

# **State of Alaska FY2022 Governor's Operating Budget**

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

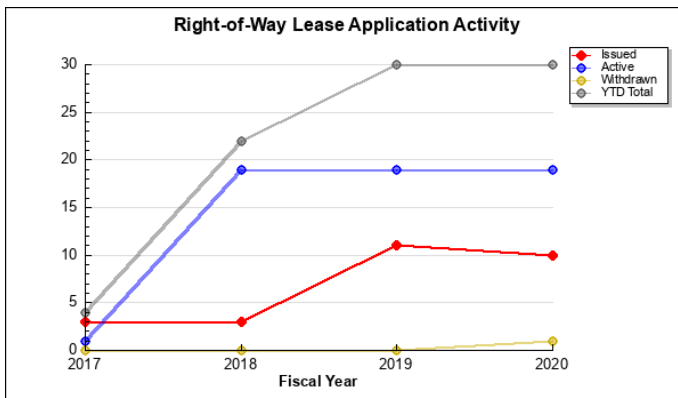
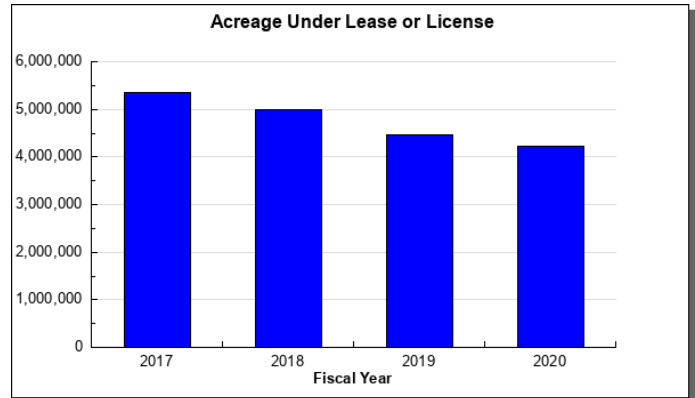
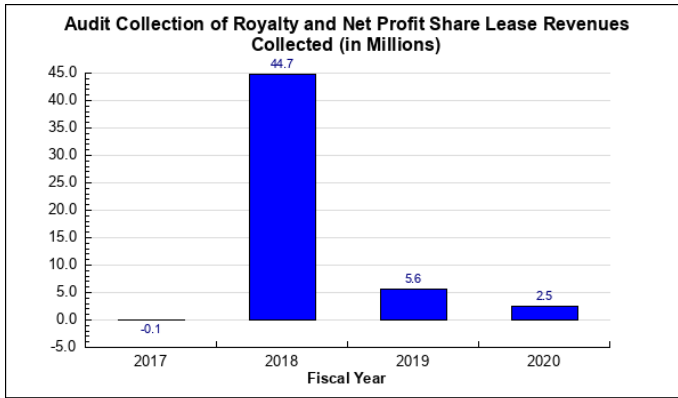
**RDU/Component: Oil & Gas**

**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>.)



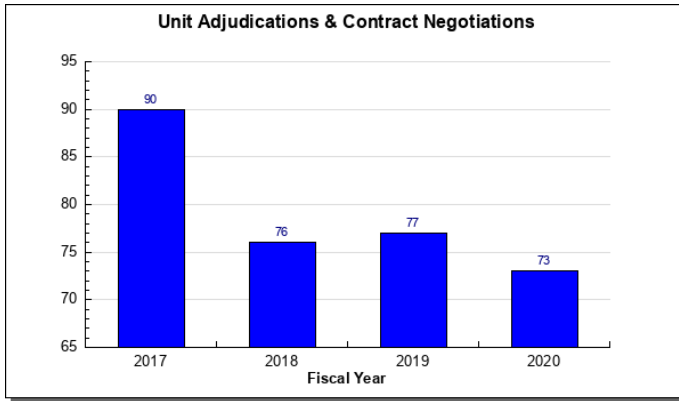
**Core Services**

- 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.

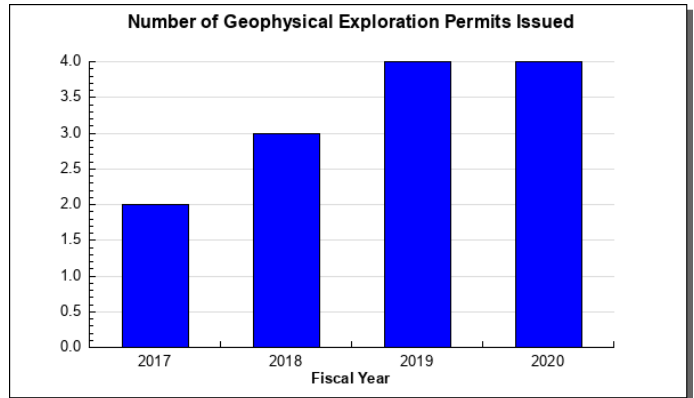
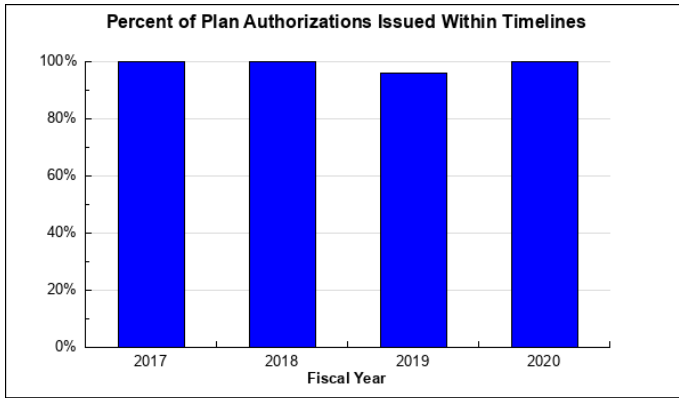
### Measures by Core Service

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

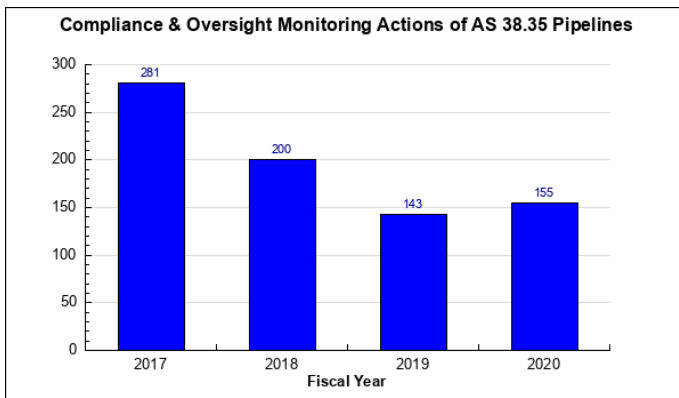
1. Enforce exploration and development obligations of lease and unit agreements, weighing several factors including resource potential and conservation, environmental and economic impacts, and proposed work commitments.



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 2020

The Division of Oil & Gas (DOG) held five Area-wide lease sales resulting in more than \$7.7 million in bonus bids and

more than 150,000 acres leased.

DOG expanded the boundary of the Cook Inlet sale area to include an additional 169,000 acres of leasable tracts on and around the Iniskin Peninsula.

DOG updated competitive bidding regulations effective December 26, 2019, to enable the state's first online oil and gas lease sale on June 17, 2020.

DOG led the Department of Natural Resources' review and approval of the upstream portion of the \$5.6B BP sale to Hilcorp. Sections within DOG worked together to administer the change in control of the leases, evaluate the transaction models, and negotiated financial assurance agreement amendments. DOG also processed the name change on all the related permits and obtained valuable GIS data. Units handled the name change for the operator of the Prudhoe Bay Unit, while the State Pipeline Coordinator's Section began evaluating the midstream component of the transaction.

DOG issued six net profit share lease (NPSL) audits and one state royalty audit, collecting \$17.5 million, including interest.

DOG administered approximately 2,000 leases and licenses, covering nearly 4.2 million acres.

DOG verified and receipted \$1.0 billion in royalty, net profit share lease revenues, rents, bonus bids, unit actions, and federal payments.

DOG delivered oil production forecasts to the Department of Revenue (DOR) to generate the state's oil revenue forecast, which enables public officials and policymakers to develop a statewide operating budget. Through DOR, the forecast is also made public for use in academia, industry, the public, and any other interested party.

DOG negotiated two new financial assurance agreements and amended four major financial assurance agreements with North Slope and Cook Inlet lessees to ensure dismantlement, removal, and restoration occur on the State's lease land.

DOG authorized four new geophysical (seismic) exploration programs, four new Lease Plans of Operations, three Unit Plans of Operations, forty-eight general permits and processed fifty-one Plans of Operations Amendments for activities on the North Slope and in Cook Inlet.

