



OFFICE OF INSPECTOR GENERAL U.S. Department of Energy



Management Challenges at the Department of Energy Fiscal Year 2026

DOE-OIG-26-05

December 17, 2025



Department of Energy
Washington, DC 20585

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MEMORANDUM FOR THE SECRETARY OF ENERGY

SUBJECT: Special Report: *Management Challenges at the Department of Energy — Fiscal Year 2026*

The Office of Inspector General is required by statute to annually identify what it considers to be the most significant management challenges facing the Department of Energy. The Office of Inspector General's goal is to focus attention on significant issues with the objective of working with Department officials to enhance the effectiveness of agency programs.

This year's management challenges report provides a high-level view of five challenge areas with specific challenges facing the Department in each area. We identified the different challenges based on our completed and ongoing work, including audits, inspections, investigations, our prior Management Challenges reporting, our risk assessments, and our assessment of ongoing national and Congressional interest. Our intent is to provide the Secretary, other policymakers, and the public with a brief overview of the challenges facing the Department and a starting point to learn more.

This report should assist the Secretary and senior Department officials in addressing its challenges, as well as illustrate the progress that the Department has made to address the challenges.

A handwritten signature in blue ink, reading "Sarah Nelson", is positioned above the typed name.

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Performing the Duties of the Inspector General
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cc: Deputy Secretary
Chief of Staff
Under Secretary for Science
Under Secretary for Nuclear Security and Administrator, National Nuclear Security
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Acting Under Secretary of Energy
Chief Information Officer
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Enterprise-Wide Challenges

Primary Offices

**Department of Energy;
National Nuclear Security Administration**

The Department faces cross-functional, complex issues that may impact its ability to meet its mission. With such an extensive mission, program and human capital management are critical to organizational success. Ensuring effective oversight of programs while maintaining a right-sized and right-skilled workforce is a challenge.

Challenges

Program Management

The Department of Energy manages multiple unique programs/projects across a wide variety of topics spanning weapons systems research and development, weapons production, stockpile stewardship, environmental management, loans and grants, grid reliability, and National Laboratory administration. While each program/project may be unique, the basic approach to project management and oversight is similar. If the Department does not effectively manage projects, it can lead to cost increases and schedule delays. With such a high number of diverse programs, it is imperative that the Department continue to improve its management of major projects in terms of cost, scope, and performance.

Human Capital

Human Capital Management is a critical challenge that can significantly impact the ability of organizations to meet performance goals and successfully execute missions. Ineffective leadership, poor communication, low employee engagement, and inadequate talent development can all lead to decreased productivity, misalignment with strategic objectives, and ultimately, mission failure. Addressing human capital management issues is essential to building cohesive teams, optimizing performance, and ensuring organizational success. Given the Department's unique and technical mission, recent changes in the Federal workforce may present agency-wide challenges in fiscal year (FY) 2026 to maintain a highly skilled and specialized workforce, ensure critical roles are filled, avoid significant skill gaps, and effectively plan for the future. As such, the Department will need to engage in active workforce planning to sustain a Federal workforce with the science, technology, engineering, and mathematics skills and experience for its highly technical mission.

Identified Areas of Concern

Program Management and Oversight

In 2025, the Office of Inspector General (OIG) identified a number of instances where the Department could better manage its programs. For example, the OIG found that the Office of Clean Energy Demonstrations did not adequately plan, resource, or develop controls to help ensure the Hydrogen Hubs Program met its goals and

Department Progress

- The Office of Clean Energy Demonstrations in coordination with the Office of the Chief Financial Officer, and other Departmental Elements, are working to establish a process to monitor risks that affect program execution which will include assessments at major milestones.
- The Office of Clean Energy Demonstrations is developing a workforce plan to ensure proper project management oversight of the Hydrogen Hubs Project.
- According to an official in the Office of Human Capital, the Department is in the process of migrating to an integrated talent management system that is intended to increase operational efficiency and leverage artificial intelligence (AI) tools to streamline recruitment, onboarding, performance management, and employee development.
- The Department initiated a Senior Executive Service rotational pilot program aimed at providing leadership with diverse experiences across Department functions to develop a more versatile leadership cadre.
- According to an official in the Office of Human Capital, the Department is prioritizing mission-critical hiring to ensure key positions are filled and support mission priorities. The Department is also using incentives for recruitment of critical positions.

