

SB

232

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT
First Committee of Referral

REPORTED OUT MAR 10 2006 SENATE FINANCE COMMITTEE

DATE: 1/13/06

FURTHER:

Date of 5-Day Notice: _____
 (in accordance with Uniform Rule 23)

DATE TURNED
 IN TO OFFICE: March 10, 2006

Finance Committee considered SENATE BILL NO. 232

SB 232 APPROPS: ENERGY-RELATED, PIPELINE & MISC.

"An Act making special, supplemental, capital, and other appropriations, amending appropriations, and making appropriations to capitalize funds; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 232 (FIN)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

CS Senate Bill: <input type="checkbox"/> Same Title <input checked="" type="checkbox"/> New Title SCS House Bill: <input type="checkbox"/> Same Title <input type="checkbox"/> Technical Title Change <input type="checkbox"/> New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Buade</i>				<input checked="" type="checkbox"/>
<i>Bob Stodman</i>	<input checked="" type="checkbox"/>			
→ <i>Sam Walker</i>	<input checked="" type="checkbox"/>			
COCHAIR: <i>Lyle Green</i>	<input checked="" type="checkbox"/>			
COCHAIR: <i>Lyle Green</i>				

Not
Offered

SENATE FINANCE
COMMITTEE #1
Amendment #
To Bill Number: SB 232
Sponsor: Hoffman
Date: 3/8/06 Logged by: Minda

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR HOFFMAN

TO: Fast Track Supplemental Budget Bill

- 1 * Sec. A. POWER COST EQUALIZATION. (a) The sum of \$2,115,700 is appropriated
2 from the general fund to the power cost equalization and rural electric capitalization fund
3 (AS 42.45.100).
4 (b) The sum of \$2,115,700 is appropriated from the power cost equalization and rural
5 electric capitalization fund (AS 42.45.100) to the Department of Commerce, Community, and
6 Economic Development, Alaska Energy Authority power cost equalization, for full payment
7 of power cost equalization under AS 42.45.110 for the fiscal year ending June 30, 2006.

The amount requested in this amendment for the Power Cost Equalization program represents the amount needed to fully fund the program to end of the fiscal year, June 30, 2006.

Change Record Detail With Description
Dept of Commerce, Community, & Economic Development

Scenario: FY2006 Supplemental Energy - Governor (5037)
Component: Alaska Energy Authority Power Cost Equalization (2602)
RDU: Alaska Energy Authority (453)
Title: Power Cost Equalization Program

Decision: None
Category: None
Subcategory: None

New GF Revenue:
New Other Revenue:
Short Title:

Brief Description:

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
	Suppl	5,817.9	0.0	0.0	15.0	0.0	0.0	5,802.9	0.0	0	0	0
1089 Power Cos	5,817.9											
<p>The current FY 2006 funding level for the PCE program has required Alaska Energy Authority (AEA) to prorate the program. The prorated level for July through October was 81%; in November, continued rise in program costs required a prorated level of 78%. Program demand continues to increase and AEA anticipates further reduction in the payment level before the end of FY2006. This supplemental will allow AEA to pay 100% of the program costs through the end of the fiscal year. Furthermore, the supplemental is intended to allow AEA to retroactively apply the 100% level to the beginning of the fiscal year.</p> <p>The additional \$15,000 in administrative costs is needed to process the retroactive payments. In order to help the utilities and eligible recipients receive the full benefit of the increased funds, AEA needs to provide additional technical assistance to the utility clerks. AEA anticipates hiring temporary help to process the increased paperwork so that the two employees responsible for and most familiar with this program are able to provide additional technical assistance.</p>												
Totals		5,817.9	0.0	0.0	15.0	0.0	0.0	5,802.9	0.0	0	0	0

100% April, May, June 2,115.7

Sec. 2(b)

Change Record Detail With Description

Debt Service and Special Appropriations

Scenario: FY2006 Supplemental Energy - Governor (5037)
 Component: Power Cost Equalization and Rural Electric Capitalizatio
 RDU: Fund Capitalizations (255)
 Title: Full Funding of PCE Program in FY2006

Decision: Nono
 Category: 5 Fund Cap
 Subcategory: None

New GF Revenue:
 New Other Revenue:
 Short Title:

Brief Description:

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
	Suppl	5,459.9	0.0	0.0	0.0	0.0	0.0	0.0	5,459.9	0	0	0
1004 Gen Fund		5,459.9										
This supplemental request capitalizes the Power Cost Equalization and Rural Electrification Fund to fully fund the Power Cost Equalization program. The FY2006 supplemental for full funding is estimated at \$5,817.9. The FY2006 carry forward balance is estimated to be \$358.0. Reducing the fund capitalization by the \$358.0 carryforward leaves \$5,459.9 needed to capitalize the PCE Fund.												
	Totals	5,459.9	0.0	0.0	0.0	0.0	0.0	0.0	5,459.9	0	0	0

Sec. 2(a)

Not
offered

SENATE FINANCE
COMMITTEE #2
Amendment #
To Bill Number: SB 232
Sponsor: Hoffman
Date: 3/8/06 Logged by: Mindy

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR HOFFMAN

TO: Fast Track Supplemental Budget Bill

- 1 * Sec. A. FUEL AND UTILITIES INCREASES. The sum of \$8,800,000 is appropriated
- 2 from the general fund to the Department of Health and Social Services energy assistance
- 3 program, for fuel and utilities cost increases for the fiscal year ending June 30, 2006.

RDU: Public Assistance
Component: Energy Assistance

Section 4(3)(B)

Request: \$8,800,000 General Funds

The Department of Health and Social Services, Division of Public Assistance, requests supplemental funding of \$8,800,000 in general funds to supplement federal Low-Income Home Energy Assistance Program (LIHEAP) block grant funds.

SUMMARY

The Energy Assistance component, funded through the Public Assistance RDU, requires an \$8,800,000 general fund supplemental to help Alaska's low-income families deal with the dramatic increase in heating fuel prices.

PROGRAM INFORMATION

The Heating Assistance Program (HAP) provides assistance to low-income households to offset the cost of home heating. The HAP is 100% federally funded by the LIHEAP block grant.

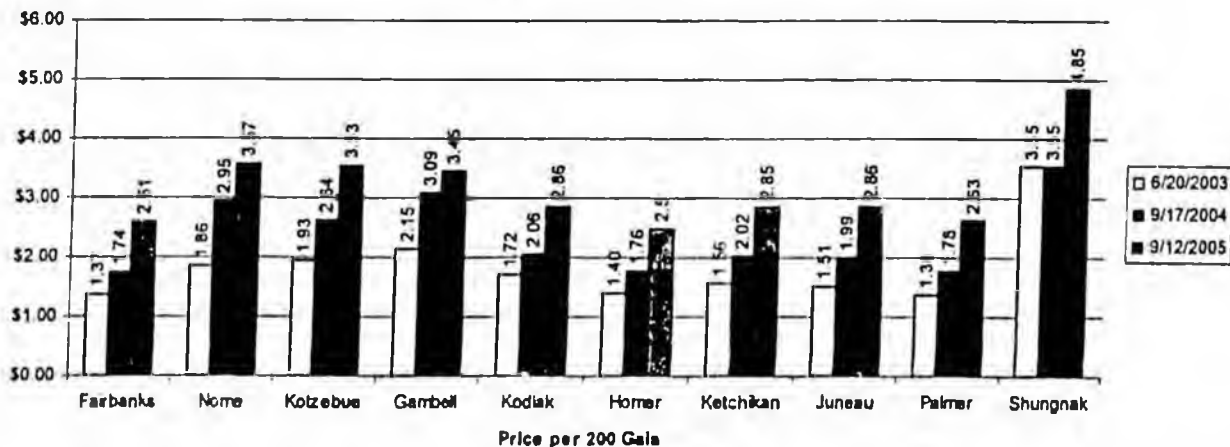
These supplemental funds will help to reduce the disproportionate burden of home heating costs on the poor and will minimize the economic impact of customer bad debt on Alaska home energy suppliers. The Department will grant funds to the Alaska Native LIHEAP providers to supplement their programs as well.

	DHSS	Native	Alaska Total
FFY 05 Federal LIHEAP Funds	8,338,392	3,558,669	11,897,061
FFY 06 Federal LIHEAP Funds	7,833,523	3,437,732	11,271,255
Supplemental FY 06 GF Request	5,925,920	2,874,080	8,800,000

**The FFY06 Federal LIHEAP Funds include the federal base funding along with the contingency funds allocated as of January 5, 2006*

The price of home heating oil has increased 90% over the past two years, based upon Alaska spot market prices from 10 communities around the state. This is creating great difficulties for low-income Alaskans, as their grants do not adequately cover their increased costs.

Spot Prices of #1 Home Heating Oil



To illustrate the dramatic decrease in purchasing power over the past two years, consider the average household in Kotzebue. The average grant in Kotzebue is \$1,419. In the winter of 2003-2004 this would have purchased 735 gallons of heating oil ($\$1,419/\1.93). In the winter of 2004-2005 it was down to 537 gallons ($\$1,419/\2.64), and this winter the \$1,419 grant buys the family only 402 gallons ($\$1,419/\3.53). In Palmer, the number of gallons that can be purchased with the \$440 average grant has decreased from 319 to 167. This means the Palmer family cannot even get enough fuel with their heating grant to take advantage of the 200 gallon minimum price break offered by most fuel suppliers.

BUDGETARY ISSUES

In fiscal year 2005, 9,055 households received a HAP grant, with another 4,924 households served by Native LIHEAP providers for a total of 13,979. So far this winter the number of applications received by the HAP has increased 18% over the same time last year. Low-income households in virtually every community in Alaska are assisted by LIHEAP.

Even if fuel prices drop this winter, the projected decrease is minimal compared to the price rise over the past two years. Many rural villages had to purchase their entire winter supply of fuel during the fall.

The \$8,800,000 supplemental will be distributed to all households in Alaska who qualify based on household size and income, fuel costs in the area and type of housing. Qualifying income is limited to 150 percent of the federal poverty guidelines for Alaska.

The current LIHEAP program started accepting applications in September 2005. With an 18% increase in applications and a 90% cost increase, low-income Alaskans are suffering now to pay their fuel bills. Relief is needed immediately so that the poor do not have to choose between keeping warm and other basic essentials such as food.

Change Record Detail With Description

Department of Health and Social Services

Scenario: FY2006 Supplemental Energy - Governor (5037)
Component: Energy Assistance Program (226)
RDU: Public Assistance (73)
Title: State Support for the Energy Assistance Program

Decision: None
Category: None
Subcategory: None

New GF Revenue:
New Other Revenue:
Short Title:

Brief Description:

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
	Suppl	8,800.0	0.0	0.0	0.0	0.0	0.0	8,800.0	0.0	0	0	0
1004 Gen Fund	8,800.0											
See attached backup for narrative.												
	Totals	8,800.0	0.0	0.0	0.0	0.0	0.0	8,800.0	0.0	0	0	0

Sec. 4(b)(3)(B)

SENATE FINANCE
COMMITTEE

Amendment # 3

To Bill Number: SB 232

Sponsor: Olson

Date 3/8/06 Logged by: Rebin

A M E N D M E N T

Offered in the Senate Finance Committee

By: Senator Donny Olson

To: CS SB 232 (FIN) work draft \I

ADD:

Bering Strait School District – White Mountain K-12 School Replacement - \$10,117,808.

These funds would be used to replace the white Mountain K-12 school. One of the three buildings that comprise the school was destroyed by fire on February 15, 2006. Prior to the fire, the school replacement was number 10 on the Department of Education and Early Development Capital Improvement Projects School Construction list.

The BSSD has already received and expended approximately \$1 million, completing the planning and design stage.

*Pulled
+ met distributed
3/8/06*

FAILED

1 * Sec. 4. DEPARTMENT OF ADMINISTRATION. (a) The sum of \$4,000,000 is
2 appropriated from the information services fund (AS 44.21.045(a)) to the Department of
3 Administration for telephone system replacement and stabilization phase I.

4 (b) It is the intent of the legislature that the Department of Administration begin to
5 investigate the purchase of the vacant Valley Hospital building to provide a centralized
6 facility for justice-related offices and to reduce overall rent costs for state agencies in the
7 Matanuska-Susitna Valley.

8 * Sec. 5. ARCTIC WINTER GAMES GRANT. The sum of \$250,000 is appropriated from
9 the ~~general fund~~ EARNINGS RESERVE ACCOUNT to the Department of Commerce, Community, and Economic Development
10 for payment as a capital grant under AS 37.05.316 to the 2006 Arctic Winter Games Host
11 Society for costs of the 2006 Arctic Winter Games.

12 * Sec. 6. DEPARTMENT OF CORRECTIONS. The sum of \$800,000 is appropriated from
13 the general fund to the Department of Corrections for conversion of a vacant correctional
14 industries building to house prisoners in Fairbanks.

15 * Sec. 7. DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT. (a) The sum
16 of \$10,117,808 is appropriated from the general fund to the Department of Education and
17 Early Development for White Mountain K-12 school replacement.

18 (b) The sum of \$3,850,000 is appropriated from the general fund to the Department of
19 Education and Early Development for Susitna Valley High School roof replacement and
20 structural and safety repairs.

21 * Sec. 8. OFFICE OF THE GOVERNOR. The sum of \$6,736,800 is appropriated from the
22 general fund to the Office of the Governor for distribution to the Department of Corrections,
23 the Department of Environmental Conservation, the Department of Fish and Game, the
24 Department of Health and Social Services, the Department of Military and Veterans' Affairs,
25 the Department of Natural Resources, the Department of Transportation and Public Facilities,
26 the University of Alaska, and the Alaska Court System for the purpose of offsetting increased
27 fuel and utility costs for the fiscal year ending June 30, 2006.

28 * Sec. 9. DEPARTMENT OF LAW. The sum of \$3,269,100 is appropriated from the
29 general fund to the Department of Law for the purpose of paying judgments or settlements
30 against the state.

31 * Sec. 10. DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. (a) The

SENATE FINANCE COMMITTEE
3 / 10 / 2006 COMMITTEE ACTION

Bill Number	SB 232		
Amendment	Conceptual Amendment #4		
Motion	to amend funding source for Arctic Winter Games		
<u>Motion by</u>	Bunde		
<u>Objection by</u>	Wilken		
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Hoffman	—	—	
Senator Olson	—	—	
Senator Stedman		✓	
Senator Bunde	✓		
Senator Dyson	—	—	
Co-Chair Wilken		✓	
Co-Chair Green		✓	
<u>Tally</u>			
Yea	1		
Nay	3		
Absent	3		
MOTION	FAILED		

Funding Source would be the Earnings Reserve Fund rather than the General Fund

FAILED

1 * Sec. 4. DEPARTMENT OF ADMINISTRATION. (a) The sum of \$4,000,000 is
2 appropriated from the information services fund (AS 44.21.045(a)) to the Department of
3 Administration for telephone system replacement and stabilization phase I.