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

DOG provided regulatory, technical, health, safety, and environmental oversight and reporting for nineteen existing pipelines and eleven pipelines in the permitting process. The division issued one new pipeline Right-of-Way (ROW) lease for the Donlin Pipeline in support of the Donlin Gold Mine. The DOG renewed two Milne Point pipeline ROWs (oil and utility) each for an additional 30 years. DOG also 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 commercial analysts 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:

- Balancing requests for relief from operators due to COVID-19, low oil prices, and declining production with the state's interest in development and conservation of its resources.
- Improving investment climate increasing exploration company and investor activity, creating an 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 state government operation.

Challenges include:

- Resolving audits in appeals while further review is conducted by lessees, 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 crosscuts 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 need 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 approximately 2,000 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:

- Coordinating field inspections and data collection while adhering to precautionary measures and screening checkpoints intended to prevent the spread of COVID-19.
- Ensuring that operators continue to demonstrate safe and reliable operations during a major depression in the global oil market, particularly when the operating environment has changed (e.g., transitions to standby or shutdown status).
- 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 administrates 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 maximize the sustainable development of resources as well as conserve resources, prevent economic and resource waste, and protect the rights of all parties, including the State of Alaska. Currently, the section administers four lease operations and thirty-two state and multi-owner oil and gas units. Unit managers, in addition to assisting with unit and lease operations, frequently manage inter-disciplinary projects for the division and prepare materials for briefing both the director and commissioner. Challenges include:

- 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.

**Significant Changes in Results to be Delivered in FY2022**

Continue progress toward a more business-like and business-oriented approach aiming to timely meet producer and operator needs. Continue development of small unmanned aircraft system (drone) program for field inspections, with a focus on safety and efficiency.

Update the electronic Project Management System for tracking, reviewing, and delivering responses to applicants.

Continue 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.

Complete implementation of the internal document management system and continue digitization activities for the permitting and leasing legacy records to protect them from natural disasters and daily human errors, to create a seamless collaboration and workflows, to free up storage space in the office, to reduce costs related to document distribution, and increase public access to information.

**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**

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**Oil & Gas  
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2021</u> <u>Management</u> <u>Plan</u>	<u>FY2022</u> <u>Governor</u>		
Full-time	91	91	Annual Salaries	9,109,310
Part-time	0	0	COLA	49,368
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	4,915,703
			<i>Less 4.03% Vacancy Factor</i>	(567,481)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>91</b>	<b>91</b>	<b>Total Personal Services</b>	<b>13,506,900</b>

**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 III	1	0	0	0	1
Analyst/Programmer IV	3	0	0	0	3
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 - Px	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
Nat Res Techiii	1	0	0	0	1
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	4	0	0	0	4
Natural Resource Specialist IV	8	0	0	0	8
Natural Resource Technician II	2	0	0	0	2
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 I	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

<b>Position Classification Summary</b>					
<b>Job Class Title</b>	<b>Anchorage</b>	<b>Fairbanks</b>	<b>Juneau</b>	<b>Others</b>	<b>Total</b>
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
<b>Totals</b>	<b>91</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>91</b>

**Component Detail All Funds**  
**Department of Natural Resources**

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

Non-Formula Component

	FY2020 Actuals	FY2021 Conference Committee	FY2021 Authorized	FY2021 Management Plan	FY2022 Governor	FY2021 Management Plan vs FY2022 Governor	
71000 Personal Services	12,336.0	13,891.1	13,891.1	13,471.0	13,506.9	35.9	0.3%
72000 Travel	108.7	208.8	208.8	208.8	208.8	0.0	0.0%
73000 Services	2,345.2	6,457.3	6,457.3	6,877.4	6,889.8	12.4	0.2%
74000 Commodities	157.6	315.6	315.6	315.6	315.6	0.0	0.0%
75000 Capital Outlay	107.9	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%
<b>Totals</b>	<b>15,055.4</b>	<b>20,894.8</b>	<b>20,894.8</b>	<b>20,894.8</b>	<b>20,943.1</b>	<b>48.3</b>	<b>0.2%</b>
<b>Fund Sources:</b>							
1001 CBR Fund (UGF)	0.0	2,083.7	2,083.7	2,083.7	0.0	-2,083.7	-100.0%
1002 Fed Rcpts (Fed)	70.4	199.4	199.4	199.4	200.3	0.9	0.5%
1004 Gen Fund (UGF)	7,045.3	6,251.0	6,251.0	6,251.0	6,355.7	104.7	1.7%
1005 GF/Prgm (DGF)	606.5	711.8	711.8	711.8	2,713.9	2,002.1	281.3%
1007 I/A Rcpts (Other)	43.9	410.1	410.1	410.1	410.9	0.8	0.2%
1105 PFund Rcpt (Other)	4,179.0	4,186.5	4,186.5	4,186.5	4,199.2	12.7	0.3%
1108 Stat Desig (Other)	2,745.4	6,380.5	6,380.5	6,380.5	6,390.6	10.1	0.2%
1217 NGF Earn (Other)	160.4	150.0	150.0	150.0	150.0	0.0	0.0%
1236 AK LNG I/A (Other)	204.5	521.8	521.8	521.8	522.5	0.7	0.1%
<b>Unrestricted General (UGF)</b>	<b>7,045.3</b>	<b>8,334.7</b>	<b>8,334.7</b>	<b>8,334.7</b>	<b>6,355.7</b>	<b>-1,979.0</b>	<b>-23.7%</b>
<b>Designated General (DGF)</b>	<b>606.5</b>	<b>711.8</b>	<b>711.8</b>	<b>711.8</b>	<b>2,713.9</b>	<b>2,002.1</b>	<b>281.3%</b>
<b>Other Funds</b>	<b>7,333.2</b>	<b>11,648.9</b>	<b>11,648.9</b>	<b>11,648.9</b>	<b>11,673.2</b>	<b>24.3</b>	<b>0.2%</b>
<b>Federal Funds</b>	<b>70.4</b>	<b>199.4</b>	<b>199.4</b>	<b>199.4</b>	<b>200.3</b>	<b>0.9</b>	<b>0.5%</b>
<b>Positions:</b>							
Permanent Full Time	94	92	92	91	91	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	1	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	
***** Changes From FY2021 Conference Committee To FY2021 Authorized *****												
<b>FY2021 Cook Inlet Energy Sec31a Ch8 SLA2020 P94 L27 (HB205)</b>												
1217 NGF Earn	ConfC(L)	150.0	0.0	0.0	150.0	0.0	0.0	0.0	0.0	0	0	0
Sec. 31. DEPARTMENT OF NATURAL RESOURCES. (a) 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 year ending June 30, 2021.												
<b>Conference Committee</b>												
1001 CBR Fund	ConfCom	2,083.7	13,891.1	208.8	6,307.3	315.6	22.0	0.0	0.0	92	0	0
1002 Fed Rcpts		199.4										
1004 Gen Fund		6,251.0										
1005 GF/Prgm		711.8										
1007 I/A Rcpts		410.1										
1105 PFund Rcpt		4,186.5										
1108 Stat Desig		6,380.5										
1236 AK LNG I/A		521.8										
<b>Subtotal</b>		<b>20,894.8</b>	<b>13,891.1</b>	<b>208.8</b>	<b>6,457.3</b>	<b>315.6</b>	<b>22.0</b>	<b>0.0</b>	<b>0.0</b>	<b>92</b>	<b>0</b>	<b>0</b>
***** Changes From FY2021 Authorized To FY2021 Management Plan *****												
<b>Transfer Natural Resource Specialist II (10-4225) to Administrative Services for Program Support</b>												
Trout		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Transfer full-time Natural Resource Specialist II (10-4225), range 16, located in Anchorage, to provide program support to the Department of Natural Resources divisions and the public. The remaining Oil and Gas staff is sufficient to provide the core services of the component.												
<b>Align Authority with Anticipated Expenditures</b>												
LIT		0.0	-420.1	0.0	420.1	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from personal services to cover anticipated services costs. The remaining personal services authority is sufficient to cover anticipated expenditures.												
<b>Subtotal</b>		<b>20,894.8</b>	<b>13,471.0</b>	<b>208.8</b>	<b>6,877.4</b>	<b>315.6</b>	<b>22.0</b>	<b>0.0</b>	<b>0.0</b>	<b>91</b>	<b>0</b>	<b>0</b>
***** Changes From FY2021 Management Plan To FY2022 Governor *****												
<b>Reverse FY2021 Cook Inlet Energy Sec31a Ch8 SLA2020 P94 L27 (HB205)</b>												
1217 NGF Earn	OTI	-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	
<p>Sec. 31. DEPARTMENT OF NATURAL RESOURCES. (a) 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 year ending June 30, 2021.</p>												
<b>FY2022 Salary Adjustments</b>												
	SalAdj	48.3	48.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		0.9										
1004 Gen Fund		21.0										
1005 GF/Prgm		2.1										
1007 I/A Rcpts		0.8										
1105 PFund Rcpt		12.7										
1108 Stat Desig		10.1										
1236 AK LNG I/A		0.7										
FY2022 1% COLA for ASEA/General Government (GG/GP/GY/GZ): \$48.3												
<b>Restore Cook Inlet Energy Reclamation Bond Interest</b>												
	IncM	150.0	0.0	0.0	150.0	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn		150.0										
<p>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.</p> <p>The assets were purchased in December 2009 by Cook Inlet Energy (CIE). The remaining funds from the original bond are 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.</p> <p>Bond interest earnings require an annual appropriation to the bond to 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.</p>												
Language:												
<p>The interest earned during the fiscal year ending June 30, 2022, 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, 2022.</p>												
<b>Fund Source Adjustment of CBRF to UGF</b>												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1001 CBR Fund		-2,083.7										
1004 Gen Fund		2,083.7										

