

Bulk-power systems:

Department of Energy seeks stakeholder feedback to inform development of new regulatory regime

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On September 9, 2026, the US Department of Energy (DOE) published a Request for Information (RFI) in the Federal Register, seeking public comments on implementation of President Donald J. Trump's August 26, 2026, executive order (EO), "Declaring a National Emergency to Secure the United States Bulk-Power System" (EO 14421).

This RFI, issued by the DOE's Office of Cybersecurity, Energy Security and Emergency Response (CESER), is the first formal step towards implementation of EO 14421, which granted the DOE broad authorities to develop a framework to restrict certain foreign-produced bulk-power system electrical equipment in the US – covering a wide range of equipment, including certain capacitors, transformers, regulators and high voltage circuit breakers. Information submitted by stakeholders in this comment period will help inform the scope of the rules that will implement these restrictions, as well as the availability of, and requirements for, any licensing or prequalification mechanisms.

Key takeaways are as follows; additional analysis of the RFI and EO 14421 can be found below.

- Companies that purchase or sell equipment or software relating to electric energy generation or transmission should evaluate whether their activities could be included in the proposed scope of the forthcoming rule.
- Large industrial facilities and technology providers should evaluate whether their energy connectivity or independent production capabilities could be impacted by the proposed scope of the forthcoming rule.
- Stakeholders should consider whether providing comments on the rule could aid in providing clarity over the forthcoming rule's footprint or whether and how it could impact their activities.

RFI – Informing the restrictions to be imposed under EO 14421

Overview – The RFI includes 50 specific inquiries set out across eight topic areas, representing CESER's priorities for industry and stakeholder input in ongoing implementation efforts:

- Scope, definitions and covered transactions
- Covered Foreign Entities and supply chain risk management
- Risk evaluation and transaction review
- Existing equipment and mitigation
- Licensing, mitigation measures and prequalification
- Domestic manufacturing, secure replacements and federal procurement
- Economic and regulatory analysis
- Implementation, information sharing and other matters

The RFI topic areas align with potential implementing regulations suggested in the EO, including:

- Identification of additional countries or persons as Covered Foreign Entities for the purposes of the EO
- Identification of persons owned or controlled by, or subject to jurisdiction or direction of a Covered Foreign Entity for the purposes of the EO
- Identification of equipment or countries for which transactions warrant particular scrutiny
- Establishment of licensing procedures authorizing otherwise prohibited transactions
- Development of requirements for any prequalification framework for trusted vendors or equipment
- Consideration of potential predetermined, or contextually negotiated mitigation requirements as a precondition for approval

Scoping the restrictions – The RFI indicates that the DOE plans to consider risks associated with certain technical, operational and life cycle relationships. Questions related to the scope of covered transactions signal that the scope of the bulk-energy restrictions will reach beyond physical energy infrastructure and components to cover certain software, firmware, digital and maintenance services, as well as remote access capabilities associated with bulk-power systems and related equipment.

- Together, this could substantially increase potential industry exposure to the new restrictions and would require expansive assessments of numerous vendor and equipment contracts.

Feasibility of the implementation – In addition to questions seeking input on how the DOE should define and identify covered equipment and services, the RFI seeks input on several issues related to existing technical, supply chain and operational capabilities and restraints. The RFI includes several questions related to the practical implementation feasibility for key elements of the EO, including any anticipated economic, operational, supply chain and security constraints.

This indicates that DOE is likely focused on tailoring new restrictions and related procedures to achieve the EO's underlying security goals while mitigating practical implementation challenges, such as service interruptions, maintenance delays or supply chain disruptions.

EO 14421: Securing the US bulk power system

EO 14421 was designed to ensure the security, reliability and integrity of America's energy systems and address national and economic security, as well as infrastructure risks associated with the use of foreign-produced bulk-power system equipment in the US grid.

