

**Change Record Detail - Multiple Scenarios With Descriptions (RTF)**  
**Department of Environmental Conservation**

**Component:** Office of the Commissioner (633)  
**RDU:** Administration (202)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	838.3	789.2	26.3	12.2	3.7	6.9	0.0	0.0	8	0	0
1002 Fed Rcpts		395.4										
1004 Gen Fund		394.9										
1018 EVOSS		48.0										
	<b>Subtotal</b>	<b>838.3</b>	<b>789.2</b>	<b>26.3</b>	<b>12.2</b>	<b>3.7</b>	<b>6.9</b>	<b>0.0</b>	<b>0.0</b>	<b>8</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN # 1870361 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	6.9	-6.9	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
	<b>Subtotal</b>	<b>838.3</b>	<b>789.2</b>	<b>26.3</b>	<b>12.2</b>	<b>10.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>8</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>Administrative Order #229 - Required liaison and administrative support</b>												
	Inc	193.4	161.4	6.0	10.0	16.0	0.0	0.0	0.0	2	0	0
1007 I/A Rcpts		193.4										
Administrative Order #229 established the Lease Monitoring and Engineering Integrity Coordination Office (LMEIC) within the Department of Natural Resources (DNR) as a lead and single point of contact for the permitting, authorization and oversight of oil and gas production from state land. Designated Agencies related to oil and gas production from state lands are required to provide a liaison officer and appropriate support for LMEIC office activities. This transaction establishes the liaison, administrative support and provides for other standard support costs.												
<b>FY 08 Health Insurance Increases for Exempt Employees</b>												
	SalAdj	0.9	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		0.4										
1004 Gen Fund		0.5										
Health insurance increase from \$835/mo to \$851/mth applicable to this component: \$0.9												
<b>FY 08 Retirement Systems Rate Increases</b>												
	Inc	114.7	114.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		55.2										
1004 Gen Fund		55.6										
1018 EVOSS		3.9										
Retirement systems rate increases applicable to this component: \$114.7												

**Change Record Detail - Multiple Scenarios With Descriptions (RTF)**  
**Department of Environmental Conservation**

**Component:** Office of the Commissioner (633)  
**RDU:** Administration (202)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
<b>Subtotal</b>		<b>1,147.3</b>	<b>1,066.2</b>	<b>32.3</b>	<b>22.2</b>	<b>26.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>10</b>	<b>0</b>	<b>0</b>
***** <b>Changes From FY2008 Governor To FY2008 Governor Amended</b> *****												
<b>Annualize funding from RPL</b>												
Inc		38.9	38.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1018 EVOSS		38.9										
An RPL was requested and approved at the December 15th, 2006 Legislative Budget and Audit Committee meeting to provide additional EVOS authority to continue activities as approved by the Trustee Council in the annual program development and implementation budget. This transactions annualizes that funding.												
<b>Withdraw Oil and Gas Pipeline Integrity Increment</b>												
Dec		-193.4	-161.4	-6.0	-10.0	-16.0	0.0	0.0	0.0	-2	0	0
1007 I/A Rcpts		-193.4										
Additional resources to allow DEC to increase effort toward oil and gas pipeline integrity management were originally requested (as required by AO229) through DNR's operating budget. DNR's intent was to contract with DEC for these services. DNR has removed their funding requests for DEC's items and this transaction deletes DEC's associated interagency receipts.												
DEC has reviewed its needs with respect to its role in petroleum system integrity and developed new requests in two components, Information and Administrative Services and Industry Preparedness and Pipeline Operations, to assure adequate staffing and resources for compliance oversight and integrity of North Slope flow lines.												
<b>Totals</b>		<b>992.8</b>	<b>943.7</b>	<b>26.3</b>	<b>12.2</b>	<b>10.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>8</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Information and Administrative Services (635)  
**RDU:** Administration (202)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	4,120.3	3,172.0	81.2	787.5	38.0	41.6	0.0	0.0	45	0	0
1002 Fed Rcpts		1,093.7										
1003 G/F Match		141.4										
1004 Gen Fund		433.2										
1007 I/A Rcpts		160.4										
1052 Oil/Haz Fd		1,609.8										
1061 CIP Rcpts		532.2										
1093 Clean Air		71.8										
1156 Rcpt Svcs		31.1										
1166 Vessel Com		46.7										
	<b>Subtotal</b>	<b>4,120.3</b>	<b>3,172.0</b>	<b>81.2</b>	<b>787.5</b>	<b>38.0</b>	<b>41.6</b>	<b>0.0</b>	<b>0.0</b>	<b>45</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870362 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	31.6	-31.6	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
<b>ADN 1870384 Providing expertise for Pipeline Corrosion Monitoring</b>												
	Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
An unused position, established in the FY2003 Governor's budget for an expected gasline project, is available for transfer to Industry Preparedness and Pipeline Operations to meet immediate needs for a pipeline corrosion specialist. The position will serve as a technical expert in pipeline corrosion and integrity management on a Governor's team of experts from multiple departments. The team is being established to enhance the State's ability to maintain and monitor North Slope oil pipeline integrity.												
<b>ADN 1870384 Position for Small Community Procurement</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
This position is needed to procure goods, services and professional services for all construction related projects under the Village Safe Water program. The procurements include engineering and construction management services, project accounting services, construction materials, and equipment for small communities throughout Alaska. Funding is available within current levels of authority as CIP receipts (lapsed over the last several years) have become collectible.												
<b>ADN 1870363 Funding for needed additional program administration</b>												
	LIT	0.0	50.0	-50.0	0.0	0.0	0.0	0.0	0.0	1	0	0
As a result of more efficient communication tools, travel needs within the division have decreased making funding available to support a position necessary to meet increased program administration needs.												
<b>ADN 1870384 Improved customer service in the Anchorage Office</b>												
	Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
This transfer of a position from the Industry Preparedness and Pipeline Operations component allows for the establishment of a departmental receptionist position for the Anchorage Office Building. This was determined to be necessary after several months of reviewing possible ways to best service the												

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Information and Administrative Services (635)  
**RDU:** Administration (202)

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

public and others.

A request to transfer associated Inter-Agency Receipts, currently uncollectible in the Industry Preparedness and Pipeline Operations component, will be made in the Governor's FY2008 Operating Budget to fund the position and improve customer service.

<b>Subtotal</b>	<b>4,120.3</b>	<b>3,222.0</b>	<b>31.2</b>	<b>787.5</b>	<b>69.6</b>	<b>10.0</b>	<b>0.0</b>	<b>0.0</b>	<b>47</b>	<b>0</b>	<b>0</b>
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\*\*\*\*\* **Changes From FY2007 Management Plan To FY2008 Governor** \*\*\*\*\*

**Funding Improved customer service in the Anchorage Office**

Trin	49.0	49.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts	49.0										

In the FY2007 Management Plan a position was transferred, without funding, from the Industry Preparedness and Pipeline Operations component to establish a departmental receptionist position for the Anchorage Office Building. This was determined to be necessary after several months of reviewing possible ways to best service the public and others.

The position was funded in FY2007 through an unbudgeted RSA. This action completes the Management Plan transaction with transfer of associated Inter-Agency Receipts, currently uncollectible in the Industry Preparedness and Pipeline Operations component, to fully fund the position.

**Support for Program Administration**

Inc	27.1	27.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts	27.1										

At Management Plan, a position was created and partially funded by a line item transfer. This transaction provides the balance of funding needed to fully support the position.

**FY 08 Health Insurance Increases for Exempt Employees**

SalAdj	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts	0.1										
1052 Oil/Haz Fd	0.1										

Health insurance increase from \$835/mo to \$851/mth applicable to this component: \$0.2

**FY 08 Retirement Systems Rate Increases**

Inc	443.2	443.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts	122.4										
1003 G/F Match	15.3										
1004 Gen Fund	49.7										
1007 I/A Rcpts	19.5										
1052 Oil/Haz Fd	179.8										
1061 CIP Rcpts	41.2										
1093 Clean Air	7.7										
1156 Rcpt Svcs	3.8										
1166 Vessel Com	3.8										

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Information and Administrative Services (635)  
**RDU:** Administration (202)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
Retirement systems rate increases applicable to this component: \$443.2												
	<b>Subtotal</b>	<b>4,639.8</b>	<b>3,741.5</b>	<b>31.2</b>	<b>787.5</b>	<b>69.6</b>	<b>10.0</b>	<b>0.0</b>	<b>0.0</b>	<b>47</b>	<b>0</b>	<b>0</b>
***** <b>Changes From FY2008 Governor To FY2008 Governor Amended</b> *****												
<b>Additional Resources for Compliance Oversight and North Slope Flow Line Integrity</b>												
	Inc	100.5	84.5	10.0	5.0	1.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		100.5										
The Alaska Department of Environmental Conservation (ADEC), under AS 46.03 and 46.04, provides regulatory oversight of oil and gas exploration, production, refining, transportation, and storage within Alaska, including protective standards for the construction and operation of certain oil pipelines.												
Substantial revisions to the oil spill prevention regulations have recently been completed that subject multi-phase and produced water pipelines, generally referred to as flow lines, to new requirements for design, construction and operation. There are approximately 1,500 miles of these multi-phase pipelines within the State.												
The primary focus of two Governor's amendments is for compliance oversight and integrity of North Slope flow lines. One provides the Industry Preparedness and Pipeline Operations (IPP) component with additional inspection and engineering staff and appropriate equipment and training to assure integrity of North Slope flow lines, while this amendment adds funding in the Information and Administrative Services component for a civil investigator position tasked with focusing on civil investigation, compliance and enforcement of Alaskan oil and hazardous substance pollution control statutes and regulations for the oil and gas sector.												
	<b>Totals</b>	<b>4,740.3</b>	<b>3,826.0</b>	<b>41.2</b>	<b>792.5</b>	<b>70.6</b>	<b>10.0</b>	<b>0.0</b>	<b>0.0</b>	<b>47</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** State Support Services (2750)  
**RDU:** Administration (202)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	1,599.7	0.0	0.0	1,599.7	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		124.9										
1003 G/F Match		14.6										
1004 Gen Fund		1,237.7										
1007 I/A Rcpts		16.8										
1052 Oil/Haz Fd		195.3										
1093 Clean Air		7.3										
1156 Rcpt Svcs		3.1										
<b>ETS chargeback funding transferred from Department of Administration ADN 1870360</b>												
	Atrin	124.8	0.0	0.0	124.8	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		124.8										
<p>Pursuant to Section 12(d) and (e), Chapter 33, SLA 2006, page 65, lines 9 - 31, and page 66, lines 1 - 17, \$2,847,900 is distributed to state agencies to offset the increased chargeback rates for enterprise technology services as identified in the statewide federal cost allocation plan.</p> <p>The amounts transferred to state agencies are as follows:            Administration, \$402.3; Commerce, \$71.9; Corrections, \$140.8; Education, \$41.5;            DEC, \$124.8; Fish and Game, \$171.8; Office of the Governor, \$48.0; HSS, \$559.5; Labor, \$402.1; Law, \$88.8; DMVA, \$39.6; DNR, \$164.3; Public Safety, \$154.0; Revenue, \$163.6; Transportation, \$183.8; University, \$4.0; Legislature, \$74.4; and Court System, \$12.7.</p>												
	<b>Subtotal</b>	<b>1,724.5</b>	<b>0.0</b>	<b>0.0</b>	<b>1,724.5</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 FY2007 Authorized To FY2007 Management Plan *****												
	<b>Subtotal</b>	<b>1,724.5</b>	<b>0.0</b>	<b>0.0</b>	<b>1,724.5</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 FY2007 Management Plan To FY2008 Governor *****												
<b>Support for increasing departmental lease costs</b>												
	Inc	52.4	0.0	0.0	52.4	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		52.4										
DEC received notification to expect increases in departmental lease costs for FY2008. This transaction requests funding for those expected lease cost increases.												
<b>Correcting funding for a HSS lease</b>												
	AtROUT	-23.6	0.0	0.0	-23.6	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-23.6										

When the Department of Administration transferred funding to pay lease costs to the departments, funding for one of HSS's leases (#2203) was incorrectly transferred to DEC. This transaction transfers the funding for lease #2203 from DEC to HSS.