**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	
Replace Constitutional Budget Reserve Fund (CBRF) used as a one-time funding mechanism in FY2021.												
<b>Oil &amp; Gas Program Receipt Change</b>												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-2,000.0										
1005 GF/Prgm		2,000.0										
The Division of Oil and Gas is a revenue producing division. In FY2020, general fund program receipt revenue exceeded \$9.0 million. The division will offset a greater share of its general fund authority with general fund program receipts which will better align the costs and the revenue related to the services the division provides.												
<b>Transfer Authority from Personal Services for Anticipated Services Costs</b>												
	LIT	0.0	-12.4	0.0	12.4	0.0	0.0	0.0	0.0	0	0	0
The remaining personal services authority is sufficient to cover anticipated expenditures.												
<b>Totals</b>		<b>20,943.1</b>	<b>13,506.9</b>	<b>208.8</b>	<b>6,889.8</b>	<b>315.6</b>	<b>22.0</b>	<b>0.0</b>	<b>0.0</b>	<b>91</b>	<b>0</b>	<b>0</b>

**Line Item Detail (1676)**  
**Department of Natural Resources**  
**Travel**

**Component:** Oil & Gas (439)

Line Number	Line Name		FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
2000	Travel		108.7	208.8	208.8
Object Class	Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
<b>2000 Travel Detail Totals</b>			<b>108.7</b>	<b>208.8</b>	<b>208.8</b>
2000	In-State Employee Travel	In-state transportation costs for employee travel relating to administration, conventions and meetings, boards, and commissions.	82.7	163.8	188.8
2002	Out of State Employee Travel	Out of state transportation costs for employee travel relating to administration, conventions and meetings, boards and commissions.	16.0	45.0	20.0
2005	Moving Costs	Moving and relocation costs.	10.0	0.0	0.0

**Line Item Detail (1676)**  
**Department of Natural Resources**  
**Services**

**Component:** Oil & Gas (439)

Line Number	Line Name		FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
3000	Services		2,345.2	6,877.4	6,889.8
Object Class	Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
<b>3000 Services Detail Totals</b>			<b>2,345.2</b>	<b>6,877.4</b>	<b>6,889.8</b>
3000	Education Services	Training, educational conferences, and agency memberships.	44.7	50.0	67.6
3001	Financial Services	Cook inlet interest bond earnings.	162.3	150.0	260.0
3003	Information Technology	Software licensing, includes reservoir modeling software.	87.1	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.	11.4	20.0	20.0
3006	Delivery Services	Freight, courier, and postage through third party and United States Postal Service.	7.4	15.5	15.5
3007	Advertising and Promotions	Advertising, promotions, and legal notices.	39.2	50.0	50.0
3008	Utilities	Electricity, heating fuel, water, sewage, and disposal services.	1.4	1.5	2.0
3009	Structure/Infrastructure/Land	Storage and shredding costs.	51.8	55.0	55.0
3010	Equipment/Machinery	Equipment and machine maintenance costs.	30.0	35.0	40.0
3011	Other Services	Security services for the Geologic Material Center.	42.4	0.0	0.0
3011	Other Services	Contracts with local governments, non-governmental agencies, and private non-profits, as well as reimbursable services agreements	0.0	3,579.1	3,300.5



**Line Item Detail (1676)**  
**Department of Natural Resources**  
**Services**

**Component:** Oil & Gas (439)

Object Class	Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
<b>3000 Services Detail Totals</b>			<b>2,345.2</b>	<b>6,877.4</b>	<b>6,889.8</b>
		with state agencies to coordinate industry requests for pipeline work based on business development 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.	159.4	224.5	230.0
3016	Inter-Agency Economic Development	Commerce - Department-wide Reimbursable services agreement with Alaska Gasline Development Authority for gasline development.	59.9	167.1	170.0
3016	Inter-Agency Economic Development	E&ED - Department-wide Reimbursable services agreement with DEED for Alaska statutes.	0.0	5.0	6.0
3016	Inter-Agency Economic Development	EnvCon - Department-wide Reimbursable service agreements in support of AS 38.35 pipeline projects including coordination and adjudication of the Trans Alaska Pipeline System (TAPS).	321.8	397.9	440.0
3016	Inter-Agency Economic Development	FishGm - Department-wide Reimbursable service agreements in support of AS 38.35 pipeline projects for delivery of activities and adjudication of TAPS.	164.4	157.4	165.0
3016	Inter-Agency Economic Development	Gov - Department-wide Reimbursable services agreement with the Governor's Office for OMB Budget Analyst Support.	3.5	3.5	3.5
3016	Inter-Agency Economic Development	Labor - Department-wide Reimbursable service agreements in support of AS 38.35 pipeline projects for occupational safety and health.	173.0	197.6	265.5
3016	Inter-Agency Economic Development	NatRes - Commissioner's Office (423) Reimbursable services agreements with the Commissioner's Office for Special Assistant and appeals work.	119.5	130.0	120.0
3016	Inter-Agency Economic	NatRes - Geological & Geophysical Reimbursable service agreements in	0.0	0.0	5.0

**Line Item Detail (1676)**  
**Department of Natural Resources**  
**Services**

**Component:** Oil & Gas (439)

Object Class	Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
<b>3000 Services Detail Totals</b>			<b>2,345.2</b>	<b>6,877.4</b>	<b>6,889.8</b>
Development	Surveys (1031)	support of AS 38.35 pipeline projects.			
3016 Inter-Agency Economic Development	NatRes - Information Resource Mgmt. (427)	Reimbursable services agreement with Information Resource Management for AK Mapper ADL Updates.	7.8	28.1	30.0
3016 Inter-Agency Economic Development	NatRes - Mining, Land & Water (3002)	Reimbursable service agreements in support of AS 38.35 pipeline projects such as realty and survey services.	34.6	50.0	50.0
3016 Inter-Agency Economic Development	NatRes - Public Information Center (2441)	Reimbursable services agreement with Public Information Center for office and personnel support.	1.5	1.5	2.0
3016 Inter-Agency Economic Development	PubSaf - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects such as fire marshal support for multiple pipelines.	83.0	124.2	157.0
3016 Inter-Agency Economic Development	NatRes - History and Archaeology (451)	Reimbursable service agreements in support of AS 38.35 for pipeline projects such as TAPS.	3.6	5.5	6.0
3017 Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	Reimbursable services agreement with DOA for Adobe and Microsoft licenses.	227.5	250.0	250.0
3018 Inter-Agency Information Technology Telecommunications	Admin - Department-wide	Reimbursable services agreement with DOA for telecommunication - phones.	50.8	75.0	75.0
3021 Inter-Agency Mail	Admin - Department-wide	Reimbursable services agreement with DOA for centralized mail services chargeback.	1.4	1.5	1.5
3022 Inter-Agency Human Resources	Admin - Department-wide		16.7	20.0	20.0
3023 Inter-Agency Building Leases	Admin - Department-wide	Reimbursable services agreement with DOA for occupancy agreements for State-owned office spaces.	344.5	450.0	450.0
3024 Inter-Agency Legal	Law - Department-wide	Reimbursable services agreement	0.8	5.0	5.0

**Line Item Detail (1676)**  
**Department of Natural Resources**  
**Services**

**Component:** Oil & Gas (439)

Object Class		Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
			<b>3000 Services Detail Totals</b>	<b>2,345.2</b>	<b>6,877.4</b>	<b>6,889.8</b>
			with Law for regulations review.			
3026	Inter-Agency Insurance	Admin - Department-wide	Reimbursable services agreement with DOA for risk management, and property insurance.	0.6	1.5	1.5
3027	Inter-Agency Financial	Admin - Department-wide	Reimbursable services agreement with DOA for Shared Services and AAPEX.	60.1	90.0	90.0
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide	Reimbursable services agreement with DOA for the Americans with Disabilities Act (ADA) chargeback.	0.9	1.0	1.0
3037	State Equipment Fleet	Trans - Department-wide	State equipment fleet vehicle usage.	32.2	35.0	35.2

