

**State of Alaska
FY2016 Governor Amended Operating
Budget**

**Department of Environmental Conservation
Industry Preparedness and Pipeline Operations
Component Budget Summary**

Component: Industry Preparedness and Pipeline Operations

Contribution to Department's Mission

No mission statement.

Major Component Accomplishments in 2014

No major accomplishments.

Key Component Challenges

No key component challenges.

Significant Changes in Results to be Delivered in FY2016

No changes in results delivered.

Statutory and Regulatory Authority

No statutes and regulations.

Contact Information

Contact: Kristin Ryan, Director
Phone: (907) 269-7604
Fax: (907) 269-7654
E-mail: kristin.ryan@alaska.gov

Industry Preparedness and Pipeline Operations Component Financial Summary			
	<i>All dollars shown in thousands</i>		
	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,742.7	4,544.9	0.0
72000 Travel	136.1	134.9	0.0
73000 Services	334.4	609.8	0.0
74000 Commodities	36.2	47.3	0.0
75000 Capital Outlay	4.8	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	5,254.2	5,336.9	0.0
Funding Sources:			
1002 Federal Receipts	210.7	308.1	0.0
1004 General Fund Receipts	675.7	673.9	0.0
1007 Interagency Receipts	340.3	429.0	0.0
1052 Oil/Hazardous Prevention/Response Fund	3,604.2	3,504.0	0.0
1166 Commercial Passenger Vessel Environmental Compliance Fund	423.3	421.9	0.0
Funding Totals	5,254.2	5,336.9	0.0

Estimated Revenue Collections				
Description	Master Revenue Account	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Unrestricted Revenues				
Oil Hazardous Response Fund	51370	3,604.2	3,504.0	0.0
Unrestricted Total		3,604.2	3,504.0	0.0
Restricted Revenues				
Comm Passenger Vessel Environmental Fund	51436	423.3	421.9	0.0
Federal Receipts	51010	210.7	308.1	0.0
Interagency Receipts	51015	340.3	429.0	0.0
Restricted Total		974.3	1,159.0	0.0
Total Estimated Revenues		4,578.5	4,663.0	0.0

**Summary of Component Budget Changes
From FY2015 Management Plan to FY2016 Governor Amended**

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>
FY2015 Management Plan	673.9	3,925.9	429.0	308.1	5,336.9
Adjustments which continue current level of service:					
-Transfer to Spill Prevention and Response to Reorganize and Consolidate Spill Prevention and Response Programs	-673.9	-3,925.9	-429.0	-308.1	-5,336.9
FY2016 Governor Amended	0.0	0.0	0.0	0.0	0.0

**Industry Preparedness and Pipeline Operations
Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2015 Management Plan	FY2016 Governor Amended		
Full-time	40	0	Annual Salaries	0
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	0
			<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
Totals	40	0	Total Personal Services	0

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
No personal services.					
Totals	0	0	0	0	0

Component Detail All Funds
Department of Environmental Conservation

Component: Industry Preparedness and Pipeline Operations (AR48504) (1922)
RDU: Spill Prevention and Response (208)

	FY2014 Actuals	FY2015 Conference Committee	FY2015 Authorized	FY2015 Management Plan	FY2016 Governor Amended	FY2015 Management Plan vs FY2016 Governor Amended	
71000 Personal Services	4,742.7	4,544.9	4,544.9	4,544.9	0.0	-4,544.9	-100.0%
72000 Travel	136.1	137.2	134.9	134.9	0.0	-134.9	-100.0%
73000 Services	334.4	609.8	609.8	609.8	0.0	-609.8	-100.0%
74000 Commodities	36.2	47.3	47.3	47.3	0.0	-47.3	-100.0%
75000 Capital Outlay	4.8	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	5,254.2	5,339.2	5,336.9	5,336.9	0.0	-5,336.9	-100.0%
Fund Sources:							
1002Fed Rcpts (Fed)	210.7	308.1	308.1	308.1	0.0	-308.1	-100.0%
1004Gen Fund (UGF)	675.7	676.2	673.9	673.9	0.0	-673.9	-100.0%
1007I/A Rcpts (Other)	340.3	429.0	429.0	429.0	0.0	-429.0	-100.0%
1052Oil/Haz Fd (DGF)	3,604.2	3,504.0	3,504.0	3,504.0	0.0	-3,504.0	-100.0%
1166Vessel Com (DGF)	423.3	421.9	421.9	421.9	0.0	-421.9	-100.0%
Unrestricted General (UGF)	675.7	676.2	673.9	673.9	0.0	-673.9	-100.0%
Designated General (DGF)	4,027.5	3,925.9	3,925.9	3,925.9	0.0	-3,925.9	-100.0%
Other Funds	340.3	429.0	429.0	429.0	0.0	-429.0	-100.0%
Federal Funds	210.7	308.1	308.1	308.1	0.0	-308.1	-100.0%
Positions:							
Permanent Full Time	40	40	40	40	0	-40	-100.0%
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 Environmental Conservation

