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Energy and Water Development: FY2022 Appropriations

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Energy and Water Development: FY2022 Appropriations

The Energy and Water Development and Related Agencies appropriations bill provides funding for civil works projects of the U.S. Army Corps of Engineers (USACE); the Department of the Interior’s Bureau of Reclamation (Reclamation) and Central Utah Project (CUP); the Department of Energy (DOE); the Nuclear Regulatory Commission (NRC); the Appalachian Regional Commission (ARC); and several other independent agencies. DOE typically accounts for about 80% of the bill’s funding.

Overall Funding Totals

President Biden formally submitted his FY2022 budget proposal to Congress on May 28, 2021. The budget requests for agencies included in the Energy and Water Development appropriations bill total \$55.473 billion, excluding budget scorekeeping adjustments. This is \$5.948 billion (12%) above the FY2021 enacted Energy and Water Development total of \$49.525 billion. The House Appropriations Committee approved the FY2022 Energy and Water Development funding bill on July 16, 2021, by a 33-24 vote (H.R. 4549, H.Rept. 117-98). The bill is being combined in a “minibus” with six other appropriations bills (H.R. 4502) for House floor consideration scheduled to begin in late July.

Energy and Water Development Appropriations, FY2020 Enacted Through FY2022 Request

Dollars in millions (and % change)

Agency	FY2020 Enacted	FY2021 Request (% Change from FY2020)	FY2021 Enacted (% Change from FY2020)	FY2022 Request (% Change from FY2021)	FY2022 House Committee (% Change from FY2021)
Corps of Engineers	7,650	5,966 (-22%)	7,795 (+2%)	6,793 (-13%)	8,658 (+11%)
Bureau of Reclamation/CUP	1,680	1,138 (-32%)	1,691 (+1%)	1,553 (-8%)	1,966 (+16%)
Department of Energy	38,657	35,732 (-8%)	39,627 (+3%)	46,982 (+19%)	45,463 (+15%)
Independent Agencies	407	333 (-18%)	414 (+2%)	481 (+16%)	458 (+11%)
Rescissions	-71	-610	-3	-336	-336
Total	48,324	42,559 (-12%)	49,525 (+2%)	55,473 (+12%)	56,208 (+13%)

Source: H.Rept. 117-98.

Notes: Totals exclude budget scorekeeping adjustments. CUP=Central Utah Project Completion Account. Enacted amounts do not include emergency supplemental appropriations.

Major Issues

The FY2022 budget request for agencies in the Energy and Water Development appropriations bill includes several major initiatives and issues that have attracted congressional attention. Some examples are noted below:

- *Congressionally Directed Funding for Water Projects.* Congressionally directed funding for site-specific projects (community project funding) is being included in the FY2022 appropriations process, following an “earmark moratorium” during the 112th to the 116th Congresses.
- *Western Drought.* As of early July 2021, 94% of the western United States was experiencing some level of drought. The Administration proposed additional funding for several Reclamation drought response-related activities, and some in Congress support additional funding for these purposes.

Increased Funding Request for Renewable Energy and Energy Efficiency. The Biden Administration is proposing a 65% increase in the DOE Energy Efficiency and Renewable Energy appropriations account, following four years of steep reductions proposed by the Trump Administration.

Contents

Introduction and Overview.....	1
Administration Request.....	2
House Committee Recommendation.....	3
FY2021 Enacted Funding	3
FY2022 Budgetary Limits.....	4
Funding Issues and Initiatives	4
Congressionally Directed Funding for Water Projects.....	4
Western Drought	5
Energy Efficiency and Renewable Energy Funding Increases.....	5
Advanced Reactor Demonstrations.....	6
Office of Petroleum Reserves Organizational Realignment	7
Termination of Funding for the Northeast Home Heating Oil Reserve and the Northeast Gasoline Supply Reserve.....	7
Title XVII Loan Guarantee Subsidy Funding	7
Establishment of Advanced Research Project Agency—Climate	8
Proposed Office of Clean Energy Demonstration	9
No Further Funds for Uranium Reserve.....	9
Overall Level Funding for Weapons Activities	10
Cleanup of Former Nuclear Sites: Adequacy of Proposed Funding and Transfers	11
Bill Status and Recent Funding History	11
Description of Major Energy and Water Programs	12
Agency Budget Justifications.....	13
Army Corps of Engineers.....	14
Bureau of Reclamation and Central Utah Project	16
Department of Energy	17
Energy Efficiency and Renewable Energy.....	20
Electricity Delivery, Cybersecurity, Energy Security, and Energy Reliability.....	20
Nuclear Energy	21
Fossil Energy and Carbon Management	21
Strategic Petroleum Reserve	22
Science and ARPA-E	22
Loan Guarantees and Direct Loans.....	24
Energy Information Administration.....	24
Nuclear Weapons Activities	25
Defense Nuclear Nonproliferation.....	26
Cleanup of Former Nuclear Weapons Production and Research Sites	26
Power Marketing Administrations	27
Independent Agencies	28
Appalachian Regional Commission.....	28
Nuclear Regulatory Commission.....	29
Congressional Hearings.....	30
House	30
Senate	30

Figures

Figure 1. Funding for Major Components of Energy and Water Development Appropriations Bill, FY2021 Through FY2022	1
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Tables

Table 1. Status of Energy and Water Development Appropriations, FY2022	11
Table 2. Energy and Water Development Appropriations, FY2015-FY2022 Request	12
Table 3. Energy and Water Development Appropriations Summary	13
Table 4. Army Corps of Engineers	15
Table 5. Bureau of Reclamation and CUP	17
Table 6. Department of Energy	18
Table 7. Independent Agencies Funded by Energy and Water Development Appropriations	28
Table 8. Nuclear Regulatory Commission Funding Categories	29

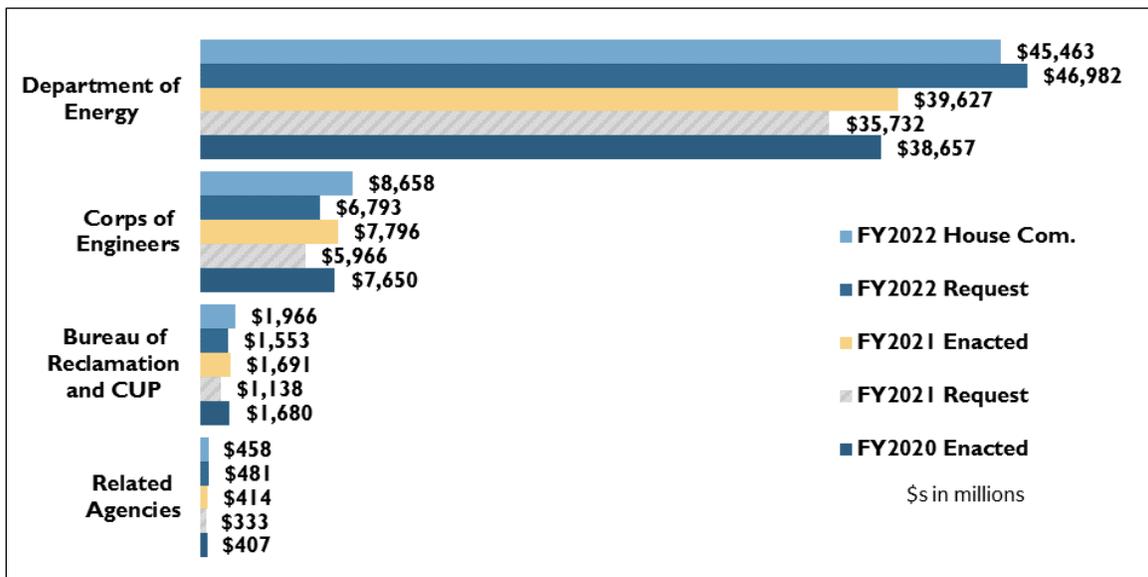
Contacts

Author Information	31
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Introduction and Overview

The Energy and Water Development and Related Agencies appropriations bill includes funding for civil works projects of the U.S. Army Corps of Engineers (USACE), in Title I; the Department of the Interior’s Bureau of Reclamation (Reclamation) and Central Utah Project (CUP), in Title II; the Department of Energy (DOE), in Title III; and a number of independent agencies, including the Nuclear Regulatory Commission (NRC) and the Appalachian Regional Commission (ARC), in Title IV. **Figure 1** compares the major components of the Energy and Water Development appropriations bill from FY2021 through FY2022.

Figure 1. Funding for Major Components of Energy and Water Development Appropriations Bill, FY2021 Through FY2022
(excluding emergency supplementals)



Sources: H.Rept. 117-98; Administration budget request for FY2022; H.R. 133 Explanatory Statement; Senate Appropriations Committee majority draft Explanatory Statement for Energy and Water Development and Related Agencies Appropriations Bill, 2021; H.R. 7617; H.Rept. 116-449; Explanatory Statement for Division C of H.R. 1865, 116th Congress; S.Rept. 116-102; S. 2470; H.R. 2740; FY2021 Budget Appendix; and agency budget justifications. Includes some adjustments; see tables 4-7 for details.

Notes: FY2021 DOE request total does not include asset sales and certain other offsets. Enacted amounts do not include subsequent emergency supplemental appropriations. CUP = Central Utah Project Completion Account.

President Biden formally submitted his FY2022 budget proposal to Congress on May 28, 2021. The total request for agencies included in the Energy and Water Development appropriations bill is \$55.473 billion, excluding budget scorekeeping adjustments.¹ This is \$5.948 billion (12%) above the FY2021 enacted Energy and Water Development appropriations total of \$49.525 billion. The House Appropriations Committee approved the FY2022 Energy and Water

¹ Budget “scorekeeping” refers to official determinations of spending amounts for congressional budget enforcement purposes. These scorekeeping adjustments may include rescissions and offsetting revenues from various sources. Scorekeeping adjustments are separate from emergency appropriations, which are outside of annual budget caps.

Development appropriations bill on July 16, 2021 (H.R. 4549); the measure is to be included in a seven-bill “minibus” (H.R. 4502) scheduled for floor consideration in late July.

FY2021 Energy and Water Development funding was provided by Division D of the Consolidated Appropriations Act, 2021 (P.L. 116-260), signed by President Trump on December 27, 2020. The enacted Energy and Water appropriations totaled \$1.201 billion (2%) above the FY2020 enacted level, including rescissions.²

Administration Request

DOE would receive \$46.982 billion under the Administration’s FY2022 budget request (excluding offsets)—an increase of \$7.355 billion (19%) from the FY2021 enacted level. The FY2022 request for Energy Efficiency and Renewable Energy (EERE) is \$4.732 billion, which is \$1.870 billion (65%) above the FY2021 enacted level. This includes a proposed \$300 million Build Back Better Challenge Grant program to encourage new approaches to clean energy technology deployment. Nuclear Energy would increase from \$1.508 billion in FY2021 to \$1.851 billion in FY2022 (23%), and the Fossil Energy account (proposed to be renamed Fossil Energy and Carbon Management) would increase by \$140 million to \$890 million (19%). DOE’s Office of Science, which funds a wide range of research, would receive \$7.440 billion, up \$414 million (6%) from the FY2021 enacted level. Funding for the Advanced Research Projects Agency—Energy (ARPA-E), which received \$427 million in FY2021, would be increased to \$500 million in FY2022 (up 17%), and a new Advanced Research Projects Agency—Climate (ARPA-C) would be established with FY2022 funding of \$200 million. The budget request includes \$400 million to establish the Office of Clean Energy Demonstrations, which would work to accelerate “the maturation of near- and mid-term clean energy technologies and systems.”³ Environmental Management (waste management and cleanup) would increase from \$7.586 billion in FY2021 to \$8.012 billion in FY2022, excluding offsets (up \$426 million, or 6%).

