

## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 14, 2017

## H.R. 2883 Promoting Cross-Border Energy Infrastructure Act

As ordered reported by the House Committee on Energy and Commerce on June 28, 2017

H.R. 2883 would make changes to permitting requirements for oil and natural gas pipelines and electric transmission facilities that cross international borders. In particular, the bill would eliminate the existing requirement that sponsors of such infrastructure obtain a Presidential permit. Instead, H.R. 2883 would require those sponsors to obtain a certificate of crossing. Under the bill, the Federal Energy Regulatory Commission (FERC) would issue those certificates for oil and natural gas pipelines; the Secretary of Energy would issue them for electric transmission facilities. The change in permitting requirements would apply to new projects and modifications of certain existing projects as specified by the bill.

CBO estimates that implementing H.R. 2883 would have no significant net effect on the federal budget. Relative to current law, we expect that any changes to administrative costs incurred by the Department of Energy would not exceed \$500,000 in any year; such spending would be subject to the availability of appropriated funds. Further, because FERC recovers 100 percent of its costs through user fees, 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 H.R. 2883 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 2883 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 2883 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandate 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.