

BUREAU OF ENERGY RESOURCES

Resource Summary

(\$ in thousands)

Appropriations	FY 2012 Actual	FY 2013 CR ⁽¹⁾	FY 2014 Request	Increase/Decrease From FY2012
Positions - Enduring	63	63	63	0
Enduring Funds	12,853	11,968	13,211	358

(1) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

Program Description

Energy security is vital to U.S. national security, encompassing a complex range of economic, environment, foreign policy, and development priorities that affect domestic and international policy. The recognition of the importance of energy policy to U.S. strategic interests was the foundation for the first Quadrennial Diplomacy and Development Review's (QDDR) recommendation to create a new Bureau of Energy Resources (ENR). The QDDR provided an invaluable mandate to reorganize the Department's energy-related assets to advance U.S. energy security, foreign policy, national competitiveness, economic development and environmental diplomacy interests worldwide during the years to come.

ENR leads the State Department in the whole of government effort to promote international energy security. ENR provides leadership and strategic guidance to ensure advancing energy security is fully integrated into the U.S. foreign policy agenda. ENR seeks to assure stable, secure, affordable, and diverse supplies of energy for the American people. ENR also oversees broader efforts to enhance commercial opportunities for U.S. firms, including for emergent technologies, through geopolitical engagement, and fostering the development of sound market environments. To achieve these ends, ENR principals engage political, commercial, and civil society leaders to diplomatically advance U.S. energy interests.

Since its creation in October 2011, ENR continues to provide guidance to the Secretary and the U.S. interagency in aligning energy sector issues with broader U.S. foreign policy objectives and developing a coordinated message for U.S. engagement on these issues.

Energy Diplomacy (EDP)

EDP focuses on managing the geopolitics of energy. EDP has skillfully managed and led diplomatic efforts around the world from the most remote and challenging regions, such as the Arctic, to the resource fueled disputes in the South China Sea to Iraq-Turkey oil and gas export issues. EDP also works to promote a stable supply in global markets by diplomatically engaging with Iraq and other key producers to restore their production capabilities and through engagement with European partners on projects like the Southern Corridor to promote diversity of supply. Finally, EDP has led the interagency effort on the energy aspects of Iran sanctions to promote compliance with the National Defense Authorization Act (NDAA).

Energy Transformation (ETR)

Access to sustainable and secure sources of energy is fundamental to global economic growth, prosperity, and stability. A strategic focus of ENR is to stimulate private investment in order to advance the transformation of current energy systems to expand access and market opportunity for American companies. Global commercial opportunity for power generation to 2035 is estimated to total nearly \$17 trillion and ETR is working to ensure that American companies are well positioned for the opportunity.

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To make this happen, ETR is also focusing on promoting competition, viable power sectors, and preventing monopolies. Removing economic barriers and unfair practices is a high priority to create a level playing field. Additionally, ETR encourages regional approaches to transmission grid interconnection and market development to help create larger markets, enhance system reliability and energy efficiency, and facilitate the integration and trade of electricity from renewable technologies.

Energy Governance and Access (EGA)

Access to reliable, affordable electricity is critical to economic growth, energy security, and to the creation of new markets for U.S. goods and services. ENR leads U.S. Government efforts to promote commercially viable models to expand energy access to those without it, and to help the people of energy-rich countries realize the benefits of those resources. Improving sector governance, transparency and accountability increases prospects for economic growth, improves democratic prospects, reduces the potential for resource-fueled conflict, and helps U.S. businesses compete and operate in resource-rich states. ENR expanded support for the Energy Industry Transparency Initiative among resource rich countries, promoting good governance and revenue transparency. EGA also works to expand access to electricity for the 1.3 billion people globally without it, in a sustainable, commercially-viable manner.

Performance

ENR initiatives will enhance country capacity to develop enabling environments to unlock private capital investments in energy access, efficiency, and renewable technology-related projects.

