



May 25, 2017

DOE Office of Energy Efficiency and Renewable Energy: FY2017 Appropriations and the FY2018 Budget Request

The U.S. Department of Energy's (DOE's) Office of Energy Efficiency and Renewable Energy (EERE) is responsible for renewable energy and end-use energy efficiency technology development and implementation. For example, EERE oversees vehicle technology, solar energy, advanced manufacturing, and weatherization programs. EERE also participates in intergovernmental programs.

EERE collaborates with industry, academia, national laboratories, and others to conduct and support research, development, demonstration, and deployment (RDD&D) activities. EERE also manages a portfolio of programs that support state and local governments, tribes, and school leaders. In addition, EERE oversees and supports the research and infrastructure of the National Renewable Energy Laboratory (NREL)—the only national laboratory solely dedicated to researching and developing renewable energy and energy efficiency technologies.

For EERE, the Trump Administration requested that funding levels for FY2018 be reduced by nearly 70% from FY2017 enacted levels. Of the FY2018 request for EERE, nearly 20% is to be reserved for program direction.

EERE Appropriations

EERE receives funding from the annual Energy and Water Development (E&W) appropriations bill. Under the Consolidated Appropriations Act of 2017, P.L. 115-31, EERE will receive \$2.09 billion for FY2017, approximately \$20 million more than the enacted FY2016 level of \$2.07 billion (the Consolidated Appropriations Act, 2016; P.L. 114-113, Division D). Appropriations for EERE have averaged \$1.89 billion annually for the last seven years in current dollars (see **Table 1**).

The appropriations for EERE are split into four categories: (1) sustainable transportation, (2) renewable energy, (3) energy efficiency, and (4) corporate support (e.g., program administration). Averaging the appropriations for each category from FY2011 to FY2017 indicates that approximately 32% of the appropriations were spent on sustainable transportation, 32% on energy efficiency, 24% on renewable energy, and 12% on corporate support.

Selected themes that are to be addressed with FY2017 appropriations include:

- Supporting training and workforce development programs to assist workers in the U.S. energy efficiency and clean energy sectors;
- Investing in the development of algal biofuels;

- Coordinating with the U.S. Navy on marine energy technology demonstrations;
- Establishing a Clean Energy Manufacturing Innovation Institute; and
- Supporting research and development of energy efficiency efforts for natural gas in residential applications.

Executive Branch Actions

For FY2018, the Trump Administration requested \$636 million for EERE—roughly a 70% reduction from the FY2017 enacted level of \$2.09 billion. The Administration proposes cuts for sustainable transportation, renewable energy, and energy efficiency compared to FY2017 appropriations. Further, the Administration proposes that federal full-time equivalents (FTEs) would be reduced from 680 for FY2017 to 458 for FY2018—roughly a 33% reduction.

The Administration calls for EERE to shift away from later-stage development and deployment activities, and focus on “early-stage research and development.” In order to meet this objective, the request proposes to reduce funding for several EERE initiatives. The request would terminate both the Weatherization Assistance Program and the State Energy Program. The Administration reports that these cuts aim to reduce Federal intervention in State-level energy policy and implementation and focus funding on limited, early-stage applied energy research and development activities. Further, the request contains no funds for the five Clean Energy Manufacturing Innovation Institutes, and recommends that balances from prior-year appropriations be used to wind-down and terminate the existing institutes.

Legislative Issues

Funding of EERE for FY2018 is likely to be a key issue for the 115th Congress. Concerns may include not only the level of EERE appropriations, but also which activities EERE should support. Congress might question if the goals of EERE can be met with the proposed funding cuts in the Administration's request. Some of the goals include assisting with vehicle electrification, grid modernization for solar energy, enhanced geothermal technologies, and the operation of Clean Energy Manufacturing Innovation Institutes. Potential impacts to workforce development and training for the U.S. energy efficiency and clean energy sectors may also be a concern.

Table I. EERE FY2013-FY2017 Enacted Appropriations and FY2018 Appropriations Request
(in millions of dollars)

	FY2013 Current	FY2014 Enacted	FY2015 Enacted	FY2016 Enacted	FY2017 Enacted	FY2018 Request
<i>EERE, Total</i>	1,691.8	1,901.7	1,914.2	2,069.2	2,090.2	636.1
Sustainable Transportation	584.2	615.3	602.0	636.0	613.0	183.6
Vehicle Technologies	303.2	289.9	280.0	310.0	307.0	82.0
Bioenergy Technologies ^a	185.2	232.4	225.0	225.0	205.0	56.6
Hydrogen and Fuel Cell Technologies	95.8	93.0	97.0	101.0	101.0	45.0
Renewable Energy	444.9	449.8	456.0	478.1	451.1	134.3
Solar Energy	269.1	257.2	233.0	241.6	207.6	69.7
Wind Energy	86.1	88.2	107.0	95.5	90.0	31.7
Water Power	54.7	58.6	61.0	70.0	84.0	20.4
Geothermal Technologies	35.0	45.8	55.0	71.0	69.5	12.5
Energy Efficiency	535.4	617.8	642.0	721.0	761.6	159.5
Advanced Manufacturing ^b	114.3	180.6	200.0	228.5	257.5	82.0
Building Technologies	204.6	178.0	172.0	200.5	199.1	67.5
Federal Energy Management Program	28.3	28.3	27.0	27.0	27.0	10.0
Weatherization and Intergovernmental Program ^c	188.2	231.0	243.0	265.0	278.0	0
Weatherization Assistance Program	128.9	171.0	189.6	211.6	225.0	0
Training and Technical Assistance	2.8	3.0	3.0	3.0	3.0	0
NREL Site-Wide Facility Report		—	0.4	0.4	—	0
State Energy Program Grants	47.1	50.0	50.0	50.0	50.0	0
Corporate Support^d	209.0	231.6	237.0	238.0	264.5	217.8
Facilities and Infrastructure		46.0	56.0	62.0	92.0	92.0
Program Direction ^e						125.8
Use of Prior-Year Balances	-81.6	-2.4	0.0	0.0	—	-59.1
Rescissions	0.0	-10.4	-22.8	-3.8	—	

Source: DOE, FY2018 Budget Request vol. 3 (May 2017); P.L. 115-31 Division D Explanatory Statement; P.L. 114-113 Division D; S.Rept. 114-236; H.Rept. 114-532; H.Rept. 114-91; H.Rept. 113-486; DOE, FY2015 Budget Request vol. 3 (March 2014) (to obtain the FY2013 appropriations that DOE identifies as FY2013 current, or the enacted amount plus or minus any adjustments made since the appropriations bill became law); H.Rept. 112-462; and H.Rept. 112-118.

Notes: EERE = DOE's Office of Energy Efficiency and Renewable Energy; NREL = National Renewable Energy Laboratory.

- Biomass and Biorefinery Systems Research and Development, renamed Bioenergy Technologies in FY2014.
- Industrial Technologies, renamed Advanced Manufacturing in FY2014.
- The Weatherization and Intergovernmental Program included \$9.4 million for tribal energy activities for FY2013.
- Corporate support includes facilities and infrastructure, program direction, and strategic programs. The FY2018 budget request does not use the term "Corporate Support."
- The Trump Administration defines program direction as funding that enables "EERE to maintain and support a world-class Federal workforce to manage the wide range of projects and activities funded through the EERE programs."

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