

Pew Illuminates Federal Energy Spending

Subsidyscope Launches Searchable Sector-Wide Databases

WASHINGTON – A new Pew analysis of government spending data finds the federal role in the energy sector is significant, although smaller in comparison to its role in other sectors, such as transportation. Total federal spending in the sector on tax expenditures and grant programs likely to contain a subsidy, was about \$25 billion in fiscal year 2009, or \$212 per household.

“The United States spends billions of dollars a year attempting to make energy more affordable, cleaner and to reduce our dependence on foreign sources of oil,” said Subsidyscope project director Marcus Peacock. “As legislators in Washington consider decisions that will affect how our nation consumes and produces energy, this data provides a clearer view of how our government shapes energy policy through its use of subsidies.”

Highlights of Subsidyscope’s energy sector analysis include:

- In fiscal year 2009, \$3.2 billion in federal tax expenditures supported fossil fuels while \$1.5 billion went to assist renewable and alternative fuels. However, renewable energy sources have been receiving an increasing share of tax subsidies and, according to Department of Treasury estimates, these subsidies will increase sharply above the level of fossil fuels over the next few years before trailing off.
- The American Recovery and Reinvestment Act had a significant impact on energy sector programs; federal grants to the energy sector quadrupled in fiscal year 2009 to over \$18 billion, due in large part to stimulus funding. Tax expenditures are also expected to increase from \$6.3 billion in fiscal year 2009 to \$21.2 billion in fiscal year 2012.
- Stimulus funds to the energy sector have boosted energy conservation and efficiency programs. One such program, the Department of Energy’s Weatherization Assistance for Low-Income Persons program, received \$5.6 billion in fiscal year 2009—more than a twentyfold increase from the previous year.

Subsidyscope collected and aggregated data from USAspending.gov and other sources to populate two searchable databases of federal energy spending that enable users to query grant or contract information within the sector. The databases include information from fiscal years 2000-2009 and contain some stimulus data. However, due to significant gaps in federal data, the size and scope of the total federal subsidy to the sector may be underestimated.

Over the next several months, Subsidyscope plans to release spending and subsidy information on additional sectors, including housing and health care. Please visit www.subsidyscope.org for access to all available databases, including the transportation and nonprofits sectors, as well as further information on federal subsidies.

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