

# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: 2  
 Bill Version: SB 140  
 (S) Publish Date: 3/1/02

Revision Date/Time (Note if correction): \_\_\_\_\_  
 Title: SMALL WATER-POWER DEVELOPMENT  
PROJECTS  
 Sponsor: Sen. Torgerson  
 Requester: (S) FIN

Dept. Affected: Natural Resources  
 BRU: Minerals, Land & Water Dev  
 Component: Water Development  
 Component Number: 916

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2003     | FY 2004     | FY 2005     | FY 2006     | FY 2007     | FY 2008     |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Personal Services      | 22.5        | 22.5        | 70.0        | 70.0        | 70.0        | 70.0        |
| Travel                 | 0.0         | 0.0         | 10.0        | 10.0        | 10.0        | 10.0        |
| Contractual            | 1.0         | 1.0         | 5.0         | 5.0         | 5.0         | 5.0         |
| Supplies               | 0.5         | 0.5         | 1.0         | 1.0         | 1.0         | 1.0         |
| Equipment              | 0.0         | 0.0         | 2.0         | 2.0         | 2.0         | 2.0         |
| Land & Structures      |             |             |             |             |             |             |
| Grants & Claims        |             |             |             |             |             |             |
| Miscellaneous          |             |             |             |             |             |             |
| <b>TOTAL OPERATING</b> | <b>24.0</b> | <b>24.0</b> | <b>88.0</b> | <b>88.0</b> | <b>88.0</b> | <b>88.0</b> |

|                             |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|
| <b>CAPITAL EXPENDITURES</b> |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|

|                               |            |            |            |            |            |            |
|-------------------------------|------------|------------|------------|------------|------------|------------|
| <b>CHANGE IN REVENUES ( )</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |
|-------------------------------|------------|------------|------------|------------|------------|------------|

**FUND SOURCE** (Thousands of Dollars)

|                          |             |             |             |             |             |             |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1002 Federal Receipts    |             |             |             |             |             |             |
| 1003 GF Match            |             |             |             |             |             |             |
| 1004 GF                  | 24.0        | 24.0        | 88.0        | 88.0        | 88.0        | 88.0        |
| 1005 GF/Program Receipts |             |             |             |             |             |             |
| 1037 GF/Mental Health    |             |             |             |             |             |             |
| Other (Specify Type)     |             |             |             |             |             |             |
| <b>TOTAL</b>             | <b>24.0</b> | <b>24.0</b> | <b>88.0</b> | <b>88.0</b> | <b>88.0</b> | <b>88.0</b> |

Estimate of any current year (FY2002) cost: none

Check this box (X) if funding for this bill is included in the Governor's FY2003 budget proposal:

**POSITIONS**

|           |   |   |   |   |   |   |
|-----------|---|---|---|---|---|---|
| Full-time | 0 | 0 | 1 | 1 | 1 | 1 |
| Part-time |   |   |   |   |   |   |
| Temporary | 1 | 1 |   |   |   |   |

**ANALYSIS:** (Attach a separate page if necessary)

The Regulatory Commission of Alaska estimates that, in cooperation with the resource agencies, the Commission will require two years to write regulations that establish an efficient processing system that can be approved by FERC. DNR will be required to play a major role in the development of these regulations as its responsibilities in permitting such projects are substantial. A non-perm Natural Resource Mgr I will be required for at least 3 months each year for full participation. These costs are reflected in FY 2003 and 2004. **[cont.]**

Prepared by: Bob Loeffler  
 Division: Mining, Land and Water  
 Approved by: Pat Pourchot  
 Agency: Natural Resources

Phone 269-8600  
 Date/Time 20-Feb-02  
 Date 21-Feb-02

Beginning in 2005, this fiscal note assumes that an approved program will begin operation in Alaska and DNR will play a major role in the new licensing process, including the water right and temporary water use permitting, environmental consultation and review, and coordination with federal agencies. With one exception, this fiscal note assumes no new costs to deal with an "Alaskanized" licensing process rather than the current, federal FERC process. If the regulations assign new responsibilities to DNR, this assumption may change.

The exception is that currently, FERC has jurisdiction over all dams licensed by FERC. If an Alaskan program replaces the FERC program, DNR's dam safety program will be required to accept jurisdiction for permitting, review, and inspection of these dams. DNR's current Dam Safety program is staffed by a single engineer. The fiscal note would fund a subordinate (a Technical Engineer I) to handle the additional workload to the Dam Safety Program.