objectives. Additionally, the OIG found that the Department did not implement strong internal controls for the Paycheck Protection Program loans and the Advanced Industrial Facilities Deployment Program. A clear focus by the Department on internal controls, risk assessments, and program performance plans will improve its program management and oversight.

The OIG also identified inadequate project planning and management of the Safety, Analytics, Forecasting, Evaluation, and Reporting system by the National Nuclear Security Administration (NNSA). For instance, NNSA did not develop key performance indicators to measure project success. In addition, NNSA did not establish user acceptance criteria to measure the success of the development process and ensure that delivered functionality aligned with user requirements. Further, a required Contractor Performance Assessment Report was not completed for the base year of the contract but was completed in subsequent years.

Human Capital Management

In calendar year 2025, the Department experienced a significant workforce reduction, with a decrease of more than 3,500 of the 15,705 Federal employees (more than 20 percent of the workforce), due to the Deferred Resignation Programs, retirements, and other human resource actions. The Department was also operating under a Government-wide hiring freeze from January 2025 through October 2025, to effectuate the President's directive for a more effective and efficient Government. As a result, the Department must undertake additional strategic initiatives to ensure that critical positions essential to mission continuity remain staffed.



OIG-RELATED RESOURCES

- *Regional Clean Hydrogen Hubs Program*, [DOE-OIG-25-23](#).
- *Paycheck Protection Program Loans at the Hanford Site*, [DOE-OIG-25-22](#).
- *Opportunities to Improve Internal Control Gaps for the Office of Clean Energy Demonstrations' Implementation of the Advanced Industrial Facilities Deployment Program*, [DOE-OIG-25-26](#).
- *Allegation Concerning the National Nuclear Security Administration's Mismanagement of Its \$90 Million Safety, Analytics, Forecasting, Evaluation, and Reporting System*. [DOE-OIG-25-24](#).

For more information on this topic, contact: OIGpublicaffairs@hq.doe.gov

National Security

Primary Offices

**Office of Science;
National Nuclear Security Administration**

The Department plays an important role in national security through maintaining a safe, secure, reliable, and effective nuclear stockpile, which includes the challenge of producing new weapons. In addition, the Department oversees the National Laboratories, which must protect U.S. interests in the form of intellectual property.

Challenges

Restoring Plutonium Pit Production

NNSA is responsible for maintaining a safe, secure, reliable, and effective nuclear weapons stockpile. Plutonium pits are a vital component in U.S. nuclear weapons. Since the closure of the Rocky Flats Plant in 1992, the U.S. has lacked the capability to produce significant quantities of new plutonium pits. Maintaining confidence in the nuclear warheads that compose the Nation's nuclear deterrent requires the Department to re-establish a plutonium pit manufacturing capability.

Newly manufactured pits are required to improve warhead safety and security, mitigate the risk of erosion of confidence in the deterrent posed by plutonium/pit aging, and support potential changes to future warheads due to threats posed to the U.S. nuclear deterrent from renewed peer competition.

Intellectual Property Theft

Safeguarding the agency's intellectual property and its national security information is critically important to the Department. According to the Congressional Research Service, the Department budgeted about \$21 billion for research and development in FY 2025. Additionally, the Department's increased loan authority created an additional area of risk whereby the Department must ensure that neither funds nor the intellectual property resulting from increased research ends up in the hands of foreign adversaries.