4 (b) It is the intent of the legislature that the Department of Administration begin to
5 investigate the purchase of the vacant Valley Hospital building to provide a centralized
6 facility for justice-related offices and to reduce overall rent costs for state agencies in the
7 Matanuska-Susitna Valley.

8 * Sec. 5. ARCTIC WINTER GAMES GRANT. The sum of \$250,000 is appropriated from
9 the general fund to the Department of Commerce, Community, and Economic Development
10 for payment as a capital grant under AS 37.05.316 to the 2006 Arctic Winter Games Host
11 Society for costs of the 2006 Arctic Winter Games.

} delete
Section

12 * Sec. 6. DEPARTMENT OF CORRECTIONS. The sum of \$800,000 is appropriated from
13 the general fund to the Department of Corrections for conversion of a vacant correctional
14 industries building to house prisoners in Fairbanks.

15 * Sec. 7. DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT. (a) The sum
16 of \$10,117,808 is appropriated from the general fund to the Department of Education and
17 Early Development for White Mountain K-12 school replacement.

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19 Education and Early Development for Susitna Valley High School roof replacement and
20 structural and safety repairs.

21 * Sec. 8. OFFICE OF THE GOVERNOR. The sum of \$6,736,800 is appropriated from the
22 general fund to the Office of the Governor for distribution to the Department of Corrections,
23 the Department of Environmental Conservation, the Department of Fish and Game, the
24 Department of Health and Social Services, the Department of Military and Veterans' Affairs,
25 the Department of Natural Resources, the Department of Transportation and Public Facilities,
26 the University of Alaska, and the Alaska Court System for the purpose of offsetting increased
27 fuel and utility costs for the fiscal year ending June 30, 2006.

28 * Sec. 9. DEPARTMENT OF LAW. The sum of \$3,269,100 is appropriated from the
29 general fund to the Department of Law for the purpose of paying judgments or settlements
30 against the state.

31 * Sec. 10. DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. (a) The

SENATE FINANCE COMMITTEE
3 / 10 / 2006 COMMITTEE ACTION

Bill Number	SB 232		
Amendment	Conceptual Amendment #5		
Motion	to remove Arctic Winter Games From the bill		
<u>Motion by</u>	Bunde		
<u>Objection by</u>	Wilken		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Dyson	—	—	
Senator Hoffman	—	—	
Senator Olson	—	—	
Senator Stedman		✓	
Senator Bunde	✓		
Co-Chair Wilken		✓	
Co-Chair Green	✓		
<u>Tally</u>			
Yea	2		
Nay	0		
Absent	3		
<u>MOTION</u>	FAILED		

Overviewed but not offered

WORK DRAFT

WORK DRAFT

WORK DRAFT

24-GS2068V
Bailey
3/6/06

CS FOR SENATE BILL NO. 232(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations, supplemental appropriations, and capital
2 appropriations; amending appropriations and funding sources; making appropriations
3 to capitalize funds; and providing for an effective date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 (SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

1 * Section 1. The following appropriation items are for increases in operating expenditures
 2 from the general fund or other funds as set out in section 2 of this Act to the agencies named
 3 for the fiscal year ending June 30, 2006.

	Appropriation	General	Other
	Allocations	Funds	Funds
6	*****	*****	
7	***** Department of Commerce, Community and Economic Development *****		
8	*****	*****	
9	Community Assistance &	75,000	75,000
10	Economic Development		
11	Office of Economic	75,000	
12	Development		
13	Alaska Seafood Marketing	395,000	395,000
14	Institute		
15	Alaska Seafood Marketing	395,000	
16	Institute		
17	*****	*****	
18	***** Department of Corrections *****		
19	*****	*****	
20	Administration and Support	1,168,700	1,168,700
21	Out-of-State Contractual	1,168,700	
22	Inmate Health Care	3,355,000	3,355,000
23	Inmate Health Care	3,355,000	
24	*****	*****	
25	***** Office of the Governor *****		
26	*****	*****	
27	Executive Operations	500,000	500,000
28	Executive Office	500,000	

29 The amount appropriated for executive operations is for work related to the state gas pipeline
 30 and to bringing North Slope natural gas to market and other oil and gas projects for the fiscal
 31 year ending June 30, 2006.

	Appropriation	General	Other
	Allocations	Funds	Funds
1			
2			
3	*****	*****	
4	***** Department of Law *****		
5	*****	*****	
6	Civil Division	3,900,000	3,900,000
7	Oil, Gas and Mining	3,900,000	
8	The amount appropriated to the Civil Division is for work related to the state gas pipeline and		
9	to bringing North Slope natural gas to market and other oil and gas projects for the fiscal year		
10	ending June 30, 2006.		
11	*****	*****	
12	***** Department of Military and Veterans Affairs *****		
13	*****	*****	
14	Military and Veterans' Affairs	307,800	307,800
15	Army Guard Facilities	7,800	
16	Maintenance		
17	Air Guard Facilities	300,000	
18	Maintenance		
19	*****	*****	
20	***** Department of Revenue *****		
21	*****	*****	
22	Alaska Permanent Fund	250,000	250,000
23	Corporation		
24	APFC Operations	250,000	
25	*****	*****	
26	***** Department of Transportation & Public Facilities *****		
27	*****	*****	
28	Highways, Aviation and	155,100	155,100
29	Facilities		
30	Northern Region Facilities	155,100	
31	International Airports	742,500	742,500
32	Anchorage Airport Facilities	555,900	
33	Anchorage Airport Field and	186,600	

1	2	3	4	5	6	Appropriation	General	Other	
						Allocations	Items	Funds	Funds
		Equipment Maintenance							
		Alaska Marine Highway System				12,274,800		12,274,800	
		Marine Vessel Operations				12,274,800			
		(SECTION 2 OF THIS ACT BEGINS ON PAGE 5)							

1 * Sec. 2. The following sets out the funding by agency for the appropriations made in sec. 1 of
2 this Act.

3	Funding Source	Amount
4	Department of Commerce, Community and Economic Development	
5	1108 Statutory Designated Program Receipts	75,000
6	1156 Receipt Supported Services	395,000
7	*** Total Agency Funding ***	\$470,000
8	Department of Corrections	
9	1004 General Fund Receipts	4,523,700
10	*** Total Agency Funding ***	\$4,523,700
11	Office of the Governor	
12	1004 General Fund Receipts	500,000
13	*** Total Agency Funding ***	\$500,000
14	Department of Law	
15	1004 General Fund Receipts	3,900,000
16	*** Total Agency Funding ***	\$3,900,000
17	Department of Military and Veterans Affairs	
18	1002 Federal Receipts	300,000
19	1007 Interagency Receipts	7,800
20	*** Total Agency Funding ***	\$307,800
21	Department of Revenue	
22	1105 Permanent Fund Corporation Receipts	250,000
23	*** Total Agency Funding ***	\$250,000
24	Department of Transportation & Public Facilities	
25	1004 General Fund Receipts	12,274,800
26	1007 Interagency Receipts	155,100
27	1027 International Airports Revenue Fund	742,500
28	*** Total Agency Funding ***	\$13,172,400
29	* * * * * Total Budget * * * * *	\$23,123,900

30 (SECTION 3 OF THIS ACT BEGINS ON PAGE 6)

1 * Sec. 3. The following sets out the statewide funding for the appropriations made in sec. 1 of
2 this Act.

3	Funding Source	Amount
4	General Funds	
5	1004 General Fund Receipts	21,198,500
6	***Total General Funds***	\$21,198,500
7	Federal Funds	
8	1002 Federal Receipts	300,000
9	***Total Federal Funds***	\$300,000
10	Other Non-Duplicated Funds	
11	1027 International Airports Revenue Fund	742,500
12	1105 Permanent Fund Corporation Receipts	250,000
13	1108 Statutory Designated Program Receipts	75,000
14	1156 Receipt Supported Services	395,000
15	***Total Other Non-Duplicated Funds***	\$1,462,500
16	Duplicated Funds	
17	1007 Interagency Receipts	162,900
18	***Total Duplicated Funds***	\$162,900
19	(SECTION 4 OF THIS ACT BEGINS ON PAGE 7)	

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

1 * Sec. 4. DEPARTMENT OF ADMINISTRATION. The sum of \$2,500,000 is
2 appropriated from the information services fund (AS 44.21.045(a)) to the Department of
3 Administration for telephone system replacement and stabilization phase I.

4 * Sec. 5. ARCTIC WINTER GAMES GRANT. The sum of \$250,000 is appropriated from
5 the general fund to the Department of Commerce, Community, and Economic Development
6 for payment as a capital grant under AS 37.05.316 to the 2006 Arctic Winter Games Host
7 Society for costs of the 2006 Arctic Winter Games for the fiscal year ending June 30, 2006.

8 * Sec. 6. DEPARTMENT OF CORRECTIONS. The sum of \$800,000 is appropriated from
9 the general fund to the Department of Corrections for conversion of a vacant correctional
10 industries building to house prisoners in Fairbanks.

11 * Sec. 7. OFFICE OF THE GOVERNOR. The sum of \$6,736,800 is appropriated from the
12 general fund to the Office of the Governor, executive office, for distribution to the
13 Department of Corrections, the Department of Fish and Game, the Department of Health and
14 Social Services, the Department of Military and Veterans' Affairs, the Department of Natural
15 Resources, the Department of Transportation and Public Facilities, the University of Alaska,
16 and the Alaska Court System for the purpose of offsetting increased fuel and utility costs for
17 the fiscal year ending June 30, 2006.

18 * Sec. 8. DEPARTMENT OF LAW. The sum of \$3,269,100 is appropriated from the
19 general fund to the Department of Law for the purpose of paying judgments or settlements
20 against the state.

21 * Sec. 9. DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. (a) The
22 sum of \$9,000,000 is appropriated from federal earmarked receipts to the Department of
23 Transportation and Public Facilities for Ketchikan shipyard improvements.

24 (b) The sum of \$504,200 is appropriated from the general fund to the Department of
25 Transportation and Public Facilities for Whittier Tunnel portal jet fan replacement.

26 (c) Section 1, ch. 3, FSSLA 2005, page 69, line 11, is amended to read:

	APPROPRIATION	OTHER
	ITEMS	FUNDS
27		
28		
29	<u>486,750,111</u>	<u>486,750,111</u>
30	[470,150,111]	[470,150,111]

31 (d) Section 1, ch. 3, FSSLA 2005, page 70, lines 30 - 31, is amended to read:

1 ALLOCATIONS

2 Cordova: Airport Runway 11,000,000

3 Safety Area Expansion [8,000,000]

4 (HD 5)

5 (e) Section 1, ch. 3, FSSLA 2005, page 72, lines 12 - 13, is amended to read:

6 ALLOCATIONS

7 Kotzebue: Sand 2,507,000

8 Building (HD 40) [1,007,000]

9 (f) Section 1, ch. 3, FSSLA 2005, page 76, lines 13 - 17, is amended to read:

10 ALLOCATIONS

11 Tuntutuliak: Airport 6,000,000

12 Relocation (HD 38)

13 Unalakleet: Airport 12,100,000

14 Paving (HD 39)

15 Wrangell: Runway Overlay, 10,000,000

16 Runway Safety Area, and

17 Seaplane Pullout (HD 2)

18 (g) Section 1, ch. 3, FSSLA 2005, page 76, lines 18 - 19, is amended to read:

19		APPROPRIATION	OTHER
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20		ITEMS	FUNDS
----	--	-------	-------

21	Surface Transportation Program	<u>388,604,700</u>	<u>388,604,700</u>
----	--------------------------------	--------------------	--------------------

22		[373,604,700]	[373,604,700]
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23 (h) Section 1, ch. 3, FSSLA 2005, page 80, line 32, through page 81, line 4, is
24 amended to read:

25 ALLOCATIONS

26 National Highway 45,000,000

27 System and [30,000,000]

28 Non-National

29 Highway System

30 Pavement and Bridge

31 Refurbishment

1 (HD 1-40)

2 * Sec. 10. FUND TRANSFERS. (a) The sum of \$4,143,800 is appropriated from the
3 general fund to the disaster relief fund (AS 26.23.300(a)).

4 (b) The sum of \$2,500,000 is appropriated from the general fund to the information
5 services fund (AS 44.21.045(a)).

6 * Sec. 11. FUND SOURCE CHANGES. (a) Section 2, ch. 3, FSSLA 2005, page 93, line
7 12, is amended to read:

FUNDING SOURCE	AMOUNT
1156 Receipt Supported Services	<u>865,000</u>
	[1,065,000]

11 (b) Section 2, ch. 3, FSSLA 2005, page 93, line 13, is amended to read:

FUNDING SOURCE	AMOUNT
1195 Special Vehicle Registration Receipts	<u>400,000</u>
	[200,000]

15 (c) Section 3, ch. 3, FSSLA 2005, page 95, line 22, is amended to read:

FUNDING SOURCE	AMOUNT
1156 Receipt Supported Services	<u>1,440,865</u>
	[1,640,865]

19 (d) Section 3, ch. 3, FSSLA 2005, page 95, line 29, is amended to read:

FUNDING SOURCE	AMOUNT
1195 Special Vehicle Registration Receipts	<u>400,000</u>
	[200,000]

23 (e) Section 3, ch. 4, FSSLA 2005, page 49, line 20, is amended to read:

	NEW		
FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
1165 Receipt Supported Services	<u>362,100</u>	0	<u>362,100</u>
	[3,400,900]		[3,400,900]
<u>1201 Commercial Fisheries Entry</u>	<u>3,038,800</u>	<u>0</u>	<u>3,038,800</u>
<u>Commission Receipts</u>			

30 (f) Section 4, ch. 4, FSSLA 2005, page 63, line 4, is amended to read:

	NEW
--	-----

1	FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
2	1156 Receipt Supported Services	<u>83,838.300</u>	583,300	<u>84,421.600</u>
3		[86,877.100]		[87,460,400]
4	<u>1201 Commercial Fisheries Entry</u>	<u>3,808.800</u>	<u>0</u>	<u>3,808.800</u>
5	<u>Commission Receipts</u>			

6 * Sec. 12. LAPSE OF APPROPRIATIONS. (a) The appropriations made by sec. 10 of this
 7 Act are to capitalize funds and do not lapse.

8 (b) The appropriations made by secs. 4, 6, 9(a), and 9(b) of this Act are for capital
 9 projects and lapse under AS 37.25.020.

10 * Sec. 13. This Act takes effect immediately under AS 01.10.070(c).

