CRS INSIGHT

FY2019 Appropriations for the Department of Energy

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Overview

The Department of Energy (DOE) is funded through the Energy and Water Development appropriations bill. The President's FY2019 budget request is \$30.4 billion for the DOE, approximately \$4.2 billion (12%) less than the FY2018 enacted level of \$34.6 billion (see P.L. 115-141 and Title III of Division D, Explanatory Statement on page H2481). Conference report H.Rept. 115-929 to accompany H.R. 5895, which includes the FY2019 Energy and Water appropriations bill in a three-bill "minibus" funding bill, was filed on September 10, 2018. According to the joint explanatory statement, the report would fund DOE at \$35.7 billion—\$1.1 billion above the FY2018 enacted level and \$5.3 billion above the request. Proposed changes to the DOE budget are illustrated in Figure 1, which compares the FY2018 enacted levels to the FY2019 request and FY2019 conference report.

Funding Proposed in the Request

The President's request would increase overall funding for the National Nuclear Security Administration (NNSA) and reduce funding to other programs. The request would reduce funding for the Offices of Environmental Management (EM), Science, Energy Efficiency and Renewable Energy (EERE), Nuclear Energy (NE), and Fossil Energy (FE, including the FE Research and Development [R&D] program). It would also split the Office of Electricity Delivery and Energy Reliability (OE) into two accounts—grid reliability (Electricity Delivery, OE) and cybersecurity (Cybersecurity, Energy Security, and Emergency Response, CESER)—and reduce total combined funding to these offices. It would eliminate funding for the Advanced Research Projects Agency-Energy (ARPA-E), Weatherization Assistance Program (WAP), State Energy Program (SEP), Energy Policy and Systems Analysis, and programs within the Loan Programs Office.

Funding Proposed by the Conference Committee

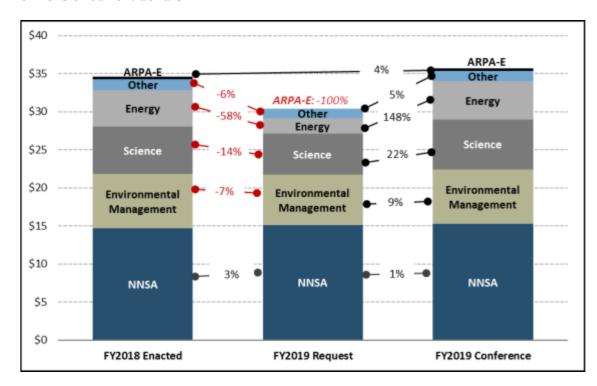
The FY2019 conference report would fund NNSA at \$15.2 billion (a 4% increase over the FY2018 level of \$14.7 billion). In line with the request, the bill would replace the Office of Electricity Delivery and Energy Reliability account with two accounts: OE and CESER.

Most offices would see funding increases with the exception of Defense Nuclear Nonproliferation, Departmental Administration, the Power Marketing Authorities, the Strategic Petroleum Reserve (SPR), and the Title XVII Innovative

Technology Loan Guarantee Program (Title XVII Loan Program).

Figure 1. Department of Energy Budget Comparison

billions of current dollars



Sources: FY2018 Enacted, FY2019 Request, and FY2019 Conference from <u>Joint Explanatory Statement of the Committee of Conference</u>.

Notes: "Other" refers to programs and funding not within the specified categories. "Energy" refers to the Offices of EERE, NE, OE (and the newly proposed OE and CESER), and FE, which includes FE R&D. ARPA-E funding is shown as a black line.

<u>Table 1</u> presents the FY2019 appropriations at each stage and the enacted levels for FY2017 and FY2018.

Table 1. Appropriations Summary for Selected DOE Offices and Programs dollars in millions

Office/ Program	FY2017 Enacted	FY2018 Enacted	FY2019 Request	FY2019 H. Passed	FY2019 S. Passed	FY2019 Conference
NNSA	\$12,938	\$14,669	\$15,091	\$15,313	\$14,780	\$15,229
EM	6,420	7,126	6,601	6,869	7,182	7,175
Nuclear	0	0	90	190	0	0

Waste Disposal

Science	5,392	6,260	5,391	6,600	6,650	6,585
Energy Programs	4,249	4,774	2,007	4,818	4,719	4,986
EERE	2,090	2,322	696	2,082	2,322	2,379
Electricity Delivery and Energy Reliability ^a	230	248	0	0	0	0
OE ^a	0	0	61	176	0	156
CESERª	0	0	96	147	260	120
NE	1,017	1,205	757	1,346	1,206	1,326
FE	913	999	397b	1,067	931	1,005
FE R&D	668	727	502	785	727	740
ARPA-E	306	353	0	325	375	366
Credit Programs	12	29	-4,980c	23	24	24

Source: FY2017 Enacted from P.L. 115-141 and Division D, Energy and Water Development and Related Agencies Appropriations Act, 2018, Explanatory Statement. FY2018 Enacted, FY2019 request, FY2019 House Passed, FY2019 Senate Passed, and FY2019 Conference from <u>Joint Explanatory Statement of the Committee of Conference</u>.

Notes: "Credit Programs" refers collectively to the Title XVII Loan Program, Advanced Technology Vehicle Manufacturing (ATVM) Loan Program, and the Tribal Energy Loan Guarantee Program.

a. In FY2019, the Office of Electricity Delivery and Energy Reliability account is proposed to be divided into two new offices (OE and CESER).

- b. The FY2019 request for the SPR accounts for the sale of crude oil (-\$300 million) and not the use of sale proceeds.
- c. The FY2019 request for Credit Programs reflects emergency rescissions.

Key Changes

Several issues may be of interest during congressional consideration of DOE appropriations for FY2019. The FY2019 request would reduce funding for energy programs by 58%, with the majority of the proposed reductions in EERE to " [focus] DOE resources toward early-stage R&D." The FY2019 request would reduce funding for the Office of Science by 14% (compared to FY2018) and would change funding levels for individual Science programs "to focus on its core mission of conducting cutting edge, early-stage research." In contrast, according to the explanatory statement for the FY2019 conference report, the report would direct DOE "throughout all of its programs to maintain a diverse portfolio of early-, mid-, and late-stage research, development, and market transformation activities." The FY2019 conference report would increase funding for energy programs by approximately 4% (compared to FY2018 enacted levels), and it would increase funding to the Office of Science by 5% (compared to FY2018 enacted levels).

The request would eliminate funding for the WAP, SEP, <u>Title XVII Loan Program</u>, and <u>ATVM Loan Program</u>. The conference report would continue to support operations of these programs.

The FY2019 request would provide funding for nuclear waste disposal including to restart licensing activities for the proposed Yucca Mountain nuclear waste repository. The conference report would not provide funding for Yucca Mountain.

The FY2019 request would eliminate ARPA-E. The conference report would fund the program at \$366 million, an increase of approximately 4% compared to FY2018 funding levels.

For additional information on DOE FY2019 appropriations, see CRS Report R45258, *Energy and Water Development: FY2019 Appropriations*, by Mark Holt and Corrie E. Clark.