



MEMORANDUM

May 17, 2021

To: Subcommittee on Energy Members and Staff

Fr: Committee on Energy and Commerce Staff

Re: Hearing on “The Fiscal Year 2022 DOE Budget”

On Wednesday, May 19, 2021, at 10:30 a.m. (EDT) via Cisco Webex online video conferencing, the Subcommittee on Energy will hold a hearing entitled, “The Fiscal Year 2022 DOE Budget.”

I. DEPARTMENT OF ENERGY FISCAL YEAR 2022 BUDGET

The President’s Fiscal Year (FY) 2022 Discretionary Funding Request includes \$46.1 billion for the Department of Energy (DOE), a 10.2 percent increase from the Department’s FY 2021 enacted level.¹ The President’s funding request identifies eight overarching goals for DOE’s budget as follows:

- “Creates Jobs Through Clean Energy Projects and Energy Efficiency Retrofits” – Invests \$1.9 billion for a *Building Clean Energy Projects and Workforce Initiative* at DOE. Funding will support programmatic infrastructure for a new energy efficiency and clean electricity standard, a new Build Back Better Challenge Grant competition, and streamlined transmission permitting.
- “Spurs Innovation in Clean Energy Technologies” – Includes more than \$8 billion for advanced nuclear energy technologies, electric vehicles, green hydrogen, and other innovation, which the Administration characterizes as “an increase of at least 27 percent over 2021 funding.”
- “Revitalizes the Office of Fossil Energy and Carbon Management” – Increases funding for a modernized Office of Fossil Energy and Carbon Management, which is aimed at advancing carbon reduction and mitigation in sectors that are hard to decarbonize, such as the industrial sector.
- “Advances Breakthrough Solutions for Climate and Clean Energy” – Provides \$1 billion for a new Advanced Research Projects Agency for Climate and the existing Advanced

¹ Letter from Shalanda D. Young, Acting Director, Executive Office of the President, Office of Management and Budget, to Sen. Patrick Leahy, Chairman, Senate Committee on Appropriations (April 9, 2021).

Research Projects Agency – Energy, of which \$700 million is funding through DOE. These initiatives would support research for clean energy and resilience.

- “Expands Foundational Research, Emphasizing Climate and Clean Energy Science” – Provides \$7.4 billion, an increase of more than \$400 million over the FY 2021 enacted level, for the Office of Science.
- “Invests in Minority-Serving Institutions” – Dedicates funds to research funding opportunities and infrastructure for Historically Black Colleges and Universities (HBCUs) and Minority-Serving Institutions (MSIs).
- “Supports Coal and Power Plant Communities” – Funds DOE’s role in the recently established Working Group on Coal and Power Plant Communities and Economic Revitalization. The discretionary request also supports other targeted investments across the federal government that help communities impacted by the energy transition.
- “Strengthens the Nation’s Nuclear Security” – Includes funds to support the recapitalization of the National Nuclear Security Administration’s physical infrastructure and essential facilities, and funds key nonproliferation and counterterrorism programs. In addition, the discretionary request sustains the nation’s investment in cleanup of nuclear sites.

Please see the appendix for historical DOE funding data.

II. THE AMERICAN JOBS PLAN

In addition to the discretionary budget request, the President’s American Jobs Plan (AJP) includes numerous energy-related funding priorities.² Many of those priorities are reflected in H.R. 1848, the LIFT America Act and H.R. 1512, the CLEAN Future Act.

A. Infrastructure Resilience and Clean Energy

The AJP calls for \$50 billion in investments to improve critical infrastructure, including the electric grid. This includes protecting vulnerable communities and defending critical infrastructure, as well as preparing and recovering from extreme weather and climate events. The AJP includes \$100 billion to build a more resilient grid, while also investing in the transmission system, clean energy block grants, and the purchasing of clean energy for federal buildings. It also calls for an Energy Efficiency and Clean Electricity Standard. The LIFT America Act calls for \$3.5 billion for grid modernization upgrades over five years, and provides additional funding for resiliency and efficiency upgrades for public critical infrastructure.³ The CLEAN Future Act calls for ten years of funding for several infrastructure resilience programs, including \$750 million for transmission siting assistance, \$7 billion for grid modernization

² Whitehouse, *FACT SHEET: The American Jobs Plan* (March 31, 2021).