The National Nuclear Security Administration (NNSA), the DOE agency responsible for defense-related nuclear activities, would increase slightly under the Administration request, from \$19.732 billion in FY2021 to \$19.743 billion in FY2022 (up \$11 million, or less than 1%). Also proposed for increases are DOE’s Office of Electricity (up \$115 million, or 54%) and the Office of Cybersecurity, Energy Security, and Emergency Response, which would take over responsibility for the Strategic Petroleum Reserve (up \$45 million, or 29%).

The two water agencies in the Energy and Water Development appropriations bill would receive funding reductions under the FY2022 budget request. Discretionary appropriations in the Energy and Water bill for USACE would decline from \$7.795 billion in FY2021 to \$6.793 billion in FY2022 (down \$1.003 billion, or 13%). That funding would include four new construction projects and seven new project studies (these projects and studies are referred to as new starts). Reclamation (separately from CUP) would be reduced from \$1.670 billion in FY2021 to \$1.533 billion in FY2022 (down \$137 million, or 8%).

Among the independent agencies funded by the bill, the Nuclear Regulatory Commission (NRC) would receive an increase in total appropriations from \$844 million in FY2021 to \$888 million in FY2022 (up \$43 million, or 5%). NRC’s budget is mostly offset by nuclear industry fees, which may vary from year to year; the Administration proposes an increase in the agency’s net

² Most figures are taken from the House Appropriations Committee Report on the FY2022 Energy and Water Development appropriations bill, H.Rept. 117-98.

³ DOE, *Budget in Brief*, June 2021, p. 90, <https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-in-brief-v4.pdf>.

appropriation from \$123 million in FY2021 to \$131 million in FY2022 (up \$8 million, or 7%). Funding for the Appalachian Regional Commission would increase from \$180 million in FY2021 to \$235 million in FY2022 (up \$55 million, or 31%). Requested funding for smaller regional authorities in the bill varies widely: Denali Commission (up 1%), Delta Regional Authority (no change), Northern Border Regional Commission (up less than 1%), Southeast Crescent Regional Commission (up 150%), and Southwest Border Regional Commission (up 900%).

House Committee Recommendation

The House Appropriations Committee approved the FY2022 Energy and Water Development appropriations bill on July 16, 2021, by a vote of 33-24 (H.R. 4549, H.Rept. 117-98). The bill's total FY2022 funding is \$56.208 billion, which is reduced by \$2.982 billion in budget scorekeeping adjustments to \$53.226 billion.

DOE would receive \$45.463 billion in the House Committee bill, which is \$5.835 billion (15%) above the FY2021 enacted level and \$1.520 billion (3%) below the Administration's request (all figures excluding rescissions). The bill includes \$3.768 billion for Energy Efficiency and Renewable Energy, \$906 million (32%) above the enacted FY2021 level and \$964 million (20%) below the Administration request. The Administration's proposed ARPA-C would not be funded by the committee bill; the existing ARPA-E would receive \$100 million above the request (for a total of \$600 million) to fund some of the climate-related technologies proposed for ARPA-C, according to the committee report. NNSA would receive \$20.155 billion in the committee bill, \$423 million (2%) above the FY2021 enacted level and \$412 million (2%) above the Administration request.

The FY2022 committee-reported bill would provide substantial increases over the FY2021 enacted levels for USACE and Reclamation, in contrast to the reductions proposed by the Administration. USACE would receive \$8.658 billion, an increase of \$862 million (11%) over the FY2021 appropriation and \$1.865 billion (27%) above the Administration request. Reclamation would receive \$1.966 billion, \$275 million (16%) over FY2021 and \$413 million (27%) more than sought by the Administration. For the first time since the 111th Congress, the House committee bill also includes about 100 earmarks for USACE and 8 for Reclamation projects.

FY2021 Enacted Funding

Division D of the Consolidated Appropriations Act, 2021 (P.L. 116-260) provided \$39.627 billion for DOE (excluding offsets), which was \$970 million (3%) above the FY2020 enacted level. DOE energy programs received \$12.445 billion for FY2021, \$2.189 billion (15%) below the FY2020 enacted level, with the reduction resulting almost entirely from rescissions of unused loan and loan guarantee funding. NNSA received \$19.732 billion for FY2021, \$3.028 billion (18%) above the FY2020 enacted level.

USACE received \$7.796 billion for FY2021, \$146 million (2%) above the FY2020 amount. The Bureau of Reclamation received \$1.670 billion, \$10 million (1%) more than in FY2020. Independent agencies were appropriated a net total of \$414 million for FY2021, an increase of \$7 million (2%) from FY2020. The Southwest Border Regional Commission received its first funding (\$250,000).⁴

⁴ For information on this and other regional commissions, see CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*, by Michael H. Cecire.

For more details, see CRS In Focus IF11462, *Army Corps of Engineers: FY2021 Appropriations*, by Anna E. Normand and Nicole T. Carter, and CRS Report R46384, *Energy and Water Development: FY2021 Appropriations*, by Mark Holt and Corrie E. Clark.

FY2022 Budgetary Limits

Congressional consideration of the annual Energy and Water Development appropriations bill is affected by certain procedural and statutory budget enforcement requirements. These consist primarily of procedural limits on discretionary spending (spending provided in annual appropriations acts) established in a budget resolution or through some other means, and allocations of this amount that apply to spending under the jurisdiction of each appropriations subcommittee.

The House passed a “deeming resolution” (H.Res. 467) on June 14, 2021, to set a FY2022 discretionary appropriations total of \$1.506 trillion, which would accommodate the Administration’s \$1.5 trillion request. The House Appropriations Committee on July 16, 2021, issued a report with suballocations of the FY2022 discretionary total (H.Rept. 117-91), pursuant to section 302(b) of the Congressional Budget Act of 1974. The 302(b) allocation for the Energy and Water Development Subcommittee is \$53.226 billion, the amount provided by the House Appropriations Committee after budget scorekeeping adjustments.

Funding Issues and Initiatives

Several issues have drawn particular attention during congressional consideration of Energy and Water Development appropriations for FY2022. The issues described in this section—listed approximately in the order the affected agencies appear in the Energy and Water Development bill—were selected based on total funding involved, percentage of proposed increases or decreases, amount of congressional debate engendered, and potential impact on broader public policy considerations.

Congressionally Directed Funding for Water Projects

The 117th Congress is pursuing inclusion of congressionally directed funding for site-specific projects (referred to as “community project funding”) in the FY2022 appropriations process. From the 112th through the 116th Congresses, moratorium policies limited congressionally directed funding of these projects, which are sometimes referred to as earmarks. Funding for specific water projects constitutes the majority of the annual budget request for USACE and Reclamation; during the moratorium, Congress appropriated funding above the requested amounts for categories of work without identifying specific projects. For FY2022, the Energy and Water Development appropriations bill as approved by the House Appropriations Committee would fund additional geographically specific projects that are not in the budget request (earmarks): about 100 for USACE and 8 for Reclamation. The bill also would provide additional funding under USACE’s Investigations, Construction, Mississippi River and Tributaries, and Operation and Maintenance accounts and under Reclamation’s Water and Related Resources account for the agencies to make additional project-level allocations in work plans to be delivered to Congress after enactment.

The FY2022 budget request lowers the benefit-cost ratio (BCR) threshold used by recent Administrations for funding USACE navigation and flood risk reduction construction projects. The FY2022 request uses a BCR threshold of greater than 2.0 to 1 (i.e., benefits are at least two times project costs), with some exceptions; previous requests often used 2.5 to 1. Under that BCR

threshold, the Administration is proposing seven new studies and four new construction projects (referred to as new starts) for USACE.

The FY2022 Energy and Water Development appropriations bill as approved by the House Appropriations Committee would fund the new starts proposed by the Administration and a limited number of additional new starts in the Investigations, Construction, and Mississippi River and Tributaries accounts. Harbor Maintenance Trust Fund projects would receive an estimated \$2.05 billion, an increase of \$370 million above FY2021 and \$424.1 million above the request. The bill provides these funds in accordance with the budgetary adjustments made by the CARES Act (P.L. 116-136) and the Water Resources Development Act of 2020 (P.L. 116-260, Division AA).

For more details, see CRS In Focus IF11846, *Army Corps of Engineers: FY2022 Budget Request*, by Anna E. Normand and Nicole T. Carter, and CRS In Focus IF11855, *Bureau of Reclamation: FY2022 Appropriations*, by Charles V. Stern.

Western Drought

As of early July 2021, approximately 94% of the western United States was experiencing some level of drought.⁵ The Administration proposed additional funding (compared to recent requests) for several of Reclamation's drought-related programs, such as the Drought Response Program, the WaterSMART Water and Energy Conservation Grants Program, and the Title XVI Water Reuse and Recycling Program.⁶ Demand for these programs, which have the potential to help conserve water and alleviate water supply shortages, is likely to be pronounced as a result of the current drought; thus some in Congress support additional funding for them. The drought has also led some members to argue for more funding for the construction of new water storage projects in the West pursuant to Reclamation's authorities under Section 4007 of the Water Infrastructure Improvements for the Nation Act (WIIN ACT, P.L. 114-322).⁷ The executive branch typically requests no such funding in the budget; Congress has added funding for this authority in every year since FY2017.

The FY2022 Energy and Water Development appropriations bill as approved by the House Appropriations Committee includes a number of targeted drought-related funding increases in addition to the budget request, including \$67 million for new water storage projects under Section 4007 of the WIIN Act and \$50 million for projects to create or conserve Colorado River water pursuant to the Lower Colorado River Drought Contingency Plan. The committee also included \$8.5 million in addition to the Administration request for the Drought Response Program.

Energy Efficiency and Renewable Energy Funding Increases

The Biden Administration is proposing a 65% increase in the DOE Energy Efficiency and Renewable Energy (EERE) appropriations account, from \$2.862 billion in FY2021 to \$4.732 billion in FY2022. The sharply higher request follows four years of steep reductions proposed by the Trump Administration (but not approved by Congress). Programs with the largest requested increases are the Federal Energy Management Program (\$438 million, up 995%), State Energy

⁵ U.S. Drought Monitor, Western U.S. Percent Area in Drought as of July 6, 2021, <https://droughtmonitor.unl.edu/DmData/DataGraphs.aspx>.

⁶ More information on these programs, see the Bureau of Reclamation WaterSMART website at <https://www.usbr.gov/watersmart/>.

⁷ For more information on these projects, see CRS In Focus IF10626, *Reclamation Water Storage Projects: Section 4007 of the Water Infrastructure Improvements for the Nation Act*, by Charles V. Stern.

Program (\$300 million, up 480%), Wind Energy Technologies (\$205 million, up 86%), Geothermal Technologies (\$164 million, up 55%), Vehicle Technologies (\$595 million, up 49%), Advanced Manufacturing (\$551 million, up 39%), and Solar Energy Technologies (\$387 million, up 38%). The Administration is also proposing a Build Back Better Challenge Grants initiative that would award \$300 million in competitive block grants to states, territories, and tribes to accelerate clean energy deployment. The request includes an unspecified amount of funding for “programmatic infrastructure” to support the Administration’s proposed Energy Efficiency and Clean Electricity Standard, which would require legislative authorization. The FY2022 House Appropriations Committee bill would provide \$3.768 billion for EERE, including \$100 million for Build Back Better Challenge Grants.

Advanced Reactor Demonstrations

DOE proposes to boost funding for its Advanced Reactor Demonstration Program by 48% in FY2022, to \$370 million. This includes \$245 million for two advanced nuclear reactor demonstration projects, with a cost-share of at least 50% from nonfederal sources. DOE announced awards totaling \$160 million for two advanced reactor demonstrations on October 13, 2020—a molten salt reactor and a high-temperature gas reactor.⁸ Another \$50 million is being requested in FY2022 for grants to reduce the technical risk of five additional reactor technologies for possible future demonstration, with a nonfederal cost-share of at least 20%.

