

State of Alaska
FY2013 Governor's Operating Budget

Department of Revenue
Natural Gas Commercialization
Component Budget Summary

Component: Natural Gas Commercialization

Contribution to Department's Mission

Provide analytical support for the commercialization of North Slope natural gas.

Key Component Challenges

- Provide stakeholders including the Administration, the State Legislature, Congress, potential customers and producers with information on how Alaska's fiscal systems support the economic viability of a natural gas pipeline from Alaska's North Slope to the lower 48 states.
- Provide analysis of the effects of in-state gas pipeline initiatives on the commercialization of North Slope natural gas.
- Provide fiscal systems analysis in support of the Alaska Gasline Inducement Act (AGIA) and other efforts to commercialize natural gas resources.

Significant Changes in Results to be Delivered in FY2013

AGIA provides that the fiscal system in place at the first open season will be frozen for the first 10 years of gasline operations. Open seasons were held by two potential gasline builders. It is essential that a complete and timely analysis is done before that fiscal system is frozen in place.

Major Component Accomplishments in 2011

- Provided support for the natural gas team in its efforts to manage the licensee under the AGIA process.

Statutory and Regulatory Authority

AS 43.90 et. seq. Alaska Gasline Inducement Act

Contact Information

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

**Natural Gas Commercialization
Component Financial Summary**

All dollars shown in thousands

	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	861.2	813.8	125.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	861.2	813.8	125.0
Funding Sources:			
1004 General Fund Receipts	861.2	813.8	125.0
Funding Totals	861.2	813.8	125.0

**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	813.8	0.0	0.0	0.0	813.8
Adjustments which will continue current level of service:					
-Reverse Balance of (CH41 SLA2010 Pg39 Ln31)(CH5 SLA2011 Sec34(b) Pg165 Ln1)	-688.8	0.0	0.0	0.0	-688.8
FY2013 Governor	125.0	0.0	0.0	0.0	125.0

Component Detail All Funds
Department of Revenue

Component: Natural Gas Commercialization (2859)
RDU: Administration and Support (50)

	FY2011 Actuals	FY2012 Conference Committee	FY2012 Authorized	FY2012 Management Plan	FY2013 Governor	FY2012 Management Plan vs FY2013 Governor
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
73000 Services	861.2	125.0	813.8	813.8	125.0	-688.8 -84.6%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
Totals	861.2	125.0	813.8	813.8	125.0	-688.8 -84.6%
Fund Sources:						
1004 Gen Fund (UGF)	861.2	125.0	813.8	813.8	125.0	-688.8 -84.6%
Unrestricted General (UGF)	861.2	125.0	813.8	813.8	125.0	-688.8 -84.6%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
Positions:						
Permanent Full Time	0	0	0	0	0	0 0.0%
Permanent Part Time	0	0	0	0	0	0 0.0%
Non Permanent	0	0	0	0	0	0 0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Natural Gas Commercialization (2859)

RDU: Administration and Support (50)

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	125.0	0.0	0.0	125.0	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
ADN 0421006 Reapprop Balance of CH41 SLA2010 Pg39 Ln31 (CH5 SLA2011 Sec34(b) Pg165 Ln1)												
1004 Gen Fund	ReAprop	688.8	0.0	0.0	688.8	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
Reverse Balance of (CH41 SLA2010 Pg39 Ln31)(CH5 SLA2011 Sec34(b) Pg165 Ln1)												
1004 Gen Fund	OTI	-688.8	0.0	0.0	-688.8	0.0	0.0	0.0	0.0	0	0	0

Subtotal		813.8	0.0	0.0	813.8	0.0	0.0	0.0	0.0	0	0	0

Subtotal		813.8	0.0	0.0	813.8	0.0	0.0	0.0	0.0	0	0	0

Totals		125.0	0.0	0.0	125.0	0.0	0.0	0.0	0.0	0	0	0

Chapter 5, FSSLA 2011:

Sec. 34(b) The unexpended and unobligated balance, not to exceed \$1,238,900, of the appropriation made in sec. 1, ch. 41, SLA 2010, page 39, line 27, and allocated on lines 31 -32 (Department of Revenue, natural gas commercialization - \$1,550,000) is reappropriated to the Department of Revenue, natural gas commercialization, for the fiscal year ending June 30, 2012.

Reverse one-time funding reappropriated in Chapter 5, FSSLA 2011:

Sec. 34(b) The unexpended and unobligated balance, not to exceed \$1,238,900, of the appropriation made in sec. 1, ch. 41, SLA 2010, page 39, line 27, and allocated on lines 31 -32 (Department of Revenue, natural gas commercialization - \$1,550,000) is reappropriated to the Department of Revenue, natural gas commercialization, for the fiscal year ending June 30, 2012.

Line Item Detail
Department of Revenue
Services

Component: Natural Gas Commercialization (2859)
RDU: Administration and Support (50)

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000	Services		861.2	813.8	125.0
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000 Services Detail Totals			861.2	813.8	125.0
73050	Financial Services	Management/consulting services for AGIA related issues	861.2	813.8	125.0