**FY2006 ENERGY AND FAST TRACK
SUPPLEMENTAL
3/10/06**

	A	E	F	G	H	I	J	K	L	M	N
1	Sec 1bers/Language	Department	Appropriation or Component or Capital	Supplemental Need	General Funds	SFC General Funds	Federal Funds	Other Funds	SFC Other Funds	Fund Source	Total Funds
2	Sec 1	Commerce	Office of Economic Development	The Office of Economic Development is hosting an event at the Boston International Seafood Show that promotes the uniqueness of wild Alaska seafood on March 13, 2006.		\$0.0		\$75.0	\$75.0	SDPR	\$75.0
3	Sec 1	Commerce	Alaska Seafood Marketing Institute	Increase RSS match for the Alaska Seafood Marketing Institute's export marketing program, which received a federal increase in January 2006. Advance notification to public relations contractors is required, therefore March approval is requested.		0.0		395.0	395.0	Receipt Supported Services	395.0
4	Sec 1	Corrections	Out-of-State Contractual	Timely payments are essential in complying with contractual requirements agreed upon for housing Alaska inmates. The increased prison population has mandated the department obtain additional beds out-of-state, up to a total of 1,000 prisoners by year-end.	1,168.7	1,168.7			0.0		1,168.7
5	Sec 1	Corrections	Inmate Health Care	The department is estimating that they will potentially run out of funds available to pay contract and medical providers as early as March, 2006.	2,600.0	2,600.0					2,600.0
6	Sec 1	Corrections	Inmate Health Care	Funding is needed to pay three contractors and several fee-for-service providers for services rendered prior to 6/30/2005. These providers have not been paid and are charging interest for non-payment. Prompt payment would avoid further interest charges.	755.0	755.0			0.0		755.0
7	Sec 1	Governor	Executive Office	Work related to the state gas pipeline and to bringing North Slope natural gas to market for FY06 and FY07.	500.0	500.0			0.0		500.0
8	Sec 1	Law	Oil, Gas, and Mining	Will exhaust FY06 funding by March 2006. Anticipate expenditures of \$3.9 million for the remainder of FY06 and \$1.5 million in FY07.	5,400.0	3,900.0			0.0		3,900.0
9	Sec 1	Military & Vets	Army Guard Facilities Maintenance	Fuel and Utility Increases		0.0		7.8	7.8	Inter-Agency Receipts	7.8
10	Sec 1	Military & Vets	Air Guard Facilities Maintenance	Fuel and Utility Increases		0.0	300.0				300.0
11	Sec 1	Revenue	APFC Operations	Gasline Investment Determination Costs		0.0		550.0	250.0	Inter-Agency Receipts	250.0
12	Sec 1	Transportation	Northern Region Facilities	Heating Oil and Utility Price Increase		0.0		155.1	155.1	Inter-Agency Receipts	155.1
13	Sec 1	Transportation	Anchorage International Airport Facilities	Electricity, Natural Gas/Propane Price Increase		0.0		555.9	555.9	International Airports Revenue Fund	555.9
14	Sec 1	Transportation	Anchorage International Airport Field and Equipment Maintenance	Utility and Equipment Fuel Price Increase		0.0		186.6	186.6	International Airports Revenue Fund	186.6
15	Sec 1	Transportation	Marine Vessel Operations	Fuel Price and Usage Increase	14,774.8	12,774.8					12,774.8
16	Sec 4	Admin	Capital						4,000.0	Information Services Fund	0.0
17	Sec 5	Commerce	Capital - Grant to "2006 Arctic Winter Games Host Society"	Funding for the Arctic Winter Games that take place March 5 - 12, 2006.	500.0	250.0			0.0	Increases by \$1.5 million	250.0
18	Sec 6	Corrections	Capital - ACI Building Conversion	Conversion of vacant building to house prisoners	800.0	800.0			0.0		800.0
19	Sec 7	Education	Capital	Add White Mountain K-12 School Replacement project. It had originally been requested as an FY07 capital budget amendment.	10,117.8	10,117.8					10,117.8
20	Sec 7	Education	Capital	Add Susitna Valley High School Roof replacement and structural and safety repairs.	5,500.0	3,850.0					3,850.0
21	Sec 8	Governor	Branch wide	fuel and utility costs to be distributed to agencies (non-AMHS)	8,281.6	6,736.8					6,736.8
22	Sec 9	Law	Civil Division, Deputy Attorney General's Office	Judgments and Claims - actual amount is \$2,621,985.48 (Amendment increased total to \$3,269.1)	3,269.1	3,269.1			0.0	Add DEC and gives Gov's office added flexibility in dispersing funds.	3,269.1
23	10(a)	Transportation	Capital - Ketchikan: Shipyard Improvements	New ship lift to accommodate construction of Expeditionary Craft (E-Craft) for the Office of Naval Research (ONR), a \$30.0 million contract. DOT's proposed FY07 capital budget includes \$42.5 million in Federal funds, but \$9.0 million is required earlier.					9,000.0		9,000.0

**FY2006 ENERGY AND FAST TRACK
SUPPLEMENTAL
3/10/06**

	A	E	F	G	H	I	J	K	L	M	N		
	Sec 1bers/Lang uage	Department	Appropriation or Component or Capital	Supplemental Need	General Funds	SFC General Funds	Federal Funds	Other Funds	SFC Other Funds	Fund Source	Total Funds		
1	10(b)	Transportation	Capital - Highways and Aviation	Whittier Tunnel portal jet fan replacement due to catastrophic failure of the #2 portal jet fan. Jet fans are necessary to operate the Whittier Tunnel as they force the carbon monoxide gases out of the tunnel.	504.2	504.2			0.0		504.2		
24	10(c)	Transportation	Capital - Airport Improvement Program Appropriation	The Airport Improvement Program appropriation will increase by \$16,600.0 from \$470,150.1 to \$486,750.1 because of the increases in the allocations listed in sections 9d - 9f:		0.0			0.0		0.0		
25	10(d)	Transportation	Capital - Airport Improvement Program Allocation	Amended: Cordova: Airport Runway Safety Area Expansion			3,000.0		0.0		3,000.0		
26	10(e)	Transportation	Capital - Airport Improvement Program Allocation	Amended: Kotzebue: Sand Building -Early approval of this project will allow a contract to be awarded in April 2006.			1,500.0		0.0		1,500.0		
27	10(f)	Transportation	Capital - Airport Improvement Program Allocation	New: Unalakleet: Airport Paving			12,100.0		0.0		12,100.0		
28	10(g)	Transportation	Capital - Surface Transportation Program Appropriation	The Surface Transportation Program appropriation will increase by \$15,000.0 from \$373,604.7 to \$388,604.7 because of the increase to the allocation listed below:			0.0		0.0		0.0		
29	10(h)	Transportation	Capital - Surface Transportation Program Allocation	Amended: National Highway System (NHS) and Non-NHS Pavement and Bridge Refurbishment			15,000.0		0.0		15,000.0		
30	11(a)	DMVA	Disaster Relief Fund	Funding needed for disasters	4,143.8	4,143.8			0.0		4,143.8		
31	11(b)	Admin	Information Services Fund	Capitalize Information Services Fund for FY06 implementation of the telephone system replacement and stabilization phase 1 capital project.	1,000.0	4,000.0					4,000.0		
32	12(a-d)	DNR	Capital - Technical change of fund source	Replace 200.0 of Receipt Supported Services code with Special Vehicle Registration Receipts code for snowmobile trail improvements.						0.0	0.0	Source Change	0.0
33	12(e-f)	Fish and Game	Commercial Fisheries/Headquarters	Replace RSS with CFEC Receipts						0.0	0.0	Source Change	0.0
34	12(e-f)	Fish and Game	Commercial Fisheries/CFEC	Replace RSS with CFEC Receipts						0.0	0.0	Source Change	0.0
35	13(a & b)	Lapse Section				0.0					0.0		0.0
36	14	Effective date section				0.0					0.0		0.0
37				Clarifies that sections 4(a), 5, 6, 7, 10(a), 10(b) and 10(f) are capital appropriations.									
38					\$59,315.0	\$55,370.2	\$40,900.0	\$1,925.4	\$5,025.4		\$97,895.6		

Increases by \$1.5 million

**FY2006 ENERGY AND FAST TRACK
SUPPLEMENTAL
3/07/06**

	A	E	F	G	H	I	J	K	L	M	N
	Sec 1bers/Lang uage	Department	Appropriation or Component or Capital	Supplemental Need	General Funds	SFC General Funds	Federal Funds	Other Funds	SFC Other Funds	Fund Source	Total Funds
1	Sec 1	Commerce	Office of Economic Development	The Office of Economic Development is hosting an event at the Boston International Seafood Show that promotes the uniqueness of wild Alaska seafood on March 13, 2006.		\$0.0		\$75.0	\$75.0	SDPR	\$75.0
2	Sec 1	Commerce	Alaska Seafood Marketing Institute	Increase RS&S match for the Alaska Seafood Marketing Institute's export marketing program, which received a federal increase in January 2006. Advance notification to public relations contractors is required, therefore March approval is requested.		0.0		395.0	395.0	Receipt Supported Services	395.0
3	Sec 1	Corrections	Out-of-State Contractual	Timely payments are essential in complying with contractual requirements agreed upon for housing Alaska inmates. The increased prison population has mandated the department obtain additional beds out-of-state, up to a total of 1,000 prisoners by year-end.	1,168.7	1,168.7			0.0		1,168.7
4	Sec 1	Corrections	Inmate Health Care	The department is estimating that they will potentially run out of funds available to pay contract and medical providers as early as March, 2006.	2,600.0	2,600.0					2,600.0
5	Sec 1	Corrections	Inmate Health Care	Funding is needed to pay three contractors and several fee-for-service providers for services rendered prior to 6/30/2005. These providers have not been paid and are charging interest for non-payment. Prompt payment would avoid further interest charges.	755.0	755.0			0.0		755.0
6	Sec 1	Governor	Executive Office	Work related to the state gas pipeline and to bringing North Slope natural gas to market for FY06 and FY07.	500.0	500.0			0.0		500.0
7	Sec 1	Law	Oil, Gas, and Mining	Will exhaust FY06 funding by March 2006. Anticipate expenditures of \$3.9 million for the remainder of FY06 and \$1.5 million in FY07.	5,400.0	3,900.0			0.0		3,900.0
8	Sec 1	Military & Vets	Army Guard Facilities Maintenance	Fuel and Utility Increases		0.0		7.8	7.8	Inter-Agency Receipts	7.8
9	Sec 1	Military & Vets	Air Guard Facilities Maintenance	Fuel and Utility Increases		0.0	300.0				300.0
10	Sec 1	Revenue	APFC Operations	Gasline Investment Determination Costs		0.0		550.0	250.0	Perm Fund Corp Rcpts	250.0
11	Sec 1	Transportation	Northern Region Facilities	Heating Oil and Utility Price Increase		0.0		155.1	155.1	Inter-Agency Receipts	155.1
12	Sec 1	Transportation	Anchorage International Airport Facilities	Electricity, Natural Gas/Propane Price Increase		0.0		555.9	555.9	International Airports Revenue Fund	555.9
13	Sec 1	Transportation	Anchorage International Airport Field and Equipment Maintenance	Utility and Equipment Fuel Price Increase		0.0		186.6	186.6	International Airports Revenue Fund	186.6
14	Sec 1	Transportation	Marine Vessel Operations	Fuel Price and Usage Increase	14,774.8	12,274.8					12,274.8
15	Sec 4	Admin	Capital						2,500.0	Information Services Fund	0.0
16	Sec 5	Commerce	Capital - Grant to "2006 Arctic Winter Games Host Society"	Funding for the Arctic Winter Games that take place March 5 - 12, 2006.	500.0	250.0			0.0		250.0
17	Sec 6	Corrections	Capital - ACI Building Conversion	Conversion of vacant building to house prisoners	800.0	800.0			0.0		800.0
18	Sec 7	Governor	Branch wide	fuel and utility costs to be distributed to agencies (non-AMHS)	8,281.6	6,736.8					6,736.8
19	Sec 8	Law	Civil Division, Deputy Attorney General's Office	Judgments and Claims - actual amount is \$2,621,985.48 (Amendment increased total to \$3,269.1)	3,269.1	3,269.1			0.0		3,269.1
20	9(a)	Transportation	Capital - Ketchikan: Shipyard Improvements	New ship lift to accommodate construction of Expeditionary Craft (E-Craft) for the Office of Naval Research (ONR), a \$30.0 million contract. DOT's proposed FY07 capital budget includes \$42.5 million in Federal funds, but \$9.0 million is required earlier.			9,000.0				9,000.0
21	9(b)	Transportation	Capital - Highways and Aviation	Whittier Tunnel portal jet fan replacement due to catastrophic failure of the #2 portal jet fan. Jet fans are necessary to operate the Whittier Tunnel as they force the carbon monoxide gases out of the tunnel.	504.2	504.2			0.0		504.2
22											

**FY2006 ENERGY AND FAST TRACK
SUPPLEMENTAL
3/07/06**

	A	E	F	G	H	I	J	K	L	M	N
1	Sec 1bers/Lang uage	Department	Appropriation or Component or Capital	Supplemental Need	General Funds	SFC General Funds	Federal Funds	Other Funds	SFC Other Funds	Fund Source	Total Funds
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24	9(d)	Transportation	Capital - Airport Improvement Program Allocation	Amended: Cordova: Airport Runway Safety Area Expansion		0.0	3,000.0		0.0		3,000.0
25	9(e)	Transportation	Capital - Airport Improvement Program Allocation	Amended: Kotzebue: Sand Building -Early approval of this project will allow a contract to be awarded in April 2006.		0.0	1,500.0		0.0		1,500.0
26	9(f)	Transportation	Capital - Airport Improvement Program Allocation	New: Unalakleet: Airport Paving		0.0	12,100.0		0.0		12,100.0
27	9(g)	Transportation	Capital - Surface Transportation Program Appropriation	The Surface Transportation Program appropriation will increase by \$15,000.0 from \$373,604.7 to \$388,604.7 because of the increase to the allocation listed below.		0.0			0.0		0.0
28	9(h)	Transportation	Capital - Surface Transportation Program Allocation	Amended: National Highway System (NHS) and Non-NHS Pavement and Bridge Refurbishment		0.0	15,000.0		0.0		15,000.0
29	10(a)	DMVA	Disaster Relief Fund	Funding needed for disasters	4,143.8	4,143.8			0.0		4,143.8
30	10(b)	Admin	Information Services Fund	Capitalize Information Services Fund for FY06 implementation of the telephone system replacement and stabilization phase 1 capital project.	1,000.0	2,500.0					2,500.0
31	11(a-d)	DNR	Capital - Technical change of fund source	Replace 200.0 of Receipt Supported Services code with Special Vehicle Registration Receipts code for snowmobile trail improvements.				0.0	0.0	Source Change	0.0
32	11(e-f)	Fish and Game	Commercial Fisheries/Headquarters	Replace RSS with CFEC Receipts				0.0	0.0	Source Change	0.0
33	11(e-f)	Fish and Game	Commercial Fisheries/CFEC	Replace RSS with CFEC Receipts				0.0	0.0	Source Change	0.0
34	12(a & b)	Lapse Section				0.0			0.0		0.0
35	13	Effective date section				0.0			0.0		0.0
36					\$43,697.2	\$39,402.4	\$40,900.0	\$1,925.4	\$4,125.4		\$81,927.8

Alaska Department of Education & Early Development White Mountain Briefing Paper

White Mountain K-12 Replacement School - \$10,117,808

Prior to the fire on February 15, 2006, the community of White Mountain had three facilities to support their K-12 educational programs. The Middle/High School that burned that day was built in 1932, was 4,892 sq. ft., and served 30 students. The elementary school was built in 1930, is 4,486 sq. ft., and is serving 24 students. In addition to the previous two buildings, there is a separate gymnasium that is approximately 5,076 sq. ft. The total instructional space is approximately 14,454 sq. ft.