The budget request includes a 222% funding increase, to \$145 million, for preliminary design of the Versatile Test Reactor (VTR). The VTR would be a new reactor to provide fast (high energy) neutrons for testing advanced reactor fuels and materials. DOE estimates the project’s total construction cost at between \$3 billion and \$6 billion, with completion ranging from 2026 to 2030.⁹ Congress did not approve a large funding increase requested for the VTR in FY2021, instead instructing DOE to give the Appropriations Committees “a plan for executing the Versatile Test Reactor project via a public-private partnership with an option for a payment-for-milestones approach.”¹⁰

DOE is requesting \$33 million in FY2022 for a program authorized by the Energy Act of 2020 (Division Z of P.L. 116-260) to provide high-assay low-enriched uranium (HALEU) for advanced reactors. Many advanced reactor technologies would require fuel made with HALEU, which is uranium enriched to between 5% and 20% in the fissile isotope uranium-235. According to DOE, “This subprogram will work to make available small quantities of HALEU from limited DOE uranium inventories and leverage the HALEU enrichment demonstration capability in the short term, in coordination with the National Nuclear Security Administration (NNSA), and support the private sector in its building out of commercial HALEU production and supply chain capability in the U.S. for the long term.”¹¹

⁸ DOE, Office of Nuclear Energy, “U.S. Department of Energy Announces \$160 Million in First Awards under Advanced Reactor Demonstration Program,” news release, October 13, 2020, <https://www.energy.gov/ne/articles/us-department-energy-announces-160-million-first-awards-under-advanced-reactor>.

⁹ Thomas J. O’Connor, VTR Program Director, DOE Office of Nuclear Energy, “Versatile Test Reactor Update,” March 28, 2019, https://www.energy.gov/sites/prod/files/2019/04/f61/VTR%20NEAC%20Rev%20%20%28003%29_1.pdf.

¹⁰ Consolidated Appropriations Act, 2021, Committee Print of the Committee on Appropriations, U.S. House of Representatives, on H.R. 133/P.L. 116-240, Book 1, March 2021, p. 907, <https://www.govinfo.gov/content/pkg/CPRT-117HPRT43749/pdf/CPRT-117HPRT43749.pdf>.

¹¹ DOE, *FY 2022 Congressional Budget Justification*, vol. 3, part 2, May 2021, p. 53, <https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-volume-3.2-v3.pdf>.

The House Appropriations Committee bill includes nearly the full request for the two advanced reactor demonstrations and an additional \$25 million for the five possible future demonstrations. The bill includes \$33 million for HALEU availability. However, no funds would be provided for the VTR.

Office of Petroleum Reserves Organizational Realignment

The Administration proposes realigning the Office of Petroleum Reserves (OPR) to report to the Cybersecurity, Energy Security, and Emergency Response (CESER) Assistant Secretary. Currently, OPR is part of DOE's Office of Fossil Energy. The OPR includes the Strategic Petroleum Reserve (SPR) and its Northeast Gasoline Supply Reserve (NGSR) component, along with the Northeast Home Heating Oil Reserve (NEHHOR—see next section). Programs related to the sale of the Naval Petroleum and Oil Shale reserves are also within the OPR organization.

The House Appropriations Committee bill supports the proposed realignment under CESER. The committee bill would increase funding for the SPR petroleum account, which is used for expenses related to mandated SPR sales.

Termination of Funding for the Northeast Home Heating Oil Reserve and the Northeast Gasoline Supply Reserve

The Administration proposes to terminate funding for NEHHOR in FY2022. Established in 2000, the reserve holds 1 million barrels of heating oil at commercial storage facilities in New England to mitigate potential supply disruptions in the region. The Reserve was appropriated \$6.5 million for FY2021. At a Senate Energy and Natural Resources Committee hearing on the DOE FY2022 budget request, Senator King of Maine noted that his state was the most reliant on heating oil in the nation and that potential supply disruptions were “of grave concern.” Energy Secretary Granholm replied that funding for the heating oil reserve was proposed for elimination because it had never been used as intended. However, she said the unexpected shutdown of the Colonial Pipeline in May, causing fuel disruptions along much of the East Coast, had illustrated the potential need for the reserve. Granholm said the reserve had sufficient funding through mid-2022 and promised to work with King in keeping it operational after that.¹² The FY2022 House Appropriations Committee bill would continue funding the heating oil reserve at the FY2021 level.

The Administration's FY2022 budget proposal does not request funding for the Northeast Gasoline Supply Reserve. In recent years, carryover funding from previous appropriations has been used to pay for NGSR expenses. The FY2022 budget request does not indicate whether or not adequate carryover funds are available to pay for NGSR expenses during FY2022. The House Appropriations Committee report directed DOE to maintain the NGSR and authorized regional release and sale of refined product from the NGSR based on regional, rather than national, supply interruptions.

Title XVII Loan Guarantee Subsidy Funding

The Administration's FY2022 budget request includes \$150 million to pay for credit subsidy costs for qualifying projects. Subsidy costs for Title XVII loan guarantees are required by the

¹² Senate Committee on Energy and Natural Resources, *Full Committee Hearing to Examine the President's FY 2022 Budget Request for the Department of Energy*, June 15, 2022, <https://www.energy.senate.gov/hearings/2021/6/full-committee-hearing-to-examine-the-president-s-fy-2022-budget-request-for-the-department-of-energy>.

Federal Credit Reform Act of 1990 (FCRA; Section 13201 of P.L. 101-58) and can be paid through appropriations, by the borrower, or a combination thereof. Title XVII of the Energy Policy Act of 2005 (P.L. 109-58, as amended at 42 U.S.C. §16511 et seq.) authorizes the Department of Energy (DOE) to guarantee loans for projects that meet the following criteria:

- (1) Avoid, reduce, utilize, or sequester air pollutants or greenhouse gas emissions, and
- (2) Employ new or significantly improved technologies, including projects that employ elements of commercial technologies in combination with new or significantly improved technologies.

To date, the original and ongoing Title XVII authority—referred to as Section 1703—has provided financial support for one project. Most Title XVII loan guarantee commitments were provided under a temporary authority—referred to as Section 1705—that expired in September 2011.

Approximately \$23.9 billion of loan guarantee authority is currently available for Section 1703 projects, not accounting for any conditional commitments. One factor that has resulted in low utilization of Section 1703 authority is the requirement for most borrowers to pay for all or a portion of a project’s credit subsidy cost. Congress appropriated \$170 million in 2011 for Section 1703 renewable energy and efficient energy projects. After a rescission and transfer, \$161 million is still available and to date these funds have not been used to support Section 1703 loan guarantees.

The additional \$150 million credit subsidy appropriation would be used to support “innovative electric vehicle infrastructure, carbon management, and other clean energy projects,” according to the Administration’s request. DOE expects that the appropriation will increase Title XVII loan guarantee authority by \$1.5 billion, over and above the existing \$23.9 billion authority limit.¹³ Combined with Title XVII amendments in the Energy Act of 2020 (P.L. 116-260, Division Z), additional credit subsidy appropriations could make the program more attractive to certain borrowers and could increase utilization of Title XVII loan guarantee authority. The House Appropriations Committee bill does not include the requested \$150 million for credit subsidy costs and instead would continue funding for DOE loan guarantee programs at their FY2021 levels.

Establishment of Advanced Research Project Agency – Climate

The Administration proposes to establish ARPA-C as a new agency within DOE, modeled after the existing ARPA-E, to “accelerate transformational technological advances in areas that industry by itself will not support because of technical and financial risk and uncertainty.” But while ARPA-E focuses on innovative energy technologies, ARPA-C would include climate change-related technologies “that encompass more than energy emissions,” according to the DOE budget justification. Such research areas could include mitigation of non-energy greenhouse gas emissions and enhancing climate change resiliency and adaptation. The Administration is requesting \$200 million in FY2022 to fund as many as six initial climate technology research programs.¹⁴ The Administration’s proposed ARPA-C would not be funded by the House Appropriations Committee bill, but the existing ARPA-E would receive \$100 million above the request (for a total of \$600 million) to fund some of the climate-related technologies proposed for ARPA-C.

¹³ DOE, *FY 2022 Congressional Budget Justification*, vol. 3, part 2, May 2021, p. 308, <https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-volume-3.2-v3.pdf>.

¹⁴ *Ibid.*, pp. 357-361.

Proposed Office of Clean Energy Demonstration

The Administration is proposing \$400 million for a new Office of Clean Energy Demonstration in FY2022. The new office would “support a multi-year series of competitive solicitations in collaboration with the private sector to conduct demonstrations,” starting in FY2022 with a solicitation for commercial-scale energy storage, according to the DOE budget justification.¹⁵ A related proposal would establish a separate appropriations account for DOE’s Office of Technology Transitions, which facilitates the transfer of DOE-supported technologies toward private-sector commercialization. The program would receive a 10% funding increase in FY2022, to \$19 million. The House Appropriations Committee bill includes the requested amount for Technology Transitions and \$200 million for the Office of Clean Energy Demonstrations.

No Further Funds for Uranium Reserve

The FY2022 budget request for the DOE Office of Nuclear Energy does not include further funding for the DOE Uranium Reserve, following the FY2021 appropriation of \$75 million to establish the Reserve. The House Appropriations Committee bill also does not include further funding for the Uranium Reserve.

This Trump Administration initiative called for DOE to purchase uranium from domestic uranium producers over 10 years and have it converted to uranium hexafluoride (a necessary step in making nuclear reactor fuel) by a domestic conversion facility. The initial \$75 million for the Uranium Reserve was included within the NNSA Weapons Activities account, where it is zeroed out for FY2022. However, the FY2022 budget justification says DOE is “planning to establish a uranium reserve by procuring uranium and conversion services for that uranium, storing the domestically produced natural uranium hexafluoride (UF₆) at commercial facilities in the United States, and developing governance processes and criteria for the material’s end use.”¹⁶ The nuclear industry is urging Congress to appropriate \$150 million for the Uranium Reserve in FY2022, according to media reports.¹⁷

According to DOE’s FY2021 budget justification, this stockpile of uranium would be available for nuclear power operators in the event of a civilian nuclear fuel market disruption and provide a source of U.S.-origin uranium for defense purposes. However, the justification noted that, for the newly stockpiled uranium, “no immediate national security need has been identified.”¹⁸ The FY2021 budget justification further explained that the proposed government purchases were also intended to address “near-term challenges to the production and conversion of domestic uranium,” which were under economic stress as well.¹⁹

For more information, see CRS In Focus IF11505, *Uranium Reserve Program Proposal: Policy Implications*, by Lance N. Larson.

¹⁵ DOE, *FY 2022 Congressional Budget Justification*, DOE/CF-0172, vol. 2, p. 319, May 2021, <https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-volume-2-v3.pdf>.

¹⁶ DOE, *FY 2022 Congressional Budget Justification*, vol. 1, p. 141, May 2021, <https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-volume-1-v4.pdf>.

¹⁷ Jannetta, Andrea, “Industry Seeks \$150 Million in FY-22 Appropriations for Uranium Reserve,” *Platts Nuclear Fuel*, June 28, 2021, p. 1.

¹⁸ DOE, *Budget in Brief*, February 2020, p. 39, https://www.energy.gov/sites/prod/files/2020/02/f72/doe-fy2021-budget-in-brief_0.pdf.

¹⁹ DOE, “Strategy to Restore American Nuclear Energy Leadership,” news release, April 23, 2020, <https://www.energy.gov/strategy-restore-american-nuclear-energy-leadership>.

Overall Level Funding for Weapons Activities

The FY2022 budget request for DOE Weapons Activities is less than 1% higher than the FY2021 enacted level (\$15.484 billion vs. \$15.345 billion). The FY2021 enacted appropriation for Weapons Activities was 23% above the FY2020 level. Weapons Activities programs are carried out by the National Nuclear Security Administration (NNSA), a semiautonomous agency within DOE. The House Appropriations Committee bill includes the requested amount for Weapons Activities.