As a result, research security is necessary to protect the Department against the theft of valuable research and development and ensure the Nation's interests both economically and for national security. The Department disseminates over 90 percent of its funding to contractors, who are responsible for maintaining an effective research security program while also working with National Laboratories and academia. In alignment with National Security Presidential Memorandum 33, these programs must employ tools such as cybersecurity and physical security measures to protect against nefarious actors. The decentralized environment with multiple stakeholders makes research security increasingly difficult.

In addition, the large volume of research grants funded by the Department, many of which involve cutting-edge research in emerging, critical technologies, presents a risk of its own. Multiple,

Department Progress

- Los Alamos National Laboratory completed the first W87-1 pit on October 1, 2024, ensuring compliance with all certification tests, and is on track to meet all baseline decontamination and decommissioning activities.
- Savannah River Site (SRS) has issued 246 of 310 glovebox fabrication contracts for future pit production.
- Department officials stated that they improved its process for vetting of foreign nationals seeking to access Department sites (including Laboratories), information, or technologies; and included the development of a risk management framework to provide greater fidelity and consistency of reviews across the complex.
- The Office of Intelligence and Counterintelligence established a new Program Protection Division with a focus on developing programs to protect national security science and technology.
- Department officials stated that the Department applies a risk-based approach to evaluate and mitigate intellectual property theft. The approach includes vetting through the Research, Technology, and Economic Security vetting center; information sharing restrictions as part of the award terms; or the removal of an entity from a project.

overlapping grants management systems, inconsistent terms and conditions, and inadequate oversight increase the risk that sensitive and valuable research provided by Department grantees may fall into the hands of our adversaries.

Identified Areas of Concern

Pit Production Schedule

NNSA is working to develop the capability to manufacture plutonium pits at the rate of at least 80 war-reserve pits per year. To reach that capacity, NNSA implemented a 2-site solution to produce 30 pits per year at Los Alamos National Laboratory's Plutonium Facility-4 (PF-4) and 50 pits per year at SRS' Savannah River Plutonium Processing Facility (SRPPF). NNSA stated that its production requirement of 80 pits per year by 2030 is not achievable. As such, NNSA needs to follow an integrated master schedule to limit disruptions and delays and strive to meet key design milestones. In 2023, the Savannah River Nuclear Solutions' (SRNS) *Performance Evaluation Summary* identified that SRNS has not been able to perform to the Performance Measurement baseline for the SRPPF. In 2025, the SRPPF project achieved 60 percent design completion milestone, but SRNS must remain attentive to the design production to recover and maintain the SRPPF design performance baseline.

Pit Production Environmental Assessment

In September 2024, a U.S. District Court ruled that NNSA had violated the National Environmental Policy Act by failing to conduct an appropriate programmatic environmental impact assessment. The ruling requires NNSA to conduct a new environmental review, complete a new nationwide Programmatic Environmental Impact Statement, and issue a Record of Decision within 2.5 years. According to officials, until the Programmatic Environmental Impact Statement is finalized, NNSA faces significant restrictions on pit production activities at the SRPPF, including prohibitions on handling special nuclear material or installing classified equipment. The Programmatic Environmental Impact Statement process is scheduled to conclude with a Record of Decision by March 2027, with identified risks to this aggressive timeline being actively managed.

Mitigation of Intellectual Property Theft

With the increase in funding over recent years, it is important for the Department to coordinate the review of proposals to mitigate the risk of theft of intellectual property. As such, the Department must provide sufficient resources to its vetting center. In addition, the Department needs to formalize the conflict of interest/commitment language for funding recipients. The Department adopted the policy in 2021; however, formal language has yet to be completed.

Many challenges remain for the Department to fully implement National Security Presidential Memorandum 33, which requires, among other things, that the Department create a standardized set of required certifications and disclosures for all funding applicants. Such standardized language would aid in preventing foreign actors from illicitly obtaining Department intellectual property and would provide the OIG with a stronger basis to successfully prosecute offenders.