Component: Industry Preparedness and Pipeline Operations (1922)

RDU: Spill Prevention and Response (208)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2015 Conference Committee To FY2015 Authorized *****												
FY2015 Conference Committee												
ConfCom		5,339.2	4,544.9	137.2	609.8	47.3	0.0	0.0	0.0	40	0	0
1002 Fed Rcpts		308.1										
1004 Gen Fund		676.2										
1007 I/A Rcpts		429.0										
1052 Oil/Haz Fd		3,504.0										
1166 Vessel Com		421.9										
Align Authority for Agency-wide Reduction												
Unalloc		-2.3	0.0	-2.3	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-2.3										
This distributes the unallocated general fund travel reduction.												
Subtotal		5,336.9	4,544.9	134.9	609.8	47.3	0.0	0.0	0.0	40	0	0
***** Changes From FY2015 Authorized To FY2015 Management Plan *****												
Subtotal		5,336.9	4,544.9	134.9	609.8	47.3	0.0	0.0	0.0	40	0	0
***** Changes From FY2015 Management Plan To FY2016 Governor Amended *****												
Transfer to Spill Prevention and Response to Reorganize and Consolidate Spill Prevention and Response Programs												
Trout		-5,336.9	-4,544.9	-134.9	-609.8	-47.3	0.0	0.0	0.0	-40	0	0
1002 Fed Rcpts		-308.1										
1004 Gen Fund		-673.9										
1007 I/A Rcpts		-429.0										
1052 Oil/Haz Fd		-3,504.0										
1166 Vessel Com		-421.9										

The Legislature established The Oil and Hazardous Substance Release Prevention and Response Fund in 1986 to provide a ready and reliable source of payment of the expenses incurred by the Department of Environmental Conservation's (DEC) in responding to a release or threatened release of oil or hazardous substances and the expense of establishing and maintaining spill prevention, preparedness and response programs that reduce the risk of oil and hazardous substance spills.

The Response Fund is comprised of two accounts: the Response Account which can be accessed for emergencies without legislative appropriation, and the Prevention Account which is used to pay the operating expenses for the State's spill prevention, preparedness and response programs. The Response Fund is funded primarily by a \$.05 per barrel surcharge, with \$.01 going to Response Account and \$.04 going to the Prevention Account. Cost recovery and interest earnings also fund both accounts to a lesser degree.

Change Record Detail - Multiple Scenarios with Descriptions
Department of Environmental Conservation

Component: Industry Preparedness and Pipeline Operations (1922)

RDU: Spill Prevention and Response (208)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
Continued decline in crude oil production has resulted in a continued decline of surcharge receipts. Expenditures from the Prevention Account now exceed revenues. This shortfall has been anticipated for many years, and crude oil production is not projected to increase sufficiently in the future to cover current operating costs.												
Recognizing this revenue decline, DEC is taking measures to decrease spending from the Prevention Account. Spending reductions can only be accomplished by restructuring the Division of Spill Prevention and Response. That restructuring combines the Division's five components into one component, and it significantly redefines the State's approach to planning, preparing for and responding to spills. Greater synergy between planning and response can reduce expenses and improve service delivery to the regulated public without reducing protection of Alaska's natural environment. It creates program efficiencies that reduce overall costs by \$520.0 and eliminates four positions (one Analyst/Programmer, two Environmental Program Specialists, and one Office Assistant).												
Even with these spending reductions, expenses will still exceed revenues in FY2015 and beyond. The administration and the Legislature cannot counteract the effect of declining oil production with spending reductions alone. An annual transfer of general funds into the Prevention Account is required to continue critical program operations. Any further efforts to reduce expenditures from the Prevention Account, without support from other fund sources, would impair DEC's ability to prevent and respond to spills both large and small. With increasing exploration and production, and so much new activity in Cook Inlet and the Arctic, DEC must maintain its robust spill prevention and response capacity.												
Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Personal Services Expenditure Detail
Department of Environmental Conservation

Scenario: FY2016 Governor Amended (12201)
Component: Industry Preparedness and Pipeline Operations (1922)
RDU: Spill Prevention and Response (208)

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 Environmental Conservation
Travel

