

State of Alaska FY2021 Governor's Operating Budget

Department of Natural Resources Oil & Gas RDU/Component Budget Summary

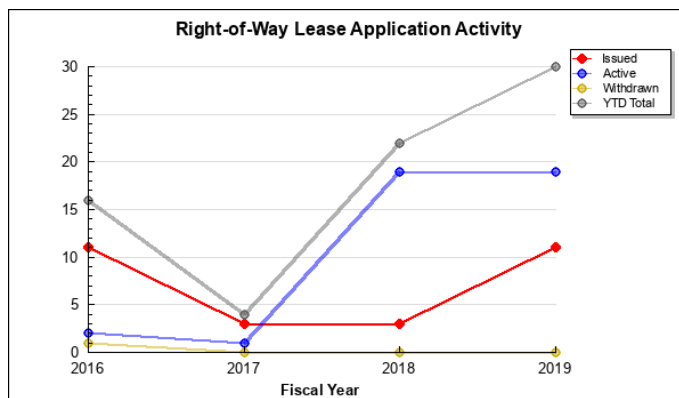
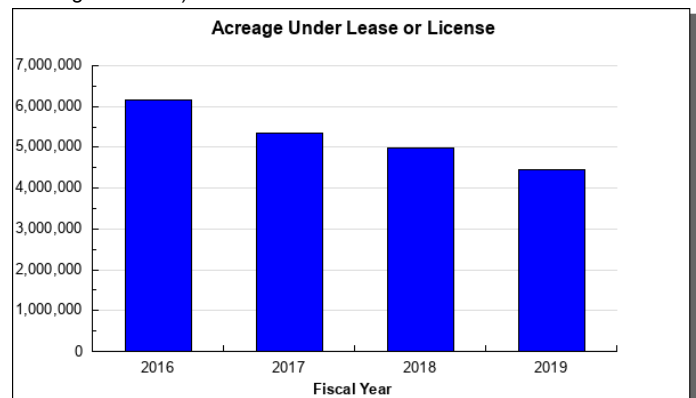
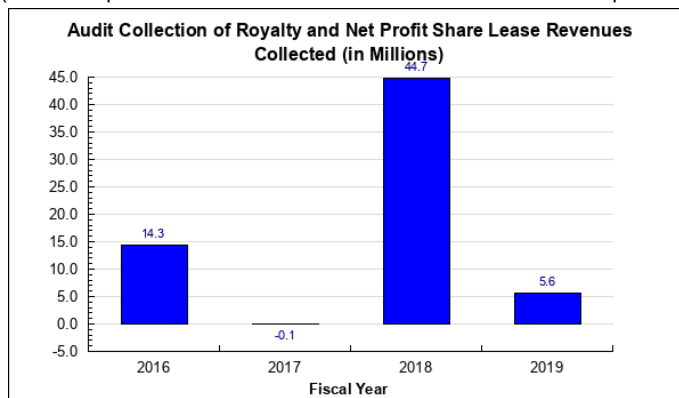
RDU/Component: Oil & Gas

Contribution to Department's Mission

The Division of Oil and Gas manages lands for oil, gas, and geothermal exploration and development in a fair and transparent manner to maximize prudent use of resources for the greatest benefit of all Alaskans, and facilitates safe and environmentally conscious operation and maintenance of common carrier pipelines.

Results

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)



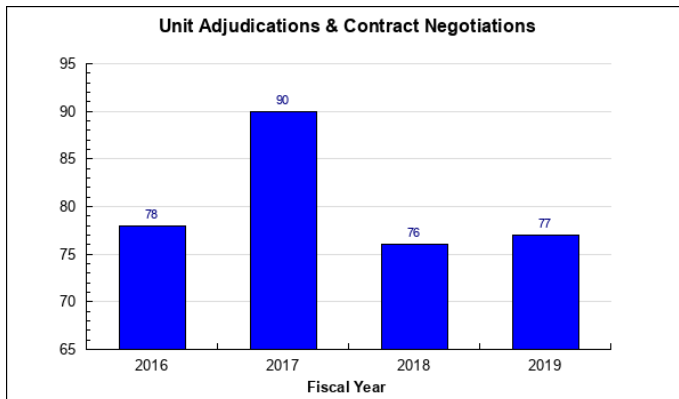
Core Services

- Enforce exploration and development obligations of lease and unit agreements, weighing several factors including resource potential and conservation, environmental and economic impacts, and proposed work commitments.
- Ensure that exploration, leasehold, and unit-related operations are conducted in a timely and responsible manner. Provide for exploration of state land through geophysical exploration permits.
- Administer AS 38.35 leases; revenue collection, permitting, compliance and engineering oversight of construction, operation, maintenance and termination of pipelines. Coordinate with state and federal agencies to serve the state's best interests.

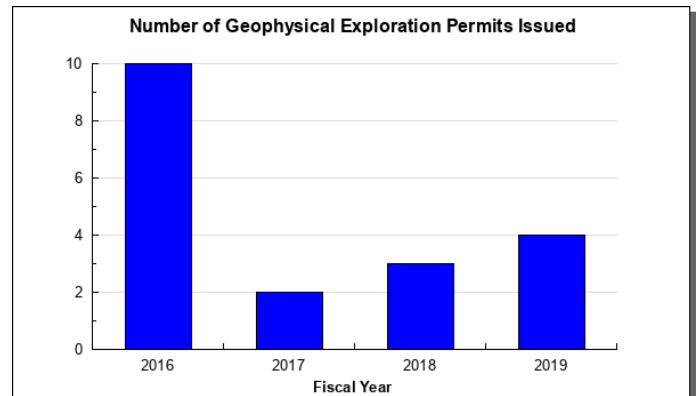
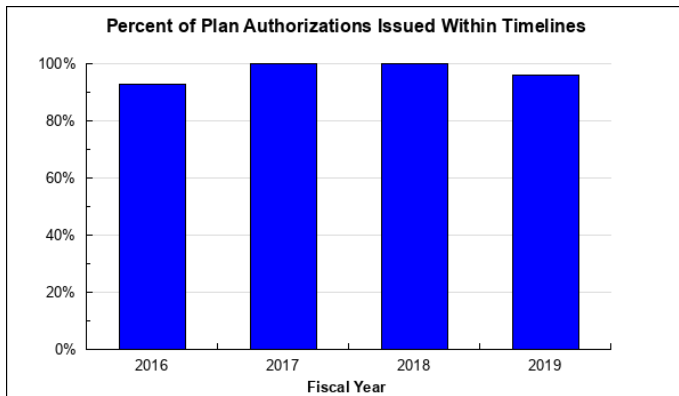
Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

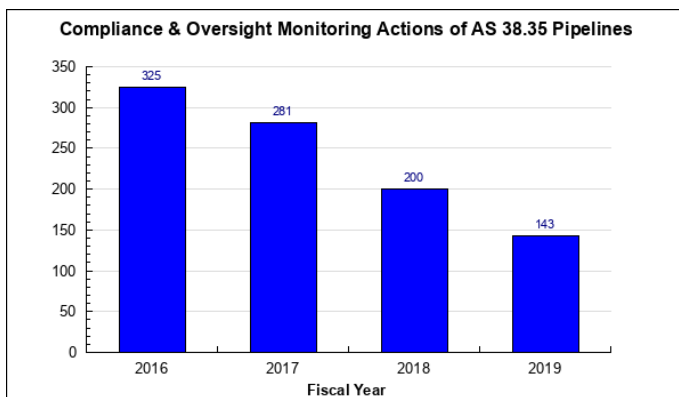
1. Enforce exploration and development obligations of lease and unit agreements, weighing several factors including resource potential and conservation, environmental and economic impacts, and proposed work commitments.



2. Ensure that exploration, leasehold, and unit-related operations are conducted in a timely and responsible manner. Provide for exploration of state land through geophysical exploration permits.



3. Administer AS 38.35 leases; revenue collection, permitting, compliance and engineering oversight of construction, operation, maintenance and termination of pipelines. Coordinate with state and federal agencies to serve the state's best interests.



Major Component Accomplishments in 2019

The Division of Oil & Gas (DOG) held five area-wide lease sales resulting in more than \$20 million in bonus bids and more than 200,000 acres leased.

The division issued two net profit share lease (NPSL) audits and one state royalty audit, collecting \$10.1 million including interest.

The division administered approximately 1,900 leases and licenses, covering nearly 4.5 million acres.

The division verified and receipted \$1.5 billion in royalty, net profit share lease revenues, rents, bonus bids, unit actions, and federal payments.

DOG updated NPSL regulations to reflect changes in the production tax statutes resulting from HB247 Ch4 4SSLA 16).

DOG amended a major financial assurance agreement with a North Slope lessee.

DOG authorized six new geophysical (seismic) exploration programs, two new Lease Plans of Operations, three Unit Plans of Operations, and processed sixty-eight Plans of Operations Amendments for activities on the North Slope and in Cook Inlet.

DOG managed twenty-nine state and multi-owner units and four lease operations. The division adjudicated seventy unit and lease operation actions, including forty-five plans of exploration/development, seven unit expansion/contractions, eleven participating area formations, revisions or tract allocation determinations, and seven negotiated contracts or contract amendments, including five default terminations and two adjudications.

DOG evaluated an application to bring production from federal lands known as Greater Moose's Tooth-2 into a state managed unit for processing in a shared facility, requiring the negotiation and approval of multiple agreements to protect the state from loss of royalty while not interfering with the operator's planned operations.

DOG provided regulatory, technical, health, safety and environmental oversight and reporting for twenty-one existing pipelines and nine pipelines in the permitting process. The division issued one new pipeline Right-of-Way (ROW) lease for the CIGGS (oil) Pipeline in support of Harvest Alaska's Cross Inlet Project. The DOG renewed three Alpine pipeline ROWs (oil, diesel, and utility) each for an additional 30 years. Issued multiple land permits, habitat permits, water use authorizations, material sites and right-of-way lease support for transportation pipeline systems and pipeline work on state lands.