Under Weapons Activities, the FY2022 budget request included funding for several major nuclear warhead life-extension programs (LEPs):

- NNSA is requesting \$772 million for the B61-12 LEP in FY2022, a decrease of \$44 million (-5%) from the \$816 million enacted for FY2021. The B61-12 LEP is to combine four existing variants of the B61 gravity bomb. The first production unit (FPU) had been scheduled for FY2020 but was delayed due to an issue with capacitors used in six major electrical components. According to NNSA, FPU is now scheduled for FY2022, and the program is to be completed in FY2026.
- NNSA is seeking \$207 million for the W88 Alteration in FY2022, a reduction of \$50 million (-19%) from the \$257 million enacted in FY2020. The program is to upgrade the arming-fuzing-firing system on the warhead and refresh the warhead's conventional high explosives. This warhead is carried on a portion of the D-5 (Trident) submarine-launched ballistic missiles (SLBMs). NNSA expected to provide the FPU of this warhead in 2020, but according to NNSA, the delivery was delayed due to an issue with capacitors used in three major components. According to its budget documents, NNSA now estimates that it will provide the FPU in FY2021 and continue full production in FY2022.
- NNSA requests \$1.08 billion for the W80-4 in FY2022, an increase of \$80 million (8%) over the \$1.0 billion enacted in FY2010. This is the warhead for a new long-range cruise missile. The LEP would seek to use common components from other LEPs and to improve warhead safety and security. The increase in the budget request for FY2022 reflected an increase in the scope of work on the program. The FPU is scheduled for FY2025.
- NNSA is requesting \$691 million for the W87-1 warhead modification program for FY2022, an increase of \$150 million (28%) over the \$541 million enacted for FY2021. The Air Force plans to deploy the W87-1 on the new U.S. land-based intercontinental ballistic missile (ICBM), the Ground-Based Strategic Deterrent (GBSD). NNSA has indicated that the FPU for the W87-1 is currently planned for FY2030. However, the FY2021 budget documents noted that the W87-0 warhead, which is currently deployed on U.S. ICBMs, will also be "qualified and deployed onto the GBSD." This would provide the Air Force with an alternative warhead if the W87-1 FPU is delayed.²⁰

For more information, see CRS Report R44442, *Energy and Water Development Appropriations: Nuclear Weapons Activities*, by Amy F. Woolf.

²⁰ DOE, *FY 2022 Congressional Budget Justification*, vol. 1, pp. 80, 83, May 2021, <https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-volume-1-v4.pdf>.

Cleanup of Former Nuclear Sites: Adequacy of Proposed Funding and Transfers

DOE’s Office of Environmental Management (EM) is responsible for environmental cleanup and waste management at the department’s nuclear facilities. The \$7.596 billion request for EM activities for FY2022 is \$10 million (about a tenth of 1%) above the FY2021 enacted level. The budgetary components of the EM program are Defense Environmental Cleanup and Non-Defense Environmental Cleanup, both up by 6%, and the Uranium Enrichment Decontamination and Decommissioning Fund, which includes an offset of \$416 million (5%). A proposed reduction of \$104 million (-6%) for cleanup of the Hanford (WA) nuclear site drew criticism from Senator Cantwell at a Senate Energy and Natural Resources Committee hearing on DOE’s FY2022 budget request. She told Energy Secretary Jennifer Granholm that the DOE budget request for Hanford cleanup was at least \$900 million below the amount needed for DOE to keep its commitments to state and federal environmental regulators. Granholm responded that DOE was negotiating within the Administration for additional funding.²¹

The FY2022 request includes a proposal to transfer management of the Formerly Utilized Sites Remedial Action Program (FUSRAP) from USACE to the Office of Legacy Management (LM), the DOE office responsible for long-term stewardship of remediated sites. The transfer had also been proposed for FY2020 and FY2021; it was not approved by Congress. The FY2022 LM budget request includes \$250 million for FUSRAP, the same as appropriated to USACE for the program in FY2020. According to the DOE budget justification, “There would be no change to the execution of the work: USACE will continue to conduct cleanup of FUSRAP sites and LM will continue to conduct LTS&M [long-term surveillance and maintenance] after cleanup activities are completed.”²²

The House Appropriations Committee bill does not include the proposed FUSRAP transfer.

Bill Status and Recent Funding History

Table 1 indicates the steps taken during consideration of FY2022 Energy and Water Development appropriations. (For more details, see the CRS Appropriations Status Table at <http://www.crs.gov/AppropriationsStatusTable/Index>.)

Table 1. Status of Energy and Water Development Appropriations, FY2022

Subcommittee Markup		Final Approval							
House	Senate	House Comm.	House Passed	Senate Comm.	Senate Passed	Conf. Report	House	Senate	Public Law
7/12/21		7/16/21							

Source: CRS Appropriations Status Table.

Note: Dates will be added as action on the bill is taken.

²¹ Senate Committee on Energy and Natural Resources, *Full Committee Hearing to Examine the President’s FY 2022 Budget Request for the Department of Energy*, June 15, 2022, <https://www.energy.senate.gov/hearings/2021/6/full-committee-hearing-to-examine-the-president-s-fy-2022-budget-request-for-the-department-of-energy>.

²² DOE, *FY 2022 Congressional Budget Request, Budget in Brief*, p. 95, May 2021, <https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-in-brief-v4.pdf>.

Table 2 includes budget totals for energy and water development appropriations enacted for FY2015 through FY2021 and major stages of consideration for FY2022.

**Table 2. Energy and Water Development Appropriations,
FY2015-FY2022 Request**

(budget authority in billions of current dollars)

FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022 Request	FY2022 H. Com.
34.8	37.3	37.4 ^a	43.2 ^b	44.7 ^c	48.3 ^d	49.5	55.0 ^e	56.2 ^e

Source: Compiled by CRS from totals provided by congressional budget documents.

Notes: Figures exclude permanent budget authorities and reflect rescissions.

- Amount does not include \$1.0 billion in emergency funding for the USACE (P.L. 114-254).
- Amount does not include \$17.4 billion in emergency funding for USACE and DOE (P.L. 115-123).
- Amount does not include supplemental funding provided by P.L. 116-20 (\$3.258 billion for USACE and \$15.85 million for Reclamation).
- Amount does not include supplemental funding provided by P.L. 116-136.
- Does not include budget scorekeeping adjustments.

Description of Major Energy and Water Programs

The annual Energy and Water Development appropriations bill includes four titles: Title I—Corps of Engineers—Civil; Title II—Department of the Interior (Bureau of Reclamation and Central Utah Project); Title III—Department of Energy; and Title IV—Independent Agencies, as shown in **Table 3**. Major programs in the bill are described in this section in the approximate order they appear in the bill. Previous appropriations and the amounts recommended and approved during the major stages of the FY2021 appropriations process are shown in the accompanying tables, and additional details about many of these programs are provided in separate CRS reports as indicated. For a discussion of current funding issues related to these programs, see “Funding Issues and Initiatives,” above. Congressional clients may obtain more detailed information by contacting CRS analysts listed in CRS Report R42638, *Appropriations: CRS Experts*, by James M. Specht and Justin Murray.

Table 3. Energy and Water Development Appropriations Summary
(budget authority in millions of current dollars)

Title	FY2018 Approp.	FY2019 Approp.	FY2020 Approp.	FY2021 Request	FY2021 Approp.	FY2022 Request	F2022 H. Com.
Title I: Corps of Engineers	6,827	6,999	7,650	5,966	7,795	6,793	8,658
Title II: CUP and Reclamation	1,480	1,565	1,680	1,138	1,691	1,553	1,966
Title III: Department of Energy	34,569	35,709	38,657	35,732	39,625	46,646	45,127
Title IV: Independent Agencies	392	390	407	333	414	481	458
General provisions	—	21	—	—	—	—	—
Subtotal	43,268	44,684	48,395	43,169	49,525	55,473	56,208
Rescissions and Scorekeeping Adjustments ^a	-49	-24	-71	-610	-73	-1,848	-2,982
E&W Total	43,219	44,660	48,324	42,559	49,452	53,625	53,226

Sources: H.Rept. 117-98; FY2022 agency budget justifications; Explanatory statement for H.R. 133, 116th Congress; FY2021 Senate Appropriations Committee majority draft; H.R. 7617; H.Rept. 116-449; President's Budget FY2021; Explanatory Statement for Division C of H.R. 1865, 116th Congress; S.Rept. 116-102; S. 2470; H.R. 2740; CBO Current Status Report; H.Rept. 116-83; H.Rept. 115-929; S.Rept. 115-258; and P.L. 115-31 and explanatory statement. Subtotals may include other adjustments. Columns may not sum to totals because of rounding and adjustments.

- a. Budget "scorekeeping" refers to official determinations of spending amounts for congressional budget enforcement purposes. These scorekeeping adjustments may include rescissions and offsetting revenues from various sources.

Agency Budget Justifications

FY2022 budget justifications for the largest agencies funded by the annual Energy and Water Development appropriations bill can be found through the links below. The justifications provide detailed descriptions and funding breakouts for programs, projects, and activities under the agencies' jurisdiction.

- Title I, U.S. Army Corps of Engineers, Civil Works, <http://www.usace.army.mil/Missions/CivilWorks/Budget>
- Title II
 - Bureau of Reclamation, <https://www.usbr.gov/budget/>
 - Central Utah Project, <https://www.doi.gov/sites/doi.gov/files/fy2022-cupca-budget-justification.pdf>
- Title III, Department of Energy, <https://www.energy.gov/cfo/articles/fy-2022-budget-justification>
- Title IV, Independent Agencies
 - Appalachian Regional Commission, <https://www.arc.gov/budget-performance-and-policy>

- Nuclear Regulatory Commission, <https://www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1100/>
- Defense Nuclear Facilities Safety Board, <https://www.dnfsb.gov/about/congressional-budget-requests>
- Nuclear Waste Technical Review Board, <http://www.nwtrb.gov/about-us/plans>

Army Corps of Engineers

USACE is an agency in the Department of Defense with both military and civilian responsibilities. Under its civil works program, which is funded by the Energy and Water Development appropriations bill, USACE plans, builds, operates, and in some cases maintains water resource facilities for coastal and inland navigation, riverine and coastal flood risk reduction, and aquatic ecosystem restoration.²³

In recent decades, Congress has generally authorized USACE studies, construction projects, and other activities in omnibus water authorization bills, typically titled as Water Resources Development Acts (WRDA), prior to funding them through appropriations legislation. Recent Congresses enacted the following omnibus water resources authorization acts: in June 2014, the Water Resources Reform and Development Act of 2014 (WRRDA, P.L. 113-121); in December 2016, the Water Resources Development Act of 2016 (Title I of P.L. 114-322, the Water Infrastructure Improvements for the Nation Act [WIIN Act]); in October 2018, the Water Resources Development Act of 2018 (Title I of P.L. 115-270, America’s Water Infrastructure Act of 2018 [AWIA 2018]); and in December 2020, the Water Resources Development Act of 2020 (Division AA of P.L. 116-260, Consolidated Appropriations Act, 2021). These acts consisted largely of authorizations for new USACE projects, and they altered numerous USACE policies and procedures.²⁴

Unlike for highways and in municipal water infrastructure programs, federal funds for USACE are not distributed to states or projects based on formulas or delivered via competitive grants. Instead, USACE generally is directly involved in planning, designing, and managing the construction of projects that are cost-shared with nonfederal project sponsors.

