

State of Alaska FY2022 Governor's Operating Budget

Department of Environmental Conservation

Department of Environmental Conservation

Mission

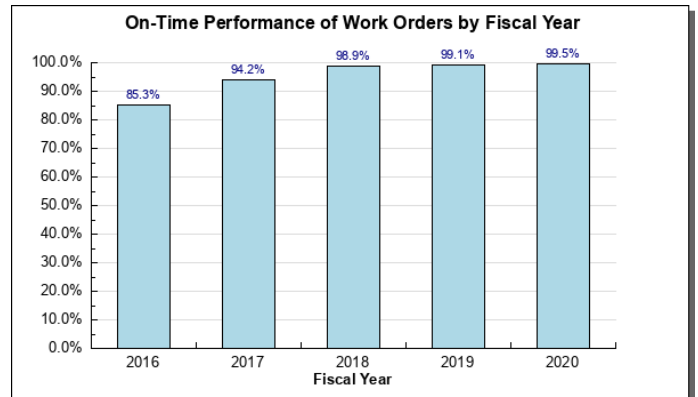
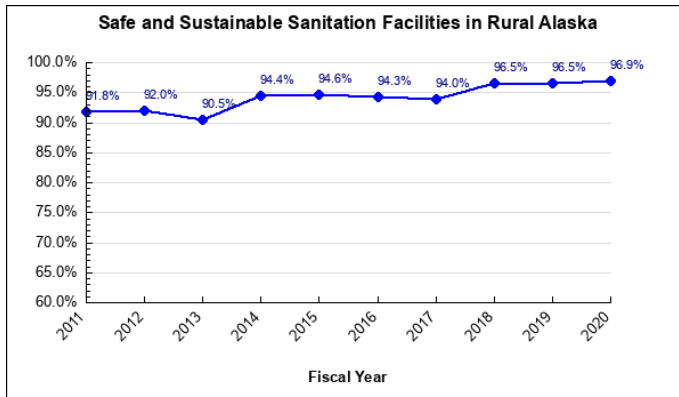
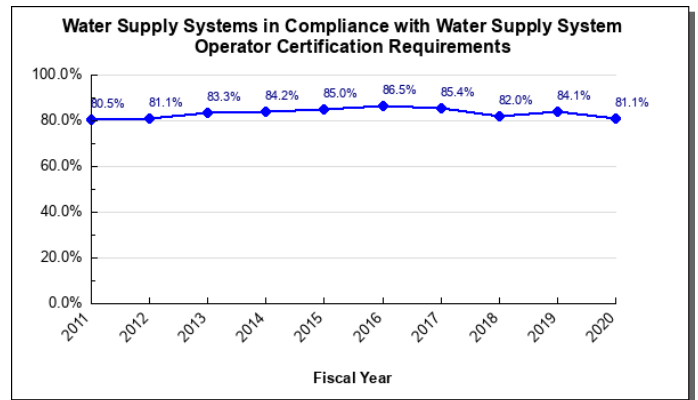
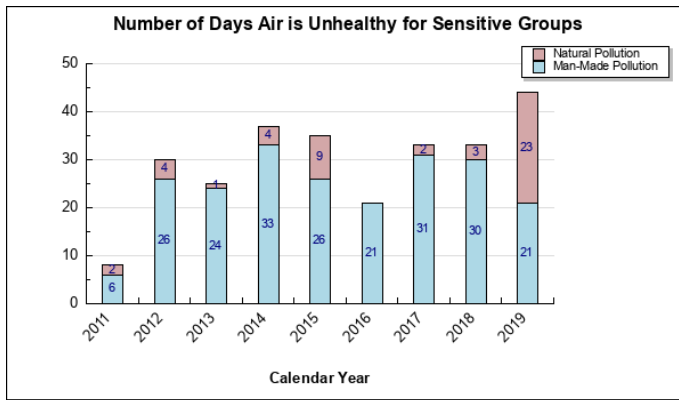
Protect human health and the environment. AS 46.03.010, AS 44.46.020

