



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

December 18, 2001

H.R. 3343

A bill to amend title X of the Energy Policy Act and for other purposes

*As ordered reported by the House Committee on Energy and Commerce
on December 12, 2001*

SUMMARY

H.R. 3343 would authorize the appropriation of \$225 million over the 2002-2007 period for payments to private contractors for remediation work at a thorium processing plant that supplied nuclear material to the federal government. Assuming appropriation of the authorized amounts, CBO estimates that implementing the bill would cost \$195 million over the 2002-2006 period, with the remaining \$30 million spent after 2006.

The bill also would authorize the appropriation of such sums as may be necessary for maintaining the uranium enrichment capability of the Portsmouth Gaseous Diffusion Plant in 2002. The Department of Energy (DOE) currently has the authority for such activities under the Atomic Energy Act and plans to spend about \$65 million in 2002 to maintain the enrichment capability at the Portsmouth facility. Therefore, this provision of the bill would not add to costs that could be incurred under current law. The bill also would require the Comptroller General to provide an audit of the Uranium Decontamination and Decommission Fund and report to the Congress. CBO estimates that this work would have a negligible effect on federal spending.

H.R. 3343 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The bill 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 H.R. 3343 is shown in the following table. The costs of this legislation fall within budget function 270 (energy).

| | By Fiscal Year, in Millions of Dollars | | | | |
|---|--|------|------|------|------|
| | 2002 | 2003 | 2004 | 2005 | 2006 |
| CHANGES IN SPENDING SUBJECT TO APPROPRIATION | | | | | |
| Estimated Authorization Level | 90 | 55 | 20 | 20 | 20 |
| Estimated Outlays | 45 | 73 | 38 | 20 | 20 |

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 3343 will be enacted in January 2002 and that all amounts authorized will be appropriated in each year, as specified by the bill. Outlays were estimated using historical spending patterns for the decontamination program.

The bill would increase the amount authorized to pay a private contractor for decontamination of a thorium processing plant in West Chicago, Illinois, that formerly provided nuclear material to the federal government. Based on information from DOE, the additional funds that would be authorized by this bill would be spent over the next several years. Thus, CBO estimates that, implementing the bill would cost \$195 million over the 2002-2006 period and \$225 million over the 2002-2011 period.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE SECTOR IMPACT

H.R. 3343 contains no intergovernmental or private-sector mandates as defined by UMRA and would impose no costs on state, local, or tribal governments.

ESTIMATE PREPARED BY:

Federal Costs: Lisa Cash Driskill

Impact on State, Local, and Tribal Governments: Elyse Goldman

Impact on the Private Sector: Lauren Marks

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis