



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 25, 1997

H.R. 2472

A bill to extend certain programs under the Energy Policy and Conservation Act

As ordered reported by the House Committee on Commerce on September 18, 1997

SUMMARY

H.R. 2472 would extend for one year the Department of Energy's (DOE's) authorities related to energy emergencies. The bill also would authorize such sums as may be necessary for fiscal year 1998 for DOE's activities related to the Strategic Petroleum Reserve (SPR).

Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 2472 would result in additional discretionary spending of about \$220 million over the next three years. The legislation would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. H.R. 2472 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

For the purposes of this estimate, CBO assumes that the amounts necessary for the SPR program will be appropriated near the start of fiscal year 1998 and that outlays will follow the historical pattern for these activities. The estimated budgetary impact of H.R. 2472 is shown in the following table.

	By Fiscal Year, in Millions of Dollars						
	1996	1997	1998	1999	2000	2001	2002
SPENDING SUBJECT TO APPROPRIATION							
Spending Under Current Law							
Estimated Budget Authority ^a	0	0	0	0	0	0	0
Estimated Outlays	139	46	111	22	0	0	0
“Such Sums” Authorizations Projected at the 1997 Level:							
Proposed Changes							
Estimated Authorization Level	0	0	220	0	0	0	0
Estimated Outlays	0	0	121	77	22	0	0
Spending Under H.R. 2472							
Estimated Authorization Level ^a	0	0	220	0	0	0	0
Estimated Outlays	139	46	232	99	22	0	0
“Such Sums” Authorizations Adjusted for Inflation:							
Proposed Changes							
Estimated Authorization Level	0	0	226	0	0	0	0
Estimated Outlays	0	0	124	79	23	0	0
Spending Under H.R. 2472							
Estimated Authorization Level ^a	0	0	226	0	0	0	0
Estimated Outlays	139	46	235	101	23	0	0

a. The 1996 and 1997 levels are the net amounts appropriated for those years.

The costs of this legislation fall within budget function 270 (energy).

BASIS OF ESTIMATE

The estimated authorization for the SPR program is based on the gross rather than the net amount appropriated for the current year—\$220 million. (The SPR program received a net appropriation of zero for both 1996 and 1997, because the spending authority for both years was offset by an equal amount of receipts generated by the sale of oil from the reserve.) The

estimate does not assume any sale of oil from the reserve because none is authorized or mandated by the bill. Because H.R. 2472 does not specify the amount authorized for the program, the table shows two alternative sets of authorization levels for fiscal year 1998: one without an adjustment for anticipated inflation (\$220 million) and a second that includes an adjustment for inflation (\$226 million).

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2472 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

PREVIOUS CBO ESTIMATE

On May 22, 1997, CBO transmitted a cost estimate for S. 417, a bill to extend energy conservation programs under the Energy Policy and Conservation Act through September 30, 2002, as ordered reported by the Senate Committee on Energy and Natural Resources on May 21, 1997. Differences between the two estimates reflect differences in the two bills. The Senate bill would provide an authorization for a longer period of time and would fund several energy conservation programs in addition to the SPR. The Senate bill also includes provisions related to the leasing of the excess capacity of the SPR to foreign governments, which affects direct spending.

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