

Eliminate Energy Information Hubs

SAVINGS IN MILLIONS OF DOLLARS

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016-2020	2016-2025
\$24	\$24	\$24	\$25	\$25	\$26	\$26	\$27	\$28	\$28	\$122	\$257

Heritage Recommendation:

Eliminate Energy Information Hubs. This proposal saves \$24 million in 2016, and \$259 million over 10 years.

Rationale:

Energy Information Hubs create multidisciplinary teams to overcome obstacles in energy technologies. The Department of Energy should create multidisciplinary teams across offices and different agencies to reduce bureaucracy and pull valuable knowledge into different disciplines of research. The problem with the Energy Information Hubs is that they focus on promoting specific energy sources and technology developments.

Government projects that have become commercial successes—the Internet, computer chips, the global positioning system (GPS)—were not initially intended to meet a commercial demand but were developed for national security needs. Entrepreneurs saw an opportunity in these defense technologies and created the commercially viable products available today. The role of the DOE should be to conduct the basic research that the private sector would not undertake and create a system that allows the private sector, using private funds, to tap into that research and commercialize it. Federal labs should allow basic research to reach the market organically.

Additional Reading:

- Nicolas Loris, “Department of Energy Budget Cuts: Time to End the Hidden Green Stimulus,” Heritage Foundation *Backgrounder* No. 2668, March 23, 2012, <http://www.Heritage.org/research/reports/2012/03/departments-of-energy-budget-cuts-time-to-end-the-hidden-green-stimulus>.

Calculations:

Savings are expressed as budget authority and were calculated by using the FY 2014 enacted spending levels as found in page 37 of House of Representatives, 113th Congress, 2nd Session, “Energy and Water Development Appropriations Bill, 2015,” http://science.energy.gov/-/media/budget/pdf/sc-budget-request-to-congress/fy-2015/FY_2015_Budget_Basic_Energy_Sciences.pdf. The FY 2014 enacted spending was increased at the same rate as discretionary spending for 2016–2025, according to the CBO’s most recent August 2014 baseline spending projections.