	Core Services (in priority order)	UGF	DGF	Other	Fed	Total	PFT	PPT	NP	% GF
1	Protecting Human Health	11,039.3	7,559.3	7,909.4	12,871.4	39,379.3	237.3	0.0	0.5	46.4%
2	Protecting the Environment	4,424.6	17,087.1	8,343.0	11,102.2	40,956.8	240.7	0.0	0.5	53.6%
	FY2021 Management Plan	15,463.9	24,646.4	16,252.3	23,973.5	80,336.1	478.0	0.0	1.0	

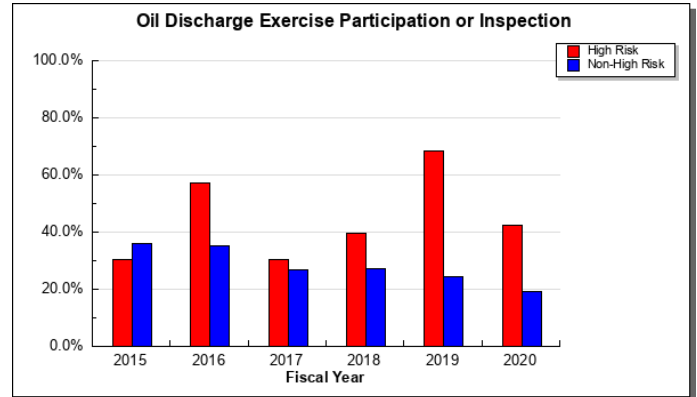
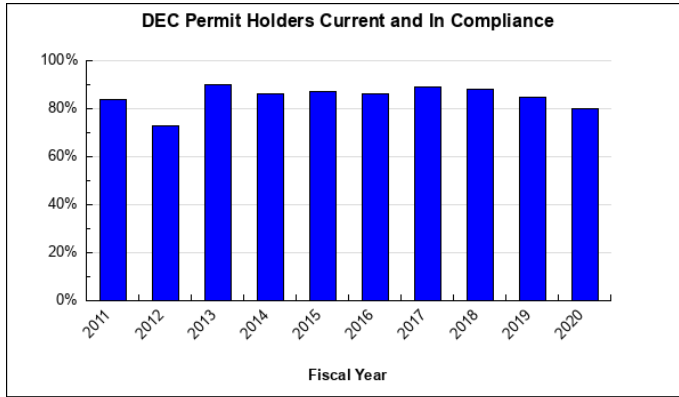
Measures by Core Service

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

1. Protecting Human Health



2. Protecting the Environment



Major Department Accomplishments in 2020

When the COVID-19 pandemic hit in March, the Department of Environmental Conservation quickly responded. Within a matter of a few weeks, approximately 85 percent of staff were able to start teleworking full or part time, enabling critical work to keep moving forward while protecting the safety of employees. That required a heavy lift from the Office of Information Technology and administrative staff to get VPN access turned on, telework agreements in place, and all available laptops distributed. Where laptops were not immediately available, staff were permitted to take desktop computers home. While the Department’s offices remained open to the public, divisions coordinated schedules to ensure coverage to assist members of the public who needed assistance in person. In the following months, the Compliance and Enforcement Workgroup developed guidance for program staff who would be required to travel and conduct in-person inspections when a virtual inspection was not feasible.

Prior to the pandemic, the Department was already working to integrate the use of technology more frequently in its work. Work done by the Drone Workgroup helped to set the framework for standing up virtual inspections. In October 2019, the Department began using SmartComment, an application for taking public comment online that allows the public to view all of the submitted comments, and provides back-end tools for analyzing and reviewing the comments by staff. The Department tried out the system with a major scoping project on spill response contingency plan (or C-plan) regulations that received over 130 comments. A year later, SmartComment is available for all State agencies, and the Department plans to utilize it for all regulation and permit public comment periods. The Department has also led the nation in integrating virtual inspections into our toolbox to continue oversight of regulated industries without increasing the health risks to communities, facility employees, or Department staff during the pandemic.