Component: Industry Preparedness and Pipeline Operations (1922)
RDU: Spill Prevention and Response (208)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
72000	Travel		136.1	134.9	0.0
Expenditure Account			FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
	Servicing Agency	Explanation			
72000 Travel Detail Totals			136.1	134.9	0.0
72110	Employee Travel (Instate)		115.4	104.9	0.0
72410	Employee Travel (Out of state)		20.7	30.0	0.0

Line Item Detail
Department of Environmental Conservation
Services

Component: Industry Preparedness and Pipeline Operations (1922)
RDU: Spill Prevention and Response (208)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000	Services		334.4	609.8	0.0
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000 Services Detail Totals			334.4	609.8	0.0
73025		Education Services	32.4	32.4	0.0
73050		Financial Services	0.0	0.1	0.0
73150		Information Technlgy	11.9	91.8	0.0
73156		Telecommunication	15.9	15.9	0.0
73225		Delivery Services	6.1	6.1	0.0
73421	Sef Fuel A87 Allowed	State Equipment Fleet	0.3	0.3	0.0
73423	Sef Oper A87 Allowed	State Equipment Fleet	1.0	1.1	0.0
73428	Sef F/C A87 Allowed	State Equipment Fleet	1.3	1.3	0.0
73450		Advertising & Promos	0.8	0.8	0.0
73650		Struc/Infstruct/Land	1.9	1.9	0.0
73675		Equipment/Machinery	9.4	9.5	0.0
73750		Other Services (Non IA Svcs)	23.2	49.7	0.0
73805	IT-Non-Telecommunication	Enterprise Technology Services	29.6	39.1	0.0
73806	IT-Telecommunication	Enterprise Technology Services	48.2	63.2	0.0
73809	Mail	Central Mail	3.7	4.9	0.0
73811	Building Leases	Leases	97.0	114.4	0.0
73812	Legal	Legislation/Regulations	1.2	1.6	0.0

Line Item Detail
Department of Environmental Conservation
Services

Component: Industry Preparedness and Pipeline Operations (1922)

RDU: Spill Prevention and Response (208)

Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000 Services Detail Totals			334.4	609.8	0.0
73813	Auditing	Finance	1.2	1.7	0.0
73814	Insurance	Risk Management	2.8	3.7	0.0
73815	Financial	Finance	2.8	3.6	0.0
73816	ADA Compliance	Americans With Disabilities	0.4	0.6	0.0
73819	Commission Sales (IA Svcs)	State Travel Office	1.9	1.9	0.0
73827	Safety (IA Svcs)	Facilities	0.7	0.7	0.0
73979	Mgmt/Consulting (IA Svcs)	Administrative Services	33.1	40.0	0.0
73979	Mgmt/Consulting (IA Svcs)	Food Safety & Sanitation	6.2	7.0	0.0
73979	Mgmt/Consulting (IA Svcs)	Habitat Mgt & Permitting	0.0	40.0	0.0
73979	Mgmt/Consulting (IA Svcs)	Office of the Commissioner	1.4	1.5	0.0
73979	Mgmt/Consulting (IA Svcs)	Sport Fisheries Habitat	0.0	75.0	0.0

Line Item Detail
Department of Environmental Conservation
Commodities

Component: Industry Preparedness and Pipeline Operations (1922)
RDU: Spill Prevention and Response (208)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
74000	Commodities		36.2	47.3	0.0
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
74000 Commodities Detail Totals			36.2	47.3	0.0
74200	Business		25.6	37.3	0.0
74480	Household & Instit.		9.5	10.0	0.0
74600	Safety (Commodities)		0.1	0.0	0.0
74650	Repair/Maintenance (Commodities)		1.0	0.0	0.0

Line Item Detail
Department of Environmental Conservation
Capital Outlay

Component: Industry Preparedness and Pipeline Operations (1922)
RDU: Spill Prevention and Response (208)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
75000	Capital Outlay		4.8	0.0	0.0
Expenditure Account			FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
	Servicing Agency	Explanation			
75000 Capital Outlay Detail Totals			4.8	0.0	0.0
75700	Equipment		4.8	0.0	0.0

Unrestricted Revenue Detail
Department of Environmental Conservation

Component: Industry Preparedness and Pipeline Operations (1922)
RDU: Spill Prevention and Response (208)

Master Account	Revenue Description				FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51370	Oil Hazardous Response Fund				3,604.2	3,504.0	0.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51370	OHSR Prevention Acct			11122	3,604.2	3,504.0	0.0

Restricted Revenue Detail
Department of Environmental Conservation

Component: Industry Preparedness and Pipeline Operations (1922)
RDU: Spill Prevention and Response (208)