OIG-RELATED RESOURCES

- *The Department of Energy Did Not Consistently Comply With Department Order 486.1A Requirements*, [DOE-OIG-25-29](#).
- *Allegation Regarding National Nuclear Security Administration Laboratories Not Following Export Control Regulations*, [DOE-OIG-25-28](#).

For more information on this topic, contact: OIGpublicaffairs@hq.doe.gov

Domestic Challenges

Primary Offices

**Environmental Management;
Grid Deployment Office**

A large portion of the Department's mission is focused on its responsibilities within the United States. The Department is committed to managing the clean-up of radioactive and chemical waste that may endanger citizens, while also deploying innovative solutions to meet the growing demand for clean, reliable, secure, and resilient power transmission.

Challenges

Environmental Cleanup and Waste Disposal

The Department has the responsibility to safely dispose of large volumes of nuclear waste, safeguard and prepare for disposition of nuclear materials that could be used in nuclear weapons, deactivate and decommission several thousand radiologically and chemically contaminated facilities no longer needed to support the Department's mission, and remediate extensive surface and groundwater contamination. The Office of Environmental Management (EM) is responsible for managing and directing the cleanup of contaminated nuclear weapons manufacturing and testing sites across the United States resulting from five decades of nuclear weapons development and Government-sponsored nuclear energy research. This includes the safe and cost-effective management, treatment, and disposition of high-level radioactive waste generated through legacy-spent nuclear fuel reprocessing and other plutonium processing activities. EM is currently responsible for approximately 90 million gallons of tank waste stored in underground tanks at the Hanford Site (Washington), SRS (South Carolina), and the Idaho National Laboratory site (Idaho). In addition to environmental risks, the waste represents a significant financial liability of approximately \$545 billion, according to the Department's FY 2024 *Agency Financial Report*.

Infrastructure and Grid Resilience

Communities in the United States rely on dependable electricity. In recent years, natural disasters and increasing demand have put a strain on the electrical infrastructure and grid resilience. The Department published the National Transmission Needs Study in 2023 that showed there is a pressing need for additional transmission infrastructure, and that nearly all regions in the United States would gain improved reliability and resilience from these investments and help lower consumer prices in high-priced locations. Additionally, according to a Congressional Research Service report published in 2025, aging infrastructure and the changing electrical generation mix pose potential reliability risks due to operational challenges, and utilities are anticipating demand growth, which is a change from the flat demand of the previous decade. Accordingly, electricity supply shortages could increase if demand outpaces capacity.

The Department, specifically the Grid Deployment Office (GDO) works to catalyze the development of new and upgraded electric infrastructure across the country by maintaining and investing in

Department Progress

- According to an official from EM, hot commissioning of the Hanford Low Activity Waste facility is scheduled for October 15, 2025, and Hanford's Tank Side Cesium Removal System has staged over 800,000 gallons of low-activity waste to send to the facility.
- The Department, Washington State Department of Ecology, and the U.S. The Environmental Protection Agency finalized an agreement that outlines a course for cleaning up millions of gallons of waste from tanks at Hanford.
- In June 2025, SRS' Defense Waste Processing Facility was authorized to increase curie loading rates to decrease the number of canisters. To date, SRS has processed about 11.8 million gallons of salt waste.
- The Idaho Integrated Waste Treatment Unit was designed to treat about 900,000 gallons of liquid waste held in three tanks. To date, the unit has treated about 279,000 gallons and has achieved "cease-use" on one of the tanks.

critical generation facilities; developing and upgrading high-capacity electric transmission lines nationwide; and deploying transmission and distribution technologies. GDO acts as a partner with states, tribes, territories, industry, communities, and other energy sector stakeholders to deploy solutions to lower energy costs and improve grid reliability and resilience.

Identified Areas of Concern

Environmental Liability

The OIG identified that EM had not ensured that the environmental liability estimate was adequately supported with valid cost estimates, schedules, and assumptions. At one of the EM sites, an inadequate field site management review led to a \$1.8 billion overstatement of the liability.

