



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

August 10, 2006

H.R. 4857
Endangered Species Compliance and Transparency Act of 2006

As ordered reported by the House Committee on Resources on July 19, 2006

H.R. 4857 would require the Department of Energy's four federal power marketing administrations (PMAs) to report how much they spend to comply with the Endangered Species Act. Those agencies—the Bonneville Power Administration, and the Southeastern, Southwestern, and Western PMAs—market the electricity generated at federally owned dams. Under this bill, the agencies would be required to give their wholesale customers a monthly estimate of the customer's share of the PMA's direct and indirect costs to comply with the Endangered Species Act. The agencies also would have to submit annual reports to Congressional committees on this issue.

CBO estimates that enacting H.R. 4857 would have a negligible net effect on direct spending and on spending subject to appropriation. Based on information from the PMAs, CBO estimates that the department would spend less than \$500,000 a year to develop the information and systems needed for the new reports. Expenses incurred by the Bonneville Power Administration would increase direct spending, but such costs would be offset in the future by higher receipts from the sale of electricity. Likewise, any increase in the amount appropriated to the other PMAs to implement the bill would be offset by a corresponding increase in offsetting receipts from their sales of electricity.

H.R. 4857 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Kathleen Gramp. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.