



Division of Spill Prevention & Response (SPAR)

Department of
Environmental Conservation
Finance Subcommittee
Kristin Ryan, Director
February 9, 2017



SPAR's Mission

Protect public safety, health, and the environment through prevention, preparedness, and cleanup of oil and hazardous substances





Core Services

- Protect public health and the environment by identifying, overseeing, and conducting the cleanup, redevelopment, and management of contaminated sites in Alaska
- Protect public safety, public health, and the environment and ensure that producers, transporters, and distributors of crude oil and refined oil products prevent oil spills and are fully prepared materially and financially to clean up spills
- Manage the Oil and Hazardous Substance Release Prevention and Response Fund as a viable, long-term funding source for the state's core spill prevention and response initiatives, and provide administrative services to the Division's programs





Responsibilities

- Prevention, Preparedness, and Response Program
 - Ensure producers, transporters and distributors of oil and hazardous substances prevent spills and are fully prepared materially and financially to clean up spills
- Contaminated Sites Program
 - Monitor existing sites to verify they are not spreading
 - Work with responsible parties to clean up contamination
 - Partner with potential buyers to encourage reuse and redevelopment
- Response Fund Administration Program
 - AS 46.08.070 requires the Department attempt to recover 100% of costs incurred in the cleanup or containment of oil or a hazardous substance that has been released



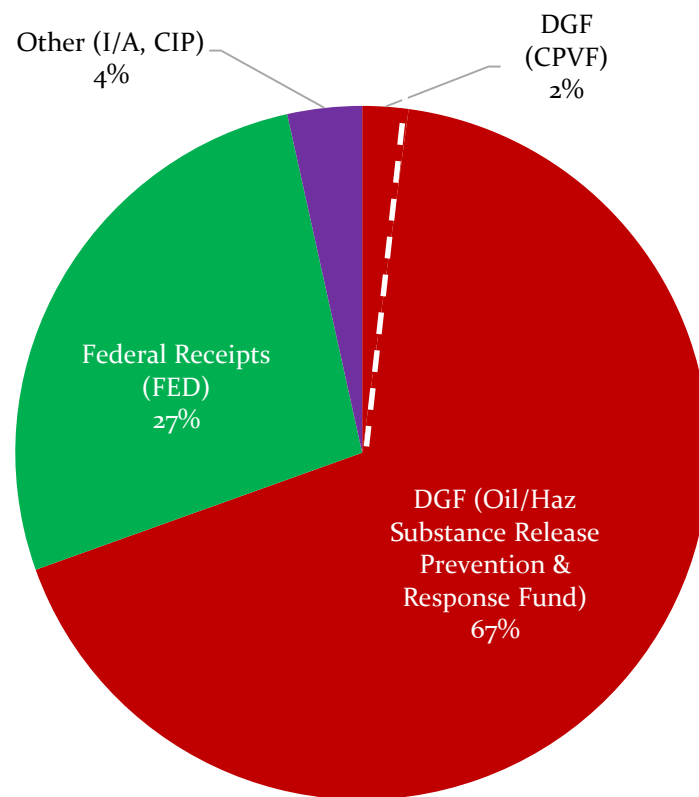


FY2018 Operating Budget By Fund Source

FY2018 Adjusted Base \$20,490.2

FY2018 Governor's Request \$20,090.2

- Unrestricted GF \$0.0
- Designated GF \$13,967.4
- Other State Funds \$697.4
- Federal Receipts \$5,425.4
- 139 PCNs



(Subcommittee Book p. 50-51)



Budget Changes

- Reallocate Interagency Receipt authority to Division of Administration *(\$400.0) Other*





