

ClearPath Proposal to Modernize the U.S. Department of Energy

Report includes co-author and reviews from former senior DOE officials

Washington, **DC** – **Thursday**, **March 7**, **2024** – In a <u>new report</u> released today, ClearPath details its proposal to modernize the United States Department of Energy (DOE). The intent of the report is to align a new Administration on a pro-innovation agenda by reorganizing DOE to better promote energy security, with a focus on difficult-to-decarbonize sectors and deployment.

"The United States is in the midst of an energy revolution. Demand for new energy will reach all-time highs, breakthrough technologies are beginning to commercialize, and existing technologies are innovating new, cleaner ways to produce more energy," **said Rich Powell, CEO of ClearPath.** "The U.S. Department of Energy (DOE) can play an important role in supporting these opportunities, but it must remain focused on America's global energy leadership, advancing innovative technologies, protecting national security interests, and supporting fundamental research and science."

<u>ClearPath's Proposal to Modernize the U.S. Department of Energy</u> focuses on holistic policy recommendations and offers a new organizational structure to promote innovation. Effective implementation will require the Department to prioritize energy security, innovations for major emitting sectors and public-private partnerships to achieve rapid deployment.

Positioning the Department to promote an application-focused view of the energy system through the recommendations in ClearPath's report will go beyond the scope of past efforts that tweaked the Department's structure while leaving the organization of the applied energy offices largely unchanged.

"DOE has experienced incremental changes since its inception 50 years ago in attempts to respond to the changing energy landscape, but those tweaks aren't fully meeting America's potential," **added Powell.**

Key takeaways from this report:

 The United States' position as a global energy leader and promotion of fiscally responsible policy can be advanced by realigning the applied energy offices by end-use

- sectors to promote strategic leadership, operational efficiency, and a technology-inclusive view of the energy system.
- Policy should focus on strengthening procedures to protect American intellectual property from foreign influence, streamlining DOE funding competitions, accelerating promising, high-impact technologies, expediting permitting for DOE awareness and utilizing block grant transmission funds to states.
- The leadership structure should be organized with an Under Secretary for Science &
 Future Technologies who primarily focuses on leading the Office of Science and an
 Under Secretary for Energy & Innovation who oversees the applied energy,
 demonstration and commercialization functions while upholding the goal of reducing the
 number of offices and initiatives that directly report to the Secretary.

Read the full report and recommendations here.

ClearPath collaborated with a number of former senior DOE officials and stakeholders, including co-author David Solan, Deputy Assistant Secretary for Renewable Power, at DOE in the Trump Administration. Below are some of their comments regarding the report's recommendations.

Paul Dabbar, former Under Secretary of Science, Trump 2017-2021

"America leads the world in energy innovation, and we should be adopting policies that build on that leadership. At the same time, we should increase protections of that investment by the American taxpayers and the resulting innovation from appropriation by adversaries."

Michael Catanzaro, former Special Assistant for Domestic Energy and Environmental Policy at the National Economic Council, Trump 2017-2018

"Essential principles for any administration to follow are these: Spend taxpayer dollars prudently, spend them efficiently, and do so within the bounds of the statutes that authorize spending taxpayer dollars in the first place. ClearPath's report rigorously adheres to these principles, recognizing the Department of Energy's important, but limited, role in the nation's energy economy. This report includes innovative managerial and structural reforms that will prepare the Department for our nation's energy challenges now, and for decades to come."

Daniel Poneman, former Deputy Secretary of Energy, Obama 2009-2013

"ClearPath understands that innovation is essential but not sufficient to tackle the multiple challenges of accelerating clean energy deployment, decarbonizing sectors beyond power generation, and protecting American energy security. Business as usual will not suffice; we need a hard-charging effort led by the Department of Energy in partnership with the Congress and the private sector in order to protect US intellectual property, secure critical mineral supply chains, and catalyze rapid prototyping "to achieve well-defined milestones on a rapid timeframe." We have no time to waste."

Daniel Simmons, former Assistant Secretary for EERE, Trump 2019-2021

"ClearPath's Proposal to Modernize the U.S. Department of Energy is insightful and thought-provoking. Energy is critical for the well-being of humanity and this analysis helps sharpen my thinking on the best path forward for the Department of Energy. No matter where you are on the political spectrum, you will find value in this report."

