



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 14, 2017

H.R. 2910 **Promoting Interagency Coordination** **for Review of Natural Gas Pipelines Act**

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

Under the Natural Gas Act, the Federal Energy Regulatory Commission (FERC) is the lead federal agency involved in approving and regulating interstate pipelines that carry natural gas. Such projects are subject to a variety of federal and nonfederal permits and authorizations related to a range of issues, particularly environmental matters. Under current law, FERC coordinates those efforts and is ultimately responsible for granting the certificate of public convenience and necessity required to construct or expand interstate natural gas pipelines.

H.R. 2910 would specify timeframes and procedures for FERC and other affected agencies to follow in conducting environmental reviews related to natural gas pipelines. Based on information from FERC and other federal agencies that regulate aspects of interstate natural gas pipelines, CBO estimates that implementing the bill would have no significant net effect on the federal budget. The bill would not affect the scope of federal agencies' responsibilities in overseeing such pipelines, and CBO expects that meeting the timeframes specified in the bill would not require a significant change in the level of discretionary funding provided to those agencies. 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. 2910 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 2910 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 2910 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.