



Updated December 20, 2022

## Indian Energy Programs at the Department of Energy

Indian energy programs at the Department of Energy (DOE) are primarily carried out by the Office of Indian Energy Policy and Programs (IE) and the Loan Programs Office (LPO). IE funds various activities that assist Indian tribes and Alaska Native villages with energy development, energy-related capacity building, reduction of energy costs, and electrification of tribal lands and homes. LPO provides loan guarantees and direct lending to Indian tribes for energy development. Tribes and Alaska Native villages may be eligible for funding through other DOE programs as well. An overview of IE and LPO and each program's legislative and administrative history is provided below.

### Indian Energy Program

Section 2606 of the Energy Policy Act of 1992 (P.L. 102-486, EPACT 1992) authorized DOE to grant financial assistance to Indian tribal governments. Through legislative and administrative action, the program has changed over time. IE provides financial assistance, technical assistance, and education and capacity building to address barriers to deployment of energy generation and energy efficiency projects on tribal lands. IE funding for FY2022 totaled \$58 million (P.L. 117-103).

### Financial Assistance

Financial Assistance constitutes IE's primary form of support for energy technology deployment on tribal lands. Financial Assistance is available for the following types of energy technology projects: (1) transition tribal colleges and universities to renewable energy; (2) provide universal energy access on tribal reservations; (3) transition tribal reservations to low-carbon energy; and (4) train and build tribal energy resource capacity skills.

From 2010 through 2022, IE reports its financial assistance totaled nearly \$114 million for more than 200 tribal energy projects, plus cost-shares by grant recipients totaling over \$80 million.

### Technical Assistance

IE technical assistance is intended to help overcome obstacles or fulfill needs in developing and implementing tribal energy projects. According to IE, "Current projects funded by DOE grants receive highest priority. Priority will also be given to tribes that have previously submitted grant applications, but have not yet received awards." Types of technical assistance provided by IE include education and outreach, technical analysis, financial analysis, and strategic energy planning for tribal energy projects. IE reports that almost 400 technical assistance requests have been completed between 2010 and 2022.

### Tribal Energy Loan Guarantee Program

Section 503 of the Energy Policy Act of 2005 (P.L. 109-58, EPACT 2005), among other provisions, authorized DOE to guarantee up to 90% of loans (including principal and interest) made to an Indian tribe or a tribal energy development organization for energy development.

Aggregate outstanding guaranteed loans cannot exceed \$2 billion at any time. As with all federal credit programs, loans guaranteed under this program are statutorily required to pay a "subsidy cost" (a share of estimated program-wide losses) prior to finalizing the loan guarantee agreement.

Subsidy costs can be paid through appropriations, by the applicant, or a combination thereof. Congress provided funding to the program in FY2017 including \$8.5 million to be available for loan guarantee subsidy costs. DOE first issued a solicitation for the Tribal Energy Loan Guarantee Program (TELGP) in 2018. DOE amended and restated a solicitation on May 25, 2022, and supplemented the solicitation on September 30, 2022. Submissions are due by August 31, 2028. In May 2022, DOE eliminated application, facility, and maintenance fees related to TELGP in response to concerns expressed by tribes.

FY2022 appropriations (P.L. 117-103) provided authority for the Secretary of Energy to provide direct loans through the Federal Financing Bank via the LPO. This authority was also granted for funds appropriated previously. P.L. 117-169, often referred to as the Inflation Reduction Act of 2022, made permanent direct lending authority for TELGP and eliminated the 90% limit for loan guarantees. This eligibility was first implemented by an updated solicitation issued in July 2022 (Section 50145). The law also appropriated \$75 million through September 30, 2028, and expanded the loan guarantee authority from \$2 billion to \$20 billion. At the time of publication, no loans or loan guarantees have been issued under this program. (For more details, see CRS Insight IN11452, *Department of Energy Loan Programs: Tribal Energy Loan Guarantee*.)

### Legislative History of Indian Energy Programs

Section 2606 of EPACT 1992 authorized DOE to grant financial assistance to Indian tribal governments for projects that evaluate or adopt energy efficiency and renewable energy projects on Indian reservations.

Sections 502 and 503 of EPACT 2005 established IE within DOE. In addition, EPACT 2005 broadened the DOE tribal financial assistance program to a wider range of energy projects. This included a grant program to assist tribes in meeting energy-related needs, authorizing appropriations of \$20 million annually for FY2006 through FY2016. CRS estimates approximately \$64 million was appropriated during this period. The Energy Act of 2020 (Division Z of P.L. 116-260) reauthorized this program for \$30 million

annually for FY2021 through FY2025. Title V of EPACT 2005 established electricity purchasing authority of tribal energy by the federal government. At the second Tribal Nations Summit, Biden Administration officials announced a DOE initiative to use this authority for the first time.

