

# **State of Alaska FY2018 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Marine Vessel Fuel Component Budget Summary**

**Component: Marine Vessel Fuel****Contribution to Department's Mission**

Provide the necessary vessel fuel to enable safe, reliable, and efficient transportation of people and vehicles between Alaskan communities, Canada and the lower 48.

**Core Services**

- Funds the 8.7 million gallons of ultra-low-Sulphur diesel fuel needed to sail the Alaska Marine Highway System operating schedule.
- Utilizing the fuel efficiency technology installed on eight of the 11 vessels to minimize fuel consumption.

**Major Component Accomplishments in 2016**

- Funded 356 ship operating weeks of AMHS service to Alaskans and visitors.
- All vessels equipped with the Fuel Management System are continuing to achieve reductions in their daily fuel burn rates.

**Key Component Challenges**

The variable price of ultra-low-Sulphur diesel at the various AMHS refueling ports potentially challenges the fixed \$2.35 per gallon base budget funding amount.

**Significant Changes in Results to be Delivered in FY2018**

Continue to provide the necessary fuel quantity to sail the approved AMHS schedule using base budget funding and any other available funding source. Fine tuning of the Fuel Management Systems will be continued on each vessel to ensure optimal fuel burn rates to minimize diesel fuel consumption while still meeting scheduled service levels.

**Statutory and Regulatory Authority**

AS 19 Highways & Ferries  
AS 44 State Government

**Contact Information**

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**Component Detail All Funds**  
**Department of Transportation/Public Facilities**

**Component:** Marine Vessel Fuel (2979)

Non-Formula Component

**RDU:** Marine Highway System (334)

	<b>FY2016 Actuals</b>	<b>FY2017 Conference Committee</b>	<b>FY2017 Authorized</b>	<b>FY2017 Management Plan</b>	<b>FY2018 Governor</b>	<b>FY2017 Management Plan vs FY2018 Governor</b>	
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	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	16,647.9	20,706.1	20,706.1	20,706.1	20,223.6	-482.5	-2.3%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>16,647.9</b>	<b>20,706.1</b>	<b>20,706.1</b>	<b>20,706.1</b>	<b>20,223.6</b>	<b>-482.5</b>	<b>-2.3%</b>
<b>Fund Sources:</b>							
1004Gen Fund (UGF)	16,633.8	15,862.1	15,862.1	15,862.1	15,379.6	-482.5	-3.0%
1076Marine Hwy (DGF)	14.1	4,844.0	4,844.0	4,844.0	4,844.0	0.0	0.0%
<b>Unrestricted General (UGF)</b>	<b>16,633.8</b>	<b>15,862.1</b>	<b>15,862.1</b>	<b>15,862.1</b>	<b>15,379.6</b>	<b>-482.5</b>	<b>-3.0%</b>
<b>Designated General (DGF)</b>	<b>14.1</b>	<b>4,844.0</b>	<b>4,844.0</b>	<b>4,844.0</b>	<b>4,844.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Positions:</b>							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

**Change Record Detail - Multiple Scenarios with Descriptions**  
**Department of Transportation/Public Facilities**

**Component:** Marine Vessel Fuel (2979)  
**RDU:** Marine Highway System (334)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
FY2017 Conference Committee												
	ConfCom	20,706.1	0.0	0.0	0.0	20,706.1	0.0	0.0	0.0	0	0	0
1004 Gen Fund		15,862.1										
1076 Marine Hwy		4,844.0										
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	Subtotal	20,706.1	0.0	0.0	0.0	20,706.1	0.0	0.0	0.0	0	0	0
***** Changes From FY2017 Management Plan To FY2018 Governor *****												
Service Level Reduction												
	Dec	-482.5	0.0	0.0	0.0	-482.5	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-482.5										
<div>There will be a decreased need for fuel in FY2018, given the following planned service level reduction:</div> <div>•Reduction in annual vessel operating weeks from 335.1 to 333.9</div> <div>•The Taku and Chenega are not scheduled to operate in FY2018</div> <div>•Bellingham and Prince Rupert will receive service on alternating weeks for 7.5 weeks from January 2nd through February 21st while the Kennicott is in her annual overhaul project</div>												
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	Totals	20,223.6	0.0	0.0	0.0	20,223.6	0.0	0.0	0.0	0	0	0

There will be a decreased need for fuel in FY2018, given the following planned service level reduction:

- Reduction in annual vessel operating weeks from 335.1 to 333.9
- The Taku and Chenega are not scheduled to operate in FY2018
- Bellingham and Prince Rupert will receive service on alternating weeks for 7.5 weeks from January 2nd through February 21st while the Kennicott is in her annual overhaul project

**Line Item Detail (1676)**  
**Department of Transportation/Public Facilities**  
**Commodities**

**Component:** Marine Vessel Fuel (2979)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000	Commodities		16,647.9	20,706.1	20,223.6
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
<b>4000 Commodities Detail Totals</b>			<b>16,647.9</b>	<b>20,706.1</b>	<b>20,223.6</b>
4015	Parts and Supplies	Parts and supplies.	1.2	0.0	0.0
4020	Equipment Fuel	Alaska Marine Highway System estimated vessel fuel usage.	16,646.7	20,706.1	20,223.6