Strategic Goal 5: Support American prosperity through economic diplomacy					
Strategic Priority	Energy Security				
Active Performance Indicator	Implementation of policies promoting sustainable energy technology to help the 1.3 billion people who currently lack access to modern energy				
PRIOR YEAR RATINGS TREND					
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
N/A	N/A	N/A	N/A	New Indicator, No Rating	◀▶ On Target
TARGETS AND RESULTS					
FY 2014 Target	In support of SE4ALL, apply replicable business models developed in FY 2013 to the two countries' respective regions.				
FY 2013 Target	In support of SE4ALL, develop a multi-stakeholder business model in Ghana and one other country that can address financing risks and overcome obstacles to project lending and technology commercialization for off-grid clean energy projects.				
FY 2012 Target	Develop a G-20 diplomatic support strategy, including the U.S. role in phasing out fossil fuel subsidies in key countries while also introducing targeted subsidies for the poorest. Build resources and capacity to implement projects to merge entrepreneurship, technology and viable markets. Identify foreign aid strategies to make viable commercial investment strategies in Haiti and India. Develop a coordinated international strategy to help poor countries develop commercially viable models for energy access.				

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FY 2012 Rating and Result	<p>Rating: On Target</p> <p>ENR has taken a leadership role in formulating the strategy for the SE4ALL initiative. 65 nations have engaged with SE4ALL and are developing energy plans to address energy access, efficiency, and renewables. The initiative is prioritizing early stage countries for initial projects to demonstrate financially sound energy access strategies. With the Haiti Special Coordinator, ENR supported development of the Caracol Industrial Park, and provided technical advice to guide Haitian Government investments in energy projects. ENR has been developing replicable business models for financing small-scale off-grid electricity access in India and Ghana and is developing program details. The U.S. engaged G-20 partners to reaffirm the group’s commitment to phasing out inefficient fossil fuel subsidies and is involved in developing strategies to do so.</p>
Impact	<p>ENR influence and activities focus on moving the international community toward sustainable development, energy access, and economic growth. SE4ALL is an important opportunity for the international community to address these issues. SE4ALL, Connect 2022, and targeted bilateral engagements create a framework for expanding energy access via improving economics and lessening environmental impact.</p>
FY 2011 Rating and Result	<p>Rating: New Indicator, No Rating</p>
FY 2010 Rating and Result	<p>Rating: N/A</p>
FY 2009 Rating and Result	<p>Rating: N/A</p>
FY 2008 Rating and Result	<p>Rating: N/A</p>
FY 2007 Rating and Result	<p>Rating: N/A</p>
VERIFICATION AND VALIDATION	
Methodology	<p>FY2012: progress documented in the June 20, 2012 factsheet, U.S. Support for the Sustainable Energy For All Global Action Agenda. Indicator's 1.3 billion figure is referenced in the IEA’s “Energy for All: Financing Access for the Poor” report. The World Bank’s Sustainable Energy Department to produce a baseline report with associated “Sustainable Energy for All Global Tracking Framework” co-led by the World Bank/ESMAP and the IEA.</p>
Data Source and Quality	<p>http://www.state.gov/r/pa/prs/ps/2012/06/193500.htm, http://www.sustainableenergyforall.org/, https://www.fbo.gov/index?s=opportunity&mode=form&id=3bde228768bda2713e3366ee124b9153&tab=core&_cview=0 ENR often relies on externally generated and validated data sets from the International Energy Agency (IEA) and Energy Information Administration. No significant data limitations; ENR focusing and tightening target language for FY2013 and beyond.</p>

Transparency will be a key principle to expand engagement and good governance in the energy sector. The Energy Industry Transparency Initiative (EITI) is a globally developed standard that promotes revenue transparency at the country level.