³ The Lift America Act, 117th Congress (2021).

upgrades, \$1.5 billion for clean energy microgrid grants, and funding for resilience and efficiency upgrades to critical and public infrastructure.⁴

In addition to infrastructure resilience, the AJP prioritizes clean energy infrastructure buildout, and works towards President Biden's goal of a carbon-free power sector by 2035.⁵ The LIFT America Act includes \$1 billion over five years for low-income community solar installations and \$250 million over five years for distributed energy resources. The CLEAN Future Act includes \$250 million for distributed energy resources, \$2.5 billion for low-income solar installations, and \$200 million for a Distributed Energy Opportunity Board, all over a ten-year period.

B. Transportation

The transportation sector is responsible for roughly 28 percent of U.S. greenhouse gas emissions.⁶ The AJP proposes a \$174 billion investment to ready the United States for the growing electric vehicle (EV) market. This investment will support domestic manufacturing and supply chains, retool factories, and encourage EV adoption. The plan supports the buildout of a national network of 500,000 EV chargers by 2030, as well as the electrification of the federal fleet. The LIFT America Act includes five years of funding for EV charging infrastructure buildout, public charging rebates, state energy transportation plans, clean school buses, domestic manufacturing conversation grants and the electrification of refrigerated vehicles. The CLEAN Future Act authorizes ten years of funding for a similar suite of programs.

C. Buildings and Energy Efficiency

The building sector accounts for over 30 percent of U.S. greenhouse gas emissions.⁷ The AJP includes efficiency retrofits in its \$213 billion investment for affordable and sustainable places to live. The AJP calls for the use of block grant programs and the Weatherization Assistance Program to address building sector emissions. It also calls for the establishment of a Clean Energy and Sustainability Accelerator, and retrofits for residential, commercial, and municipal buildings. The LIFT America Act similarly authorizes five years of funding for energy efficient public buildings, Energy Efficiency and Conservation Block Grants, home

⁴ House Committee on Energy and Commerce, Section-by-Section for the Climate Leadership and Environmental Action for our Nation's (CLEAN) Future Act, 117th Cong. (2021).

⁵ Whitehouse, *FACT SHEET: President Biden Sets 2030 Greenhouse Gas Pollution Reduction Target Aimed at Creating Good-Paying Union Jobs and Securing U.S. Leadership on Clean Energy Technologies* (April 22, 2021).

⁶ U.S. Environmental Protection Agency, *Green Vehicle Guide* (www.epa.gov/greenvehicles/fast-facts-transportation-greenhouse-gas-emissions) (accessed May 14, 2021).

⁷ Resources for the Future, *Federal Climate Policy 106: The Buildings Sector* (April 26, 2021).

energy saving retrofits, and a Clean Energy and Sustainability Accelerator. The CLEAN Future Act includes funding over ten years for the same set of programs.

Along with home and building retrofits, the AJP recognizes the opportunity for retrofits and upgrades in public schools. The plan invests \$100 billion to upgrade and build new public schools, including investments in energy-efficient schools. The LIFT America Act includes \$500 million over five years for energy efficiency and renewable energy improvements at public school facilities, while the CLEAN Future Act authorizes \$1 billion over ten years for the same program.

The AJP also invests \$10 billion in the modernization and sustainability of federal buildings. Both the LIFT America Act and the CLEAN Future Act include energy and water performance requirements for federal buildings.

D. Workforce

The AJP includes provisions to support workforce development, training, and apprenticeships, and calls for \$100 billion in investments in proven workforce development programs targeted at underserved groups. The CLEAN Future Act similarly calls for \$200 million in energy workforce development, and \$700 million in grants for workforce training.