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** State Support Services (2750)  
**RDU:** Administration (202)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<b>Retirement and Non-covered Employee Health Insurance Increases for Division of Personnel</b>												
	Inc	48.1	0.0	0.0	48.1	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		48.1										
Funding necessary for each department to pay the FY2008 increased chargeback to the Division of Personnel due to the retirement system and non-covered employees' health insurance increases:												
Admin \$123.9; Commerce \$47.3; Corrections \$159.2; Labor \$101.7; Education \$31.7; DEC \$48.1; Fish & Game \$143.9; HSS \$399.7; Law \$49.6; DMVA \$20.7; DNR \$89.4; Public Safety \$82.5; Revenue \$55.3; Transportation \$333.8 = \$1,686.8												
	<b>Subtotal</b>	<b>1,801.4</b>	<b>0.0</b>	<b>0.0</b>	<b>1,801.4</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>
***** <b>Changes From FY2008 Governor To FY2008 Governor Amended</b> *****												
<b>Increased Anchorage Lease Costs</b>												
	Inc	100.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		100.0										
	<b>Totals</b>	<b>1,901.4</b>	<b>0.0</b>	<b>0.0</b>	<b>1,901.4</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>

## Change Record Detail - Multiple Scenarios With Description

### Department of Environmental Conservation

**Component:** DEC Buildings Maintenance and Operations (2783)

**RDU:** DEC Buildings Maintenance and Operations (531)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	550.0	80.1	1.5	435.9	31.0	1.5	0.0	0.0	1	0	0
1004 Gen Fund		502.9										
1007 I/A Rcpts		47.1										
<b>First FY2007 Fuel/Utility Cost Increase Funding Distribution</b>												
	Atrin	61.2	0.0	0.0	61.2	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		61.2										
<p>Pursuant to sec. 21(b) and (d), ch. 33, SLA 2006, pg 69, \$12,000,000 is distributed to state agencies from the Office of the Governor to offset the increased costs for fuel and utilities. The fiscal year-to-date average price of Alaska North Slope crude for the period July 1 - Sept. 30, 2006 was \$69.00/barrel per the Department of Revenue, \$15.40 (28.7%) above the Spring Forecast amount of \$53.60.</p> <p>The amounts transferred to state agencies are as follows:                      Administration, \$44,400; Corrections, \$254,400; DEC, \$61,200; Fish and Game, \$140,400; HSS, \$480,000; Labor, \$74,400; DMVA, \$460,800; DNR, \$110,400; Transportation, \$9,000,000; University, \$1,320,000; and Court System, \$54,000.</p>												
	<b>Subtotal</b>	<b>611.2</b>	<b>80.1</b>	<b>1.5</b>	<b>497.1</b>	<b>31.0</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>1</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
	<b>Subtotal</b>	<b>611.2</b>	<b>80.1</b>	<b>1.5</b>	<b>497.1</b>	<b>31.0</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>1</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>Fuel and Utility Cost Increases</b>												
	Inc	61.2	0.0	0.0	61.2	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		61.2										
<p>Additional funding is needed to cover the increased cost of utilities for the Environmental Health Laboratory; a state owned building supported by this component. This increment is a cost update based on our increasing experience with Laboratory operations.</p> <p>An operating cost increase was requested and funded for FY2007. That increase was based largely on an estimate of what would be needed for facility maintenance. As we are learning, that maintenance estimate was still well below what is actually needed to operate the lab. Maintenance costs, to protect the asset and support laboratory operations, are consuming last year's increase - leaving increased fuel usage and higher prices of fuel potentially unfunded. Funding for these fuel costs, a one-time item in FY2007, will be needed again in FY2008 and continuing into future years.</p>												
<b>Remove First FY2007 Fuel/Utility Cost Increase Funding Distribution</b>												
	OTI	-61.2	0.0	0.0	-61.2	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-61.2										

Remove \$61,200 fuel and utility cost increase allocation that was added to FY2007 budget. This removes the FY2007 allocation from the FY2008 budget.

Pursuant to sec. 21(b) and (d), ch. 33, SLA 2006, pg 69, \$12,000,000 is distributed to state agencies from the Office of the Governor to offset the increased



**Change Record Detail - Multiple Scenarios With Description**

**Department of Environmental Conservation**

**Component:** DEC Buildings Maintenance and Operations (2783)

**RDU:** DEC Buildings Maintenance and Operations (531)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
costs for fuel and utilities. The fiscal year-to-date average price of Alaska North Slope crude for the period July 1 - Sept. 30, 2006 was \$69.00/barrel per the Department of Revenue, \$15.40 (28.7%) above the Spring Forecast amount of \$53.60.												
The amounts transferred to state agencies are as follows: Administration, \$44,400; Corrections, \$254,400; DEC, \$61,200; Fish and Game, \$140,400; HSS, \$480,000; Labor, \$74,400; DMVA, \$460,800; DNR, \$110,400; Transportation, \$9,000,000; University, \$1,320,000; and Court System, \$54,000.												
<b>FY 08 Retirement Systems Rate Increases</b>												
	Inc	11.0	11.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		5.5										
1007 I/A Rcpts		5.5										
Retirement systems rate increases applicable to this component: \$11.0												
	<b>Subtotal</b>	<b>622.2</b>	<b>91.1</b>	<b>1.5</b>	<b>497.1</b>	<b>31.0</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>1</b>	<b>0</b>	<b>0</b>
***** <b>Changes From FY2008 Governor To FY2008 Governor Amended</b> *****												
	<b>Totals</b>	<b>622.2</b>	<b>91.1</b>	<b>1.5</b>	<b>497.1</b>	<b>31.0</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>1</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Environmental Health Director (646)  
**RDU:** Environmental Health (207)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
1004 Gen Fund	ConfCom	305.4	298.5	3.0	2.0	1.9	0.0	0.0	0.0	4	0	0
		305.4										
	<b>Subtotal</b>	<b>305.4</b>	<b>298.5</b>	<b>3.0</b>	<b>2.0</b>	<b>1.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
	<b>Subtotal</b>	<b>305.4</b>	<b>298.5</b>	<b>3.0</b>	<b>2.0</b>	<b>1.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>FY 08 Health Insurance Increases for Exempt Employees</b>												
1004 Gen Fund	SalAdj	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		0.1										
Health insurance increase from \$835/mo to \$851/mth applicable to this component: \$0.1												
<b>FY 08 Retirement Systems Rate Increases</b>												
1004 Gen Fund	Inc	42.1	42.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		42.1										
Retirement systems rate increases applicable to this component: \$42.1												
	<b>Subtotal</b>	<b>347.6</b>	<b>340.7</b>	<b>3.0</b>	<b>2.0</b>	<b>1.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4</b>	<b>0</b>	<b>0</b>
***** Changes From FY2008 Governor To FY2008 Governor Amended *****												
	<b>Totals</b>	<b>347.6</b>	<b>340.7</b>	<b>3.0</b>	<b>2.0</b>	<b>1.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Food Safety & Sanitation (2343)  
**RDU:** Environmental Health (207)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	3,637.4	2,966.1	199.0	418.6	39.2	14.5	0.0	0.0	37	0	0
1002 Fed Rcpts		396.8										
1004 Gen Fund		1,420.4										
1007 I/A Rcpts		3.1										
1156 Rcpt Svcs		1,817.1										
	<b>Subtotal</b>	<b>3,637.4</b>	<b>2,966.1</b>	<b>199.0</b>	<b>418.6</b>	<b>39.2</b>	<b>14.5</b>	<b>0.0</b>	<b>0.0</b>	<b>37</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870364 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	14.5	-14.5	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
<b>ADN 1870384 Improved customer service in the Fairbanks Office</b>												
	Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
A position is being transferred from the Prevention and Emergency Response component to align supervision and allow establishment of a departmental receptionist position for the Fairbanks Office. This was determined to be necessary after several months of reviewing possible ways to best service the public and others.												
The position will be funded with an unbudgeted RSA in FY2007. A FY2008 Governor's budget transaction will be requested transferring Inter-Agency Receipts from the Industry Preparedness and Pipeline Operations component (where it is uncollectible) to the Food Safety and Sanitation component where it can be used to fund the position and improve customer service. At this time, transferring the position without funding is artificially inflating the vacancy rate and the component's total Inter-Agency Receipts funding is overstated.												
<b>ADN 1870365 Align Federal Authority With Actual Expenditures</b>												
	LIT	0.0	0.0	-13.1	13.1	0.0	0.0	0.0	0.0	0	0	0
Realign expenditure authority with actual expenditure patterns for changing federal grant awards and activities.												
	<b>Subtotal</b>	<b>3,637.4</b>	<b>2,966.1</b>	<b>185.9</b>	<b>431.7</b>	<b>53.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>38</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>Funding Improved customer service in the Fairbanks Office</b>												
	Trin	50.6	50.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		50.6										

A position was transferred during Management Plan from the Prevention and Emergency Response component to align supervision and allow establishment of a departmental receptionist position for the Fairbanks Office. This was determined to be necessary after several months of reviewing possible ways to best service the public and others.

The position was funded with an unbudgeted RSA in FY2007. This transaction transfers Inter-Agency Receipts from the Industry Preparedness and

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Food Safety & Sanitation (2343)  
**RDU:** Environmental Health (207)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Pipeline Operations component (where it is uncollectible) to the Food Safety and Sanitation component where it can be used to fund the position and improve customer service.												
<b>Fund Source Adjustment for Retirement Systems Increases</b>												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-23.5										
1156 Rcpt Svcs		23.5										
Contracts with FDA and the USDC for inspections can't be increased, making a portion of the federal funds associated with the PERS increment uncollectible. A change to RSS authority is requested. Without the fund source change, the program will have to reduce services during a time when the new food safety system is being integrated by Alaska's retail food and food processing industries.												
<b>FY 08 Retirement Systems Rate Increases</b>												
	Inc	413.6	413.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		40.9										
1004 Gen Fund		141.3										
1007 I/A Rcpts		6.6										
1156 Rcpt Svcs		224.8										
Retirement systems rate increases applicable to this component: \$413.6												
	<b>Subtotal</b>	<b>4,101.6</b>	<b>3,430.3</b>	<b>185.9</b>	<b>431.7</b>	<b>53.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>38</b>	<b>0</b>	<b>0</b>
***** Changes From FY2008 Governor To FY2008 Governor Amended *****												
	<b>Totals</b>	<b>4,101.6</b>	<b>3,430.3</b>	<b>185.9</b>	<b>431.7</b>	<b>53.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>38</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Laboratory Services (2065)  
**RDU:** Environmental Health (207)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	2,814.7	1,739.5	51.1	783.5	196.9	43.7	0.0	0.0	23	0	0
1002 Fed Rcpts		1,105.4										
1003 G/F Match		97.5										
1004 Gen Fund		1,115.6										
1005 GF/Prgm		158.7										
1007 I/A Rcpts		322.8										
1052 Oil/Haz Fd		14.7										
<b>ADN 1870350 PSP Testing for Commercial Shellfish Farmers, Sec 29, Ch 82, SLA2006, pg 149, ln 6-9 (SB231).</b>												
	OthApr	62.5	32.5	0.0	9.0	21.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		62.5										
This transaction records an operating appropriation made in a language section of the Capital Bill (SB231) to fund Paralytic Shellfish Poisoning (PSP) testing for commercial shellfish farmers and dive fishermen for the fiscal year ending June 30, 2007.												
<b>Subtotal</b>		<b>2,877.2</b>	<b>1,772.0</b>	<b>51.1</b>	<b>792.5</b>	<b>217.9</b>	<b>43.7</b>	<b>0.0</b>	<b>0.0</b>	<b>23</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870384 Reorganization to meet staffing needs</b>												
	Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
A reorganization in the Wellhead Protection Program allowed for the transfer of a position to the Office of the State Veterinarian to provide support for animal disease related activity, increased coordination for Avian Influenza monitoring and surveillance and general administrative support for the Office of the State Veterinarian. Laboratory Services will fund the position using previously uncollectible federal receipts; now collectible from new or increased Avian Influenza and other animal disease related federal grants.												
<b>Subtotal</b>		<b>2,877.2</b>	<b>1,772.0</b>	<b>51.1</b>	<b>792.5</b>	<b>217.9</b>	<b>43.7</b>	<b>0.0</b>	<b>0.0</b>	<b>24</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>PSP Testing - Reduction for One Time Appropriation</b>												
	Dec	-62.5	-32.5	0.0	-9.0	-21.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-62.5										
This transaction removes one time funding appropriated through Ch 82 SLA 2006, Sec 29, Pg 149, Ln 6-9 for PSP testing in FY2007.												
<b>Fund Source Adjustment for Retirement Systems Increases</b>												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-60.0										
1004 Gen Fund		70.6										
1007 I/A Rcpts		-10.6										