**Line Item Detail (1676)**  
**Department of Natural Resources**  
**Commodities**

**Component:** Oil & Gas (439)

Line Number	Line Name		FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
4000	Commodities		157.6	315.6	315.6
Object Class	Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
<b>4000 Commodities Detail Totals</b>			<b>157.6</b>	<b>315.6</b>	<b>315.6</b>
4000	Business	General business supplies such as office consumables, furniture, and computer equipment.	153.0	297.6	297.6
4002	Household/Institutional	Fire retardant clothing and arctic gear required for field work; cleaning supplies not related to Covid.	1.7	5.0	4.0
4002	Household/Institutional	COVID-related costs.	0.9	3.0	0.0
4004	Safety	Safety glasses, first aid and emergency preparedness kits, and other safety gear related to arctic field work.	1.0	5.0	8.0
4019	Small Tools/Minor Equipment	Replacement tools and parts for vehicles used in compliance monitoring and permitting.	0.0	4.0	2.0
4020	Equipment Fuel	Fuel for agency vehicles used in compliance monitoring and permitting.	1.0	1.0	4.0

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

**Component:** Oil & Gas (439)

<b>Line Number</b>	<b>Line Name</b>		<b>FY2020 Actuals</b>	<b>FY2021 Management Plan</b>	<b>FY2022 Governor</b>
5000	Capital Outlay		107.9	22.0	22.0
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2020 Actuals</b>	<b>FY2021 Management Plan</b>	<b>FY2022 Governor</b>
<b>5000 Capital Outlay Detail Totals</b>			<b>107.9</b>	<b>22.0</b>	<b>22.0</b>
5004	Equipment	Relocation project; scanners for document retention project.	107.9	22.0	22.0

**Revenue Detail (1681)**  
**Department of Natural Resources**

**Component:** Oil & Gas (439)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
<b>5002 Fed Rcpts (1002 Fed Rcpts)</b>			<b>70.4</b>	<b>199.4</b>	<b>200.3</b>
5010 Federal Natural Resources - Miscellaneous Grants		Federal receipts primarily from the U.S. Fish & Wildlife Services for Federal Oil and Gas Royalty Management.	70.4	199.4	200.3
<b>5005 GF/Prgm (1005 GF/Prgm)</b>			<b>9,509.3</b>	<b>711.8</b>	<b>2,713.9</b>
5106 Program Receipts Charges for Services - Rent and Royalties		Material sales.	642.1	0.0	642.1
5112 Program Receipts Natural Resources - Charges for Services		Application/filing fees.	608.4	0.0	608.4
5113 Program Receipts Natural Resources - Rent and Royalties		Lease payments and right of way lease.	8,258.8	711.8	1,463.4
<b>5007 I/A Rcpts (1007 I/A Rcpts)</b>			<b>43.9</b>	<b>410.1</b>	<b>410.9</b>
5301 Inter-Agency Receipts	Commerce - Department-wide	Reimbursable services agreements in support of other divisions and agencies for department projects.	0.0	128.4	128.4
5301 Inter-Agency Receipts	NatRes - Agricultural Development (455)	Reimbursable services agreement with Division of Agriculture related to invasive weeds.	0.0	3.3	3.3
5301 Inter-Agency Receipts	NatRes - Geological & Geophysical Surveys (1031)	Reimbursable services agreement with Division of Geological & Geophysical Surveys for seismic data employee support.	0.0	250.0	250.0
5301 Inter-Agency Receipts	NatRes - Project Management & Permitting (2733)	Reimbursable services agreements with Office of Project Management and Permitting related to pipeline projects.	43.9	28.4	29.2
<b>5105 PFund Rcpt (1105 PFund Rcpt)</b>			<b>4,179.0</b>	<b>4,186.5</b>	<b>4,199.2</b>
5414 Alaska Permanent Fund Corporation Receipts		Alaska Permanent Fund Corporation receipts.	4,179.0	4,186.5	4,199.2
<b>5108 Stat Desig (1108 Stat Desig)</b>			<b>2,745.4</b>	<b>6,380.5</b>	<b>6,390.6</b>

**Revenue Detail (1681)**  
**Department of Natural Resources**

**Component:** Oil & Gas (439)

<b>Revenue Type (OMB Fund Code)</b> <b>Revenue Source</b>	<b>Component</b>	<b>Comment</b>	<b>FY2020 Actuals</b>	<b>FY2021 Management Plan</b>	<b>FY2022 Governor</b>
5206 Statutory Designated Program Receipts - Contracts		Statutory designated program receipts related to AS 38.35 pipelines.	2,745.4	6,380.5	6,390.6
<b>5217 NGF Earn (1217 NGF Earn)</b>			<b>160.4</b>	<b>150.0</b>	<b>150.0</b>
5429 Non-General Fund Earnings - Miscellaneous		Cook Inlet Energy reclamation bond interest.	160.4	150.0	150.0
<b>5236 AK LNG I/A (1236 AK LNG I/A)</b>			<b>204.5</b>	<b>521.8</b>	<b>522.5</b>
5427 Alaska Liquefied Natural Gas Project Fund Inter-Agency	Commerce - Department-wide	Reimbursable services agreement with the Alaska Gasline Development Corporation (AGDC).	204.5	521.8	522.5
<b>FUND Fund Only (1004 Gen Fund)</b>			<b>7,045.3</b>	<b>6,251.0</b>	<b>6,251.0</b>
6095 Fund Only - Interest Earned		Fund only interest earned.	0.0	0.0	0.0
6098 Fund Only Natural Resources - Rents and Royalties		Rents and royalties.	7,045.3	6,251.0	6,251.0

**Inter-Agency Services (1682)**  
**Department of Natural Resources**

**Component:** Oil & Gas (439)

	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
<b>Component Totals</b>	<b>1,867.5</b>	<b>2,421.3</b>	<b>2,579.2</b>
With Department of Natural Resources	326.4	439.6	443.0
With Department of Commerce, Community, and Economic Development	59.9	167.1	170.0
With Department of Education and Early Development	0.0	5.0	6.0
With Department of Environmental Conservation	321.8	397.9	440.0
With Department of Fish and Game	164.4	157.4	165.0
With Office of the Governor	3.5	3.5	3.5
With Department of Labor and Workforce Development	173.0	197.6	265.5
With Department of Public Safety	83.0	124.2	157.0
With Department of Administration	702.5	889.0	889.0
With Department of Law	0.8	5.0	5.0
With Department of Transportation/Public Facilities	32.2	35.0	35.2

Object Class	Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
3012 Inter-Agency Federal Indirect Rate Allocation	NatRes - Administrative Services (424)	Indirect cost allocation for services provided by Administrative Services.	159.4	224.5	230.0
3016 Inter-Agency Economic Development	Commerce - Department-wide	Reimbursable services agreement with Alaska Gasline Development Authority for gasline development.	59.9	167.1	170.0
3016 Inter-Agency Economic Development	E&ED - Department-wide	Reimbursable services agreement with DEED for Alaska statutes.	0.0	5.0	6.0
3016 Inter-Agency Economic Development	EnvCon - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects including coordination and adjudication of the Trans Alaska Pipeline System (TAPS).	321.8	397.9	440.0
3016 Inter-Agency Economic Development	FishGm - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects	164.4	157.4	165.0



**Inter-Agency Services (1682)**  
**Department of Natural Resources**

**Component:** Oil & Gas (439)

Object Class		Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
			for delivery of activities and adjudication of TAPS.			
3016	Inter-Agency Economic Development	Gov - Department-wide	Reimbursable services agreement with the Governor's Office for OMB Budget Analyst Support.	3.5	3.5	3.5
3016	Inter-Agency Economic Development	Labor - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects for occupational safety and health.	173.0	197.6	265.5
3016	Inter-Agency Economic Development	NatRes - Commissioner's Office (423)	Reimbursable services agreements with the Commissioner's Office for Special Assistant and appeals work.	119.5	130.0	120.0
3016	Inter-Agency Economic Development	NatRes - Geological & Geophysical Surveys (1031)	Reimbursable service agreements in support of AS 38.35 pipeline projects.	0.0	0.0	5.0
3016	Inter-Agency Economic Development	NatRes - Information Resource Mgmt. (427)	Reimbursable services agreement with Information Resource Management for AK Mapper ADL Updates.	7.8	28.1	30.0
3016	Inter-Agency Economic Development	NatRes - Mining, Land & Water (3002)	Reimbursable service agreements in support of AS 38.35 pipeline projects such as realty and survey services.	34.6	50.0	50.0
3016	Inter-Agency Economic Development	NatRes - Public Information Center (2441)	Reimbursable services agreement with Public Information Center for office and personnel support.	1.5	1.5	2.0
3016	Inter-Agency Economic Development	PubSaf - Department-wide	Reimbursable service agreements in support of AS 38.35 pipeline projects such as fire marshal support for multiple pipelines.	83.0	124.2	157.0
3016	Inter-Agency Economic Development	NatRes - History and Archaeology (451)	Reimbursable service agreements in support of AS 38.35 for pipeline projects such as TAPS.	3.6	5.5	6.0
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	Reimbursable services agreement with DOA for Adobe and Microsoft licenses.	227.5	250.0	250.0
3018	Inter-Agency Information Technology	Admin - Department-wide	Reimbursable services agreement	50.8	75.0	75.0