Key Component Challenges

The Division of Oil and Gas (DOG) applies an integrated team approach to managing the state's oil, gas, and geothermal resources to capture maximum value for the people of Alaska and protect the interests of the state. As a result of this work, royalties, rents, and taxes provide approximately 55 percent of Alaska's unrestricted general fund revenues. DOG uses a highly skilled, cross-disciplinary team of geoscientists, engineers, land managers, and economists to evaluate resource development and land use proposals, ensuring Alaska's resources are being explored and developed prudently, all parties are protected, and other natural resources are conserved for the people of the state. Geologists, geophysicists, petroleum engineers, and land managers determine which state lands with hydrocarbon resource potential are available for lease and exploration. Land managers, natural resource specialists, and commercial analysts develop competitive terms and conditions for leasing. Land managers, geologists, geophysicists, petroleum engineers, and commercial analysts enforce the terms of those leases by regulating exploration and development activities, approving agreements for joint development of leases, adjudicating plan and permit authorizations to comply with exploration and development obligations, and approving allocation of production to leases for purposes of calculating and reporting royalties. Royalty accountants and auditors ensure the state collects the full value of its royalty shares. DOG faces the following challenges:

- Improving investment climate increasing exploration company and investor activity, creating additional workload on reduced division staffing.

- Vetting the completeness and digital integrity of well and seismic data submitted in fulfillment of tax credit obligations and preparing and releasing eligible data to publicly-accessible inventory at the state's Geologic Materials Center. Wide distribution of early tax credit datasets is already attracting investment to drive new exploration projects and future releases are expected to amplify this effect.
- Decreasing capacity to respond to federal actions that threaten Alaska's resource development activities and limited ability to support special projects or requests from other departments or agencies.
- Recruiting, hiring, training, and retaining high-quality technical and professional level staff.

Audit Section

This section recovers millions of dollars that would otherwise be lost. Historically, audits return approximately \$15 million annually in additional revenue. Auditors ensure the state receives the full value due by performing state royalty and Net Profit Share Lease (NPSL) audits and federal royalty audits. Revenue collected from audits is generally deposited into the state's constitutional budget reserve fund to help fund the operation of state government. Challenges include:

- Resolving audits in appeals while further review is conducted by company, legal teams, and the Commissioner's Office.
- Conducting, completing, and resolving complex audits within the statute of limitations and with limited resources.

Commercial Section

This section is the in-house advisor that analyzes and provides strategic insight on all economic and financial matters. Its commercial expertise cross-cuts all division programs to fulfill the constitutional mandate of promoting responsible development of Alaska's natural resources, realizing maximum value, and protecting the state's interests. Maximizing the state's resource and land value requires analysis of project economics, market structure, optimization, financial risk management, and price and cost assessments. This includes commercial implications of laws, regulations, and contract provisions for policy, legislative, and regulatory decisions of the state. The Commercial section leverages these insights and expertise to negotiate commercial agreements to add and protect value for the state. When resource negotiations are required, the Commercial Analysts are essential to the state's negotiation strategy and success.

The Commercial section collaborates with the Royalty Accounting, Audit, Leasing, Units, Permitting, and Resource Evaluation sections, and the Director's Office, as well as offering commercial services to other agencies. Challenges include:

- Providing economic assessments for new state oil and gas development initiatives.
- Balancing abandonment and decommissioning risk mitigation needs of the state with operators' financing constraints.
- Calibrating and continuously improving the statewide North Slope and Cook Inlet oil production forecast model to provide the Department of Revenue with reliable data for budgeting purposes (in collaboration with the Resource Evaluation section).

Leasing Section

This section markets and offers oil, gas, and geothermal resource lands through lease sale and exploration licensing programs. Prior to disposing of state lands, best interest findings are drafted and issued as directed by state law. Lease sales are conducted by section staff with a thorough determination of lease award and issuance process following the sale. Each year the section collects more than \$20 million in rent and adjudicates hundreds of lease assignments often totaling more than \$1 billion in lease transactions. Section staff enforces lease terms from issuance to expiration or surrender of more than 1,900 leases, coordinating management and protection of resource lands. Challenges include:

- Developing competitive terms and conditions for oil and gas lease sales that attract new companies.
- Managing the evolution of Alaska's oil and gas industry into a greater number of small, mid-sized, independent companies.
- Modernizing how leasing business is conducted within parameters set forth in statutes and regulations.

Permitting Section

This section adjudicates and issues statewide decisions for surface land use and improvements supporting oil, gas, and geothermal projects. This includes reviewing and issuing decisions for Exploration License Plans of Operations, Lease Plans of Operations, Unit Plans of Operations, Plan Amendments and Miscellaneous Land Use Permits for seismic acquisition, and Easements (on the North Slope). Challenges include:

- Providing increased project coordination and consultation assistance to companies that are less familiar with Alaska's regulatory processes.
- Converting and managing a large volume of permitting documents electronically.

Resource Evaluation (RE) Section

This section provides the scientific basis for strategic state land use decisions for leasing and development of the state's energy resources. The section provides critical information on the state's resource potential through geological, geophysical, and engineering analysis. Their work provides objective and in-depth interpretations of technical data relating to oil, gas, and geothermal exploration and production throughout Alaska. RE's analysis and activities cross-cut every section of the division. Challenges include:

- Vetting the completeness and digital integrity of well and seismic data submitted in fulfillment of tax credit and miscellaneous land use obligations.
- Preparing and releasing eligible tax credit well and seismic data to publicly-accessible inventory at the state's Geologic Materials Center.
- Calibrating and continuously improving the statewide oil production forecast model to provide the Department of Revenue and Legislature with reliable data for revenue forecasting and budgeting purposes (in collaboration with the Commercial section).
- Analyzing reservoir models to quantify ultimate oil recovery by participating area lease tract in producing units to protect all parties and ensure appropriate royalty allocations.
- Attracting, hiring, and retaining technical people with the skills, oil and gas industry experience, and knowledge comparable to industry counterparts.
- Conducting industry and public outreach to state, national, and international audiences providing up-to-date technical information on Alaska's oil and gas resource potential.
- Communicating and educating, both internally and externally, the value of the section's contribution to the state in the strategic management of the state's hydrocarbon resources.

Royalty Accounting Section

This section accomplishes complex oil and gas royalty accounting analyses and reconciliations to ensure the state receives the correct royalty value and amounts based on lease terms or settlement agreements. The team calculates the royalty value and payment amounts and determines the royalty ownership from producing leases and units, the value of the state's net profit shares, the reported values and volumes produced on state acreage, and whether the royalty is taken in-value or in-kind. The section accounts for and distributes royalty revenue from state leases as well as revenues generated in other sections in the division from rents, bonus bids, commitment and storage fees and royalties, rentals, and interests from federal oil and gas lands in Alaska, to the different state funds. Challenges include:

- Continuing maintenance and enhancement of the division's data management system for in-house royalty reporting and reconciliation.
- Continued production of meaningful and timely information for the division's website and management reports.
- Continuing documentation of verification procedures on reported royalty filing volumes and values.

Pipeline Section

Under the direction of the State Pipeline Coordinator, this section provides regulatory oversight of common- and contract-carrier transportation pipelines, including the Trans-Alaska Pipeline System (TAPS), authorized under Alaska Statute 38.35 "Right-of-Way Leasing Act". To facilitate a comprehensive oversight program, this section works closely with other divisions within DNR and with dedicated liaisons from the Department of Fish and Game, the Department of Environmental Conservation, the Department of Labor and Workforce Development, and the Department of Public Safety. The State Pipeline Coordinator serves as the co-executive director of a consortium of state and federal

agencies known as the Joint Pipeline Office (JPO). The JPO, established in 1990, provides a coordinated and consistent multi-agency approach for regulatory oversight of TAPS.

This section implements the state's oversight for the permitting of preconstruction, construction, operation, and termination of AS 38.35 pipeline activities. The section assesses, permits and monitors all health, safety, environmental, and technical issues related to these pipelines and maintains a system-wide approach to pipeline oversight. Challenges include:

- Responding timely to industry requests for changes in their operations and business needs.
- Ensuring pipeline operators are in regulatory compliance and that they adequately monitor aging infrastructure for pipeline integrity.
- Monitoring cold weather operations and low throughput of TAPS.
- Conducting timely comprehensive regulatory and lease compliance oversight with the goal of reducing the likelihood of pipeline shutdowns, safety incidents, and environmental hazards.

Units Section

The Units Section adjudicates the formation, expansion, and contraction of units, exploration and development obligations under lease and unit agreements, and allocation of production to leases within a unit for purposes of determining royalty payments, in coordination with the Resource Evaluation, Commercial, Leasing, and Royalty Accounting Sections. Proper administration and oversight of units and lease operations is necessary to conserve resources, prevent economic and resource waste, and protect the rights of all parties involved. The section currently administers five lease operations and thirty-three state and multi-owner oil and gas units. In addition to unit and lease operations, unit managers frequently manage inter-disciplinary projects for the division and brief or prepare materials for the director and commissioner. Challenges include:

- Continuing to provide thorough, timely decisions.
- Retaining existing personnel and their institutional knowledge and unique experience.
- Developing creative solutions within the bounds of existing statutes, regulations, and agreements to respond to new and unanticipated scenarios and technologies.

Significant Changes in Results to be Delivered in FY2021

Continue progress toward a more business-like and business-oriented approach aiming to conduct business at the speed of business.

Complete the electronic Permit Management System for tracking, reviewing, and delivering responses to applicants.

Complete documentation of royalty accounting business processes to capture legacy corporate knowledge and ensure continuity of operations. Refine processes and procedures into training and performance metrics to improve accounting services.

Finalize internal document management system for efficient access to decision documents.