Increased federal and interagency authority, proposed in the PERS salary increment, can not be collected by the Laboratory Services component. The

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Laboratory Services (2065)  
**RDU:** Environmental Health (207)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<p>program is lapsing current authority in these two areas and does not expect any increase to grants or contracts for FY2008. A fund source change to general fund is requested.</p> <p>Without a fund source change, staffing will have to be reduced to absorb unfunded PERS increases. With the new Environmental Health Laboratory experiencing increasing demand for existing services and the additional challenges of putting a new laboratory into operation, it is not possible to hold positions vacant without compromising service.</p>												
<b>FY 08 Retirement Systems Rate Increases</b>												
	Inc	246.4	246.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		60.0										
1003 G/F Match		7.5										
1004 Gen Fund		160.5										
1005 GF/Prgm		5.8										
1007 I/A Rcpts		10.6										
1052 Oil/Haz Fd		2.0										
Retirement systems rate increases applicable to this component: \$246.4												
	<b>Subtotal</b>	<b>3,061.1</b>	<b>1,985.9</b>	<b>51.1</b>	<b>783.5</b>	<b>196.9</b>	<b>43.7</b>	<b>0.0</b>	<b>0.0</b>	<b>24</b>	<b>0</b>	<b>0</b>
***** <b>Changes From FY2008 Governor To FY2008 Governor Amended</b> *****												
<b>Market Based Pay</b>												
	SalAdj	14.3	14.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		4.3										
1004 Gen Fund		6.5										
1005 GF/Prgm		0.1										
1007 I/A Rcpts		3.4										
Effective December 1, 2006 certain State positions received increases in base salary rates in an attempt to make recruitment more competitive with private sector, including Engineers and Veterinarians. DEC's budget includes approximately 70 affected positions.												
Funding is requested from various funding sources in the impacted components for the increase in market based pay as follows: Laboratory Services - \$14.3; Drinking Water - \$78.4; Solid Waste Management - \$5.6; Air Quality - \$113.5; Contaminated Sites - \$23.5; Industry Preparedness & Pipeline Operations - \$35.2; Water Quality - \$111.0; and Facility Construction - \$121.8.												
	<b>Totals</b>	<b>3,075.4</b>	<b>2,000.2</b>	<b>51.1</b>	<b>783.5</b>	<b>196.9</b>	<b>43.7</b>	<b>0.0</b>	<b>0.0</b>	<b>24</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Drinking Water (2066)  
**RDU:** Environmental Health (207)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	4,543.7	3,617.9	147.7	620.5	87.6	70.0	0.0	0.0	50	0	0
1002 Fed Rcpts		3,411.7										
1003 G/F Match		930.6										
1005 GF/Prgm		201.4										
	<b>Subtotal</b>	<b>4,543.7</b>	<b>3,617.9</b>	<b>147.7</b>	<b>620.5</b>	<b>87.6</b>	<b>70.0</b>	<b>0.0</b>	<b>0.0</b>	<b>50</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870366 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	50.0	-50.0	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
<b>ADN 1870384 Improved customer service in the Wasilla Office</b>												
	Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
This transaction transfers a position to the Water Quality component to align supervision and allow establishment of a departmental receptionist position for the Wasilla Office. This was determined to be necessary after several months of reviewing possible ways to best service the public and others. Funding for the position is split between the divisions of Environmental Health, Spill Prevention and Response and Water.												
<b>ADN 1870384 Reorganization to meet staffing needs</b>												
	Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
A reorganization in the Wellhead Protection Program allowed for the transfer of a position to the Office of the State Veterinarian to provide support for animal disease related activity, increased coordination for Avian Influenza monitoring and surveillance and general administrative support for the Office of the State Veterinarian. Laboratory Services will fund the position using previously uncollectible federal receipts; now collectible from new or increased Avian Influenza and other animal disease related federal grants.												
	<b>Subtotal</b>	<b>4,543.7</b>	<b>3,617.9</b>	<b>147.7</b>	<b>620.5</b>	<b>137.6</b>	<b>20.0</b>	<b>0.0</b>	<b>0.0</b>	<b>48</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>Obtain and Implement Primacy for New Public Drinking Water System Federal Rules</b>												
	Inc	605.9	354.2	65.0	166.7	20.0	0.0	0.0	0.0	5	0	0
1002 Fed Rcpts		302.9										
1003 G/F Match		303.0										
The Alaska Drinking Water Program is an EPA delegated primacy program, receiving a federal grant as the primary source of funding. For the past several years, grant funding has not kept pace with increasing costs required to implement the program. The program has fallen behind in adopting and implementing new federal rules. When a program falls behind, the EPA retains partial primacy and enforces the new rules until the State can catch up. Traditionally, EPA enforcement is swift, strict and does not include technical assistance - making it difficult for public drinking water systems to attain and maintain compliance. If the State does not catch up, primacy may be lost altogether.												

Funding for additional staff and resources is needed to keep pace with new requirements, adopting and implementing new rules in a timely manner.

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Drinking Water (2066)  
**RDU:** Environmental Health (207)

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

Additional federal funds requiring a 50% match are available.

The 2007 legislature proposed a three year plan for obtaining and implementing primacy and funded the first year to ensure that Alaska's public water systems will be regulated by the state Drinking Water Program not the EPA. This request seeks funding for the second year of that three year plan.

In addition to providing needed technical support, State primacy allows:

1. Issuance of monitoring waivers to reduce the cost of routine monitoring. EPA does not.
2. Issuance of variances or exemptions that allow public drinking water systems to achieve compliance over time while still providing public health protection. EPA does not.
3. Issuance of construction and operation approvals that reflect local knowledge, experience and an understanding of arctic engineering principles. Experience EPA does not have.

**Fund Source Adjustment for Retirement Systems Increases**

	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-379.1										
1004 Gen Fund		379.1										

Increased federal authority associated with the PERS increment can not be collected from the EPA for the drinking water program. A change to general funds is requested. Federal grant sources available to the drinking water program are already being maximized to fund full primacy for safe drinking water.

If the fund source change is not approved current activities toward full primacy will be slowed, leaving the EPA to regulate and enforce until such time as the State is able to adopt and implement the new rules.

**FY 08 Retirement Systems Rate Increases**

	Inc	503.9	503.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		379.1										
1003 G/F Match		105.7										
1005 GF/Prgm		19.1										

Retirement systems rate increases applicable to this component: \$503.9

<b>Subtotal</b>	<b>5,653.5</b>	<b>4,476.0</b>	<b>212.7</b>	<b>787.2</b>	<b>157.6</b>	<b>20.0</b>	<b>0.0</b>	<b>0.0</b>	<b>53</b>	<b>0</b>	<b>0</b>
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\*\*\*\*\* **Changes From FY2008 Governor To FY2008 Governor Amended** \*\*\*\*\*

**Market Based Pay**

	SalAdj	78.4	78.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		57.8										
1003 G/F Match		17.2										
1004 Gen Fund		3.4										

Effective December 1, 2006 certain State positions received increases in base salary rates in an attempt to make recruitment more competitive with private sector, including Engineers and Veterinarians. DEC's budget includes approximately 70 affected positions.



**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Drinking Water (2066)  
**RDU:** Environmental Health (207)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Funding is requested from various funding sources in the impacted components for the increase in market based pay as follows: Laboratory Services - \$14.3; Drinking Water - \$78.4; Solid Waste Management - \$5.6; Air Quality - \$113.5; Contaminated Sites - \$23.5; Industry Preparedness & Pipeline Operations - \$35.2; Water Quality - \$111.0; and Facility Construction - \$121.8.												
<b>Totals</b>		<b>5,731.9</b>	<b>4,554.4</b>	<b>212.7</b>	<b>787.2</b>	<b>157.6</b>	<b>20.0</b>	<b>0.0</b>	<b>0.0</b>	<b>53</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Solid Waste Management (2344)  
**RDU:** Environmental Health (207)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	1,905.2	1,519.5	69.8	281.3	26.7	7.9	0.0	0.0	20	0	0
1002 Fed Rcpts		320.5										
1003 G/F Match		4.0										
1004 Gen Fund		1,016.1										
1005 GF/Prgm		185.9										
1156 Rcpt Svcs		378.7										
	<b>Subtotal</b>	<b>1,905.2</b>	<b>1,519.5</b>	<b>69.8</b>	<b>281.3</b>	<b>26.7</b>	<b>7.9</b>	<b>0.0</b>	<b>0.0</b>	<b>20</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870367 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	7.9	-7.9	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
<b>ADN 1870368 Align Federal Authority With Actual Expenditures</b>												
	LIT	0.0	0.0	-4.0	4.0	0.0	0.0	0.0	0.0	0	0	0
Authority is realigned from travel to contractual based on changing federal grant activities and associated federal grant awards.												
<b>ADN 1870384 Realign Position Based on Changing Duties</b>												
	Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
This transaction changes the home component of a position. This split funded position was originally established and has been home component in the Industry Preparedness and Pipeline Operations component to focus on oil drilling mud pit closure work. Statutory authority and associated regulation for mud pit closures are found in the Solid Waste regulations. Because of this, the position has reported to and worked within the Solid Waste program. Over time, pit closure work has declined and will continue to decline for the next 5 years as the finite number of pits are closed. The position's duties have begun transition to Solid Waste program work so, the home component is better aligned in the Solid Waste Component.												
	<b>Subtotal</b>	<b>1,905.2</b>	<b>1,519.5</b>	<b>65.8</b>	<b>285.3</b>	<b>34.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>21</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>HB 19 Pesticide Program - Fiscal Note Implementation</b>												
	Dec	-6.4	0.0	0.0	0.0	-6.4	0.0	0.0	0.0	0	0	0
1003 G/F Match		-4.0										
1004 Gen Fund		-1.0										
1156 Rcpt Svcs		-1.4										
This transaction implements the third year of the fiscal note for HB 19 (Pesticides). One time costs are reduced along with the associated fund sources.												
<b>Oil and Gas Integrity Management</b>												
	Inc	150.2	128.2	3.6	15.4	3.0	0.0	0.0	0.0	1	0	0
1007 I/A Rcpts		150.2										

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Solid Waste Management (2344)  
**RDU:** Environmental Health (207)

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

Alaska is experiencing a significant increase in issues concerning integrity management of aging oil production and transportation infrastructure within the state. The number of spills from oil exploration and production facilities is increasing annually. As the average age of Alaska's pipelines and production facilities increases, maintenance issues and oversight of system integrity becomes vitally important to ensure continued safe operation and to reduce the number and severity of oil spills. Aggressive oversight is also important to ensure that revenues from oil production not be reduced or stopped due to inadequate industry maintenance and operational processes.

Along with aging oil transportation infrastructure issues, oil exploration in Alaska is currently on an upswing, necessitating additional resources to accommodate additional facilities and new oilfield operators unfamiliar with state pollution control requirements.

DEC is not keeping pace with the current level of oil and gas activities in Alaska and cannot keep up with the expected increased level of oil and gas integrity issues or exploration and development activities.

- > Oil and gas facilities are not inspected for compliance with state environmental laws as thoroughly or as often as required to provide adequate oversight.

- > The aging oil production infrastructure requires additional oversight to maintain compliance with state requirements.

- > The cumulative impact of oil and gas waste discharges to the air, from the North Slope industrial operations, have not been monitored or measured to assess the aggregate potential harm to land, water, vegetation, wildlife and humans.

- > As new oilfield operators enter the state, significant compliance assistance is needed to make sure that state requirements are met.

- > There is little communication or collaboration with industry and concerned stakeholders on the planning and design of projects to minimize environmental problems and take advantage of opportunities to promote environmentally responsible development.

- > Much of the work carried out on the North Slope is made by contractors whose day to day activities are often not monitored or given departmental oversight due to the current lack of a full-time field presence of staff.

The oil and gas integrity management initiative funds new and enhanced services in the Divisions of Water, Air Quality, Spill Prevention and Response, and Environmental Health. Services fall in two areas 1) inspection, monitoring and compliance and 2) environmental planning, design and consultation.

Inspection, Monitoring and Compliance

DEC will:

**ENVIRONMENTAL HEALTH**

- Conduct inspections of solid waste units, including temporary storage facilities for drilling wastes and provide compliance assistance to North Slope facilities.
- Increase inspections for temporary storage, reserve pits, and grind-and-inject facilities.

