



Highlights of [GAO-05-379](#), a report to congressional requesters

Why GAO Did This Study

The lives of most Americans are affected by energy. Increased energy demand and higher energy prices has led to concerns about dependable, affordable, and environmentally sound energy. The federal government has adopted energy policies and implemented programs over the years that have focused on the appropriate role of the federal government in energy, attempting to achieve balance between supply and conservation. The May 2001 National Energy Policy (NEP) report contained over 100 recommendations that it stated, taken together, provide a national energy plan that addresses the energy challenges facing the nation. As Congress considers existing federal energy programs and proposed energy legislation in support of the May 2001 report, GAO was asked to (1) identify major federal energy-related efforts, (2) review the status of efforts to implement the recommendations in the May 2001 NEP report, and (3) determine the extent to which resources associated with federal energy-related efforts have changed since the release of the NEP report.

What GAO Recommends

This report does not contain any recommendations. In commenting on this report, DOE stated that the NEP report and status report were not intended to provide a full accounting of federal energy-related activities. Our report does not suggest that they were so intended.

www.gao.gov/cgi-bin/getrpt?GAO-05-379.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Jim Wells at (202) 512-3841 or wellsj@gao.gov.

NATIONAL ENERGY POLICY

Inventory of Major Federal Energy Programs and Status of Policy Recommendations

What GAO Found

Over 150 energy-related program activities and 11 tax preferences address eight major energy activity areas: (1) energy supply, (2) energy's impact on the environment and health, (3) low-income energy consumer assistance, (4) basic energy science research, (5) energy delivery infrastructure, (6) energy conservation, (7) energy assurance and physical security, and (8) energy market competition and education. At least 18 federal agencies, from the Department of Energy (DOE) to the Department of Health and Human Services, have energy-related activities. Based on fiscal year 2003 data (the most complete data available), the federal government provided a minimum of \$9.8 billion in estimated budget authority for the energy-related programs we identified. In addition, various federal energy-related income tax preferences provided another estimated \$4.4 billion in outlay equivalent value, primarily for energy supply objectives. On the revenue side, the federal government collected about \$10.1 billion in fiscal year 2003 through various energy-related programs and about \$34.6 billion in energy-related excise taxes. Significant collections involve royalties from the sale of oil and gas resources on federal lands, while taxes on gasoline and other fuels account for most of the excise taxes.

While DOE reports that most of the 2001 NEP report recommendations are implemented, it is difficult to independently assess the status of efforts made to implement these recommendations because of limited information and the open-ended nature of some of the recommendations themselves. For example, the NEP report recommended the development of energy educational programs, including possible legislation to create education programs funded by the energy industry. However, DOE's January 2005 status report on NEP implementation provided only an overview of federal energy education efforts and made no mention of possible legislation to create such programs. In addition, some of the recommendations are open-ended and lack a specific, measurable goal, which makes it difficult to assess progress. Without a specific, measurable goal, it can be difficult to understand how and to what extent activities are helping to fulfill a recommendation. While this report does not make recommendations, it provides observations on the lack of information on the status of the NEP recommendations, which may hinder policy makers in assessing progress and determining future energy policies.

Resources devoted to energy-related programs have grown since the release of the NEP report. For example, compared with fiscal year 2000, just prior to the 2001 NEP report, fiscal year 2003 estimated budget authority for energy-related programs grew by about 30 percent, from \$7.3 billion to \$9.6 billion. In addition, over the same period, estimated outlay equivalents for energy-related income tax preferences grew by over 60 percent, from \$2.7 billion to \$4.4 billion. Federal efforts have continued to address the eight major energy activities. Energy supply continues to be a major emphasis of the federal efforts, accounting for a majority of the growth.