The following is a chronology of events that have occurred since September 1, 2001.

- September 1, 2001, the department received the Bering Strait School District CIP application for White Mountain
- April 6, 2002, White Mountain K-12 remodel/addition was #10 on the CIP list for \$11,387,668 in state funding
- November 2002, Alaska voters approved state G.O. bond package that included \$957,925 in planning and design funding for White Mountain
- June 2003 to September 2005 – life-cycle cost analysis determined that a replacement school was more cost effective than a remodel and addition project - proceeded with design of new K-12 school for White Mountain, approximately 17,157 sq. ft.
- September 2005, design documents at 95% completion awaiting construction funding in case adjustments are needed to the design/engineering
- February 1, 2006, White Mountain K-12 School Replacement is #11 on FY2007 CIP list for \$10,117,808 in state funding
- February 15, 2006, White Mountain Middle/High School burns to the ground
- The school district is delivering instruction to Middle/High school students temporarily in community buildings
- February 21, 2006, the department and the governor's office met with the school district to discuss state assistance
- February 28, 2006, the Governor requests that \$10,117,808 be included in the fast track supplemental for the White Mountain K-12 replacement school

The Governor and the department support the inclusion of the White Mountain K-12 replacement school in the fast track supplemental. If funding for the White Mountain project is made available now, the district can proceed with issuing a Request for Proposals to commence construction this spring. If construction begins in the spring of 2006, the project should be completed and ready for students by fall 2007. If funding is not approved until the end of this legislative session, the district will miss an entire construction season, which will delay the completion of the new school until the fall of 2008.

March 9, 2006



DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT
Office of the Commissioner

Frank H. Miskowski, Governor
William C. Nell, Commissioner

February 1, 2006

The Honorable Gary Wilken
Co-Chair, Senate Finance
State Senate
Alaska State Capitol, Room 518
Juneau, Alaska 99801

Dear Senator Wilken:

During the testimony yesterday in Senate Finance, an inquiry was made about the status of the Bulk Fuel Bridge Loan Program.

Please see the attached two documents in reference to the above information.

Should you have any questions or need further information, please do not hesitate to contact me.

Yours Sincerely,

Sally Saddler
Legislative Liason

Cc: Michael Black, Director
Division of Community Advocacy

Bulk Fuel Bridge Program Summary

Community & Loan Number	Purchase Amount	Community Contribution	Loan Total	Payments Made	Balance Remaining
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2004

Alakanuk	\$39,328.30	\$0	\$39,328.30	\$39,328.30	\$0.00
Arctic Village - Loan 1	\$48,564.82	\$0	\$48,564.82	\$23,193.09	\$25,371.73
Arctic Village - Loan 2	\$10,500.00	\$0	\$10,500.00	\$10,500.00	\$0.00
Arctic Village - Loan 3	\$11,419.60	\$0	\$11,419.60	\$0.00	\$11,419.60
Beaver	\$12,353.90	\$0	\$12,353.90	\$12,353.90	\$0.00
Chalkyitsik	\$13,803.00	\$0	\$13,803.00	\$13,803.00	\$0.00
Chignik Lake	\$50,760.00	\$0	\$50,760.00	\$50,760.01	\$0.00
Crooked Creek	\$12,558.28	\$0	\$12,558.28	\$12,558.24	\$0.00
Ivanoff Bay	\$17,509.06	\$0	\$17,509.06	\$17,509.06	\$0.00
Kotlik	\$322,140.00	\$0	\$322,140.00	\$322,140.00	\$0.00
Koyukuk	\$56,199.94	\$0	\$56,199.94	\$56,200.81	\$0.00
St. George	\$112,400.00	\$0	\$112,400.00	\$112,500.00	\$0.00
Tuluksak	\$92,142.37	\$15,000	\$77,142.37	\$77,142.37	\$0.00
Tuntutuliak - Loan 1	\$29,000.00	\$25,000	\$4,000.00	\$4,000.00	\$0.00
Tuntutuliak - Loan 2	\$8,900.00	\$0	\$8,900.00	\$8,900.00	\$0.00
Tuntutuliak - Loan 3	\$21,239.00	\$0	\$21,239.00	\$21,239.00	\$0.00
Tuntutuliak - Loan 4	\$23,944.92	\$0	\$23,944.92	\$23,944.92	\$0.00
2004 Total	\$882,763.19	\$40,000	\$842,763.19	\$806,072.70	\$36,791.33

	Percent of Total Loaned	96%	4%
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2005

Arctic Village (Loan 4)	\$10,795.80	\$0.00	\$10,795.80	\$0.00	\$10,795.80
Chalkyitsik 2005	\$15,900.89	\$0.00	\$15,900.89	\$7,067.08	\$8,833.81
Chignik Lake 2005	\$52,559.70	\$0.00	\$52,559.70	\$17,519.91	\$35,039.79
Egegik 2005 - PENDING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Emmonak 2005	\$129,417.83	\$16,790.00	\$112,627.83	\$64,209.28	\$48,418.55
Kotlik 2005	\$517,573.29	\$0.00	\$517,573.29	\$119,238.50	\$398,334.79
Koyukuk 2005	\$126,865.61	\$70,665.67	\$56,199.94	\$12,488.86	\$43,711.08
Port Heiden	\$231,988.68	\$80,000.00	\$151,988.68	\$33,797.48	\$118,191.20
Tuluksak 2005	\$84,630.17	\$0.00	\$84,630.17	\$28,210.05	\$56,420.12
Tuntutuliak 2005	\$123,207.26	\$89,074.93	\$34,132.33	\$13,737.34	\$20,394.99
2005 Totals	\$1,292,939.23	\$256,530.60	\$1,036,408.63	\$296,268.50	\$740,140.13

	Percent of Total Loaned	29%	71%
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Rural Alaska Fuel Services

January 30, 2006

Mike Black

Athena Logan

Department of Commerce, Community and Economic Development

Re: Bulk Fuel Bridge Loan Program

Mike and Athena:

During the fall of 2004 and through the winter of 2004/2005 the Bulk Fuel Bridge Loan program made 18 loans to 12 communities for a total of slightly more than \$853,000. As 2005 ended all loan payments were current except Ivanof Bay (\$17.5k) and Arctic Village (\$43k). Alakanuk, Crooked Creek, Beaver and St. George completed the payments on their first loan and elected to find financing from more traditional sources.

In the fall of 2005 we made new loans to six communities that were in the program in 2004. No new loans were made to Ivanof Bay or Arctic Village due to non-payment of previous loans. In addition, new loans were made to Port Heiden and Emmonak, and a loan of \$54,000 has been approved for Egigik Light and Power, but has not yet been funded.

The total value of loans made in the fall of 2005 or unpaid from the prior year is \$1,159,086.03. The current balance outstanding is \$800,876.38. \$54,000 is approved but not funded.

Through the end of January, three loans have been paid complete: Two of Tuntutuliak's three loans, and the Ivanof Bay loan, which was paid by Lake and Peninsula Borough. Five of the nine communities with open loans are current. Of the four remaining communities, Chignik Lake and Koyukuk will make a double payment in February to bring those loans current. Kotlik has implemented an electric rate increase that went into effect in January which will allow them to begin bringing their loan current.

The most serious problem at this time is Arctic Village. The last payment received from this community was in August 2005. In November of last year I began working with TCC to attempt to bring Arctic Village current. As of this writing, the First Chief has resigned and a new election has been held, but I do not have information about the election results. There is a new Tribal Administrator set to begin work as soon as the new council is seated. TCC is optimistic that the new political regime will bring improvements.

The increasing cost of fuel had a significant impact on the Bridge Loan program. Our total lending increased approximately 33%. Despite this increase, we were unable to meet the expected winter fuel demand for several communities. Depending on the severity of the winter, we may find that fuel will need to be flown in to Chignik Lake and

Tuntutuliak. Airlifting fuel last year added as much as \$1.50 per gallon to the cost of diesel.

As always, if you have questions, do not hesitate to call.

Del Conrad

CEO



Official Business

ALASKA STATE LEGISLATURE

SENATOR THOMAS H. WAGONER

- Chair, Senate Resources Committee
- Vice-Chair, Senate State Affairs Committee
- Member, Community & Regional Affairs
- Member, Legislative Council
- Member, World Trade

Session: January – May

State Capitol, #427

Juneau, AK 99801

Phone: 907-465-2828 Fax: 907-465-4779

Interim: May – December

145 Main Street Loop; Suite 226

Kenai, AK 99611

Phone: 907-283-7996 Fax 907--283-8127

DATE: January 31, 2006

TO: Senator Lyda Green, Co-Chair and
Senator Gary Wilken, Co-Chair
Senate Finance Committee

FROM: Senator Tom Wagoner *Tom*
Senate District Q

RE: Arctic Winter Games – 2006 Funding Request

Attached is information from the Kenai Peninsula Borough regarding their funding efforts for the 2006 Arctic Winter Games.

This information is provided to respond to questions regarding the \$500,000 appropriation in the supplemental bill – SB 232.

Attachments:

1. 2006 Arctic Winter Games Legacy Projects - 1 page
2. Email excerpts – 2 pages

1/31/06

2006 Arctic Winter Games

Legacy Projects

Kenai Peninsula Borough School District:

\$1.45 million, matched by \$290,000 from KPBSD, for 22 school activity buses that seat 23 passengers and are equipped with wheelchair lifts. Buses will be loaned to Arctic Winter Games during Games and will then be distributed to schools throughout the Borough. Source- Federal Transit Authority grant with local match from equipment replacement fund.

Tsalteshi Trails System:

\$145,000 cash, plus significant in-kind services & materials, for equipment and improvements to cross country ski trail system. Includes lighting of six kilometers of trail and several support buildings. Source- Federal HUD Sports Facilities Grant & in-kind from HEA, MRO Sales & ASRC Energy Services

City of Soldotna:

\$95,000 cash to purchase a new scoreboard and street-side reader board for the Soldotna Sports Center. Source-Federal HUD Sports Facilities Grant

City of Kenai:

\$200,000 cash for improvements to Kenai ice rink facility. Includes new bleachers, radiant heaters for spectator & team seating & general facility improvements. Source- Federal HUD Grant

Homer:

\$780,000 cash to provide icing equipment & access improvements to new \$2.0+ million Homer Hockey Rink. Source- Federal HUD Sports Facilities & Federal DOT Grants

\$200,000+ cash to provide new stoplight at intersection of Lake Street & Homer Bypass for improved traffic safety during Games. Source- Federal DOT Grant

Kenai Peninsula Borough:

\$400,000+ in sports equipment, medical equipment, communications equipment, computer & internet related equipment & misc. office equipment that will be distributed to local youth and community groups and organizations. Source-Federal HUD Grants.

Total Value of Legacy Projects:

\$3,560,000+

Email excerpts to Mary Jackson, staff to Senator Wagoner: 1-31-06

Mary,

Our total project operations budget, start to finish, is \$5.3 million. \$1.0 million in-kind and \$4.3 million cash.

As of November 1st, 2005, we identified that we needed to raise an additional \$1.2 million to finish the Games. In evaluating this need, the staff felt that we could reasonably raise \$350,000 through additional sponsorships, the Senator Stevens fundraiser, and ticket/merchandise sales. This left us \$850,000 short unless steps were taken to address this projected shortfall.

This initiated our request for \$500,000 from the Governor.

Bill Popp
Special Assistant to the Mayor
Oil, Gas & Mining Liaison
Kenai Peninsula Borough
907-714-2335

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The DoD support is a non-budgeted expense. We have never included it in any part of our budget. DoD has been assuring us we would receive the support we needed and to not be concerned about the budget aspect. Therefore, the recently announced DoD grant does not cover any of our budgeted expenses.

When we were initially notified of this grant in the DoD budget, we believed it was a last minute maneuver by Senator Stevens to help us address our projected shortfall and could be used for some of our other security related expenses that we have budgeted for. We were not sure if we could ultimately use the entire \$500,000, but we did believe we could justify the use a significant portion of the dollars of the grant

This initial read on the accessibility of the \$500,000 in funding was later found to not be correct. Last Friday, we identified the fact that these funds are specifically restricted by Federal law from being passed through to local entities and can only be spent directly by the DoD on specific support roles executed by the Army or National Guard through the "Support of International Sporting Competitions" account in the DoD budget.

These support roles are specifically defined and cannot be used to purchase services, materials or goods on behalf of a local entity such as ourselves or even local government. This is strictly for the mobilization of temporary equipment and support personnel to support local law enforcement, the FBI and Homeland Security staff who provide the actual security and law enforcement. The DoD will provide communications and surveillance and other forms of technical support to protect the athletes, performers, officials, volunteers and spectators at all venues on the Kenai Peninsula and in Girdwood. The required level of support this year far exceeds past practices for similar events in Alaska and is a direct result of the changing world post 9/11.

This earmark was inserted at the last minute during the budget conference committee process and the facts surrounding the DoD request for these funds only came to light in the last few days. The initial information we had regarding the grant lead us to believe we had unexpected funding available to us that did not pan out in the end.

The \$500,000 contained in the Supplemental Budget Bill is vital to our ultimate success in putting on the Games. As you and I have previously discussed, our fundraising efforts in 2006 were not as successful as they should have been. I can point specifically to another Federal grant request in the FY2006 State Department budget that failed due to the so called "Katrina Effect" that has swept up millions in federal grants that otherwise would have gone to organizations such as ours, but instead were redirected to disaster relief. And justifiably so. We have also seen this same problem arise in the corporate sector, which has brought us up significantly short in our private sector fundraising for 2005.

The bottom line. The DoD grant does not help our current budget situation. It does not free up funds in our budget. We still have a significant shortfall that \$500,000 grant contained in the Supplemental Appropriations Bill will take a major bite out of. The Arctic Winter Games needs this grant to successfully put on the Games in 33 days.

Will you need me to be available to answer questions today? I am standing by for your direction.

Best regards,

Bill Popp
Special Assistant to the Mayor
Oil, Gas & Mining Liaison
Kenai Peninsula Borough
907-714-2335



DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Division of Administrative Services

Frank H. Murkowski, Governor
William C. Noll, Commissioner
Samuel Thomas, Director

January 31, 2006

The Honorable Senator Gary Wilken
Co-Chair, Senate Finance
State Senate
Alaska State Capitol
Juneau, Alaska 99801

Dear Senator Wilken:

During the testimony today at Senate Finance, an inquiry was made about per capita comparison for the Small Municipality energy Assistance program. The Division of Community Advocacy has recalculated the per capita distribution for cities with a population of 2500 and below.

Please see the attached document in reference to the above information.

Should you have any questions or need further information, please do not hesitate to contact me.

