

June 28, 2024

DOE Energy Efficiency and Renewable Energy (EERE) Appropriations, FY2025

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 energy 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, including its research and development on technologies for renewable energy and energy efficiency.

EERE Appropriations

EERE generally receives funding through the annual Energy and Water Development and Related Agencies (EWD) appropriations bill. EWD funding was enacted as Division D of the Consolidated Appropriations Act, 2024 (P.L. 118-42). Division D included \$3.460 billion for EERE, the same as in FY2023 in the Consolidated Appropriations Act, 2023 (P.L. 117-328).

In addition, EERE receives funding through the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58). IIJA provided a total of \$16.264 billion in additional emergency appropriations for EERE, of which \$1.945 billion is directed to FY2025 (see **Table 2**). EERE also received \$17.962 billion in additional funding through P.L. 117-169 (often referred to as the Inflation Reduction Act of 2022, or IRA). The IRA funding is available from FY2022 through either FY2026, FY2027, FY2029, or FY2031, depending on the provision.

Executive Branch Actions

For FY2025, the Biden Administration requested \$3.118 billion for EERE, a 9.9% decrease versus FY2024 enacted of \$3.460 billion. The FY2025 request also proposes the creation of three new accounts totaling \$751.4 million, additional to the EERE money and corresponding to activities managed by the Under Secretary for Infrastructure (designated as “S3” in the DOE organization)—a position DOE created in FY2023. These new accounts are the Office of State and Community Energy Programs (SCEP); the Office of Manufacturing and Energy Supply Chains

(MESCC); and the Federal Energy Management Program (FEMP), which were previously funded within the EERE account. The total request for FY2025, including the newly proposed accounts, is \$3.869 billion—a 11.8% increase over the FY2024 enacted level. Program direction for all four accounts in the FY2025 budget request comprises 7.0% of the total request.

Overall, DOE’s stated goal for EERE funding is to invest in “programmatic priority areas for lowering the U.S. greenhouse gas (GHG) profile.” Specific proposed funding increases were aimed at decarbonization activities in the electricity sector, the transportation industry, and energy-intensive industries; reducing the carbon footprint of buildings; and energy-related aspects of the agriculture sector, especially the energy-water nexus. Other priorities include ensuring economic benefits go to communities that might be impacted by DOE’s envisaged transition of the energy system or that might be disproportionately affected by pollution.

Table 1 lists the new accounts proposed by DOE, broken out by funding for program activities and program direction, a type of corporate support. Funding for program direction would increase by \$2.8 million over the FY2024 request for the three accounts, despite a proposed decrease in program activities funding. For the EERE account, DOE is requesting \$194.8 million for program direction.

Table 1. DOE’s Proposed New Accounts for FY2025
(in millions of dollars)

Name	Program Activities	Program Direction	Total
SCEP	534.0	40.0	574.0
MESCC	93.4	20.0	113.4
FEMP	46.8	17.2	64.0

Source: DOE FY2025 Congressional Justification, DOE/CF-0204, Volume 3.

Legislative Actions

House Appropriations Committee Chairman Tom Cole announced a top-line amount of \$1.960 billion for EERE in the draft Energy and Water Development and Related Agencies Appropriations Act, 2025, that was released June 27, 2024. The draft bill, Title III, continues funding MESCC, SCEP, and FEMP within the EERE appropriations account.

