

NEWSLETTER *Published October 10, 2025 • 6 minute read*

On the Grid: DOE Crash Out

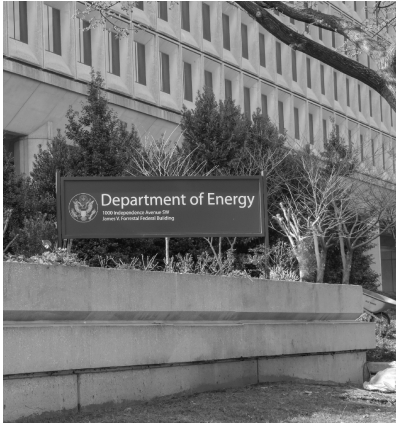
Mary Sagatelova



Hi Friend!

Welcome back to *On the Grid*, Third Way's bi-weekly newsletter, where we'll recap how we're working to deploy every clean energy technology as quickly and affordably as possible.

We're excited to have you join us!



ADMINISTRATION

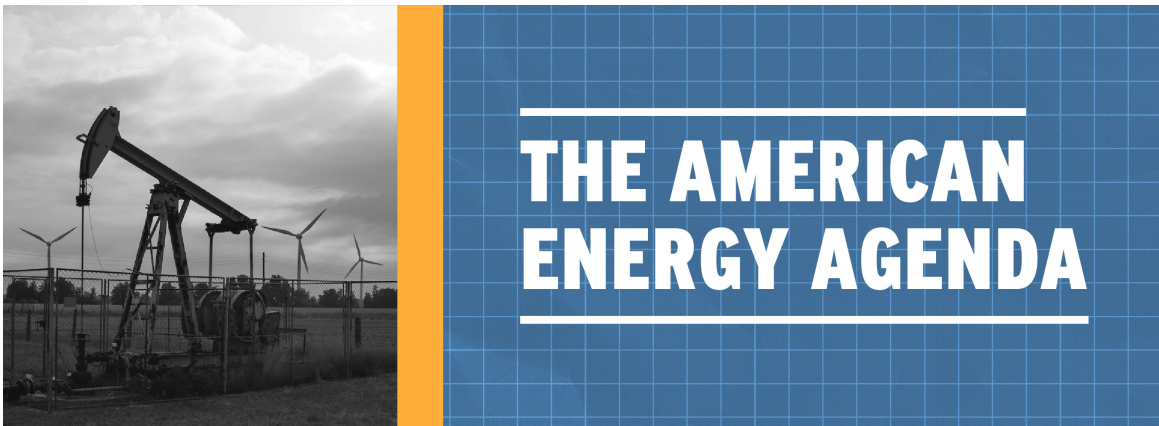
Earlier this month, the Trump Administration moved to cancel nearly \$8 billion in clean energy awards spanning more than 300 projects—many in Republican states. Last week, leaked Department of Energy documents showed an even wider rollback is on the horizon, with an additional \$16 billion in cuts targeting over 300 more projects. You can view all the cancellations mapped out [here](#).

Why This Matters: These cancellations go far beyond renewables. They target industrial manufacturing projects, fossil fuel modernization efforts, and *every single* [hydrogen](#) and [direct air capture hub](#). Projects helping the US compete with China, support for small businesses, grid improvement projects, and natural gas efficiency projects are all getting canceled without any clear explanation.

The Consequences: These cancellations make no sense and will have lasting consequences. Projects that would have strengthened the grid, reduced waste, and improved reliability will no longer move forward. At the same time, the administration is spending billions of dollars to keep aging, unreliable coal plants that were slated for closure online *and* canceling carbon capture at existing coal facilities. As Ryan Fitzpatrick, Third Way's Senior Director for Domestic Policy, said last week, *"By canceling billions of dollars for crucial projects ... is pulling the rug out from under businesses investing in America, and raising costs nationwide."*

There's no rhyme or reason for this. Fossil fuel projects, carbon capture projects, and projects in Republican-controlled states and Democratic states are all getting canceled. What it does do is make it much more difficult for the US energy sector to compete with China or for the private sector or investors to maintain confidence in the federal government when 600 projects are canceled on a whim.