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Strategic Goal 5: Support American prosperity through economic diplomacy					
Strategic Priority	Energy Security				
Active Performance Indicator	Transparency and governance principles are adopted by the international community.				
PRIOR YEAR RATINGS TREND					
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
N/A	N/A	N/A	N/A	New Indicator, No Rating	◀▶ On Target
TARGETS AND RESULTS					
FY 2014 Target	There is a 4 percent increase in the number of countries that have declared their intention to implement EITI over the previous fiscal year.				
FY 2013 Target	There is a 4 percent increase in the number of countries that have declared their intention to implement EITI over the previous fiscal year.				
FY 2012 Target	Gain G-20 support for the principles underlying the Energy Security Through Transparency (ESTT) Act. Expand cooperation on EITI, working to expand application of EITI among major resource rich nations. Engage China on advocating EITI principles in its investments and engagement in Africa, Asia, and Latin America.				
FY 2012 Rating and Result	<p>Rating: On Target Though ESTT Act does not exist as a standalone law, the principles of disclosure of payments made to governments were embedded in Dodd-Frank Section 1504. ENR has strongly supported wider institutional adoption of similar standards, including since final rules from the SEC were released late in FY 2012. The EU is considering such a move, with the Department's support. The G-20 Anti-Corruption Action Plan reiterates support for the implementation of the EITI. Support for EITI among resource-rich nations continues to expand, with two new countries found compliant in FY 2012, one admitted as a candidate country, and two more declaring their intention to implement. ENR engages on transparency in nearly all bilateral interactions with foreign governments.</p>				
Impact	Declaring intention to implement EITI is one of a multi-step process to becoming an EITI candidate country. EITI is a globally developed standard that promotes revenue transparency at the local level.				
FY 2011 Rating and Result	Rating: New Indicator, No Rating N/A				
FY 2010 Rating and Result	Rating: N/A				
FY 2009 Rating and Result	Rating: N/A				
FY 2008 Rating and Result	Rating: N/A				
FY 2007 Rating and Result	Rating: N/A				

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VERIFICATION AND VALIDATION	
Methodology	Declaration of intent to join is publicly announced, generally by the head of government, and is documented on the EITI website.
Data Source and Quality	http://eiti.org/ No significant data limitations.

Justification of Request

The FY 2014 Request of \$13.2 million supports ENR’s key initiatives and represents an increase of \$358,000 over the FY 2012 Actual level. This net increase reflects the transfer of the Special Coordinator for International Energy Affairs (S/CIEA) and Special Envoy for Eurasian Energy Affairs (S/EEE) from the Bureau of Economic and Business Affairs, as well as inflationary and cost of living adjustments. Reductions for administrative savings in travel and contracts offset a portion of the increase.

Resource Summary

	Positions					Funds (\$ in thousands)		
	American			FSN	Pos Total	Bureau Managed	American Salaries	Funds Total
	CS	FS Dom	Overseas					
FY 2012 Actual	42	21	0	0	63	5,307	7,546	12,853
FY 2013 Estimate	42	21	0	0	63	4,422	7,546	11,968
FY 2014 Built-in Changes								
American COLA	0	0	0	0	0	3	53	56
Domestic Inflation	0	0	0	0	0	196	0	196
S/CIEA Base Transfer from EB	0	0	0	0	0	798	0	798
S/EEE Base Transfer from EB	0	0	0	0	0	193	0	193
Total Built-in Changes	0	0	0	0	0	1,190	53	1,243
FY 2014 Current Services	42	21	0	0	63	5,612	7,599	13,211
FY 2014 Request	42	21	0	0	63	5,612	7,599	13,211

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Staff and Funds by Domestic Organization Units

(\$ in thousands)

Bureau for Energy Resources (ENR)	FY 2012			FY 2013			FY 2014			Increase/Decrease		
	Actual			CR			Request			From FY2012		
	Am	FSN	Funds	Am	FSN	Funds	Am	FSN	Funds	Am	FSN	Funds
Deputy Assistant Secretary for Energy Diplomacy	25	0	2,523	17	0	2,304	17	0	2,610	(8)	0	87
Deputy Assistant Secretary for Energy Governance and Access	17	0	2,088	16	0	1,965	16	0	2,140	(1)	0	52
Deputy Assistant Secretary for Energy Transformation	15	0	2,683	13	0	2,479	13	0	2,764	(2)	0	81
Office of the Assistant Secretary	6	0	5,559	17	0	5,220	17	0	5,697	11	0	138
Total	63	0	12,853	63	0	11,968	63	0	13,211	0	0	358

Funds by Object Class

(\$ in thousands)

Bureau for Energy Resources (ENR)	FY 2012	FY 2013	FY 2014	Increase/Decrease
	Actual	CR	Request	From FY2012
1100 Personnel Compensation	2,029	2,103	2,170	141
1200 Personnel Benefits	1,404	1,432	1,462	58
2100 Travel & Trans of Persons	3,524	3,324	3,713	189
2200 Transportation of Things	80	93	102	22
2300 Rents, Comm & Utilities	127	145	159	32
2400 Printing & Reproduction	44	48	51	7
2500 Other Services	5,632	4,802	5,527	(105)
2600 Supplies and Materials	13	21	27	14
Total	12,853	11,968	13,211	358