

S. 1602, BEST Act

As ordered reported by the Senate Committee on Energy and Natural Resources on September 25, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2024	2020-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	65	995	1,400
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. 1602 would require the Department of Energy (DOE) to establish a research, development, and deployment program for energy storage systems. The bill would authorize the appropriation of \$280 million annually over the 2020-2024 period for those purposes.

Under S. 1602, DOE would:

- Enter into agreements to carry out demonstration projects for energy storage systems;
- Establish a competitive grant program to help state governments, tribal governments, institutions of higher education, or utilities carry out demonstration projects for energy storage systems;
- Establish a joint program with the Department of Defense aimed at improving the performance of energy storage technologies designed for extended operations;
- Provide technical, financial, and planning assistance to help certain electric cooperatives, nonprofit organizations, and utilities procure energy storage systems; and
- Award competitive prizes for advancing the recycling of critical energy storage materials such as lithium, cobalt, nickel, and graphite.

Based on historical rates of spending for similar activities, and assuming appropriation of the specified amounts, CBO estimates that implementing S. 1602 would cost \$995 million over

the 2020-2024 period and \$405 million after 2024. 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. 1602

	By Fiscal Year, Millions of Dollars										2020-2024	2020-2029
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029		
Authorization	280	280	280	280	280	0	0	0	0	0	1,400	1,400
Estimated Outlays	65	168	224	263	275	215	112	56	17	5	995	1,400

In 2019, the Congress appropriated \$46 million to DOE’s Office of Electricity for research on energy storage technologies.

The CBO staff contact for this estimate is Aaron Krupkin. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.