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U.S. Department of Energy

Before the

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Chairman Fleischmann, Ranking Member Kaptur, and Members of the Committee, it is an honor to appear before you and this Committee today as the Secretary of Energy to discuss the President's Fiscal Year (FY) 2026 Budget request for the Department of Energy ("the Department" or "DOE").

America has a historic opportunity to secure our energy systems; deliver leadership in scientific and technological innovation, including in Artificial Intelligence; maintain and strengthen our weapons stockpiles; and meet Cold War legacy waste commitments. The Department of Energy is capable of meeting these critical missions while increasing efficiency, unleashing innovation, and ensuring we are better stewards of taxpayer dollars. President Trump is committed to balancing the budget and implementing fiscal restraint – focusing agency funding on the crucial goal of unleashing American energy dominance. This is a commitment I share and a duty I intend to fulfill.

Just last week, the Trump Administration celebrated its 100th day in office, and the Department of Energy has been hard at work to deliver on these goals of unleashing energy expansion while improving operational efficiency. I am proud to report that we have officially ended the previous administration's reckless pause on Liquified Natural Gas (LNG) export permits and returned DOE to regular order for reviewing and approving new permits. Since January, the Department has approved applications from projects that will export more than 9.5 billion cubic feet per day (Bcf/d) of natural gas as LNG, adding nearly as much incremental capacity as the world's leading LNG exporting countries.

Additionally, we are advancing President Trump's pledge to lower the cost of living and expand consumer choice for all Americans by rightsizing DOE's regulatory approach to home efficiency standards. At President Trump's direction, DOE has officially withdrawn four conservation standards before they took effect, including standards on electric motors, ceiling fans, dehumidifiers, and external power supplies. DOE has delayed the implementation of efficiency standards for walk-in coolers and freezers, efficiency standards for gas instantaneous water heaters, and test procedures for central air conditioning and heat pumps, as well as extended the

deadline for compliance with energy-conservation standards for manufactured housing. Just last week, DOE published a final rule withdrawing coverage of miscellaneous gas products such as outdoor heaters and decorative hearths, meaning those beloved products are exempt from unnecessary regulations.

By removing burdensome rules, we are returning freedom of choice to the American people, ensuring consumers can choose the home appliances that work best for their lives and budgets.

While we actively work to strengthen America's role as the world's leader in oil and natural gas production and lower costs for all Americans, we are also taking steps to accelerate innovation in the commercial nuclear development. In the past 100 days, DOE has issued two disbursements to support the reopening of Michigan's Palisades Nuclear Energy Plant. We allocated high-assay low-enriched uranium (HALEU) material to five U.S. advanced nuclear reactor developers to boost domestic reactor deployment. It is imperative to strengthen America's nuclear future and I am taking immediate action to accelerate the deployment of small modular reactors (SMRs). As electricity demand continues to grow, fueled by AI development and the growth of American manufacturing, Americans will need more energy from more sources, including nuclear.

Priorities

My priorities for the Department of Energy are clear – to unleash a golden era of American energy dominance while strengthening our national security. Energy is the essential ingredient that enables everything we do. Access to an abundant and reliable energy supply is a key ingredient to unlocking prosperity and ensuring human flourishing and innovation.

Consequently, we are focused on energy addition, versus subtraction or even replacement. As government leaders, we need to be of the mindset that more is better; replacing energy sources does not add to the finite energy supply that American families, businesses, and innovators are competing for.

This means fully leveraging the reliable sources of energy that have fueled American innovation and security for decades. Coal, oil, and gas are abundant natural resources that our country has been blessed with, and the Trump Administration is committed to using them to provide affordable, reliable, and secure energy for Americans. To this end, we are returning the Office of Fossil Energy to its original mission – advancing affordable, reliable, and secure energy sources for the American people while continuing to support research and development in emerging technologies that advance these sources. This will not only enable greater focus on expanding energy access for the American people, but also promote more efficient use of taxpayer dollars.

The United States is the largest global producer and exporter of natural gas, and DOE is doing

everything to ensure that the United States retains and builds on this enviable position. Our policy approach for LNG and other energy sources is to make it less expensive and more reliable, and achieve more American energy production and infrastructure development, not less. Right now, eight large-scale U.S. export terminals are now producing around 15 Bcf/d of LNG exports to the global market. With additional capacity currently under construction, exports are expected to average 16 Bcf/d next year. Exports are on track to nearly double from current levels and reach around 29 Bcf/d around 2030 once all the export capacity under construction is completed. This amount could grow as more projects reach a final investment decision.