From the 112th to the 116th Congresses, earmark moratorium policies limited congressionally directed funding of site-specific projects (i.e., *earmarks*). Prior to the 112th Congress, Congress would direct funds to specific projects not in the budget request or increase funds for certain projects. For FY2011-FY2021, Congress appropriated additional funding for categories of USACE work without identifying specific projects. During that period, after congressional enactment of the appropriations legislation and accompanying report language on priorities and other guidance for use of the additional funding, the Administration developed a work plan that reported on (1) the studies and construction projects selected to receive funding for the first time (new starts) and (2) the specific projects receiving additional funds. For FY2022, the House Appropriations Committee designated funding for specific USACE studies and project in appropriations bills and also provided additional funding for USACE to allocate at the project-level in a work plan. For more information, see CRS In Focus IF11462, *Army Corps of*

²³ Military responsibilities are funded through the Military Construction, Veterans Affairs, and Related Agencies appropriations bill.

²⁴ For more information on USACE authorization legislation, see CRS In Focus IF11322, *Water Resources Development Acts: Primer*, by Nicole T. Carter and Anna E. Normand, and CRS Report R45185, *Army Corps of Engineers: Water Resource Authorization and Project Delivery Processes*, by Nicole T. Carter and Anna E. Normand.

Engineers: FY2021 Appropriations, by Anna E. Normand and Nicole T. Carter, and CRS Report R46320, *U.S. Army Corps of Engineers: Annual Appropriations Process and Issues for Congress*, by Anna E. Normand and Nicole T. Carter. **Table 4** shows USACE appropriations accounts from FY2018-FY2021 and the FY2022 budget request.

Table 4. Army Corps of Engineers
(budget authority in millions of current dollars)

Program	FY2018 Approp.	FY2019 Approp.	FY2020 Approp.	FY2021 Request	FY2021 Approp.	FY2022 Request	FY2022 H. Com.
Investigations and Planning	123.0	125.0	151.0	102.6	153.0	105.8	155.0
Construction	2,085.0	2,183.0	2,681.0	2,173.2 ^a	2,692.6	1,792.4	2,591.7
Mississippi River and Tributaries (MR&T)	425.0	368.0	375.0	209.9 ^a	380.0	269.7	370.0
Operation and Maintenance (O&M)	3,630.0	3,739.5	3,790.0	1,996.5 ^a	3,849.7	2,502.9	4,817.0
Regulatory	200.0	200.0	210.0	200.0	210.0	204.4	212.0
General Expenses	185.0	193.0	203.0	187.0	206.0	199.3	208.0
FUSRAP ^b	139.0	150.0	200.0	0	250.0	0	250.0
Flood Control and Coastal Emergencies (FCCE)	35.0	35.0	35.0	77.0	35.0	35.0	35.0
Office of the Asst. Secretary of the Army	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Water Infrastructure Finance and Innovation (WIFIA) Program					14.2 ^c	0	14.2 ^c
Harbor Maintenance Trust Fund				1,015.0		1,625.9	
Inland Waterways Trust Fund				0		52.2	
Rescissions						-0.5	
Total Title I	6,827.0	6,998.5	7,650.0	5,966.2	7,795.0	6,792.5	8,657.9

Sources: H.Rept. 117-98; USACE Civil Works FY2022 Budget; Explanatory statement for H.R. 133, 116th Congress; FY2021 Senate Appropriations Committee majority draft; H.R. 7617, H.Rept. 116-449; President's Budget, FY2021; Explanatory Statement for Division C of H.R. 1865, 116th Congress; S.Rept. 116-102; S. 2470; H.R. 2740; CBO Current Status Report; H.Rept. 116-83; FY2020 Budget Justification; H.Rept. 115-929; S.Rept. 115-258; S.Rept. 115-132; H.Rept. 115-230; and P.L. 115-31 and explanatory statement. FY2020 and FY2021 request numbers can be found at <https://www.usace.army.mil/Missions/Civil-Works/Budget/>. Columns may not sum to totals because of rounding.

- a. In the Administration's request, some activities that would have previously been funded in these accounts were proposed to be funded directly from the Harbor Maintenance Trust Fund (HMTF) and Inland Waterway Trust Fund (IWTF) accounts. That is, the Administration proposed funding eligible USACE activities directly from the trust funds. This would replace the current practice of having USACE's O&M, Construction, and MR&T accounts incur expenses for HMTF-eligible and IWTF-eligible activities, and for these expenses to be reimbursed from the HMTF and IWTF accounts. For example, HMTF-eligible maintenance dredging would no longer be funded by the O&M account and reimbursed by the HMTF; instead the dredging would be funded directly from the HMTF account. Similar proposals were not enacted in FY2019, FY2020, and FY2021.
- b. Formerly Utilized Sites Remedial Action Program. The Administration's FY2020, FY2021, and FY2022 requests proposed transferring administration and funding of FUSRAP to the DOE Office of Legacy Management. The proposal was not enacted in FY2020 or FY2021.
- c. The Consolidated Appropriations Act, 2021, created a new USACE account to support direct loans and for the cost of guaranteed loans, as authorized by the Water Infrastructure Finance and Innovation Act of 2014 (Title V, Subtitle C of P.L. 113-121). The FY2022 budget request does not request funding for this account.

Bureau of Reclamation and Central Utah Project

Most of the large dams and water diversion structures in the West were built by, or with the assistance of, the Bureau of Reclamation. While the Corps of Engineers built hundreds of flood control and navigation projects, Reclamation's original mission was to develop water supplies, primarily for irrigation to reclaim arid lands in the West for farming and ranching. Reclamation has evolved into an agency that assists in meeting the water demands in the West while working to protect the environment and the public's investment in Reclamation infrastructure. The agency's municipal and industrial water deliveries have more than doubled since 1970.

Today, Reclamation manages hundreds of dams and diversion projects, including more than 300 storage reservoirs, in 17 western states. These projects provide water to approximately 10 million acres of farmland and 31 million people. Reclamation is the largest wholesale supplier of water in the 17 western states and the second-largest hydroelectric power producer in the nation. Reclamation facilities also provide substantial flood control, recreation, and other benefits. Reclamation facility operations are often controversial, particularly for their effect on fish and wildlife species and because of conflicts among competing water users during drought conditions.

As with the Corps of Engineers, the Reclamation budget is made up largely of individual project funding lines, rather than general programs that would not be covered by congressional earmark requirements. Therefore, as with USACE, these Reclamation projects have often been subject to earmark disclosure rules. The moratorium on earmarks through FY2021 restricted congressional steering of money directly toward specific Reclamation projects. For FY2022, the rules are again allowing congressionally directed funding for specific Reclamation projects.

Reclamation's single largest account, Water and Related Resources, encompasses the agency's traditional programs and projects, including construction, operations and maintenance, dam safety, and ecosystem restoration, among others.²⁵ Reclamation also typically requests funds in a number of smaller accounts, and has proposed additional accounts in recent years.

²⁵ The Water and Related Resources Account is largely funded by the Reclamation Fund, which receives and distributes receipts related to a number of federal activities (including royalties received from oil and gas leasing on federal lands). For more on this fund and financing of selected Reclamation Projects, see CRS Report R41844, *The Reclamation Fund: A Primer*, by Charles V. Stern.

Implementation and oversight of the Central Utah Project, also funded by Title II, is conducted by a separate office within the Department of the Interior.²⁶

For more information, see CRS In Focus IF11855, *Bureau of Reclamation: FY2022 Appropriations*, by Charles V. Stern. Previous appropriations and the amounts recommended and approved during the major stages of the FY2022 appropriations process are shown in **Table 5**.

Table 5. Bureau of Reclamation and CUP

(budget authority in millions of current dollars)

Program	FY2018 Approp	FY2019 Approp	FY2020 Approp	FY2021 Request	FY2021 Approp	FY2022 Request	FY2022 H Com
Water and Related Resources	1,332.1	1,392.0	1,512.2	979.0	1,521.1	1,379.1	1,792.0
Policy and Administration	59.0	61.0	60.0	60.0	60.0	64.4	64.4
CVP Restoration Fund (CVPRF)	41.4	62.0	54.8	55.9	55.9	56.5	56.5
Calif. Bay-Delta (CALFED)	37.0	35.0	33.0	33.0	33.0	33.0	33.0
Gross Current Reclamation Authority	1,469.5	1,550.0	1,660.0	1,127.9	1,670.0	1,532.9	1,945.9
Central Utah Project (CUP) Completion	10.5	15.0	20.0	10.0	21.0	20.0	20.0
Total, Reclamation and CUP	1,480.0	1,565.0	1,680.0	1,137.9	1,691.0	1,552.9	1,965.9

Sources: H.Rept. 117-98; Reclamation and CUP FY2022 congressional budget justifications, explanatory statement for H.R. 133, 116th Congress; FY2021 Senate Appropriations Committee majority draft; H.R. 7617, H.Rept. 116-449; President's Budget, FY2021; Explanatory Statement for Division C of H.R. 1865, 116th Congress; S.Rept. 116-102; H.R. 2740; CBO Current Status Report; H.Rept. 116-83; FY2020 Budget Justifications; H.Rept. 115-929; S.Rept. 115-258; S.Rept. 115-132; H.Rept. 115-230; and P.L. 115-31 and explanatory statement. Excludes offsets and permanent appropriations.

Notes: Columns may not sum to totals because of rounding. CVP = Central Valley Project.

Department of Energy

The Energy and Water Development appropriations bill has funded all DOE programs since FY2005. Major DOE activities are authorized under multiple energy statutes and include (1) R&D on renewable energy, energy efficiency, nuclear power, fossil energy, and electricity; (2) the Strategic Petroleum Reserve; (3) energy statistics, projections, and analysis; (4) general science; (5) loan programs; (6) environmental cleanup; and (7) nuclear weapons and nonproliferation programs. **Table 6** provides the recent funding history for DOE programs, which are briefly described further below.

²⁶ The Central Utah Project moves water from the Colorado River basin in eastern Utah to the western slopes of the Wasatch Mountain range. It was authorized in 1956 under the Colorado River Storage Project Act (P.L. 84-485). For more information, see the CUP website at <https://www.cupcao.gov/>.

Table 6. Department of Energy
(budget authority in millions of current dollars)

	FY2018 Approp.	FY2019 Approp.	FY2020 Approp.	FY2021 Request	FY2021 Approp.	FY2022 Request	FY2022 H. Com.
ENERGY PROGRAMS							
Energy Efficiency and Renewable Energy	2,321.8	2,379.0	2,777.3	719.6	2,861.8	4,732.0	3,768.0
Electricity Delivery and Energy Reliability ^a	248.3						
Electricity Delivery		156.0	190.0	195.0	211.7	327.0	267.0
Cybersecurity, Energy Security, and Emerg. Resp.		120.0	156.0	184.6	156.0	201.0	177.0
Nuclear Energy ^b	1,205.1	1,326.1	1,493.4	1,179.9	1,507.6	1,850.5	1,675.0
Fossil Energy and Carbon Management	726.8	740.0	750.0	730.6	750.0	890.0	820.0
Uranium Reserve				150.0	0 ^c	0	0
Naval Petroleum and Oil Shale Reserves	4.9	10.0	14.0	13.0	13.0	13.7	13.7
Strategic Petroleum Reserve ^d	260.4	245.0	205.0	119.1	189.0	204.4	204.4
Northeast Home Heating Oil Reserve	6.5	10.0	10.0	-84.0	6.5	0	6.5
Energy Information Administration	125.0	125.0	126.8	128.7	126.8	126.8	129.1
Non-Defense Environmental Cleanup	298.4	310.0	319.2	275.8	319.2	338.9	333.9
Uranium Enrichment Decontamination and Decommissioning Fund	840.0	841.1	881.0	806.2	841.0	831.3	831.3
Science	6,259.9	6,585.0	7,000.0	5,837.8	7,026.0	7,440.0	7,320.0
Office of Technology Transitions						19.5	19.5
Office of Clean Energy Demonstration						400.0	200.0
AI Technology Office				4.9	0		
Advanced Research Projects Agency—Energy (ARPA-E)	353.3	366.0	425.0	-310.7	427.0	500.0	600.0
Advanced Research Projects Agency—Climate (ARPA-C)						200.0	0
Nuclear Waste Disposal	0	0	0	27.5	27.5	7.5	27.5
Departmental Admin. (net)	189.7	165.9	161.0	136.1	166.0	321.8	272.0