Statutory and Regulatory Authority

AS 31.05.035 Confidential Reports

AS 38.05.020 Authority and duties of the Commissioner

AS 38.05.035 Powers and duties of the Director

AS 38.05.130 Damages and posting of bond

AS 38.05.131 Applicability: determinations; regulations

AS 38.05.132 Exploration license for oil and gas or gas only

AS 38.05.133 License procedures

AS 38.05.134 Conversion to lease

AS 38.05.135 Leasing generally; royalty and net profit share payments and interest

AS 38.05.137 Leasing agreements

AS 38.05.145 Leasing procedure

AS 38.05.160 Oil shale
 AS 38.05.177 Nonconventional gas leases
 AS 38.05.180 Oil and gas and gas only leasing
 AS 38.05.181 Geothermal resources
 AS 38.05.182 Royalty on natural resources
 AS 38.05.183 Sale of royalty
 AS 38.05.850 Permits
 AS 38.06 Alaska Royalty Oil and Gas Development Advisory Board
 AS 41.06 Geothermal Resources
 AS 41.09 Oil and Gas Exploration Incentive Credits
 11 AAC 02 Appeals
 11 AAC 03 Disposition of Royalty Oil, Gas, or Gas Liquids
 11 AAC 04 Payment of Oil and Gas Royalties, Rents and Bonuses
 11 AAC 05 Fees for Department Services
 11 AAC 82 Mineral Leasing Procedures
 11 AAC 83 Oil and Gas Leasing
 11 AAC 84.300 Oil Shale
 11 AAC 84.700-790 Geothermal Leasing
 11 AAC 84.800-950 Geothermal Unitization
 11 AAC 87 Geothermal Drilling and Conservation
 11 AAC 89 Exploration Incentive Credit
 11 AAC 96 Miscellaneous Land Use

SPC Specific

AS 27.19 Mining Reclamation
 AS 38.05 Alaska Land Act
 AS 38.35 Right-of-Way Leasing Act
 AS 46.15 Alaska Water Use Act
 11 AAC 51 Public Easements
 11 AAC 53 Records, Survey, Platting
 11 AAC 71 Timber and Material Sites
 11 AAC 80 Pipeline Rights-of-Way
 11 AAC 96 Miscellaneous Land Use
 11 AAC 97 Mining Reclamation

Contact Information
<p> Contact: Tom Stokes, Acting Director Phone: (907) 269-8800 E-mail: tom.stokes@alaska.gov </p>

**Oil & Gas
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2020</u> <u>Management</u> <u>Plan</u>	<u>FY2021</u> <u>Governor</u>		
Full-time	94	92	Annual Salaries	9,217,153
Part-time	0	0	COLA	50,137
Nonpermanent	1	0	Premium Pay	12,386
			Annual Benefits	4,969,864
			<i>Less 2.51% Vacancy Factor</i>	(357,540)
			Lump Sum Premium Pay	0
Totals	95	92	Total Personal Services	13,892,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	1	0	0	0	1
Accountant IV	2	0	0	0	2
Accounting Technician I	1	0	0	0	1
Accounting Technician III	1	0	0	0	1
Administrative Assistant I	2	0	0	0	2
Administrative Assistant II	2	0	0	0	2
Administrative Officer I	1	0	0	0	1
Administrative Officer II	1	0	0	0	1
Admn OPS Mgr I	1	0	0	0	1
Analyst/Programmer II	1	0	0	0	1
Analyst/Programmer III	1	0	0	0	1
Analyst/Programmer IV	2	0	0	0	2
Analyst/Programmer V	2	0	0	0	2
Bus Process Integration Mgr	1	0	0	0	1
Commercial Analyst	6	0	0	0	6
Commercial Manager	1	0	0	0	1
Data Processing Manager I	1	0	0	0	1
Deputy Director	1	0	0	0	1
Division Director	1	0	0	0	1
Geologist I	1	0	0	0	1
Micro/Net Sp I	1	0	0	0	1
Nat Res Speciii	9	0	0	0	9
Natural Resource Manager II	1	0	0	0	1
Natural Resource Manager III	1	0	0	0	1
Natural Resource Specialist I	1	0	0	0	1
Natural Resource Specialist II	5	0	0	0	5
Natural Resource Specialist IV	8	0	0	0	8
Natural Resource Technician II	3	0	0	0	3
O&G Rev Aud III	3	0	0	0	3
Oil & Gas Revenue Audit Master	1	0	0	0	1
Oil and Gas Revenue Auditor II	1	0	0	0	1
Oil and Gas Revenue Auditor IV	3	0	0	0	3
Oil and Gas Revenue Specialist	1	0	0	0	1
Petroleum Engineer	1	0	0	0	1
Petroleum Geologist I	7	0	0	0	7
Petroleum Geologist II	1	0	0	0	1

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Petroleum Geophysicist I	1	0	0	0	1
Petroleum Land Manager	6	0	0	0	6
Petroleum Reservoir Engineer	4	0	0	0	4
Pipe Line Coordinator	1	0	0	0	1
Policy & Program Specialist	1	0	0	0	1
Publications Specialist III	1	0	0	0	1
Tech Eng/Arch I	1	0	0	0	1
Totals	92	0	0	0	92

Component Detail All Funds
Department of Natural Resources

Component: Oil & Gas (439)
RDU: Oil and Gas (601)

Non-Formula Component

	FY2019 Actuals	FY2020 Conference Committee	FY2020 Authorized	FY2020 Management Plan	FY2021 Governor	FY2020 Management Plan vs FY2021 Governor	
71000 Personal Services	12,737.2	14,065.8	14,065.8	14,065.8	13,892.0	-173.8	-1.2%
72000 Travel	157.5	153.0	153.0	208.8	208.8	0.0	0.0%
73000 Services	2,841.0	6,513.1	6,513.1	6,457.3	6,457.3	0.0	0.0%
74000 Commodities	201.6	315.6	315.6	315.6	315.6	0.0	0.0%
75000 Capital Outlay	0.0	22.0	22.0	22.0	22.0	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	15,937.3	21,069.5	21,069.5	21,069.5	20,895.7	-173.8	-0.8%
Fund Sources:							
1002 Fed Rcpts (Fed)	122.3	198.9	198.9	198.9	199.3	0.4	0.2%
1004 Gen Fund (UGF)	7,548.3	8,315.5	8,315.5	8,315.5	8,335.3	19.8	0.2%
1005 GF/Prgm (DGF)	689.6	710.4	710.4	710.4	712.1	1.7	0.2%
1007 I/A Rcpts (Other)	128.4	408.6	408.6	408.6	410.0	1.4	0.3%
1105 PFund Rcpt (Other)	4,128.0	4,179.0	4,179.0	4,179.0	4,188.4	9.4	0.2%
1108 Stat Desig (Other)	3,097.5	6,585.6	6,585.6	6,585.6	6,378.9	-206.7	-3.1%
1217 NGF Earn (Other)	223.2	150.0	150.0	150.0	150.0	0.0	0.0%
1236 AK LNG I/A (Other)	0.0	521.5	521.5	521.5	521.7	0.2	0.0%
Unrestricted General (UGF)	7,548.3	8,315.5	8,315.5	8,315.5	8,335.3	19.8	0.2%
Designated General (DGF)	689.6	710.4	710.4	710.4	712.1	1.7	0.2%
Other Funds	7,577.1	11,844.7	11,844.7	11,844.7	11,649.0	-195.7	-1.7%
Federal Funds	122.3	198.9	198.9	198.9	199.3	0.4	0.2%
Positions:							
Permanent Full Time	97	94	94	94	92	-2	-2.1%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	1	1	1	1	0	-1	-100.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Natural Resources

Component: Oil & Gas (439)
RDU: Oil and Gas (601)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2020 Conference Committee To FY2020 Authorized *****												
FY2020 Conference Committee												
	ConfCom	20,919.5	14,065.8	153.0	6,363.1	315.6	22.0	0.0	0.0	94	0	1
1002 Fed Rcpts		198.9										
1004 Gen Fund		8,315.5										
1005 GF/Prgm		710.4										
1007 I/A Rcpts		408.6										
1105 PFund Rcpt		4,179.0										
1108 Stat Desig		6,585.6										
1236 AK LNG I/A		521.5										
FY2020 Cook Inlet Energy Sec27a Ch1 FSSLA2019 P69 L19 (HB39)												
	ConfC(L)	150.0	0.0	0.0	150.0	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn		150.0										
(a) The interest earned during the fiscal year ending June 30, 2020, on the reclamation bond posted by Cook Inlet Energy for operation of an oil production platform in Cook Inlet under lease with the Department of Natural Resources, estimated to be \$150,000, is appropriated from interest held in the general fund to the Department of Natural Resources for the purpose of the bond for the fiscal years ending June 30, 2020, June 30, 2021, and June 30, 2022.												
***** Changes From FY2020 Authorized To FY2020 Management Plan *****												
Align Authority with Anticipated Expenditures												
	LIT	0.0	0.0	55.8	-55.8	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from services to cover anticipated travel costs for mandatory field inspections. The remaining services authority is sufficient to cover anticipated expenditures.												
***** Changes From FY2020 Management Plan To FY2021 Governor *****												
Reverse FY2020 Cook Inlet Energy Sec27a Ch1 FSSLA2019 P69 L19 (HB39)												
	OTI	-150.0	0.0	0.0	-150.0	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn		-150.0										
(a) The interest earned during the fiscal year ending June 30, 2020, on the reclamation bond posted by Cook Inlet Energy for operation of an oil production platform in Cook Inlet under lease with the Department of Natural Resources, estimated to be \$150,000, is appropriated from interest held in the general fund to the Department of Natural Resources for the purpose of the bond for the fiscal years ending June 30, 2020, June 30, 2021, and June 30, 2022.												
Restore Cook Inlet Energy Reclamation Bond Interest												
	IncM	150.0	0.0	0.0	150.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail - Multiple Scenarios with Descriptions
Department of Natural Resources

Component: Oil & Gas (439)
RDU: Oil and Gas (601)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
1217 NGF Earn		150.0										

In 2009, Pacific Energy Resources Limited (PERL) abandoned Redoubt Unit as a result of bankruptcy. The bond in the amount of \$6,600.0 along with interest earned for abandonment liabilities for the Redoubt Unit between PERL and Department of Natural Resources' (DNR) Division of Oil and Gas was transferred to DNR in October 2009.

The assets were purchased in December 2009 by Cook Inlet Energy (CIE). The remaining funds from the original bond will be used as part of the new bond posted by CIE. This bond will be used toward abandonment and reclamation if CIE abandons the facilities or begins reclamation.

The original bond was held in an escrow account at First National Bank, where interest was earned on the principle. It costs over \$1,800/month in bank fees to hold the money in escrow. The department would prefer to hold the bond in Treasury. Interest earnings on the bond would then require an annual appropriation to the bond. DNR requests that the interest earned be applied to the bond. The earned interest would maximize the value of the bond funds available for abandonment and reclamation costs. Unless abandonment or reclamation occurs, all earned interest and bond funds will remain in the bond account.

