



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

December 9, 2015

S. 1583

A bill to authorize the expansion of an existing hydroelectric project

*As ordered reported by the Senate Committee on Energy and Natural Resources
on November 19, 2015*

S. 1583 would specify that the licensee of the Terror Lake hydroelectric project (number 2743), located within the Kodiak National Wildlife Refuge in Alaska, can expand that project to occupy not more than 20 acres of additional federal land. Under the bill, the proposed expansion would require no further approval by the Secretary of the Interior.

CBO estimates that enacting S. 1583 would not significantly affect the federal budget. According to the Department of the Interior, the federal lands that would be affected by the proposed expansion currently generate no significant receipts from programs to develop natural resources and are not expected to do so in the future. As a result, CBO expects that the proposed expansion would not affect offsetting receipts (which are treated as reductions in direct spending). CBO also expects that enacting S. 1583 could have a minor impact on spending by the Federal Energy Regulatory Commission (FERC), which regulates the Terror Lake hydroelectric project. Because FERC recovers 100 percent of its costs through user fees, however, any change in that agency's costs (which are controlled through annual appropriation acts) would be offset by an equal change in fees that the commission charges, resulting in no net change in federal spending.

Enacting S. 1583 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting S. 1583 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2026.

S. 1583 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 Megan Carroll. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.