

DEPARTMENT OF ENERGY

Statement of Regulatory and Deregulatory Priorities

The Department of Energy (Department or DOE) makes vital contributions to the Nation's welfare through its activities focused on improving national security, energy supply, energy efficiency, environmental remediation, and energy research. The Department's mission is to:

- Promote dependable, affordable and environmentally sound production and distribution of energy;
- Advance energy efficiency and conservation;
- Provide responsible stewardship of the Nation's nuclear weapons;
- Provide a responsible resolution to the environmental legacy of nuclear weapons production; and
- Strengthen U.S. scientific discovery, economic competitiveness, and improve quality of life through innovations in science and technology.

The Department's regulatory activities are essential to achieving its critical mission and to implementing the President's clean energy and climate initiatives. Among other things, the Regulatory Plan and the Unified Agenda contain the rulemakings the Department will be engaged in during the coming year to fulfill the Department's commitment to meeting deadlines for issuance of energy conservation standards and related test procedures. The Regulatory Plan and Unified Agenda also reflect the Department's continuing commitment to cut costs, reduce regulatory burden, and increase responsiveness to the public. Additionally, DOE recognizes that public participation and community engagement are a crucial aspect of the Department's rulemaking process, as well as an important vehicle to assist the Department in streamlining its regulatory priorities. DOE's existing ex parte communication process provides an avenue for stakeholders and members of the public to meet with the Department to discuss regulatory practices, either during or not during a rulemaking. This process is intended to encourage the public to provide the Department with all information necessary to develop rules that advance public interest. The process serves to increase public participation in the Department's rulemaking activities and adds transparency to the development of any regulatory action.

Energy Efficiency Program for Consumer Products and Commercial Equipment

The Energy Policy and Conservation Act (EPCA) requires DOE to set appliance efficiency standards at levels that achieve the maximum improvement in energy efficiency that is technologically feasible and economically justified. The Department continues to follow its schedule for setting new appliance efficiency standards by both tackling its backlog of rulemakings with missed statutory deadlines and advancing rulemakings with upcoming statutory deadlines. In 2023, DOE published 40 actions relating to energy conservation standards, including 11 final actions; and 25 actions relating to test procedures, including 19 final rules. DOE tentatively plans to publish 20 additional actions relating to energy conservation standards and test procedures by the end of the year. These rulemakings are expected to save American consumers billions of dollars in energy costs over a 30-year timeframe.

Additionally, EPCA directs DOE to provide interested persons an opportunity to present oral and written comments on matters related to any energy conservation standard or test procedure proposed rule. DOE fulfills this obligation by organizing public meetings, held as webinars, as part of the rulemaking process. The meetings take place during the comment period, which provides the public time to review the proposed action prior to attending. During the meeting, a DOE representative presents an overview of the proposed action that may include a general discussion of the rulemaking background, legal authority for the action being taken, and a robust discussion of the proposed action. Participants are offered an opportunity to ask the DOE representative questions about the proposal in real time and may present a prepared statement during the meeting if requested. After the meeting, DOE releases a meeting transcript and considers any question or information presented by the public during the meeting in the next stage of the rulemaking along with the written comments submitted during the comment period. Interested members of the public may participate in these meetings by registering online.

The Department is highlighting one important energy conservation standard rule titled “Energy Conservation Standards for Consumer Water Heaters.” For consumer water heaters, DOE estimates that energy savings for active mode operation (in terms of uniform energy factor) will be 27 quads over 30 years and that the cumulative net present value to total consumer benefits of the proposed standards for consumer water heaters will be between \$56 billion at a 7-percent discount rate and \$161 billion at a 3-percent discount rate. Additionally, the Department notes that two public meeting were held to satisfy EPCA’s requirements that interested persons are provided an opportunity to present oral and written

comments on matters related to this rulemaking. In April 2022, DOE held a public meeting to discuss a preliminary technical support document and participants included members from relevant trade organizations, representatives of investor-owned electric companies, energy efficiency organizations, and advocates for appliance standards. DOE held a second public meeting to discuss the proposed rule in September 2023. During both meetings, DOE provided an overview of the published rulemaking materials and took questions from attendees in real time. As part of the rulemaking process, DOE intends to address any comment raised during the September meeting in a subsequent rulemaking material, along with all written comments submitted for the proposal.

Federal Agency Leadership in Climate Change

Beyond the appliance program, DOE is supporting Federal agency leadership in climate change in various ways, including in its “Clean Energy Rule for New Federal Buildings and Major Renovations” (Clean Energy Rule), which implements a provision of the Energy Independence and Security Act of 2007 (EISA) that requires the Department to establish revised-performance standards for the construction of all new Federal buildings, including commercial buildings, multi-family high-rise residential buildings, and low-rise residential buildings. As directed by EISA, this rule would require reductions in Federal agencies’ on-site use of fossil fuels, and provides processes by which agencies can petition DOE for the downward adjustment of these targets for their buildings. For covered buildings for which design for construction or whole building renovation begins in fiscal year 2030 or beyond, the onsite fossil fuel-generated energy consumption of the building must be zero for all building types and climate zones, based on the calculation established in the regulations, and consistent with the requirements of EISA. DOE initiated this rulemaking in 2010, and published its current proposal through a supplemental notice of proposed rulemaking (SNOPR) published in the Federal Register in December of 2022. DOE hosted a public stakeholder meeting (January 2022) to present its updated proposal and accept feedback from stakeholders. DOE also solicited formal public comments from stakeholders through March (2023), receiving 49 comment submissions, which will be addressed in DOE’s Final Rule (anticipated March 2024).

Federal Authorizations for Interstate Electric Transmission Facilities

This rulemaking proposes to provide an updated process for the timely coordination of Federal authorizations for proposed interstate electric transmission facilities pursuant to section 216(h) of the Federal Power Act (FPA) (16 U.S.C. 824p(h)). The U.S. Department of Energy (DOE) is proposing to establish an integrated and comprehensive Coordinated Interagency Transmission Authorizations and Permits Program (CITAP Program), to ensure electric transmission projects are developed expeditiously and consistent with the nation's environmental laws, including laws that protect endangered and threatened species, critical habitats, and historic properties. The CITAP Program improves the Integrated Interagency Pre-Application (IIP) Process by ensuring timely submission of materials necessary for Federal authorizations and related environmental reviews. Under the program, project proponents develop resource reports and public engagement plans for communities that would be affected by a proposed qualifying project through an iterative and collaborative process with Federal agencies, while providing that those Federal agencies would remain responsible for completion of environmental review. DOE will coordinate submission of the materials necessary for federal authorizations and related environmental reviews required under Federal law to site the qualified electric transmission facilities.

Throughout the rulemaking process, DOE has taken steps to encourage public participation in the rulemaking. On August 23, 2023, DOE held a public meeting for the proposed rulemaking in which DOE provided a briefing of the proposed regulatory text and gave participants the opportunity to provide comments on the proposed rule. Throughout the comment period, DOE has also provided briefings to various stakeholder groups and encouraged the submission of comments through the processes outlined in the notice of proposed rulemaking. Likewise, after the comment period closes on October 2, 2023, DOE intends to continue providing stakeholder briefings to groups wishing to learn more about the proposed rule.