If funding is not received, interest earned on the bond held by Department of Revenue's Division of Treasury cannot be applied toward future bond requirements, imposing additional financial burden on this small and producing company.

Language:

The interest earned during the fiscal year ending June 30, 2021, on the reclamation bond posted by Cook Inlet Energy for operation of an oil production platform in Cook Inlet under lease with the Department of Natural Resources, estimated to be \$150,000, is appropriated from interest held in the general fund to the Department of Natural Resources for the purpose of the bond for the fiscal years ending June 30, 2021, June 30, 2022, and June 30, 2023

FY2021 Salary and Health Insurance Increases

SalAdj	44.2	44.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts	0.4											
1004 Gen Fund	19.8											
1005 GF/Prgm	1.7											
1007 I/A Rcpts	1.4											
1105 PFund Rcpt	9.4											
1108 Stat Desig	11.3											
1236 AK LNG I/A	0.2											

FY2021 GGU Salary Increases: \$39.9

FY2021 increase to GGU Health Insurance from \$1530 to \$1555 per member per month: \$4.3

Transfer Two Natural Resource Specialists to Mining, Land and Water for Aquatic Farm Application Processing

Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2	0	0
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Transfer Natural Resource Specialists from Oil and Gas to Mining, Land and Water for aquatic farm application processing. The physical consolidation of the State Pipeline Section staff within the Division of Oil and Gas onto the 8th floor of the Atwood building creates significant program process efficiencies and maximizes resources in the Division of Oil and Gas.

Change Record Detail - Multiple Scenarios with Descriptions
Department of Natural Resources

Component: Oil & Gas (439)
RDU: Oil and Gas (601)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
The following positions are transferred: Full-time Natural Resource Specialist III (10-0121), range 18, located in Anchorage Full-time Natural Resource Specialist III (10-1793), range 18, located in Anchorage												
Reduce Authority to Realize Space Consolidation Savings												
1108 Stat Desig	Dec	-218.0	-218.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Reduce authority due to physical consolidation of the State Pipeline Section staff within the Division of Oil and Gas (DOG) onto the 8th floor of the Atwood building. This physical consolidation and integration will create significant program process efficiencies and maximize resources, including:												
<ul style="list-style-type: none">• Engineering support to DOG Permitting Section• Right-of-Way support to DOG Leasing Section• Compliance support to Division of Agriculture• Right-of-Way support to Office of Project Management & Permitting• Department of Labor Electrical – job sharing with 25% charged to State Pipeline Section (previously this position was fully funded by State Pipeline Section)• Department of Public Safety – Fire Marshal Liaison job sharing 90-95% charged to State Pipeline Section												
Delete Long-Term Vacant Student Intern (10-I012) No Longer Needed												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	-1
Delete a non-permanent Student Intern (10-I012), range 0, located in Anchorage, that has been vacant for over a year and is no longer needed.												
Totals		20,895.7	13,892.0	208.8	6,457.3	315.6	22.0	0.0	0.0	92	0	0

Line Item Detail (1676)
Department of Natural Resources
Travel

Component: Oil & Gas (439)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
2000	Travel		157.5	208.8	208.8
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
2000 Travel Detail Totals			157.5	208.8	208.8
2000	In-State Employee Travel	Transportation costs for travel relating to administration, conventions and meetings, boards and commissions.	111.9	188.8	188.8
2002	Out of State Employee Travel	Transportation costs for travel relating to administration, conventions and meetings, boards and commissions.	33.1	20.0	20.0
2005	Moving Costs	Moving and relocation costs.	12.5	0.0	0.0

Line Item Detail (1676)
Department of Natural Resources
Services

Component: Oil & Gas (439)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000	Services		2,841.0	6,457.3	6,457.3
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000 Services Detail Totals			2,841.0	6,457.3	6,457.3
3000	Education Services	Training, educational conferences, and agency memberships.	72.9	80.0	80.0
3001	Financial Services	Accounting, auditing, and management consulting and fees.	245.2	260.0	260.0
3003	Information Technology	Software licensing, includes reservoir modeling software.	247.1	500.0	500.0
3004	Telecommunications	Local, long distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors.	16.6	18.0	18.0
3006	Delivery Services	Freight, courier services, and postage.	6.9	15.5	15.5
3007	Advertising and Promotions	Advertising, promotions, and legal notices.	25.9	30.0	30.0
3008	Utilities	Electricity, heating fuel, water, sewage, and disposal services.	1.6	2.0	2.0
3010	Equipment/Machinery	Machinery and equipment purchase, repairs, maintenance, rentals, and leases.	30.2	40.0	40.0
3011	Other Services	Contracts with local governments, non-governmental agencies, and private non-profits, as well as reimbursable services agreements with state agencies to coordinate industry requests for pipeline work based on business development	381.4	2,939.0	2,883.2

Line Item Detail (1676)
Department of Natural Resources
Services

Component: Oil & Gas (439)

Object Class		Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000 Services Detail Totals				2,841.0	6,457.3	6,457.3
			plans. These contracts are based on receiving funding from various sources which are not guaranteed from year to year.			
3012	Inter-Agency Federal Indirect Rate Allocation	NatRes - Administrative Services (424)	Indirect cost allocation for services provided by Administrative Services.	186.1	243.3	230.1
3016	Inter-Agency Economic Development	E&ED - Department-wide	Alaska Statutes reimbursements.	0.1	0.1	0.1
3016	Inter-Agency Economic Development	EnvCon - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects.	208.6	420.0	440.0
3016	Inter-Agency Economic Development	FishGm - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects.	144.7	156.0	161.0
3016	Inter-Agency Economic Development	Labor - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects.	218.2	205.6	265.5
3016	Inter-Agency Economic Development	Law - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects.	1.9	20.0	20.0
3016	Inter-Agency Economic Development	NatRes - Geological & Geophysical Surveys (1031)	Reimbursable service agreements in support of AS 38.35 pipeline projects.	290.0	350.0	350.0
3016	Inter-Agency Economic Development	PubSaf - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects.	10.8	200.0	157.0
3016	Inter-Agency Economic Development	NatRes - History and Archaeology (451)	Reimbursable service agreements in support of AS 38.35 pipeline projects.	1.3	15.0	15.0
3016	Inter-Agency Economic Development	NatRes - Information Resource Mgmt. (427)	Reimbursable service agreements in support of AS 38.35 pipeline projects.	1.9	24.0	25.0
3016	Inter-Agency Economic	NatRes - Mining, Land & Water (3002)	Reimbursable service agreements in	15.5	150.0	160.0

Line Item Detail (1676)
Department of Natural Resources
Services

Component: Oil & Gas (439)

Object Class		Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000 Services Detail Totals				2,841.0	6,457.3	6,457.3
Development			support of AS 38.35 pipeline projects.			
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	OIT Core Services - Non Telecom.	113.1	115.0	115.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	OIT Core Services - Telecom.	46.3	65.0	75.0
3021	Inter-Agency Mail	Admin - Department-wide	Centralized mail services chargeback.	1.4	1.6	2.5
3022	Inter-Agency Human Resources	Admin - Department-wide	Human Resources services chargeback.	7.3	7.5	7.5
3023	Inter-Agency Building Leases	Admin - Department-wide	Office space lease costs.	442.0	450.0	450.0
3024	Inter-Agency Legal	Law - Department-wide	Regulations review.	2.7	20.0	20.0
3026	Inter-Agency Insurance	Admin - Department-wide	Risk management, and property insurance.	72.7	72.7	72.7
3027	Inter-Agency Financial	Admin - Department-wide	State payroll (HRM) and accounting (IRIS & ALDER) systems chargeback.	22.3	26.0	26.0
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide	Americans with Disabilities Act (ADA) chargeback.	0.8	1.0	1.0
3037	State Equipment Fleet	Trans - Department-wide	State Equipment Fleet vehicle usage.	25.5	30.0	35.2

Line Item Detail (1676)
Department of Natural Resources
Commodities

Component: Oil & Gas (439)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
4000	Commodities		201.6	315.6	315.6
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
4000 Commodities Detail Totals			201.6	315.6	315.6
4000	Business	General business supplies such as office consumables, furniture, and computer equipment.	190.1	301.6	297.6
4002	Household/Institutional	Cleaning, food, and other supplies.	3.7	4.0	4.0
4004	Safety	Firearms & ammunition, fire suppression, and other safety.	5.9	6.0	8.0
4019	Small Tools/Minor Equipment	Replacement tools and parts for vehicles used in compliance monitoring and permitting.	0.0	2.0	2.0
4020	Equipment Fuel	Fuel for agency vehicles used in compliance monitoring and permitting.	1.9	2.0	4.0

Line Item Detail (1676)
Department of Natural Resources
Capital Outlay

Component: Oil & Gas (439)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
5000	Capital Outlay		0.0	22.0	22.0
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
5000 Capital Outlay Detail Totals			0.0	22.0	22.0
5004	Equipment	Small equipment purchases.	0.0	22.0	22.0

Revenue Detail (1681)
Department of Natural Resources

Component: Oil & Gas (439)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
5002 Fed Rcpts (1002 Fed Rcpts)			122.3	198.9	199.3
5010 Federal Natural Resources - Miscellaneous Grants		Federal cooperative agreement with Office of Natural Resources Revenue.	122.3	198.9	199.3
5005 GF/Prgm (1005 GF/Prgm)			7127.5	710.4	712.1
5106 Program Receipts Charges for Services - Rent and Royalties		Material sales.	140.5	100.0	100.0
5112 Program Receipts Natural Resources - Charges for Services		Application/filing fees.	163.2	150.0	150.0
5113 Program Receipts Natural Resources - Rent and Royalties		Lease payments and right of way lease.	6823.8	460.4	462.1
5007 I/A Rcpts (1007 I/A Rcpts)			128.4	408.6	410.0
5301 Inter-Agency Receipts	Commerce - Department-wide	Reimbursable services agreements with Alaska Gasline Development Corporation.	126.0	150.0	160.0
5301 Inter-Agency Receipts	NatRes - Geological & Geophysical Surveys (1031)	Reimbursable services agreement with Geological & Geophysical Surveys for seismic data employee support.	0.0	100.0	250.0
5301 Inter-Agency Receipts	NatRes - Project Management & Permitting (2733)	Reimbursable services agreement with Office of Project Management and Permitting related to pipeline projects.	2.4	158.6	0.0
5105 PFund Rcpt (1105 PFund Rcpt)			4,128.0	4,179.0	4,188.4
5414 Alaska Permanent Fund Corporation Receipts		Alaska Permanent Fund Corporation receipts.	4,128.0	4,179.0	4,188.4
5108 Stat Desig (1108 Stat Desig)			3,097.5	6,585.6	6,378.9
5206 Statutory Designated Program Receipts - Contracts		Statutory designated program receipts related to AS 38.35 pipelines.	3,097.5	6,585.6	6,378.9

