

**State of Alaska
FY2013 Governor's Operating Budget**

**Department of Revenue
ANGDA Operations
RDU/Component Budget Summary**

RDU/Component: ANGDA Operations

(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)

Contribution to Department's Mission

To finance, design, construct, maintain and/or own all or part of a pipeline system to bring natural gas to market and maximize the benefits to Alaska and Alaskans.

Key Component Challenges

Alaska Natural Gas Development Authority (ANGDA) must combine the best of government and business to achieve the maximum benefit of the State's natural gas for Alaskans. ANGDA must maintain flexibility in its work and plans due to:

- An evolving contractual relationship between the State and producer sponsor groups;
- Alaska energy project uncertainties;
- Complexities and magnitude of firm financial commitments of Alaska utilities during an "open season;"
- World-wide natural gas market developments; and
- Technological, environmental and logistical developments affecting the delivery of North Slope energy to rural and Southcentral Alaska.

Significant Changes in Results to be Delivered in FY2013

- Refine potential liquefied natural gas (LNG) project options including route, plant locations and options throughout the state. Significant advances are occurring that put Alaska sized LNG manufacturing facilities on ships and barges intended for hostile marine environments. Recent Arctic ice-pack retreat has created marine shipping opportunities directly from the North Slope.
- Continue to lead state utilities forward with the open season process. Alaska Gasline Inducement Act (AGIA) success case beyond mid-2012 will require additional spur pipeline project work including incorporation of field data from others and re-activation of environmental and permitting processes and legal costs of the buy, sell, ship, and finance contractual arrangements.
- Develop a comprehensive evaluation of the gas spur pipeline project management, cost, and schedule to allow for a "go" – "no go" decision.
- The governor has recently proposed merging the several North Slope gas pipeline projects and ANGDA is interested in participating at several different levels. ANGDA's work on pipeline "choke points" indicated that aggressive scheduling of preliminary field activities would be essential to achieving timely instate service. Earlier ANGDA studies indicated that local community service was possible and that value-added manufacturing opportunities were attractive to outside investors.
- New pipeline projects based on high-pressure dense-phase flow concepts may facilitate the simultaneous opportunities of extending TAPS operation and delivering North Slope gas to Cook Inlet.
- Continue in-state propane distribution planning with ANGDA positioned as a facilitator for the private sector. ANGDA will work to increase public awareness of the energy benefits that propane holds for all Alaskans. Collaboration will continue with national entities, the State of Alaska and private industry (native and non-native) to maintain involvement in the entrepreneurial opportunities, ownership of facilities and businesses related therein.

Major Component Accomplishments in 2011

- ANGDA continued its work with the private sector and North Slope producers to continue development of the North Slope propane project.
- ANGDA continued to work with Alaska Pipeline Project (APP) and Denali—The Alaska Gasline on bids submitted in the two open seasons. The bid was submitted on behalf of the Railbelt Utilities. The APP bid is still valid and under consideration. Denali withdrew its FERC application as announced in a May 17, 2011 press release.
- ANGDA completed other work and reports in FY2011 aiding in the advancement of projects that will bring North Slope natural gas to market and to Southcentral, Alaska. They include:
 - North Slope Propane Consortium conference
 - Valdez Logistics
 - Aurora Well Analysis
 - FY10 Financial Audit
 - Kenai Industrial Opportunities
 - Public Outreach
 - Value Added Industry Trade Mission (China & Japan)
 - Natural Gas Supply Company
 - CMAI Petrochemical whitepaper updated
- ANGDA contractual work underway as of June 30, 2011 includes:
 - Gas Supply Coordination
 - Propane Supply Coordination
 - Permitting Coordination
 - Open Season Legal Review
 - Participation in the APP Open Season process
- During FY2011, ANGDA participated in hearings and public comments related to in-state gas projects, pipelines, laws, and regulations.
- ANGDA participated in leadership roles at local, state, national and international oil and gas industry seminars, conferences, symposiums, and forums related to the development of Alaska natural gas, and its in-state and export potential(s).

