State of Alaska
Office of Management and Budget

FY2020 Operating Budget Overview
Department of Environmental Conservation
Presentation to the House Finance Subcommittee
March 14, 2019

Jeff Rogers, Admin Service Director, Jason Brune, Commissioner
Alice Edwards, Director of Air Quality, Andrew Sayers-Fay, Director of Water

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DEC FY2020 Operating Budget: Significant Changes

Cease Economic Analysis of New Regulations

- HB140 (SLA 2014) requires economic analysis of new regulations
- Associated position previously defunded by legislature
- Governor will propose repeal of AS 44.62.190(d)(3)
- Regulations promulgated by the department are already subject to public review and comment
- Deletes one Economist III position
- Reduction of $124,300 of General Funds

DEC FY2020 Operating Budget: Significant Changes

Executive Branch 50% Travel Reduction

- Spill Prevention and Response was not subject to the reduction
- Department will create a Travel Plan for FY2020 that maximizes performance results with appropriated funds
- Strategies for constraining travel costs
  - Increased video-conferencing
  - Prioritization of highest-risk inspections and compliance activities
  - Efficient regional organization (field offices may be considered)
- Reduction of $375,900 across all funds
  - $176,400 federal funds
  - $77,500 undesignated general funds
  - $90,000 designated general funds
  - $32,000 other funds

Community Air Quality Concerns

Community Air Quality Concerns

- Dust
- Wood smoke
- Open Burning
- Diesel Emissions

- Widespread impacts throughout state make it difficult to effectively respond to communities
- Outreach and education to help residents and communities:
  - burn wood efficiently, with less smoke
  - reduce unpaved road dust impacts
  - reduce landfill burning
  - understand impacts from industrial activities
- Partnerships with communities, tribes, agencies

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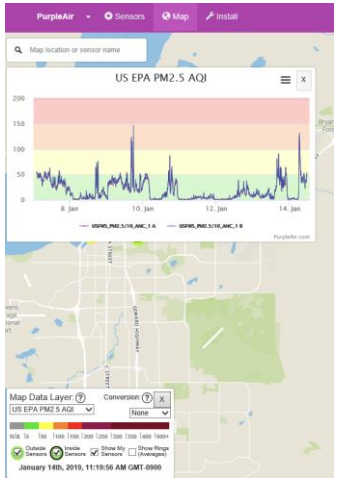
Fairbanks North Star Borough Fine Particulate Matter (PM2.5)

- Fairbanks/North Pole area exceeds the 24-hour PM2.5 ambient air quality standard
- EPA classified area as “Serious” in 2017
- New classification results in additional requirements
- Efforts are underway on a new air quality plan
- Since last October, DEC is implementing the regulatory programs from the initial plan

Juneau Air Quality Cruise Ship Monitoring Project

- DEC Cruise Ship Program saw an increase in air quality related complaints in 2017 and 2018
  - Regulatory opacity monitoring conducted every season
- Last ambient air study in Juneau occurred in 2000
  - No air standards exceeded
- 2019 Ambient Air Study Objectives
  - Address air quality complaints related to cruise ship emissions
  - Determine which areas of downtown Juneau are most affected
  - Assess frequency, duration, spatial variability and severity of impacts and the potential to significantly affect public health and/or violate Clean Air Act air quality standards.
- Saturation study approach using non-regulatory monitors to screen for air pollution impacts.
- Funded by Commercial Passenger Vessel Fees



