

**State of Alaska**  
**FY2014 Governor's Operating Budget**

**Department of Environmental Conservation**  
**Air Quality**  
**Results Delivery Unit Budget Summary**

## Air Quality Results Delivery Unit

### Contribution to Department's Mission

To conserve, improve, and protect Alaska's natural resources and environment and control air pollution, in order to enhance the health, safety, and welfare of the people of the state and their overall economic and social well being.

### Results

(Additional performance information is available on the web at <http://omb.alaska.gov/results>.)

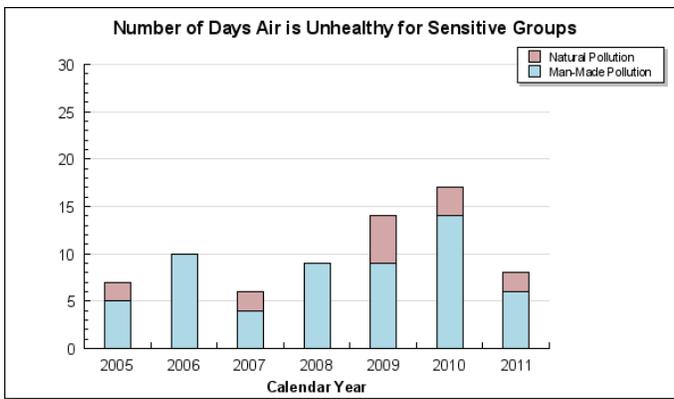
### Core Services

- Air quality is protected.
- Timely issue air quality permits.
- Conduct air quality assessments and identify air pollution concerns.
- Minimize pollution from stationary sources.

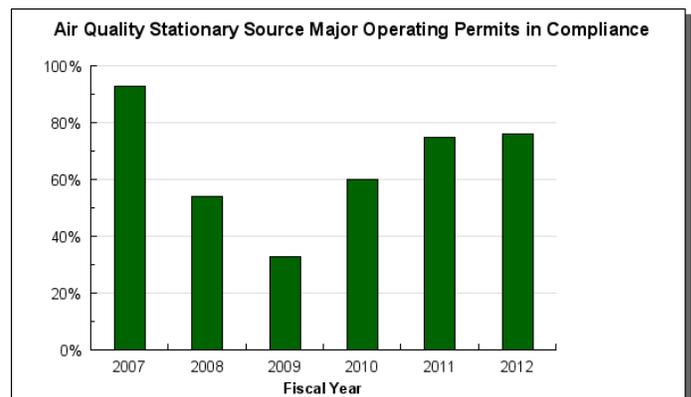
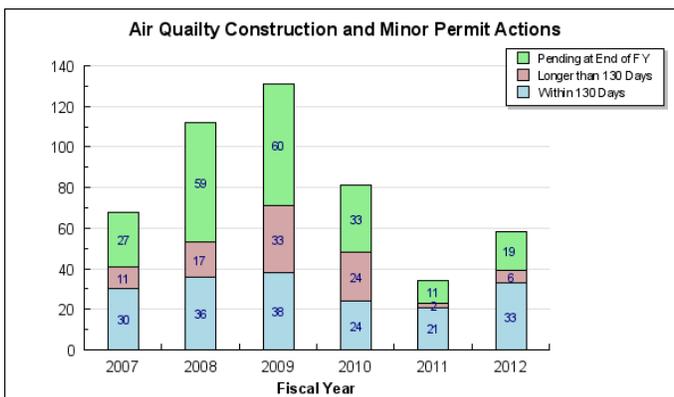
### Measures by Core Service

(Additional performance information is available on the web at <http://omb.alaska.gov/results>.)