Department staff worked closely with the Department of Law on litigation between the State of Alaska, Flint Hills Resources Alaska, and Williams Alaska Petroleum Inc. over the release of sulfolane into the groundwater on the property of the North Pole Refinery. Alaska Superior Court found Williams liable for the release that polluted hundreds of resident’s drinking water wells. Williams is currently appealing the decision to the Alaska Supreme Court.

Key Department Challenges

While most Department of Environmental Conservation staff are able to work remotely, the nature of the work conducted at the Environmental Health Laboratory has meant laboratory technical staff have continued to report to work in-person. The Laboratory has in place a robust COVID-19 operating plan to reduce the risk of exposure for staff, although most staff would be considered a close contact of each other for the purposes of contact tracing under current CDC guidance, even with face masks. As a result, the Laboratory is revising the operating plan to encourage less overlap of staff and is developing contingency plans in the event an employee tests positive. Shutting down the Laboratory for two weeks could have adverse impacts to commerce in Alaska as industries such as shellfish and dairy frequently rely on time-sensitive testing.

Recruitment and retention continue to be an ongoing challenge for the Department. With a year’s worth of exit interviews documented, the Department has put a focus on employee morale. Following a pilot conducted last year,

the Department has refined its Development Plan form and employees once again worked with their supervisors on setting performance metrics, goals, and training plans for the coming year. The Department has implemented a monthly all-staff meeting where the Commissioner can share important information, recognize State service milestones, and give out the monthly employee recognition awards that highlight staff who go above and beyond in their jobs. Prioritizing training has been another important piece of workforce retention and development. This has included designating resources to pay for training, as well as actively identifying opportunities, such as a partnership with the Alaska Forum on the Environment which is making all of their content virtual this year due to the pandemic.

The Department is working on initiatives to ease the regulatory burden on industry, while continuing to be protective of human health and the environment. These efforts include the ongoing work to identify proposed amendments to the contingency plan (C-plan) regulations.

The Prevention Account of the Oil and Hazardous Substance Release Prevention and Response Fund is receiving close to \$1 million less revenue per year than was projected when the Legislature passed HB158 and established the Refined Fuel Surcharge in 2015. This, combined with the current decline in oil production (which impacts revenue from the \$0.04 per/barrel surcharge on crude oil) impacts the long-term viability of the Fund. Current projections show insufficient revenues as early as FY2025.

Significant Changes in Results to be Delivered in FY2022

The Department of Environmental Conservation took advantage of the unprecedented lack of cruise ships visiting Alaska in 2020 to conduct ambient air and water quality testing in areas frequented by cruise ships. As the Department looks ahead to the 2021 season, which will be the first real season without ocean rangers on board vessels, plans are being developed to ensure continued coverage of the cruise ships visiting Alaska that will be protective of the State's pristine waters and clean air. This is expected to include early-season inspections of every vessel by marine engineers, as well as planned and un-announced inspections throughout the season.

The Department will work to evaluate how telework options may be better integrated as a standard practice for employees post-pandemic.

Contact Information	
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FY2022 Capital Budget Request

Project Title	Unrestricted Gen (UGF)	Designated Gen (DGF)	Other Funds	Federal Funds	Total Funds
Clean Water Capitalization Grant Subsidy	0	0	2,000,000	0	2,000,000
Drinking Water Capitalization Grant Subsidy	0	0	5,800,000	0	5,800,000
Village Safe Water and Wastewater Infrastructure Projects	0	0	16,230,000	52,250,000	68,480,000
Department Total	0	0	24,030,000	52,250,000	76,280,000

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Summary of Department Budget Changes by RDU