**Inter-Agency Services (1682)**  
**Department of Natural Resources**

**Component:** Oil & Gas (439)

<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2020 Actuals</b>	<b>FY2021 Management Plan</b>	<b>FY2022 Governor</b>
Telecommunications		with DOA for telecommunication - phones.			
3021 Inter-Agency Mail	Admin - Department-wide	Reimbursable services agreement with DOA for centralized mail services chargeback.	1.4	1.5	1.5
3022 Inter-Agency Human Resources	Admin - Department-wide		16.7	20.0	20.0
3023 Inter-Agency Building Leases	Admin - Department-wide	Reimbursable services agreement with DOA for occupancy agreements for State-owned office spaces.	344.5	450.0	450.0
3024 Inter-Agency Legal	Law - Department-wide	Reimbursable services agreement with Law for regulations review.	0.8	5.0	5.0
3026 Inter-Agency Insurance	Admin - Department-wide	Reimbursable services agreement with DOA for risk management, and property insurance.	0.6	1.5	1.5
3027 Inter-Agency Financial	Admin - Department-wide	Reimbursable services agreement with DOA for Shared Services and AAPEX.	60.1	90.0	90.0
3028 Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide	Reimbursable services agreement with DOA for the Americans with Disabilities Act (ADA) chargeback.	0.9	1.0	1.0
3037 State Equipment Fleet	Trans - Department-wide	State equipment fleet vehicle usage.	32.2	35.0	35.2

**Personal Services Expenditure Detail**  
**Department of Natural Resources**

**Scenario:** FY2022 Governor (17280)  
**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	22B / C	12.0		86,844	0	0	49,556	136,400	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	12.0		92,124	1,247	0	51,384	144,755	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	24A / B	12.0		91,890	1,244	0	51,301	144,435	0
10-0141	Commercial Manager	FT	A	XE	Anchorage	N00	26	12.0		139,074	0	0	67,891	206,965	129,560
10-0142	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		111,444	0	0	58,115	169,559	118,691
10-0143	Policy & Program Specialist	FT	A	XE	Anchorage	N00	24 / B	12.0		92,964	0	0	51,577	144,541	98,288
10-0144	Petroleum Land Manager	FT	A	XE	Anchorage	N00	26	12.0		130,000	0	0	64,680	194,680	0
10-0145	Analyst/Programmer III	FT	A	GP	Anchorage	200	18A / B	12.0		61,597	834	0	40,583	103,014	65,929
10-0147	Nat Res Speciii	FT	A	GP	Anchorage	99	18M / N	12.0		83,074	1,125	0	48,182	132,381	0
10-0157	Accounting Technician I	FT	A	GP	Anchorage	99	12J / K	12.0		49,931	676	0	36,456	87,063	4,353
10-0253	Administrative Assistant II	FT	A	GP	Anchorage	99	14K / L	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		85,810	1,162	0	49,150	136,122	0
10-0266	Natural Resource Specialist I	FT	A	GP	Anchorage	200	14F / G	12.0		55,439	751	0	38,405	94,595	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		67,724	917	0	42,751	111,392	0
10-1313	Nat Res Speciii	FT	A	GP	Anchorage	200	18A / B	12.0		61,721	836	0	40,627	103,184	0
10-4100	Division Director - Px	FT	A	XE	Anchorage	N00	27	12.0		150,000	0	0	71,315	221,315	221,315
10-4104	Petroleum Engineer	FT	A	XE	Anchorage	N00	26P	12.0		171,000	0	0	77,457	248,457	149,074
10-4105	Petroleum Land Manager	FT	A	XE	Anchorage	N00	26	12.0		134,687	0	0	66,339	201,026	120,616
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	75,946
10-4114	Nat Res Speciii	FT	A	GP	Anchorage	200	18B / C	12.0		63,705	862	0	41,329	105,896	0
10-4115	Oil and Gas Revenue Auditor IV	FT	A	GP	Anchorage	200	24B / C	12.0		94,419	1,278	0	52,196	147,893	147,893
10-4118	Administrative Officer II	FT	A	SS	Anchorage	99	19N / O	12.0		95,826	0	0	52,734	148,560	0
10-4119	Administrative Assistant I	FT	A	GP	Anchorage	99	12M / N	12.0		53,758	728	0	37,810	92,296	36,918
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	94,847
10-4128	Administrative Officer I	FT	A	GP	Anchorage	99	17M / N	12.0		77,976	1,056	0	46,378	125,410	6,271
10-4133	Data Processing Manager I	FT	A	SS	Anchorage	99	22L / M	12.0		116,260	0	0	59,963	176,223	105,734
10-4136	Publications Specialist III	FT	A	GP	Anchorage	200	19E / F	12.0		75,147	1,017	0	45,377	121,541	85,079
10-4144	Natural Resource	FT	A	GP	Anchorage	200	12B / C	12.0		40,986	555	0	33,291	74,832	0

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**Personal Services Expenditure Detail**  
**Department of Natural Resources**

**Scenario:** FY2022 Governor (17280)  
**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	21A / B	12.0		79,687	0	0	47,024	126,711	0
10-4146	Accountant IV	FT	A	GP	Anchorage	99	20G / J	12.0		84,318	1,142	0	48,622	134,082	80,449
10-4147	Admn OPS Mgr I	FT	A	SS	Anchorage	200	22E / F	12.0		96,990	0	0	53,145	150,135	0
10-4149	Accounting Technician III	FT	A	GP	Anchorage	99	16J	12.0		63,264	856	0	41,173	105,293	63,176
10-4158	Accountant III	FT	A	GP	Anchorage	99	18K	12.0		77,736	1,052	0	46,293	125,081	75,049
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	21B / C	12.0		77,826	1,054	0	46,325	125,205	0
10-4167	Natural Resource Specialist IV	FT	A	SS	Anchorage	200	21F	12.0		98,696	0	0	53,749	152,445	0
10-4171	Nat Res Speciii	FT	A	GP	Anchorage	200	18E / F	12.0		70,065	949	0	43,579	114,593	0
10-4181	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	N00	26	12.0		148,259	0	0	70,806	219,065	131,439
10-4182	Petroleum Geologist II	FT	A	XE	Anchorage	N00	26	12.0		168,575	0	0	76,748	245,323	147,194
10-4183	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		167,958	0	0	76,568	244,526	146,716
10-4184	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		168,095	0	0	76,608	244,703	146,822
10-4185	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		171,434	0	0	77,584	249,018	149,411
10-4193	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26P	12.0		148,259	0	0	70,806	219,065	131,439
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	20C / D	12.0		75,036	1,016	0	45,338	121,390	72,834
10-4203	Analyst/Programmer V	FT	A	GP	Anchorage	200	22A / B	12.0		79,799	1,080	0	47,023	127,902	76,741
10-4207	Nat Res Speciii	FT	A	GP	Anchorage	200	18D / E	12.0		67,087	908	0	42,526	110,521	0
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	78,674
10-4211	Accountant IV	FT	A	GP	Anchorage	99	20L	12.0		91,740	1,242	0	51,248	144,230	86,538
10-4213	Geologist I	FT	A	GP	Anchorage	200	15A / B	12.0		48,932	662	0	36,102	85,696	51,418
10-4214	Petroleum Land Manager	FT	A	XE	Anchorage	N00	26	12.0		134,687	0	0	66,339	201,026	120,616
10-4215	O&G Rev Aud III	FT	A	GP	Anchorage	200	22F / G	12.0		95,687	1,295	0	52,644	149,626	133,915
10-4216	Petroleum Land Manager	FT	A	XE	Anchorage	N00	26F	12.0		118,521	0	0	60,619	179,140	0
10-4217	Commercial Analyst	FT	A	XE	Anchorage	N00	26L	12.0		130,455	0	0	64,841	195,296	97,648
10-4222	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	N00	26	12.0		99,332	0	0	53,830	153,162	91,897
10-4223	Natural Resource Specialist IV	FT	A	SS	Anchorage	99	21L	12.0		102,054	0	0	54,937	156,991	0
10-4224	Natural Resource Specialist II	FT	A	GP	Anchorage	200	16D / E	12.0		57,701	781	0	39,205	97,687	0