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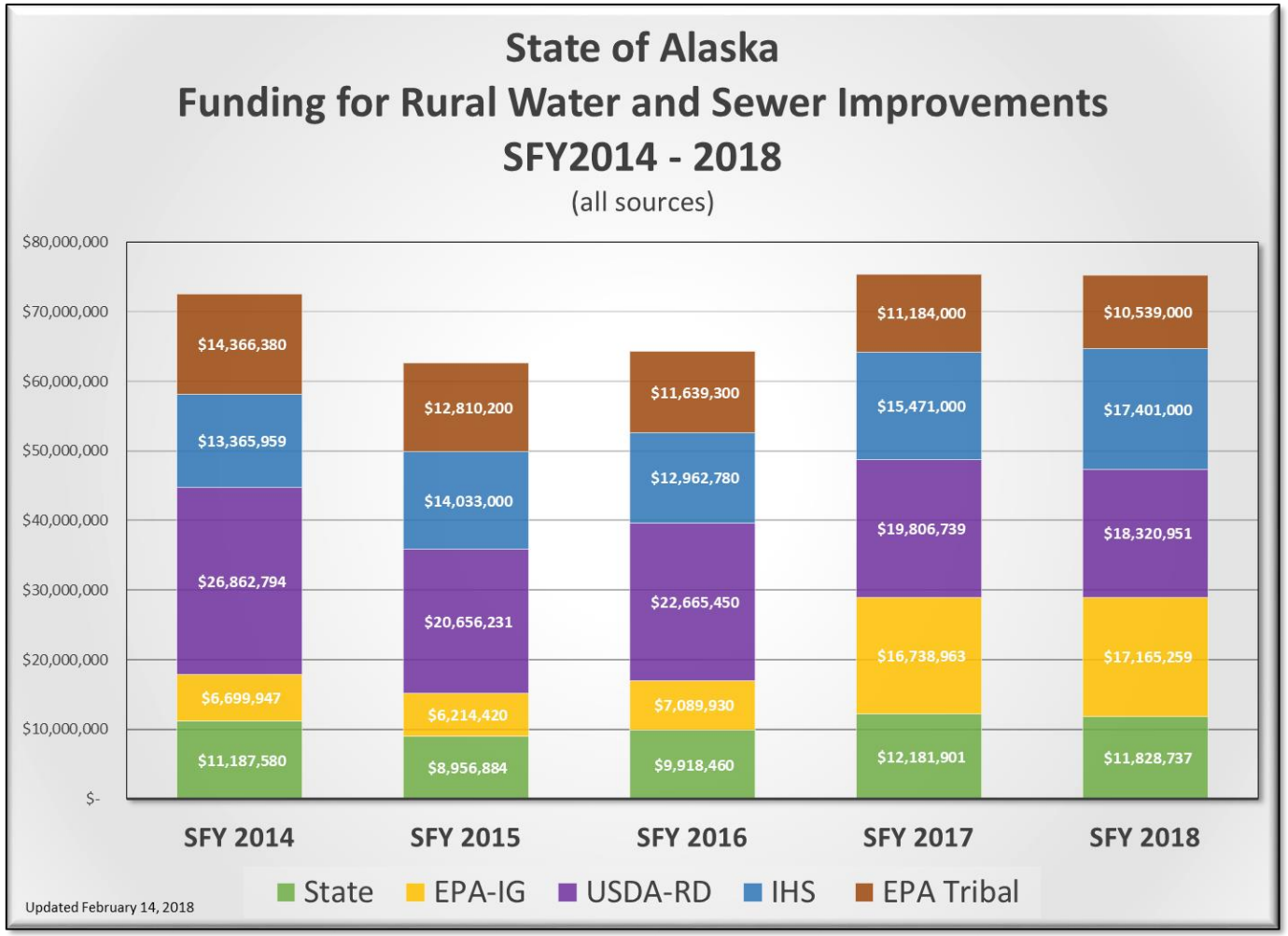
Rural Water and Sanitation

Village Safe Water Program

Rural Water and Wastewater Infrastructure Projects

- First Time Service
- Expansion, Upgrade, and Replacement of Existing Service
- $64,830.0 Capital Request
  - $52,250.0 Fed
  - $12,080.0 GF Match
  - $500.0 SDPR