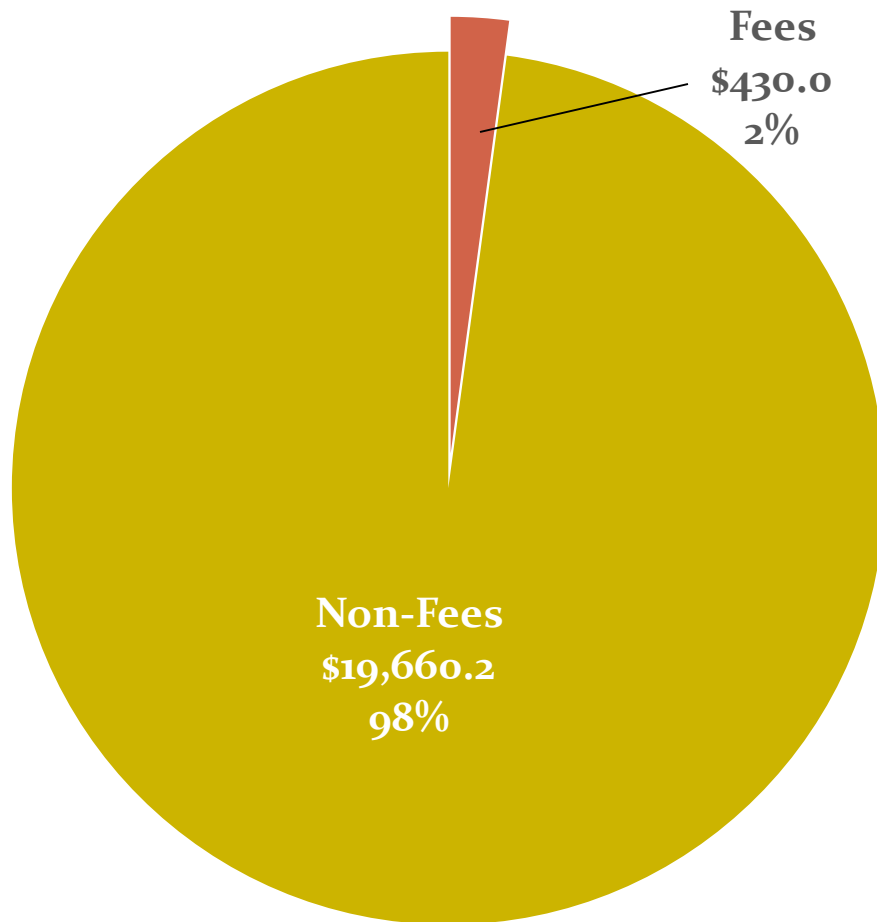
Recent Cost Savings & Reductions



- FY2016 Prevention Account appropriation to SPAR reduced \$620.0
 - Reorganized and combined five components into one
 - Deleted four positions
 - Redefined how we plan, prepare, and respond to spills
- FY2016 UGF appropriation reduced \$208.2
 - Eliminated two engineers in the Pipeline Integrity and Engineering section
- FY2017 replaced remaining \$478.5 UGF with Prevention Account



How Much is Fee-Supported?



In DEC's FY2016 Annual Fee Report per AS 37.10.050(c), SPAR lists 9 separate fees



