



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

April 22, 2011

**S. 629**  
**Hydropower Improvement Act of 2011**

*As ordered reported by the Senate Committee on Energy and Natural Resources  
on April 12, 2011*

**SUMMARY**

S. 629 would authorize appropriations for a variety of activities aimed at promoting the supply and energy efficiency of hydroelectric power. Assuming appropriation of amounts authorized by the bill and estimated to be necessary, CBO estimates that implementing S. 629 would cost \$378 million over the 2012-2016 period. S. 629 would not affect direct spending or receipts; therefore, pay-as-you-go procedures do not apply.

S. 629 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of S. 629 is shown in the following table. The costs of this legislation fall within budget functions 270 (energy) and 300 (natural resources and environment).

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	By Fiscal Year, in Millions of Dollars					2012-
	2012	2013	2014	2015	2016	2016
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>						
Estimated Authorization Level	113	100	100	100	100	513
Estimated Outlays	23	60	95	100	100	378

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## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that S. 629 will be enacted by the end of fiscal year 2011 and that appropriations will be provided near the start of each fiscal year. Estimates of outlays are based on historical spending patterns for similar activities carried out by the affected agencies.

S. 629 would specifically authorize the appropriation of \$510 million over the 2012-2016 period for a variety of activities aimed at promoting hydroelectric power. That amount includes:

- \$50 million annually over the 2012-2016 period for the Department of Energy (DOE) to provide grants to support projects to add new hydroelectric-generating capacity, projects to increase the energy efficiency of existing facilities that generate hydroelectric power, and analyses and implementation of measures to mitigate the environmental impact of such projects;
- \$50 million annually over the 2012-2016 period for DOE to establish a program to research, develop, and demonstrate innovative means of increasing the use, generation, energy efficiency, and environmental quality of hydropower; and
- A total of \$10 million for the Federal Energy Regulatory Commission to establish pilot projects to demonstrate the feasibility of small hydroelectric-power facilities and projects to generate hydroelectric power using water flowing through agricultural, municipal, or industrial conduits.

In addition, CBO also estimates that funding various studies, reports, and regulatory activities under the bill would require appropriations totaling \$3 million in 2012. In total, assuming appropriation of the authorized and estimated amounts, CBO estimates that implementing S. 629 would cost \$23 million in 2012 and \$378 million over the 2012-2016 period, with additional spending occurring in later years.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 629 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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