Statutory and Regulatory Authority

AS 41.41 Alaska Natural Gas Development Authority

Contact Information
<p>Contact: Jerry Burnett, Director, Administrative Services Phone: (907) 465-2312 Fax: (907) 465-1685 E-mail: jerry.burnett@alaska.gov</p>

ANGDA Operations Component Financial Summary			
		<i>All dollars shown in thousands</i>	
	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	450.7	267.3	384.1
72000 Travel	37.4	0.3	0.3
73000 Services	124.0	48.3	48.3
74000 Commodities	2.7	4.0	4.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	614.8	319.9	436.7
Funding Sources:			
1004 General Fund Receipts	311.9	319.9	326.7
1007 Inter-Agency Receipts	3.1	0.0	0.0
1061 Capital Improvement Project Receipts	299.8	0.0	110.0
Funding Totals	614.8	319.9	436.7

Estimated Revenue Collections				
Description	Master Revenue Account	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	3.1	0.0	0.0
Capital Improvement Project Receipts	51200	299.8	0.0	110.0
Restricted Total		302.9	0.0	110.0
Total Estimated Revenues		302.9	0.0	110.0

**Summary of Component Budget Changes
From FY2012 Management Plan to FY2013 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2012 Management Plan	319.9	0.0	0.0	0.0	319.9
Adjustments which will continue current level of service:					
-FY2013 Salary Increases	4.7	0.0	0.0	0.0	4.7
-FY2013 Health Insurance Increases	2.1	0.0	0.0	0.0	2.1
Proposed budget increases:					
-Capital Improvement Project Receipts to Fund Operating Costs for Alaska Natural Gas Development Authority	0.0	0.0	110.0	0.0	110.0
FY2013 Governor	326.7	0.0	110.0	0.0	436.7

ANGDA Operations Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2012 Management Plan	FY2013 Governor		
Full-time	4	3	Annual Salaries	252,235
Part-time	0	0	COLA	6,604
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	132,351
			<i>Less 1.81% Vacancy Factor</i>	(7,090)
			Lump Sum Premium Pay	0
Totals	4	3	Total Personal Services	384,100

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Administrative Officer	1	0	0	0	1
Ceo AK Nat Gas Dev Auth	1	0	0	0	1
Totals	3	0	0	0	3

Component Detail All Funds
Department of Revenue

Component: ANGDA Operations (2708)

RDU: Alaska Natural Gas Development Authority (495)

	FY2011 Actuals	FY2012 Conference Committee	FY2012 Authorized	FY2012 Management Plan	FY2013 Governor	FY2012 Management Plan vs FY2013 Governor	
71000 Personal Services	450.7	267.3	267.3	267.3	384.1	116.8	43.7%
72000 Travel	37.4	0.3	0.3	0.3	0.3	0.0	0.0%
73000 Services	124.0	47.4	48.3	48.3	48.3	0.0	0.0%
74000 Commodities	2.7	4.0	4.0	4.0	4.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	614.8	319.0	319.9	319.9	436.7	116.8	36.5%
Fund Sources:							
1004 Gen Fund (UGF)	311.9	319.0	319.9	319.9	326.7	6.8	2.1%
1007 I/A Rcpts (Other)	3.1	0.0	0.0	0.0	0.0	0.0	0.0%
1061 CIP Rcpts (Other)	299.8	0.0	0.0	0.0	110.0	110.0	100.0%
Unrestricted General (UGF)	311.9	319.0	319.9	319.9	326.7	6.8	2.1%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	302.9	0.0	0.0	0.0	110.0	110.0	100.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	4	4	4	4	3	-1	-25.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

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

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
FY2012 Conference Committee												
1004 Gen Fund	ConfCom	319.0	267.3	0.3	47.4	4.0	0.0	0.0	0.0	4	0	0
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
ETS/HR Chargeback Transfer from Department of Administration												
1004 Gen Fund	Atrin	0.9	0.0	0.0	0.9	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
Capital Improvement Project Receipts to Fund Operating Costs for Alaska Natural Gas Development Authority												
1061 CIP Rcpts	IncM	110.0	110.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Subtotal		319.9	267.3	0.3	48.3	4.0	0.0	0.0	0.0	4	0	0

Pursuant to Section 1, Chapter 3, FSSLA 2011, page 2, lines 22 - 25, \$1,328,200 is distributed to state departments and agencies in order to pay service costs charged by the Department of Administration in FY2012, primarily for Personnel and Enterprise Technology Services. The amounts transferred to state agencies are as follows:
Administration (non-ETS): 94.4
Administration (internal): 291.2
Commerce: 30.3
Corrections: 70.2
Education: 25.6
Environmental Conservation: 32.5
Fish and Game: 82.6
Office of the Governor: 6.1
Health and Social Services: 210.4
Labor: 74.1
Law: 33.6
Military and Veterans Affairs: 15.9
Natural Resources: 60.2
Public Safety: 59.6
Revenue: 50.7
Transportation: 178.6
Legislature: 11.9
Court System: .3