Managing Radioactive Liquid Waste

The Department needs to complete startup and commissioning of the facilities involved in processing low-activity waste, and identify and develop technically achievable, cost-effective, and viable approaches to treat the high-activity waste at Hanford and prepare for disposition. For SRS and the Idaho National Laboratory, the Department needs to focus on continued improvement and effective management.

Grid Infrastructure and Resiliency

In FY 2025, the OIG identified that the GDO did not have adequate internal controls to administer the Grid Resilience and Innovation Partnerships Program. Without a robust internal controls system, GDO may not identify risks that could negatively impact the Grid Resilience and Innovation Partnerships Program's outcomes, and the GDO may not be able to identify and address program performance issues.

OIG-RELATED RESOURCES

- *The Department of Energy's Fiscal Year 2024 Consolidated Financial Statements*, [DOE-OIG-25-13](#).
- *Grid Deployment Office's Implementation of the Grid Resilience and Innovation Partnerships Program*, [DOE-OIG-25-19](#).

For more information on this topic, contact: OIGpublicaffairs@hq.doe.gov

Technology and Innovation

Primary Offices

Office of the Chief Information Officer

The Department plays an important role in cutting-edge research and development and the adoption of new technologies. Part of its mission is ensuring the cybersecurity of critical infrastructure and high-value assets. In addition, the Department is at the forefront of new technologies and the adoption of artificial intelligence.

Challenges

Cybersecurity

Cybersecurity is a critical aspect of the Department's overall security posture and one of the Department's highest risks. While the usual attacks by adversaries remain persistent challenges, threats are increasingly coming from state-sponsored military and intelligence organizations, terrorist groups, and international crime organizations. Protecting and enhancing the security of the Department's information technology and operational technology assets, including critical infrastructure and high-value assets, is crucial to fulfilling the Department's unique mission set.

Artificial Intelligence

The rapid advancement and adoption of AI technologies present significant challenges to the Department. With the development of new technologies, the Department should establish a comprehensive governance framework to guide the development and deployment of the new technologies and ensure it appropriately addresses the challenge of leveraging the work done by the National Laboratories and the Department. The development of common standards, promotion of best practices, and mitigation of potential risks may encourage consistent and effective AI implementation.

Identified Areas of Concern

Cybersecurity

The Department continues to encounter challenges implementing Federal mandates, addressing evolving threats, and mitigating shortages in the cyber workforce. Additionally, the Department's existing governance structure impacts its ability to respond to cybersecurity evolving risks and mandates. According to a Department official, program offices, sites, and National Laboratories utilize Department Order 205.1D, *Cybersecurity Program*. This order empowers Heads of Departmental Elements and provides them with the flexibility to tailor and implement cybersecurity risk mitigation controls considering threats and potential harms, acceptable risks, mission needs, and environmental and operational factors.

The Department lacks a centralized organizational structure to oversee enterprise-level risks and to obtain, process, and correlate

Department Progress

- According to a Department official, the Department continues to make progress implementing National Institute of Standards and Technology Special Publication 800-53, Revision 5 to support risk-based decision making against a backdrop of competing priorities.
- The Department updated its privacy program requirements to solidify privacy as a direct contributor to the management of cybersecurity risk.
- The Office of the Chief Information Officer (OCIO) launched the Enterprise Cybersecurity Collaboration Office program to provide a centralized view of enterprise cybersecurity data.
- According to an official, in October 2025, the Enterprise Cybersecurity Collaboration Office will deploy dashboards to cover critical cybersecurity priorities for enterprise-scale posture analysis.
- According to a Department official, the Department is currently developing an AI Strategy and Compliance Plan that addresses ethical, security, and use concerns; framework for governance and risk management; and maturity goals.
- The Department implemented an enterprise data management system to allow for unified data engineering and AI at scale.

real-time cyber data. This decentralized structure impedes the OCIO's ability to manage security across the enterprise. The governance structure is exacerbated by a general lack of correlating authoritative data and using performance metrics to enhance cybersecurity oversight.

