



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

March 8, 2004

S. 943

A bill to authorize the Secretary of the Interior to contract with the city of Cheyenne, Wyoming, for the storage of the city's water in the Kendrick Project, Wyoming

*As ordered reported by the Senate Committee on Energy and Natural Resources
on February 11, 2004*

S. 943 would authorize the Secretary of the Interior, through the Bureau of Reclamation, to renew a water storage contract with the city of Cheyenne, Wyoming, for the storage of the city's municipal and industrial water. The term of this and subsequent contracts would be limited to 40 years.

CBO estimates that implementing S. 943 would have no significant impact on the federal budget. Currently, the bureau provides water storage services under a temporary one-year water storage contract to the city of Cheyenne through the Kendrick Project on the North Platte River. The temporary contract has the same terms as the expired contract. Under the temporary contract, the city makes an annual payment of \$70,000 to the federal government. Under S. 943, the city would negotiate a contract with the federal government for water storage services. Under that contract, the bureau expects that the city would make an annual payment of about \$53,000 to the federal government. CBO estimates that enacting S. 943 would decrease offsetting receipts (a form of direct spending), but the loss of receipts would be less than \$500,000 over the 2005-2014 period.

S. 943 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

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