From FY2021 Management Plan to FY2022 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>
FY2021 Management Plan	15,463.9	24,646.4	16,252.3	23,973.5	80,336.1
Adjustments which continue current level of service:					
-Administration	0.8	6.1	-344.6	6.1	-331.6
-Environmental Health	488.4	19.8	-456.0	29.8	82.0
-Air Quality	6.3	8.8	22.0	6.0	43.1
-Spill Prevention and Response	0.0	57.6	5.7	13.2	76.5
-Water	14.9	10.2	-224.4	624.0	424.7
Proposed budget decreases:					
-Administration	-140.0	-121.0	-52.6	-152.7	-466.3
-Spill Prevention and Response	0.0	-641.3	-21.6	-29.8	-692.7
FY2022 Governor	15,834.3	23,986.6	15,180.8	24,470.1	79,471.8

Department Totals
Department of Environmental Conservation

Description	FY2020 Actuals	FY2021 Conference Committee	FY2021 Authorized	FY2021 Management Plan	FY2022 Governor	FY2021 Management Plan vs FY2022 Governor	
Department Totals	69,784.7	84,781.2	80,336.1	80,336.1	79,471.8	-864.3	-1.1%
Objects of Expenditure:							
71000 Personal Services	54,285.7	57,631.8	56,437.2	55,550.2	55,560.3	10.1	0.0%
72000 Travel	662.2	1,413.0	1,387.5	1,387.5	1,336.9	-50.6	
73000 Services	11,311.8	22,061.5	18,840.8	19,727.8	18,913.8	-814.0	-4.1%
74000 Commodities	846.5	935.2	930.9	930.9	921.1	-9.8	-1.1%
75000 Capital Outlay	160.9	94.5	94.5	94.5	94.5	0.0	0.0%
77000 Grants, Benefits	2,517.6	2,645.2	2,645.2	2,645.2	2,645.2	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Funding Source:							
1001 CBR Fund (UGF)	0.0	3,866.0	3,866.0	3,866.0	0.0	-3,866.0	-100.0%
1002 Fed Rcpts (Fed)	19,819.8	24,349.1	23,973.5	23,973.5	24,470.1	496.6	2.1%
1003 G/F Match (UGF)	4,591.4	3,508.0	3,508.0	3,508.0	4,693.4	1,185.4	33.8%
1004 Gen Fund (UGF)	10,670.8	8,089.9	8,089.9	8,089.9	11,140.9	3,051.0	37.7%
1005 GF/Prgm (DGF)	7,478.6	8,956.9	8,956.9	8,956.9	8,995.7	38.8	0.4%
1007 I/A Rcpts (Other)	1,536.5	1,530.8	1,530.8	1,530.8	1,538.5	7.7	0.5%
1018 EVOSS (Other)	0.0	6.9	6.9	6.9	6.9	0.0	0.0%
1052 Oil/Haz Fd (DGF)	15,224.7	16,333.0	15,689.5	15,689.5	14,990.9	-698.6	-4.5%
1055 IA/OIL HAZ (Other)	133.6	380.5	380.5	380.5	382.4	1.9	0.5%
1061 CIP Rcpts (Other)	3,001.4	3,418.8	3,418.8	3,418.8	3,433.9	15.1	0.4%
1093 Clean Air (Other)	3,817.9	4,614.8	4,614.8	4,614.8	4,603.3	-11.5	-0.2%
1108 Stat Desig (Other)	26.1	78.4	78.4	78.4	78.4	0.0	0.0%
1166 Vessel Com (Other)	1,533.0	1,938.0	1,938.0	1,938.0	1,449.7	-488.3	-25.2%
1205 Ocn Rngr (Other)	418.7	5,848.8	2,422.8	2,422.8	2,418.1	-4.7	-0.2%
1230 AKCW Ad Fu (Other)	1,102.1	1,289.7	1,289.7	1,289.7	779.9	-509.8	-39.5%
1231 AKDW Ad Fu (Other)	332.2	474.2	474.2	474.2	391.7	-82.5	-17.4%
1236 AK LNG I/A (Other)	97.9	97.4	97.4	97.4	98.0	0.6	0.6%
Totals:							
Unrestricted Gen (UGF)	15,262.2	15,463.9	15,463.9	15,463.9	15,834.3	370.4	2.4%
Designated Gen (DGF)	22,703.3	25,289.9	24,646.4	24,646.4	23,986.6	-659.8	-2.7%
Other Funds	11,999.4	19,678.3	16,252.3	16,252.3	15,180.8	-1,071.5	-6.6%
Federal Funds	19,819.8	24,349.1	23,973.5	23,973.5	24,470.1	496.6	2.1%
Positions:							
Permanent Full Time	482	485	478	478	467	-11	-2.3%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	1	1	1	1	1	0	0.0%

