

## Senate Energy and Natural Resources

### Hearing: FY27 Energy Department Budget

April 21, 2026

Witness: [Secretary of Energy Christopher Wright](#)

#### Highlights:

This hearing focused on the U.S. energy system's preparation for rapid demand growth, strengthening reliability and security, and adjusting DOE programs to reflect those objectives. It also highlighted risks to Tribal energy progress, including reduced technical capacity, potential impacts on Tribal self-determination in energy decisions, and slower advancement of electrification, affordability, and resilience, particularly if funding for the Office of Indian Energy declines. There was clear recognition that energy access in Indian Country remains unfinished business. Opportunities were identified to strengthen support through appropriations and policy engagement that reaffirm Tribes' roles as decision-makers in their own energy development.

#### Key points:

- [Office of Indian Energy \(OIE\) Funding Cuts](#)
  - [Senator Ruben Gallego \(AZ\)](#) raised alarm that the FY27 DOE budget proposes a 33% cut to the Office of Indian Energy, the primary federal office supporting Tribal energy development.
    - OIE provides technical assistance, planning support, and project development capacity-especially critical for Tribes that lack internal energy offices or engineering staff.
    - Many Tribal communities, particularly in the Southwest, still experience energy poverty, including homes without electricity or with unreliable service.
  - Cutting OIE funding while stating a commitment to Tribal energy development was described as internally inconsistent and counterproductive.
- Tribal Sovereignty and Energy Self-Determination
  - Senator Gallego stressed that Tribal nations must retain the authority to choose energy solutions that fit their lands and needs, warning against steering Tribes toward preferred energy types while reducing the resources needed to support sovereignty, particularly given the need in many areas for distributed, off-grid, and context-specific energy systems.

- Access to Electricity and Infrastructure Gaps
  - The hearing acknowledged that some Tribal homes still lack basic electricity access, noting that high costs, regulatory and financing barriers make grid extension difficult in remote areas, and emphasized that electrification and reliable, culturally appropriate energy solutions remain an unmet federal responsibility in Indian Country.
- DOE Response: Acknowledgment but No Commitments
  - Secretary Wright stated that “Supporting energy access for disadvantaged and remote communities, including Tribes, is a "lifelong passion." DOE efforts under both administrations have struggled to successfully deploy Tribal energy projects. Secretary Wright did not defend the 33% budget cut, nor commit to restoring funds. He acknowledged the misalignment and offered to "follow up," but without concrete timelines or changes.
- Energy Demand and Grid Reliability
  - DOE officials said electricity demand is rising sharply due to data centers, AI, manufacturing, and electrification, and emphasized maintaining grid reliability by using emergency authorities to keep dispatchable power sources online during peak demand and extreme weather.
- Budget Structure and Program Priorities
  - The FY27 budget proposes consolidating and restructuring DOE programs to streamline operations while shifting resources toward grid reliability, nuclear energy, critical minerals, and national security missions, prompting questions from members about how the department will sustain capacity and performance amid funding reductions to some programs.
- Nuclear Energy and National Security
  - Nuclear energy was emphasized as a central long-term strategy, with DOE outlining efforts to advance new and smaller reactors, strengthen fuel production and waste cleanup, and expand the nuclear workforce, alongside discussion of the department’s responsibility for maintaining the U.S. nuclear deterrent, which represents a significant share of its budget.
- Science, Research, and Innovation
  - The hearing examined how basic and applied research underpin U.S. competitiveness, with DOE highlighting greater use of artificial intelligence, quantum computing, and advanced modeling to accelerate research, while senators emphasized the need to sustain core scientific programs, national laboratories, and early-stage innovation.
- Energy Costs and Consumer Impacts

- Senators from multiple regions raised concerns about high energy prices, particularly in isolated or high-cost electricity markets.
  - DOE acknowledged current price pressures and framed its strategy as focused on long-term cost stability, tied to supply adequacy, infrastructure expansion, and domestic production.
- Infrastructure, Permitting, and Project Delivery
  - There was broad agreement on the need to improve permitting processes for energy infrastructure, including power generation, transmission, pipelines, and hydropower.
  - Participants emphasized reducing delays and uncertainty while maintaining environmental review requirements, with the goal of enabling timely construction of major projects.