation chartered under Section 17 of the Indian Reorganization Act and wholly owned by the Scotts Valley Band of Pomo Indians, a federally recognized Indian tribe in California - I respectfully urge you and your committee strongly advocate for the retention of the existing $75-million appropriation for the Tribal Energy Loan Guarantee Program (TELGP) in the FY 2026 budget and in all future budget years, subject as always to appropriate reform.

While $75-million represents a modest portion of the federal budget, it is profoundly significant to Indian tribes committed to achieving energy sovereignty, efficiency, and resilience for their members.

SVEC is one of many tribally owned entities actively working to develop clean and reliable energy. A principal barrier we face is access to construction financing. Over the past two years, SVEC has pursued financing through multiple institutions. In every instance, lenders have indicated that a government-backed guarantee is essential to move forward. The TELGP is the program most commonly identified by these institutions as meeting that requirement.

Simply put, the TELGP fills a critical financing gap. Without it, otherwise viable Tribal energy projects across the country will be stalled or abandoned.

For this reason, on behalf of the SVEC Board of Directors, I respectfully request your continued support and advocacy for this vital program and its appropriation.

Thank you for your consideration.

Respectfully submitted,

1005 Parallel Drive, Lakeport, California 95453
707-263-4220 (office) 707-533-2879 (fax)

Thomas J. Jordan
CEO, Scotts Valley Energy Corporation

cc Anais_borja@energy.senate.gov
Phoebe_Hering@energy.senate.gov

June 18, 2025

TO:
Secretary Chris Wright
U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, DC 20585

Secretary Doug Burgum
U.S. Department of the Interior
1849 C Street, N.W.
Washington DC 20240

FROM:
Tribal Energy Business Leaders group

Dear Secretary Wright and Secretary Burgum,

The undersigned Tribal organizations represent projects in excess of 1.64 gigawatts of domestic generating capacity and 1 gigawatt of annual domestic solar panel manufacturing capacity that is ready to come online over the next three years. Many of these projects have already been submitted to the Department of Energy (DOE) Loan Program Office (LPO) Tribal Energy Finance Program (TEFP) for financing.

We are writing to express our support for the goals of the TEFP as a program that can meet the unique needs of Tribes that seek to develop and operate energy projects. To date, the TEFP has not achieved its potential of supporting Tribal projects but with adequate resourcing, we believe it can. We are writing to advocate for adequate staffing of the program to improve its efficiency and transform it into the successful program that Tribes need to build energy projects on their territories.

Each of the undersigned has invested significant time, energy, and money (up to hundreds of thousands of dollars per Tribe) in efforts to plan, develop, build, and operate domestic energy assets that will provide critical energy supply to power the future economy. As part of the Administration's "all of the above" energy policy, the untapped energy resources on Tribal lands requires a unique approach that respects the unique issues that Tribal projects confront.

To date, the undersigned have relied on the information provided by the TEFP to develop these projects. Without a properly resourced TEFP, these critical projects will be in jeopardy. In some instances, even the delay that we are currently experiencing will jeopardize the completion of projects.

The program has been designed to fit the specific needs of Tribes, and the current TEFP program staff have made significant headway improving the program in order to fulfill its purpose: providing a pathway for Tribes to participate in the energy industry and build energy assets that increase local and national energy security. Without this program, many of these projects will falter, putting Tribes in the incredibly difficult position of delaying project development, incurring significant costs, and needing to find alternative sources of funding after years of planning.

Below is a non-exhaustive list of organizations that will be directly impacted if this program does not continue with a renewed commitment to resource support for Tribal projects. This does not include the many other Tribes that have projects in earlier stages of development that will also be impacted.

We look forward to working with you to advance our shared goals around creating abundant energy domestically.

List of confirmed co-signing entities:

Bob Blake, CEO of Solar Bear – 20MW Solar located at the Red Lake Nation, Minnesota

Joseph McNeil, CEO of Sage Development Authority – Standing Rock Sioux Tribe – 235MW Wind Farm

Dennis Ickes, CEO of Tule River Economic Development Corporation – Tule River Indian Tribe – 25MW

Fletcher Wilkinson, Energy Manager of Hopi Utilities Corporation – Hopi Tribe – 410MW Solar – located on Hopi Tribe territory, Arizona (may switch to Chairman Nuvangyaoma as signer)

Walter W. Haase, P.E., General Manager of Navajo Tribal Utility Authority – Navajo Nation – 600MW solar, 1600MWh energy storage, 1GW solar cell manufacturing and solar module assembly capacity per year