Yours Sincerely,

Samuel Thomas
Director of Administrative Services

Cc: Honorable Senator Con Bunde
Michael Black, Director, Division of Community Advocacy

**FY 06 Supplemental
Small Municipality Energy Assistance Grants With
Per Capita Comparison**

CITY/BOROUGH	2004 POP	FY 06 GRANT AMOUNT	FY 06 Per Capita Distribution	Difference in Funding
Adak	69	\$22,395.83	\$6,959.66	-\$15,436.17
Akhiok	56	\$22,395.83	\$5,648.42	-\$16,747.41
Akiak	367	\$44,791.67	\$37,017.33	-\$7,774.34
Akutan	771	\$67,187.50	\$77,766.65	\$10,579.15
Alakanuk	667	\$67,187.50	\$67,276.73	\$89.23
Aleknagik	219	\$44,791.67	\$22,089.36	-\$22,702.31
Allakaket	90	\$22,395.83	\$9,077.82	-\$13,318.01
Ambler	274	\$44,791.67	\$27,636.92	-\$17,154.75
Anaktuvuk Pass	300	\$44,791.67	\$30,259.40	-\$14,532.27
Anderson	546	\$44,791.67	\$55,072.10	\$10,280.43
Angoon	481	\$44,791.67	\$48,515.90	\$3,724.23
Aniak	532	\$44,791.67	\$53,660.00	\$8,868.33
Anvik	101	\$44,791.67	\$10,187.33	-\$34,604.34
Atka	92	\$22,395.83	\$9,279.55	-\$13,116.28
Atkasuk	247	\$44,791.67	\$24,913.57	-\$19,878.10
Bettles	31	\$22,395.83	\$3,126.80	-\$19,269.03
Brevig Mission	319	\$44,791.67	\$32,175.83	-\$12,615.84
Bristol Bay Borough	1,096	\$67,187.50	\$110,547.67	\$43,360.17
Buckland	437	\$44,791.67	\$44,077.86	-\$713.81
Chefornak	439	\$44,791.67	\$44,279.59	-\$512.08
Chevak	899	\$67,187.50	\$90,677.33	\$23,489.83
Chignik	92	\$22,395.83	\$9,279.55	-\$13,116.28
Chuathbaluk	105	\$44,791.67	\$10,590.79	-\$34,200.88
Clark's Point	62	\$22,395.83	\$6,253.61	-\$16,142.22
Coffman Cove	177	\$44,791.67	\$17,853.04	-\$26,938.63
Cold Bay	89	\$22,395.83	\$8,976.95	-\$13,418.88
Cordova	2,298	\$67,187.50	\$231,786.99	\$164,599.49
Craig	1,127	\$67,187.50	\$113,674.47	\$46,486.97
Deering	145	\$44,791.67	\$14,625.38	-\$30,166.29
Delta Junction	984	\$67,187.50	\$99,250.83	\$32,063.33
Denali Borough	1,842	\$67,187.50	\$185,792.71	\$118,605.21
Dillingham	2,422	\$67,187.50	\$244,294.21	\$177,106.71
Diomedes	141	\$44,791.67	\$14,221.92	-\$30,569.75
Eagle	115	\$44,791.67	\$11,599.44	-\$33,192.23
Eek	292	\$44,791.67	\$29,452.48	-\$15,339.19
Egegik	76	\$22,395.83	\$7,665.71	-\$14,730.12
Ekwok	127	\$44,791.67	\$12,809.81	-\$31,981.86
Elim	318	\$44,791.67	\$32,074.96	-\$12,716.71
Emmonak	762	\$67,187.50	\$76,858.87	\$9,671.37
False Pass	62	\$22,395.83	\$6,253.61	-\$16,142.22
Fort Yukon	594	\$44,791.67	\$59,913.61	\$15,121.94
Galena	717	\$67,187.50	\$72,319.96	\$5,132.46
Gambell	648	\$67,187.50	\$65,360.30	-\$1,827.20
Golovin	160	\$44,791.67	\$16,138.35	-\$28,653.32
Goodnews Bay	236	\$44,791.67	\$23,804.06	-\$20,987.61
Grayling	182	\$44,791.67	\$18,357.37	-\$26,434.30
Gustavus	473	\$44,791.67	\$47,708.98	\$2,917.31

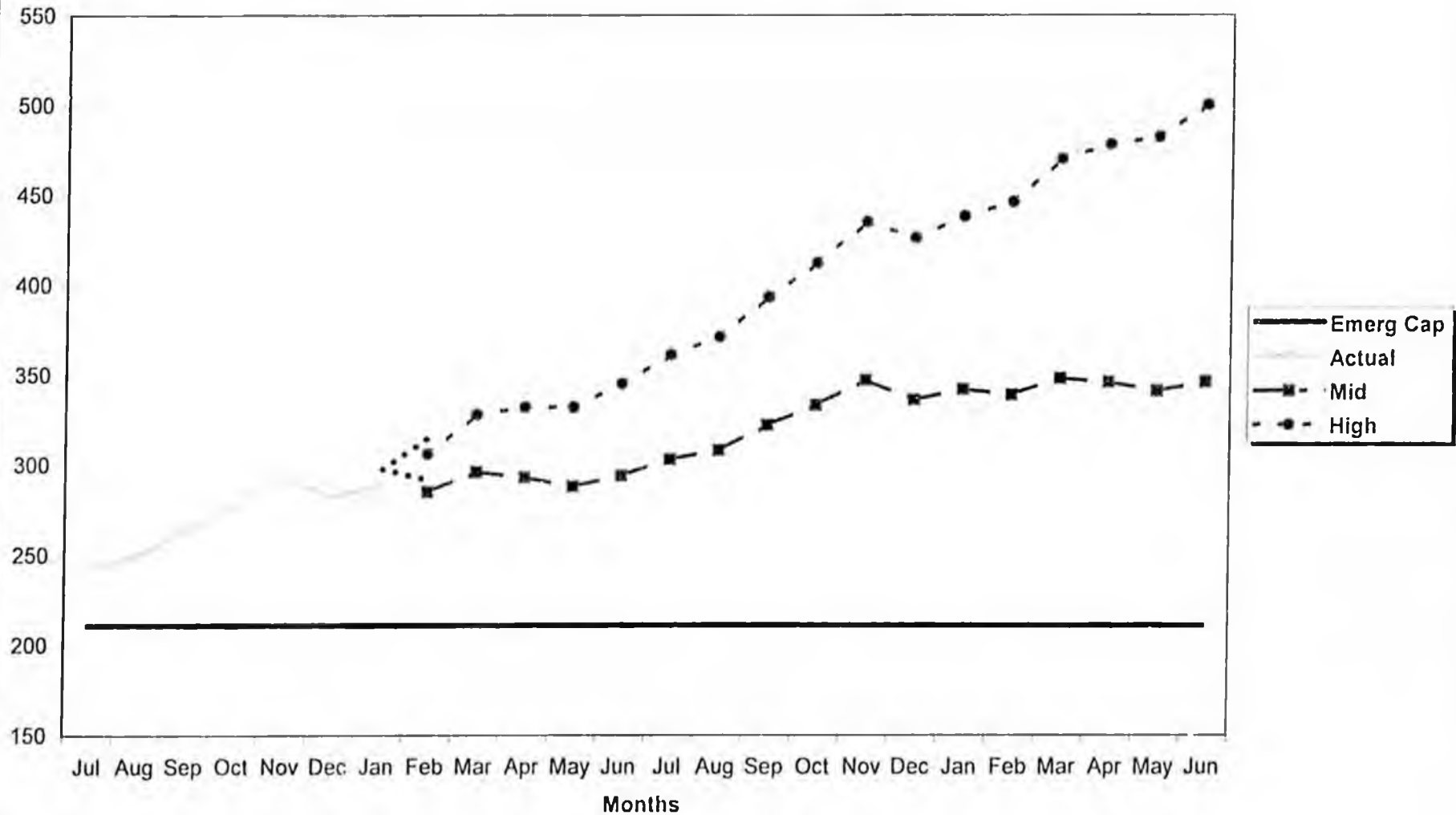
**FY 06 Supplemental
Small Municipality Energy Assistance Grants With
Per Capita Comparison**

Haines Borough	2,245	\$67,187.50	\$226,441.16	\$159,253.66
Holy Cross	206	\$44,791.67	\$20,778.12	-\$24,013.55
Hoonah	841	\$67,187.50	\$84,827.18	\$17,639.68
Hooper Bay	1,124	\$67,187.50	\$113,371.88	\$46,184.38
Houston	1,368	\$67,187.50	\$137,982.86	\$70,795.36
Hughes	72	\$22,395.83	\$7,262.26	-\$15,133.57
Huslia	269	\$44,791.67	\$27,132.59	-\$17,659.08
Hydaburg	349	\$44,791.67	\$35,201.77	-\$9,589.90
Kachemak	475	\$44,791.67	\$47,910.71	\$3,119.04
Take	663	\$67,187.50	\$66,873.27	-\$314.23
Kaktovik	284	\$44,791.67	\$28,645.56	-\$16,146.11
Kaltag	211	\$44,791.67	\$21,282.44	-\$23,509.23
Kasaan	60	\$22,395.83	\$6,051.88	-\$16,343.95
Kiana	394	\$44,791.67	\$39,740.68	-\$5,050.99
King Cove	723	\$67,187.50	\$72,925.15	\$5,737.65
Kivalina	388	\$44,791.67	\$39,135.49	-\$5,656.18
Klawock	848	\$67,187.50	\$85,533.23	\$18,345.73
Kobuk	128	\$44,791.67	\$12,910.68	-\$31,880.99
Kotlik	588	\$44,791.67	\$59,308.42	\$14,516.75
Koyuk	348	\$44,791.67	\$35,100.90	-\$9,690.77
Koyukuk	109	\$44,791.67	\$10,994.25	-\$33,797.42
Kupreanof	38	\$22,395.83	\$3,832.86	-\$18,562.97
Kwethluk	695	\$67,187.50	\$70,100.94	\$2,913.44
Lake and Peninsula Borough	1,603	\$67,187.50	\$161,686.05	\$94,498.55
Larsen Bay	96	\$22,395.83	\$9,683.01	-\$12,712.82
Lower Kalskag	262	\$44,791.67	\$26,426.54	-\$18,365.13
Manokotak	437	\$44,791.67	\$44,077.86	-\$713.81
Marshall	358	\$44,791.67	\$36,109.55	-\$8,682.12
McGrath	367	\$44,791.67	\$37,017.33	-\$7,774.34
Mekoryuk	198	\$44,791.67	\$19,971.20	-\$24,820.47
Mountain Village	769	\$67,187.50	\$77,564.92	\$10,377.42
Napakiaik	360	\$44,791.67	\$36,311.28	-\$8,480.39
Napaskiak	436	\$44,791.67	\$43,976.99	-\$814.68
Nenana	549	\$44,791.67	\$55,374.70	\$10,583.03
New Stuyahok	477	\$44,791.67	\$48,112.44	\$3,320.77
Newhalen	183	\$44,791.67	\$18,458.23	-\$26,333.44
Nightmute	232	\$44,791.67	\$23,400.60	-\$21,391.07
Nikolai	121	\$44,791.67	\$12,204.62	-\$32,587.05
Nondalton	205	\$44,791.67	\$20,677.26	-\$24,114.41
Noorvik	609	\$67,187.50	\$61,426.58	-\$5,760.92
North Pole	1,532	\$67,187.50	\$154,524.66	\$87,337.16
Nuiqsut	430	\$44,791.67	\$43,371.80	-\$1,419.87
Nulato	320	\$44,791.67	\$32,276.69	-\$12,514.98
Nunam Iqua	204	\$44,791.67	\$20,576.39	-\$24,215.28
Nunapitchuk	527	\$44,791.67	\$53,155.68	\$8,364.01
Old Harbor	196	\$44,791.67	\$19,769.47	-\$25,022.20
Ouzinkie	187	\$44,791.67	\$18,861.69	-\$25,929.98
Pelican	118	\$44,791.67	\$11,902.03	-\$32,889.64
Pilot Point	75	\$22,395.83	\$7,564.85	-\$14,830.98

**FY 06 Supplemental
Small Municipality Energy Assistance Grants With
Per Capita Comparison**

Pilot Station	559	\$44,791.67	\$56,383.35	\$11,591.68
Platinum	39	\$22,395.83	\$3,933.72	-\$18,462.11
Point Hope	726	\$67,187.50	\$73,227.74	\$6,040.24
Port Alexander	69	\$22,395.83	\$6,959.66	-\$15,436.17
Port Heiden	90	\$22,395.83	\$9,077.82	-\$13,318.01
Port Lions	238	\$44,791.67	\$24,005.79	-\$20,785.88
Quinhagak	612	\$67,187.50	\$61,729.17	-\$5,458.33
Ruby	190	\$44,791.67	\$19,164.29	-\$25,627.38
Russion Mission	331	\$44,791.67	\$33,386.20	-\$11,405.47
Saint George	137	\$44,791.67	\$13,818.46	-\$30,973.21
Saint Mary's	539	\$44,791.67	\$54,366.05	\$9,574.38
Saint Michael	409	\$44,791.67	\$41,253.65	-\$3,538.02
Saint Paul	494	\$44,791.67	\$49,827.14	\$5,035.47
Sand Point	908	\$67,187.50	\$91,585.11	\$24,397.61
Savoonga	710	\$67,187.50	\$71,613.91	\$4,426.41
Saxman	391	\$44,791.67	\$39,438.08	-\$5,353.59
Scammon Bay	486	\$44,791.67	\$49,020.23	\$4,228.56
Selawik	829	\$67,187.50	\$83,616.80	\$16,429.30
Seldovia	263	\$44,791.67	\$26,527.41	-\$18,264.26
Shageluk	132	\$44,791.67	\$13,314.14	-\$31,477.53
Shaktolik	209	\$44,791.67	\$21,080.71	-\$23,710.96
Shishmaref	591	\$44,791.67	\$59,611.01	\$14,819.34
Shungnak	264	\$44,791.67	\$26,628.27	-\$18,163.40
Skagway	870	\$67,187.50	\$87,752.25	\$20,564.75
Stebbins	586	\$44,791.67	\$59,106.69	\$14,315.02
Tanana	304	\$44,791.67	\$30,662.86	-\$14,128.81
Teller	241	\$44,791.67	\$24,308.38	-\$20,483.29
Tenakee Springs	105	\$44,731.67	\$10,590.79	-\$34,200.88
Thorne Bay	497	\$44,791.67	\$50,129.74	\$5,338.07
Togiak	805	\$67,187.50	\$81,196.05	\$14,008.55
Toksook Bay	561	\$44,791.67	\$56,585.07	\$11,793.40
Unalakleet	728	\$67,187.50	\$73,429.47	\$6,241.97
Upper Kalskag	263	\$44,791.67	\$26,527.41	-\$18,264.26
Wainwright	531	\$44,791.67	\$53,559.13	\$8,767.46
Wales	152	\$44,791.67	\$15,331.43	-\$29,460.24
White Mountain	213	\$44,791.67	\$21,484.17	-\$23,307.50
Whittier	172	\$44,791.67	\$17,348.72	-\$27,442.95
Wrangell	2,023	\$67,187.50	\$204,049.21	\$136,861.71
Yakutat, City & Borough of	680	\$67,187.50	\$68,587.97	\$1,400.47
	63,503			
TOTAL (135)		\$6,405,208.55	\$6,405,208.55	\$0.00