Revenue Detail (1681)
Department of Natural Resources

Component: Oil & Gas (439)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
5217 NGF Earn (1217 NGF Earn)			223.2	150.0	150.0
5429 Non-General Fund Earnings - Miscellaneous		Cook Inlet Energy reclamation bond interest.	223.2	150.0	150.0
5232 ISPF-I/A (1232 ISPF-I/A)			8.9	0.0	0.0
5426 In-State Pipeline Fund IA		During SLA 2018, In-State Pipeline Fund (ISPF) transferred funding to Alaska Liquefied Natural Gas (AKLNG). For FY2019 due to ISPF not being available the department has received an unbudgeted reimbursable service agreement with AKLNG authority.	8.9	0.0	0.0
5236 AK LNG I/A (1236 AK LNG I/A)			0.0	521.5	521.7
5427 Alaska Liquefied Natural Gas Project Fund Inter-Agency		During SLA 2018, In-State Pipeline Fund (ISPF) transferred funding to Alaska Liquefied Natural Gas (AKLNG). For FY2019 due to ISPF not being available the department has received an unbudgeted reimbursable service agreement with AKLNG authority.	0.0	521.5	521.7
FUND Fund Only (1004 Gen Fund)			7,548.3	8,315.5	8,453.8
6095 Fund Only - Interest Earned		Fund only interest earned.	0.0	0.0	341.4
6098 Fund Only Natural Resources - Rents and Royalties		Rents and royalties.	7,548.3	8,315.5	8,112.4

Inter-Agency Services (1682)
Department of Natural Resources

Component: Oil & Gas (439)

		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
Component Totals		1,813.2	2,572.8	2,628.6
	With Department of Natural Resources	494.8	782.3	780.1
	With Department of Education and Early Development	0.1	0.1	0.1
	With Department of Environmental Conservation	208.6	420.0	440.0
	With Department of Fish and Game	144.7	156.0	161.0
	With Department of Labor and Workforce Development	218.2	205.6	265.5
	With Department of Law	4.6	40.0	40.0
	With Department of Public Safety	10.8	200.0	157.0
	With Department of Administration	705.9	738.8	749.7
	With Department of Transportation/Public Facilities	25.5	30.0	35.2

Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3012 Inter-Agency Federal Indirect Rate Allocation	NatRes - Administrative Services (424)	Indirect cost allocation for services provided by Administrative Services.	186.1	243.3	230.1
3016 Inter-Agency Economic Development	E&ED - Department-wide	Alaska Statutes reimbursements.	0.1	0.1	0.1
3016 Inter-Agency Economic Development	EnvCon - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects.	208.6	420.0	440.0
3016 Inter-Agency Economic Development	FishGm - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects.	144.7	156.0	161.0
3016 Inter-Agency Economic Development	Labor - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects.	218.2	205.6	265.5
3016 Inter-Agency Economic Development	Law - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects.	1.9	20.0	20.0
3016 Inter-Agency Economic	NatRes - Geological & Geophysical	Reimbursable service agreements in	290.0	350.0	350.0

Inter-Agency Services (1682)
Department of Natural Resources

Component: Oil & Gas (439)

Object Class		Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
	Development	Surveys (1031)	support of AS 38.35 pipeline projects.			
3016	Inter-Agency Economic Development	PubSaf - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects.	10.8	200.0	157.0
3016	Inter-Agency Economic Development	NatRes - History and Archaeology (451)	Reimbursable service agreements in support of AS 38.35 pipeline projects.	1.3	15.0	15.0
3016	Inter-Agency Economic Development	NatRes - Information Resource Mgmt. (427)	Reimbursable service agreements in support of AS 38.35 pipeline projects.	1.9	24.0	25.0
3016	Inter-Agency Economic Development	NatRes - Mining, Land & Water (3002)	Reimbursable service agreements in support of AS 38.35 pipeline projects.	15.5	150.0	160.0
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	OIT Core Services - Non Telecom.	113.1	115.0	115.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	OIT Core Services - Telecom.	46.3	65.0	75.0
3021	Inter-Agency Mail	Admin - Department-wide	Centralized mail services chargeback.	1.4	1.6	2.5
3022	Inter-Agency Human Resources	Admin - Department-wide	Human Resources services chargeback.	7.3	7.5	7.5
3023	Inter-Agency Building Leases	Admin - Department-wide	Office space lease costs.	442.0	450.0	450.0
3024	Inter-Agency Legal	Law - Department-wide	Regulations review.	2.7	20.0	20.0
3026	Inter-Agency Insurance	Admin - Department-wide	Risk management, and property insurance.	72.7	72.7	72.7
3027	Inter-Agency Financial	Admin - Department-wide	State payroll (HRM) and accounting (IRIS & ALDER) systems chargeback.	22.3	26.0	26.0
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide	Americans with Disabilities Act (ADA) chargeback.	0.8	1.0	1.0
3037	State Equipment Fleet	Trans - Department-wide	State Equipment Fleet vehicle usage.	25.5	30.0	35.2

Personal Services Expenditure Detail
Department of Natural Resources

Scenario: FY2021 Governor (16414)
Component: Oil & Gas (439)
RDU: Oil and Gas (601)

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	UGF Amount
10-0113	Natural Resource Manager III	FT	A	SS	Anchorage	200	22E / F	12.0		98,558	0	0	53,700	152,258	0
10-0119	Nat Res Speciii	FT	A	GP	Anchorage	99	18M	12.0		82,872	1,122	0	48,110	132,104	0
10-0133	Natural Resource Specialist IV	FT	A	GP	Anchorage	99	21J / K	12.0		92,374	1,251	0	51,472	145,097	0
10-0134	Nat Res Speciii	FT	A	GP	Anchorage	99	18J / K	12.0		75,288	1,019	0	45,427	121,734	0
10-0135	Tech Eng/Arch I	FT	A	GP	Anchorage	200	24D / E	12.0		98,856	1,338	0	53,766	153,960	0
10-0141	Commercial Manager	FT	A	XE	Anchorage	N00	26	12.0		148,625	0	0	70,545	219,170	153,419
10-0142	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		111,444	0	0	58,115	169,559	106,822
10-0143	Policy & Program Specialist	FT	A	XE	Anchorage	N00	24 / B	12.0		92,964	0	0	51,577	144,541	72,271
10-0144	Petroleum Land Manager	FT	A	XE	Anchorage	N00	26	12.0		130,000	0	0	64,680	194,680	95,393
10-0145	Analyst/Programmer II	FT	A	GP	Anchorage	200	16A / B	12.0		52,944	717	0	37,522	91,183	58,357
10-0147	Nat Res Speciii	FT	A	GP	Anchorage	99	18M	12.0		80,965	1,096	0	47,436	129,497	0
10-0157	Accounting Technician I	FT	A	GP	Anchorage	99	12J / K	12.0		49,931	676	0	36,456	87,063	0
10-0253	Administrative Assistant II	FT	A	GP	Anchorage	99	14J / K	12.0		57,270	775	0	39,052	97,097	0
10-0254	Natural Resource Specialist IV	FT	A	GP	Anchorage	200	21E / F	12.0		84,959	1,150	0	48,849	134,958	0
10-0266	Natural Resource Specialist I	FT	A	GP	Anchorage	200	14A / B	12.0		46,152	625	0	35,119	81,896	0
10-1147	Natural Resource Manager II	FT	A	SS	Anchorage	99	20O	12.0		106,757	0	0	56,601	163,358	0
10-1297	Nat Res Speciii	FT	A	GP	Anchorage	200	18D / E	12.0		67,044	908	0	42,511	110,463	0
10-1313	Nat Res Speciii	FT	A	GP	Anchorage	200	18B / C	12.0		62,824	851	0	41,017	104,692	0
10-4100	Division Director	FT	A	XE	Anchorage	N00	27	12.0		150,000	0	0	70,947	220,947	22,095
10-4104	Petroleum Engineer	FT	A	XE	Anchorage	N00	26	12.0		171,000	0	0	77,090	248,090	158,778
10-4105	Petroleum Land Manager	FT	A	XE	Anchorage	N00	26	12.0		130,000	0	0	64,680	194,680	124,595
10-4109	Oil and Gas Revenue Specialist	FT	A	GP	Anchorage	99	25J / K	12.0		125,115	1,694	0	63,056	189,865	77,845
10-4114	Nat Res Speciii	FT	A	GP	Anchorage	200	18A / B	12.0		60,890	824	0	40,333	102,047	0
10-4115	Oil and Gas Revenue Auditor IV	FT	A	GP	Anchorage	200	24A / B	12.0		90,624	1,227	0	50,853	142,704	142,704
10-4118	Administrative Officer II	FT	A	SS	Anchorage	99	19M / N	12.0		94,821	0	0	52,378	147,199	0
10-4119	Administrative Assistant I	FT	A	GP	Anchorage	99	12M	12.0		53,397	723	0	37,682	91,802	41,311
10-4122	Micro/Net Sp I	FT	A	GP	Anchorage	99	18J	12.0		75,288	1,019	0	45,427	121,734	53,563
10-4125	Analyst/Programmer V	FT	A	GP	Anchorage	99	22K	12.0		101,868	1,379	0	54,831	158,078	101,170
10-4128	Administrative Officer I	FT	A	GP	Anchorage	99	17L / M	12.0		74,115	1,003	0	45,012	120,130	0
10-4133	Data Processing Manager I	FT	A	SS	Anchorage	99	22L / M	12.0		116,260	0	0	59,963	176,223	112,783
10-4136	Publications Specialist III	FT	A	GP	Anchorage	200	19B / C	12.0		65,874	892	0	42,097	108,863	69,672
10-4144	Natural Resource	FT	A	GP	Anchorage	200	12B / C	12.0		41,661	581	1,245	33,970	77,457	49,573

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.