Component Summary Unrestricted General Funds Only
Department of Environmental Conservation

Results Delivery Unit/ Component	FY2020 Actuals	FY2021 Conference Committee	FY2021 Authorized	FY2021 Management Plan	FY2022 Governor	FY2021 Management Plan vs FY2022 Governor	
Administration							
Office of the Commissioner	422.6	425.6	425.6	425.6	426.1	0.5	0.1%
Administrative Services	54.7	72.3	72.3	72.3	72.6	0.3	0.4%
State Support Services	1,968.4	1,968.4	1,968.4	1,968.4	1,828.4	-140.0	-7.1%
RDU Totals:	2,445.7	2,466.3	2,466.3	2,466.3	2,327.1	-139.2	-5.6%
DEC Buildings Maintenance and Operations							
DEC Bldgs Maint & Operations	645.6	647.2	647.2	647.2	647.2	0.0	0.0%
RDU Totals:	645.6	647.2	647.2	647.2	647.2	0.0	0.0%
Environmental Health							
Environmental Health	5,897.3	5,967.5	5,967.5	5,967.5	6,455.9	488.4	8.2%
RDU Totals:	5,897.3	5,967.5	5,967.5	5,967.5	6,455.9	488.4	8.2%
Air Quality							
Air Quality	1,742.5	1,754.3	1,754.3	1,754.3	1,760.6	6.3	0.4%
RDU Totals:	1,742.5	1,754.3	1,754.3	1,754.3	1,760.6	6.3	0.4%
Water							
Water Qlty Infrastructure	4,531.1	4,628.6	4,628.6	4,628.6	4,643.5	14.9	0.3%
RDU Totals:	4,531.1	4,628.6	4,628.6	4,628.6	4,643.5	14.9	0.3%
Unrestricted Gen (UGF):	15,262.2	15,463.9	15,463.9	15,463.9	15,834.3	370.4	2.4%
Designated Gen (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%
Total Funds:	15,262.2	15,463.9	15,463.9	15,463.9	15,834.3	370.4	2.4%

Component Summary All Funds
Department of Environmental Conservation

Results Delivery Unit/ Component	FY2020 Actuals	FY2021 Conference Committee	FY2021 Authorized	FY2021 Management Plan	FY2022 Governor	FY2021 Management Plan vs FY2022 Governor	
Administration							
Office of the Commissioner	1,047.7	1,018.2	1,018.2	1,018.2	1,019.6	1.4	0.1%
Administrative Services	4,724.1	5,751.3	5,751.3	5,751.3	5,418.3	-333.0	-5.8%
State Support Services	3,117.6	3,278.6	3,278.6	3,278.6	2,812.3	-466.3	-14.2%
RDU Totals:	8,889.4	10,048.1	10,048.1	10,048.1	9,250.2	-797.9	-7.9%
DEC Buildings Maintenance and Operations							
DEC Bldgs Maint & Operations	645.6	647.2	647.2	647.2	647.2	0.0	0.0%
RDU Totals:	645.6	647.2	647.2	647.2	647.2	0.0	0.0%
Environmental Health							
Environmental Health	16,669.3	17,380.1	17,380.1	17,380.1	17,462.1	82.0	0.5%
RDU Totals:	16,669.3	17,380.1	17,380.1	17,380.1	17,462.1	82.0	0.5%
Air Quality							
Air Quality	8,633.0	10,968.1	10,968.1	10,968.1	11,011.2	43.1	0.4%
RDU Totals:	8,633.0	10,968.1	10,968.1	10,968.1	11,011.2	43.1	0.4%
Spill Prevention and Response							
Spill Prevention and Response	17,368.8	20,623.9	19,604.8	19,604.8	18,988.6	-616.2	-3.1%
RDU Totals:	17,368.8	20,623.9	19,604.8	19,604.8	18,988.6	-616.2	-3.1%
Water							
Water Qlty Infrastructure	17,578.6	25,113.8	21,687.8	21,687.8	22,112.5	424.7	2.0%
RDU Totals:	17,578.6	25,113.8	21,687.8	21,687.8	22,112.5	424.7	2.0%
Unrestricted Gen (UGF):	15,262.2	15,463.9	15,463.9	15,463.9	15,834.3	370.4	2.4%
Designated Gen (DGF):	22,703.3	25,289.9	24,646.4	24,646.4	23,986.6	-659.8	-2.7%
Other Funds:	11,999.4	19,678.3	16,252.3	16,252.3	15,180.8	-1,071.5	-6.6%
Federal Funds:	19,819.8	24,349.1	23,973.5	23,973.5	24,470.1	496.6	2.1%
Total Funds:	69,784.7	84,781.2	80,336.1	80,336.1	79,471.8	-864.3	-1.1%
Permanent Full Time:	482	485	478	478	467	-11	-2.3%
Permanent Part Time:	0	0	0	0	0	0	0.0%
Non Permanent:	1	1	1	1	1	0	0.0%
Total Positions:	483	486	479	479	468	-11	-2.3%

