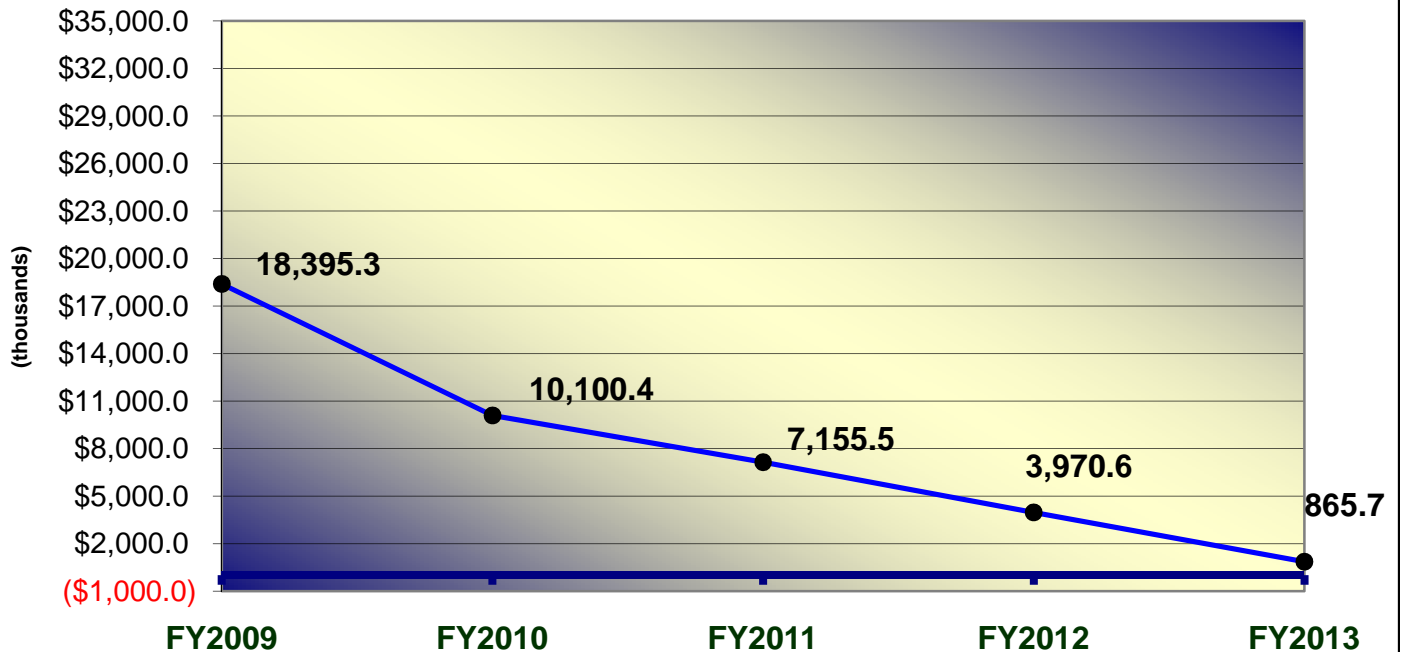


DEPARTMENT OF ENVIRONMENTAL CONSERVATION RESPONSE FUND

PREVENTION ACCOUNT - BALANCE PROJECTION 12/15/08 YEAREND UPDATE

	FY2008 FUND BALANCE	13,537.6	FY2009	FY2010	FY2011	FY2012	FY2013
REVENUE to PREVENTION ACCOUNT		18,780.0	11,550.0	11,150.0	10,910.0	10,990.0	10,990.0
4 Cent Surcharge (Fall 2008 <i>Revenue Sources Book</i>)		9,476.2	8,800.0	8,400.0	8,160.0	8,240.0	8,240.0
Cost Recovery/Fines/Penalties*		8,053.8	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0
Interest		1,250.0	1,250.0	1,250.0	1,250.0	1,250.0	1,250.0
GOVERNOR'S BUDGETED OPERATING EXPENDITURES		13,922.3	14,094.9	14,094.9	14,094.9	14,094.9	14,094.9
Environmental Conservation (annual salary increases not included in FY11-13)		13,922.3	14,094.9	14,094.9	14,094.9	14,094.9	14,094.9
CAPITAL EXPENDITURES		0.0	5,750.0	0.0	0.0	0.0	0.0
ESTIMATED PREVENTION ACCOUNT BALANCE		18,395.3	10,100.4	7,155.5	3,970.6	865.7	865.7
EXPENDITURES IN EXCESS OF REVENUE		4,857.7	(8,294.9)	(2,944.9)	(3,184.9)	(3,104.9)	(3,104.9)

PREVENTION ACCOUNT BALANCE



* Nothing added for potential increases in cost recovery caused by intent to collect from other agencies. Number represents estimated collections for FY2009 use.



WHAT THE 4¢ SURCHARGE PAYS FOR

OIL AND HAZARDOUS SUBSTANCE, SPILL PREVENTION AND RESPONSE

- Standards and regulation to protect the environment from releases or oil or hazardous substances.
- Establishment and maintenance of a spill response capability.
- Investigation, evaluation, containment, and/or cleanup of a release or threatened release of oil or hazardous substances.
- Restoration of the environment.
- Review of oil discharge prevention and contingency plans.
- Training, response exercises, inspections, and tests.
- Verification of proof of financial responsibility.
- Recovery of state costs.

IS IT ENOUGH?

- Revenues continue to decrease as production decreases.
- Despite the change in surcharge amounts, expenditures continue to exceed projected revenues.
- Without additional revenues, the fund will be depleted in FY2014, which assumes no additional capital appropriations for clean-up costs.