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**Personal Services Expenditure Detail**  
**Department of Natural Resources**

**Scenario:** FY2022 Governor (17280)  
**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
10-4226	Bus Process Integration Mgr	FT	A	XE	Anchorage	N00	24	12.0		94,240	0	0	52,028	146,268	138,955
10-4227	Deputy Director	FT	A	XE	Anchorage	N00	26P	12.0		148,259	0	0	70,806	219,065	0
10-4229	Administrative Assistant II	FT	A	GP	Anchorage	99	14J	12.0		57,192	774	0	39,025	96,991	48,496
10-4230	Administrative Assistant I	FT	A	GP	Anchorage	200	12B / C	12.0		41,725	565	0	33,553	75,843	0
10-4232	Oil and Gas Revenue Auditor IV	FT	A	GP	Anchorage	99	24L / M	12.0		120,948	1,637	0	61,582	184,167	92,084
10-4233	O&G Rev Aud III	FT	A	GP	Anchorage	200	22F	12.0		86,052	1,165	0	49,236	136,453	95,517
10-4234	Nat Res Techiii	FT	A	GP	Anchorage	200	14A / B	12.0		45,212	612	0	34,786	80,610	16,122
10-4235	Natural Resource Specialist II	FT	A	GP	Anchorage	200	16D / E	12.0		59,631	807	0	39,888	100,326	0
10-4236	Analyst/Programmer IV	FT	A	GP	Anchorage	99	20M	12.0		94,716	1,282	0	52,301	148,299	88,979
10-4240	Natural Resource Technician II	FT	A	GP	Anchorage	200	12G	12.0		49,440	669	0	36,282	86,391	0
10-4244	Natural Resource Specialist IV	FT	A	GP	Anchorage	200	21G / J	12.0		92,879	1,257	0	51,651	145,787	0
10-4245	Nat Res Speciii	FT	A	GP	Anchorage	200	18A / B	12.0		60,605	820	0	40,232	101,657	0
10-4247	Analyst/Programmer IV	FT	A	GP	Anchorage	200	20A / B	12.0		70,171	950	0	43,617	114,738	68,843
10-4249	Oil and Gas Revenue Auditor I	FT	A	GP	Anchorage	200	18J / K	12.0		77,082	1,044	0	46,062	124,188	121,208
10-4256	Natural Resource Specialist II	FT	A	GP	Anchorage	200	16A / B	12.0		53,301	722	0	37,648	91,671	0
10-4257	Natural Resource Specialist II	FT	A	GP	Anchorage	200	16A / B	12.0		53,301	722	0	37,648	91,671	0
10-5000	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	N00	26A	12.0		137,208	0	0	67,230	204,438	0
10-8106	Pipe Line Coordinator	FT	A	XE	Anchorage	N00	26F	12.0		118,521	0	0	60,619	179,140	0
10-T002	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		171,434	0	0	77,584	249,018	149,411
10-T006	Commercial Analyst	FT	A	XE	Anchorage	N00	26	12.0		130,455	0	0	64,841	195,296	117,178
10-T007	Commercial Analyst	FT	A	XE	Anchorage	N00	26	12.0		126,341	0	0	63,386	189,727	113,836
10-T009	Petroleum Geologist I	FT	A	XE	Anchorage	N00	26	12.0		165,771	0	0	75,928	241,699	145,019
10-T010	Commercial Analyst	FT	A	XE	Anchorage	N00	26	12.0		143,500	0	0	69,414	212,914	138,394
10-T011	Petroleum Geophysicist I	FT	A	XE	Anchorage	N00	26	12.0		148,259	0	0	70,806	219,065	131,439
10-T015	Petroleum Land Manager	FT	A	XE	Anchorage	N00	26L	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		130,452	0	0	64,840	195,292	117,175
10-T021	Oil & Gas Revenue Audit Master	FT	A	XE	Anchorage	N00	26	12.0		135,600	0	0	66,662	202,262	0
10-T022	Commercial Analyst	FT	A	XE	Anchorage	N00	26L	12.0		130,455	0	0	64,841	195,296	136,707
10-X001	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	N00	26A	12.0		157,020	0	0	73,368	230,388	230,388

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**Personal Services Expenditure Detail**  
**Department of Natural Resources**

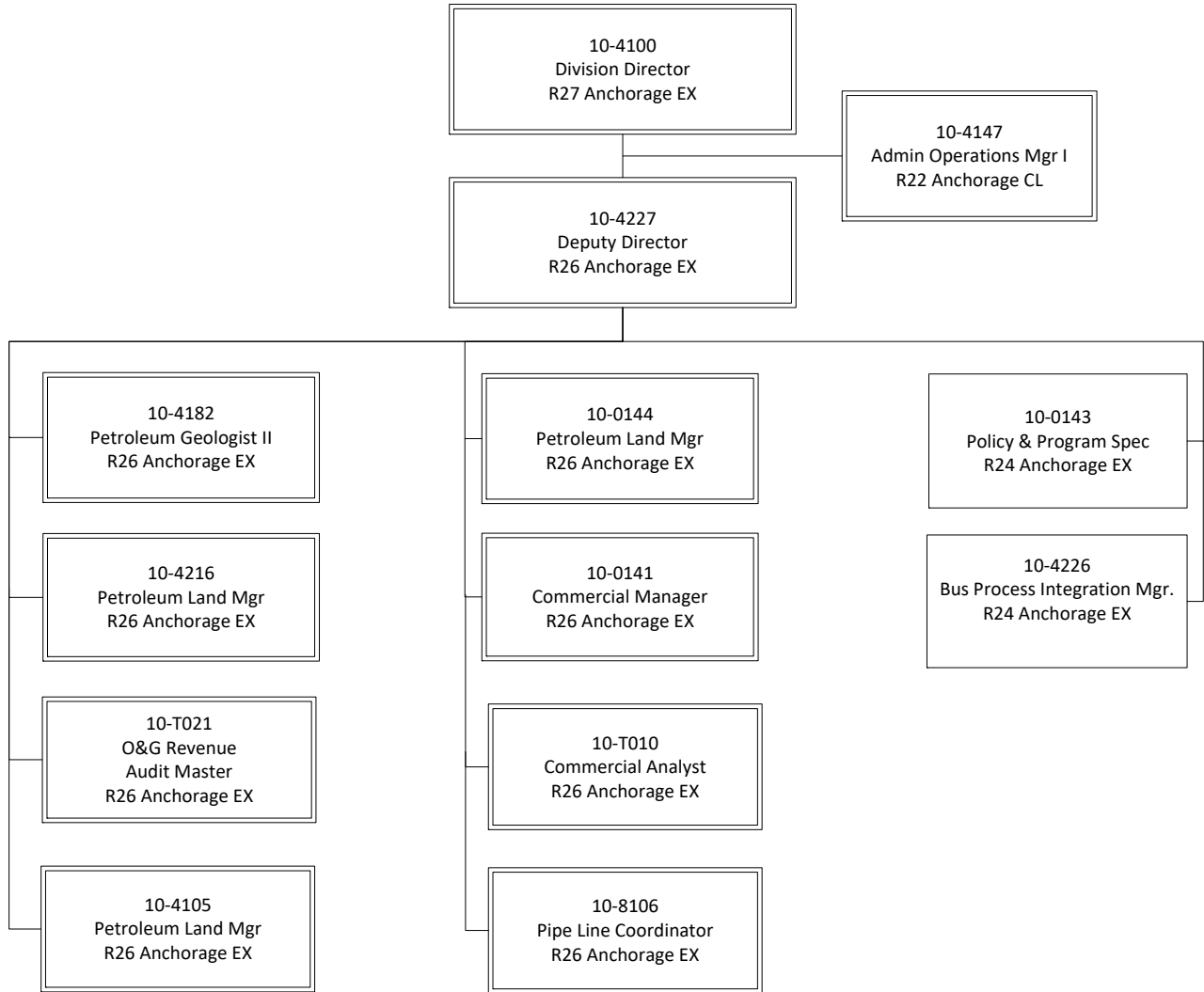
**Scenario:** FY2022 Governor (17280)  
**Component:** Oil & Gas (439)  
**RDU:** Oil and Gas (601)

