

S. 859, Reliable Investment in Vital Energy Reauthorization Act

As ordered reported by the Senate Committee on Energy and Natural Resources on July 16, 2019

By Fiscal Year, Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	0	76	176
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

S. 859 would amend existing law regarding incentive payments made by the Department of Energy (DOE) to nonfederal owners or operators of certain hydroelectric facilities. DOE currently is authorized to provide two types of incentives to eligible projects: payments based on the amount of hydroelectricity generated by the facility and payments that defray some of the cost of measures that improve the efficiency of existing facilities. For 2019, the Congress has provided nearly \$7 million for generation-based payments; no funding was provided for hydroelectricity efficiency payments.

S. 859 would authorize the appropriation of \$10 million annually over the 2019-2036 period for payments based on hydropower generation and another \$10 million a year over that period for payments based on investments in hydropower efficiency measures. In addition, the bill would modify the deadlines and eligibility criteria for receiving such assistance.

Based on historical spending for similar activities, and assuming the appropriation of the authorized amounts, CBO estimates that implementing S. 859 would cost \$76 million over the 2020-2024 period and \$176 million over the 2020-2029 period. The costs of the legislation (detailed in Table 1) fall within budget function 270 (energy).

**Table 1.
Estimated Increases in Spending Subject to Appropriation Under S. 859**

	By Fiscal Year, Millions of Dollars											2019-2024	2019-2029	
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029			
Hydropower Generation Incentives														
Authorization	10	10	10	10	10	10	10	10	10	10	10	60	110	
Estimated Outlays	0	1	9	10	10	10	10	10	10	10	10	40	90	
Hydropower Efficiency Incentives														
Authorization	10	10	10	10	10	10	10	10	10	10	10	60	110	
Estimated Outlays	0	1	6	10	10	10	10	10	10	10	10	36	86	
Total Changes														
Authorization	0	20	20	20	20	20	20	20	20	20	20	120	220	
Estimated Outlays	0	2	14	20	20	20	20	20	20	20	20	76	176	

Components may not sum due to rounding.

The CBO staff contact for this estimate is Kathleen Gramp. The estimate was reviewed by Theresa A. Gullo, Assistant Director for Budget Analysis.