

October 20, 2022

DOE Office of Energy Efficiency and Renewable Energy FY2023 Appropriations

The U.S. Department of Energy's (DOE's) Office of Energy Efficiency and Renewable Energy (EERE) is responsible for enabling renewable energy and end-use energy efficiency technology development and implementation. Other activities include issuing grants for home energy efficiency and state planning, establishing minimum energy conservation standards for appliances and equipment, and providing technical support.

EERE collaborates with industry, academia, national laboratories, and others to conduct and support research, development, demonstration, and deployment activities. EERE also manages programs that support state and local governments, tribes, and schools. Further, EERE oversees and supports the research and infrastructure of the National Renewable Energy Laboratory (NREL)—the only U.S. national laboratory solely dedicated to researching and developing renewable energy and energy efficiency technologies.

EERE Appropriations

EERE receives funding through the annual Energy and Water Development (E&W) appropriations bill. Under the Consolidated Appropriations Act, 2022, P.L. 117-103, EERE received \$3.20 billion for FY2022.

In addition, EERE received funding through the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58). IIJA provided a total of \$16.26 billion in additional emergency appropriations for EERE, of which \$8.21 billion was directed to FY2022 and \$2.22 billion to FY2023 (see **Table 1**). EERE also received \$17.96 billion in additional funding through P.L. 117-169 (often referred to as the Inflation Reduction Act, or IRA), enacted on August 16, 2022. The IRA funding is available from FY2022 to remain available through FY2026, FY2027, FY2029, or FY2031 depending on the provision.

EERE appropriations are split into four categories: (1) sustainable transportation, (2) renewable energy, (3) energy efficiency, and (4) corporate support (e.g., program administration and facilities).

Executive Branch Actions

For FY2023, the Biden Administration requested \$4.02 billion for EERE—roughly a 26% increase from the FY2022 enacted level of \$3.20 billion. Of the FY2023 request for EERE, 5.6% was to be reserved for program direction. Including current EERE programs that the request proposed to be funded through new, separate offices (see below), a total of \$4.94 billion was requested for all EERE programs, a 54% increase from the FY2022 enacted amount.

Proposed funding would support decarbonization activities in the electricity sector, transportation, energy-intensive industries, and agriculture sector. Other priorities include energy justice efforts under Justice40, an initiative of the Biden Administration in accordance with Executive Order 14008 to prioritize 40% of funding of certain federal investments for disadvantaged communities.

The request also would realign funding to reflect new offices, functionally transferring some programs from within EERE to the new Office of Manufacturing and Energy Supply Chains; Office of Federal Energy Management Programs; and Office of State and Community Energy Programs. As a result, the EERE request does not include funding for certain programs such as Weatherization, which is included in the \$727 million request for the new Office of State and Community Energy Programs. The House-passed and Senate-introduced bills include proposals to separate certain programs from Energy Efficiency, but not from EERE.

Legislative Actions

The House Appropriations Committee approved the FY2023 Energy and Water Development funding bill on June 28, 2022 (H.R. 8255, H.Rept. 117-394). The bill was combined in a “minibus” with six other appropriations bills (H.R. 8294), which passed the House on July 20, 2022.

The chair of the Senate Appropriations Committee's Subcommittee on Energy and Water Development introduced an FY2023 Energy and Water Development appropriations bill July 28, 2022 (S. 4660), and posted a draft explanatory statement on the Appropriations Committee website. The Appropriations Committee's vice chairman criticized S. 4660 and other FY2023 appropriations bills introduced by some Appropriations Committee leaders. Committee action on the FY2023 appropriations bills in the Senate has not been scheduled.

The Senate-introduced bill and the House-passed bill would provide overall funding increases for EERE above the FY2022 enacted level but below the Administration's FY2023 request.

Because the FY2023 regular appropriations bills were not enacted before the start of the fiscal year, the federal government currently is being funded primarily by a continuing resolution (P.L. 117-180) signed by the President September 30, 2022, which generally funds agencies at their rate of operations in FY2022 through December 16, 2022.

