

State of Alaska FY2012 Governor's Operating Budget

Department of Revenue ANGDA Operations RDU/Component Budget Summary

RDU/Component: ANGDA 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.

Key Component Challenges

- Alaska Natural Gas Development Authority (ANGDA) must combine the best of government and business to achieve the maximum benefit of in-state natural gas for Alaska and Alaskans in the face of significant market and project uncertainties and with the availability of minimal resources.
- ANGDA must maintain flexibility in its work and plans because of:
 - Evolving contractual relationship of state and producer sponsor group;
 - Complexities and magnitude of firm financial commitments of Alaska utilities during an "open season;"
 - Project timing delays and compression distinct from RCA approval timelines; and
 - Technological and logistical developments affecting North Slope energy delivery to rural Alaska.

Significant Changes in Results to be Delivered in FY2012

- Refine potential LNG routes and plant locations to supply additional data.
- Continue to organize and lead state utilities forward with the open season process. Alaska Gasline Inducement Act (AGIA) success case beyond mid-2011 will require additional spur line project work including incorporation of field data from others and re-activation of environmental and permitting processes.
- Develop a comprehensive evaluation of the gas spur pipeline project management, cost, and schedule to allow for a "go" – "no go" decision.
- Continuing outreach to other side of Pacific Rim for potential value-added manufacturing plant investment in Alaska as part of AGIA gasline and Cook Inlet connector spur gasline (China, Korea, and Japan.)
- Continue in-state propane distribution planning with ANGDA leading the technical planning and public awareness of energy potentials for all Alaska. Collaborate with national entities and private industry (native and non-native) to maintain their involvement in the entrepreneurial opportunities and ownership of facilities and businesses related therein.

Major Component Accomplishments in 2010

- Alaska Natural Gas Development Authority continued working with the United States Army Corps of Engineers, the Bureau of Land Management, and State of Alaska agencies on Environmental Impact Statement process.
- Continued Beluga to Fairbanks (B2F) Environmental Impact Statement process required prior to receiving permits and right of ways for the gas line. The EIS process was suspended in June, 2010 but can be resumed when and if the Board deems it necessary.
- Successfully submitted conforming bids to the Alaska Pipeline Project and Denali Gasline Open Seasons on behalf of the state's utilities.

- ANGDA completed other work and reports in FY2010 aiding in the advancement of pipeline project for transporting natural gas to market:
 - Propane economic models
 - 360° video of B2F alignment
 - Created the Natural Gas Supply Company (a utility cooperative)
 - Permitting strategy
 - International petrochemical industry whitepaper
 - Independent financial audit
 - Glennallen industrial site delineation
 - Ahtna cultural research
 - LNG logistics study
 - Rural energy transportation economic models
 - Aurora gas well analysis
 - 2 - propane extraction facility cost estimates
 - Petrochemical industry trade mission to China, Japan and Taiwan
 - Environmental Impact Statement draft
 - Contaminated site identification
 - B2F corridor mapping (alternates & Wild and Scenic Rivers)
 - Public outreach

- ANGDA contractual work underway as of FY2010 year-end includes:
 - B2F permitting coordination;
 - Permitting coordinator
 - Federal liaison
 - Gas project engineering;
 - North Slope technical advisor
 - North Slope propane extraction project
 - Economic studies
 - Development estimates;
 - Gas supply coordination;
 - Propane supply coordination;
 - Petrochemical industry trade mission (value-added industries);
 - Kenai industrial representative
 - Open season participation
 - Natural Gas Supply Company membership

- During FY2010, ANGDA participated in state legislative committee hearings and public comments related to natural gas related projects, gas pipeline jurisdiction, laws, regulations, and contracts.

- ANGDA participated in leadership roles at local, state, national and international oil and gas industry seminars, conferences, symposiums, and forums related to the development of Alaska natural gas, and its in-state and export potential(s).