**WATER QUALITY**

- Conduct water inspections and provide compliance assistance to North Slope facilities.
- Increase inspection rates for high priority wastewater discharges from 50% to 100%.
- Increase inspections for pad and road construction projects from 0% to 50% (approximately 50 projects).

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Solid Waste Management (2344)  
**RDU:** Environmental Health (207)

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

- Conduct independent verification of effluent quality and verification of facility self-reporting on discharge monitoring reports.
- Evaluate ambient water quality through sampling and analyses.

**SPILL PREVENTION AND RESPONSE**

- Provide a continuous field presence to increase general oversight of all oil field operators including the numerous contractors currently employed by the oil companies.
- Increase the number of drills and exercises conducted to test and determine compliance with oil discharge prevention and contingency plans.
- Increase the number of on-site inspections conducted to determine compliance with discharge prevention.
- Increase inspections of regulated oil and gas facilities to ensure compliance with spill prevention requirements.
- Verify equipment and resources are available and ready in accordance with oil spill contingency plans.
- Increase technical oversight of operations and maintenance practices designed to prevent oil spills and unanticipated shutdowns.
- Investigate complaints on lack of proper oil and hazardous substance discharge prevention, preparedness, and cleanup.
- Increase on-site monitoring and oversight of cleanups and field responses to significant spills.
- Utilize third-party inspectors to assess leak detection and corrosion monitoring practices.
- Utilize third-party subject matter experts to assess and aid in correction of aging infrastructure-related problems.
- Conduct engineering review of pipeline corrosion management planning.
- Implement new regulations for oil flow lines.

**Environmental Planning, Design and Consultation**

**DEC will:**

- Work proactively to identify potential environmental and public health issues early in the lease sale planning process when changes can be most effective in preventing future pollution problems.
- Review plans and statements for lease sale plans to identify and avoid or mitigate potential air, land and water quality effects.
- Identify and resolve potential environmental and public health issues early when changes to project designs can be most effective in preventing future pollution problems.
- Review and prepare a single coordinated and consolidated response.
- Develop and implement assessments of the cumulative effects of oil and gas activities on Alaska's environment.
- Increase its participation with stakeholder workgroups to resolve.

**ENVIRONMENTAL HEALTH**

- Complete review and evaluation of plans for solid waste storage facilities. Plans include engineering plans and specifications, operations plans, and closure plans, including monitoring requirements.

**WATER QUALITY**

- Evaluate best available technologies to reduce waste quantity and toxicity.

**SPILL PREVENTION AND RESPONSE**

- Develop standardized technical manuals, scenario guidelines and assumptions.
- Provide technical assistance for contingency plan review.
- Provide full time, on-site technical assistance to industry and consultants.
- Develop educational materials and conduct stakeholder outreach.
- Establish minimum design and construction performance standards for oil spill prevention.
- Review oil and gas leases, plans of operation and EIS reviews to insure adequate measures are in place for spill prevention and response.

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Solid Waste Management (2344)  
**RDU:** Environmental Health (207)

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

The oil and gas integrity management initiative funds new and enhanced services in the Solid Waste component as follows:

- Increased inspections of solid waste facilities on the North Slope.
- Increased review and evaluation of plans for solid waste storage and disposal facilities.

As a result of increased maintenance and testing of the pipeline system, there will be an increase in the volume of solid waste (sludge from pipelines) requiring temporary storage and disposal, likely through grind-and-injection facilities.

**Fund Source Adjustment for Retirement Systems Increases**

	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-31.7										
1156 Rcpt Svcs		31.7										

Increased federal funds associated with the PERS increment can not be collected from the EPA for the Pesticide Grant. A change to receipt supported services, the primary pesticide program funding source, is requested. Without the fund source change, a position will be held vacant throughout the year, reducing resources for regulatory activity associated with the Pesticide program.

**FY 08 Retirement Systems Rate Increases**

	Inc	212.8	212.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		31.7										
1003 G/F Match		0.3										
1004 Gen Fund		122.9										
1005 GF/Prgm		22.2										
1156 Rcpt Svcs		35.7										

Retirement systems rate increases applicable to this component: \$212.8

<b>Subtotal</b>		<b>2,261.8</b>	<b>1,860.5</b>	<b>69.4</b>	<b>300.7</b>	<b>31.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>22</b>	<b>0</b>	<b>0</b>
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\*\*\*\*\* Changes From FY2008 Governor To FY2008 Governor Amended \*\*\*\*\*

**Market Based Pay**

	SalAdj	5.6	5.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		3.9										
1005 GF/Prgm		1.7										

Effective December 1, 2006 certain State positions received increases in base salary rates in an attempt to make recruitment more competitive with private sector, including Engineers and Veterinarians. DEC's budget includes approximately 70 affected positions.

Funding is requested from various funding sources in the impacted components for the increase in market based pay as follows: Laboratory Services - \$14.3; Drinking Water - \$78.4; Solid Waste Management - \$5.6; Air Quality - \$113.5; Contaminated Sites - \$23.5; Industry Preparedness & Pipeline Operations - \$35.2; Water Quality - \$111.0; and Facility Construction - \$121.8.

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Solid Waste Management (2344)  
**RDU:** Environmental Health (207)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<b>Withdraw Oil and Gas Pipeline Integrity Increment</b>												
	Dec	-150.2	-128.2	-3.6	-15.4	-3.0	0.0	0.0	0.0	-1	0	0
1007 I/A Rcpts		-150.2										
Additional resources to allow DEC to increase effort toward oil and gas pipeline integrity management were originally requested (as required by AO229) through DNR's operating budget. DNR's intent was to contract with DEC for these services. DNR has removed their funding requests for DEC's items and this transaction deletes DEC's associated interagency receipts.												
DEC has reviewed its needs with respect to its role in petroleum system integrity and developed new requests in two components, Information and Administrative Services and Industry Preparedness and Pipeline Operations, to assure adequate staffing and resources for compliance oversight and integrity of North Slope flow lines.												
<b>Totals</b>		<b>2,117.2</b>	<b>1,737.9</b>	<b>65.8</b>	<b>285.3</b>	<b>28.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>21</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Air Director (2060)  
**RDU:** Air Quality (206)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
1004 Gen Fund	ConfCom	241.7	176.4	14.9	39.8	10.6	0.0	0.0	0.0	2	0	0
		241.7										
	<b>Subtotal</b>	<b>241.7</b>	<b>176.4</b>	<b>14.9</b>	<b>39.8</b>	<b>10.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
	<b>Subtotal</b>	<b>241.7</b>	<b>176.4</b>	<b>14.9</b>	<b>39.8</b>	<b>10.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>FY 08 Health Insurance Increases for Exempt Employees</b>												
1004 Gen Fund	SalAdj	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		0.2										
Health insurance increase from \$835/mo to \$851/mth applicable to this component: \$0.2												
<b>FY 08 Retirement Systems Rate Increases</b>												
1004 Gen Fund	Inc	25.5	25.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		25.5										
Retirement systems rate increases applicable to this component: \$25.5												
	<b>Subtotal</b>	<b>267.4</b>	<b>202.1</b>	<b>14.9</b>	<b>39.8</b>	<b>10.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
***** Changes From FY2008 Governor To FY2008 Governor Amended *****												
	<b>Totals</b>	<b>267.4</b>	<b>202.1</b>	<b>14.9</b>	<b>39.8</b>	<b>10.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Air Quality (2061)  
**RDU:** Air Quality (206)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	7,621.9	5,273.9	160.0	1,964.0	104.0	120.0	0.0	0.0	60	0	0
1002 Fed Rcpts		1,678.5										
1003 G/F Match		884.5										
1004 Gen Fund		305.1										
1005 GF/Prgm		131.0										
1007 I/A Rcpts		147.7										
1061 CIP Rcpts		133.1										
1093 Clean Air		2,966.0										
1108 Stat Desig		147.7										
1156 Rcpt Svcs		1,228.3										
<b>Subtotal</b>		<b>7,621.9</b>	<b>5,273.9</b>	<b>160.0</b>	<b>1,964.0</b>	<b>104.0</b>	<b>120.0</b>	<b>0.0</b>	<b>0.0</b>	<b>60</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870369 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	65.0	-65.0	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
<b>Subtotal</b>		<b>7,621.9</b>	<b>5,273.9</b>	<b>160.0</b>	<b>1,964.0</b>	<b>169.0</b>	<b>55.0</b>	<b>0.0</b>	<b>0.0</b>	<b>60</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>Implementation of Air Permit Reform, Fee Adjustments</b>												
	Inc	1,069.0	0.0	77.2	943.6	48.2	0.0	0.0	0.0	0	0	0
1093 Clean Air		978.1										
1156 Rcpt Svcs		90.9										
Air permit reform, begun in 2003 under HB 160, will conclude with implementation of fee regulations in January 2007. This transaction captures additional receipts from the new fee structure to provide enhanced program services as follows:												
<ul style="list-style-type: none"> <li>- Increase total Title V (Operating Permit) work actions (permits, complaint investigations and compliance actions) by approximately 34% - from an average of 360 actions to approximately 480 actions per year;</li> <li>- Increase the total Title I (Construction Permit) actions by approximately 28% - from an average of 36 to approximately 46 per year; and</li> <li>- Implement data automation and a quality management system to improve standard permit forms and review procedures.</li> </ul>												
<b>Fund Source Adjustment for Retirement Systems Increases</b>												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-129.4										
1004 Gen Fund		129.4										



**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Air Quality (2061)  
**RDU:** Air Quality (206)

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

The federal Air Grant has been decreasing - approximately \$12.0 over the last two years. The President's 2007 budget for EPA, awaiting congressional approval, contains a 16% cut for state air agencies. This makes additional federal authority uncollectible in the Air Quality component - a fund source change is to general funds requested.

If there is no alternate fund source, the program will loose funding support for the equivalent of two full time employees and no longer be able respond to open burn complaints, or other complaints for sources that do not require a permit statewide (currently they handle several a month). In addition, the agency would reduce its efforts to influence new federal rules and electronic database development, which supports air quality control management staff, would be reduced or eliminated. New federal air standards have become more stringent due to documented health risks associated with breathable airborne particles. The state faces violating the new standards in Fairbanks and several rural areas. These violations would require additional effort from air quality control management staff at a time when personal services are being reduced.

**FY 08 Retirement Systems Rate Increases**

Inc	722.8	722.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts	129.4											
1003 G/F Match	98.2											
1004 Gen Fund	42.5											
1005 GF/Prgm	3.5											
1007 I/A Rcpts	20.1											
1061 CIP Rcpts	12.3											
1093 Clean Air	309.6											
1108 Stat Desig	0.4											
1156 Rcpt Svcs	106.8											

Retirement systems rate increases applicable to this component: \$722.8

<b>Subtotal</b>	<b>9,413.7</b>	<b>5,996.7</b>	<b>237.2</b>	<b>2,907.6</b>	<b>217.2</b>	<b>55.0</b>	<b>0.0</b>	<b>0.0</b>	<b>60</b>	<b>0</b>	<b>0</b>
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\*\*\*\*\* **Changes From FY2008 Governor To FY2008 Governor Amended** \*\*\*\*\*

**Market Based Pay**

SalAdj	113.5	113.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts	4.1											
1003 G/F Match	5.4											
1004 Gen Fund	5.8											
1093 Clean Air	49.0											
1156 Rcpt Svcs	49.2											

Effective December 1, 2006 certain State positions received increases in base salary rates in an attempt to make recruitment more competitive with private sector, including Engineers and Veterinarians. DEC's budget includes approximately 70 affected positions.

Funding is requested from various funding sources in the impacted components for the increase in market based pay as follows: Laboratory Services - \$14.3; Drinking Water - \$78.4; Solid Waste Management - \$5.6; Air Quality - \$113.5; Contaminated Sites - \$23.5; Industry Preparedness & Pipeline Operations - \$35.2; Water Quality - \$111.0; and Facility Construction - \$121.8.

