



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 25, 2010

S. 3396 **Supply Star Act of 2010**

*As ordered reported by the Senate Committee on Energy and Natural Resources
on August 5, 2010*

SUMMARY

S. 3396 would authorize the appropriation of whatever sums are necessary for the Department of Energy (DOE) to expand existing activities related to improving energy efficiency in industrial applications. CBO estimates that implementing the bill would cost \$5 million in 2011 and \$32 million over the 2011-2015 period, assuming appropriation of the necessary amounts. Enacting S. 3396 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

S. 3396 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 3396 is shown in the following table. The costs of this legislation fall within budget function 270 (energy).

	By Fiscal Year, in Millions of Dollars					2011- 2015
	2011	2012	2013	2014	2015	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	7	8	8	6	6	35
Estimated Outlays	5	8	8	6	6	32

BASIS OF ESTIMATE

S. 3396 would authorize DOE to establish a program to promote industrial energy efficiency. In particular, the bill would authorize DOE to competitively award grants and other incentives to entities for evaluating and improving the efficiency of processes involved in the production and distribution of products. The bill also would authorize DOE to support professional training programs to develop and communicate means of improving industrial energy efficiency.

In 2010, DOE received \$140 million for programs related to industrial technologies. Based on information from DOE about the anticipated cost of expanding the agency's level of effort under S. 3396, CBO estimates that meeting the bill's requirements would require an additional \$35 million over the 2011-2015 period. Assuming appropriation of those amounts, CBO estimates that resulting outlays would total \$32 million over the 2011-2015 period.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 3396 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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