A vital area of focus is expanding commercial nuclear power across the country. America must lead the commercialization of affordable and abundant nuclear energy, and so DOE will focus on the rapid deployment and export of next-generation nuclear technology, including small modular reactors. Small modular reactors will provide reliable power for our Nation's growing energy demands, with the added benefits of flexible deployment due to their compact size and modular design.

We also need to unleash American energy innovation, and the National Labs are the engine that drives research and development to further this aim. When it comes to our National Labs, we are capable of doing more with less. We can both increase efficiency and drive innovation. We will prioritize research that supports true technological breakthroughs, such as nuclear fusion, high-performance computing, quantum computing, and AI, which will maintain America's global competitiveness.

AI is the next Manhattan Project. AI technology will define the future of the world, and it is essential that the U.S. leads in the development of this technology. DOE has a significant role to play in driving AI innovation for scientific discovery, energy innovation, and national security. Our agency has the world-class high-performance computing capabilities that enable fast and efficient AI research and development, including four of the world's top ten supercomputers. To ensure American leadership, we must not overburden AI development with restrictions and regulations – including those on energy supplies essential for AI data centers. We need all energy sources to power the global AI race and meet growing data centers energy demand, including natural gas, nuclear, geothermal, and coal, while also ensuring the security of the grid.

Fortifying America's electric grid is critical to the reliable and secure delivery of electricity. We are now faced with evolving and rapid changes to the system that threaten the reliability of our grid. Aging infrastructure and increases in demand are multifaceted stressors to the grid, putting the national and economic security of the American people at risk. The threats to America's energy infrastructure are also evolving at an unprecedented pace. Cyber adversaries and physical attacks are no longer isolated challenges – they are converging to create a complex and persistent threat landscape. I am committed to restoring American energy dominance to ensure that we

make energy more affordable, reliable, and secure.

DOE will also work to replenish the Strategic Petroleum Reserve (SPR). The SPR is a national asset that protects our security in times of crisis. The last administration's politically motivated depletion of 180 million barrels has significantly degraded SPR infrastructure, brought storage levels to historic lows, and weakened America's ability to respond to new geopolitical oil market shocks. At the end of calendar year 2024, the SPR held an estimated 394 million barrels of crude out of a 714-million-barrel top-line capacity, or operational capacity of 680 million barrels. It is noted that the time needed to refill the SPR is six times greater than the time required to do a drawdown; thus, it is important to make material progress immediately.

In his 2025 Inaugural Address, President Trump made a commitment to "bring prices down, fill our strategic reserves up again right to the top, and export American energy all over the world." Subsequently, I issued a Secretarial Order to refill the SPR and review SPR infrastructure and develop appropriate plans to safeguard this important strategic asset.

Critical minerals and materials, used in applications across energy, defense, industry, and consumer electronics, are essential for economic growth and national security. Currently, however, the United States is reliant on other countries, like China, which dominates midstream processing and refining. It's essential that we focus on building domestic capabilities to extract, process, manufacture, and recover end-of-life critical materials for our industrial needs, energy goals, and national security. DOE is already directly supporting the goals laid out in recent executive orders on critical minerals and materials by identifying and expediting pending projects to support domestic mineral production, coordinating with other agencies including the U.S. Department of Defense, exploring the effectiveness of offtake agreements and pricing support, and developing new programs to bolster domestic mining and production.

America doesn't back down from big builds. If we want abundant, affordable, and secure energy, we must invest in the transmission, generation, and innovation that get us there. We are working to accelerate projects through permitting reform. Every delay is a dollar lost. We need to break ground faster with streamlined permitting, standardized designs, and public-private partnerships to build at the speed of national need. And we need to do so with security in mind to be more resilient to attacks and failures. A proactive approach will minimize disruptions and ensure the reliable delivery of essential energy resources. Every mile of protected infrastructure is a step toward energy independence and national resilience.

To accomplish many of the goals this administration has set, the energy sector needs relief from the burdensome permitting process that sabotages America's natural competitive advantages for an abundant energy supply and reliable grid. DOE is identifying and exercising the legal authorities it has to streamline the permitting process for energy infrastructure to bolster our grid

security and reliability. It is imperative that interagency working groups coordinate with Congress to ensure the Federal Government does not unnecessarily stand in the way of accomplishing President Trump's agenda for the American people. DOE stands ready to provide insights on permitting reform questions, drawing on our deep bench of technical experts across a range of energy technologies and focus areas.