In the 115<sup>th</sup> Congress, P.L. 115-325 made several adjustments to DOE's Indian energy programs, including the following changes:

- expanding eligibility for DOE's tribal energy grant program to include intertribal organizations;
- expanding program activities to include a broader array of energy development projects, beyond renewable and energy efficiency projects;
- allowing grants to be used to increase the capacity of tribes to manage energy programs;
- expanding eligibility for TELGP to include tribal energy development organizations; and
- making DOE technical and scientific resources more available for tribal energy activities and projects.

Section 8013 of the Energy Act of 2020 also amended Indian energy programs by allowing the Secretary to reduce any required cost share for grants from 50% to 10%.

**Table 1** lists the authorizing statutes for the Office of Indian Energy, the Tribal Energy Program, and the Tribal Energy Loan Guarantee Program.

**Table 1. Department of Energy Indian Energy Programs and Authorizing Legislation**

Program Name	Authorizing Legislation	Subsequent Amendments
Tribal Energy Program	P.L. 102-486, Title XXVI, §2606	P.L. 109-58, Title V, §503
Office of Indian Energy Policy and Programs	P.L. 109-58, Title V, §§502, 503	P.L. 115-325, Title I, §§101, 104, 105; P.L. 116-260, Division Z, §8013
Tribal Energy Loan Guarantee Program	P.L. 109-58, Title V, §503	P.L. 115-325, Title I, §101; (P.L. 117-169) Title V, §50145

**Sources:** P.L. 102-486; P.L. 109-58; P.L. 115-325; P.L. 116-260.

**Notes:** P.L. 102-486 = Energy Policy Act of 1992; P.L. 109-58 = Energy Policy Act of 2005; P.L. 115-325 = Indian Tribal Energy Development and Self-Determination Act Amendments of 2017; P.L. 116-260 Division Z = Energy Act of 2020. In FY2015, the Tribal Energy Program (now Indian Energy Program) was transferred from the Office of Energy Efficiency and Renewable Energy to the Office of Indian Energy Policy and Programs.

## Administrative History

### Tribal Energy Program

From FY1994 through FY2003, DOE administered financial assistance to tribes for energy projects under activities with various names, including Tribal Energy Grants, Tribal Energy Assistance, and Renewable Indian Energy Resources. After FY2003, DOE established the Tribal Energy Program (TEP) (sometimes referred to as “Tribal Energy Activities”). The TEP operated within the Weatherization and Intergovernmental Activities of the Office of Energy Efficiency and Renewable Energy (EERE). Following the establishment of IE in EPACT 2005, the TEP continued to operate separately and receive funding through EERE. In FY2015, the TEP transferred from EERE to IE and was renamed the Indian Energy Program.

### Office of Indian Energy Policy and Programs

Congress first appropriated funding for IE in FY2009. The Explanatory Statement for the FY2009 omnibus appropriations (P.L. 111-8) included \$1.5 million “to establish an Office of Indian Energy Policy and Programs, as authorized in section 502 of the Energy Policy Act of 2005.” Congress appropriated funding to IE under DOE's Departmental Administration (DA) appropriations account.

IE formally opened in FY2011 after appointing a Director and hiring administrative staff. DOE established IE under the Office of Congressional & Intergovernmental Affairs (CIO). Until FY2021, IE received its funding through CIO, which is funded through the DA appropriation. In the FY2012 budget justification, DOE requested that IE be a separate funding category within DA.

In the Consolidated and Further Continuing Appropriations Act of 2015 (P.L. 113-235), Congress eliminated funding for TEP within EERE and provided funding to TEP only under the consolidated IE office, which remained within the DA appropriations account.

For FY2016, FY2017, and FY2018, Congress continued to fund IE through the DA account. Congress provided a separate appropriations account for IE for the first time in the FY2019 appropriations act (P.L. 115-244), and has continued that practice through FY2022. IE appropriations for FY2022 totaled \$58 million.

## Policy Considerations

Congress remains interested in the implementation and effectiveness of these energy programs for Indian tribes and Alaska Native villages. As no loan guarantees have been made under TELGP, some stakeholders have questioned whether DOE is conducting sufficient outreach to eligible parties or whether the program is needed. In response, LPO held a listening session with tribal leaders and interested stakeholders in June 2021 and DOE updated the solicitation to address other feedback in 2022. The 117<sup>th</sup> Congress enacted several changes to TELGP designed to address concerns expressed by tribes; the impact of these changes on program implementation is not clear.

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