Statutory and Regulatory Authority

AS 41.41 Alaska Natural Gas Development Authority

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**ANGDA Operations
Component Financial Summary**

All dollars shown in thousands

	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	414.9	260.2	267.3
72000 Travel	60.2	0.3	0.3
73000 Services	142.2	47.4	47.4
74000 Commodities	4.5	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	621.8	311.9	319.0
Funding Sources:			
1004 General Fund Receipts	311.8	311.9	319.0
1061 Capital Improvement Project Receipts	310.0	0.0	0.0
Funding Totals	621.8	311.9	319.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Capital Improvement Project Receipts	51200	310.0	0.0	0.0
Restricted Total		310.0	0.0	0.0
Total Estimated Revenues		310.0	0.0	0.0

**Summary of Component Budget Changes
From FY2011 Management Plan to FY2012 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2011 Management Plan	311.9	0.0	0.0	0.0	311.9
Adjustments which will continue current level of service:					
-FY 2012 Personal Services increases	7.1	0.0	0.0	0.0	7.1
FY2012 Governor	319.0	0.0	0.0	0.0	319.0

**ANGDA Operations
Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2011 Management Plan	FY2012 Governor		
Full-time	4	4	Annual Salaries	297,653
Part-time	0	0	COLA	4,324
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	158,785
			<i>Less 41.99% Vacancy Factor</i>	<i>(193,462)</i>
			Lump Sum Premium Pay	0
Totals	4	4	Total Personal Services	267,300

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Administrative Officer	1	0	0	0	1
Ceo AK Nat Gas Dev Auth	1	0	0	0	1
Publications Specialist II	1	0	0	0	1
Totals	4	0	0	0	4

Component Detail All Funds
Department of Revenue

Component: ANGDA Operations (2708)
RDU: Alaska Natural Gas Development Authority (495)

	FY2010 Actuals	FY2011 Conference Committee (Final)	FY2011 Authorized	FY2011 Management Plan	FY2012 Governor	FY2011 Management Plan vs FY2012 Governor	
71000 Personal Services	414.9	255.8	260.2	260.2	267.3	7.1	2.7%
72000 Travel	60.2	0.3	0.3	0.3	0.3	0.0	0.0%
73000 Services	142.2	47.4	47.4	47.4	47.4	0.0	0.0%
74000 Commodities	4.5	4.0	4.0	4.0	4.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	621.8	307.5	311.9	311.9	319.0	7.1	2.3%
Fund Sources:							
1004 Gen Fund	311.8	307.5	311.9	311.9	319.0	7.1	2.3%
1061 CIP Rcpts	310.0	0.0	0.0	0.0	0.0	0.0	0.0%
Unrestricted General (UGF)	311.8	307.5	311.9	311.9	319.0	7.1	2.3%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	310.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	4	4	4	4	4	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: ANGDA Operations (2708)
RDU: Alaska Natural Gas Development Authority (495)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2011 Conference Committee (Final) To FY2011 Authorized *****												
FY2011 Conference Committee												
ConfCom		307.5	255.8	0.3	47.4	4.0	0.0	0.0	0.0	4	0	0
1004 Gen Fund		307.5										
ADN 0411017 FY11 Non-covered Salary Increase Year 1 CH56 SLA10 (HB421) (CH41 SLA10 P51 L5) (HB300)												
FisNot		4.4	4.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		4.4										
: \$4.4												
Subtotal		311.9	260.2	0.3	47.4	4.0	0.0	0.0	0.0	4	0	0
***** Changes From FY2011 Authorized To FY2011 Management Plan *****												
Subtotal		311.9	260.2	0.3	47.4	4.0	0.0	0.0	0.0	4	0	0
***** Changes From FY2011 Management Plan To FY2012 Governor *****												
FY 2012 Personal Services increases												
SalAdj		7.1	7.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		7.1										
Totals		319.0	267.3	0.3	47.4	4.0	0.0	0.0	0.0	4	0	0