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Air Quality (2061)  
**RDU:** Air Quality (206)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	<b>Totals</b>	<b>9,527.2</b>	<b>6,110.2</b>	<b>237.2</b>	<b>2,907.6</b>	<b>217.2</b>	<b>55.0</b>	<b>0.0</b>	<b>0.0</b>	<b>60</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Spill Prevention and Response Director (1392)  
**RDU:** Spill Prevention and Response (208)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
1052 Oil/Haz Fd	ConfCom	249.1	200.1	18.8	28.7	1.5	0.0	0.0	0.0	2	0	0
		249.1										
	<b>Subtotal</b>	<b>249.1</b>	<b>200.1</b>	<b>18.8</b>	<b>28.7</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
	<b>Subtotal</b>	<b>249.1</b>	<b>200.1</b>	<b>18.8</b>	<b>28.7</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>FY 08 Health Insurance Increases for Exempt Employees</b>												
1052 Oil/Haz Fd	SalAdj	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		0.2										
Health insurance increase from \$835/mo to \$851/mth applicable to this component: \$0.2												
<b>FY 08 Retirement Systems Rate Increases</b>												
1052 Oil/Haz Fd	Inc	28.6	28.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		28.6										
Retirement systems rate increases applicable to this component: \$28.6												
	<b>Subtotal</b>	<b>277.9</b>	<b>228.9</b>	<b>18.8</b>	<b>28.7</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
***** Changes From FY2008 Governor To FY2008 Governor Amended *****												
	<b>Totals</b>	<b>277.9</b>	<b>228.9</b>	<b>18.8</b>	<b>28.7</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Contaminated Sites Program (2386)  
**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 FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	6,510.9	5,107.1	278.1	1,020.9	48.8	56.0	0.0	0.0	64	1	0
1002 Fed Rcpts		3,248.0										
1007 I/A Rcpts		80.6										
1052 Oil/Haz Fd		3,182.3										
	<b>Subtotal</b>	<b>6,510.9</b>	<b>5,107.1</b>	<b>278.1</b>	<b>1,020.9</b>	<b>48.8</b>	<b>56.0</b>	<b>0.0</b>	<b>0.0</b>	<b>64</b>	<b>1</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870370 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	50.0	-50.0	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
<b>ADN 1870371 Funding for Increased Contractual Expenditures</b>												
	LIT	0.0	0.0	0.0	50.0	-50.0	0.0	0.0	0.0	0	0	0
This transfer is necessary to fund additional contractual obligations for contaminated sites clean up. Authority is available for transfer because of alignment of federal grant activities and the continued refinement of the program operations.												
<b>ADN 1870372 Federal Authority for the UST Grant</b>												
	Trout	-70.0	0.0	0.0	-70.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-70.0										
In fiscal year 2006 there was a realignment of resources between the Contaminated Sites (CS) program and the Industry Preparedness & Pipeline Operations program (IPP), moving the function and responsibility for underground storage tank inspections from the (CS) component to the (IPP) component, where they are more consistent with program operations. This transfer of federal authorization from CS to IPP will allow them to manage the full grant amount within the IPP component.												
<b>ADN 1870384 Status Change from PPT to PFT PCN 18-7494</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	-1	0
This transaction changes the status of PCN 18-7494. The position's duties have been expanded to assist the division in developing and updating their web sites, therefore a status change from part-time to permanent, full-time is necessary.												
	<b>Subtotal</b>	<b>6,440.9</b>	<b>5,107.1</b>	<b>278.1</b>	<b>1,000.9</b>	<b>48.8</b>	<b>6.0</b>	<b>0.0</b>	<b>0.0</b>	<b>65</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>FY 08 Retirement Systems Rate Increases</b>												
	Inc	706.6	706.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		326.3										
1007 I/A Rcpts		8.9										
1052 Oil/Haz Fd		371.4										

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Contaminated Sites Program (2386)  
**RDU:** Spill Prevention and Response (208)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Retirement systems rate increases applicable to this component: \$706.6												
	<b>Subtotal</b>	<b>7,147.5</b>	<b>5,813.7</b>	<b>278.1</b>	<b>1,000.9</b>	<b>48.8</b>	<b>6.0</b>	<b>0.0</b>	<b>0.0</b>	<b>65</b>	<b>0</b>	<b>0</b>
***** Changes From FY2008 Governor To FY2008 Governor Amended *****												
<b>Market Based Pay</b>												
	SalAdj	23.5	23.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1052 Oil/Haz Fd		23.5										
Effective December 1, 2006 certain State positions received increases in base salary rates in an attempt to make recruitment more competitive with private sector, including Engineers and Veterinarians. DEC's budget includes approximately 70 affected positions.												
Funding is requested from various funding sources in the impacted components for the increase in market based pay as follows: Laboratory Services - \$14.3; Drinking Water - 78.4; Solid Waste Management - \$5.6; Air Quality - \$113.5; Contaminated Sites - \$23.5; Industry Preparedness & Pipeline Operations - \$35.2; Water Quality - \$111.0; and Facility Construction - \$121.8.												
	<b>Totals</b>	<b>7,171.0</b>	<b>5,837.2</b>	<b>278.1</b>	<b>1,000.9</b>	<b>48.8</b>	<b>6.0</b>	<b>0.0</b>	<b>0.0</b>	<b>65</b>	<b>0</b>	<b>0</b>

## Change Record Detail - Multiple Scenarios With Description

### 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		
										PFT	PPT	NP
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	3,673.0	2,928.2	221.4	471.7	35.7	16.0	0.0	0.0	36	1	0
1002 Fed Rcpts		117.8										
1007 I/A Rcpts		344.1										
1052 Oil/Haz Fd		2,861.1										
1166 Vessel Com		350.0										
	<b>Subtotal</b>	<b>3,673.0</b>	<b>2,928.2</b>	<b>221.4</b>	<b>471.7</b>	<b>35.7</b>	<b>16.0</b>	<b>0.0</b>	<b>0.0</b>	<b>36</b>	<b>1</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870374 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	16.0	-16.0	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
<b>ADN 1870384 Providing expertise for Pipeline Corrosion Monitoring</b>												
	Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
An unused position, established in the FY2003 Governor's budget for an expected gasoline project, is available for transfer from Information and Administrative Services to meet immediate needs for a pipeline corrosion specialist. The position will serve as a technical expert in pipeline corrosion and integrity management on a Governor's team of experts from multiple departments. The team is being established to enhance the State's ability to maintain and monitor North Slope oil pipeline integrity.												
<b>ADN 1870384 Improved customer service in the Anchorage Office</b>												
	Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
This transfer of a position to the Information and Administrative Services component allows for establishment of a departmental receptionist position for the Anchorage Office Building. This was determined to be necessary after several months of reviewing possible ways to best service the public and others.												
A request to transfer associated Inter-Agency Receipts, currently uncollectible in the Industry Preparedness and Pipeline Operations component, will be made in the Governor's FY2008 Operating Budget to fund the position and improve customer service.												
<b>ADN 1870384 Realign Position Based on Changing Duties</b>												
	Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
This transaction changes the home component of a position. This split funded position was originally established and has been home componented in the Industry Preparedness and Pipeline Operations component to focus on oil drilling mud pit closure work. Statutory authority and associated regulation for mud pit closures are found in the Solid Waste regulations. Because of this, the position has reported to and worked within the Solid Waste program. Over time, pit closure work has declined and will continue to decline for the next 5 years as the finite number of pits are closed. The position's duties have begun transition to Solid Waste program work so, the home component is better aligned in the Solid Waste Component.												
<b>ADN 1870375 Funding for increasing contractual expenditures.</b>												
	LIT	0.0	0.0	-69.8	94.7	-24.9	0.0	0.0	0.0	0	0	0
This transaction will align authorization with actual expenditures for annually increasing contractual expenditures within this component. Authority is available because of continued refinement of the program operations.												

## Change Record Detail - Multiple Scenarios With Description

### 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	

**ADN 1870373 Federal Authority for the UST Grant**

1002 Fed Rcpts	Trin	70.0	26.7	5.5	35.8	2.0	0.0	0.0	0.0	0	0	0
		70.0										

In fiscal year 2006 there was a realignment of resources between the Contaminated Sites (CS) program and the Industry Preparedness & Pipeline Operations program (IPP), moving the function and responsibility for underground storage tank inspections from the (CS) component to the (IPP) component, where they are more consistent with program operations. This transfer in of federal authorization will allow IPP to manage the full grant amount within this component.

	<b>Subtotal</b>	<b>3,743.0</b>	<b>2,954.9</b>	<b>157.1</b>	<b>602.2</b>	<b>28.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>35</b>	<b>1</b>	<b>0</b>
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\*\*\*\*\* Changes From FY2007 Management Plan To FY2008 Governor \*\*\*\*\*

**Funding Improved customer service in the Anchorage Office**

1007 I/A Rcpts	Trout	-49.0	-49.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		-49.0										

In the FY2007 Management Plan a position was transferred, without funding, from the Industry Preparedness and Pipeline Operations component to establish a departmental receptionist position for the Anchorage Office Building. This was determined to be necessary after several months of reviewing possible ways to best service the public and others.

The position was funded in FY2007 through an unbudgeted RSA. This action completes the Management Plan transaction with transfer of associated Inter-Agency Receipts, currently uncollectible in the Industry Preparedness and Pipeline Operations component, to fully fund the position.

**Oil and Gas Integrity Management**

1007 I/A Rcpts	Inc	1,240.3	953.9	71.1	190.3	25.0	0.0	0.0	0.0	10	0	0
		1,240.3										

Alaska is experiencing a significant increase in issues concerning integrity management of aging oil production and transportation infrastructure within the state. The number of spills from oil exploration and production facilities is increasing annually. As the average age of Alaska's pipelines and production facilities increases, maintenance issues and oversight of system integrity becomes vitally important to ensure continued safe operation and to reduce the number and severity of oil spills. Aggressive oversight is also important to ensure that revenues from oil production not be reduced or stopped due to inadequate industry maintenance and operational processes.

Along with aging oil transportation infrastructure issues, oil exploration in Alaska is currently on an upswing, necessitating additional resources to accommodate additional facilities and new oilfield operators unfamiliar with state pollution control requirements.

DEC is not keeping pace with the current level of oil and gas activities in Alaska and cannot keep up with the expected increased level of oil and gas integrity issues or exploration and development activities.

> Oil and gas facilities are not inspected for compliance with state environmental laws as thoroughly or as often as required to provide adequate oversight.

> The aging oil production infrastructure requires additional oversight to maintain compliance with state requirements.

## Change Record Detail - Multiple Scenarios With Description

### 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		
										PFT	PPT	NP

> The cumulative impact of oil and gas waste discharges to the air, from the North Slope industrial operations, have not been monitored or measured to assess the aggregate potential harm to land, water, vegetation, wildlife and humans.

> As new oilfield operators enter the state, significant compliance assistance is needed to make sure that state requirements are met.

> There is little communication or collaboration with industry and concerned stakeholders on the planning and design of projects to minimize environmental problems and take advantage of opportunities to promote environmentally responsible development.

> Much of the work carried out on the North Slope is made by contractors whose day to day activities are often not monitored or given departmental oversight due to the current lack of a full-time field presence of staff.

The oil and gas integrity management initiative funds new and enhanced services in the Divisions of Water, Air Quality, Spill Prevention and Response, and Environmental Health. Services fall in two areas 1) inspection, monitoring and compliance and 2) environmental planning, design and consultation.

Inspection, Monitoring and Compliance

DEC will:

#### ENVIRONMENTAL HEALTH

- Conduct inspections of solid waste units, including temporary storage facilities for drilling wastes and provide compliance assistance to North Slope facilities.
- Increase inspections for temporary storage, reserve pits, and grind-and-inject facilities.

#### WATER QUALITY

- Conduct water inspections and provide compliance assistance to North Slope facilities.
- Increase inspection rates for high priority wastewater discharges from 50% to 100%.
- Increase inspections for pad and road construction projects from 0% to 50% (approximately 50 projects).
- Conduct independent verification of effluent quality and verification of facility self-reporting on discharge monitoring reports.
- Evaluate ambient water quality through sampling and analyses.

#### SPILL PREVENTION AND RESPONSE

- Provide a continuous field presence to increase general oversight of all oil field operators including the numerous contractors currently employed by the oil companies.
- Increase the number of drills and exercises conducted to test and determine compliance with oil discharge prevention and contingency plans.
- Increase the number of on-site inspections conducted to determine compliance with discharge prevention.
- Increase inspections of regulated oil and gas facilities to ensure compliance with spill prevention requirements.
- Verify equipment and resources are available and ready in accordance with oil spill contingency plans.
- Increase technical oversight of operations and maintenance practices designed to prevent oil spills and unanticipated shutdowns.
- Investigate complaints on lack of proper oil and hazardous substance discharge prevention, preparedness, and cleanup.
- Increase on-site monitoring and oversight of cleanups and field responses to significant spills.
- Utilize third-party inspectors to assess leak detection and corrosion monitoring practices.
- Utilize third-party subject matter experts to assess and aid in correction of aging infrastructure-related problems.
- Conduct engineering review of pipeline corrosion management planning.
- Implement new regulations for oil flow lines.