Village Safe Water Funding



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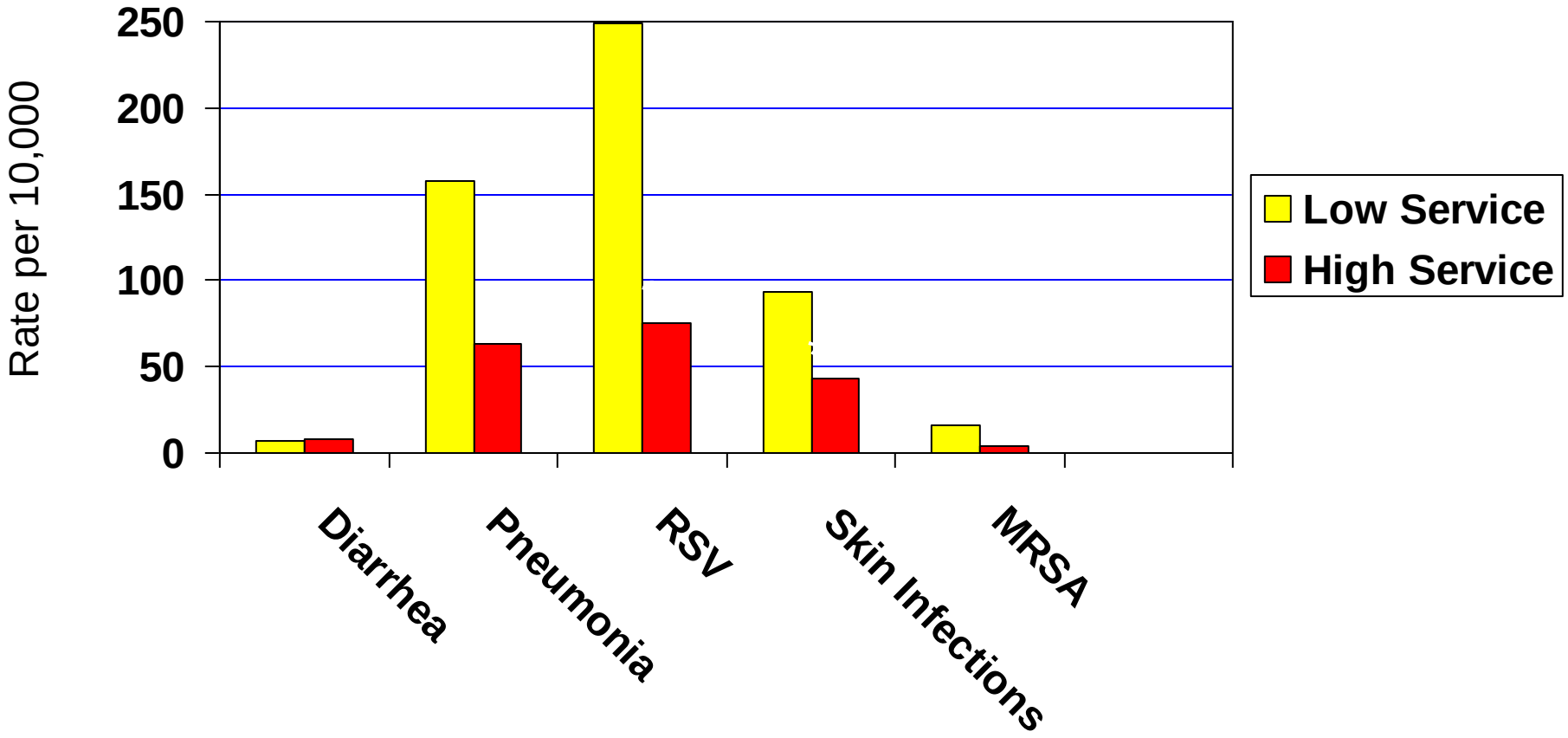
Access to in-home water and sewer service: Important for health

- Water quality
  - Prevents infections illness from drinking water
  - Water-borne diseases
  - Cholera, Typhoid, toxin-mediated
- Adequate water quantity
  - Drink, cook, wash: hands, body, clothes
  - Prevents infections spread person-to-person
    - Water-washed diseases
    - Influenza, Staph infections, pneumonia

Hospitalization Rates for “High” and “Low” Water Service Regions Alaska, 2000-2004



Citation: CDC and ANTHC Hennessy et al; AJPH November 2008

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Progress in Alaska Village Sanitation

- For half a century, we've focused on getting rid of the honey bucket.
- Much progress has been made:
  - 30 years ago, fewer than 25% of rural Alaska households had running water & flush toilets.
  - In 1996, 55% of rural homes had piped or covered haul service.
  - Today, approximately 86% of rural homes have indoor plumbing (over 90% if regional hubs are included in the calculation).

