

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

**Department of Law**  
**BP Corrosion**  
**RDU/Component Budget Summary**

**RDU/Component: BP Corrosion**

*(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**

The BP Corrosion component is managed by the Environmental Section and this information is reported in that component.

**Major Component Accomplishments in 2012**

The BP Corrosion component is managed by the Environmental Section and this information is reported in that component.

**Key Component Challenges**

The BP Corrosion component is managed by the Environmental Section and this information is reported in that component.

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

The BP Corrosion component is managed by the Environmental Section and this information is reported in that component.

**Statutory and Regulatory Authority**

The BP Corrosion component is managed by the Environmental Section and this information is reported in that component.

**Contact Information**

**Contact:** Dave Blaisdell, Director  
**Phone:** (907) 465-3673  
**Fax:** (907) 465-5419  
**E-mail:** dave.blaisdell@alaska.gov

**BP Corrosion  
Component Financial Summary**

*All dollars shown in thousands*

	<b>FY2012 Actuals</b>	<b>FY2013 Management Plan</b>	<b>FY2014 Governor</b>
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.1	0.0	0.0
72000 Travel	24.6	0.0	0.0
73000 Services	9,794.8	3,730.3	0.0
74000 Commodities	0.2	0.0	0.0
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
<b>Expenditure Totals</b>	<b>9,819.7</b>	<b>3,730.3</b>	<b>0.0</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	9,819.7	3,730.3	0.0
<b>Funding Totals</b>	<b>9,819.7</b>	<b>3,730.3</b>	<b>0.0</b>

**Summary of Component Budget Changes  
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>	<b>3,730.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3,730.3</b>
<b>Adjustments which will continue current level of service:</b>					
-Reverse British Petroleum Corrosion Case Arbitration Sec24(a) Ch17 SLA2012 P178 L17 (SB160) Lapses 6/30/2013	-3,730.3	0.0	0.0	0.0	-3,730.3
<b>FY2014 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Component Detail All Funds**  
**Department of Law**

**Component:** BP Corrosion (AR13800) (2909)  
**RDU:** BP Corrosion (563)

	FY2012 Actuals	FY2013 Conference Committee	FY2013 Authorized	FY2013 Management Plan	FY2014 Governor	FY2013 Management Plan vs FY2014 Governor	
71000 Personal Services	0.1	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	24.6	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	9,794.8	0.0	3,730.3	3,730.3	0.0	-3,730.3	-100.0%
74000 Commodities	0.2	0.0	0.0	0.0	0.0	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%
<b>Totals</b>	<b>9,819.7</b>	<b>0.0</b>	<b>3,730.3</b>	<b>3,730.3</b>	<b>0.0</b>	<b>-3,730.3</b>	<b>-100.0%</b>
<b>Fund Sources:</b>							
1004 Gen Fund (UGF)	9,819.7	0.0	3,730.3	3,730.3	0.0	-3,730.3	-100.0%
<b>Unrestricted General (UGF)</b>	<b>9,819.7</b>	<b>0.0</b>	<b>3,730.3</b>	<b>3,730.3</b>	<b>0.0</b>	<b>-3,730.3</b>	<b>-100.0%</b>
<b>Designated General (DGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Positions:</b>							
Permanent Full Time	0	0	0	0	0	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 Law**

**Component:** BP Corrosion (2909)

**RDU:** BP Corrosion (563)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2013 Conference Committee To FY2013 Authorized *****												
<b>BP Corrosion Case Arbitration Sec 24(a) CH 17 SLA 2012 P 178 L 17 (SB 160) Lapses 6/30/2013</b>	CarryFwd	3,730.3	0.0	0.0	3,730.3	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		3,730.3										
Multi-year funding from BP corrosion litigation - AR 14929												
In FY 2012, the Department of Law received a \$9,000.0 multi-year appropriation for costs of counsel, document management, experts and litigation in the British Petroleum Exploration (Alaska) Inc., corrosion case for the fiscal years ending June 30, 2012 and June 30, 2013. Sect30(a) Ch5 FSSLA2011 (SB 46)												
In FY 2013, the Department of Law received an additional \$4,550.0 multi-year appropriation for the British Petroleum Exploration (Alaska) Inc. corrosion case, to arbitrate the state's royalty damages claims from the 2006-08 oil spills and curtailment of production, specifically for experts and to pay for the state's share of the cost of the arbitration. Sec24(a) Ch17 SLA2012 (SB 160)												
Balance remaining as of 9/1/12 to carryforward.												
Sec30(a) Ch5 FSSLA2011 (SB 46), as amended by Sec24(a) Ch17 SLA2012 (SB 160)												