This change record includes the following personal services increases:
: \$7.1

Non-Covered Employees FY2012 Health Insurance Increased Costs : \$4.6

Non-Covered Employees FY 12 COLA increases
: \$2.5

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2012 Governor (8665)
Component: ANGDA Operations (2708)
RDU: Alaska Natural Gas Development Authority (495)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
04-558X	Ceo AK Nat Gas Dev Auth	FT	A	XE	Anchorage	AA	28F	12.0		136,044	0	0	59,177	195,221	195,221
04-X002	Administrative Officer	FT	A	XE	Anchorage	AA	20C / D	12.0		69,929	1,871	0	38,629	110,429	110,429
04-X012	Publications Specialist II	FT	A	XE	Anchorage	AA	16B	12.0		49,824	1,333	0	31,836	82,993	82,993
04-X019	Administrative Assistant	FT	A	XE	Anchorage	AA	13C	12.0		41,856	1,120	0	29,143	72,119	72,119
													Total Salary Costs:	297,653	
													Total COLA:	4,324	
													Total Premium Pay::	0	
													Total Benefits:	158,785	
													Total Pre-Vacancy:	460,762	
													Minus Vacancy Adjustment of 41.99%:	(193,462)	
													Total Post-Vacancy:	267,300	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	267,300	
Total Component Months:		48.0													

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	460,762	267,300	100.00%
Total PCN Funding:	460,762	267,300	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail
Department of Revenue
Travel

Component: ANGDA Operations (2708)
RDU: Alaska Natural Gas Development Authority (495)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
72000	Travel		60.2	0.3	0.3
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
72000 Travel Detail Totals			60.2	0.3	0.3
72110	Employee Travel (Instate)	Employee instate airfare, surface transportation, lodging, meals & incidentals for meeting attendance and public presentations	8.8	0.3	0.3
72120	Nonemployee Travel (Instate Travel)	Instate airfare, surface transportation, lodging, meals & incidentals for board members and specialized contract work	20.7	0.0	0.0
72410	Employee Travel (Out of state)	Out of state transportation, lodging, meals and incidentals for seminars, ANGDA outside business	13.1	0.0	0.0
72420	Nonemployee Travel (Out of state Emp)	Out of state transportation, lodging, meals and incidentals for board members and specialized contract work	17.6	0.0	0.0

Line Item Detail
Department of Revenue
Services

Component: ANGDA Operations (2708)
RDU: Alaska Natural Gas Development Authority (495)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000	Services		142.2	47.4	47.4
Expenditure Account			FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000 Services Detail Totals			142.2	47.4	47.4
73025	Education Services		4.8	1.0	1.0
73150	Information Technlgy		2.8	0.7	0.7
73156	Telecommunication		2.0	1.0	1.0
73225	Delivery Services		0.4	0.4	0.4
73450	Advertising & Promos		0.2	0.2	0.2
73650	Struc/Infstruct/Land		1.1	1.1	1.1
73675	Equipment/Machinery		0.1	0.1	0.1
73750	Other Services (Non IA Svcs)		1.9	1.9	1.9
73805	IT-Non-Telecommnctns	Admin	2.3	2.5	2.5
73806	IT-Telecommunication	Admin	3.5	3.3	3.3
73809	Mail	Admin	0.0	0.1	0.1
73810	Human Resources	Admin	3.0	3.1	3.1
73811	Building Leases	Admin	75.2	0.0	0.0
73814	Insurance	Admin	0.0	0.1	0.1
73815	Financial	Admin	0.2	0.1	0.1
73818	Training (Services-IA Svcs)	Admin	0.0	0.1	0.1
73819	Commission Sales (IA Svcs)	Admin	1.0	0.8	0.8
73979	Mgmt/Consulting (IA Svcs)	Revenue-CO	4.3	4.3	4.3