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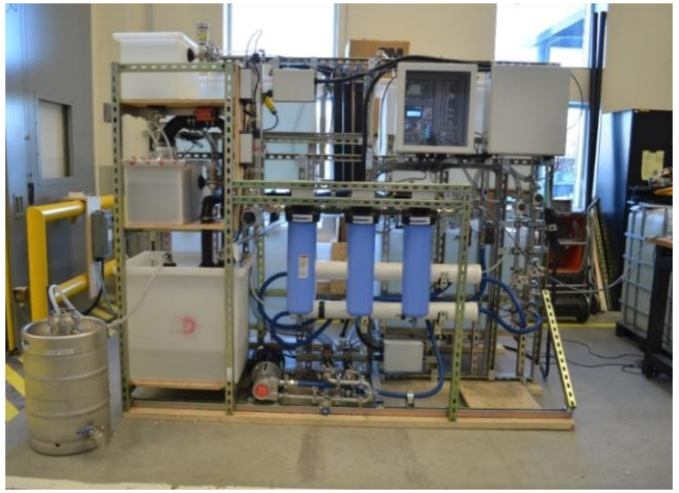
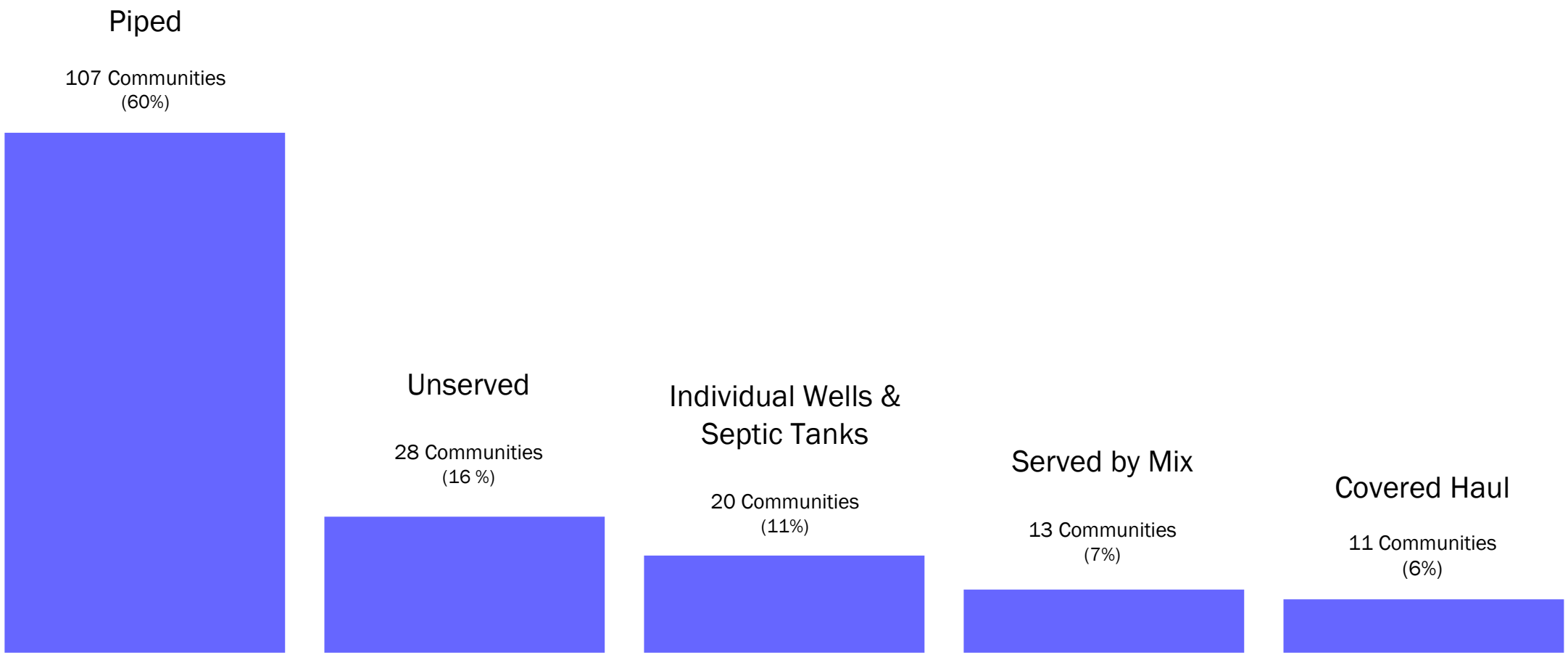
Alaska Water & Sewer Challenge

