

# **State of Alaska FY2002 Governor's Operating Budget**

Department of Administration  
Satellite Infrastructure  
Component

## **Component: Satellite Infrastructure**

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### **Component Mission**

To ensure infrastructure for the dissemination of information statewide.

### **Component Services Provided**

The Satellite Infrastructure component provides the backbone of the delivery of Alaska One, statewide public television; Alaska Two, Gavel to Gavel coverage of the Legislature; Alaska Three, distance education from the University of Alaska and the Distance Delivery Consortium; the Alaska Rural Communications Service to 248 villages and communities across Alaska; emergency alert capability, and public radio channels. This makes the satellite communication transport a basic piece of the state's infrastructure.

### **Component Goals and Strategies**

ENSURE THAT ALASKANS IN ALL PARTS OF THE STATE ARE BETTER INFORMED IN THEIR SOCIAL AND ECONOMIC DEVELOPMENT, MORE RAPIDLY AND THOROUGHLY INFORMED OF EMERGENCY ALERTS, AND BETTER EDUCATED AT LESS COST TO THEM AND TO THE EDUCATIONAL INSTITUTIONS THAT DEVELOP THE COURSEWARE.

- Aggressively explore public/private partnerships to support the continued essential services provided by satellite infrastructure.
- Coordinate the use of the satellite among the integrated users to realize cost efficiencies.
- Foster interagency cooperation among the University of Alaska, K-12, public broadcasting, producers and state agencies in the production and distribution of programming.
- Seek additional partners among telecommunications providers, broadcasters, educators and agencies to enhance quality, broaden choice and improve cost-efficiencies.

### **Key Component Issues for FY2001 – 2002**

- The Satellite Infrastructure Transponder Cost is expected to increase by \$1,600.0. Funds are needed for increased transponder costs purchased from AT&T Alascom. This vendor is in the process of migrating to a new satellite with full implementation scheduled for March 2001. This estimate of increased costs is based on preliminary tariff information provided by the vendor. The new satellite has higher levels of power, a nationwide footprint, and is fully compatible with the existing state infrastructure making its space much more valuable to the vendor.
- Through the State's Telecommunications Request for Proposals, the state is hoping to identify alternatives and/or gain cost efficiencies for this component. An award is expected to be made in mid-March 2001. If the state is successful, changes in service delivery for the programming provided by this component may be necessary during FY2002.
- The system operates on a very thin margin; should one of the users fail, the entire system would collapse for lack of funding. There are no funds for maintenance and repair for the 220 earth stations and transmitters owned and operated by the state and licensed to the state by the Federal Communications Commission because maintenance is paid for by village users.
- Under the new tariff, the state will provide over 80 per cent of the funding needed for the lease and operation of the satellite. The balance comes from users. The users, who have combined their efforts in the Alaska Satellite Interconnection Project Management Group, are developing ways to attract additional users to bring costs down.
- The satellite has played an important role in being the only means by which all of Alaska is connected. In a state where roads will never be built to each village, the satellite remains the thin road to each community.

### **Major Component Accomplishments for FY2000**

- Users of satellite infrastructure have formed a management partnership with Public Broadcasting service providers: Alaska Public Radio and Television and Alaska Rural Communications service funded by Federal Corporation for Public Broadcasting funds to better coordinate and form economic partnerships to lower the cost to the state for satellite services.
- Despite declining state and federal funding, the digital system continues to carry Alaska One, statewide public television; Alaska Two, Gavel to Gavel coverage of the Legislature; Alaska Three, distance education from the University of Alaska and the Distance Delivery Consortium; the Alaska Rural Communications Service to 248 villages and communities across Alaska; emergency alert capability, and public radio.

### **Statutory and Regulatory Authority**

N/A

**Satellite Infrastructure**  
**Component Financial Summary**

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	2.3	0.0	0.0
73000 Contractual	996.9	1,306.0	2,796.5
74000 Supplies	0.3	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	65.0	0.0	109.5
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>1,064.5</b>	<b>1,306.0</b>	<b>2,906.0</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	639.3	632.3	2,232.3
1007 Inter-Agency Receipts	100.0	100.0	100.0
1108 Statutory Designated Program Receipts	325.2	573.7	573.7
<b>Funding Totals</b>	<b>1,064.5</b>	<b>1,306.0</b>	<b>2,906.0</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<b>Unrestricted Revenues</b>						
None.		0.0	0.0	0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>						
Interagency Receipts	51015	100.0	100.0	100.0	100.0	100.0
Statutory Designated Program Receipts	51063	329.5	573.7	329.5	573.7	573.7
<b>Restricted Total</b>		<b>429.5</b>	<b>673.7</b>	<b>429.5</b>	<b>673.7</b>	<b>673.7</b>
<b>Total Estimated Revenues</b>		<b>429.5</b>	<b>673.7</b>	<b>429.5</b>	<b>673.7</b>	<b>673.7</b>

## Satellite Infrastructure

### Proposed Changes in Levels of Service for FY2002

The Alaska Satellite Interconnection Project Management Group expects to attract additional users, work diligently to maintain cost effective services for all users in light of proposed increases in common carrier tariffs, and improve the breadth of service offerings from state agencies and educational institutions, including the University of Alaska.

### Summary of Component Budget Changes

#### From FY2001 Authorized to FY2002 Governor

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2001 Authorized</b>	<b>632.3</b>	<b>0.0</b>	<b>673.7</b>	<b>1,306.0</b>
<b>Proposed budget increases:</b>				
-Transponder Cost Increase	1,600.0	0.0	0.0	1,600.0
<b>FY2002 Governor</b>	<b>2,232.3</b>	<b>0.0</b>	<b>673.7</b>	<b>2,906.0</b>