Personal Services Expenditure Detail
Department of Natural Resources

Scenario: FY2021 Governor (16414)
Component: Oil & Gas (439)
RDU: Oil and Gas (601)

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	UGF Amount
10-4145	Technician II Natural Resource Specialist IV	FT	A	SS	Anchorage	200	21E / F	12.0		91,461	0	0	51,189	142,650	0
10-4146	Accountant IV	FT	A	GP	Anchorage	99	20G / J	12.0		84,318	1,142	0	48,622	134,082	85,813
10-4147	Admn OPS Mgr I	FT	A	SS	Anchorage	200	22A / B	12.0		89,444	0	0	50,476	139,920	0
10-4149	Accounting Technician III	FT	A	GP	Anchorage	99	16G / J	12.0		63,482	859	0	41,250	105,591	67,578
10-4158	Accountant III	FT	A	GP	Anchorage	99	18K	12.0		77,736	1,052	0	46,293	125,081	80,052
10-4163	Natural Resource Specialist IV	FT	A	SS	Anchorage	99	21J / K	12.0		96,300	0	0	52,901	149,201	0
10-4165	Natural Resource Specialist IV	FT	A	GP	Anchorage	200	21A / B	12.0		74,733	1,012	0	45,231	120,976	48,390
10-4167	Natural Resource Specialist IV	FT	A	SS	Anchorage	200	21B / C	12.0		82,500	0	0	48,019	130,519	83,532
10-4171	Nat Res Speciii	FT	A	GP	Anchorage	200	18F / G	12.0		72,324	1,009	2,225	45,166	120,724	77,263
10-4181	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	N00	26	12.0		144,293	0	0	69,278	213,571	136,685
10-4182	Petroleum Geologist II	FT	A	XE	Anchorage	N00	26	12.0		168,575	0	0	76,380	244,955	156,771
10-4183	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		167,958	0	0	76,200	244,158	156,261
10-4184	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		168,095	0	0	76,240	244,335	156,374
10-4185	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		171,434	0	0	77,217	248,651	159,137
10-4193	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26P	12.0		171,434	0	0	77,217	248,651	159,137
10-4194	Oil and Gas Revenue Auditor IV	FT	A	GP	Anchorage	99	24L	12.0		120,948	1,637	0	61,582	184,167	178,642
10-4196	Analyst/Programmer IV	FT	A	GP	Anchorage	200	20B / C	12.0		71,769	972	0	44,182	116,923	74,831
10-4203	Analyst/Programmer V	FT	A	GP	Anchorage	99	22J / K	12.0		101,201	1,370	0	54,595	157,166	100,586
10-4207	Nat Res Speciii	FT	A	GP	Anchorage	200	18C / D	12.0		63,714	863	0	41,332	105,909	67,782
10-4210	O&G Rev Aud III	FT	A	GP	Anchorage	99	22J / K	12.0		101,334	1,372	0	54,642	157,348	157,348
10-4211	Accountant IV	FT	A	GP	Anchorage	99	20L	12.0		91,740	1,242	0	51,248	144,230	92,307
10-4213	Geologist I	FT	A	GP	Anchorage	200	15D / E	12.0		54,888	743	0	38,210	93,841	60,058
10-4214	Petroleum Land Manager	FT	A	XE	Anchorage	N00	26	12.0		126,504	0	0	63,443	189,947	121,566
10-4215	O&G Rev Aud III	FT	A	GP	Anchorage	200	22E / F	12.0		91,728	1,242	0	51,244	144,214	108,161
10-4216	Petroleum Land Manager	FT	A	XE	Anchorage	N00	26	12.0		135,929	0	0	66,778	202,707	99,326
10-4217	Commercial Analyst	FT	A	XE	Anchorage	N00	26	12.0		135,000	0	0	66,449	201,449	98,710
10-4222	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	N00	26	12.0		99,332	0	0	53,830	153,162	98,024
10-4223	Natural Resource Specialist IV	FT	A	SS	Anchorage	99	21L	12.0		102,054	0	0	54,937	156,991	78,496
10-4224	Natural Resource Specialist II	FT	A	GP	Anchorage	200	16C / D	12.0		56,952	795	1,752	39,560	99,059	63,398

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Personal Services Expenditure Detail
Department of Natural Resources

Scenario: FY2021 Governor (16414)
Component: Oil & Gas (439)
RDU: Oil and Gas (601)

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	UGF Amount
10-4225	Natural Resource Specialist II	FT	A	GP	Anchorage	200	16F / G	12.0		63,264	909	3,892	42,550	110,615	20,187
10-4226	Bus Process Integration Mgr	FT	A	XE	Anchorage	N00	24	12.0		94,240	0	0	52,028	146,268	88,638
10-4227	Deputy Director	FT	A	XE	Anchorage	N00	26	12.0		155,000	0	0	72,410	227,410	0
10-4229	Administrative Assistant II	FT	A	GP	Anchorage	99	14J	12.0		57,192	774	0	39,025	96,991	0
10-4230	Administrative Assistant I	FT	A	GP	Anchorage	200	12B / C	12.0		41,319	559	0	33,409	75,287	0
10-4232	Oil and Gas Revenue Auditor IV	FT	A	GP	Anchorage	99	24K / L	12.0		120,948	1,637	0	61,582	184,167	184,167
10-4233	Oil and Gas Revenue Auditor II	FT	A	GP	Anchorage	99	20J	12.0		86,052	1,165	0	49,236	136,453	81,872
10-4234	Natural Resource Technician II	FT	A	GP	Anchorage	200	12B / C	12.0		41,376	560	0	33,429	75,365	13,716
10-4235	Natural Resource Specialist II	FT	A	GP	Anchorage	200	16D / E	12.0		58,790	796	0	39,590	99,176	0
10-4236	Analyst/Programmer IV	FT	A	GP	Anchorage	99	20L	12.0		94,716	1,282	0	52,301	148,299	94,911
10-4240	Natural Resource Technician II	FT	A	GP	Anchorage	200	12F	12.0		49,440	669	0	36,282	86,391	55,290
10-4244	Natural Resource Specialist IV	FT	A	GP	Anchorage	200	21G	12.0		88,416	1,197	0	50,072	139,685	89,398
10-4245	Nat Res Speciii	FT	A	GP	Anchorage	200	18C / D	12.0		63,354	858	0	41,205	105,417	54,817
10-4247	Analyst/Programmer III	FT	A	GP	Anchorage	200	18B / C	12.0		62,736	849	0	40,986	104,571	66,925
10-4249	O&G Rev Aud III	FT	A	GP	Anchorage	200	22D / E	12.0		88,416	1,197	0	50,072	139,685	136,891
10-4256	Natural Resource Specialist II	FT	A	GP	Anchorage	200	16B / C	12.0		54,391	736	0	38,034	93,161	59,623
10-4257	Natural Resource Specialist II	FT	A	GP	Anchorage	200	16B / C	12.0		53,539	769	3,272	38,890	96,470	24,118
10-5000	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	N00	26A	12.0		137,208	0	0	67,205	204,413	0
10-8106	Pipe Line Coordinator	FT	A	XE	Anchorage	N00	26	12.0		125,000	0	0	62,911	187,911	0
10-I012	Student Intern	NP	N	XE	Anchorage	N00	0	12.0		0	0	0	0	0	0
10-T002	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		171,434	0	0	77,217	248,651	159,137
10-T006	Commercial Analyst	FT	A	XE	Anchorage	N00	26	12.0		135,000	0	0	66,449	201,449	128,927
10-T007	Commercial Analyst	FT	A	XE	Anchorage	N00	26	12.0		135,000	0	0	66,449	201,449	128,927
10-T009	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		165,771	0	0	75,560	241,331	154,452
10-T010	Commercial Analyst	FT	A	XE	Anchorage	N00	26	12.0		143,500	0	0	69,046	212,546	138,155
10-T011	Petroleum Geophysicist I	FT	A	XE	Anchorage	N00	26	12.0		150,000	0	0	70,947	220,947	143,616
10-T015	Petroleum Land Manager	FT	A	XE	Anchorage	N00	26	12.0		130,452	0	0	64,840	195,292	97,646
10-T019	Petroleum Land Manager	FT	A	XE	Anchorage	N00	26	12.0		133,529	0	0	65,929	199,458	129,648
10-T021	Oil & Gas Revenue Audit	FT	A	XE	Anchorage	N00	26	12.0		129,150	0	0	64,380	193,530	0

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Personal Services Expenditure Detail