Emergency declaration – The EO declares a national emergency under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) with respect to the US bulk-power system, focusing on unusual and extraordinary threats presented by US reliance on foreign-produced bulk-power system electrical equipment and the lack of restrictions on acquisition or operation of such equipment. The EO specifies that threats are enhanced by rapid US energy demand growth and increased efforts by foreign actors to target US infrastructure through vulnerabilities in bulk-power systems.

- The EO identifies as national-security threats the potential exploitation of digital backdoors or other vulnerabilities built into foreign-manufactured equipment or software, which could be used to sabotage the US electrical grid or gain unauthorized access to critical infrastructure.
- The EO emphasized threats stemming from supply chain vulnerabilities created by US reliance on foreign sources for bulk-power equipment. An interruption in trade flows for critical components could disrupt bulk-power system operation, maintenance and expansion, threatening grid security and stability.

Foreign equipment ban – To address these threats, the EO establishes a broad prohibition on the purchase or installation in the US of certain foreign-produced bulk-power system electric equipment, including related critical software and digital capabilities that may pose cybersecurity or operational risks to these systems.

The new prohibition applies only where the Secretary of Energy, in consultation with the Secretaries of War, Commerce and Homeland Security, has determined that a transaction:

- Involves "bulk-power system electric equipment – or any critical component, software, firmware, digital service, maintenance service or remote-access capability associated with such equipment – designed, developed, manufactured or supplied by persons owned or controlled by, or subject to the jurisdiction of a Covered Foreign Entity"
- Poses "an undue risk of sabotage, unauthorized access, or other disruption; an undue risk of catastrophic effects on the security or resiliency of US critical infrastructure; or an unacceptable risk to" US security

Covered transactions – The EO provides broad definitions for equipment and transactions that may be covered by new prohibitions.

- **Bulk power systems** – Systems that facilitate and control systems necessary for operating all or a portion of an interconnected electric energy grid or that are used in generation facilities essential to grid reliability.
 - Transmission lines must be rated at 69,000 volts or higher to qualify as bulk-power systems.
 - Facilities used in local distribution of electric energy are not bulk-power systems under this EO.
- **Covered equipment** – Items used in bulk-power system substations, control rooms or power generating stations, including:
 - Large generators, small generators, backup generators and generation turbines
 - Utility-scale and other grid-connected inverters, as well as battery energy storage systems and uninterruptible power supply systems supporting critical infrastructure
 - Industrial control systems (including remote terminal units, programmable logic controllers and intelligent electronic devices), distributed control systems and safety instrument systems
 - Reactors, capacitors, current coupling capacitors, shunt capacitor equipment, coupling capacity voltage transformers, substation transformers and substation voltage regulators
 - Automatic circuit reclosers, instrument transformers, protective relaying, metering equipment and high voltage circuit breakers

In determining whether equipment falls within the scope of the EO, DOE and other relevant agencies may consider associated software and firmware, remote access capabilities, maintenance and update mechanisms, as well as other supply chain dependencies that may threaten the bulk-power system.

- These actions do not apply to items not included in the equipment list set out in the order, or those with broader applications outside of bulk-power systems that are unrelated to the national security concerns addressed by the order.
- **Covered foreign entity** – Restrictions apply to countries subject to certain US restrictions on designated foreign governments or identified by the Secretary of Energy in consultation with specified senior officials, or any person owned, controlled or subject to the jurisdiction of the government of such countries.
 - Countries subject to a US arms embargo or sanctions regime pursuant to the International Traffic in Arms Regulations (ITAR) (22 C.F.R. 126.1)
 - Countries found to be engaged in conduct detrimental to US national security or foreign policy determined by the Energy Secretary in consultation with the Secretary of Defense, the Director of National Intelligence and the Assistant to the President for National Security Affairs

Application to existing systems – The EO also grants the DOE the authority to restrict activities associated with foreign bulk-power system electric equipment that was acquired or installed prior to August 26, 2026.

If the Secretary of Energy determines that existing equipment would be subject to the EO's prohibition on new purchases or installations, he may, in consultation with senior administration officials, impose certain conditions on its continued use, operation or maintenance.