**Projected Offenders
Fairbanks Correctional Center
Fiscal Year 2006 - 2007**



*Provided by DOC
1/31/06*

Fairbanks Correctional Center
 July 2005 - December 2005
 Manday's over Emergency Cap

Days Mo	Jul-05	Over Em. Cap	Aug-05	Over Em. Cap	Sep-05	Over Em. Cap	Oct-05	Over Em. Cap	Nov-05	Over Em. Cap	Dec-05	Over Em. Cap
1	222	11	261	50	274	63	255	44	299	88	273	62
2	230	19	257	46	265	54	261	50	294	83	283	72
3	226	15	243	32	270	59	271	60	291	80	290	79
4	239	28	244	33	274	63	268	57	292	81	289	78
5	235	24	244	33	269	58	269	58	311	100	271	60
6	243	32	241	30	274	63	263	52	303	92	271	60
7	242	31	239	28	272	61	274	63	301	90	283	72
8	239	28	234	23	269	58	281	70	294	83	280	69
9	248	37	236	25	269	58	269	58	291	80	282	71
10	250	39	245	24	273	62	271	60	300	89	290	79
11	248	37	240	29	272	61	267	56	303	92	288	77
12	253	42	229	18	274	63	269	56	293	82	291	80
13	249	38	229	18	272	61	274	63	289	78	286	75
14	240	29	238	27	257	46	277	66	291	80	279	68
15	231	20	238	27	256	45	286	75	295	84	280	69
16	242	31	232	21	244	33	283	72	296	85	283	72
17	242	31	231	20	247	36	292	81	293	82	294	83
18	248	37	229	18	252	41	288	77	304	93	283	72
19	244	33	230	19	252	41	288	77	306	95	292	81
20	241	30	240	29	258	47	285	74	307	96	295	84
21	245	34	257	46	248	37	302	91	301	90	293	82
22	261	50	261	50	259	48	305	94	296	85	283	72
23	255	44	270	59	269	58	287	76	296	85	279	68
24	245	34	268	57	274	63	279	68	298	87	266	55
25	244	33	275	64	273	62	283	72	296	85	270	59
26	240	29	275	64	269	58	275	64	285	74	271	60
27	248	37	268	57	270	59	283	72	294	83	278	67
28	244	33	264	53	271	60	271	60	277	66	282	71
29	252	41	270	59	259	48	296	85	279	68	286	75
30	258	47	276	65	258	47	285	74	281	70	278	67
31	260	49	270	59			285	74			267	56
Avg	244		249		265		279		295		282	
Total p/mo ovr		1023		1183		1613		2101		2526		2195

Emergency Cap - 211

Total Over Emergency Cap 7/05 - 12/05

10,641

**Fairbanks Correctional Center
ACI Shop Building Renovation
Crisis Overflow Beds**

Project Scope: Renovate the pre-engineered metal building that was previously used as the Alaska Correctional Industries Shop to function as a 50 Bed Minimum Security Housing Crisis Overflow Unit, which will consist of two (2) dormitories

Design Elements

- Architectural/Structural, Civil, Electrical & Mechanical design efforts to convert a metal shop building into a minimum security dormitory for up to 50 inmates

Construction Administration

- Construction Administration and Project Management by DOT&PF Facilities Branch and DOC Facilities Branch. This includes developing and managing the professional services contract, developing and managing the Construction Contract and closeout on both.

- Architectural & Engineering C/A Services - Pre-bid and Pre-construction meetings. Review of all product submittals. Responding to Design Clarification and Verification Request's and request of Change Orders. Review As-built drawings and Operations & Maintenance Manuals

Construction will include the following elements

- Site-work, Install new utility connections to building as design dictates
- Site-work, Install new connecting corridor foundation work as design dictates
- Install temporary security measures for Construction
- Install permanent security fencing around building and exercise yard.
- Demolition as required to open up space and remove equipment in the ACI
- Demolition as required in Main Building to open up space for the access
- Framing of Walls and Partitions
- Framing & installation of security windows and doors
- Install new electrical power and lighting systems
- Install new heating and cooling systems
- Install new plumbing systems
- Modify existing Fire Life Safety Systems to comply with change in building occupancy classification from Factory to Dormitory
- Install permanent security systems and integrated with main building security systems.
- Test & Commission building systems

Fairbanks Correctional Center
ACI Shop Building Renovation
Crisis Overflow Beds

Pre-Design Cost Estimate

Design	\$ 75,000.00
Construction Administration	\$ 50,000.00
Construction	\$ 595,000.00
Contingency Funds for change orders and unforeseen conditions	\$ 80,000.00
Project Cost	\$ 800,000.00



DIVISION OF COMMUNITY ADVOCACY REPORT TO THE COMMISSIONER

CURRENT COMMUNITY CONDITIONS: FUEL PRICES ACROSS ALASKA

INTRODUCTION

Fuel prices have significantly increased over the past year across Alaska. With the onset of the winter season and associated extreme low temperatures, rural Alaska communities and households that are reliant on fuel to heat their homes and buildings and to generate electricity are confronted with the challenge of paying increased retail fuel prices to meet basic survival needs. Current nationwide statistics suggest households heated primarily with heating fuel are paying approximately 32% more in 2005 than in 2004 (United States Energy Information Administration, 2005). Significantly increased fuel and energy costs combined with high unemployment rates, limited local economic bases, and local governments that are struggling to provide basic local services have presented rural Alaska communities and households with difficult circumstances.

In response to current rural Alaska energy challenges, Governor Frank Murkowski has pledged to seek financial assistance to meet rising fuel costs, provide emergency assistance for small municipalities, and provide a state contribution to a federal program that helps low-income households pay for energy. The Murkowski Administration has advocated for a variety of specific programs focused on alleviating the consequences of increased retail fuel prices including the following: 1) Small Municipality Energy Assistance Program; 2) Bulk Fuel Revolving Loan Fund; 3) Fuel Bridge Loan Program; 4) Power Cost Equalization; 5) Low Income Home Energy Assistance Program; 6) Power Project Loan Fund; 7) Power, Fuel, and Hydro Training; and 8) Bulk Fuel Upgrades.

In an effort to assess current retail fuel prices and start tracking longitudinal price changes across rural Alaska, the Division of Community Advocacy conducted a statewide survey of retail heating fuel and gasoline prices in a cross section of select Alaska communities. This report, *Current Community Conditions: Fuel Prices Across Alaska*, summarizes fuel survey findings, provides a national perspective of fluctuating fuel prices, and presents a short case-study of increased fuel costs and associated impacts to electrical costs in five rural Alaska communities.

METHODOLOGY

The DCA Research and Analysis Section, in consultation with the Local Government Assistance Section, developed the survey instrument and community sample frame. In short, communities were selected to represent differing socioeconomic conditions and various Alaska regions including the Interior, North Slope, South Coastal, Southeast, and Western Regions. Selected communities had also generally been the recipient of an Alaska Energy Authority bulk fuel project in the past. Since a non-probability sampling method was utilized, this survey should be considered a non-scientific study with results not generalizable to the entire population of rural Alaska communities.

Local Government Specialists from DCA Regional Offices implemented the survey instrument during November 17 – 29, 2005. In total, local fuel retailers from 100 communities were contacted (via telephone) and requested to provide current heating fuel and gasoline prices. Survey results should be considered one-time measurements and representative of fuel prices on the particular day of contact. Furthermore, heating fuel and gasoline prices may have changed between the time of contact and publishing of this report.

CURRENT FUEL PRICES ACROSS ALASKA

As Table 1 on the following page illustrates, average heating fuel prices per gallon vary across Alaska by region. Western Alaska communities report the highest average heating fuel retail price at \$3.73 per gallon while North Slope communities report the lowest retail price at \$1.64 per gallon. Of noteworthy importance, the North Slope Borough provides free heating fuel for residential use through village corporations who distribute fuel to borough community residents, charging only a delivery fee on a per gallon basis. The North Slope Borough does not subsidize heating fuel to village corporations for commercial use. Consequently, heating fuel retail price for commercial entities is higher than residential use heating fuel (see Table 2).

To accurately summarize statewide heating fuel prices, it is appropriate to exclude North Slope Borough communities due to the North Slope Borough subsidy for residential use heating fuel. When considering statewide heating fuel prices, Everts Fuel in Hughes (Western Alaska) reported the highest heating fuel retail price at \$5.40 per gallon. In contrast, the City of Akutan (South Coastal Alaska) reports the lowest heating fuel retail price at \$2.30 per gallon. On average, heating fuel retail price is \$3.48 per gallon across Alaska with 93 communities reporting heating fuel prices.

Table 1. Heating Fuel (#1) Retail Price Summary

	Statewide (North Slope Included)	Statewide (North Slope Excluded)	Interior Region	North Slope Region	South Coastal Region	Southeast Region	Western Region
High	\$5.40	\$5.40	\$5.40	\$2.50	\$4.75	\$4.10	\$4.65
Low	\$1.20	\$2.30	\$2.31	\$1.20	\$2.30	\$2.80	\$2.99
Range	\$4.20	\$3.10	\$3.09	\$1.30	\$2.45	\$1.30	\$1.66
Mean	\$3.37	\$3.48	\$3.34	\$1.64	\$3.30	\$3.24	\$3.73
Median	\$3.37	\$3.40	\$3.05	\$1.53	\$3.15	\$3.10	\$3.70
Total Communities Reporting	99	93	15	6	27	11	40

As Tables 2 and 3 illustrate, average gasoline prices per gallon also vary across Alaska by region. North Slope communities report the highest average gasoline retail price at \$4.26 per gallon while Southeast communities report the lowest retail price at \$3.29 per gallon. Statewide retail prices indicate significant variation in gasoline retail price. Specifically, Kuukpik Corporation in Nuiqsut (North Slope Region) reports the highest gasoline price at \$6.25 per gallon. In contrast, Nenana Heating in Anderson (Interior Alaska) reports the lowest gasoline retail price at \$2.11 per gallon. On average, gasoline retail price is \$3.83 per gallon across Alaska with 95 communities reporting gasoline prices.

Table 2. North Slope Heating Fuel (#1) and Gasoline Retail Prices

Community	Community Retailer	Heating Fuel #1 Retail Price		Gasoline Retail Price
		Residential	Commercial	
Anaktuvuk Pass	Nunamiut Corporation	\$1.20	\$4.29	\$5.94
Atkasuk	Atkasuk Corporation	\$1.45	Not Available	\$4.10
Barrow	BUEC, Inc	Natural Gas	Natural Gas	\$3.95
Kaktovik	Kaktovik Inupiat Corporation	\$1.60	\$4.25	\$2.65
Nuiqsut	Kuukpik Corporation	\$2.50	Not Available	\$6.25
Point Hope	Tigara Corporation	\$1.64	\$3.90	\$3.57
Wainwright	Olgoonik Corporation	\$1.45	\$3.26	\$3.35

Table 3. Gasoline Retail Price Summary

	Statewide (North Slope included)	Interior Region	North Slope Region	South Coastal Region	Southeast Region	Western Region
High	\$6.25	\$5.00	\$6.25	\$5.25	\$4.15	\$5.50
Low	\$2.11	\$2.11	\$2.65	\$2.75	\$2.76	\$3.39
Range	\$4.14	\$2.89	\$3.60	\$2.50	\$1.39	\$2.11
Mean	\$3.83	\$3.61	\$4.26	\$3.65	\$3.29	\$4.09
Median	\$3.75	\$3.50	\$3.95	\$3.46	\$3.20	\$4.09
Total Communities Reporting	95	15	7	22	11	40

Method of transporting heating fuel and gasoline varies across Alaska with fuel retailers using barge, air, truck, or a combination to transport fuel into the community (Table 4). With 100 communities reporting, the wide majority (83%) report barging fuel into the community. In contrast, nine communities (nine percent) report trucking fuel into the community, three communities (3%) report air freighting fuel into the community, and four communities (4%) utilize multiple methods of transporting fuel into the community (i.e., barge/truck, barge/air, or truck/air). Valdez reports no need to transport fuel because an on-site refinery exists within the community.

Table 4. Fuel Transportation Method

	Statewide	Interior Region	North Slope Region	South Coastal Region	Southeast Region	Western Region
No Transport Required	1	0	0	1	0	0
Barge Only	83	4	4	24	11	40
Truck Only	9	8	0	1	0	0
Air Only	3	3	0	0	0	0
Barge/Truck	1	0	0	1	0	0
Barge/Air	2	0	2	0	0	0
Truck/Air	1	0	1	0	0	0
Total Communities Reporting	100	15	7	27	11	40

COMMUNITY CASE STUDIES: INCREASING FUEL PRICES AND ELECTRICAL COSTS

Rural communities rely heavily on diesel fuel to generate electricity and to heat homes and buildings. Not only do rural communities depend on this form of fuel for meeting basic energy needs, the cost of fuel as a percent of total community operating cost is also significant. As a supplement to the community fuel survey, the DCA Research and Analysis Section also examined longitudinal fuel costs as a percent of total electrical costs in a select number of remote communities from various Alaska regions. In total, five case-study communities were selected for further evaluation including Coffman Cove, McGrath, Ouzinkie, St. Paul, and Tanana.

As Figure 1 illustrates, case-study findings suggest Coffman Cove, McGrath, Ouzinkie, St. Paul, and Tanana have generally experienced significant increased fuel costs as a percent of total electrical costs between 2004 and 2005. Specifically, fuel costs as a percent of total electrical costs increased six percent in Coffman Cove, 14 percent in Tanana, 19 percent in Ouzinkie, 33 percent in McGrath, and 36 percent in Ouzinkie. Of noteworthy importance, 2005 figures were current through mid-summer and are likely to have increased by the end of the year.