Work conducted by the OIG found that the Department continues to fall behind changing cybersecurity requirements and enhancements. Despite Department directives requiring implementation of the latest Federal cybersecurity guidance, various contractors performing work on behalf of the Department and at Department-owned facilities continue to implement and assess their cybersecurity environments against outdated requirements. In many cases, officials indicated that while new requirements need to be implemented, they are underfunded or not funded at all. Officials have also expressed concerns that lines of authority are not clear. Some sites are taking cybersecurity direction from the site offices overseeing them but not taking direction from the Department's OCIO. Some site officials have also resisted OCIO efforts as so-called "unfunded mandates" and continue to pursue locally focused solutions for problems that require an enterprise approach.

Artificial Intelligence

The Department's 2025 AI Strategy involves carefully selecting and developing AI applications that have the most significant impact across its diverse missions with a focus on AI for Departmental operations, national security, discovery and innovation, and energy dominance. The Department is deploying AI to model energy systems, automate permitting (PermitAI), enhance grid stability, and secure critical infrastructure via platforms like Lantern at Oak Ridge National Laboratory. It is also exploring the siting of AI data centers on Department lands—16 sites identified in 2025—for co-location with high-performance computing assets. These efforts align with Federal mandates in the January 2025 Executive Order 14179, *Removing Barriers to American Leadership in Artificial Intelligence*, which directs agencies to streamline AI deployment, the *America's AI Action Plan*, which calls for investment in AI-enabled science and building American AI infrastructure, as well as Office of Management and Budget guidance. Together, these policies underscore the Department's dual challenge: leveraging AI to advance the Nation's energy and science missions while safeguarding systems that underpin them.

Effective enterprise data access, management, and governance are critical enablers for AI success. Data that is accessible, authoritative, and organized is the precursor for successful AI efforts that lead to the most accurate insights. There is a need for an enterprise data management system, including a catalog, shared taxonomy, and metadata management processes and standards, to support AI development and deployment. These data management and governance investments will form a solid foundation for AI applications.



OIG-RELATED RESOURCES

- *The Department of Energy's Unclassified Cybersecurity Program – 2024*, [DOE-OIG-25-30](#).
- *Progress is Needed to Support the Department of Energy's Integration of Artificial Intelligence Into Intelligence Activities*, [DOE-OIG-25-07](#).

For more information on this topic, contact: OIGpublicaffairs@hq.doe.gov

Financial Assistance

Primary Offices

Office of Science; Office of Environmental Management; National Nuclear Security Administration; Loan Programs Office; Office of Clean Energy Demonstrations

The Department is the largest civilian contracting agency within the Federal Government and provides financial awards in the form of grants and loans to projects across the United States. As such, the Department must ensure that the public's interests are effectively protected.

Challenges

Contract Oversight

The Department is the largest civilian contracting agency in the Federal Government and spends upwards of 90 percent of its annual budget on contracts to operate its scientific laboratories, engineering and production facilities, and environmental restoration sites, and to acquire capital assets. Oversight of the Department's contracts is necessary to ensure that contractors meet the established requirements, and to ensure that the Government receives procured products and services and the public interest is effectively protected.

The Department has been challenged to improve the efficiency and effectiveness of its contract oversight. Since 1990, the Government Accountability Office (GAO) has designated the Department's contract management as a high-risk area. In 2009, GAO narrowed the scope of the Department's high-risk designation to contracts in EM and the NNSA. In 2013, GAO further narrowed the area to focus in these two offices on major projects and contracts valued at \$750 million or more. Additionally, subcontract management is a component of contract management that requires attention.

Financial Assistance Program Oversight

In 2021 and 2022, the passage of four pieces of legislation led to historic expansions of Department programs. The legislation provided the Department with \$99 billion in new appropriations, \$30.5 billion in new authorizations, and an enhanced loan authority of over \$400 billion. With funding received from recent legislation, the Department stood up 72 new programs, significantly expanded other programs, and published more than \$67 billion in funding announcements.

