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## The Economic Impact of Eliminating the Office of Clean Energy Demonstrations

The Department of Government Efficiency (DOGE) is reportedly proposing **drastic staffing cuts** across the Department of Energy—targeting some of the most mission-critical programs. The Office of Clean Energy Demonstrations (OCED) could be slashed to just 35 full-time employees, leaving over **\$20 billion in announced awards** effectively unstaffed—or cancelled. The scale and speed of these cuts would gut the federal clean energy effort at a pivotal moment.

In response to this development, Greenline Insights, with supporting expertise from the Center for Climate and Energy Solutions (C2ES), conducted an economic impact analysis to assess the consequences of fully eliminating OCED's operations and [project portfolio](#) across clean hydrogen, long-duration energy storage, carbon management, distributed energy, and industrial manufacturing sectors. Our analysis finds that **fully eliminating OCED would result in the loss of:**

- **291,133 jobs** that would have otherwise been supported across the country,
- **\$22.9 billion in labor income** - the wages, salaries, and benefits that would have been earned by American workers,
- **\$65.9 billion** in total economic output - the value of goods and services that would have been generated across the economy as a result of OCED-supported projects.

The sectors most affected include construction and heavy manufacturing—particularly in areas like industrial facility construction and energy infrastructure. In addition to the full portfolio analysis, we conducted a narrower assessment focused on OCED projects identified as being at **high risk of termination** under the proposed cuts. The regions hardest hit under this scope are **Louisiana and Texas**, which host several large-scale clean energy and industrial manufacturing initiatives currently dependent on OCED support. These estimates are conservative, as they only reflect the federal cost share and do not include private investment likely to disappear alongside it.

Results were generated using IMPLAN economic modeling, capturing direct, indirect, and induced effects across the U.S. economy—including both near-term job creation and longer-term supply chain impacts.