Master Account	Revenue Description				FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51010	Federal Receipts				210.7	308.1	0.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51010	Federal Receipts		18541XXA	11100	210.7	308.1	0.0

Restricted Revenue Detail
Department of Environmental Conservation

Component: Industry Preparedness and Pipeline Operations (1922)
RDU: Spill Prevention and Response (208)

Master Account	Revenue Description				FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51015	Interagency Receipts				340.3	429.0	0.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
59100	Natural Resources	State Pipeline Coordinator	18546XXA	11100	340.3	429.0	0.0

Restricted Revenue Detail
Department of Environmental Conservation

Component: Industry Preparedness and Pipeline Operations (1922)
RDU: Spill Prevention and Response (208)

Master Account	Revenue Description				FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51436	Comm Passenger Vessel Environmental Fund				423.3	421.9	0.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51436	Comm Passenger Vsl Environ Compli Fund		18000000	11174	423.3	421.9	0.0

Interagency Services
Department of Environmental Conservation

Component: Industry Preparedness and Pipeline Operations (1922)
RDU: Spill Prevention and Response (208)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73421	Sef Fuel A87 Allowed	Inter-dept	State Equipment Fleet	0.3	0.3	0.0
73421 Sef Fuel A87 Allowed subtotal:				0.3	0.3	0.0
73423	Sef Oper A87 Allowed	Inter-dept	State Equipment Fleet	1.0	1.1	0.0
73423 Sef Oper A87 Allowed subtotal:				1.0	1.1	0.0
73428	Sef F/C A87 Allowed	Inter-dept	State Equipment Fleet	1.3	1.3	0.0
73428 Sef F/C A87 Allowed subtotal:				1.3	1.3	0.0
73805	IT-Non-Telecommunication	Inter-dept	Enterprise Technology Services	29.6	39.1	0.0
73805 IT-Non-Telecommunication subtotal:				29.6	39.1	0.0
73806	IT-Telecommunication	Inter-dept	Enterprise Technology Services	48.2	63.2	0.0
73806 IT-Telecommunication subtotal:				48.2	63.2	0.0
73809	Mail	Inter-dept	Central Mail	3.7	4.9	0.0
73809 Mail subtotal:				3.7	4.9	0.0
73811	Building Leases	Inter-dept	Leases	97.0	114.4	0.0
73811 Building Leases subtotal:				97.0	114.4	0.0
73812	Legal	Inter-dept	Legislation/Regulations	1.2	1.6	0.0
73812 Legal subtotal:				1.2	1.6	0.0
73813	Auditing	Inter-dept	Finance	1.2	1.7	0.0
73813 Auditing subtotal:				1.2	1.7	0.0
73814	Insurance	Inter-dept	Risk Management	2.8	3.7	0.0
73814 Insurance subtotal:				2.8	3.7	0.0
73815	Financial	Inter-dept	Finance	2.8	3.6	0.0
73815 Financial subtotal:				2.8	3.6	0.0
73816	ADA Compliance	Inter-dept	Americans With Disabilities	0.4	0.6	0.0
73816 ADA Compliance subtotal:				0.4	0.6	0.0
73819	Commission Sales (IA Svcs)	Inter-dept	State Travel Office	1.9	1.9	0.0
73819 Commission Sales (IA Svcs) subtotal:				1.9	1.9	0.0
73827	Safety (IA Svcs)	Inter-dept	Facilities	0.7	0.7	0.0
73827 Safety (IA Svcs) subtotal:				0.7	0.7	0.0
73979	Mgmt/Consulting (IA Svcs)	Intra-dept	Administrative Services	33.1	40.0	0.0
73979	Mgmt/Consulting (IA Svcs)	Intra-dept	Food Safety & Sanitation	6.2	7.0	0.0

Interagency Services
Department of Environmental Conservation

Component: Industry Preparedness and Pipeline Operations (1922)
RDU: Spill Prevention and Response (208)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73979	Mgmt/Consulting (IA Svcs)	Inter-dept	Habitat Mgt & Permitting	0.0	40.0	0.0
73979	Mgmt/Consulting (IA Svcs)	Intra-dept	Office of the Commissioner	1.4	1.5	0.0
73979	Mgmt/Consulting (IA Svcs)	Inter-dept	Sport Fisheries Habitat	0.0	75.0	0.0
73979 Mgmt/Consulting (IA Svcs) subtotal:				40.7	163.5	0.0
Industry Preparedness and Pipeline Operations total:				232.8	401.6	0.0
Grand Total:				232.8	401.6	0.0