Environmental Planning, Design and Consultation



## Change Record Detail - Multiple Scenarios With Description

### 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		
										PFT	PPT	NP

DEC will:

- Work proactively to identify potential environmental and public health issues early in the lease sale planning process when changes can be most effective in preventing future pollution problems.
- Review plans and statements for lease sale plans to identify and avoid or mitigate potential air, land and water quality effects.
- Identify and resolve potential environmental and public health issues early when changes to project designs can be most effective in preventing future pollution problems.
- Review and prepare a single coordinated and consolidated response.
- Develop and implement assessments of the cumulative effects of oil and gas activities on Alaska's environment.
- Increase its participation with stakeholder workgroups to resolve.

**ENVIRONMENTAL HEALTH**

- Complete review and evaluation of plans for solid waste storage facilities. Plans include engineering plans and specifications, operations plans, and closure plans, including monitoring requirements.

**WATER QUALITY**

- Evaluate best available technologies to reduce waste quantity and toxicity.

**SPILL PREVENTION AND RESPONSE**

- Develop standardized technical manuals, scenario guidelines and assumptions.
- Provide technical assistance for contingency plan review.
- Provide full time, on-site technical assistance to industry and consultants.
- Develop educational materials and conduct stakeholder outreach.
- Establish minimum design and construction performance standards for oil spill prevention.
- Review oil and gas leases, plans of operation and EIS reviews to insure adequate measures are in place for spill prevention and response.

The oil and gas integrity management initiative funds new and enhanced services in the Industry Preparedness and Pipeline Operations component as follows:

- Implement engineering evaluation and review of corrosion management programs for 1,500 miles of flowlines on the North Slope and Cook Inlet oil and gas fields which are subject to new state regulations.
- Implement and increase technical field inspections and compliance monitoring of new oil spill prevention requirements.
- Increase verification of response capability for exploration, production, and refinery facilities by 15%.
- Increase engineering support for design review of new flowline installations and leak detection systems for crude oil transmission pipelines.
- Complete specialized training requiring certification for inspection of pipelines and bulk fuel storage facilities.
- Conduct independent third party audits of corrosion management and other spill prevention requirements for regulated facilities to ensure integrity of oil and gas operations and protection of the environment.

**Funding Improved customer service in the Fairbanks Office**

1007 I/A Rcpts	Trout	-50.6	-50.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
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A position was transferred during Management Plan from the Prevention and Emergency Response component to align supervision and allow establishment of a departmental receptionist position for the Fairbanks Office. This was determined to be necessary after several months of reviewing possible ways to best service the public and others.

## Change Record Detail - Multiple Scenarios With Description

### 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		
										PFT	PPT	NP

The position was funded with an unbudgeted RSA in FY2007. This transaction transfers Inter-Agency Receipts from the Industry Preparedness and Pipeline Operations component (where it is uncollectible) to the Food Safety and Sanitation component where it can be used to fund the position and improve customer service.

**FY 08 Retirement Systems Rate Increases**

Inc	414.1	414.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts	20.5											
1007 I/A Rcpts	38.6											
1052 Oil/Haz Fd	355.0											

Retirement systems rate increases applicable to this component: \$414.1

<b>Subtotal</b>	<b>5,297.8</b>	<b>4,223.3</b>	<b>228.2</b>	<b>792.5</b>	<b>53.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>45</b>	<b>1</b>	<b>0</b>
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\*\*\*\*\* **Changes From FY2008 Governor To FY2008 Governor Amended** \*\*\*\*\*

**Additional Resources for Compliance Oversight and North Slope Flow Line Integrity**

Inc	606.5	496.1	14.7	84.7	11.0	0.0	0.0	0.0	0.0	4	0	0
1004 Gen Fund	606.5											

The Alaska Department of Environmental Conservation (ADEC), under AS 46.03 and 46.04, provides regulatory oversight of oil and gas exploration, production, refining, transportation, and storage within Alaska, including protective standards for the construction and operation of certain oil pipelines.

Substantial revisions to the oil spill prevention regulations have recently been completed that subject multi-phase and produced water pipelines, generally referred to as flow lines, to new requirements for design, construction and operation. There are approximately 1,500 miles of these multi-phase pipelines within the State.

The primary focus of two Governor's amendments is for compliance oversight and integrity of North Slope flow lines. One provides funding in the Information and Administrative Services component for a civil investigator position tasked with focusing on civil investigation, compliance and enforcement of Alaskan oil and hazardous substance pollution control statutes and regulations for the oil and gas sector.

This amendment provides the Industry Preparedness and Pipeline Operations (IPP) component with additional inspection and engineering staff and appropriate equipment and training to:

- conduct engineering evaluations of flow lines to determine compliance with industry and regulatory standards;
- review operator flow line corrosion management programs;
- assess corrosion susceptibility and pipeline integrity of individual flow lines;
- conduct flow line technical field inspections;
- conduct compliance monitoring of flow line operations;
- verify adequacy of flow line integrity management programs;
- review and assess adequacy of leak detection systems for flow lines and crude oil transmission pipelines;
- conduct independent third party audits of flow line corrosion management programs;
- review and evaluate flow line design, construction and operation;
- increase inspection oversight for all spill prevention requirements for flow lines and oil exploration and production facilities, oil terminals and provide a greater regulatory presence; and,
- provide in-house expertise to the Department regarding this highly specialized engineering subject.

## Change Record Detail - Multiple Scenarios With Description

### 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		
										PFT	PPT	NP

The IPP transaction includes one Environmental Program Specialist IV that will conduct and supervise all field inspection, compliance and verification activities for more than 1,500 miles of multi-phase flow lines and other spill prevention requirements for oil exploration and production facilities. Three engineering positions are included to conduct engineering evaluations of flow lines and other spill prevention requirements for oil exploration and production facilities and integrity assessment of pipelines and oil storage tanks. Aging infrastructure and new regulations combine to place an increased emphasis on the subject of corrosion management. This is a highly technical subject which can only be properly addressed by additional specialized engineering staff. Tank and pipeline leak detection systems also require highly specialized engineering knowledge.

Increased engineering and technical inspection support will allow ADEC to conduct independent audits of pipeline integrity programs to assess corrosion and ensure the integrity of flow lines and other regulated facilities. Arctic conditions generally dictate designs which make Alaska's pipeline systems configurations unique within the United States. Creating and maintaining in-house expertise is vital to ensure uninterrupted production of state resources.

This request also provides:

- Funding in the IPP component to allow engineering staff to consult with subject matter experts on distinct projects related to complex corrosion inspection data analysis and other highly technical regulatory compliance issues. Additionally, the engineering staff will conduct independent audits of pipeline integrity programs employed by the facility operators.

- Funding in the IPP component for a DEC liaison officer to work with the Petroleum Systems Integrity Office (PSIO) Coordinator, located in the Department of Natural Resources. The coordinator is the lead official in exercising oversight supporting the sustained production and transportation of Alaska's oil and gas resources where these functions are not performed by any other agency.

- The DEC liaison will work closely with the PSIO on petroleum infrastructure issues including maintenance and corrosion management. Moreover, the liaison officer is the primary point of contact for the department and will participate in identifying DEC's detailed statutory and regulatory authority and practices. This also includes identifying any gaps in statutes, regulations or oversight regarding oil and gas infrastructure activities.

#### Withdraw Oil and Gas Pipeline Integrity Increment

Dec	-1,240.3	-953.9	-71.1	-190.3	-25.0	0.0	0.0	0.0	-10	0	0
1007 I/A Rcpts	-1,240.3										

Additional resources to allow DEC to increase effort toward oil and gas pipeline integrity management were originally requested (as required by AO229) through DNR's operating budget. DNR's intent was to contract with DEC for these services. DNR has removed their funding requests for DEC's items and this transaction deletes DEC's associated interagency receipts.

DEC has reviewed its needs with respect to its role in petroleum system integrity and developed new requests in two components, Information and Administrative Services and Industry Preparedness and Pipeline Operations, to assure adequate staffing and resources for compliance oversight and integrity of North Slope flow lines.

#### Market Based Pay

SalAdj	35.2	35.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts	19.2										
1052 Oil/Haz Fd	16.0										

Effective December 1, 2006 certain State positions received increases in base salary rates in an attempt to make recruitment more competitive with private sector, including Engineers and Veterinarians. DEC's budget includes approximately 70 affected positions.

**Change Record Detail - Multiple Scenarios With Description**

**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			
										PFT	PPT	NP	
Funding is requested from various funding sources in the impacted components for the increase in market based pay as follows: Laboratory Services - \$14.3; Drinking Water - \$78.4; Solid Waste Management - \$5.6; Air Quality - \$113.5; Contaminated Sites - \$23.5; Industry Preparedness & Pipeline Operations - \$35.2; Water Quality - \$111.0; and Facility Construction - \$121.8.													
		<b>Totals</b>	<b>4,699.2</b>	<b>3,800.7</b>	<b>171.8</b>	<b>686.9</b>	<b>39.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>39</b>	<b>1</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Prevention and Emergency Response (2064)  
**RDU:** Spill Prevention and Response (208)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
1052 Oil/Haz Fd	ConfCom	3,835.8	3,011.3	208.0	425.7	86.4	104.4	0.0	0.0	37	0	0
		3,835.8										
	<b>Subtotal</b>	<b>3,835.8</b>	<b>3,011.3</b>	<b>208.0</b>	<b>425.7</b>	<b>86.4</b>	<b>104.4</b>	<b>0.0</b>	<b>0.0</b>	<b>37</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870376 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	84.4	-84.4	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
<b>ADN 1870384 Improved customer service in the Fairbanks Office</b>												
	Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
A position is being transferred to the Food Safety and Sanitation component to align supervision and allow establishment of a departmental receptionist position for the Fairbanks Office. This was determined to be necessary after several months of reviewing possible ways to best service the public and others.												
A FY2008 Governor's budget transaction will be requested transferring Inter-Agency Receipts from the Industry Preparedness and Pipeline Operations component (where it is uncollectible) to the Food Safety and Sanitation component where it can be used to fund the position and improve customer service.												
<b>ADN 1870377 Funding for increasing contractual expenditures</b>												
	LIT	0.0	0.0	-76.5	197.3	-120.8	0.0	0.0	0.0	0	0	0
The transfer of authorization is necessary to cover contractual obligations. Each year these expenses increase and it is now necessary to realign our authority to more closely match expenditures. Authority is available because of continued refinement of program operations. This transaction will align authorization with actual expenditures within this component.												
	<b>Subtotal</b>	<b>3,835.8</b>	<b>3,011.3</b>	<b>131.5</b>	<b>623.0</b>	<b>50.0</b>	<b>20.0</b>	<b>0.0</b>	<b>0.0</b>	<b>36</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>Oil and Gas Integrity Management</b>												
1007 I/A Rcpts	Inc	500.8	274.8	147.4	76.6	2.0	0.0	0.0	0.0	3	0	0
		500.8										
Alaska is experiencing a significant increase in issues concerning integrity management of aging oil production and transportation infrastructure within the state. The number of spills from oil exploration and production facilities is increasing annually. As the average age of Alaska's pipelines and production facilities increases, maintenance issues and oversight of system integrity becomes vitally important to ensure continued safe operation and to reduce the number and severity of oil spills. Aggressive oversight is also important to ensure that revenues from oil production not be reduced or stopped due to inadequate industry maintenance and operational processes.												
Along with aging oil transportation infrastructure issues, oil exploration in Alaska is currently on an upswing, necessitating additional resources to accommodate additional facilities and new oilfield operators unfamiliar with state pollution control requirements.												

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Prevention and Emergency Response (2064)  
**RDU:** Spill Prevention and Response (208)

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

DEC is not keeping pace with the current level of oil and gas activities in Alaska and cannot keep up with the expected increased level of oil and gas integrity issues or exploration and development activities.

- > Oil and gas facilities are not inspected for compliance with state environmental laws as thoroughly or as often as required to provide adequate oversight.
- > The aging oil production infrastructure requires additional oversight to maintain compliance with state requirements.
- > The cumulative impact of oil and gas waste discharges to the air, from the North Slope industrial operations, have not been monitored or measured to assess the aggregate potential harm to land, water, vegetation, wildlife and humans.
- > As new oilfield operators enter the state, significant compliance assistance is needed to make sure that state requirements are met.
- > There is little communication or collaboration with industry and concerned stakeholders on the planning and design of projects to minimize environmental problems and take advantage of opportunities to promote environmentally responsible development.
- > Much of the work carried out on the North Slope is made by contractors whose day to day activities are often not monitored or given departmental oversight due to the current lack of a full-time field presence of staff.