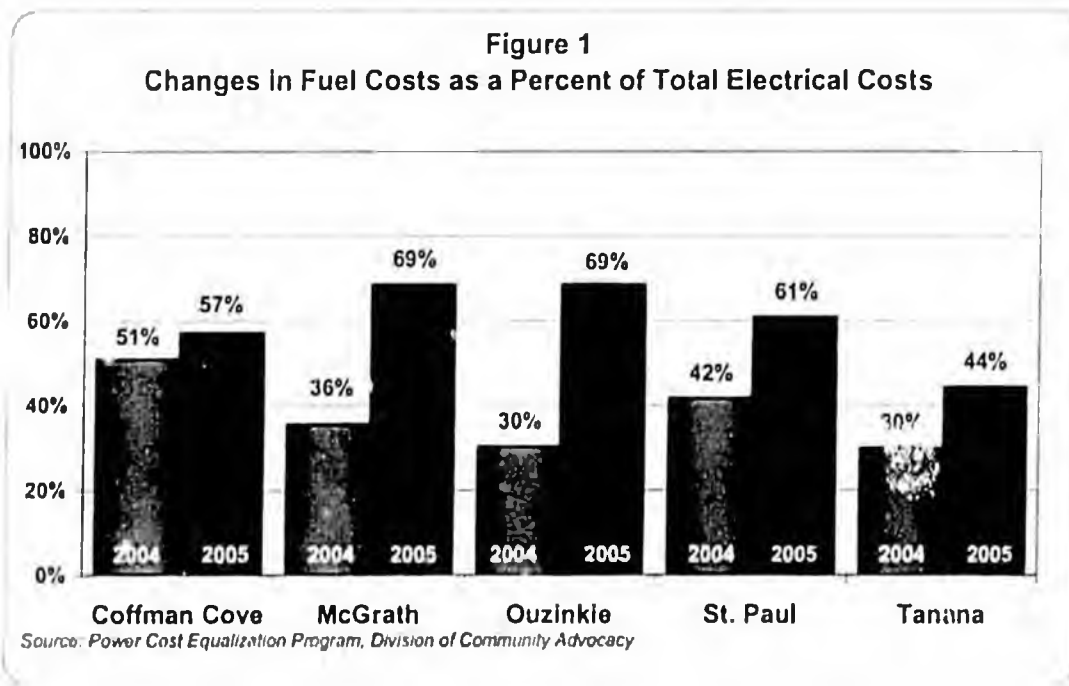
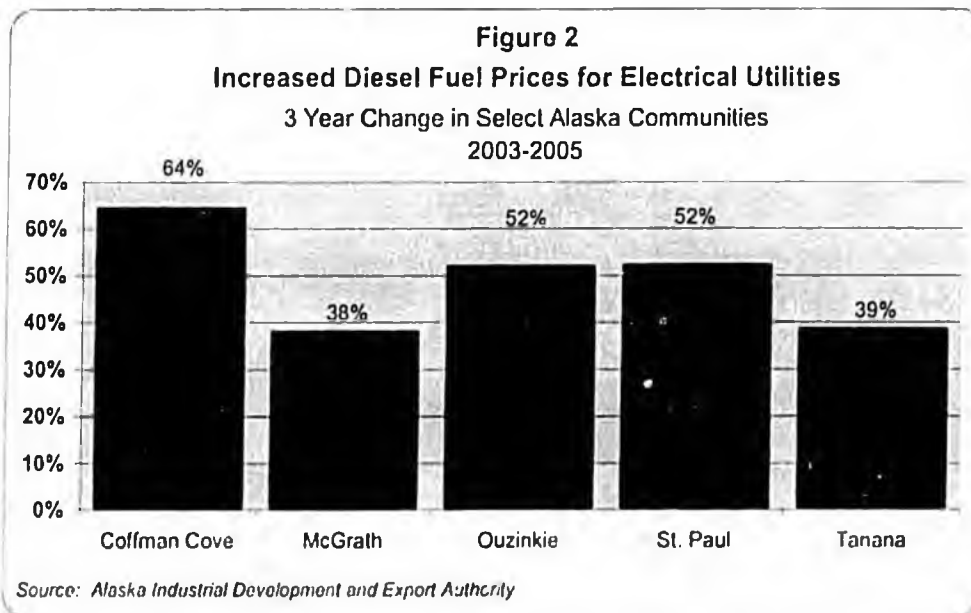


Figure 2 depicts a three-year average (2003 – 2005) of fuel cost changes in selected case-study communities. Coffman Cove reports the highest average diesel fuel cost increase at approximately 64 percent. In contrast, McGrath reports the lowest average diesel fuel cost increase at approximately 38 percent. The remaining case-study communities, Ouzinkie, Tanana, and St. Paul, have also experienced diesel fuel cost increases ranging from 39 to 52 percent.



THE NATIONAL CONTEXT

Gasoline and diesel fuel prices are expected to remain elevated over the short term as U.S. refining companies continue their gradual recovery following the devastation of September hurricanes Katrina and Rita in the Gulf of Mexico.

In September 2005, retail diesel fuel prices nationwide averaged \$3.18 per gallon compared with \$2.07 one year ago (Figure 3). According to the U.S. Energy Information Administration, which publishes official energy statistics from the United States Government, residential heating expenditures for this reporting period reflected fuel supply concerns following the hurricanes.

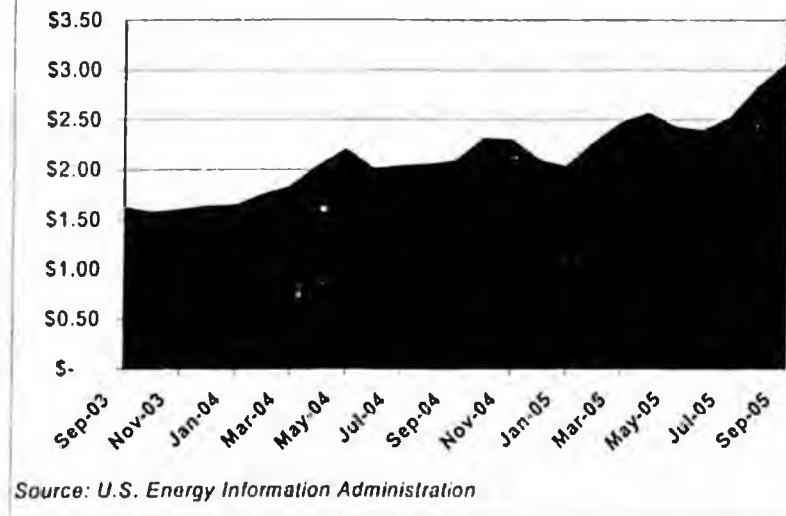
As recently as October 2005, the U.S. Department of Energy reported up to 17 percent of the U.S. refining capacity could be out of service for numerous weeks – especially with over 90 percent of the Gulf of Mexico's crude oil production shut down as a result of hurricane damage. However, recent U.S. Energy Information Administration mid-term trend information regarding heating fuel inventories and pricing predicts lower fuel prices heading into the 2005/2006 winter season.

It now appears fuel supply concerns are diminishing due in part to an unusual act of good luck and timing. Following the damages sustained from Hurricane Katrina, foreign fuel suppliers immediately responded to demand by increasing their exports to the United States. These new supplies of energy began entering the U.S. fuel distribution chain just as the second devastating hurricane (Rita) made landfall. The predicted crash in supply never occurred and some damaged refineries managed to come back on line sooner than expected.

U.S. residential heating fuel prices decreased for the second time during November, going from \$2.51 per gallon during week one to \$2.47 per gallon by November 14. However, the current price for heating fuel (\$2.47 per gallon) still represents a \$0.45 increase over the same time last

year, which is equivalent to a 22 percent per gallon price increase. Wholesale heating fuel prices (current November 14) stand at \$1.77 per gallon, down \$0.08 from November first, but up \$0.37 per gallon from a year ago.

Figure 3
Nationwide Diesel Fuel Retail Price



ADDRESSING THE FUEL CHALLENGE: SHORT- AND LONG-TERM STRATEGIES

Effective short-term strategies for alleviating high fuel costs and corresponding impacts for rural energy primarily include implementing energy assistance funding programs, which can only occur through the continued cooperation between federal agencies, state agencies, local governments, and tribal governments. Currently, the State of Alaska has implemented several programs to assist with the high cost of energy. The Small Municipalities Energy Assistance Program (SMEAP), which began in Fiscal Year 2005, offers municipalities with populations less than 2,500 grants ranging from \$22,396 to \$67,188 for fuel purchase. Governor Murkowski announced he will again ask the legislature for another \$6.4 million to be added to the Small Municipality Energy Assistance Program for the upcoming winter. Alaska Energy Authority's (AEA) Bulk Fuel Revolving Loan Fund provides loans to communities, utilities, or fuel retailers in rural communities to purchase emergency, semi-annual, or annual bulk fuel supplies. The Fuel Bridge Loan Program provides loan assistance to communities that are ineligible for AEA's Bulk Fuel Revolving Loan Fund. To date, the Fuel Bridge Loan Program has serviced 13 communities across Alaska. Governor Murkowski announced he will again seek full and supplemental funding from the Legislature for the Power Cost Equalization Program (PCE), which helps reduce the cost of electricity for residential consumers

and community facilities in rural Alaska. For the first time, Governor Murkowski has requested the addition of State funds for the federal Low Income Home Energy Assistance Program, which provides fuel purchase assistance to low-income households. The Power Project Loan Fund provides loans to local utilities, local governments, or independent power producers for the development or upgrade of electric power facilities, which includes bulk fuel storage facilities, waste energy conservation, or potable water supply projects.

While a variety of funding programs exist to address the short-term fuel challenge, long-term strategies remain elusive when considering the prognosis of predictable and sustainable energy costs. Seeking long-term solutions to the current fuel challenge will likely include a combination of greater fuel supply, developing appropriate local bulk fuel infrastructure, reducing transportation costs, and increasing local human capital. Specifically, AEA in collaboration with the Denali Training Fund, provides training opportunities to local residents regarding energy projects and infrastructure. The purpose of the training is to ensure community personnel have the appropriate skills to maintain bulk fuel infrastructure in a consistent and sustainable manner. Addressing the adequacy of bulk fuel farms is also a critical component of a long-term strategy to addressing fuel prices. Specifically, many bulk fuel farms were constructed more than 20 years ago and are currently in poor condition. With substantial contributions from the Denali Commission, the Bulk Fuel Upgrades Program provides funding for the design/engineering, business planning, and construction management services to build bulk fuel farms in rural communities.

Recognizing the need to study and develop feasible short- and long-term strategies to address rural energy in Alaska, Governor Murkowski commissioned the formation of the Rural Energy Action Council (REAC). During 2005, REAC closely reviewed the Power Cost Equalization (PCE) Program, energy conservation measures, diesel alternatives, the development of fuel cooperatives, and the cost of energy for schools. As a result, REAC recommended short- and long-term strategies to lower the cost of energy in rural Alaska. Short-term strategies included the following: 1) fully fund the PCE Program; 2) front-load the PCE endowment; 3) develop a bulk fuel operator technical assistance program; 4) incorporate downstream tanks and pipes into bulk fuel infrastructure upgrades; 5) support the development of regional bulk fuel cooperatives; 6) recommend higher loan limits for Bulk Fuel Revolving Loan Program single and cooperative applicants; 7) improve power plant operational efficiencies and remote capabilities; 8) increase support for development of alternative energy sources including coal, in-stream, wind, and gas projects; 9) accelerate renewable energy programs and implement energy conservation measures; 10) continue low-income home energy assistance program funding; and 11) create a new line-item for school district energy funding.

REAC also identified the following as elements of a long-term approach to improving the affordability of rural energy: 1) study the direct impacts of high fuel cost in rural Alaska; 2) develop regional energy centers on rural campuses; 3) support a feasibility study to examine links with the Railbelt Energy Grid; 4) develop a fuel price reporting system for "non-PCE" communities; 5) diversify the State of rural energy infrastructure; and 6) improve transportation and distribution systems. For further information regarding REAC and its resultant rural energy recommendations, please visit the following website: <http://www.akenergyauthority.org/REAC/>.

Appendix
Community Heating Fuel and Gasoline Survey

Community	Region	Community Retailer: (entity selling fuel)	Community Retailer Telephone Number:	Heating Fuel #1 Retail Price: (selling price per gallon)	Percent +/- Statewide HF Average (\$3.48):	Gasoline Retail Price: (selling price per gallon)	Percent +/- Statewide Gas Average (\$3.83):	Transport Method:	
Alatna	Interior	Everts Fuel	(907) 450-2307	\$4.00	15%	\$4.50	17%		Air
Anderson	Interior	Nenana Heating	(907) 832-5445	\$2.32	-33%	\$2.11	-45%		Truck
Arctic Village	Interior	Everts Fuel	(907) 450-2307	\$3.83	10%	\$4.08	7%		Air
Circle	Interior	Interior Fuel	(907) 456-1312	\$2.85	-18%	\$3.30	-14%		Truck
Delta Junction	Interior	Delta Fuel Company	(907) 895-4515	\$2.31	-34%	\$2.72	-29%		Truck
Eagle	Interior	Telegraph Hill Services	(907) 547-2261	\$3.25	-7%	\$3.50	-9%		Truck
Fairbanks	Interior	Petro Star - Flint Hill	(907) 488-2575	\$2.44	-30%	\$2.59	-32%		Truck
Galena	Interior	Crowley Marine Services	1-800-977-9771	\$3.50	1%	\$3.52	-8%	Barge	
Healy	Interior	Nenana Heating	(907) 832-5445	\$2.54	-27%	\$2.97	-22%		Truck
Hughes	Interior	Everts Fuel	(907) 450-2307	\$5.40	55%	\$4.75	24%		Air
Huslia	Interior	Yukon Fuel	(907) 832-5476	\$4.50	29%	\$5.00	31%	Barge	
Minto	Interior	Alaska Petro	(907) 488-2575	\$3.05	-12%	\$3.75	-2%		Truck

Community	Region	Community Retailer: (entity selling fuel)	Community Retailer Telephone Number:	Heating Fuel #1 Retail Price: (selling price per gallon)	Percent +/- Statewide HF Average (\$3.48):	Gasoline Retail Price: (selling price per gallon)	Percent +/- Statewide Gas Average (\$3.83):	Transport Method:		
Nenana	Interior	Interior Fuel	(907) 832-5445	\$2.46	-29%	\$2.96	-23%			Truck
Ruby	Interior	Dinega Fuel Corporation	(907) 832-5476	\$4.15	19%	\$4.40	15%	Barge		
Tanana	Interior	TCCo.	(907) 832-5476	\$3.55	2%	\$3.98	4%	Barge		
Anaktuvuk Pass	North Slope	Nunamiut Corporation	(907) 661-3026	\$1.20	-66%	\$5.94	55%	Barge	Air	
Atkasuk	North Slope	Atkasuk Corporation	(907) 633-6414	\$1.45	-58%	\$4.10	7%	Barge	Air	
Barrow	North Slope	BUEC, Inc	(907) 852-6166	Natural Gas	N/A	\$3.95	3%	Barge		
Kaktovik	North Slope	Kaktovik Inupiat Corporation	(907) 640-6120	\$1.60	-54%	\$2.65	-31%	Barge		
Nuiqsut	North Slope	Kuukpik Corporation	(907) 480-6711	\$2.50	-28%	\$6.25	63%		Air	Truck
Point Hope	North Slope	Tigara Corporation	(907) 368-2235 or (907) 368-2126	\$1.64	-53%	\$3.57	-7%	Barge		
Wainwright	North Slope	Olgoonik Corporation	(907) 763-2614	\$1.45	-58%	\$3.2	-13%	Barge		
Akutan	South Coastal	City of Akutan	(907) 698-2228	\$2.30	-34%	\$2.78	-27%	Barge		
Alka	South Coastal	Alka Native Store	(907) 839-2230	\$4.35	25%	\$4.90	28%	Barge		
Chenegay Bay	South Coastal	Chengega Bay Utility	(907) 573-5132	\$3.00	-14%	\$3.60	-6%	Barge		

