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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 renewable energy and end-use energy efficiency technology development. 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. FY2024 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 received 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 for FY2025 (see **Table 1**). EERE also received \$17.962 billion in additional funding through P.L. 117-169 (known as the Inflation Reduction Act of 2022, or IRA) in FY2022, expiring at the end of FY2026, FY2027, FY2029, or FY2031, depending on the provision.

Executive Branch Actions

The total request for FY2025, including three newly proposed accounts, is \$3.869 billion—an 11.8% increase over the FY2024 enacted level. The Biden Administration requested \$3.118 billion for the EERE organization by itself. The remainder of the FY2025 request includes \$751.4 million for three new accounts for activities currently managed elsewhere in DOE by the Under

Secretary for Infrastructure. These proposed accounts are the Office of State and Community Energy Programs (SCEP), the Office of Manufacturing and Energy Supply Chains (MESC), and the Federal Energy Management Program (FEMP), whose activities were funded in the EERE account in FY2024. 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.

Legislative Actions

The House Appropriations Committee reported, on July 11, 2024, the Energy and Water Development and Related Agencies Appropriations Act, 2025 (H.R. 8997), which would appropriate a net total of \$1.960 billion for EERE "after accounting for budget structure changes." H.Rept. 118-580, which accompanied H.R. 8997, makes use of \$803.7 million in prior-year balances from "recent supplemental bills." This could include appropriations provided by the IRA and IIJA. In the report, the committee recommends \$2.764 billion in gross budget authority for EERE activities for FY2025. In the tables in the report, the committee applies \$803.7 million of prior-year balances against the committee's recommendations for FY2025 to equal the net budget authority of \$1.960 billion in the bill, H.R. 8997.

On August 1, 2024, the Senate Appropriations Committee reported the Energy and Water Development and Related Agencies Appropriations Act, 2025, S. 4927, which would appropriate \$3.440 billion for the EERE account plus \$20 million for the MESC account proposed by DOE, which together match the FY2024 enacted level for the EERE account (\$3.460 billion).

Table I. Appropriations: EERE Account and DOE-Proposed Accounts, FY2024 and FY2025

(in millions of dollars)

<i>Account (in italics) and Program Activity</i>	FY2024 IIJA^a Enacted	FY2024 Annual Enacted	FY2025 IIJA Enacted	FY2025 Request	House Committee	Senate Committee
<i>EERE, Total</i>	1,945.0	3,460.0	1,945.0	3,118.0	2,763.7	3,440.0
Sustainable Transportation	1,440.0	895.0	1,440.0	951.8	659.1	875.0
Vehicle Technologies	1,240.0 ^b	450.0	1,240.0 ^b	501.8	335.0	450.0
Bioenergy Technologies	—	275.0	—	280.0	200.0	255.0
Hydrogen and Fuel Cell Technologies	200.0	170.0	200.0	170.0	124.1	170.0
Renewable Energy	—	795.0	—	898.2	658.0	800.0
Solar Energy	—	318.0	—	318.0	225.0	300.0
Wind Energy	—	137.0	—	199.0	155.0	165.0
Water Power	—	200.0	—	160.0	160.0	190.0
Geothermal Technologies	—	118.0	—	156.2	118.0	130.0
Renewable Energy Grid Integration	—	22.0	—	65.0	0.0	15.0
Energy Efficiency	505.0	784.0	505.0	847.2	594.0	784.0
Advanced Manufacturing	250.0 ^c	452.0 ^d	250.0 ^c	507.2 ^e	394.0	452.0
Building Technologies	255.0 ^f	332.0	255.0 ^f	340.0	200.0	332.0
State and Community Energy^g	—	471.0	—	—	356.6	479.0
Weatherization	—	366.0	—	—	290.6	371.0
State Energy Program	—	66.0	—	—	66.0	66.0
Local Government Energy Program	—	12.0	—	—	—	12.0
Energy Future Grants	—	27.0	—	—	—	30.0
Manufacturing and Energy Supply Chains^h	—	18.0	—	—	18.0	—
Federal Energy Management Program^h	—	43.0	—	—	29.0	43.0
Corporate Support	—	454.0	—	420.8	449.0	459.0ⁱ
Rescissions or Prior-Year Balances	—	—	—	—	(803.7)ⁱ	—
<i>SCEP</i>	—	—	—	574.0	—	—
<i>MESC</i>	—	—	—	113.4	—	20.0
<i>FEMP</i>	—	—	—	64.0	—	—
<i>Total, Net (Annual Appropriations, only)</i>		3,460.0		3,869.4	1,960.0	3,460.0

Sources: H.Rept. 118-126; H.Rept. 118-580; S.Rept. 118-72; S.Rept. 118-205; P.L. 117-58 (Infrastructure Investment and Jobs Act, IIJA); P.L. 118-42, Division D, Joint Explanatory Statement; DOE FY2025 Congressional Justification, DOE/CF-0204, Volume 3 and Volume 4.

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.
- 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 (IRAC), Sec. 457(i) of the Energy Independence and Security Act (EISA, P.L. 110-140), as amended by IIJA §40521; and IRAC, Sec. 457(a)-(h) of EISA, as amended by IIJA §40521.
- For the FY2025 request, no funding is shown for these activities because DOE is proposing new accounts: SCEP, MESC, and FEMP.
- This amount includes corporate support allocated to State and Community Energy and to Federal Energy Management Program.
- H.Rept. 118-205 recommended DOE use prior-year balances as follows: "EERE: \$366,000,000 from the Weatherization Assistance Program; \$52,664,000 from the State Energy Program; \$205,000,000 from clean hydrogen electrolysis and clean hydrogen manufacturing; \$43,000,000 from building energy codes; \$52,000,000 from marine energy; \$38,000,000 from electric drive vehicle battery recycling; \$35,000,000 from battery recycling research, development, and demonstration; and \$12,000,000 from solar energy technologies." Prior-year balances may include funding from P.L. 117-58, the IIJA, and from P.L. 117-169, known as the Inflation Reduction Act of 2022.

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