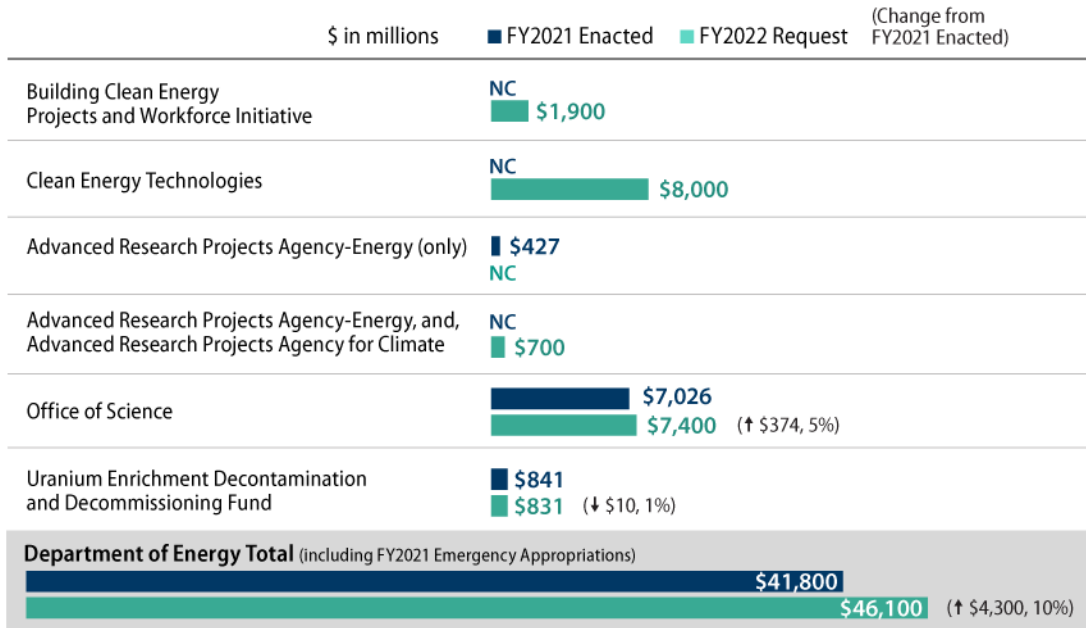
III. WITNESS

The Honorable Jennifer M. Granholm
Secretary
U.S. Department of Energy

Appendix to Hearing Memorandum: “The Fiscal Year 2022 DOE Budget”

Department of Energy Funding Tables

The table below compares funding amounts from the FY 2022 Department of Energy (DOE) Discretionary Budget Request with FY 2021 enacted amounts:



NC = No directly comparable figure.

Source: FY2022 request numbers and FY2021 DOE total are from (and these are the only DOE numbers in the OMB document) Office of Management and Budget, “Summary of the President’s Discretionary Funding Request,” April 9, 2021, <https://www.whitehouse.gov/wp-content/uploads/2021/04/FY2022-Discretionary-Request.pdf>. The other FY2021 enacted numbers are from the Consolidated Appropriations Act, 2021 (P.L. 116-260).

The table below includes FY 2020 and FY 2021 enacted amounts for select DOE programs:

Program	FY2020 Enacted Amount (in millions)	FY2021 Enacted Amount (in millions)
Energy Efficiency and Renewable Energy	2,799.0	2,861.8
Electricity Delivery	190.0	211.7
Cybersecurity, Energy Security, and Emergency Response	156.0	156.0
Nuclear Energy	1,493.4	1,507.6
Fossil Energy Research & Development	750.0	750.0
Energy Information Administration	126.8	126.8

Non-Defense Environmental Cleanup	319.2	319.2
Defense Environmental Cleanup	6,255.0	6,426.0
Uranium Enrichment Decontamination and Decommissioning Fund	881.0	841.0
Science	7,000.0	7,026.0
Advanced Research Projects Agency – Energy (ARPA-E)	425.0	427.0
Nuclear Waste Disposal		27.5
Office of Indian Energy	22.0	22.0
Advanced Technology Vehicles Manufacturing (ATVM) Loans	5.0	5.0
ATVM Rescission of Emergency Funding		-1,908.0
Title 17 Loan Guarantee	29.0	29.0
Title 17 Rescission of Emergency Funding		-392.0
Tribal Indian Energy Loan Guarantee	2.0	2.0
National Nuclear Security Administration	16,704.6	19,732.2 ⁸

⁸ Congressional Research Service, *Energy and Water Development: FY 2021 Appropriations* (Mar. 25, 2021) (R46384).