Michael Burgess, J.D., Economic and Community Development Director – Penobscot Nation – 350MW DC – Solar Power Plant

cc: The Honorable Mike Lee, Chairman, Senate Energy and Natural Resources Committee
The Honorable Martin Heinrich, Ranking Member, Senate Energy and Natural Resources Committee

June 13, 2025

Honorable Mike Crapo Chairman Senate Committee on Finance 219 Dirksen Senate Office Building Washington, DC 20510	Honorable Ron Wyden Ranking Member Senate Committee on Finance 219 Dirksen Senate Office Building Washington, D.C. 20510
Honorable Shelley Moore Capito Chairman Senate Committee on Environment & Public Works 410 Dirksen Senate Office Building Washington, DC 20510	Honorable Sheldon Whitehouse Ranking Member Senate Committee on Environment & Public Works 410 Dirksen Senate Office Building Washington, DC 20510
Honorable Mike Lee Chairman Senate Committee on Energy and Natural Resources 304 Dirksen Senate Building Washington, DC 20510	Honorable Martin Heinrich Ranking Member Senate Committee on Energy and Natural Resources 304 Dirksen Senate Building Washington, DC 20510

RE: Support for Tribal Energy Self-Determination and Critical Role of Federal Funding and Tax Credits

As the Senate takes up the "Big Beautiful Bill", HR 1, the undersigned federally recognized Indian tribes, inter-tribal organizations, and non-profits respectfully submit this letter seeking your continuing support for tribal energy sovereignty and self-sufficiency, energy resilience deployment, workforce development and job creation, and economic development opportunities. We join the multitude of entities —including national energy industry associations, rural electric cooperatives, public power companies —and fellow Senators in supporting the retention of the renewable and clean electricity investment tax credits and elective pay as established in amendments to the tax code under the Inflation Reduction Act.

Tribal nations possess vast energy resources that, if responsibly developed, can contribute to the United States' energy security, generate substantial benefits for local economies, improve energy reliance, and reduce energy costs for tribal and local communities. Further, reliable and affordable energy infrastructure for Indian Country is critical to assure that people living in Indian Country can cost effectively access healthcare, education, and economic development, which saves money for the federal treasury in the long run.

Infrastructure investments in Indian Country have historically lagged behind other investments made elsewhere, due in part to the fact that states were often the recipients of infrastructure funding. Additionally, prior to the Inflation Reduction Act (IRA), tax credits were only available to taxable entities, further limiting access to Indian Country. But, with the IRA, for the first time Indian tribes, tribal housing authorities, tribal utilities, and tribal enterprises are eligible to receive direct payments for tax credits for various energy projects, including solar, wind, geothermal, hydrogen, biomass, battery storage, and microgrids. These tax credits, which under current law can equal between 30% and 70% of the cost of these projects, are now a substantial part of the capital necessary to finance these projects —and importantly, reduce the cost barriers to making these types of projects financeable and affordable. This level of financial support

reinforces the President's energy goals of making energy affordable and reliable, and contributing to overall energy and economic security.

Tribes have come to rely on eligibility for tax credits under the IRA and the ability receive payments from Treasury as part of their financial planning and funding for various energy projects in their communities. For example, almost 100 Tribes applied for bonus credit allocations for projects located on Indian lands in 2024. This reliance underpins substantial investment by tribes, investors, and lenders in energy generation projects located in Indian Country. Loss of these tax credits could have a massive detrimental financial impact on these projects and the Native communities that stand to directly benefit from them, whether such benefits are jobs, revenues, or other economic opportunities.

As you take up the consideration of the House bill, we ask that you continue the bi-partisan practice of supporting Indian tribes and tribal communities and, especially, supporting tribal energy development goals. Specifically, we ask that the Senate amend the House bill to include the following provisions:

- Re-insert a reasonable phase out period for the clean electricity investment tax credit, starting in 2030 and ending in 2033;
- Remove the requirement to begin construction within 60 days of enactment;
- Re-define "material assistance" from a foreign entity of concern to coincide with the domestic content requirements so that if a clean energy project meets domestic content requirements it has a safe harbor from the material assistance prohibition;
- Reinstate the residential energy, storage, efficiency and electrification tax credits, or in the alternative insert a reasonable phase out period;
- Do not rescind unobligated balances from the DOE Office of Indian Energy or Tribal Energy Loan Guarantee program. Congress just appropriated these funds in March, and it is patently unjust to rescind them now; and
- Clarify that despite the repeal and rescission of funding of IRA programs - such as the Greenhouse Gas Reduction fund, the Climate Pollution Reduction Grant and the Environmental and Climate Justice Block Grant —the rescissions should be stayed pending the outcome of litigation related to those programs.