- Conditions may include requirements to identify, isolate, monitor, secure, disconnect, replace or remove such equipment, which may be subject to phased compliance timelines to mitigate impacts on reliability or safety of existing operations
- Before ordering remedial action with respect to pre-existing equipment, the Secretary should consider the availability of secure replacement equipment, continuity of essential services, and potential reliability and safety impacts

Implementation – Development and effectuation of procedures to implement the prohibitions set out in the EO will primarily be managed by the Secretary of Energy. As noted above, within 120 days of signing, the Secretary must publish rules or regulations to effectuate the EO.

The Secretary will also have to consult with the Federal Acquisition Regulation (FAR) Council within 180 days to develop and submit recommendations for revisions to the FAR aimed at ensuring that, in any federal procurement involving energy infrastructure, national security risks receive adequate consideration and procurement officers prioritize acquisition of US-manufactured energy infrastructure.

- Within 90 days of receipt of these recommendations, the FAR Council should consider proposing amendments to applicable provisions of the FAR for notice and public comment

The Secretary is also directed to complete certain implementing actions as soon as practicable, though the EO does not set a specific deadline for these tasks.

- Identification of bulk-power system equipment designed, developed, manufactured or supplied by persons owned by, controlled by or subject to the jurisdiction or direction of one or more Covered Foreign Entities that poses an undue risk of sabotage or subversion of any element of the US bulk-power system; of catastrophic harm to US critical infrastructure or economic security or otherwise poses unacceptable risks to national security and security of US persons
- Development and submission of recommendations for the President on potential procedures and/or strategies to identify, inventory, isolate, monitor or replace equipment posing such risks

Pre-approval and licensing – The EO provides for the potential establishment of licensing, and/or pre-approval procedures to allow system operators and vendors to conduct certain transactions that would otherwise be prohibited, which is the process that the DOE has begun with the rulemaking.

In addition to a potential licensing regime, the Secretary may also establish criteria and procedures for prequalification of certain equipment or equipment vendors as trusted vendors. Vendors or equipment included on this list would be exempt from prohibitions with respect to future transactions for covered bulk-power system electric equipment.

- Inclusion on this pre-qualification list does not override the Secretary's authority to regulate or prohibit any specific covered transaction

How to comment on the RFI – The Secretary is ordered to publish rules or regulations to effectuate the policies set out in EO 14421 within 120 days of its signing, on or around December 27, 2026. CESER's RFI seeks feedback from stakeholders, including utilities, states, equipment manufacturers and industry partners to inform development of formal requirements and practices aimed at securing the US bulk-power system.

Responses collected will help the DOE to ensure that any rules or regulations implementing EO 14421 provide clear guidance and predictability for the energy industry while effectively strengthening critical energy infrastructure, enhancing grid security and resilience and mitigating supply chain vulnerabilities.

- The deadline for comment submissions is October 9, 2026. Comments should be submitted via [regulations.gov](https://www.regulations.gov) under Docket No. DOE-HQ-2026-1123.
- Comments may be submitted via email to BulkPowerEO@doe.gov, including the phrase “Bulk-Power System Executive Order RFI” in the subject line
- Comments may be submitted via postal mail or hand delivery to Assistant Director Eric Rollinson:
 - Mailing Address: Eric Rollison, Assistant Director, Technology Development, Office of Cybersecurity, Energy Security, and Emergency Response, US Department of Energy 1000 Independence Avenue SW, Washington, DC

Our lawyers and policy professionals can assist clients in drafting strategic responses to the RFI before the October 9, 2026 deadline.

Contacts



Tyler J. Wood
Partner, Washington DC
T +1 202 457 5289
tyler.wood@squirepb.com



Ludmilla L. Kasulke
Partner, Washington DC
T +1 202 457 5125
ludmilla.kasulke@squirepb.com



Peter C. Alfano III
Partner, Washington DC
T +1 202 626 6263
peter.alfano@squirepb.com



Caroline Spadaro
Associate, Washington DC
T +1 202 457 5545
caroline.spadaro@squirepb.com