The oil and gas integrity management initiative funds new and enhanced services in the Divisions of Water, Air Quality, Spill Prevention and Response, and Environmental Health. Services fall in two areas 1) inspection, monitoring and compliance and 2) environmental planning, design and consultation.

Inspection, Monitoring and Compliance

DEC will:

**ENVIRONMENTAL HEALTH**

- Conduct inspections of solid waste units, including temporary storage facilities for drilling wastes and provide compliance assistance to North Slope facilities.
- Increase inspections for temporary storage, reserve pits, and grind-and-inject facilities.

**WATER QUALITY**

- Conduct water inspections and provide compliance assistance to North Slope facilities.
- Increase inspection rates for high priority wastewater discharges from 50% to 100%.
- Increase inspections for pad and road construction projects from 0% to 50% (approximately 50 projects).
- Conduct independent verification of effluent quality and verification of facility self-reporting on discharge monitoring reports.
- Evaluate ambient water quality through sampling and analyses.

**SPILL PREVENTION AND RESPONSE**

- Provide a continuous field presence to increase general oversight of all oil field operators including the numerous contractors currently employed by the oil companies.
- Increase the number of drills and exercises conducted to test and determine compliance with oil discharge prevention and contingency plans.
- Increase the number of on-site inspections conducted to determine compliance with discharge prevention.
- Increase inspections of regulated oil and gas facilities to ensure compliance with spill prevention requirements.

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Prevention and Emergency Response (2064)  
**RDU:** Spill Prevention and Response (208)

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

- Verify equipment and resources are available and ready in accordance with oil spill contingency plans.
- Increase technical oversight of operations and maintenance practices designed to prevent oil spills and unanticipated shutdowns.
- Investigate complaints on lack of proper oil and hazardous substance discharge prevention, preparedness, and cleanup.
- Increase on-site monitoring and oversight of cleanups and field responses to significant spills.
- Utilize third-party inspectors to assess leak detection and corrosion monitoring practices.
- Utilize third-party subject matter experts to assess and aid in correction of aging infrastructure-related problems.
- Conduct engineering review of pipeline corrosion management planning.
- Implement new regulations for oil flow lines.

Environmental Planning, Design and Consultation

DEC will:

- Work proactively to identify potential environmental and public health issues early in the lease sale planning process when changes can be most effective in preventing future pollution problems.
- Review plans and statements for lease sale plans to identify and avoid or mitigate potential air, land and water quality effects.
- Identify and resolve potential environmental and public health issues early when changes to project designs can be most effective in preventing future pollution problems.
- Review and prepare a single coordinated and consolidated response.
- Develop and implement assessments of the cumulative effects of oil and gas activities on Alaska's environment.
- Increase its participation with stakeholder workgroups to resolve.

ENVIRONMENTAL HEALTH

- Complete review and evaluation of plans for solid waste storage facilities. Plans include engineering plans and specifications, operations plans, and closure plans, including monitoring requirements.

WATER QUALITY

- Evaluate best available technologies to reduce waste quantity and toxicity.

SPILL PREVENTION AND RESPONSE

- Develop standardized technical manuals, scenario guidelines and assumptions.
- Provide technical assistance for contingency plan review.
- Provide full time, on-site technical assistance to industry and consultants.
- Develop educational materials and conduct stakeholder outreach.
- Establish minimum design and construction performance standards for oil spill prevention.
- Review oil and gas leases, plans of operation and EIS reviews to insure adequate measures are in place for spill prevention and response.

The oil and gas integrity management initiative funds new and enhanced services in the Prevention and Emergency Response component as follows:

- Day-to-day presence of DEC personnel on the North Slope to ensure operations are conducted in a safe and environmentally sound manner.
- Increase in inspections and monitoring of the aging infrastructure.
- Increase inspections of spill response equipment.
- Increased monitoring of spill responses and cleanups.
- Increased monitoring of industry training and spill drills.
- Provides for immediate technical assistance.

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Prevention and Emergency Response (2064)  
**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	
<b>FY 08 Retirement Systems Rate Increases</b>												
	Inc	422.1	422.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1052 Oil/Haz Fd		422.1										
Retirement systems rate increases applicable to this component: \$422.1												
	<b>Subtotal</b>	<b>4,758.7</b>	<b>3,708.2</b>	<b>278.9</b>	<b>699.6</b>	<b>52.0</b>	<b>20.0</b>	<b>0.0</b>	<b>0.0</b>	<b>39</b>	<b>0</b>	<b>0</b>
***** <b>Changes From FY2008 Governor To FY2008 Governor Amended</b> *****												
<b>Withdraw Oil and Gas Pipeline Integrity Increment</b>												
	Dec	-500.8	-274.8	-147.4	-76.6	-2.0	0.0	0.0	0.0	-3	0	0
1007 I/A Rcpts		-500.8										
Additional resources to allow DEC to increase effort toward oil and gas pipeline integrity management were originally requested (as required by AO229) through DNR's operating budget. DNR's intent was to contract with DEC for these services. DNR has removed their funding requests for DEC's items and this transaction deletes DEC's associated interagency receipts.												
DEC has reviewed its needs with respect to its role in petroleum system integrity and developed new requests in two components, Information and Administrative Services and Industry Preparedness and Pipeline Operations, to assure adequate staffing and resources for compliance oversight and integrity of North Slope flow lines.												
	<b>Totals</b>	<b>4,257.9</b>	<b>3,433.4</b>	<b>131.5</b>	<b>623.0</b>	<b>50.0</b>	<b>20.0</b>	<b>0.0</b>	<b>0.0</b>	<b>36</b>	<b>0</b>	<b>0</b>



**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Response Fund Administration (2259)  
**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 FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	1,492.7	391.3	7.5	1,089.9	2.0	2.0	0.0	0.0	5	0	0
1002 Fed Rcpts		38.4										
1052 Oil/Haz Fd		1,454.3										
	<b>Subtotal</b>	<b>1,492.7</b>	<b>391.3</b>	<b>7.5</b>	<b>1,089.9</b>	<b>2.0</b>	<b>2.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870378 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	2.0	-2.0	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
	<b>Subtotal</b>	<b>1,492.7</b>	<b>391.3</b>	<b>7.5</b>	<b>1,089.9</b>	<b>4.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>FY 08 Retirement Systems Rate Increases</b>												
	Inc	54.6	54.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		1.3										
1052 Oil/Haz Fd		53.3										
Retirement systems rate increases applicable to this component: \$54.6												
	<b>Subtotal</b>	<b>1,547.3</b>	<b>445.9</b>	<b>7.5</b>	<b>1,089.9</b>	<b>4.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5</b>	<b>0</b>	<b>0</b>
***** Changes From FY2008 Governor To FY2008 Governor Amended *****												
	<b>Totals</b>	<b>1,547.3</b>	<b>445.9</b>	<b>7.5</b>	<b>1,089.9</b>	<b>4.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5</b>	<b>0</b>	<b>0</b>

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Water Quality (2062)  
**RDU:** Water (210)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	11,004.8	6,341.5	573.0	3,363.4	117.5	128.0	481.4	0.0	80	0	0
1002 Fed Rcpts		4,625.9										
1003 G/F Match		415.3										
1004 Gen Fund		4,303.1										
1005 GF/Prgm		771.6										
1007 I/A Rcpts		198.1										
1108 Stat Desig		77.4										
1166 Vessel Com		613.4										
<b>Subtotal</b>		<b>11,004.8</b>	<b>6,341.5</b>	<b>573.0</b>	<b>3,363.4</b>	<b>117.5</b>	<b>128.0</b>	<b>481.4</b>	<b>0.0</b>	<b>80</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870381 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	111.2	-111.2	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
<b>ADN 1870384 Improved customer service in the Wasilla Office</b>												
	Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
This transaction transfers a position from the Drinking Water component to align supervision and allow establishment of a departmental receptionist position for the Wasilla Office. This was determined to be necessary after several months of reviewing possible ways to best service the public and others. Funding for the position is split between the divisions of Environmental Health, Spill Prevention and Response and Water.												
<b>ADN 1870382 Align Authorization with Program Work Plans</b>												
	LIT	0.0	0.0	-200.0	200.0	0.0	0.0	0.0	0.0	0	0	0
This line item transfer aligns authorization with the program's work plan and expected expenditures.												
<b>Subtotal</b>		<b>11,004.8</b>	<b>6,341.5</b>	<b>373.0</b>	<b>3,563.4</b>	<b>228.7</b>	<b>16.8</b>	<b>481.4</b>	<b>0.0</b>	<b>81</b>	<b>0</b>	<b>0</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>Implementation of Ocean Ranger Program</b>												
	Inc	5,600.0	373.5	55.0	4,931.5	240.0	0.0	0.0	0.0	4	0	0
1004 Gen Fund		2,000.0										
1166 Vessel Com		3,600.0										
This transaction implements the Cruise Ship Ballot Initiative. The initiative passed in August, 2006, requires DEC to develop and maintain a new permit program for Large Commercial Passenger Vessels ("cruise ships") to replace the current program for regulating these vessels. It would also require DEC to place marine engineers ("Ocean Rangers") licensed by the Coast Guard on the cruise ships to monitor compliance with State and Federal environmental laws. Two marine engineers working alternating twelve-hour shifts would be placed on each cruise ship operating in Alaska waters.												

The greatest challenge for implementation of the ballot measure is hiring experienced, licensed Ocean Rangers. These are likely to be specialized marine

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Water Quality (2062)  
**RDU:** Water (210)

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

engineers in short supply in Alaska. Contracting them, initially phasing in both the workers and their on-board shifts, is likely. Revised regulations, permits, and new databases/on-line permit applications must be developed.

Effective 12/2006, the initiative requires DEC to set up and run the Ocean Ranger program. The initiative also contains language permitting civilian suits if the program is not implemented. Funding, provided through a \$4/berth head tax (estimated 3.6 million to be deposited to the Commercial Passenger Vessel Fund), is approx 2.0 million less than the estimated cost of the program (5.6 million). The CPVF does not contain resources to cover the shortage but, other fees imposed by the ballot initiative have the potential to generate and estimated 18.0 million or more in excess revenues to the State. This transaction provides the 2.0 million dollar balance of funding needed to implement the program from the general fund.

**Oil and Gas Integrity Management**

	Inc	153.0	75.0	40.0	13.0	15.0	10.0	0.0	0.0	1	0	0
1007 I/A Rcpts		153.0										

Alaska is experiencing a significant increase in issues concerning integrity management of aging oil production and transportation infrastructure within the state. The number of spills from oil exploration and production facilities is increasing annually. As the average age of Alaska's pipelines and production facilities increases, maintenance issues and oversight of system integrity becomes vitally important to ensure continued safe operation and to reduce the number and severity of oil spills. Aggressive oversight is also important to ensure that revenues from oil production not be reduced or stopped due to inadequate industry maintenance and operational processes.

Along with aging oil transportation infrastructure issues, oil exploration in Alaska is currently on an upswing, necessitating additional resources to accommodate additional facilities and new oilfield operators unfamiliar with state pollution control requirements.

DEC is not keeping pace with the current level of oil and gas activities in Alaska and cannot keep up with the expected increased level of oil and gas integrity issues or exploration and development activities.

- > Oil and gas facilities are not inspected for compliance with state environmental laws as thoroughly or as often as required to provide adequate oversight.

- > The aging oil production infrastructure requires additional oversight to maintain compliance with state requirements.

- > The cumulative impact of oil and gas waste discharges to the air, from the North Slope industrial operations, have not been monitored or measured to assess the aggregate potential harm to land, water, vegetation, wildlife and humans.

- > As new oilfield operators enter the state, significant compliance assistance is needed to make sure that state requirements are met.

- > There is little communication or collaboration with industry and concerned stakeholders on the planning and design of projects to minimize environmental problems and take advantage of opportunities to promote environmentally responsible development.

- > Much of the work carried out on the North Slope is made by contractors whose day to day activities are often not monitored or given departmental oversight due to the current lack of a full-time field presence of staff.

The oil and gas integrity management initiative funds new and enhanced services in the Divisions of Water, Air Quality, Spill Prevention and Response, and Environmental Health. Services fall in two areas 1) inspection, monitoring and compliance and 2) environmental planning, design and consultation.