What We're Doing: These projects are investments in US competitiveness, reliability, and affordability. Our team is coordinating with former Department of Energy officials, NGOs, and staff on the Hill to help impacted companies understand their options and navigate the fallout. If you know of any awardees affected by these cancellations or who have received a termination notice, please direct them to Lawyers for Good Government, who can connect them to free technical, strategy, and communications assistance.



America's electricity demand is surging as new waves of manufacturing, electrification, and data centers hit our aging grid all at once. The problem isn't that we're running out of energy; it's that we're not adding new supply fast enough to keep up. In a more functional political system, this would be a unifying challenge. Instead, it has devolved into a partisan mess.

On the Right, the Trump Administration has made a bad situation worse by imposing a de facto ban on wind and solar, raising taxes on clean energy,

doubling down on coal despite their rising operating costs, stalling infrastructure upgrades, and, as of last week, canceling hundreds of large clean energy projects. On the Left, groups continue to call for 100% renewables to meet growing demand while rejecting firm, dispatchable sources like nuclear. The result is a self-inflicted crunch: higher prices, more risk of blackouts, and fewer tools to meet surging demand.

Why This Matters: Half of Americans are already feeling the financial pressure of rising electricity costs, and this pressure is expected to continue growing. Voters want to know that someone has a plan to lower their bills and keep their lights on. For Democrats, this can be an opportunity. But they need a strategy that puts affordability and reliability first.

What We're Doing: Third Way is calling for an all-of-the-above strategy for Democrats that treats affordability as the organizing principle of energy policy. In practice, that means building out as much clean generation as possible—from sources like wind, solar, hydropower, nuclear, geothermal, hydrogen, and carbon capture—while investing in the infrastructure to support it. It also means calling out the continued role of natural gas in our energy mix while pushing to clean it up. Here's what that looks like:

1. **Saying No To Bans:** Banning entire categories of energy, whether wind and solar or oil and gas, is bad economics and even worse politics. Democrats should reject bans outright and instead focus on boosting the competitiveness of clean technologies that are already winning in the global marketplace.
2. **Focusing on Results:** The next phase of energy policy *must* move at a speed that can be publicly visible. That means Democrats must embrace permitting reform, accelerate new projects, and cut back the red tape that keeps clean energy projects from delivering visible, tangible benefits.

3. **Make AI Pay Its Fair Share:** AI companies are adding enormous strain to the US power grid. Democrats need to ensure that these companies are helping pay for the infrastructure and electricity they consume, instead of passing it on to ratepayers.
4. **Put People Over Bureaucrats:** Years of miscalculations, poor planning, and bad processes have left the regional RTOs and ISOs that govern our electricity system struggling to keep pace with rising demand, driving up prices and weakening reliability. Democrats need to back the governors and regional regulators working to overhaul and modernize these outdated bureaucracies.
5. **Unleash Private Capital:** Federal incentives helped kick off the clean energy boom, but if we want to sustain it, private investment must take the lead. Democrats must focus on providing long-term policy certainty and deploying the financing tools needed to channel private and public capital into a broad range of clean technologies.

As we head into another pivotal election year, we're continuing to push for a pragmatic, all-of-the-above energy strategy that keeps costs low and delivers tangible benefits for American households.



WE'RE HIRING!

The clean energy policy conversation is expanding...and so are we! The Climate and Energy Program is looking for people with talent and a passion for climate solutions to fill three new roles on our team.

- [Deputy Director for Electricity](#)
- [Deputy Director for Innovation](#)
- [Executive Coordinator](#)
- [Philanthropy Associate](#)



- The *New York Times* [Editorial Board](#) outlines how the Trump Administration's attack on clean energy projects will raise costs for everyday Americans.
 - [Matt Yglesias](#), in *Slow Boring*, argues that progressive interest groups are repeating the same counterproductive tactics, like rigid endorsement questionnaires, that hurt the Democratic Party's ability to win elections.
 - [Jason Bordoff](#), on the *Columbia Energy Exchange* podcast, talks with Sarah Ladislav about how the clean energy landscape is shifting as federal support is gradually pulled back and how we need a new energy industrial strategy focusing more on energy security, affordability, and economic competitiveness.
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