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-X023	Commercial Analyst	FT	A	XE	Anchorage	N00	26A	12.0		130,455	0	0	64,841	195,296	156,237
													<b>Total Salary Costs:</b>	9,109,310	
													<b>Total COLA:</b>	49,368	
													<b>Total Premium Pay:</b>	0	
													<b>Total Benefits:</b>	4,915,703	
													<b>Total Pre-Vacancy:</b>	14,074,381	
													<b>Minus Vacancy Adjustment of 4.03%:</b>	(567,481)	
													<b>Total Post-Vacancy:</b>	13,506,900	
													<b>Plus Lump Sum Premium Pay:</b>	0	
													<b>Personal Services Line 100:</b>	13,506,900	
<b>Total Component Months:</b>		1,092.0													

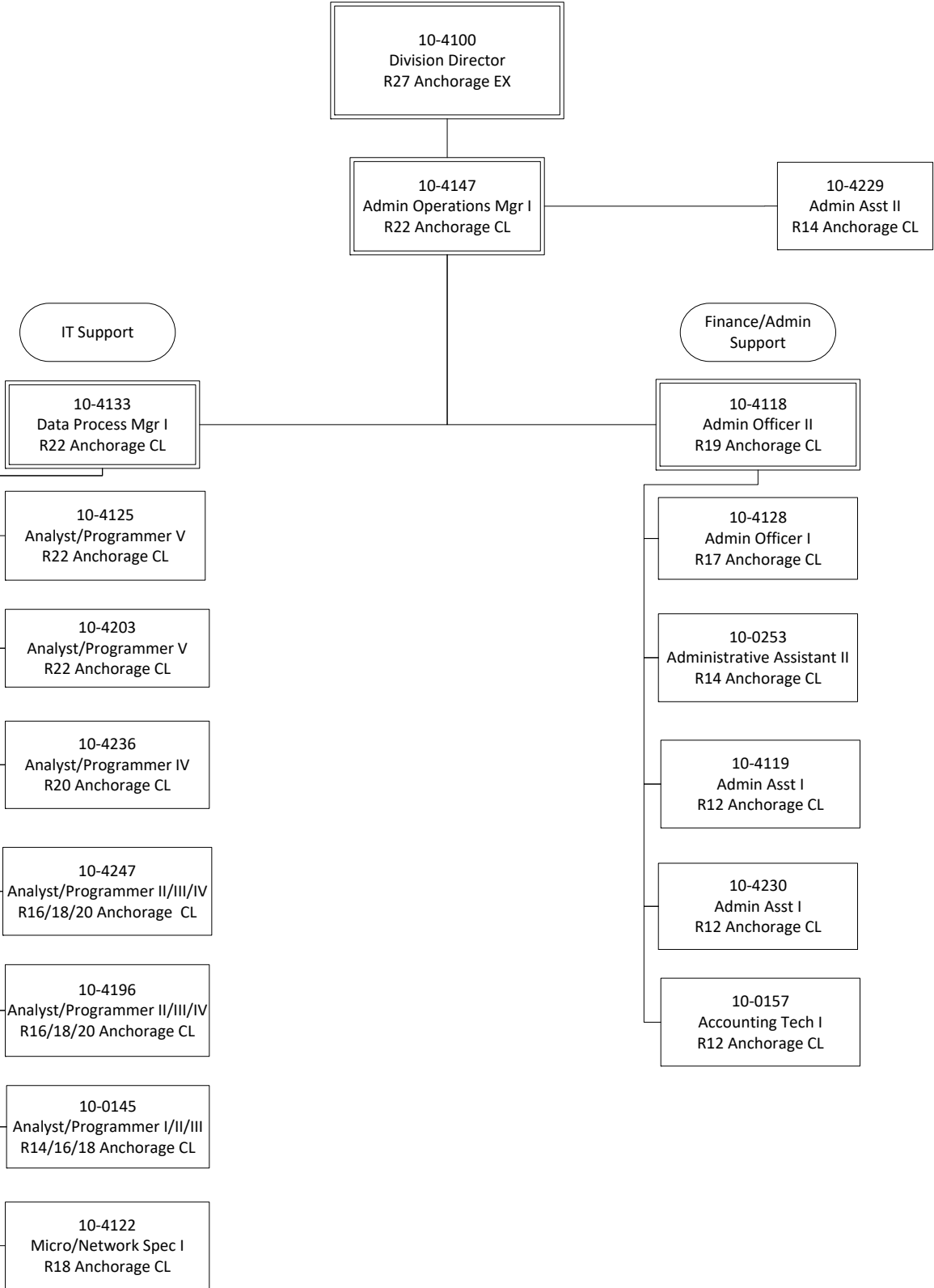
<b>PCN Funding Sources:</b>	<b>Pre-Vacancy</b>	<b>Post-Vacancy</b>	<b>Percent</b>
1002 Federal Receipts	112,618	108,078	0.80%
1004 General Fund Receipts	5,778,325	5,545,343	41.06%
1005 General Fund/Program Receipts	1,451,691	1,393,159	10.31%
1007 Interagency Receipts	253,909	243,672	1.80%
1105 Alaska Permanent Fund Corporation Receipts	4,161,799	3,993,994	29.57%
1108 Statutory Designated Program Receipts	2,165,491	2,078,178	15.39%
1236 Alaska Liquefied Natural Gas Project Fund I/A (AK LNG I/A)	150,547	144,477	1.07%
<b>Total PCN Funding:</b>	<b>14,074,381</b>	<b>13,506,900</b>	<b>100.00%</b>

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Department of Natural Resources  
439 - Oil & Gas - Director  
FY2022 Governor Budget

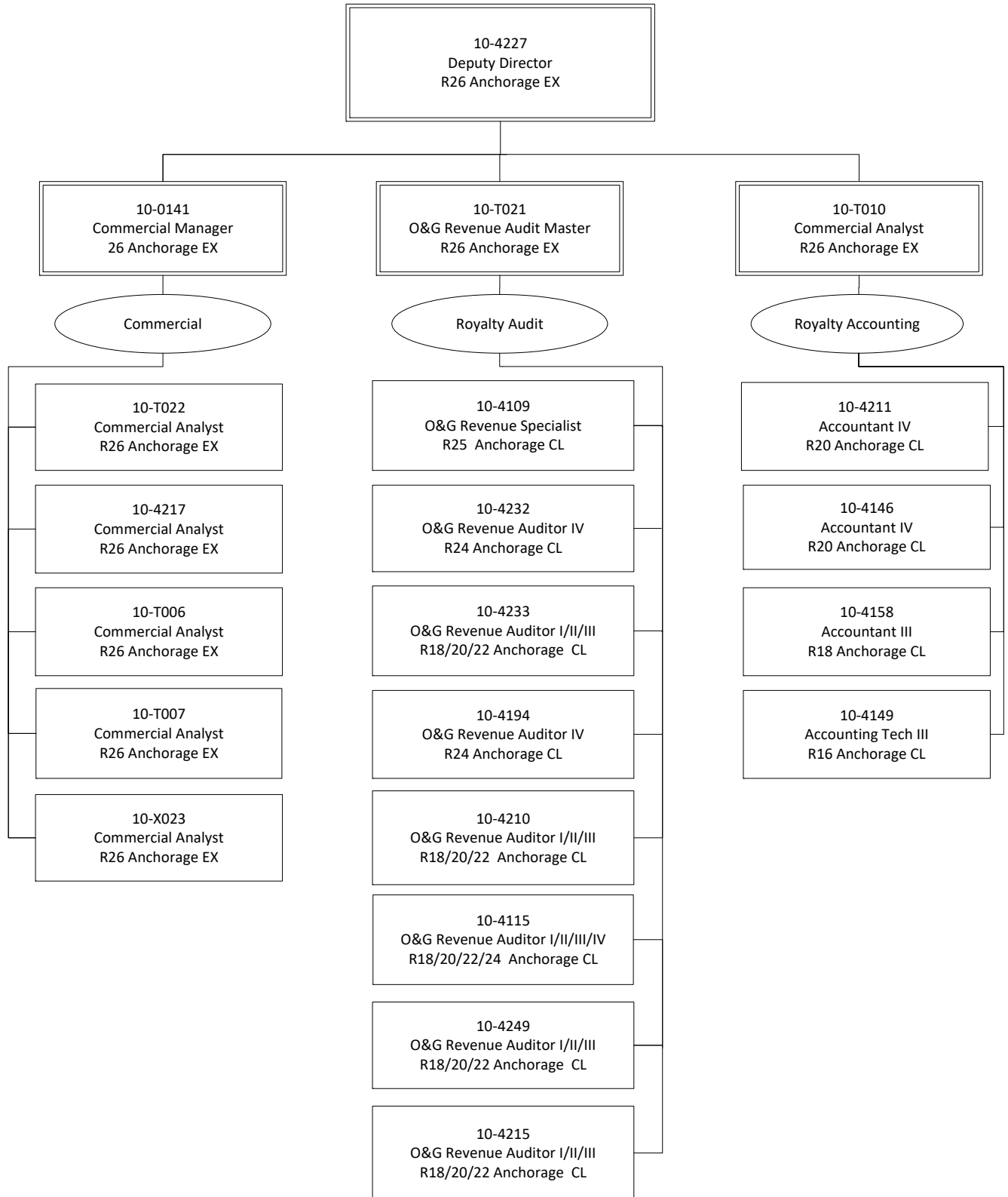


Department of Natural Resources  
 439 - Oil & Gas - Administration and IT  
 FY2022 Governor Budget