Inspection, Monitoring and Compliance

## Change Record Detail - Multiple Scenarios With Description

### Department of Environmental Conservation

**Component:** Water Quality (2062)

**RDU:** Water (210)

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

DEC will:

#### ENVIRONMENTAL HEALTH

- Conduct inspections of solid waste units, including temporary storage facilities for drilling wastes and provide compliance assistance to North Slope facilities.
- Increase inspections for temporary storage, reserve pits, and grind-and-inject facilities.

#### WATER QUALITY

- Conduct water inspections and provide compliance assistance to North Slope facilities.
- Increase inspection rates for high priority wastewater discharges from 50% to 100%.
- Increase inspections for pad and road construction projects from 0% to 50% (approximately 50 projects).
- Conduct independent verification of effluent quality and verification of facility self-reporting on discharge monitoring reports.
- Evaluate ambient water quality through sampling and analyses.

#### SPILL PREVENTION AND RESPONSE

- Provide a continuous field presence to increase general oversight of all oil field operators including the numerous contractors currently employed by the oil companies.
- Increase the number of drills and exercises conducted to test and determine compliance with oil discharge prevention and contingency plans.
- Increase the number of on-site inspections conducted to determine compliance with discharge prevention.
- Increase inspections of regulated oil and gas facilities to ensure compliance with spill prevention requirements.
- Verify equipment and resources are available and ready in accordance with oil spill contingency plans.
- Increase technical oversight of operations and maintenance practices designed to prevent oil spills and unanticipated shutdowns.
- Investigate complaints on lack of proper oil and hazardous substance discharge prevention, preparedness, and cleanup.
- Increase on-site monitoring and oversight of cleanups and field responses to significant spills.
- Utilize third-party inspectors to assess leak detection and corrosion monitoring practices.
- Utilize third-party subject matter experts to assess and aid in correction of aging infrastructure-related problems.
- Conduct engineering review of pipeline corrosion management planning.
- Implement new regulations for oil flow lines.

#### Environmental Planning, Design and Consultation

DEC will:

- Work proactively to identify potential environmental and public health issues early in the lease sale planning process when changes can be most effective in preventing future pollution problems.
- Review plans and statements for lease sale plans to identify and avoid or mitigate potential air, land and water quality effects.
- Identify and resolve potential environmental and public health issues early when changes to project designs can be most effective in preventing future pollution problems.
- Review and prepare a single coordinated and consolidated response.
- Develop and implement assessments of the cumulative effects of oil and gas activities on Alaska's environment.
- Increase its participation with stakeholder workgroups to resolve.

#### ENVIRONMENTAL HEALTH

- Complete review and evaluation of plans for solid waste storage facilities. Plans include engineering plans and specifications, operations plans, and closure plans, including monitoring requirements.

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Water Quality (2062)  
**RDU:** Water (210)

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

WATER QUALITY

- Evaluate best available technologies to reduce waste quantity and toxicity.

SPILL PREVENTION AND RESPONSE

- Develop standardized technical manuals, scenario guidelines and assumptions.
- Provide technical assistance for contingency plan review.
- Provide full time, on-site technical assistance to industry and consultants.
- Develop educational materials and conduct stakeholder outreach.
- Establish minimum design and construction performance standards for oil spill prevention.
- Review oil and gas leases, plans of operation and EIS reviews to insure adequate measures are in place for spill prevention and response.

The oil and gas integrity management initiative funds new and enhanced services in the Water Quality component as follows:

- Water inspections and compliance assistance to North Slope facilities.
- Increased rate of inspections for high priority wastewater discharges from 50% to 100%.
- Increase inspections for pad and road construction projects from 0% to 50% (approximately 50 projects).
- Independent verification of effluent quality and verification of facility self-reporting on discharge monitoring reports.
- Evaluation of ambient water quality through sampling and analyses.
- Evaluation of best available technologies to reduce waste quantity and toxicity.

**Fund Source Adjustment for Retirement Systems Increases**

	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	70.3											
1005 GF/Prgm	-70.3											

Given fee rates and the last two years experience with collections, increases to GFPR will be uncollectible. FY2005 budgeted authority was approximately 100.0 in excess of collections and FY2006, while better, was still 40.0 in excess of collections. A fund source change from general fund program receipts to general funds is being requested.

**FY 08 Retirement Systems Rate Increases**

	Inc	888.7	888.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts	298.8											
1003 G/F Match	43.3											
1004 Gen Fund	420.0											
1005 GF/Prgm	70.3											
1007 I/A Rcpts	21.1											
1166 Vessel Com	35.2											

Retirement systems rate increases applicable to this component: \$888.7

<b>Subtotal</b>	<b>17,646.5</b>	<b>7,678.7</b>	<b>468.0</b>	<b>8,507.9</b>	<b>483.7</b>	<b>26.8</b>	<b>481.4</b>	<b>0.0</b>	<b>86</b>	<b>0</b>	<b>0</b>
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\*\*\*\*\* Changes From FY2008 Governor To FY2008 Governor Amended \*\*\*\*\*

**Implementation of Ocean Ranger Program**

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Water Quality (2062)  
**RDU:** Water (210)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-2,000.0										
1166 Vessel Com		2,000.0										

The Governor's FY2008 operating budget contains funding to fully implement the new Ocean Ranger program established by Ballot Measure #2. The measure, effective 12/2006, provided funding for the program through a \$4/berth head tax (estimated \$3.6 million to be deposited to the Commercial Passenger Vessel Fund) but the estimated annual cost of the program is \$5.6 million, approx \$2.0 million less than estimated annual receipts from the head tax. The original transaction in the Governor's budget provided \$3.6 million in CPV funding (head tax revenue) and an additional \$2.0 million in GF to cover the balance needed to implement the program.

A subsequent review of the revenue flow suggests that there will be sufficient CPV funding from initial collections in FY2007 (after deduction of initial FY2007 program implementation costs) to support the balance needed for FY2008 without seeking GF. This transaction changes the original GF request to CPVF.

**Withdraw Oil and Gas Pipeline Integrity Increment**

	Dec	-153.0	-75.0	-40.0	-13.0	-15.0	-10.0	0.0	0.0	-1	0	0
1007 I/A Rcpts		-153.0										

Additional resources to allow DEC to increase effort toward oil and gas pipeline integrity management were originally requested (as required by AO229) through DNR's operating budget. DNR's intent was to contract with DEC for these services. DNR has removed their funding requests for DEC's items and this transaction deletes DEC's associated interagency receipts.

DEC has reviewed its needs with respect to its role in petroleum system integrity and developed new requests in two components, Information and Administrative Services and Industry Preparedness and Pipeline Operations, to assure adequate staffing and resources for compliance oversight and integrity of North Slope flow lines.

**Market Based Pay**

	SalAdj	111.0	111.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		20.7										
1003 G/F Match		3.6										
1004 Gen Fund		51.5										
1005 GF/Prgm		20.5										
1007 I/A Rcpts		7.7										
1166 Vessel Com		7.0										

Effective December 1, 2006 certain State positions received increases in base salary rates in an attempt to make recruitment more competitive with private sector, including Engineers and Veterinarians. DEC's budget includes approximately 70 affected positions.

Funding is requested from various funding sources in the impacted components for the increase in market based pay as follows: Laboratory Services - \$14.3; Drinking Water - \$78.4; Solid Waste Management - \$5.6; Air Quality - \$113.5; Contaminated Sites - \$23.5; Industry Preparedness & Pipeline Operations - \$35.2; Water Quality - \$111.0; and Facility Construction - \$121.8.

<b>Totals</b>		<b>17,604.5</b>	<b>7,714.7</b>	<b>428.0</b>	<b>8,494.9</b>	<b>468.7</b>	<b>16.8</b>	<b>481.4</b>	<b>0.0</b>	<b>85</b>	<b>0</b>	<b>0</b>
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**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Facility Construction (637)  
**RDU:** Water (210)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2007 Conference Committee To FY2007 Authorized *****												
<b>Conference Committee</b>												
	ConfCom	6,305.3	3,091.0	308.9	1,151.7	73.6	49.5	1,630.6	0.0	34	0	4
1002 Fed Rcpts		2,452.1										
1003 G/F Match		635.5										
1004 Gen Fund		291.4										
1005 GF/Prgm		57.1										
1061 CIP Rcpts		2,813.7										
1075 Clean Wtr		55.5										
	<b>Subtotal</b>	<b>6,305.3</b>	<b>3,091.0</b>	<b>308.9</b>	<b>1,151.7</b>	<b>73.6</b>	<b>49.5</b>	<b>1,630.6</b>	<b>0.0</b>	<b>34</b>	<b>0</b>	<b>4</b>
***** Changes From FY2007 Authorized To FY2007 Management Plan *****												
<b>ADN 1870379 Align Expenditure Authorization with Actual Expenditure Codes</b>												
	LIT	0.0	0.0	0.0	0.0	19.5	-19.5	0.0	0.0	0	0	0
This transaction aligns expenditure authorization for equipment and commodities with new state accounting system definitions for coding actual expenditures. Expenditures such as computers and software, previously coded as equipment, are now being coded as commodities.												
<b>ADN 1870380 Align Authorization with Program Work Plan</b>												
	LIT	0.0	0.0	-100.0	100.0	0.0	0.0	0.0	0.0	0	0	0
This line item transfer aligns authorization with the program's work plan and expected expenditures.												
	<b>Subtotal</b>	<b>6,305.3</b>	<b>3,091.0</b>	<b>208.9</b>	<b>1,251.7</b>	<b>93.1</b>	<b>30.0</b>	<b>1,630.6</b>	<b>0.0</b>	<b>34</b>	<b>0</b>	<b>4</b>
***** Changes From FY2007 Management Plan To FY2008 Governor *****												
<b>Operator Certification Program Funding Change</b>												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-92.5										
1003 G/F Match		92.5										
Until FY2008, the Operator Certification program has been 100% funded through a federal grant. That grant is no longer available but has been replaced by federal funding requiring a 50% State match. This transaction reduces federal authorization and increases general fund authorization to accommodate the new match requirement.												
The transaction does not increase the program but maintains the current level of service to to over 1,000 public water and wastewater utilities and approximately 3000 currently certified operators, and provides testing services for individuals hoping to enter the field. These activities ensure that water and wastewater facilities are operated by competent and certified individuals.												
<b>FY 08 Health Insurance Increases for Exempt Employees</b>												
	SalAdj	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		0.1										
1061 CIP Rcpts		0.2										

**Change Record Detail - Multiple Scenarios With Description**  
**Department of Environmental Conservation**

**Component:** Facility Construction (637)  
**RDU:** Water (210)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Health insurance increase from \$835/mo to \$851/mth applicable to this component: \$0.3												
<b>FY 08 Retirement Systems Rate Increases</b>												
	Inc	422.7	422.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		103.1										
1003 G/F Match		8.4										
1004 Gen Fund		33.4										
1061 CIP Rcpts		271.7										
1075 Clean Wtr		6.1										
Retirement systems rate increases applicable to this component: \$422.7												
	<b>Subtotal</b>	<b>6,728.3</b>	<b>3,514.0</b>	<b>208.9</b>	<b>1,251.7</b>	<b>93.1</b>	<b>30.0</b>	<b>1,630.6</b>	<b>0.0</b>	<b>34</b>	<b>0</b>	<b>4</b>
***** <b>Changes From FY2008 Governor To FY2008 Governor Amended</b> *****												
<b>Market Based Pay</b>												
	SalAdj	121.8	121.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		20.7										
1061 CIP Rcpts		99.2										
1075 Clean Wtr		1.9										
Effective December 1, 2006 certain State positions received increases in base salary rates in an attempt to make recruitment more competitive with private sector, including Engineers and Veterinarians. DEC's budget includes approximately 70 affected positions.												
Funding is requested from various funding sources in the impacted components for the increase in market based pay as follows: Laboratory Services - \$14.3; Drinking Water - \$78.4; Solid Waste Management - \$5.6; Air Quality - \$113.5; Contaminated Sites - \$23.5; Industry Preparedness & Pipeline Operations - \$35.2; Water Quality - \$111.0; and Facility Construction - \$121.8.												
	<b>Totals</b>	<b>6,850.1</b>	<b>3,635.8</b>	<b>208.9</b>	<b>1,251.7</b>	<b>93.1</b>	<b>30.0</b>	<b>1,630.6</b>	<b>0.0</b>	<b>34</b>	<b>0</b>	<b>4</b>