

S. 1685, Launching Energy Advancement and Development through Innovations for Natural Gas Act of 2019

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

| By Fiscal Year, Millions of Dollars | 2020 | 2020-2025 | 2020-2030 |
|--|------------|-------------------------------------|------------|
| Direct Spending (Outlays) | * | * | * |
| Revenues | 0 | 0 | 0 |
| Increase in the Deficit | * | * | * |
| Spending Subject to Appropriation (Outlays) | * | 188 | 291 |
| Statutory pay-as-you-go procedures apply? | Yes | 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 |
| * = between zero and \$500,000. | | | |

S. 1685 would authorize the appropriation of \$50 million annually through 2025 for the Department of Energy (DOE) to establish a program to research, develop, and demonstrate technologies that capture carbon dioxide produced during natural-gas-based power generation. Under the bill, DOE would enter into cooperative agreements for demonstration projects to license, construct, and operate at least three such facilities. The department also could transfer or accept ownership rights of property interests acquired under those agreements. Finally, S. 1685 would require DOE to report annually to the Congress on the program.

For this estimate, CBO assumes that the bill will be enacted in 2020. Under that assumption, the department could incur some costs in 2020, but CBO expects that most of the costs would be incurred in 2021 and later. Any spending would be subject to the availability of appropriated funds.

CBO estimates that implementing S. 1685 would cost \$188 million over the 2020-2025 period and \$103 million after 2025, assuming the appropriation of the authorized amounts. Estimated outlays are based on historical spending patterns for similar programs.

If DOE transfers ownership of property acquired under the cooperative agreements, the department could forgo receipts that otherwise would be collected from the sale of surplus



property, thus increasing direct spending. However, using information from DOE, CBO estimates that those effects would not be significant over the 2020-2030 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. 1685

| | By Fiscal Year, Millions of Dollars | | | | | | 2020-2025 |
|-------------------|-------------------------------------|------|------|------|------|------|-----------|
| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | |
| Authorization | 50 | 50 | 50 | 50 | 50 | 50 | 300 |
| Estimated Outlays | * | 12 | 34 | 45 | 47 | 50 | 188 |

* = between zero and \$500,000.

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