<b>Subtotal</b>		<b>3,730.3</b>	<b>0.0</b>	<b>0.0</b>	<b>3,730.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
-----------------	--	----------------	------------	------------	----------------	------------	------------	------------	------------	----------	----------	----------

***** Changes From FY2013 Authorized To FY2013 Management Plan *****												
--	--	--	--	--	--	--	--	--	--	--	--	--

<b>Subtotal</b>		<b>3,730.3</b>	<b>0.0</b>	<b>0.0</b>	<b>3,730.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
-----------------	--	----------------	------------	------------	----------------	------------	------------	------------	------------	----------	----------	----------

***** Changes From FY2013 Management Plan To FY2014 Governor *****												
--	--	--	--	--	--	--	--	--	--	--	--	--

<b>Reverse British Petroleum Corrosion Case Arbitration Sec24(a) Ch17 SLA2012 P178 L17 (SB160) Lapses 6/30/2013</b>	OTI	-3,730.3	0.0	0.0	-3,730.3	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-3,730.3										

This reverses the carryforward amount in FY2013 for a multi-year language appropriation for BP corrosion arbitration.

In FY 2012, the Department of Law received a \$9,000.0 multi-year appropriation for costs of counsel, document management, experts and litigation in the British Petroleum Exploration (Alaska) Inc., corrosion case for the fiscal years ending June 30, 2012 and June 30, 2013.

In FY 2013, the Department of Law received an additional \$4,550.0 multi-year appropriation for the British Petroleum Exploration (Alaska) Inc. (BP) corrosion case, to arbitrate the state's royalty damages claims from the 2006-08 oil spills and curtailment of production, specifically for experts and to pay for the state's share of the cost of the arbitration.

Section 30(a), ch 5, FSSLA 2011 (SB 46), as amended by sec 24(a), ch 17, SLA 2012, (SB 160)

**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Law**

**Component:** BP Corrosion (2909)  
**RDU:** BP Corrosion (563)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
	Totals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

**Line Item Detail**  
**Department of Law**  
**Travel**

**Component:** BP Corrosion (2909)  
**RDU:** BP Corrosion (563)

<b>Line Number</b>	<b>Line Name</b>		<b>FY2012 Actuals</b>	<b>FY2013 Management Plan</b>	<b>FY2014 Governor</b>
72000	Travel		24.6	0.0	0.0
<b>Expenditure Account</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2012 Actuals</b>	<b>FY2013 Management Plan</b>	<b>FY2014 Governor</b>
<b>72000 Travel Detail Totals</b>			<b>24.6</b>	<b>0.0</b>	<b>0.0</b>
72110	Employee Travel (Instate)	Travel costs related to the BP Litigation	0.8	0.0	0.0
72120	Nonemployee Travel (Instate Travel)	Contractor travel costs related to the BP Litigation	19.3	0.0	0.0
72410	Employee Travel (Out of state)	Travel costs related to the BP Litigation	4.5	0.0	0.0

**Line Item Detail**  
**Department of Law**  
**Services**

Component: BP Corrosion (2909)  
RDU: BP Corrosion (563)

Line Number	Line Name		FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
73000	Services		9,794.8	3,730.3	0.0
Expenditure Account	Servicing Agency	Explanation	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
<b>73000 Services Detail Totals</b>			<b>9,794.8</b>	<b>3,730.3</b>	<b>0.0</b>
73075	Legal & Judicial Svc	Depositions, research costs, expert witnesses and consultants expenses related to the BP Litigation.	9,787.7	3,730.3	0.0
73675	Equipment/Machinery	Arbitration Hearing costs - IMIG Audio Video Sound System	7.1	0.0	0.0

**Line Item Detail**  
**Department of Law**  
**Commodities**

**Component:** BP Corrosion (2909)  
**RDU:** BP Corrosion (563)

<b>Line Number</b>	<b>Line Name</b>		<b>FY2012 Actuals</b>	<b>FY2013 Management Plan</b>	<b>FY2014 Governor</b>
74000	Commodities		0.2	0.0	0.0
<b>Expenditure Account</b>			<b>FY2012 Actuals</b>	<b>FY2013 Management Plan</b>	<b>FY2014 Governor</b>
	<b>Servicing Agency</b>	<b>Explanation</b>			
<b>74000 Commodities Detail Totals</b>			<b>0.2</b>	<b>0.0</b>	<b>0.0</b>
74200	Business	Library materials including Alaska Statutes, Alaska Code, Advanced Legislative Service and Court Rules; subscriptions, office supplies; software applications, printer cartridges, paper and misc. data processing supplies; computer supplies - desktop refresh, non-capital.	0.2	0.0	0.0