Thank you for your consideration of these positions.

Sincerely,

Indian Tribe Signatories

Nez Perce Tribe (Idaho)

Shoshone-Bannock Tribe (Idaho)

Navajo Nation (Utah, Arizona, New Mexico)

Kiowa Tribe (Oklahoma)

Seminole Tribe of Oklahoma (Oklahoma)

Crow Creek Sioux Tribe (South Dakota)

Central Council of Tlingit and Haida Indian Tribes (Alaska)

Alabama-Coushatta Tribe of Texas (Texas)

Match-E-Be-Nash-She-Wish Band of Pottawatomi (Gun Lake) (Michigan)

Boise Forte Band of Chippewas (Minnesota)

White Earth Tribal Utility Commission (Minnesota)

Moapa Band of Paiute Indians (Nevada)

Washoe Tribe (California, Nevada)

Lower Sioux Indian Community (Minnesota)

Blue Lake Rancheria (California)

Ewiiaapaayp Band of Kumeyaay Indians (California)

Port Gamble S'Klallam Tribe (Washington)

Kalispel Tribe of Indians (Washington)

Squaxin Tribe (Washington)

Suquamish Tribe (Washington)

Colville Confederated Tribes (Washington)

Cowlitz Tribe (Washington)

Snoquamlie Tribe (Washington)

Inter-Tribal and Tribal Organizations

Native American Finance Officers Association

Midwest Tribal Energy Resources Association (MI, MN, WI)

Alliance for Tribal Clean Energy (RI)

Native CDFI Network (IA)

Oceti Sakowin Power Authority (SD)

Seneca Nation of Indians Economic Development Company (NY)

Wai`anae Economic Development Council (HI)

Oweesta Corporation (CO)

Tiwa Lending Services, Inc (NM)

Native Partnership for Housing (NM)

Cook Inlet Lending Center (AK)

Native American Bank (CO)

Sovereign Energy (NM)

ONABEN (OR)

Woodland Financial Partners (WI)

Hawai'i Community Lending (HI)

Nimiipuu Community Development Fund (ID)

Wisconsin Indigenous Housing and Economic Development Corporation (WI)

The Sequoyah Fund, Inc. (NC)

Westwater Financial (CA)

Chehalis Tribal Loan Fund (WA)

TCDC (Tigua Community Development Corporation) (TX)

Turtle Island Community Capital (RI)

Tribal Energy Alternatives (CA)

NDN Fund (SD)

Citizen Potawatomi Community Development Corporation (OK)

Mazaska Owecaso Otipi Financial Inc. (SD)

Lake Superior Community Development (MI)

Sovereign Council of Hawaiian Homestead Associations (HI)

Nixyáawii Community Financial Services (OR)

NACDC (MT)

cc: Senate Committee on Indian Affairs

From: Jed Van Dyke <jed.vandyke@gmail.com>
Sent: Sunday, June 29, 2025 11:57 AM
To: fortherecord (Energy) <fortherecord_@energy.senate.gov>
Subject: Hearing: June 18 Consideration of President's Budget Request

Reference: Budget Reconciliation Bill

Subject: Opposition to the sale of public lands and the roll-back of conservation efforts

Dear Members of the Senate Committee on Energy & Natural Resources:

As members of the Senate Committee on Energy & Natural Resources, you are responsible for representing the interests of ALL citizens of the United States, not just those of your state constituents. As such, I am writing to express my outrage and strong opposition to any proposal - such as the proposal put forth by the Senate Energy and Natural Resources Committee chaired by Senator Mike Lee of Utah and included in the 2025 budget reconciliation package - that would allow for the sale, transfer or expanded private exploitation of our federal public lands.

These lands are a national treasure held in trust for all Americans. They provide critical habitat, clean air and water, recreational opportunities, and incalculable economic value to local communities. Selling them off or opening them further to private and/or special interests is a betrayal of your constituents and our shared legacy of public lands.

I urge you to reject any legislation that would weaken protections for our public lands or facilitate their sale to private entities and special interests. As a taxpayer and voter, I expect you stand up for responsible land stewardship, not irreversible and economically shortsighted giveaways of our public assets.

Thank you for your attention to this urgent matter. I will be watching closely and engaging in future elections accordingly.

Sincerely,
Jeremy Van Dyke
15 Blythewood Road
Baltimore, MD 21210