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

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

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
<p>The Alaska Natural Gas Development Authority (ANGDA) staff includes positions currently funded by unbudgeted capital improvement project (CIP) receipts. This adds CIP receipt authority to the ANGDA operating budget to more accurately reflect funding for budgeted positions. Receipts are collected from ongoing capital projects in support of ANGDA's mission.</p>												
Delete Long-Term Vacant Positions												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
<p>Position(s) that have been vacant for a year are being deleted. This transaction is for: 04-X012 (FT)</p>												
FY2013 Salary Increases												
	SalAdj	4.7	4.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		4.7										
FY2013 Salary Increases: \$4.7												
FY2013 Health Insurance Increases												
	SalAdj	2.1	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		2.1										
FY2013 Health Insurance Increases: \$2.1												
Totals		436.7	384.1	0.3	48.3	4.0	0.0	0.0	0.0	3	0	0

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2013 Governor (9494)
Component: ANGDA Operations (2708)
RDU: Alaska Natural Gas Development Authority (495)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
04-558X	Ceo AK Nat Gas Dev Auth	FT	A	XE	Anchorage	NAA	28F	12.0		136,044	3,485	0	60,694	200,223	200,223
04-X002	Administrative Officer	FT	A	XE	Anchorage	NAA	20D / E	12.0		73,495	1,973	0	41,095	116,563	87,422
04-X012	Publications Specialist II	FT	A	XE	Anchorage	NAA	16A	12.0		0	0	0	0	0	0
04-X019	Administrative Assistant	FT	A	XE	Anchorage	NAA	13B / C	12.0		42,696	1,146	0	30,562	74,404	0
Total													Total Salary Costs:	252,235	
Positions													Total COLA:	6,604	
Full Time Positions:													Total Premium Pay::	0	
Part Time Positions:													Total Benefits:	132,351	
Non Permanent Positions:															
Positions in Component:													Total Pre-Vacancy:	391,190	
													Minus Vacancy Adjustment of 1.81%:	(7,090)	
													Total Post-Vacancy:	384,100	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	384,100	
Total Component Months:		36.0													

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	287,645	282,432	73.53%
1061 Capital Improvement Project Receipts	103,545	101,668	26.47%
Total PCN Funding:	391,190	384,100	100.00%

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

Line Item Detail
Department of Revenue
Travel

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

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
72000	Travel		37.4	0.3	0.3
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
72000 Travel Detail Totals			37.4	0.3	0.3
72110	Employee Travel (Instate)	Employee instate airfare, surface transportation, lodging, meals & incidentals for meeting attendance and public presentations	7.8	0.3	0.3
72120	Nonemployee Travel (Instate Travel)	Instate airfare, surface transportation, lodging, meals & incidentals for board members and specialized contract work	6.4	0.0	0.0
72410	Employee Travel (Out of state)	Out of state transportation, lodging, meals and incidentals for seminars, ANGDA outside business	9.3	0.0	0.0
72420	Nonemployee Travel (Out of state Emp)	Out of state transportation, lodging, meals and incidentals for board members and specialized contract work	13.9	0.0	0.0

Line Item Detail
Department of Revenue
Services

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

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000	Services		124.0	48.3	48.3
Expenditure Account			FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000 Services Detail Totals			124.0	48.3	48.3
73025	Education Services	Training, conferences, memberships, and employee tuition	5.2	1.0	1.0
73050	Financial Services	Financial services	2.3	0.0	0.0
73150	Information Technlgy	IT consulting, software licensing, and software maintenance	2.1	0.7	0.7
73156	Telecommunication	Cellular services provided by non-state vendor	9.1	1.0	1.0
73225	Delivery Services	Delivery and courier services	0.9	0.4	0.4
73450	Advertising & Promos	Advertising	0.4	0.2	0.2
73650	Struc/Infstruct/Land	Repairs, maintenance, rentals and/or leases of space, structures or infrastructure	0.4	0.5	0.5
73675	Equipment/Machinery	Repair, maintenance, rental and/or lease of equipment or machinery	11.5	0.1	0.1
73750	Other Services (Non IA Svcs)	Consulting services related to gas line right of way and permits	9.9	1.9	1.9
73805	IT-Non-Telecommunication	Admin Computer services provided by ETS	2.8	2.5	2.5
73806	IT-Telecommunication	Admin Telecommunications services provided by ETS	9.5	4.8	4.8
73809	Mail	Admin Centralized mail services provided by DOA	0.1	0.1	0.1
73810	Human Resources	Admin Human resource and payroll services provided by the Division of Personnel	3.1	3.1	3.1
73811	Building Leases	Admin Facility rent	0.0	0.0	0.0
73814	Insurance	Admin Risk Management	0.1	0.1	0.1
73815	Financial	Admin Division of Finance AKSAS/AKPAY	0.1	0.1	0.1
73818	Training (Services-IA Svcs)	Admin Training provided by state agencies	0.0	0.1	0.1
73819	Commission Sales (IA Svcs)	Admin State Travel Office fees	0.4	0.8	0.8