Table I. Appropriations: EERE FY2022 Enacted, FY2022-FY2023 Supplemental Appropriations, and FY2023 Status (in millions of dollars)

	FY2022 IIJA	FY2022 Enacted	FY2022 IRA	FY2023 IIJA	FY2023 Request	FY2023 House	FY2023 Senate Intro.
<i>EERE, Total</i>	8,207.2	3,200.0	17,962.0 ^a	2,221.8	4,018.9 ^b	4,016.0 ^c	3,799.0
Sustainable Transportation	1,450.0	839.5	—	—	1,128.7	995.0	988.5
Vehicle Technologies	1,250.0	420.0	—	1,240.0	602.7	500.0	520.0
Bioenergy Technologies	—	262.0	—	—	340.0	310.0	288.5
Hydrogen and Fuel Cell Technologies	200.0	157.5	—	200.0	186.0	185.0	180.0
Renewable Energy	826.8	715.5	—	—	1,330.2	1,006.0	898.7
Solar Energy	80.0	290.0	—	—	534.6	370.0	310.0
Wind Energy	100.0	114.0	—	—	345.4	250.0	210.0
Water Power	562.8	162.0	—	276.8	190.5	185.0	196.0
Geothermal Technologies	84.0	109.5	—	—	202.0	156.0	125.0
Renewable Energy Grid Integration	—	40.0	—	—	57.7	45.0	57.7
Energy Efficiency	5,930.4	1,190.5	—	—	974.5	845.0	869.8
Advanced Manufacturing	475.0	416.0	—	250.0	582.5	500.0	505.0
Building Technologies	565.0	307.5	—	255.0	392.0	345.0	364.8
Federal Energy Management Program	250.0	40.0	—	—	—	—	—
Weatherization and Intergovernmental Program	4,000.0	427.0	—	—	—	—	—
Other Efficiency Programs ^d	640.4	—	17,812.0	—	—	—	—
Federal Energy Management Program	—	—	—	—	—	94.0	60.0
State and Community Energy Programs	—	—	—	—	—	562.0	458.0
Manufacturing and Energy Supply Chains	—	—	—	—	—	18.0	25.0
Corporate Support	—	377.5	150.0	—	585.5	480.0	499.0
Congressionally Directed Spending^e	—	77.0	—	—	—	—	—
Rescissions	—	—	—	—	—	—	—
Proposed to Be Separated from EERE							
<i>Federal Energy Management Program, Total</i>	—	—	—	—	169.7	—	—
<i>State and Community Energy Programs, Total</i>	—	—	—	—	726.9	—	—
<i>Manufacturing and Energy Supply Chains, Total</i>	—	—	—	—	27.4	—	—

Source: P.L. 117-103, Division D, Joint Explanatory Statement; P.L. 117-58; P.L. 117-169; DOE FY2023 congressional budget justifications; H.R. 8294; H.Rept. 117-394; S. 4660 and Draft Explanatory Statement.

Notes: EERE = DOE's Office of Energy Efficiency and Renewable Energy; NREL = National Renewable Energy Laboratory. IIJA = Infrastructure Investment and Jobs Act. IRA = Inflation Reduction Act. Amounts may not sum due to rounding.

- Total reflects the sum of appropriations provided in Parts 2, 3, 6, and 7 (funds for EERE only) of Title V of the IRA for multiple fiscal years.
- The FY2023 request for EERE did not include funding for certain programs, which were proposed to be organized separately from EERE.
- H.R. 8294 as passed by the House includes amendments that add an additional \$16 million to EERE that are uncategorized.
- For IIJA, this refers to several programs, including Energy Efficiency and Conservation Block Grant Program, Energy Efficiency Transformer Rebates, Extended Product System Rebates, and Section 635 Energy Independence and Security Act Activities. For IRA, this refers to several programs, including Home Energy Performance-Based Whole-House Rebates, High-Efficiency Electric Home Rebate Program, State-Based Home Energy Efficiency Contractor Training Grants, Assistance for Latest and Zero Building Energy Code Adoption, Domestic Manufacturing Conversion Grants, and Advanced Industrial Facilities Deployment Program.
- Congressionally directed spending refers to funding for site-specific projects.

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