Table 2. Appropriations: EERE Account and DOE-Proposed Accounts, FY2024 and FY2025
(in millions of dollars)

Account (in italics) and Program Activity	FY2024 IIJA^a	FY2024 Enacted	FY2025 IIJA	FY2025 Request
<i>EERE, Total</i>	<i>1,945.0</i>	<i>3,460.0</i>	<i>1,945.0</i>	<i>3,118.0^b</i>
Sustainable Transportation	1,440.0	895.0	1,440.0	951.8
Vehicle Technologies	1,240.0 ^c	450.0	1,240.0 ^c	501.8
Bioenergy Technologies	—	275.0	—	280.0
Hydrogen and Fuel Cell Technologies	200.0	170.0	200.0	170.0
Renewable Energy	—	795.0	—	898.2
Solar Energy	—	318.0	—	318.0
Wind Energy	—	137.0	—	199.0
Water Power	—	200.0	—	160.0
Geothermal Technologies	—	118.0	—	156.2
Renewable Energy Grid Integration	—	22.0	—	65.0
Energy Efficiency	505.0	784.0	505.0	847.2
Advanced Manufacturing	250.0 ^d	452.0 ^e	250.0 ^d	507.2 ^f
Building Technologies	255.0 ^g	332.0	255.0 ^g	340.0
State and Community Energy^h	—	471.0	—	—
Weatherization	—	366.0	—	—
State Energy Program	—	66.0	—	—
Local Government Energy Program	—	12.0	—	—
Energy Future Grants	—	27.0	—	—
Manufacturing and Energy Supply Chains^h	—	18.0	—	—
Federal Energy Management Program^h	—	43.0	—	—
Corporate Support	—	454.0	—	420.8
Rescissions	—	—	—	—
<i>SCEP</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>574.0</i>
<i>MESC</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>113.4</i>
<i>FEMP</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>64.0</i>
<i>Total, All Accounts (Annual Appropriations)</i>		<i>3,460.0</i>		<i>3,869.4</i>

Sources: H.Rept. 118-126; S.Rept. 118-72; P.L. 117-58; P.L. 117-169; P.L. 118-42, Division D, Joint Explanatory Statement; DOE FY2025 Congressional Justification, DOE/CF-0204, Volume 3 and Volume 4; Budget of the U.S. Government, Fiscal Year 2025, Appendix.

Notes: Columns may not sum due to rounding. SCEP = Office of State and Community Energy Programs, MESC = Office of Manufacturing and Energy Supply Chains, and FEMP = Federal Energy Management Program.

- The placement of IIJA funding in the various rows is the same as in DOE's FY2023 Congressional Budget Request, DOE/CF-0184, Vol. 4, pp. 17-18. Footnotes to Table 2 indicate those instances in which the IIJA money is executed by a DOE office other than EERE.
- The FY2025 request for the EERE account did not include funding for SCEP, MESC, and FEMP because the President's budget request proposed that they be funded in separate appropriations accounts from EERE.
- Of this amount, \$1,200 million of funding is being executed in MESC: Battery Materials Recycling Grants and Battery Manufacturing and Recycling Grants.
- Of this amount, \$100 million is for programs authorized by IIJA §40314, which DOE calls the Clean Hydrogen Manufacturing Recycling RD&D Program; and \$150 million is being executed within MESC in the Advanced Energy Manufacturing and Recycling Grant Program.
- This value is the sum of two categories in the FY2024 enacted appropriation: Advanced Materials and Manufacturing Technologies (recommendation of \$215 million) and Industrial Efficiency and Decarbonization (recommendation of \$237 million).
- This value is the sum of two categories in the FY2025 request: Advanced Materials and Manufacturing Technologies (\$220.0 million) and Industrial Efficiency and Decarbonization (\$287.2 million).
- Of this amount, \$100 million is being carried out in SCEP: Energy Efficiency Improvements and Renewable Improvements at Public School Facilities, and a further \$110 million in MESC: Implementation Grants for Industrial Research and Assessment Centers, Sec. 457(i) of the Energy Independence and Security Act (EISA, P.L. 110-140), as amended by IIJA §40521; and Industrial Research and Assessment Centers, Sec. 457(a)-(h) of EISA, as amended by IIJA §40521.
- For FY2025, no funding is shown for these activities because DOE is proposing to transfer funding to the respective new accounts shown in the table in italics—SCEP, MESC, and FEMP. DOE had made a similar proposal in FY2024 that was not enacted.

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