

**State of Alaska
FY2006 Governor's Operating Budget**

**Department of Revenue
Gas Authority Operations
RDU/Component Budget Summary**

RDU/Component: Gas Authority Operations

(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)

Contribution to Department's Mission

To finance, design, construct, maintain and/or own all or part of a pipeline system to transport North Slope gas to market and maximize the benefits to Alaska and Alaskans.

Core Services

Produce key studies and plans to assure that alternative North Slope gas transportation systems are understood with specific emphasis on a gas trunk line to Cook Inlet and making gas available throughout Alaska.

FY2006 Resources Allocated to Achieve Results

FY2006 Component Budget: \$258,000	Personnel:	
	Full time	2
	Part time	0
	Total	2

Key Component Challenges

The Alaska Natural Gas Development Authority needs to combine the best of government and business to achieve the maximum benefit of North Slope gas for Alaska and Alaskans in the face of significant market and project uncertainties and with the availability of only minimal resources.

ANGDA has to maintain flexibility in all its work and plans because of:

- Pending outcome of federal energy legislation;
- Status of a producer application under the Stranded Gas Act; and
- Other uncertainties within the tight timeline of its statutory obligation deadline.

Significant Changes in Results to be Delivered in FY2006

Following the review of the completed project feasibility study and the Board decision to proceed, several parallel efforts will be undertaken in FY2005 to allow the major "build-it" decision for the project. Major work areas include:

- Development of a project execution plan;
- Call for gas transportation commitments;
- Negotiation of both buy and sell gas contracts;
- Preliminary engineering & design of gas pipeline & liquefaction plant; and
- Preparation and presentations to obtain project financing.

Major Component Accomplishments in 2004

The Alaska Natural Gas Development Authority has accomplished its statutory first year task which was to determine the feasibility of an Alaskan LNG project and a spur gas line to Cook Inlet. Contractor work was presented in the "Report to the People" distributed statewide. The next steps of the work plan are in the contracting stage.

Statutory and Regulatory Authority

AS 41.41

Contact Information

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**Gas Authority Operations
Component Financial Summary**

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	123.2	162.6	177.1
72000 Travel	21.5	35.0	35.0
73000 Services	197.8	55.0	41.9
74000 Commodities	5.1	4.0	4.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	347.6	256.6	258.0
Funding Sources:			
1002 Federal Receipts	200.0	0.0	0.0
1004 General Fund Receipts	147.6	256.6	258.0
Funding Totals	347.6	256.6	258.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	200.0	0.0	0.0
Restricted Total		200.0	0.0	0.0
Total Estimated Revenues		200.0	0.0	0.0

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	256.6	0.0	0.0	256.6
Adjustments which will continue current level of service:				
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	1.4	0.0	0.0	1.4
FY2006 Governor	258.0	0.0	0.0	258.0

**Gas Authority Operations
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2005</u> <u>Management</u> <u>Plan</u>	<u>FY2006</u> <u>Governor</u>		
Full-time	1	2	Annual Salaries	131,016
Part-time	1	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	58,139
			<i>Less 2.57% Vacancy Factor</i>	<i>(4,855)</i>
			Lump Sum Premium Pay	0
Totals	2	2	Total Personal Services	184,300

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Manager	1	0	0	0	1
Ceo AK Nat Gas Dev Auth	1	0	0	0	1
Totals	2	0	0	0	2