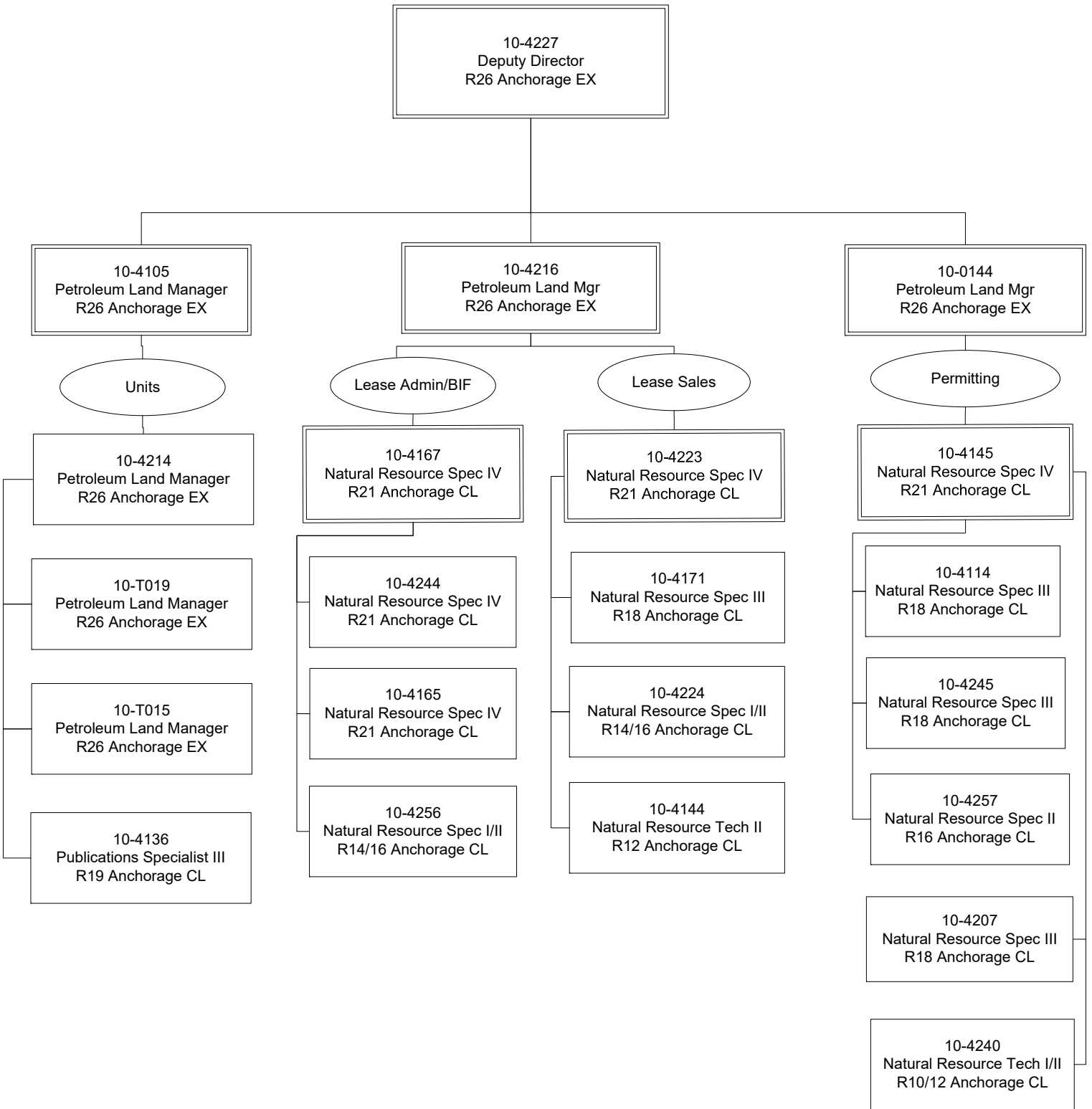




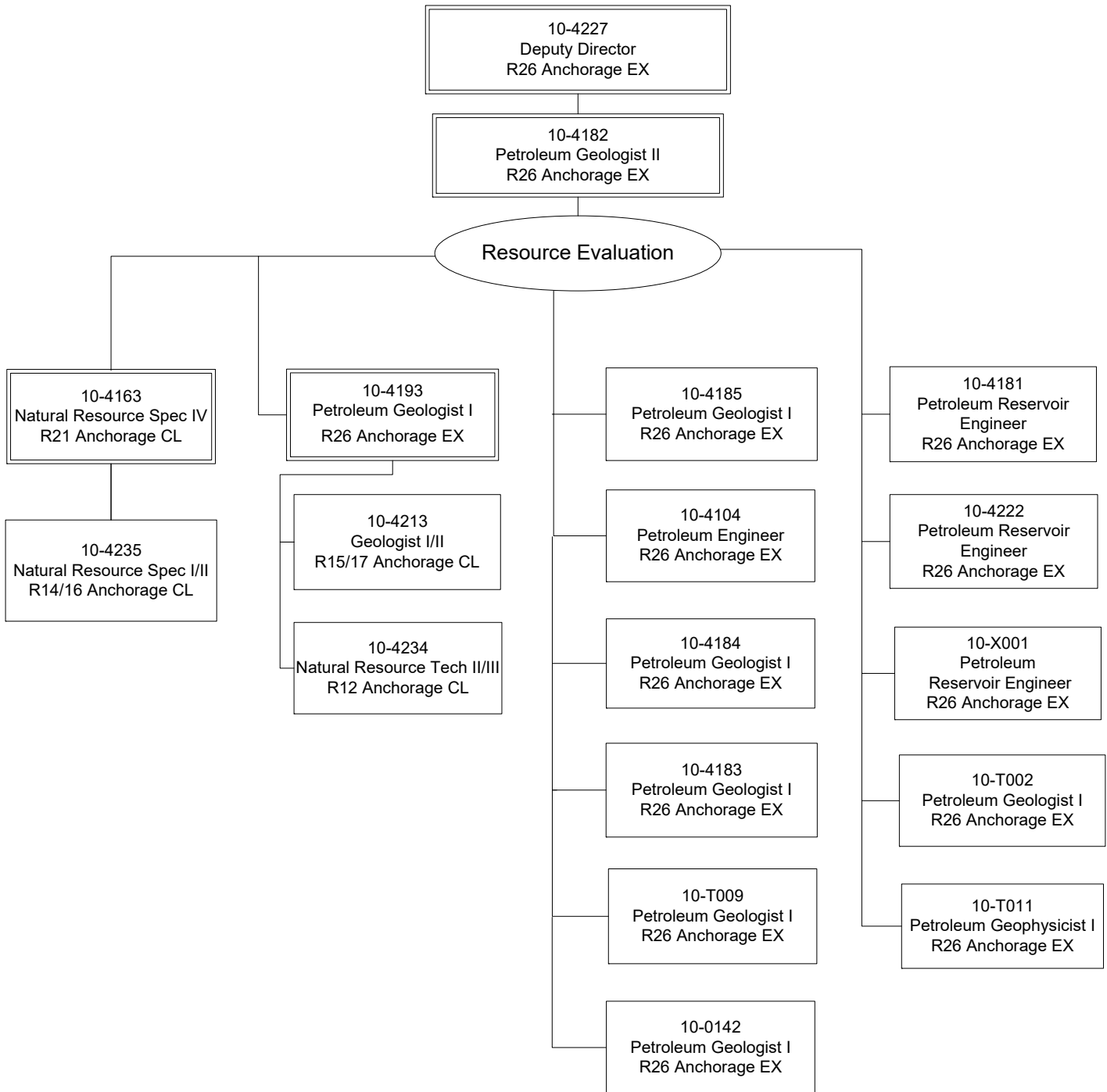
Department of Natural Resources  
 439 - Oil & Gas – Commercial & Royalty  
 Accounting/Audit  
 FY2022 Governor Budget



Department of Natural Resources  
 439 - Oil & Gas – Leasing, Permitting & Units  
 FY 2022 Governor Budget



Department of Natural Resources  
 439 - Oil & Gas - Resource Evaluation  
 FY2022 Governor Budget



Department of Natural Resources  
 439 - Oil & Gas - State Pipeline Section  
 FY2022 Governor Budget