- Conventional, community-wide piped systems and truck haul systems are expensive to construct, maintain and replace.
- Many communities cannot afford the high operation and maintenance costs associated with piped or haul systems.
- Available funding is not adequate to serve remaining homes and make needed improvements.
- Innovative approaches are needed to address health problems associated with water and sewer system deficiencies.



Water & Sewer System Types in Rural Alaska by number of communities - March 2019



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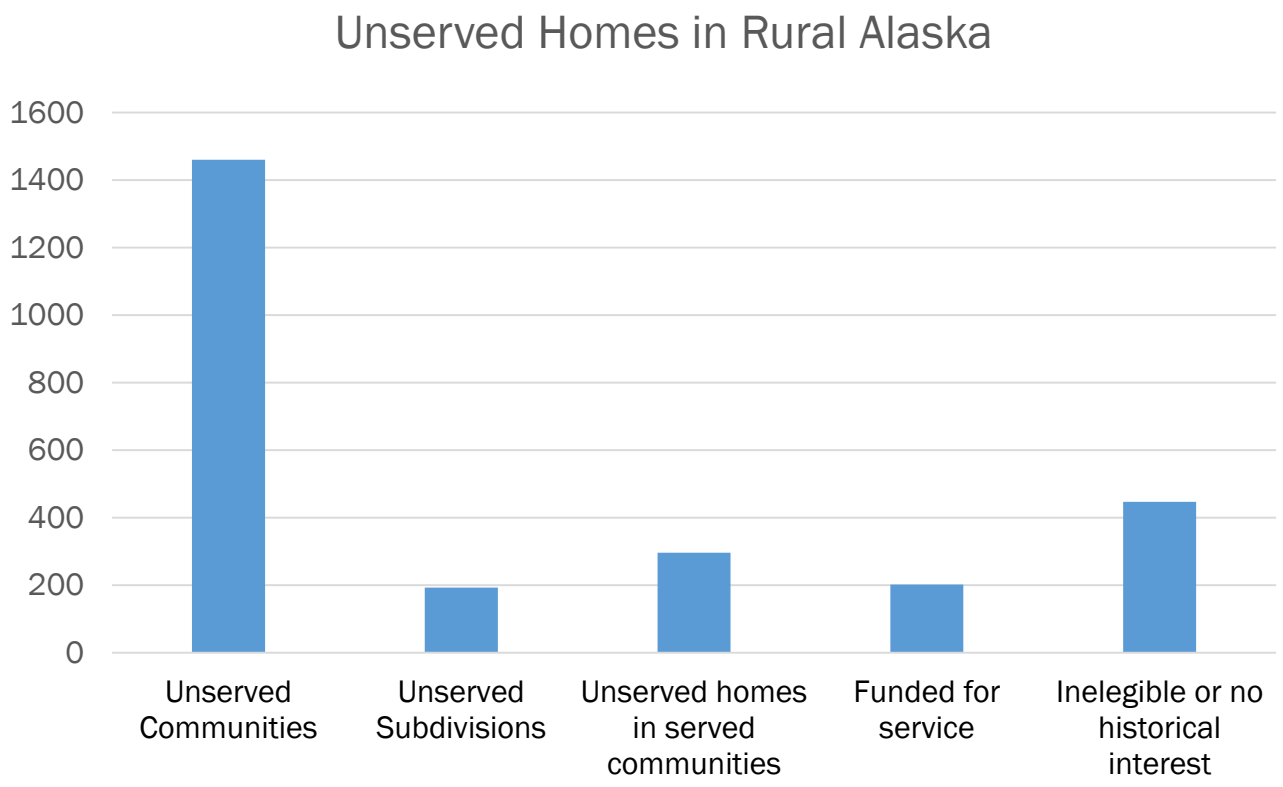
Unserved Homes in 2019: Where are they?