DOE also remains committed to the responsible and safe cleanup of our Nation's environmental legacy sites, from the Manhattan Project to the Cold War. DOE's Environmental Management program will continue to perform its cleanup efforts at all 14 of the active sites.

I believe the Department of Energy is well positioned to meet the next chapter of American energy security, but we will need to continue to strengthen our Nation's energy leadership by developing our enviable resources, bolstering global partnerships, and advancing new technologies. We need to continue to foster innovations in quantum computing and AI. We have an urgent need to upgrade our nuclear arsenal and our broader capabilities to design and construct nuclear weapons and power systems. DOE can and will accomplish these goals by cutting red tape, prioritizing common-sense solutions, and cultivating American ingenuity.

FY 2026 President's Budget Request

DOE proposes $45.1 billion in discretionary budget authority for FY 2026. Our budget is a fiscally responsible budget that will ensure taxpayer resources are allocated appropriately and cost-effectively. This budget will return DOE to its core mission of advancing energy innovation and global competitiveness through research and development. We will invest DOE's resources in sources and technologies that support affordable, reliable, and secure energy and provide a return on investment for the American taxpayers, while restoring confidence in America's fiscal management.

The responsible stewardship and modernization of the Nation's nuclear weapons systems is paramount for the Department of Energy and this Administration. With $30 billion for the National Nuclear Security Administration, we will address critical upgrades for the U.S. nuclear stockpile and maintain our engine powerhouses for submarines and aircraft carriers. Both tasks will become even more crucial in the next few years. The President's budget proposes the cancellation of $15.247 billion in IIJA funds and a decrease of $2.572 billion relative to the FY 2025 enacted level for the Energy Efficiency and Renewable Energy account. This will bring to a halt investment in the Green New Scam which wastes taxpayer money and does not solve the problems before our Nation. While we will continue to invest in advancing emerging energy technologies, we must ensure that every single dollar spent is accountable to the taxpayers and generates a positive return on investment. This Administration is ending the reckless subsidizing of unreliable, unaffordable, and less secure energy sources.

The budget decreases $408 million relative to the FY 2025 enacted level for nuclear energy, shifting the program's focus to commercialization, and curtailing non-essential research. As global energy demand continues to grow, DOE must prioritize commercialization of affordable and abundant nuclear energy. This budget will enable the rapid deployment of next-generation nuclear technology across the United States. Nuclear energy is incredible. It can provide not just electricity, but also high-temperature process heat, critical to making the materials we need for planes, trains, cars, and houses. Now is the time for a nuclear renaissance. DOE is going to use all available tools, from direct funding to loans, to unleash this pivotal form of reliable energy.

Additionally, the President's budget returns the Office of Science to its core focus – unleashing American competitiveness. While the budget decreases non-essential funding by $1.148 billion compared to the FY 2025 enacted level, we believe this level of investment will maintain competitiveness and allow us to invest in high priority areas like high performance computing, AI, quantum information science, fusion, and critical minerals while reducing funding for climate change and Green New Scam research. We will also re-focus ARPA-E by decreasing its funding by $260 million relative to the FY 2025 enacted level. ARPA-E will no longer fund so-called green technologies and instead will focus on high risk, high reward research that advances reliable energy technologies and other critical and emerging technologies.

The Department is also focused on streamlining our operations within the agency, consolidating offices and activities to increase efficiency. We will return the Office of Fossil Energy to its proper name and restore its central function of supporting the production of fossil energy, including coal and critical minerals for the United States, while decreasing the budget by $270 million relative to FY 2025 enacted levels. The budget decreases Environmental Management by $389 million relative to FY 2025 enacted, roughly half of which reflects the transfer of responsibility for the Savannah River Site in South Carolina to the National Nuclear Security Administration, where plutonium pit production capabilities will be developed.

The Administration proposes to eliminate spending that is at odds with the intentions and policies outlined in President Trump's Executive Orders, Presidential Memoranda, Proclamations, and other guidance.

As Secretary of Energy, I am honored and humbled by the responsibility to help meet the American people's growing energy needs and lead the world in energy development. Thank you for the opportunity to testify before this subcommittee.