Line Item Detail
Department of Revenue
Services

Component: ANGDA Operations (2708)

RDU: Alaska Natural Gas Development Authority (495)

Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000 Services Detail Totals			124.0	48.3	48.3
73848	State Equip Fleet	DOTPF Use of state owned vehicle	5.6	0.0	0.0
73979	Mgmt/Consulting (IA Svcs)	Revenue-CO Support services provided by the Commissioner's Office	6.1	4.3	4.3
73979	Mgmt/Consulting (IA Svcs)	Revenue-ASD Services provided by the Administrative Services Division including IT, fiscal, budget, contract management, procurement, and legislative support	54.4	26.6	26.6

Line Item Detail
Department of Revenue
Commodities

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

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
74000	Commodities		2.7	4.0	4.0
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
74000 Commodities Detail Totals			2.7	4.0	4.0
74200	Business	Business supplies including books and educational, equipment and furniture, office supplies, IT equipment less than \$5,000 per item, and subscriptions	2.5	4.0	4.0
74480	Household & Instit.	Institutional supplies	0.1	0.0	0.0
74650	Repair/Maintenance (Commodities)	Repair/maintenance supplies	0.1	0.0	0.0

Restricted Revenue Detail
Department of Revenue

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

Master Account	Revenue Description				FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51015	Interagency Receipts				3.1	0.0	0.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
59040	Revenue RSA with AGDC for expenses related to instate gas project	AK Gasline Development Corp	04805997	11100	3.1	0.0	0.0

Restricted Revenue Detail
Department of Revenue

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

Master Account	Revenue Description				FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51200	Capital Improvement Project Receipts				299.8	0.0	110.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
59041	CIP Receipts from Revenue RSA with capital project for natural gas development	ANGDA Operations	04805996	11100	299.8	0.0	110.0

Inter-Agency Services
Department of Revenue

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

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2012			
				FY2011 Actuals	Management Plan	FY2013 Governor	
73805	IT-Non-Telecommunication	Computer services provided by ETS	Inter-dept	Admin	2.8	2.5	2.5
73805 IT-Non-Telecommunication subtotal:					2.8	2.5	2.5
73806	IT-Telecommunication	Telecommunications services provided by ETS	Inter-dept	Admin	9.5	4.8	4.8
73806 IT-Telecommunication subtotal:					9.5	4.8	4.8
73809	Mail	Centralized mail services provided by DOA	Inter-dept	Admin	0.1	0.1	0.1
73809 Mail subtotal:					0.1	0.1	0.1
73810	Human Resources	Human resource and payroll services provided by the Division of Personnel	Inter-dept	Admin	3.1	3.1	3.1
73810 Human Resources subtotal:					3.1	3.1	3.1
73811	Building Leases	Facility rent	Inter-dept	Admin	0.0	0.0	0.0
73811 Building Leases subtotal:					0.0	0.0	0.0
73814	Insurance	Risk Management	Inter-dept	Admin	0.1	0.1	0.1
73814 Insurance subtotal:					0.1	0.1	0.1
73815	Financial	Division of Finance AKSAS/AKPAY	Inter-dept	Admin	0.1	0.1	0.1
73815 Financial subtotal:					0.1	0.1	0.1
73818	Training (Services-IA Svcs)	Training provided by state agencies	Inter-dept	Admin	0.0	0.1	0.1
73818 Training (Services-IA Svcs) subtotal:					0.0	0.1	0.1
73819	Commission Sales (IA Svcs)	State Travel Office fees	Inter-dept	Admin	0.4	0.8	0.8
73819 Commission Sales (IA Svcs) subtotal:					0.4	0.8	0.8
73848	State Equip Fleet	Use of state owned vehicle	Inter-dept	DOTPF	5.6	0.0	0.0
73848 State Equip Fleet subtotal:					5.6	0.0	0.0
73979	Mgmt/Consulting (IA Svcs)	Support services provided by the Commissioner's Office	Intra-dept	Revenue-CO	6.1	4.3	4.3
73979	Mgmt/Consulting (IA Svcs)	Services provided by the Administrative Services Division including IT, fiscal, budget, contract management, procurement, and legislative support	Intra-dept	Revenue-ASD	54.4	26.6	26.6
73979 Mgmt/Consulting (IA Svcs) subtotal:					60.5	30.9	30.9
ANGDA Operations total:					82.2	42.5	42.5
Grand Total:					82.2	42.5	42.5