

# Trump's Funding Moves Create Heartburn for Energy Companies

Media Mentions

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With the Trump administration doing an about-face on a federal funding freeze, energy companies have been left to wonder if they can count on the grants and loans they've been awarded from the government for projects.

Bracewell's **Bob Wagman** explained to *Law360* that once it is "obligated to your contract, you have an enforceable right to at least perform up to that amount," referring to the amount of funds the government is obligated to pay on any loan commitment or financial assistance award.

Wagman also foresees "a lot of litigation" under agreements companies have inked with contractors if those agreements don't account for government funding being yanked or rescinded. "If you pull the plug, what are your damages? Do you owe something to your subcontractors?" he said.

Until there is a more definitive guidance on how the Trump administration will review and alter funding, Wagman added, "We just don't know what the next steps are going to be."

## Related People

**Robert J. Wagman Jr.**

Partner

**WASHINGTON, DC**

+1.202.828.5872

[robert.wagman@bracewell.com](mailto:robert.wagman@bracewell.com)

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