

**State of Alaska  
FY2005 Governor's Operating Budget**

**Department of Revenue  
Alaska Natural Gas Development Authority  
RDU/Component Budget Summary**

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**RDU/Component: Alaska Natural Gas Development Authority***(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 design, construct, operate, and maintain a natural gas pipeline system to transport natural gas from the North Slope to the lower 48.

**Core Services**

Produce a work plan for the legislature by January 1, 2004 that includes a detailed budget plan, schedule, and tasks that will be required to deliver a development work plan.

**FY2005 Resources Allocated to Achieve Results**

<b>FY2005 Component Budget: \$150,000</b>	<b>Personnel:</b>	
	Full time	1
	Part time	1
	<b>Total</b>	<b>2</b>

**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 FY2005**

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 2003**

The Alaska Natural Gas Development Authority (ANGDA) was established in the current fiscal year. Since ANGDA's inception, several key startup accomplishments have occurred, the:

- Board was established

- Chief Executive Officer was hired
- ANGDA office was set up
- Organizations's By-Laws were adopted; and
- Monthly board meetings have occurred.

In less than five months of operation ANGDA has achieved several key milestones:

- Key gas market relationships were established
- A project plan and schedule for the project feasibility phase was adopted
- Preliminary evaluations indicated that the Alaskan LNG project is economically feasible and offers great benefits to Alaskans and Alaska.

## Statutory and Regulatory Authority

AS 41.41

Contact Information
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**Alaska Natural Gas Development Authority  
Component Financial Summary**

*All dollars shown in thousands*

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	137.6
72000 Travel	0.0	0.0	5.0
73000 Contractual	0.0	0.0	6.9
74000 Supplies	0.0	0.0	0.5
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	150.0	0.0
<b>Expenditure Totals</b>	<b>0.0</b>	<b>150.0</b>	<b>150.0</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	0.0	150.0	150.0
<b>Funding Totals</b>	<b>0.0</b>	<b>150.0</b>	<b>150.0</b>

**Summary of Component Budget Changes  
From FY2004 Authorized to FY2005 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2004 Authorized</b>	<b>150.0</b>	<b>0.0</b>	<b>0.0</b>	<b>150.0</b>
<b>FY2005 Governor</b>	<b>150.0</b>	<b>0.0</b>	<b>0.0</b>	<b>150.0</b>

**Alaska Natural Gas Development Authority  
Personal Services Information**

<b>Authorized Positions</b>		<b>Personal Services Costs</b>		
	<u>FY2004</u>	<u>FY2005</u>		
	<u>Authorized</u>	<u>Governor</u>		
Full-time	0	1	Annual Salaries	103,781
Part-time	0	1	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	35,661
			<i>Less 1.32% Vacancy Factor</i>	<i>(1,842)</i>
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>0</b>	<b>2</b>	<b>Total Personal Services</b>	<b>137,600</b>

**Position Classification Summary**

<b>Job Class Title</b>	<b>Anchorage</b>	<b>Fairbanks</b>	<b>Juneau</b>	<b>Others</b>	<b>Total</b>
Executive Director	1	0	0	0	1
Project Coordinator	1	0	0	0	1
<b>Totals</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>