

S. 2332, Grid Modernization Act of 2019

As reported by the Senate Committee on Energy and Natural Resources on October 24, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2024	2020-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	46	842	2,031
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. 2332 would direct the Department of Energy (DOE) to establish a research, development, and demonstration program for energy storage technologies. The bill also would direct DOE to establish a grant program to carry out projects related to modernizing the electric grid and other programs aimed at increasing the resiliency of electrical systems.

S. 2332 would authorize the appropriation of \$250 million a year through 2028 for those purposes. Assuming appropriation of the authorized amounts, and based on historical spending patterns for similar activities, CBO estimates that implementing S. 2332 would cost \$842 million over the 2020-2024 period and \$1.4 billion 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. 2332

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020-2024	2020-2029
Authorization ^a	204	250	250	250	250	250	250	250	250	0	1,204	2,204
Estimated Outlays	46	133	191	229	243	247	249	250	250	193	842	2,031

a. Section 3 of S. 2332 would authorize the appropriation of \$50 million in 2020 for DOE to conduct a research, development and demonstration energy grid storage program. Using information from DOE’s budget justification, CBO estimates that \$46 million has been allocated to a similar program on an annualized basis from funds made available under the continuing resolution (Public Law 116-59), which provided appropriations through November 21, 2019. Thus, the estimated authorization for 2020 (\$204 million) is equal to the specified amount for the entire bill (\$250 million) minus the annualized amount for section 3 of the bill from the continuing resolution (\$46 million).

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