Department of Natural Resources

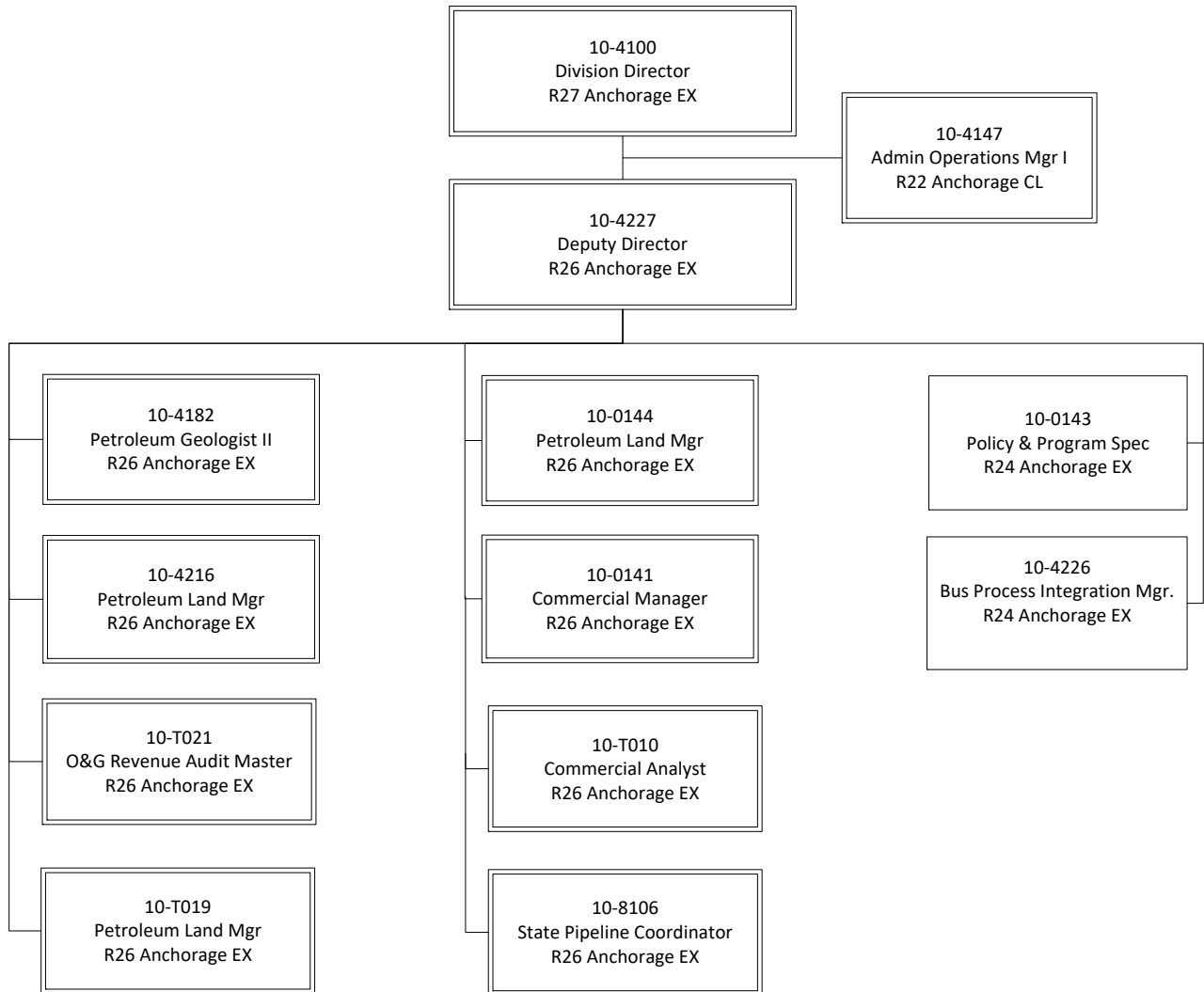
Scenario: FY2021 Governor (16414)
Component: Oil & Gas (439)
RDU: Oil and Gas (601)

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	UGF Amount
10-T022	Master Commercial Analyst	FT	A	XE	Anchorage	N00	26	12.0		135,000	0	0	66,449	201,449	100,725
10-X001	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	N00	26A	12.0		150,000	0	0	70,947	220,947	220,947
10-X023	Commercial Analyst	FT	A	XE	Anchorage	N00	26	12.0		135,000	0	0	66,449	201,449	201,449
Total Positions														Total Salary Costs:	
New														9,217,153	
Deleted														Total COLA:	
Full Time Positions: 92														50,137	
Part Time Positions: 0														Total Premium Pay:	
Non Permanent Positions: 0														12,386	
Positions in Component: 92														Total Benefits:	
														4,969,864	
														Total Pre-Vacancy:	
														14,249,540	
														Minus Vacancy Adjustment of 2.51%:	
														(357,540)	
														Total Post-Vacancy:	
														13,892,000	
														Plus Lump Sum Premium Pay:	
														0	
														Personal Services Line 100:	
														13,892,000	

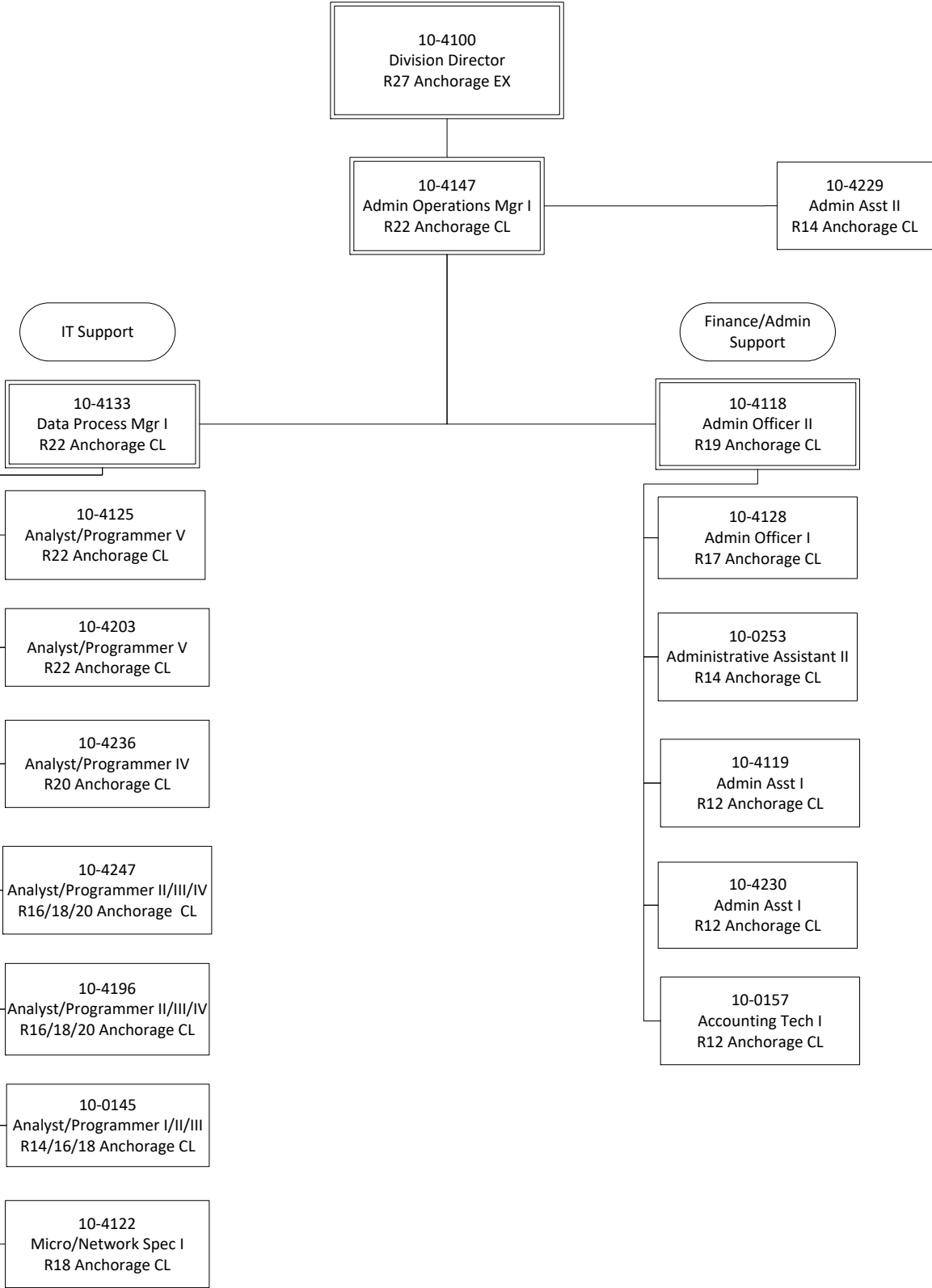
PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1002 Federal Receipts	146,420	142,746	1.03%
1004 General Fund Receipts	6,780,760	6,610,622	47.59%
1005 General Fund/Program Receipts	526,742	513,525	3.70%
1007 Interagency Receipts	345,822	337,145	2.43%
1105 Alaska Permanent Fund Corporation Receipts	4,295,611	4,187,829	30.15%
1108 Statutory Designated Program Receipts	2,102,086	2,049,342	14.75%
1236 Alaska Liquefied Natural Gas Project Fund I/A (AK LNG I/A)	52,099	50,791	0.37%
Total PCN Funding:	14,249,540	13,892,000	100.00%

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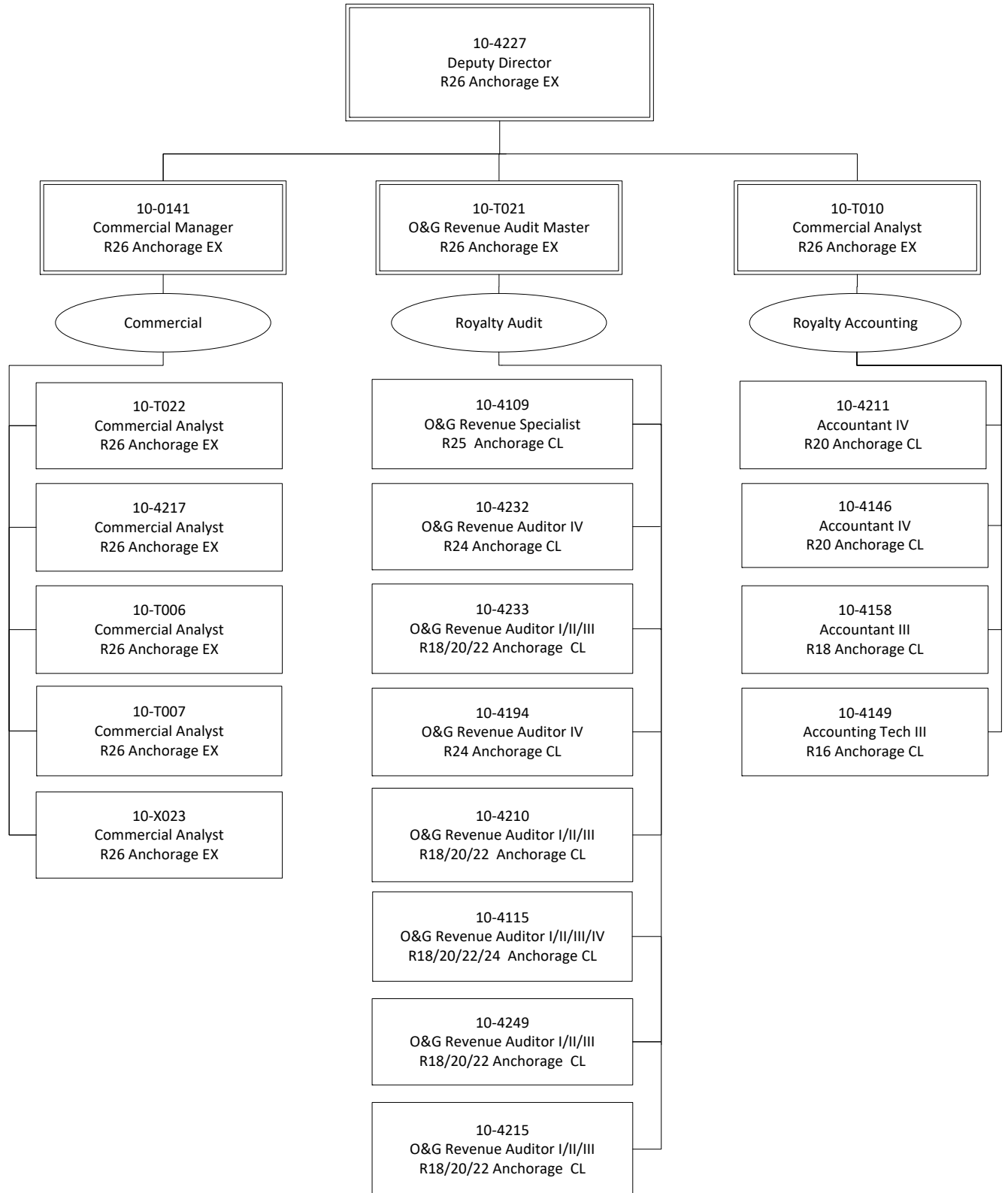
Department of Natural Resources
439 - Oil & Gas - Director
FY2021 Governor Budget