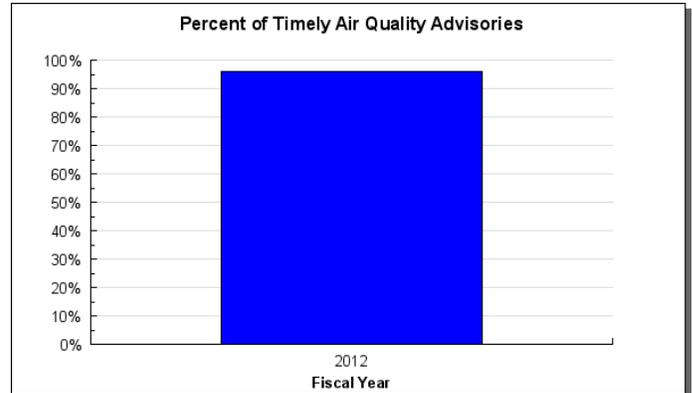
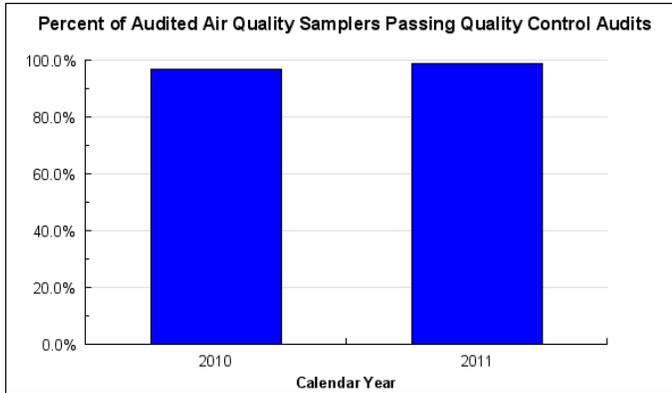
#### 1. Air quality is protected.



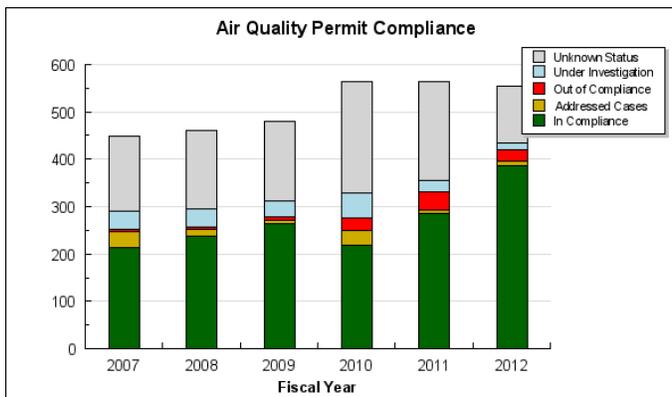
#### 2. Timely issue air quality permits.



### 3. Conduct air quality assessments and identify air pollution concerns.



### 4. Minimize pollution from stationary sources.



### Major RDU Accomplishments in 2012

- Continued improving customer service to the public and industry through additional improvements to the Division's new online tools from 2011. Staff updated the online complaint response form to address feedback from the public.
- Continued existing sub-award grants to Alaska Village Electric Cooperative (AVEC) under the Diesel Emission Reduction Act. The grants were to assist two rural communities, Goodnews Bay and Shungnak, with heat recovery projects that will reduce use of expensive diesel fuel. The Goodnews Bay project was successfully completed in June 2012, and AVEC has work underway on the Shungnak project. The Shungnak project is scheduled for completion during the summer of 2013.
- Worked cooperatively with the Fairbanks North Star Borough and the Environmental Protection Agency (EPA) to develop technical information needed for the fine particulate matter air quality plan due to EPA in December 2012. The submittal of the plan has been pushed back due to the need to further evaluate technical information and explore options to better control smoke from residential heating without unnecessarily limiting affordable home-heating options in the Fairbanks/North Pole area.
- The Air Non-Point and Mobile Source Program continued to develop and implement public education campaigns in rural Alaska and other fine particulate matter problem areas. The campaign was designed to educate the public about the impact of air quality on health and actions individuals can take to protect their health and reduce air pollution.
- The Air Non-Point and Mobile Source Program successfully received EPA approval for the State Implementation Plan demonstrating that an inspection and maintenance (I/M) program in Anchorage was no

longer necessary. The state and the Municipality of Anchorage sunset their programs on March 1, 2012.

