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ASME Energy Public Policy Task Force Statement on
U.S. Department of Energy FY 2026 R&D Budget

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The American Society of Mechanical Engineers (ASME) Energy Public Policy Task Force (Task Force) is pleased to provide feedback on the Fiscal Year 2026 (FY26) budget for Research and Development (R&D) programs at the Department of Energy (DOE). The Task Force recommends providing real, above inflation growth in R&D funding for the DOE in FY 2026, in line with the recommendations of the CHIPS and Science Act of 2022. This level of funding is necessary to accelerate the construction of world-leading scientific facilities, support groundbreaking science and engineering discoveries, advance new technologies to meet national energy policy goals, and grow a highly skilled, geographically and technically diverse workforce.

The Administration has rightly identified advanced and small modular reactors, fusion energy, artificial intelligence, quantum information science, geothermal technologies, and grid modernization as critical and emerging national priorities. However, the FY 2026 budget request does not provide commensurate support for the Department of Energy offices responsible for advancing these areas—for example, the Office of Advanced Scientific Computing Research faces a substantial reduction in funding. We urge Congressional appropriators to align DOE funding with these strategic priorities by providing robust support for the applied and basic research programs essential to U.S. leadership in science, energy innovation, and national competitiveness.

Department of Energy research plays a critical role in driving American economic competitiveness and supporting high-quality job creation across the country. Breakthroughs in clean energy, advanced manufacturing, and high-performance computing made possible by DOE investments not only strengthen our industrial base but also create new markets and workforce opportunities. DOE is also taking on new challenges, such as improving the energy efficiency of data centers—one of the fastest-growing sources of electricity demand. Indeed, the nation's understanding of this challenge stems directly from pioneering research conducted at Lawrence Berkeley National Laboratory. Sustained and strategic investment in DOE research programs is essential to ensure the United States remains at the forefront of innovation while managing emerging energy demands.

Successfully addressing climate challenges and maintaining U.S. technology leadership requires not only robust early-stage research but also sustained support to carry innovations through the “valley of death”—the critical stage between laboratory success and commercial deployment. This is especially true for carbon management technologies, including carbon capture, utilization, and storage (CCUS), which face significant scale-up and integration challenges. Congress has taken important steps to incentivize deployment through measures such as the 45Q tax credit for carbon sequestration. However, these market signals must be matched by sustained federal investment in applied research, pilot projects, and demonstration programs to de-risk new technologies and attract private capital. The Department of Energy plays a vital role in bridging this gap and ensuring that promising carbon management solutions can succeed in real-world applications.

Congress has continually demonstrated appreciation for the role that energy innovation must play in enhancing our energy security and in strengthening the U.S. economy. ASME has long advocated for maintenance of a balanced portfolio of energy technologies to meet the nation's growing energy needs in an environmentally sustainable way. The DOE's R&D program portfolio provides the only or primary source of independent and unbiased energy research across a wide range of topics affecting the power/energy/environmental community. A balanced energy portfolio will allow the U.S. to maintain its quality of life while addressing our environmental and security challenges. Sustained growth in the energy systems on which the U.S. depends will also require stability in licensing and permitting processes not only for power generating stations but also for energy supply systems, and transmission and transportation systems.

To maintain a funding trajectory that ensures continued support for groundbreaking scientific discoveries, as well as the construction and operation of world-class scientific facilities, the Task Force urges Congress to provide strong, above inflation growth funding for the Department of Energy's R&D activities in FY 2026.

Members of the Task Force consider the issues related to energy to be some of the most important facing our nation. There is an urgent need for more coherent and consistent national energy policies to encourage adoption of cleaner and more energy efficient technologies. We applaud Congress for their understanding of the important role that scientific and engineering breakthroughs will play in meeting our energy challenges and competing in the industries of the future. To promote such innovation, strong support for energy research will be necessary across a broad range of technology options. DOE research can play a critical role in allowing the U.S. to use our current resources more effectively and to create more advanced energy technologies.

The Task Force is pleased to respond to requests for additional information or perspectives on other aspects of our nation's energy programs.

Sincerely,

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