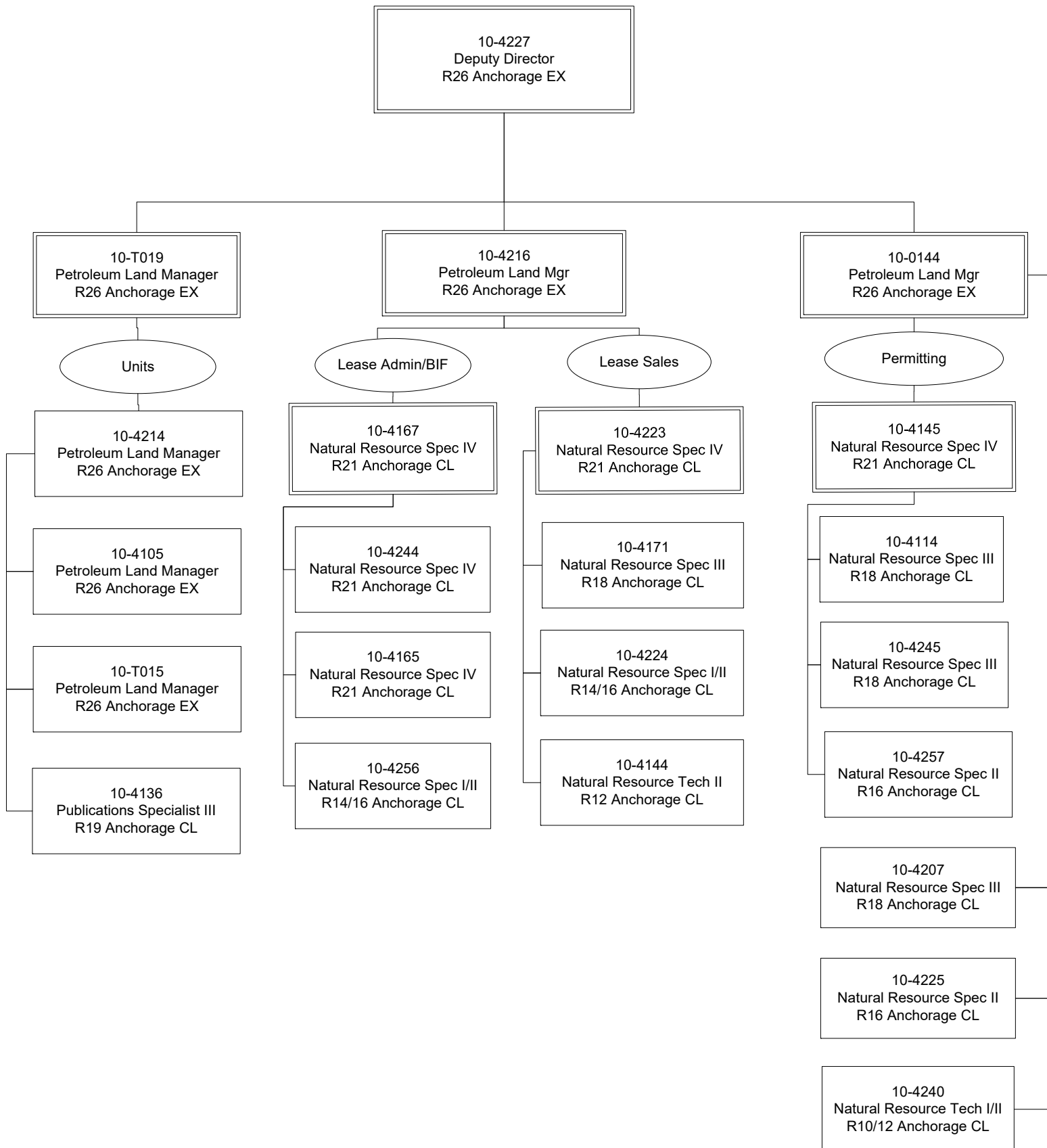
Department of Natural Resources
439 - Oil & Gas - Administration and IT
FY2021 Governor Budget



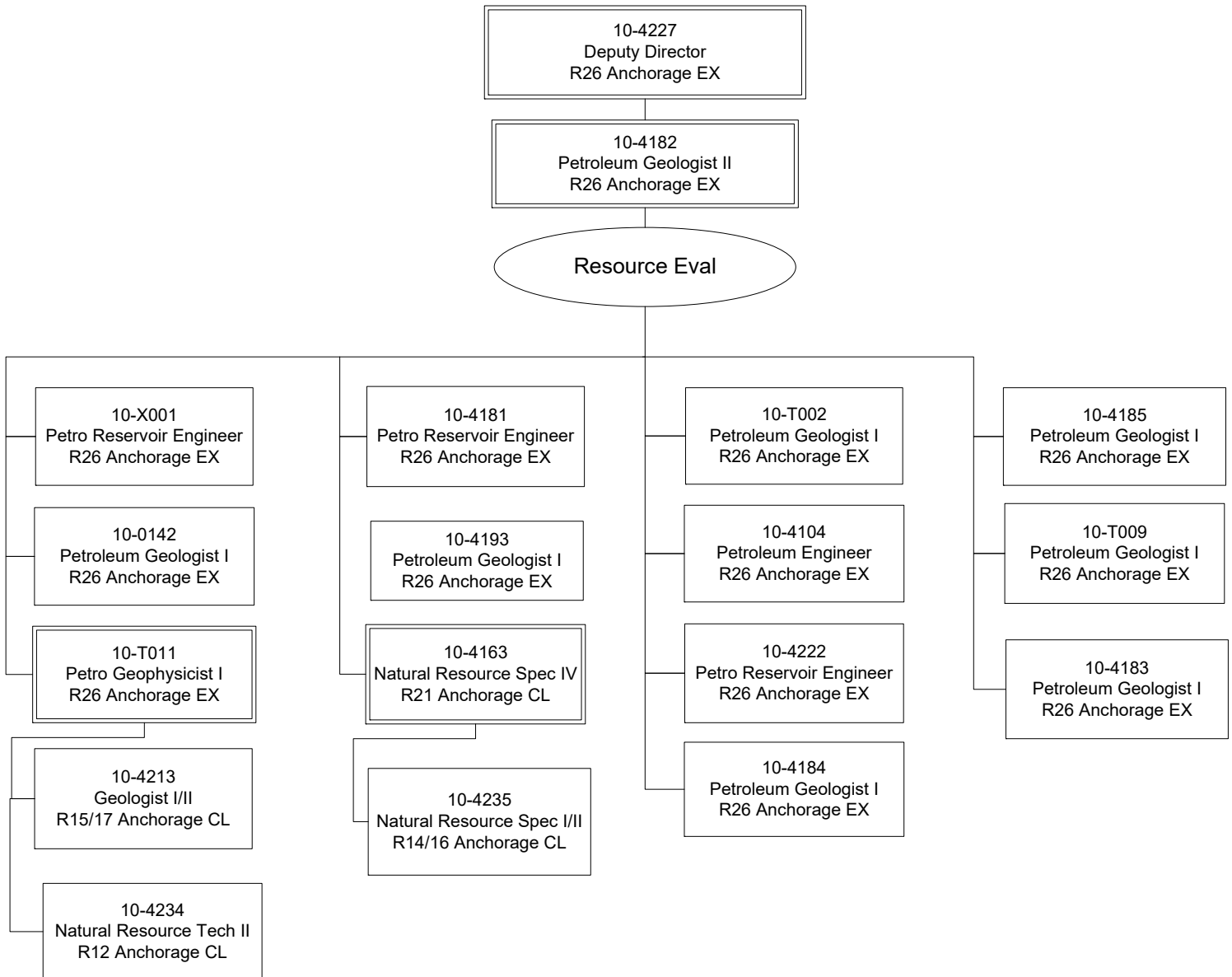
Department of Natural Resources
439 - Oil & Gas – Commercial & Royalty
Accounting/Audit
FY2021 Governor Budget



Department of Natural Resources
439 - Oil & Gas – Leasing, Permitting & Units
FY 2021 Governor Budget



Department of Natural Resources
439 - Oil & Gas - Resource Evaluation
FY2021 Governor Budget



Department of Natural Resources
439 - Oil & Gas - State Pipeline Section
FY2021 Governor Budget

