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DOE mulls sweeping cuts to energy programs

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Illustration: Sarah Grillo/Axios

The Energy Department is considering significant cuts to renewable energy, electricity grid and hydrogen grants, according to documents obtained by Axios.

Why it matters: The documents outline hundreds of millions of dollars' worth of grants from the bipartisan infrastructure law and the agency's budget that could be peeled back.

- The proposals — in response to [directives](#) from President Trump and Elon Musk's DOGE to slash spending — appear to largely target blue states.

Driving the news: The agency is eyeing more than \$900 million worth of cuts at the Office of Energy Efficiency and Renewable Energy, according to a spreadsheet.

- That would come mostly — but not entirely — from grants headed to blue states, including state and local governments, companies and universities.
- Among the biggest items potentially on the chopping block: Hydrogen-related IIA grants worth around \$40 million each headed to recipients in Massachusetts and California.
- Another possible target is \$17.5 million for Orcas Power & Light Co-Op for a tidal energy demonstration program in Washington state.

Zoom out: The Office of Clean Energy Demonstrations, among the [most targeted](#) DOE portfolios, could eliminate all nine of its carbon capture demonstration and pilot projects, according to a third document.

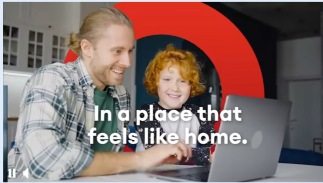
- More than 60% of the [industrial decarbonization](#) demonstration projects are to be cut, according to the list.
- OCED, created by the infrastructure law, oversees a [portfolio](#) that includes hydrogen, carbon capture, industrial decarbonization, advanced nuclear, energy storage and projects in rural and remote communities.

The OCED document also suggests keeping three hydrogen hubs in Appalachia, Texas and the northern Midwest while cutting the other four.

- As POLITICO [reported](#), that would essentially mean keeping the hubs in red states and nixing those that went to blue states.

Zoom in: A separate list shows potential cuts to 20 Grid Deployment Office [awards](#) to a range of state and local entities to improve the permitting of transmission lines.

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- It also lists Power Up New England, an offshore wind transmission and energy storage [project](#) that got \$389 million in federal funds.

The other side: The agency is conducting a department-wide review to "ensure all activities follow the law and align with the Trump administration's priorities," a DOE spokesperson said.

- The review is still ongoing, and "speculation by anonymous sources about the results of the review are just that — speculation," the spokesperson said.

Between the lines: The three lists have already been edited multiple times and are subject to change as recipients, members of Congress, and political appointees weigh in, a source familiar with the documents told Axios.

- "They have gone through a couple of iterations with the secretary's office already," said the source, who spoke on condition of anonymity.
- But at least some of DOE's program offices have already sent their lists to DOGE, which could make a final decision, the source said.