- The Air Permits Program issued three major air construction permits, 37 minor permits, and six administrative amendments for new industrial stationary sources or modifications to existing sources.
- Air Permits staff investigated 150 citizen air pollution complaints. Staff prepared 79 on-site and 88 off-site full compliance evaluations of permitted stationary sources to help operators comply with air permits. Staff resolved 137 compliance problems without the need for formal enforcement action and prepared nine Notices-Of-Violation. The Program also issued two settlement agreements and two compliance orders by consent.
- The Air Permits program developed standard operating permit forms to reduce the number of incomplete applications and to facilitate the use of contractor resources in preparing draft permits.
- The Air Permits Program has reduced the operating permit renewal backlog by 33% since FY2010, issuing a total of 13 renewals in FY2011, and expects to issue the remaining backlogged renewals by the first half of FY2014.
- The Air Monitoring Program issued one air quality advisory during the forest fire season; this alert covered 24 hours on June 26, 2012. Additionally, the program supported the Fairbanks North Star Borough staff by issuing 25 air quality advisories for the Fairbanks non-attainment area during the 2011/2012 winter, covering 592 hours.
- The Air Monitoring Program, in cooperation with the Municipality of Anchorage and the Fairbanks North Star Borough, expanded the near real time air monitoring data access available now on the Department web page.

## **Key RDU Challenges**

In December 2006 the Environmental Protection Agency (EPA) revised the fine particulate matter (PM-2.5) National Ambient Air Quality Standard (NAAQS) to a more stringent level based on new medical evidence. As a result, a large area in the Fairbanks North Star Borough was designated as non-attainment in 2009. The Air Quality Division is working with the Fairbanks North Star Borough to develop technical and policy information needed to finalize an air quality control plan, which is due in December 2012. EPA is due to finalize its five year review of the PM-2.5 NAAQS in December 2012; more stringent annual standards are anticipated which could create further planning challenges in the Fairbanks area over the next three to five years.

Challenges also exist in Alaska with the coarse particulate matter (PM-10) NAAQS. Air monitoring in rural communities shows that several communities (Bethel, St. Mary's, Kotzebue and nearby villages) do not meet the coarse particle health standard, due largely to vehicle generated dust from unpaved roads and trails. The Division continues to work with the Department of Transportation and Public Facilities to develop locally sustainable dust control options. Efforts continue to evaluate and test dust control strategies that offer workable solutions to the pollution problem.

In 2010, EPA revised the NAAQS for nitrogen oxide, sulfur dioxide, and lead. EPA is scheduled to finalize revised health standards for particulate matter during 2012. These updates to the ambient air quality standards pose challenges to the Air Quality Division, as the programs must implement new monitoring and program requirements to ensure compliance. Implementing changes to the permit program requires additional resources and can impact the processing of permits, especially where there is a lack of ambient air data or EPA guidance.

## **Significant Changes in Results to be Delivered in FY2014**

The Division of Air Quality will continue to examine ways it can improve air permitting for oil and gas activities including identification of needed baseline data, analysis of cumulative impacts, and making existing data and analysis more accessible to permittees and the public.

**Contact Information**

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**Air Quality  
RDU Financial Summary by Component**

*All dollars shown in thousands*

	FY2012 Actuals				FY2013 Management Plan				FY2014 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
<b>Formula Expenditures</b> None.												
<b>Non-Formula Expenditures</b>												
Air Quality Director	240.6	0.0	0.0	240.6	273.7	0.0	0.0	273.7	274.4	0.0	0.0	274.4
Air Quality	2,904.1	3,793.9	1,636.3	8,334.3	3,427.6	4,911.7	1,870.5	10,209.8	3,427.6	4,811.7	1,870.5	10,109.8
<b>Totals</b>	<b>3,144.7</b>	<b>3,793.9</b>	<b>1,636.3</b>	<b>8,574.9</b>	<b>3,701.3</b>	<b>4,911.7</b>	<b>1,870.5</b>	<b>10,483.5</b>	<b>3,702.0</b>	<b>4,811.7</b>	<b>1,870.5</b>	<b>10,384.2</b>

**Air Quality**  
**Summary of RDU Budget Changes by Component**  
**From FY2013 Management Plan to FY2014 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>
<b>FY2013 Management Plan</b>	1,909.7	1,791.6	4,911.7	1,870.5	10,483.5
<b>Adjustments which will continue current level of service:</b>					
-Air Quality Director	0.7	0.0	0.0	0.0	0.7
<b>Proposed budget decreases:</b>					
-Air Quality	0.0	0.0	-100.0	0.0	-100.0
<b>FY2014 Governor</b>	<b>1,910.4</b>	<b>1,791.6</b>	<b>4,811.7</b>	<b>1,870.5</b>	<b>10,384.2</b>