



U.S. DEPARTMENT OF **ENERGY**

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President's Energy Budget Invests in Innovation, Clean Energy, and National Security Priorities

Washington D.C. --- U.S. Energy Secretary Steven Chu today detailed President Barack Obama's \$28.4 billion Fiscal Year 2011 budget request for the Department of Energy, highlighting the Administration's commitment to create jobs with the development of a clean energy economy, invest in advanced science, research and innovation, maintain a strong nuclear deterrent and secure nuclear materials both at home and abroad, and improve energy efficiency to help curb greenhouse gas emissions that contribute to climate change. The FY 2011 budget request also places an emphasis on DOE improving fiscal performance with the proposed creation of a new initiative on Management Reform.

"The President's budget cuts wasteful spending while making wise investments in innovation and clean energy that will put Americans back to work, save families money and keep our nation competitive in the global marketplace," said Secretary Chu. "This budget supports new approaches to energy research and invests in the next generation of scientists and engineers, and it will spark new clean energy projects nationwide, including restarting the American nuclear power industry."

Specifically the President's FY 2011 budget request for the Department of Energy:

- Positions the United States to be the global leader in the new energy economy by developing new ways to produce and use clean and renewable energy.
- Maintains effective nuclear deterrence while working to secure all vulnerable nuclear materials around the world within four years.
- Engages in cross-disciplinary scientific approaches to our energy and national priorities – including innovative and transformative research at DOE's National Laboratories.
- Expands the use of clean, renewable energy sources such as solar, wind, and geothermal while supporting the Administration's goal to develop a smart, strong, and secure electricity grid.
- Promotes innovation in the renewable and nuclear energy sectors through the use of expanded loan guarantee authority.

- Advances responsible environmental management by cleaning up hazardous, radioactive legacy waste from the Manhattan Project and the Cold War.

In developing this budget, several program reductions and terminations are proposed, further demonstrating the Obama Administration's commitment to fiscal responsibility. They include:

- Eliminating more than \$2.7 billion in tax subsidies for oil, coal and gas industries. This step is estimated to generate more than \$38.8 billion dollars in revenue for the federal government over the course of the next 10 years.
- Terminating Ultra-Deepwater exploration program, saving \$50 million.
- Canceling planned expansion of the Strategic Petroleum Reserve, saving \$71 million.

Some additional highlights in the FY 2011 budget include:

- More than \$217 million in new funding for science research and discovery, including an additional \$40 million for the existing Energy Frontier Research Centers program and \$107 million for Energy Innovation Hubs.
- \$300 million for the Advanced Research Project Agency – Energy (ARPA-E);
- Lending authority to support approximately \$40 billion in loan guarantees for innovative clean energy programs.
- More than \$108 million in new funding to advance and expand research in the areas of wind, solar and geothermal energies.
- More than \$550 million in new funding for NNSA's Defense Nuclear Nonproliferation program, which will accelerate the Department's efforts to implement President Obama's commitment to lead the international effort to secure vulnerable nuclear material around the world within four years.
- More than \$624 million increase for the NNSA's weapons activities, helping maintain the safety, security and effectiveness of the nuclear deterrent without underground nuclear testing, renewing our investment in Science, Technology and Engineering programs, and funding major long-term construction projects needed to restore critical capabilities in plutonium and uranium.

For more information about the Administration's Fiscal Year 2011 budget proposal for the Department of Energy, please visit www.energy.gov.