Line Item Detail
Department of Revenue
Services

Component: ANGDA Operations (2708)

RDU: Alaska Natural Gas Development Authority (495)

Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000 Services Detail Totals			142.2	47.4	47.4
73979	Mgmt/Consulting (IA Svcs)	Revenue-ASD Services provided by the Administrative Services Division including IT, fiscal, budget, contract management, procurement, and legislative support	39.4	26.6	26.6

Line Item Detail
Department of Revenue
Commodities

Component: ANGDA Operations (2708)
RDU: Alaska Natural Gas Development Authority (495)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
74000	Commodities		4.5	4.0	4.0
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
74000 Commodities Detail Totals			4.5	4.0	4.0
74200	Business	Business supplies including books and educational, equipment and furniture, office supplies, IT equipment less than \$5,000 per item, and subscriptions	2.3	4.0	4.0
74480	Household & Instit.	Institutional supplies	2.1	0.0	0.0
74650	Repair/Maintenance (Commodities)	Repair/maintenance supplies	0.1	0.0	0.0

Restricted Revenue Detail
Department of Revenue

Component: ANGDA Operations (2708)
RDU: Alaska Natural Gas Development Authority (495)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51200	Capital Improvement Project Receipts	310.0	0.0	0.0

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
59041	CIP Receipts from Revenue Unbudgeted RSA with capital project for natural gas development	ANGDA Operations	04805996	11100	310.0	0.0	0.0

Inter-Agency Services
Department of Revenue

Component: ANGDA Operations (2708)
RDU: Alaska Natural Gas Development Authority (495)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2011		
				FY2010 Actuals	Management Plan	FY2012 Governor
73805	IT-Non-Telecommnctns	Computer services provided by ETS	Inter-dept Admin	2.3	2.5	2.5
73805 IT-Non-Telecommnctns subtotal:				2.3	2.5	2.5
73806	IT-Telecommunication	Telecommunications services provided by ETS	Inter-dept Admin	3.5	3.3	3.3
73806 IT-Telecommunication subtotal:				3.5	3.3	3.3
73809	Mail	Centralized mail services provided by DOA	Inter-dept Admin	0.0	0.1	0.1
73809 Mail subtotal:				0.0	0.1	0.1
73810	Human Resources	Human resource and payroll services provided by the Division of Personnel	Inter-dept Admin	3.0	3.1	3.1
73810 Human Resources subtotal:				3.0	3.1	3.1
73811	Building Leases	Facility rent	Inter-dept Admin	75.2	0.0	0.0
73811 Building Leases subtotal:				75.2	0.0	0.0
73814	Insurance	Risk Management	Inter-dept Admin	0.0	0.1	0.1
73814 Insurance subtotal:				0.0	0.1	0.1
73815	Financial	Division of Finance AKSAS/AKPAY	Inter-dept Admin	0.2	0.1	0.1
73815 Financial subtotal:				0.2	0.1	0.1
73818	Training (Services-IA Svcs)	Training provided by state agencies	Inter-dept Admin	0.0	0.1	0.1
73818 Training (Services-IA Svcs) subtotal:				0.0	0.1	0.1
73819	Commission Sales (IA Svcs)	State Travel Office fees	Inter-dept Admin	1.0	0.8	0.8
73819 Commission Sales (IA Svcs) subtotal:				1.0	0.8	0.8
73979	Mgmt/Consulting (IA Svcs)	Support services provided by the Commissioner's Office	Intra-dept Revenue-CO	4.3	4.3	4.3
73979	Mgmt/Consulting (IA Svcs)	Services provided by the Administrative Services Division including IT, fiscal, budget, contract management, procurement, and legislative support	Intra-dept Revenue-ASD	39.4	26.6	26.6
73979 Mgmt/Consulting (IA Svcs) subtotal:				43.7	30.9	30.9
ANGDA Operations total:				128.9	41.0	41.0
Grand Total:				128.9	41.0	41.0