Steve Winberg, former Assistant Secretary for Fossil Energy, Trump 2017-2021

"ClearPath has identified the need to carefully manage the unprecedented amount of taxpayer money that Congress has given to DOE via the IIJA and IRA. This money will be spent over the next several years and DOE must ensure that the money is well spent to improve our nation's energy infrastructure to keep energy affordable and reliable to U.S. households and industry alike."

Theodore "Ted" Garrish, former General Counsel of Energy, Reagan 1983-1985 and Acting General Counsel, Trump 2018-2019

"DOE needs to institute a new legal program to claw back the intellectual property rights that have migrated to China but were paid for by American taxpayers through the national labs. This program is possible by existing legal tools in the Bayh-Dole Act and other legal authorities."

William "Bill" Martin, former Deputy Secretary of Energy, Reagan 1986-1988

"The ClearPath proposed restructuring of DOE makes sense and is timely given global events. This is the heart and soul of America's technology and science strength. It must be expanded and protected."

Jeff Kupfer, former Acting Deputy Secretary of Energy, Chief Operating Officer, and Chief of Staff, Bush 43, 2006-2009

"For almost 50 years, the Department of Energy, with its world class facilities and personnel, has been at the forefront of modern science and technology, and the next decade may be the Department's most critical yet. ClearPath's report identifies a number of important focus areas for DOE's future leaders and its recommendations are likely to resonate with members of both parties."

Lisa Epifani, former Assistant Secretary of Energy for Congressional and Intergovernmental Affairs, Bush 43, 2007-2009

"Today's opportunities and challenges related to the need for secure, affordable, and clean energy require a Department of Energy that is laser focused on advancing and protecting American innovation. DOE has many good efforts aimed in this direction, and ClearPath's Report offers valuable insights on how to further improve and accelerate DOE's work. The Report outlines smart solutions to expedite and protect new technologies, further leverage the power of public-private sector partnerships, and help better organize the DOE to address short-and long-term strategic decision-making. I recommend those who serve in DOE or otherwise work with DOE read this report and consider putting ClearPath's ideas into action."

Philip Rossetti, Resident Senior Fellow-Energy, R Street Institute

"The Department of Energy is playing an increasingly important role in accelerating U.S. energy and environmental innovation, and ClearPath's recommendations highlight opportunities for effective execution of the DOE's mission while minimizing bureaucratic overhead."

Nick Loris, Vice President of Public Policy, C3 Solutions

"This report offers common-sense reforms that will better protect taxpayers, increase accountability, and generate efficiencies within the department. For public investments to be successful, we need a high bar for oversight and transparency, but we also need to reduce the bureaucracies for promising projects to get to that bar faster. These reforms will help bear more fruit at DOE to meet the world's future energy needs and climate ambitions."

Chris Barnard, President, American Conservation Coalition Action

"It is critical that the Department of Energy is positioned to lead America into an energy future that cuts emissions while benefiting our economy and allowing us to compete on the world stage. The recent shift from traditional research to demonstration and deployment, and the influx of funding for these efforts, means that it's necessary to structure the Department where these funds can be efficiently managed and all types of technologies can thrive. ACC Action and our more than 40,000 grassroots members nationwide are pleased to see that ClearPath's recommendations seek to support and revitalize an agency that is key to fighting climate change."

John Szoka, CEO, Conservative Energy Network

"By addressing the legacy structure and proposing a comprehensive reform, this report charts a course toward a more adaptive and efficient U.S. Department of Energy. This forward-thinking approach not only responds to the current energy landscape but also promises to propel the United States towards reduced emissions, lower energy costs, and continued global energy leadership."

Sarah Hunt, President, Joseph Rainey Center for Public Policy

"This report offers welcome insights on implementing much-needed reforms. Innovation requires new ideas, and the U.S. Department of Energy would be well-advised to consider those in this report."

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ABOUT CLEARPATH

ClearPath's mission is to develop and advance policies that accelerate innovations to reduce and remove global energy emissions. To advance that mission, we develop cutting-edge policy solutions on clean energy and industrial innovation. An entrepreneurial, strategic nonprofit, ClearPath (501(c)(3)) collaborates with public and private sector stakeholders on innovations in nuclear energy, carbon capture, hydropower, natural gas, geothermal, energy storage, and heavy industry to enable private-sector deployment of critical technologies. Learn more at clearpath.org. Follow us on Twitter: @ClearPathAction