Inter-Agency Revenue Summary
Department of Environmental Conservation
Revenue Type Inter-Agency Receipts Only

Scenario: FY2022 Governor (17280)

IRIS Revenue Type	IRIS Revenue Source Code	Component	Total
Department of Environmental Conservation Totals:			4,729.7
5007 I/A Rcpts	5301 Inter-Agency Receipts	Admin - Department-wide	2.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	Commerce - Department-wide	74.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	Courts - Department-wide	8.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	E&ED - Department-wide	13.3
5007 I/A Rcpts	5301 Inter-Agency Receipts	EnvCon - Administrative Services (635)	501.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	FishGm - Department-wide	13.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	M&VA - Department-wide	16.4
5007 I/A Rcpts	5301 Inter-Agency Receipts	NatRes - Department-wide	653.2
5007 I/A Rcpts	5301 Inter-Agency Receipts	Trans - Department-wide	15.3
5007 I/A Rcpts	5301 Inter-Agency Receipts	Univ - Department-wide	1.0
5055 IA/OIL HAZ	5391 Oil and Hazardous Waste	EnvCon - Spill Prevention and Response (3094)	382.4
	Inter-Agency		
5061 CIP Rcpts	5351 Capital Improvement Project	Commerce - Department-wide	80.0
	Inter-Agency		
5061 CIP Rcpts	5351 Capital Improvement Project	EnvCon - Water Qlty Infrastructure (3204)	2,648.1
	Inter-Agency		
5061 CIP Rcpts	5351 Capital Improvement Project	Trans - Department-wide	234.5
	Inter-Agency		
5236 AK LNG I/A	5427 Alaska Liquefied Natural Gas	NatRes - Department-wide	87.5
	Project Fund Inter-Agency		
RDU: Administration (202)			1,065.5
5007 I/A Rcpts	5301 Inter-Agency Receipts	EnvCon - Administrative Services (635)	501.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	NatRes - Department-wide	23.4
5061 CIP Rcpts	5351 Capital Improvement Project	EnvCon - Water Qlty Infrastructure (3204)	541.1
	Inter-Agency		
Component: Office of the Commissioner (633)			23.4
5007 I/A Rcpts	5301 Inter-Agency Receipts	NatRes - Department-wide	23.4
Component: Administrative Services (635)			1,042.1
5007 I/A Rcpts	5301 Inter-Agency Receipts	EnvCon - Administrative Services (635)	501.0
5061 CIP Rcpts	5351 Capital Improvement Project	EnvCon - Water Qlty Infrastructure (3204)	541.1
	Inter-Agency		
RDU: Environmental Health (207)			91.3
5007 I/A Rcpts	5301 Inter-Agency Receipts	Commerce - Department-wide	74.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	E&ED - Department-wide	13.3
5007 I/A Rcpts	5301 Inter-Agency Receipts	NatRes - Department-wide	3.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	Univ - Department-wide	1.0
Component: Environmental Health (3202)			91.3
5007 I/A Rcpts	5301 Inter-Agency Receipts	Commerce - Department-wide	74.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	E&ED - Department-wide	13.3
5007 I/A Rcpts	5301 Inter-Agency Receipts	NatRes - Department-wide	3.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	Univ - Department-wide	1.0
RDU: Air Quality (206)			269.8
5007 I/A Rcpts	5301 Inter-Agency Receipts	NatRes - Department-wide	17.0
5061 CIP Rcpts	5351 Capital Improvement Project	Trans - Department-wide	165.3
	Inter-Agency		
5236 AK LNG I/A	5427 Alaska Liquefied Natural Gas	NatRes - Department-wide	87.5
	Project Fund Inter-Agency		
Component: Air Quality (2061)			269.8
5007 I/A Rcpts	5301 Inter-Agency Receipts	NatRes - Department-wide	17.0
5061 CIP Rcpts	5351 Capital Improvement Project	Trans - Department-wide	165.3
	Inter-Agency		
5236 AK LNG I/A	5427 Alaska Liquefied Natural Gas	NatRes - Department-wide	87.5
	Project Fund Inter-Agency		
RDU: Spill Prevention and Response (208)			653.1
5007 I/A Rcpts	5301 Inter-Agency Receipts	Admin - Department-wide	2.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	Courts - Department-wide	8.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	M&VA - Department-wide	16.4
5007 I/A Rcpts	5301 Inter-Agency Receipts	NatRes - Department-wide	159.8
5007 I/A Rcpts	5301 Inter-Agency Receipts	Trans - Department-wide	15.3