	FY2018 Approp.	FY2019 Approp.	FY2020 Approp.	FY2021 Request	FY2021 Approp.	FY2022 Request	FY2022 H. Com.
Office of Inspector General	49.0	51.3	54.2	57.7	57.7	78.0	78.0
International Affairs		0	0	33.0	0		
Office of Indian Energy	0	18.0	22.0	8.0	22.0	122.0	70.0
Advanced Technology Vehicles Manufacturing (ATVM) Loans	5.0	5.0	5.0	0	5.0	5.0	5.0
ATVM Rescission of Emergency Funding					-1,903.0		
Title 17 Loan Guarantee	23.0	18.0	29.0	-384.7	29.0	179.0	29.0
Title 17 Rescission of Emergency Funding					-363.0		
Tribal Indian Energy Loan Guarantee	1.0	1.0	2.0	-8.5	2.0	2.0	2.0
TOTAL, ENERGY PROGRAMS	12,918.0	13,472.4	14,633.6	9,819.7	12,444.8	18,790.2	16,848.8
Weapons Activities	10,642.1	11,100.0	12,457.1	15,602.0	15,345.0	15,484.3	15,484.3
Nuclear Nonproliferation	1,999.2	1,930.0	2,164.4	2,031.0	2,260.0	1,934.0	2,340.0
Naval Reactors	1,620.0	1,788.6	1,648.4	1,684.0	1,684.0	1,860.7	1,866.7
Office of Admin./Salaries and Expenses	407.6	410.0	434.7	454.0	443.2	464.0	464.0
Total, NNSA	14,669.0	15,228.6	16,704.6	19,771.0	19,732.2	19,743.0	20,155.0
Defense Environmental Cleanup	5,988.0	6,024.0	6,255.0	4,983.6	6,426.0	6,841.7	6,592.0
Other Defense Activities	840.0	860.3	906.0	1,054.7	920.0	1,170.0	932.0
TOTAL, DEFENSE ACTIVITIES	21,497.0	22,112.9	23,865.6	25,809.3	27,078.2	27,754.7	28,510.3
Southwestern	11.4	10.4	10.4	10.4	10.4	10.4	10.4
Western	93.4	89.4	89.2	89.4	89.4	90.8	90.8
Falcon and Amistad O&M	0.2	0.2	0.2	0.2	0.2	0.2	0.2
TOTAL, PMAs	105.0	100.0	99.8	100.0	100.0	101.4	101.4
General provisions			-12.7	-607.0	-2.0		-334.0
DOE total appropriations	34,569.1	35,708.9	38,657.2	35,732.2	39,627.3	46,982.3	45,462.5
Offsets and adjustments	-49.0	-23.6	-70.9	-610.2	-2.2	-336.0	-336.0
Total, DOE	34,520.1	35,685.3	38,586.3	35,122.1	39,625.0	46,646.3	45,126.5

Sources: H.Rept. 117-98; DOE FY2022 congressional budget justification, explanatory statement for H.R. 133, 116th Congress; FY2021 Senate Appropriations Committee majority draft; H.R. 7617; H.Rept. 116-449; President's Budget, FY2021; Explanatory Statement for Division C of H.R. 1865, 116th Congress; S.Rept. 116-

102; H.R. 2740; CBO Current Status Report; H.Rept. 116-83; H.Rept. 115-929; S.Rept. 115-258; S.Rept. 115-132; H.Rept. 115-230; and P.L. 115-31 and explanatory statement.

Notes: Columns may not sum to totals because of rounding. AI = Artificial Intelligence.

- a. The Office of Electric Delivery and Energy Reliability was split in FY2019 into the Office of Electricity Delivery and the Office of Cybersecurity, Energy Security, and Emergency Response.
- b. Includes appropriations under defense budget function.
- c. Uranium Reserve funding of \$75 million provided under Weapons Activities account.
- d. Includes SPR Petroleum Account.

Energy Efficiency and Renewable Energy

DOE's Office of Energy Efficiency and Renewable Energy (EERE) conducts research and development on transportation energy technology, energy efficiency in buildings and manufacturing processes, and the production of solar, wind, geothermal, and other renewable energy. EERE also administers formula grants to states.

The Sustainable Transportation program area includes electric vehicles, vehicle efficiency, hydrogen and fuel cells, and alternative fuels. DOE's electric vehicle program includes several goals for 2030, including "decreasing vehicle battery cell cost to achieve cost parity with internal combustion engines" and "eliminating dependence on critical materials such as cobalt, nickel, and graphite." The program also supports demonstrations of electrified medium and heavy trucks, according to the FY2022 DOE budget justification.²⁷

Renewable power programs focus on electricity generation from solar, wind, water, and geothermal sources. They are also developing concentrated solar technologies to produce high-temperature heat that could replace fossil fuels in steel manufacturing and other industrial processes. In the energy efficiency program area, the advanced manufacturing program focuses on improving the energy efficiency of manufacturing processes and on the manufacturing of energy-related products. The building technologies program includes R&D on lighting, space conditioning, windows, and control technologies to reduce building energy-use intensity. The energy efficiency program provides two types of formula grants to states: weatherization grants for improving the energy efficiency of low-income housing units and state energy planning grants.²⁸

For more details on energy efficiency grants, see CRS Report R46418, *The Weatherization Assistance Program Formula*, by Corrie E. Clark and Lynn J. Cunningham.

Electricity Delivery, Cybersecurity, Energy Security, and Energy Reliability

The Office of Cybersecurity, Energy Security, and Emergency Response (CESER) is the federal government's lead entity for energy sector-specific responses to energy security emergencies—whether caused by physical infrastructure problems or by cybersecurity issues. The office conducts R&D on energy infrastructure security technology; provides energy sector security guidelines, training, and technical assistance; and enhances energy sector emergency preparedness and response.²⁹

²⁷ DOE, *FY2022 Budget in Brief*, May 2021, p. 31, <https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-in-brief-v4.pdf>.

²⁸ *Ibid.*, p. 32.

²⁹ *Ibid.*, p. 47.

The Office of Electricity (OE) leads DOE efforts “to strengthen, transform, and improve energy infrastructure so that consumers have access to secure and resilient sources of energy.” OE uses a model of North American energy vulnerabilities for analyzing transmission and other energy infrastructure needs. Other activities include pursuing megawatt-scale electricity storage, integrating electric power system sensing technology, and analyzing electricity-related policy issues.³⁰ The office also includes the DOE power marketing administrations, which are funded from separate appropriations accounts.

Nuclear Energy

DOE’s Office of Nuclear Energy (NE) supports R&D on technologies to improve the efficiency and economic viability of existing U.S. nuclear power plants, development and demonstration of advanced reactor technologies, and R&D on nuclear fuel cycle technologies. The FY2022 DOE budget justification calls NE “a key element of the Administration’s plan to put the United States (U.S.) on a path to net-zero emissions by 2050.”³¹

The Reactor Concepts program area comprises research on advanced reactors, including advanced small modular reactors, and research to enhance the “sustainability” of existing commercial light water reactors. Advanced reactor research focuses on “Generation IV” reactors, as opposed to the existing fleet of commercial light water reactors, which are generally classified as generations II and III. To help develop those technologies, NE is developing a Versatile Test Reactor that would allow fuels and materials to be tested in a fast neutron environment (in which neutrons would not be slowed by water, graphite, or other “moderators”).

The Fuel Cycle Research and Development program includes generic research on nuclear waste management and disposal. One of the program’s primary activities is the development of technologies to separate the radioactive constituents of spent fuel for reuse or solidifying into stable waste forms. Other major research areas in the Fuel Cycle R&D program include the development of accident-tolerant fuels for existing commercial reactors, evaluation of fuel cycle options, and development of improved technologies to prevent diversion of nuclear materials for weapons. The program is also developing sources of high-assay low enriched uranium (HALEU), in which uranium is enriched to between 5% and 20% in the fissile isotope U-235, for potential use in advanced reactors. HALEU would be required for several designs currently receiving cost-shared support by DOE’s Advanced Reactor Demonstration Program. For more information, see CRS Report R45706, *Advanced Nuclear Reactors: Technology Overview and Current Issues*, by Danielle A. Arostegui and Mark Holt.

Fossil Energy and Carbon Management

The Fossil Energy and Carbon Management Research, Development, Demonstration, and Deployment program (FECM)³² supports research related to coal, natural gas, and petroleum. The program also supports operations at the National Energy Technology Laboratory. Major focus areas in recent years include development of carbon capture technologies; characterization of geologic formations capable of permanently storing carbon dioxide; development of new uses for carbon dioxide and coal; and developing new power plant technologies to more efficiently use

³⁰ Ibid., p. 37.

³¹ Ibid., p. 57.

³² FECM was referred to as the Fossil Energy Research and Development program in previous budget requests and appropriations reports. The Biden Administration renamed the program, and the change is included in the House Appropriations Committee’s FY2022 Energy and Water Development appropriations bill and report.

fossil fuels to generate electricity. The request “re-focuses from traditional fossil combustion-centric activities” to “climate-centric activities,” such as carbon capture, utilization, and storage (CCUS), reducing methane leaks from fossil fuels systems, hydrogen produced from fossil fuels, and carbon removal.³³ Some of these activities are continuing from previous years and others were authorized by the Energy Act of 2020.

The House Appropriations Committee-passed bill and report supported R&D activities related to carbon capture, carbon removal, hydrogen, and other technologies aimed at reducing greenhouse gas emissions associated with fossil fuel use. The Committee report identified many of these activities as crosscutting initiatives, and directed FECM to coordinate with EERE, the Office of Science, and other specified programs.

For more information, see CRS In Focus IF11861, *Funding for Carbon Capture and Carbon Removal at DOE*, by Ashley J. Lawson.

Strategic Petroleum Reserve

Authorized in 1975 by the Energy Policy and Conservation Act (P.L. 94-163, as amended; 42 U.S.C. §6201 et seq.), the SPR fulfills two statutory policy objectives: (1) reduce the economic impact of oil supply disruptions, and (2) carry out U.S. obligations under the Agreement on an International Energy Program (IEP)—a multilateral agreement subject to international law. Currently, the SPR consists of a crude oil reserve in Texas and Louisiana and a smaller refined petroleum product reserve in several Northeastern states.

Since the SPR was established, its crude oil stocks have been used on three occasions in response to emergency oil supply disruptions. More frequently, SPR authorities have been used to exchange crude oil with refiners following natural disasters (i.e., hurricanes) and other regional supply disruption events.³⁴ The Northeast Gasoline Supply Reserve—established in 2014—has never been utilized.

With limited utilization in response to emergency oil supply disruptions, growing U.S. crude oil production, and rapidly declining net petroleum imports—one key metric used to determine IEP emergency oil stock obligations—Congress began requiring DOE to draw down and sell SPR crude oil to pay for other legislative priorities. Since 2015, Congress has enacted seven laws mandating the sale of 271 million barrels of crude oil. Additionally, Congress has required DOE to sell approximately \$1.5 billion of SPR crude oil to pay for an SPR modernization program.³⁵

Science and ARPA-E

The DOE Office of Science conducts basic research in six program areas: advanced scientific computing research, basic energy sciences, biological and environmental research, fusion energy sciences, high-energy physics, and nuclear physics. According to DOE’s FY2022 budget

³³ DOE, *FY2022 Budget in Brief*, May 2021, p. 51, <https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-in-brief-v4.pdf>.

³⁴ For additional information about SPR releases, see U.S. Department of Energy, *History of SPR Releases*, at <https://www.energy.gov/fe/services/petroleum-reserves/strategic-petroleum-reserve/releasing-oil-spr>, accessed November 12, 2020.

