

#### I. Introduction

The U.S. Department of Energy (DOE) enters the next five years with both a strong foundation and a clear understanding of the vital role small businesses play in delivering its mission.

Over the past decade, DOE has consistently outperformed many federal agencies in small business utilization, earning top grades on the Small Business Administration's (SBA) Annual Small Business Procurement Scorecard in nine of the last ten years. In fiscal year 2024, DOE obligated approximately \$50 billion in contracts, awarding \$11 billion¹ to small businesses. From scientific research and national security to environmental cleanup and energy infrastructure modernization, small business contractors and subcontractors have long driven innovation and solutions across DOE's missions.

However, today's federal procurement environment demands that DOE move beyond simply meeting targets and scorecard goals. Evolving federal acquisition policies, rapid changes in the energy sector, and Secretary Wright's directive to unleash American energy dominance through innovation require a more agile, capability-driven small business approach – one that recognizes and leverages small businesses as core partners in delivering meaningful results for the American people.

The number of small business vendors participating in federal contracting is steadily declining across the federal government, risking the health of domestic supplier networks at a time when energy sector demands continue to grow. At the same time, acquisition reforms – including the ongoing rewrite of the Federal Acquisition Regulation (FAR) and consolidation of federal purchasing at the General Services Administration (GSA) – offer opportunities to modernize procurement for greater accessibility, competition, and smarter use of taxpayer dollars.

DOE is well-positioned to lead by integrating small businesses more deeply into mission delivery, strengthening the resilience of the energy supply chain, and leveraging data and emerging technologies to modernize small business acquisition practices. This strategic

<sup>&</sup>lt;sup>1</sup> This dollar amount includes 1<sup>st</sup> tier subcontracts awarded to small businesses under DOE's Management and Operating (M&O) contracts, which are counted as prime credited spend per legislative authority.



plan outlines four priorities to guide DOE's small business engagement from 2025 through 2030.

Summary Chart – Strategic Priorities at a Glance:

Strategic Priority	Goal/Benefit	Key Actions
1. Modernize Industry Engagement	Develop a targeted, mission-aligned, and cost-effective engagement model	Enhance/rebrand Forum and Expo, host Lab Opportunity Days, conduct site- specific industry days, strengthen trade partnerships, provide more tailored up- to-date training
2. Increase Data- Driven Innovation to Advance Small Business Procurement	Equip stakeholders with modern tools to enhance planning and mission alignment	Launch AI-enabled forecast, use predictive analytics, train small businesses on market intelligence
3. Expand the American Energy Small Business Industrial Base	Curate a modern and resilient domestic energy supply chain with more opportunities for all small businesses	Expand Mentor-Protégé Program, deepen supply chain insight, target gaps, reduce reliance on sole sources
4. Sustain strong statutory performance	Maintain effective small business programs and advocacy in evolving procurement environment	Enhance DOE-wide small business integration and leverage unsolicited proposals and SBIR/STTR for innovation

# II. Strategic Priorities 2025–2030

**Priority 1: Modernize Industry Engagement** 



**Goal:** Create a transparent, cost-effective industry engagement model that strengthens DOE's supply chain and prepares small businesses to better compete and support mission success.

#### **Key Focus Areas:**

- Expand high-impact engagement events including opportunity days and sitespecific industry days – through interagency, industry, and trade association partnerships to broaden outreach and deepen industry understanding of DOE needs and goals.
- Prepare to reinstate and rebrand DOE's longstanding two-day, department-wide Small Business Forum and Expo to reconnect program offices, sites, NNSA, and qualified small business partners in support of mission execution.
- Provide readiness training in cybersecurity, intellectual property protection, and other mission-critical compliance areas to ensure small businesses remain competitive and ready to deliver solutions for DOE.

### Priority 2: Increase Data-Driven Innovation to Advance Small Business Procurement

**Goal:** Modernize tools, insights, and forecasts to improve planning, increase competition, and enhance alignment with DOE missions.

#### **Key Focus Areas:**

- Launch an AI-powered acquisition forecast with real-time updates and smart matching functionality.
- Identify and track metrics to inform strategic planning, risk management, and acquisition efficiency.
- Train small businesses in leveraging market intelligence and DOE data tools.

#### Priority 3: Expand the American Energy Small Business Industrial Base

**Goal:** Strengthen the domestic energy supply chain by addressing participation gaps and building resilient small business capacity.

### **Key Focus Areas:**

• Expand and better leverage the DOE Mentor-Protégé Program to build capacity aligned with future energy requirements.



- Deepen supply chain insights to identify capability gaps and reduce over-reliance on sole-source arrangements.
- Align small business efforts with national manufacturing and innovation initiatives to deepen industrial base strength.

#### **Priority 4: Sustain Strong Statutory Performance**

**Goal:** Maintain DOE's longstanding record of meeting Small Business Act requirements while seeking opportunities to further enhance mission delivery and taxpayer value.

#### **Key Focus Areas:**

- Continue DOE's history of achieving statutory small business goals efficiently and effectively.
- Digitize small business review processes for greater efficiency and insight and integrate opportunities early in procurement planning.
- Modernize processes for receiving and evaluating unsolicited proposals under 15 USC § 644(k) to ensure accessibility, transparency, and strategic alignment with DOE mission needs.
- Leverage programs such as SBIR/STTR to advance applied research and emerging technologies supporting DOE objectives.

### III. Conclusion: Advancing a Strategic Small Business Agenda

This plan builds on DOE's strong foundation and clear understanding of the vital role small businesses play in delivering our mission. The four priorities outlined here form a roadmap to move beyond targets and scorecards, and for elevating small businesses from program compliance participants to essential mission partners.

As DOE strengthens its industrial base and procurement strategies, small businesses will remain central to delivering innovative solutions, advancing energy security, and ensuring value for the American taxpayer.

Implementation will require sustained leadership support, dedicated resources, and collaboration across program offices and acquisition communities. DOE has convened



working groups comprised of experts in small business procurement subject matter from DOE and large prime contractors to develop implementation tactics and milestones for each of these strategic priorities.

Additionally, the Office of Small and Disadvantaged Business Utilization (OSDBU) has redesignated itself as the "Office of Small Business Programs (OSBP)" in alignment with agencies such as DoW and NASA. This change better reflects the office's evolving role in mission execution and reinforces the integral role DOE plays in designing, managing, and executing initiatives that expand small business participation in federal contracting.

Ultimately, this strategy aims to position small business engagement at DOE to drive America's energy future, strengthen the domestic industrial base, and deliver results that matter for our nation.