Total Unserved Homes = 2,610

Targeted for future service = 1,960

Homes in 24 unserved communities
(eligible for VSW funding) = 1,460

Homes in 8 unserved subdivisions
(in 8 “served” communities) = 200

Individual homes in
33 served communities = 300

Not targeted for future service = 650

Currently funded for service
in 6 communities = 200

Ineligible or no historical interest in services
(31 communities) = 450

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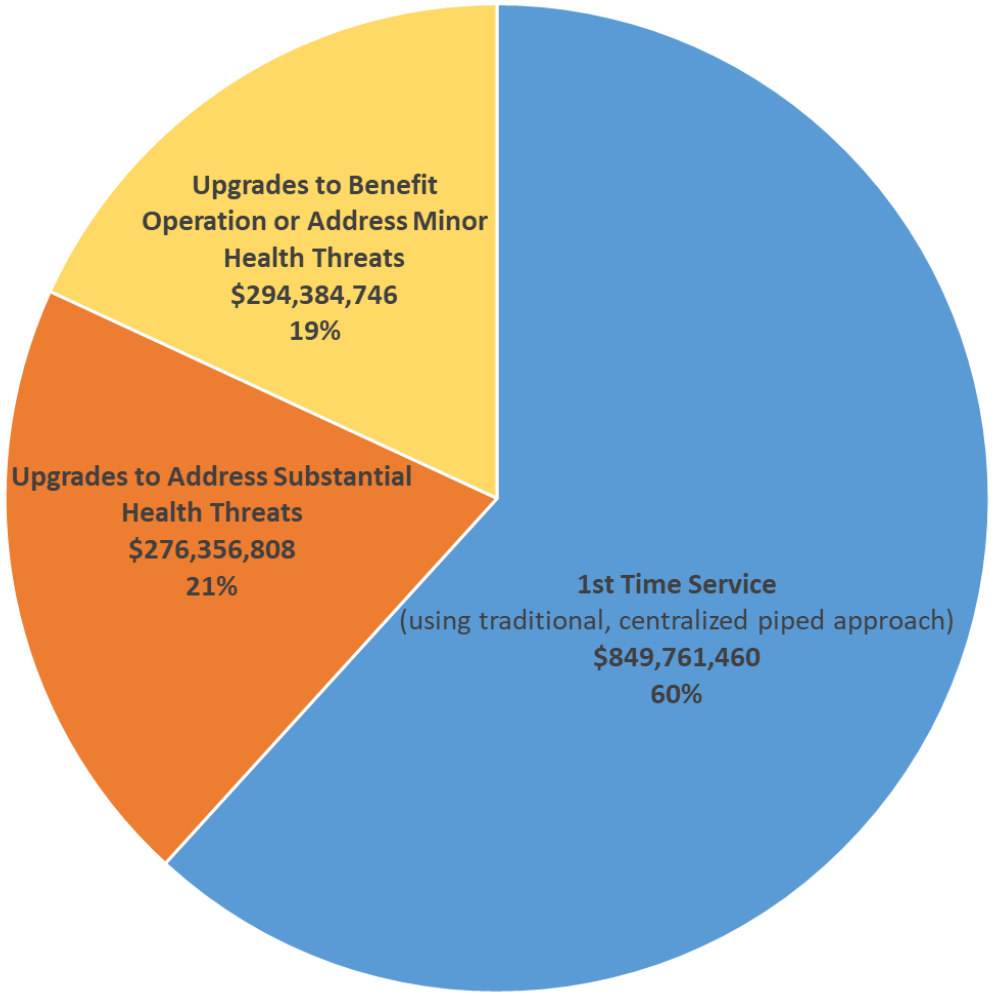
Rural Alaska Sanitation Funding Need = $1,420,503,024



Updated March 11, 2019

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Sustainable, Predictable, Affordable