³⁵ For additional information about congressionally required SPR oil sales, see *Strategic Petroleum Reserve: Mandated and Modernization Sales*, by Phillip Brown, a congressional distribution memo available to congressional clients by request from the author.

justification, the Office of Science “is the nation’s largest Federal supporter of basic research in the physical sciences.”³⁶

DOE’s Advanced Scientific Computing Research (ASCR) program focuses on developing and maintaining computing and networking capabilities for science and research in applied mathematics, computer science, and advanced networking. The program plays a key role in the DOE-wide effort to advance the development of exascale computing, which seeks to build a computer that can solve scientific problems 1,000 times faster than today’s best machines. DOE has asserted that the department is on a path to have a capable exascale machine by the early 2020s.

Basic Energy Sciences (BES), the largest program area in the Office of Science, focuses on understanding, predicting, and ultimately controlling matter and energy at the electronic, atomic, and molecular levels. The program supports research in disciplines such as condensed matter and materials physics, chemistry, and geosciences. BES also provides funding for scientific user facilities (e.g., the National Synchrotron Light Source II, and the Linac Coherent Light Source-II), and certain DOE research centers and hubs (e.g., Energy Frontier Research Centers, as well as the Batteries and Energy Storage and Fuels from Sunlight Energy Innovation Hubs).

Biological and Environmental Research (BER) seeks a predictive understanding of complex biological, climate, and environmental systems across a continuum from the small scale (e.g., genomic research) to the large (e.g., Earth systems and climate). Within BER, Biological Systems Science focuses on plant and microbial systems, while Biological and Environmental Research supports climate-relevant atmospheric and ecosystem modeling and research. BER facilities and centers include four Bioenergy Research Centers and the Environmental Molecular Science Laboratory at Pacific Northwest National Laboratory.

Fusion Energy Sciences (FES) seeks to increase understanding of the behavior of matter at very high temperatures and to establish the science needed to develop a fusion energy source. FES provides funding for the ITER project, a multinational effort to design and build an experimental fusion reactor.

The High Energy Physics (HEP) program conducts research on the fundamental constituents of matter and energy, including studies of dark energy and the search for dark matter. Nuclear Physics supports research on the nature of matter, including its basic constituents and their interactions. A major project in the Nuclear Physics program is the construction of the Facility for Rare Isotope Beams at Michigan State University.

Two significant research efforts in the Office of Science cut across multiple program areas: quantum information science, which aims to use quantum physics to process information, and artificial intelligence and machine learning, which use computerized systems that work and react in ways commonly thought to require intelligence.

ARPA-E is a separate DOE office authorized by the America COMPETES Act (P.L. 110-69) to support transformational energy technology research projects. DOE budget documents describe ARPA-E’s mission as overcoming long-term, high-risk technological barriers to the development of energy technologies.

For more details, see CRS Report R46341, *Federal Research and Development (R&D) Funding: FY2021*, coordinated by John F. Sargent Jr.

³⁶ DOE, *FY2022 Budget in Brief*, May 2021, p. 21, <https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-in-brief-v4.pdf>.

Loan Guarantees and Direct Loans

DOE's Loan Programs Office provides loan guarantees for projects that deploy innovative energy technologies, as authorized by Title 17 of the Energy Policy Act of 2005 (EPACT05, P.L. 109-58), direct loans for advanced vehicle manufacturing technologies, and loan guarantees for tribal energy projects. Section 1703 of EPACT05 authorized loan guarantees for advanced energy technologies that reduce greenhouse gas emissions, and Section 1705 authorized a temporary program through FY2011 for renewable energy and energy efficiency projects.

Title 17 allows DOE to provide loan guarantees for up to 80% of construction costs for eligible energy projects. In general, successful applicants must pay an up-front fee, or "subsidy cost," to cover potential losses under the loan guarantee program. Under the loan guarantee agreements, the federal government would repay all covered loans if the borrower defaulted. Such guarantees would reduce the risk to lenders and allow them to provide financing at below-market interest rates.

DOE currently has more than \$40 billion in authority available to make direct loans and loan guarantees in the following categories:³⁷

- Advanced Fossil Energy Projects Loan Guarantees, \$8.5 billion;
- Advanced Nuclear Energy Projects Loan Guarantees, \$10.9 billion;
- Renewable Energy and Efficient Energy Projects Loan Guarantees, up to \$4.5 billion;
- Advanced Technology Vehicles Manufacturing Loan Program, \$17.7 billion in direct loan authority; and
- Tribal Energy Loan Guarantee Program, up to \$2 billion in partial loan guarantee authority.

To date, the only loan guarantees under Section 1703 have been to the consortium building two new nuclear reactors at the Vogtle plant in Georgia, totaling about \$12 billion.³⁸ Another nuclear loan guarantee is being sought by NuScale Power to build a small modular reactor in Idaho.³⁹

Energy Information Administration

The U.S. Energy Information Administration was established within DOE as the lead federal agency for collecting, analyzing, and disseminating data on U.S. and world energy supply and consumption. EIA data collection spans the energy system from supply and transport to consumption. All energy sources are included in EIA's data and analysis products, though some (e.g., petroleum) are more detailed than others (e.g., renewables). The explanatory statement for the Consolidated Appropriations Act, 2021, directed DOE to submit a report to the House and Senate Appropriations Committees on improving EIA's energy modeling capabilities "to be able to simulate deep decarbonization scenarios, including economy-wide net-zero emissions

³⁷ DOE, "Products and Services," as of April 23, 2020, <https://www.energy.gov/lpo/title-xvii/products-services#innovativeenergy>.

³⁸ DOE, "Secretary Perry Announces Financial Close on Additional Loan Guarantees During Trip to Vogtle Advanced Nuclear Energy Project," news release, March 22, 2019, <https://www.energy.gov/articles/secretary-perry-announces-financial-close-additional-loan-guarantees-during-trip-vogtle>.

³⁹ NuScale Power, "NuScale Power, LLC Submits Part II of DOE Loan Guarantee Application," news release, September 6, 2017, <http://newsroom.nuscalepower.com/press-release/nuscale-power-llc-submits-part-ii-doe-loan-guarantee-application>. More information about DOE loans and loan guarantees is at the Loan Programs Office website, <https://www.energy.gov/lpo/loan-programs-office>.

policies.” For more details, see CRS Report R46524, *The U.S. Energy Information Administration*, coordinated by Ashley J. Lawson.

Nuclear Weapons Activities

In the absence of explosive testing of nuclear weapons, the United States has adopted a science-based program to maintain and sustain confidence in the reliability of the U.S. nuclear stockpile. Congress established the Stockpile Stewardship Program in the National Defense Authorization Act for Fiscal Year 1994 (P.L. 103-160). The goal of the program, as amended by the National Defense Authorization Act for Fiscal Year 2010 (P.L. 111-84, §3111), is to ensure “that the nuclear weapons stockpile is safe, secure, and reliable without the use of underground nuclear weapons testing.” The program is operated by NNSA, a semiautonomous agency within DOE established by the National Defense Authorization Act for Fiscal Year 2000 (P.L. 106-65, Title XXXII). NNSA implements the Stockpile Stewardship Program through the activities funded by the Weapons Activities account in the NNSA budget.

Most of NNSA’s weapons activities take place at the nuclear weapons complex, which consists of three laboratories (Los Alamos National Laboratory, NM; Lawrence Livermore National Laboratory, CA; and Sandia National Laboratories, NM and CA); four production sites (Kansas City National Security Campus, MO; Pantex Plant, TX; Savannah River Site, SC; and Y-12 National Security Complex, TN); and the Nevada National Security Site (formerly the Nevada Test Site). NNSA manages and sets policy for the weapons complex; contractors to NNSA operate the eight sites. Radiological activities at these sites are subject to oversight and recommendations by the independent Defense Nuclear Facilities Safety Board, funded by Title IV of the annual Energy and Water Development appropriations bill.

NNSA reorganized and renamed its program areas in its FY2021 budget request. The four main programs, each with a request of over \$2 billion for FY2021, include the following:

- *Stockpile Management*, which contains many of the projects included in Directed Stockpile Work from previous years, supports work directly on nuclear weapons. These include life extension programs, warhead surveillance, maintenance, and other activities.
- *Stockpile Production* programs focus on maintaining and expanding the production capabilities for the components of nuclear weapons that are critical to weapons performance. According to NNSA, these include primaries, canned subassemblies, radiation cases, and non-nuclear components.
- *Stockpile Research, Technology, and Engineering* replaces the Research, Development, Test, and Evaluation program area. These programs provide the scientific foundation for science-based stockpile decisions.
- *Infrastructure and Operations* maintains, operates, and modernizes the NNSA infrastructure. It supports construction of new facilities and funds deferred maintenance in older facilities.

Nuclear Weapons Activities also has several smaller programs, including the following:

- *Secure Transportation Asset*, providing for safe and secure transport of nuclear weapons, components, and materials;
- *Defense Nuclear Security*, providing operations, maintenance, and construction funds for protective forces, physical security systems, personnel security, and related activities; and

- *Information Technology and Cybersecurity*, whose elements include cybersecurity, secure enterprise computing, and Federal Unclassified Information Technology.

For more information, see CRS Report R44442, *Energy and Water Development Appropriations: Nuclear Weapons Activities*, by Amy F. Woolf, and CRS Report R45306, *The U.S. Nuclear Weapons Complex: Overview of Department of Energy Sites*, by Amy F. Woolf and James D. Werner.

Defense Nuclear Nonproliferation

DOE's nonproliferation and national security programs provide technical capabilities to support U.S. efforts to prevent, detect, and counter the spread of nuclear weapons worldwide. These programs are administered by NNSA's Office of Defense Nuclear Nonproliferation (DNN).

The Materials Management and Minimization program conducts activities to minimize and, where possible, eliminate stockpiles of weapons-useable material around the world. Major activities include conversion of reactors that use highly enriched uranium (useable for weapons) to low-enriched uranium, removal and consolidation of nuclear material stockpiles, and disposition of excess nuclear materials.

Global Materials Security has three major program elements. International Nuclear Security focuses on increasing the security of vulnerable stockpiles of nuclear material in other countries. Radiological Security promotes the worldwide reduction and security of radioactive sources (typically used in medical and industrial devices), including the removal of surplus sources and substitution of technologies that do not use radioactive materials. Nuclear Smuggling Detection and Deterrence works to improve the capability of other countries to halt illicit trafficking of nuclear materials.

Nonproliferation and Arms Control works to “strengthen the nonproliferation and arms control regimes through innovative policy development and implementation to prevent proliferation, ensure peaceful nuclear uses, and enable verifiable nuclear reductions,” according to the FY2022 DOE justification.⁴⁰ This program conducts reviews of nuclear export applications and technology transfer authorizations, implements treaty obligations, and analyzes nonproliferation policies and proposals.

For more information, see CRS Report R44413, *Energy and Water Development Appropriations for Defense Nuclear Nonproliferation: In Brief*, by Mary Beth D. Nikitin.

Cleanup of Former Nuclear Weapons Production and Research Sites

The development and production of nuclear weapons since the beginning of the Manhattan Project⁴¹ during World War II resulted in a waste and contamination legacy managed by DOE that continues to present substantial challenges. DOE also manages legacy environmental

⁴⁰ DOE, *FY2022 Budget in Brief*, May 2021, p. vol. 1, p. 73, <https://www.energy.gov/sites/default/files/2021-06/doe-fy2022-budget-in-brief-v4.pdf>.