Inter-Agency Revenue Summary
Department of Environmental Conservation
Revenue Type Inter-Agency Receipts Only

Scenario: FY2022 Governor (17280)

IRIS Revenue Type	IRIS Revenue Source Code	Component	Total
5055 IA/OIL HAZ	5391 Oil and Hazardous Waste Inter-Agency	EnvCon - Spill Prevention and Response (3094)	382.4
5061 CIP Rcpts	5351 Capital Improvement Project Inter-Agency	Trans - Department-wide	69.2
Component: Spill Prevention and Response (3094)			653.1
5007 I/A Rcpts	5301 Inter-Agency Receipts	Admin - Department-wide	2.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	Courts - Department-wide	8.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	M&VA - Department-wide	16.4
5007 I/A Rcpts	5301 Inter-Agency Receipts	NatRes - Department-wide	159.8
5007 I/A Rcpts	5301 Inter-Agency Receipts	Trans - Department-wide	15.3
5055 IA/OIL HAZ	5391 Oil and Hazardous Waste Inter-Agency	EnvCon - Spill Prevention and Response (3094)	382.4
5061 CIP Rcpts	5351 Capital Improvement Project Inter-Agency	Trans - Department-wide	69.2
RDU: Water (210)			2,650.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	FishGm - Department-wide	13.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	NatRes - Department-wide	450.0
5061 CIP Rcpts	5351 Capital Improvement Project Inter-Agency	Commerce - Department-wide	80.0
5061 CIP Rcpts	5351 Capital Improvement Project Inter-Agency	EnvCon - Water Qlty Infrastructure (3204)	2,107.0
Component: Water Quality, Infrastructure Support & Financing (3204)			2,650.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	FishGm - Department-wide	13.0
5007 I/A Rcpts	5301 Inter-Agency Receipts	NatRes - Department-wide	450.0
5061 CIP Rcpts	5351 Capital Improvement Project Inter-Agency	Commerce - Department-wide	80.0
5061 CIP Rcpts	5351 Capital Improvement Project Inter-Agency	EnvCon - Water Qlty Infrastructure (3204)	2,107.0