Statutory Authorities

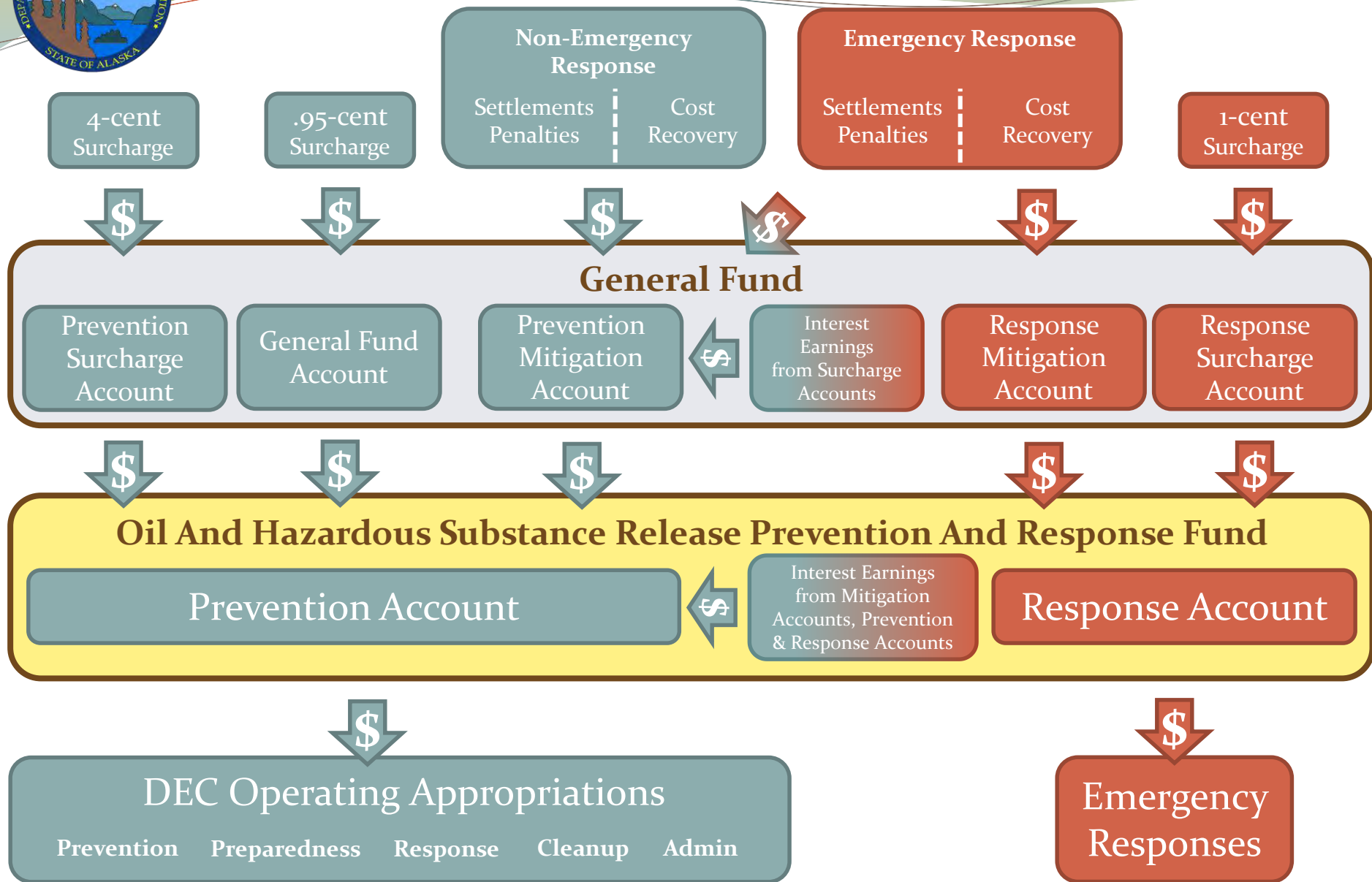
It is the intent of the Legislature and declared to be the public policy of the State that funds for the abatement of a release of oil or a hazardous substance will always be available (A.S. 46.08.030)





Statutory Authorities

- Funds from the **Response Account** are used to:
 - investigate and evaluate the release or threatened release of oil or a hazardous substance, and contain, clean up, and take other necessary action, such as monitoring and assessing, to address a release or threatened release of oil or a hazardous substance that poses **an imminent and substantial threat** to the public health or welfare, or to the environment -- AS 46.08.040(1)(A)
 - recover the costs to the state, a municipality, a village, or a school district of a containment and cleanup resulting from the release or the threatened release of oil or a hazardous substance for which money was expended from the response account; -- AS 46.08.040(1)(C)
- Funds from the **Prevention Account** are used to:
 - investigate and evaluate the release or threatened release of oil or a hazardous substance... and contain, clean up, and take other necessary action, such as monitoring and assessing, to address a release or threatened release of oil or a hazardous substance-- AS 46.08.040(2)(A)
 - *pay all costs incurred to establish and maintain the oil and hazardous substance response office; to review oil discharge prevention and contingency plans; to conduct training, response exercises, inspections, and tests; and to verify or establish proof of financial responsibility-- AS 46.08.040(2)(B)*
 - recover the costs to the state, a municipality, a village, or a school district of a containment and cleanup resulting from the release or threatened release of oil or a hazardous substance for which money was expended from the prevention account -- AS 46.08.040(2)(I)
 - *restore the environment by addressing the effects of an oil or hazardous substance release. -- AS 46.08.040(2)(K)*





Questions?