⁴¹ As described by the Manhattan Project National Historical Park, “The Manhattan Project was a massive, top secret national mobilization of scientists, engineers, technicians, and military personnel charged with producing a deployable atomic weapon during World War II. Coordinated by the US Army, Manhattan Project activities were located in numerous locations across the United States.” The nuclear weapons activities begun by the Manhattan Project are now the responsibility of DOE. See National Park Service, Manhattan Project National Historical Park website, <https://www.nps.gov/mapr/learn/historyculture/index.htm>.

contamination at sites used for nondefense nuclear research. In 1989, DOE established the Office of Environmental Management (EM) primarily to consolidate its responsibilities for the cleanup of former nuclear weapons production sites that had been administered under multiple offices.⁴²

DOE has identified more than 100 separate sites in over 30 states that historically were involved in the production of nuclear weapons and nuclear energy research for civilian purposes.⁴³ Responsibility for long-term stewardship at sites where remediation is complete or remedies are in place is transferred from EM to the separate DOE Office of Legacy Management and other offices within DOE.⁴⁴ Some of the smaller sites for which DOE initially was responsible were transferred to the Army Corps of Engineers in 1997 under the Formerly Utilized Sites Remedial Action Program. Once USACE completes the cleanup of a FUSRAP site, it is transferred back to LM, which has its own DOE funding subaccount within Other Defense Activities.

EM is funded by three appropriations accounts. The Defense Environmental Cleanup account is the largest in terms of funding, and it finances the cleanup of former nuclear weapons production sites. The Non-Defense Environmental Cleanup account funds the cleanup of federal nuclear energy research sites. Title XI of the Energy Policy Act of 1992 (P.L. 102-486) established the Uranium Enrichment Decontamination and Decommissioning Fund to pay for the cleanup of three federal facilities that enriched uranium for national defense and civilian purposes.⁴⁵ Those facilities are located near Paducah, KY; Piketon, OH (Portsmouth plant); and Oak Ridge, TN. DOE declared the cleanup of the Oak Ridge enrichment site complete on October 13, 2020.⁴⁶ Title X of P.L. 102-486 authorized the reimbursement of uranium and thorium producers for their costs of cleaning up contamination attributable to uranium and thorium sold to the federal government.⁴⁷

The adequacy of funding for the Office of Environmental Management to attain cleanup milestones across the entire site inventory has been a recurring issue. Cleanup milestones are enforceable measures incorporated into compliance agreements negotiated among DOE, the Environmental Protection Agency, and the states. These milestones establish time frames for the completion of specific actions to satisfy applicable requirements at individual sites.

Power Marketing Administrations

DOE's four Power Marketing Administrations were established to sell the power generated by various federal dams. The PMAs operate in 34 states; their assets consist primarily of transmission infrastructure in the form of more than 33,000 miles of high voltage transmission lines and 587 substations. PMA customers are responsible for repaying all power program expenses, plus the interest on capital projects. Since FY2011, power revenues associated with the PMAs have been classified as discretionary offsetting receipts (i.e., receipts that are available for spending by the PMAs), thus the agencies are sometimes noted as having a "net-zero" spending

⁴² In 1989, DOE created the Office of Environmental Restoration and Waste Management, which later was renamed the Office of Environmental Management.

⁴³ For a list of active and completed sites, see the EM "Cleanup Sites" web page and interactive map at <http://energy.gov/em/cleanup-sites>.

⁴⁴ The Office of Legacy Management administers the long-term stewardship of DOE sites that do not have a continuing mission once cleanup remedies are in place. Sites that have a continuing mission are transferred to the DOE offices that administer those missions, which are responsible for their long-term stewardship.

⁴⁵ 42 U.S.C. §2297g.

⁴⁶ DOE, Office of Environmental Management, "Workers Achieve Historic Cleanup of Uranium Enrichment Complex," news release, October 13, 2020, <https://www.energy.gov/em/articles/workers-achieve-historic-cleanup-uranium-enrichment-complex>.

⁴⁷ 42 U.S.C. §2296a.

authority. Only the capital expenses of the Western Area Power Administration (WAPA) and Southwestern Power Administration (SWPA) are supported by appropriations from Congress.

For more information, see CRS Report R45548, *The Power Marketing Administrations: Background and Current Issues*, by Richard J. Campbell.

Independent Agencies

Independent agencies that receive funding in Title IV of the Energy and Water Development bill include the Nuclear Regulatory Commission (NRC), the Appalachian Regional Commission (ARC), and the Defense Nuclear Facilities Safety Board. NRC is by far the largest of the independent agencies, with a total budget of nearly \$900 million. However, as noted in the description of NRC below, about 90% of NRC’s budget is offset by fees, so that the agency’s net appropriation is less than half of the total funding in Title IV. NRC and ARC are discussed in more detail below. The recent appropriations history for all the Title IV agencies is shown in Table 7.

Table 7. Independent Agencies Funded by Energy and Water Development Appropriations

(budget authority in millions of current dollars)

Program	FY2019 Approp.	FY2020 Approp.	FY2021 Request	FY2021 Approp.	FY2022 Request	FY2022 H. Com.
Appalachian Regional Commission	165.0	175.0	165.0	180.0	235.0	210.0
Nuclear Regulatory Commission	911.0	855.6	863.4	844.4	887.7	887.7
(Revenues)	-780.8	-728.1	-740.4	-721.4	-756.7	-756.7
Net NRC (including Inspector General)	130.1	127.5	123.0	123.0	131.0	131.0
Defense Nuclear Facilities Safety Board	31.0	31.0	28.8	31.0	31.0	31.0
Nuclear Waste Technical Review Board	3.6	3.6	3.6	3.6	3.8	3.8
Denali Commission	15.0	15.0	7.3	15.0	15.1	15.0
Delta Regional Authority	25.0	30.0	2.5	30.0	30.1	30.0
Northern Border Regional Commission	20.0	25.0	0.9	30.0	30.1	32.0
Southeast Crescent Regional Commission	0.3	0.3	0	1.0	2.5	2.5
Southwest Border Regional Commission				0.3	2.5	2.5
Total	390.0	407.3	333.1	413.9	481.1	457.8

Sources: H.Rept. 117-98; FY2022 agency budget justifications; explanatory statement for H.R. 133, 116th Congress; FY2021 Senate Appropriations Committee majority draft; H.R. 7617; H.Rept. 116-449; FY2021 President’s Request; Explanatory Statement for Division C of H.R. 1865, 116th Congress; S.Rept. 116-102; S. 2470; H.R. 2740; CBO Current Status Report; H.Rept. 116-83; H.Rept. 115-929; S.Rept. 115-258; S.Rept. 115-132; H.Rept. 115-230; P.L. 115-31 and explanatory statement.

Note: Columns may not sum to totals because of rounding.

Appalachian Regional Commission

Established in 1965,⁴⁸ the Appalachian Regional Commission (ARC) is a regional economic development agency. It awards grants and contracts to state and local governments and nonprofit

⁴⁸ Appalachian Regional Development Act of 1965, P.L. 89-4.

organizations to foster economic opportunities, improve workforce skills, build critical infrastructure, strengthen natural and cultural assets, and improve leadership skills and capacity in the region. ARC’s authorizing statute defines the Appalachian Region as including all of West Virginia and parts of Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia. More than 25 million people currently live in the region as defined.

ARC provides funding to several hundred projects each year, with particular focus on the region’s most economically distressed counties. Major areas of infrastructure support include broadband communication systems, transportation, and water and wastewater systems. ARC has supported development of the Appalachian Development Highway System (ADHS), a planned 3,000-mile system of highways that connect with the U.S. Interstate Highway System. According to ARC, 91.1% of ADHS is “under construction or open to traffic.”⁴⁹

Since FY2016, Congress has appropriated approximately \$50 million per year as a set-aside for ARC’s POWER Initiative (Partnerships for Opportunity and Workforce and Economic Revitalization), which assists communities impacted by the decline of the coal industry. The POWER Initiative funds a variety of economic, workforce, and community development projects to stabilize and stimulate economic activity in affected communities.

For more background on ARC and other regional commissions and authorities, see CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*, by Michael H. Cecire, and CRS In Focus IF11140, *Federal Regional Commissions and Authorities: Overview of Structure and Activities*, by Michael H. Cecire.

Nuclear Regulatory Commission

NRC is an independent agency that establishes and enforces safety and security standards for nuclear power plants and users of nuclear materials. Major appropriations categories for NRC are shown in **Table 8**. Nuclear Reactor Safety is NRC’s largest program and is responsible for licensing and regulating the U.S. fleet of 93 power reactors, plus two under construction. NRC is also responsible for licensing and regulating nuclear waste facilities, such as the proposed underground nuclear waste repository at Yucca Mountain, NV (for which no funding was requested or provided for FY2021).

NRC is required by law to offset its total budget, excluding specified items, through fees charged to nuclear reactor owners and other holders of NRC licenses. Budget items excluded from fee recovery include prior-year balances, development of advanced reactor regulations, international activities, and non-site-specific homeland security. As a result, NRC’s net appropriation request for FY2022 is about 15% of the agency’s total budget.

Table 8. Nuclear Regulatory Commission Funding Categories

(budget authority in millions of current dollars)

Funding Category	FY2018 Approp.	FY2019 Approp.	FY2020 Approp.	FY2021 Request	FY2021 Approp.	FY2022 Request	FY2022 H. Com.
Nuclear Reactor Safety	462.6	469.8	433.4	452.9	452.8	477.4	477.4
Nuclear Materials and Waste Safety	113.0	108.6	103.2	102.9	102.9	107.3	107.3

⁴⁹ For more information, see ARC home page at <https://www.arc.gov>.

Funding Category	FY2018 Approp.	FY2019 Approp.	FY2020 Approp.	FY2021 Request	FY2021 Approp.	FY2022 Request	FY2022 H. Com.
Decommissioning and Low-Level Waste	27.1	25.4	21.4	22.8	22.8	22.9	22.9
Yucca Mountain Licensing	0.1	0	0	0	0	0	0
Corporate Support	296.4	299.6	289.1	271.4	271.4	266.3	266.3
Integrated University Program	15.5	15.0	2.5	0	16.0	0	16.0
Prior-Year Balances		-20	-38.4		-35.0	0	-16.0
Inspector General	13.3	12.6	12.1	13.5	13.5	13.8	13.8
Total	922.0	911.0	823.1	863.4	844.4	887.7	887.7

Source: H.Rept. 117-98; NRC FY2022 congressional budget justification; explanatory statement for H.R. 133, 116th Congress; FY2021 Senate Appropriations Committee majority draft; H.R. 7617; H.Rept. 116-449; NRC FY2021 Budget Justification; Explanatory Statement for Division C of H.R. 1865, 116th Congress; S.Rept. 116-102; H.R. 2740; H.Rept. 116-83; H.Rept. 115-929, NRC FY2020 Budget Justification; H.Rept. 115-697; S.Rept. 115-258.

Note: Fee offsets and some adjustments are excluded.

Congressional Hearings

The following hearings were held by the Energy and Water Development subcommittees of the House and Senate Appropriations Committees on the FY2022 budget request. Testimony and opening statements are posted on most of the web pages cited for each hearing, along with webcasts in many cases.

House

- *Department of Energy*, May 6, 2021, <https://appropriations.house.gov/events/hearings/fy-2022-budget-request-for-the-department-of-energy>.
- *Corps of Engineers and Bureau of Reclamation*, May 24, 2021, <https://appropriations.house.gov/events/hearings/fy-2022-budget-request-for-the-us-army-corps-of-engineers-and-bureau-of-reclamation>.

Senate

- *U.S. Army Corps of Engineers and the Bureau of Reclamation*, June 9, 2021, <https://www.appropriations.senate.gov/hearings/a-review-of-the-fiscal-year-2022-budget-submission-for-the-us-army-corps-of-engineers-and-the-bureau-of-reclamation>.

Department of Energy, June 23, 2021, <https://www.appropriations.senate.gov/hearings/a-review-of-the-fiscal-year-2022-budget-submission-for-the-us-department-of-energy-including-the-national-nuclear-security-administration>.

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