The change of Administrations then shifted the priorities of the Department, and Congress recently passed new legislation to rescind unobligated funds allocated to energy programs and revised the types of projects eligible for energy infrastructure reinvestment financing. Department leadership, as stewards for the taxpayer dollars, has a duty to ensure that they are used as intended by Congress. Managing the expansion of the financial assistance programs and changing priorities of the Department is a significant challenge.

Department Progress

- Over recent years, NNSA improved its insight into sustainment decisions for subcontract costs, the process of reviewing subcontract costs, and the classification of subcontracts.
- The Department is working to implement effective internal controls frameworks and performance plans.
- In May 2025, the Department announced that it was reviewing 179 financial awards to determine whether to continue funding.
- The Loan Programs Office instituted a new process to enhance compliance with organizational conflicts of interest requirements under its contract.
- The Loan Programs Office instituted processes to ensure that its prime contractor is properly handling conflicts of interest.

Identified Areas of Concern

Contract Oversight

In FY 2025, the OIG identified internal control deficiencies that are material weaknesses in the environmental management liability estimate. Specifically, the EM had not ensured that the environmental liability estimate was adequately supported with valid cost estimates, schedules, and assumptions. Additionally, the OIG found that the Office of Nuclear Energy constrained competition throughout the pre-award and award phases for the High Assay Low Enriched Uranium Demonstration Project and ultimately awarded a sole-source contract to a contractor with financial risks and questionable viability at the time. As a result, the Department may not have received the best value for taxpayer resources. In a third report, the OIG found that while the Department and NNSA improved the handling of subcontracts at Sandia National Laboratories, additional improvements still remain.

IIJA and Puerto Rico Energy Resilience Fund Oversight

The OIG previously reported that appropriately managing the combination of risks to the taxpayer that are present in the massive expansion of lending authorities, together with the historic expansion of financial assistance award programs, are the most significant management challenges facing Department leadership today. As a result of the massive expansion of funds, the Department must shift to preventing the theft and waste of the funds rather than follow the “pay and chase” model. In addition, the shifting finances and priorities from the current Administration and Congress create more challenges to the Department as the spending of these funds may exist in a turbulent state with some recipients continuing with projects, some projects cancelled, and other projects ceased by the recipient.

In May 2025, the Department announced that it was reviewing financial assistance award recipients and the individual projects to ensure that they are “financially sound and economically viable, aligned with national and economic security interests, and consistent with Federal law and this Administration’s policies and priorities and program goals and priorities.” As a result of these reviews, the Department has terminated several projects.

OIG-RELATED RESOURCES

- *The Department of Energy’s Fiscal Year 2024 Consolidated Financial Statements*, [DOE-OIG-25-09](#).
- *The Office of Nuclear Energy’s Contract Award to American Centrifuge Operating, LLC (Centrus) for the High Assay Low Enriched Uranium Demonstration Project*, [DOE-OIG-25-25](#).
- *The Department of Energy and Sandia National Laboratories Took Corrective Actions, but Additional Actions Would Further Improve Subcontract Management*, [DOE-OIG-25-27](#).
- *The Loan Programs Office’s Management of Contractor Conflicts of Interest*, [DOE-OIG-25-32](#).
- *Opportunities to Improve Internal Control Gaps for the Office of Clean Energy Demonstrations’ Implementation of the Advanced Industrial Facilities Deployment Program*, [DOE-OIG-25-26](#).
- *Regional Clean Hydrogen Hubs Program*, [DOE-OIG-25-23](#).
- *Improved Oversight and Enforcement Would Help the Department of Energy Implement the Weatherization Assistance Program Under the Infrastructure Investment and Jobs Act*, [DOE-OIG-25-01](#).

For more information on this topic, contact: OIGpublicaffairs@hq.doe.gov