Community	Region	Community Retailer: (entity selling fuel)	Community Retailer Telephone Number:	Heating Fuel #1 Retail Price: (selling price per gallon)	Percent +/- Statewide HF Average (\$3.48):	Gasoline Retail Price: (selling price per gallon)	Percent +/- Statewide Gas Average (\$3.83):	Transport Method:		
Chignik	South Coastal	City of Chignik	(907)749-2280	\$2.83	-19%	None Sold	N/A	Barge		
Chitina	South Coastal	Chitina Services Oil and Gas	(907) 822-3375	\$2.69	-23%	\$2.83	-26%	Barge		
Clark's Point	South Coastal	City of Clark's Point	(907) 236-1221	\$3.82	10%	\$3.82	0%	Barge		
Cordova	South Coastal	Hovers Mover	(907) 424-3221	\$3.39	-3%	\$3.36	-12%	Barge		
Dillingham	South Coastal	Della Western	(907) 842-5441	\$4.00	15%	\$4.69	22%	Barge		
Glennallen	South Coastal	Service Oil and Gas	(907) 822-3375	\$2.99	-14%	\$2.87	-25%			Truck
Goodnews Bay	South Coastal	Mumtram Pikkai Village Corporation	(907) 967-8520	\$3.08	-11%	\$2.75	-28%	Barge		
Homer	South Coastal	Homer Run Oil	(907) 235-1393	\$2.55	-27%	\$2.89	-25%	Barge		Truck
King Cove	South Coastal	Peter Pan Seafood	(907) 497-2234	\$2.58	-26%	\$2.97	-22%	Barge		
Kodiak	South Coastal	Thompson Transfer	(907) 486-5774	\$3.01	-14%	None Sold	N/A	Barge		
Kokhanok	South Coastal	Kokhanok Tribal Council	(907) 282-2202	\$4.00	15%	\$5.00	31%	Barge		
Larsen Bay	South Coastal	City of Larsen Bay	(907) 847-2211	\$3.12	-10%	\$3.25	-15%	Barge		
Nelson Lagoon	South Coastal	Crowley	(907) 989-2204	\$3.30	-5%	\$3.61	-6%	Barge		
New Stuyahok	South Coastal	New Stuyahok Village Corporation	(907) 693-3122	\$3.80	9%	\$4.63	21%	Barge		

Community	Region	Community Retailer: (entity selling fuel)	Community Retailer Telephone Number:	Heating Fuel #1 Retail Price: (selling price per gallon)	Percent +/- Statewide HF Average (\$3.48):	Gasoline Retail Price: (selling price per gallon)	Percent +/- Statewide Gas Average (\$3.83):	Transport Method:		
Nondallon	South Coastal	City of Nondallon	(907) 294-2235	\$4.75	36%	\$5.25	37%	Barge		
Old Harbor	South Coastal	City of Old Harbor	(907) 286-2203	\$3.15	-9%	None Sold	N/A	Barge		
Ouzinkie	South Coastal	Ouzinkie Native Corporation	(907) 680-2208	\$2.91	-16%	None Sold	N/A	Barge		
Port Lions	South Coastal	Kizhuyak Oil Sales	(907) 454-2422	\$3.39	-3%	\$3.57	-7%	Barge		
Saint George	South Coastal	Della Western	(907) 859-2456	\$3.86	11%	\$3.86	1%	Barge		
Sand Point	South Coastal	Paul Gundersen	(907) 383-2026	\$3.15	-9%	None Sold	N/A	Barge		
Seldovia	South Coastal	Seldovia Fuel and Lube	(907) 234-7622	\$3.15	-9%	\$3.16	-17%	Barge		
Togiak	South Coastal	Togiak Village Corporation	(907) 493-5520	\$4.38	26%	\$4.51	18%	Barge		
Unalaska	South Coastal	Delta Western	(907) 581-1295	\$2.99	-14%	\$3.18	-17%	Barge		
Valdez	South Coastal	North Pacific	(907) 838-8850	\$2.47	-29%	\$2.84	-26%	On-site Refinery		
Angoon	Southeast	Angoon Oil and Gas	(907) 788-3436	\$3.30	-5%	\$3.20	-16%	Barge		
Craig	Southeast	Petro Marine	(907) 826-3296	\$3.10	-11%	\$2.76	-28%	Barge		
Gustavus	Southeast	Gustavus Dray - Gustavus Propane	(907) 697-2481 or (907) 697-2481	\$2.80	-20%	\$3.30	-14%	Barge		
Hoonah	Southeast	Hoonah Trading	(907) 945-3211	\$3.41	-2%	\$3.06	-20%	Barge		

Community	Region	Community Retailer: (entity selling fuel)	Community Retailer Telephone Number:	Heating Fuel #1 Retail Price: (selling price per gallon)	Percent +/- Statewide HF Average (\$3.48):	Gasoline Retail Price: (selling price per gallon)	Percent +/- Statewide Gas Average (\$3.83):	Transport Method:		
Juneau	Southeast	Reliable Oil - Fred Meyer Gas	(907) 586-1490	\$2.94	-16%	\$2.91	-24%	Barge		
Kake	Southeast	Kake Tribal Fuel	(907) 785-3601	\$3.38	-3%	\$3.49	-9%	Barge		
Pelican	Southeast	Lislanski Oil - Pelican Sea	(907) 735-2233 or (907) 735-2204	\$3.47	0%	\$3.69	-4%	Barge		
Petersburg	Southeast	Petro Marine	(907) 772-4251	\$2.96	-15%	\$3.06	-20%	Barge		
Point Baker	Southeast	Point Baker Trading Post	(907) 559-2204	\$4.10	18%	\$4.15	8%	Barge		
Thorne Bay	Southeast	Petro Alaska	(907) 828-3900	\$2.85	-18%	\$2.99	-22%	Barge		
Wrangell	Southeast	Wrangell Oil - Fennemore's Service	(907) 874-3276 or (907) 874-3687	\$3.28	-6%	\$3.55	-7%	Barge		
Akiak	Western	Kokarmut Corporation	(907) 765-7228	\$3.95	14%	\$4.20	10%	Barge		
Anvik	Western	Deloyges, Inc.	(907) 663-6396	\$3.85	11%	\$5.50	44%	Barge		
Almatluak	Western	Almatluak Limited	(907) 553-5539	\$3.05	-12%	\$3.55	-7%	Barge		
Bethel	Western	Crowley	(907) 543-2421	\$3.37	-3%	\$3.61	-6%	Barge		
Brevig Mission	Western	Brevig Mission Native Store	(907) 642-4091	\$3.40	-2%	\$3.80	-1%	Barge		
Deering	Western	Deering IRA	(907) 363-2138 or (907) 363-2157	\$3.50	1%	\$3.60	-6%	Barge		
Emmonak	Western	Emmonak Corp. Tank Farm	(907) 949-1129	\$3.96	14%	\$4.11	7%	Barge		

Community	Region	Community Retailer: (entity selling fuel)	Community Retailer Telephone Number:	Heating Fuel #1 Retail Price: (selling price per gallon)	Percent +/- Statewide HF Average (\$3.48):	Gasoline Retail Price: (selling price per gallon)	Percent +/- Statewide Gas Average (\$3.83):	Transport Method:		
Gambell	Western	ANICA (Gambell Native Store)	1-800-426-2128 or (907) 985-5211	\$3.45	-1%	\$3.79	-1%	Barge		
Golovin	Western	Golovin Public Utilities	(907) 779-3681	\$3.60	3%	\$3.85	1%	Barge		
Grayling	Western	AYL Grayling Fuel Company	(907) 453-5124 or (907) 453-5240	\$4.00	15%	\$5.00	31%	Barge		
Holy Cross	Western	Holy Cross O.L. Company	(907) 476-7155	\$3.70	6%	\$4.25	11%	Barge		
Hooper Bay	Western	Crowley Marine	(907) 758-4007	\$4.00	15%	\$4.16	9%	Barge		
Kallag	Western	Kallag Cooperative	1 800-977-9771	\$3.90	12%	\$4.15	8%	Barge		
Kiana	Western	Kiana Traditional Council	(907) 475-2109	\$4.25	22%	\$4.75	24%	Barge		
Kollik	Western	Kollik Yupik Enterprises	(907) 899-4013	\$3.50	1%	\$3.98	4%	Barge		
Kc Izebue	Western	Kikiktagrak Inupiat Corporation	(907) 442-3211 or (907) 442-3165	\$4.55	31%	\$4.65	21%	Barge		
Koyuk	Western	Koyuk Native Corporation	(907) 963-2424	\$3.55	2%	\$3.78	-1%	Barge		
Kwigillingok	Western	KWIK Marina Inc.	(907) 588-8112 or (907) 588-8313	\$3.40	-2%	\$3.79	-1%	Barge		
Marshall	Western	Maserculiq Inc.	(907) 679-6617	\$4.10	18%	\$4.52	18%	Barge		
McGrath	Western	Crowley	(907) 524-3019	\$3.97	14%	\$4.14	8%	Barge		

Community	Region	Community Retailer: (entity selling fuel)	Community Retailer Telephone Number:	Heating Fuel #1 Retail Price: (selling price per gallon)	Percent +/- Statewide HF Average (\$3.48):	Gasoline Retail Price: (selling price per gallon)	Percent +/- Statewide Gas Average (\$3.83):	Transport Method:		
Mountain Village	Western	Azachorak Fuel	(907) 591-2825	\$3.70	6%	\$4.40	15%	Barge		
Noorvik	Western	Morris Trading Company	(907) 636-2161	\$4.49	29%	\$4.68	22%	Barge		
Nulato	Western	City of Nulato	(907) 832-5476	\$3.25	-7%	\$3.75	-2%	Barge		
Nunapitchuk	Western	Nunapitchuk LTD.	(907) 527-5717	\$3.00	-14%	\$3.45	-10%	Barge		
Pilot Station	Western	Pilot Station Native Corporation	(907) 549-3512	\$4.23	22%	\$4.76	24%	Barge		
Quinhagak	Western	Qanirtuuq Corporation	(907) 556-8712	\$3.52	1%	\$3.88	1%	Barge		
Russian Mission	Western	Russian Mission Corporation	(907) 584-5885	\$3.85	11%	\$4.20	10%	Barge		
Saint Michael	Western	Saint Michael Fuel Company	(907) 923-3271	\$3.15	-9%	\$3.50	-9%	Barge		
Savoonga	Western	ANICA (Savoonga Native Store)	1-800-426-2128 or (907) 984-6134	\$3.45	-1%	\$3.79	-1%	Barge		
Scammon Bay	Western	Askinuk Corporation	(907) 558-5411	\$4.10	18%	\$4.15	8%	Barge		
Shishmaref	Western	Shishmaref Native Store	(907) 649-3741	\$2.99	-14%	\$3.39	-11%	Barge		
Sleetmute	Western	Henry Hill Store	(907) 449-4227	\$4.65	34%	\$5.25	37%	Barge		
Stebbins	Western	Tapraq Fuel Company	(907) 934-2400	\$3.25	-7%	\$3.40	-11%	Barge		

Community	Region	Community Retailer: (entity selling fuel)	Community Retailer Telephone Number:	Heating Fuel #1 Retail Price: (selling price per gallon)	Percent +/- Statewide HF Average (\$3.48):	Gasoline Retail Price: (selling price per gallon)	Percent +/- Statewide Gas Average (\$3.83):	Transport Method:		
Teller	Western	City of Teller	(907) 642-3401	\$4.02	16%	\$3.91	2%	Barge		
Toksook Bay	Western	Nunakauiak Yupik Corporation	(907) 427-7928	\$4.26	22%	\$4.55	19%	Barge		
Tuntululiak	Western	Qinarmut Corporation	(907) 256-2315	\$3.95	14%	\$4.18	9%	Barge		
Unalakleet	Western	Unalakleet Native Corporation	(907) 624-3411	\$3.15	-9%	\$3.50	-9%	Barge		
Upper Kalskag	Western	City of Upper Kalskag	(907) 471-2220	\$4.25	22%	\$4.25	11%	Barge		
Wales	Western	Wales Native Store	(907) 664-2138	\$3.80	9%	\$4.07	6%	Barge		
White Mountain	Western	White Mountain Native Store	(907) 638-2210	\$3.09	-11%	\$3.39	-11%	Barge		

Power Cost Equalization Funding and Pro Rata Levels

	FY 2007 (requested)	FY 2006 (requested supp)	FY 2006	FY 2005	FY 2004	FY 2003	FY 2002
Appropriation	25,160.0	5,817.9	18,700.0	15,700.0	15,700.0	15,700.0	15,700.0
Required Average Pro Rata Level	100% (estimated)	99% (estimated) ¹	75% (estimated) ²	72%	82%	86%	86%
Participating Utilities				86	85	89	90
Residential Customers				26,059	25,747	25,713	25,495
Community Facilities				1,821	1,768	1,776	1,746
Population Served				79,178	78,166	79,229	79,555
Communities Served				183	181	185	187
Funding Source							
PCE Endowment Fund	11,645.0		11,068.0	13,200.0 ³	7,943.0	12,800.0	7,062.0
General Fund	13,515.0	5,459.9	2,500.0	2,200.0			3,701.8
NPR-A			5,132.0		7,111.0		
Commercial Fishing Loan Fund						2,123.0	
AIDEA Dividend							2,500.0
RDIF sale proceeds							652.2
PCE Rural Electric Capitalization		358.0		300.0	646.0	777.0	1,784.0
Fund available balance							

¹ \$6,379.1 supplemental is needed to pay at 100% (current estimate 1/27/06)

² Without the supplemental, FY 2006 AEA pro rated payments at 81% for four months, 78% for four months, and anticipates 66% for the balance of the fiscal year.

³ The FY 2005 endowment amount includes \$2.2 million appropriated in FY 2004

SB 232



One Renton Place Suite 600
555 South Renton Village Place
Renton, WA 98055-3221

January 26, 2006

Dear Valued Customer:

Horizon Lines of Alaska has filed today with the Surface Transportation Board to increase the fuel surcharge as specified in Rule 339 of our Alaska tariffs from 15% to 16%. The effective date for this increase is February 12, 2006.

We will continue to monitor fuel prices and adjust the fuel surcharge up or down based on cost trends.

We at Horizon Lines of Alaska appreciate your business and look forward to serving you in the future.

Sincerely,

Marvin Buchanan
Director, Marketing and Pricing, Alaska Division

Visit us online at www.horizonlines.com

Provided by Gary Wilken

1/31/06



One Renton Place, Suite 600
555 South Renton Village Place
Renton, WA 98055-3221

November 21, 2005

Dear Valued Customer:

Horizon Lines of Alaska has filed today with the Surface Transportation Board to increase the fuel surcharge in our Alaska tariffs from 13% to 15%. The effective date for this increase is December 4, 2005.

We have been delaying this filing for several weeks, but have concluded it is necessary.

We will continue to monitor fuel prices and adjust the fuel surcharge up or down based on cost trends.

We at Horizon Lines of Alaska appreciate your business and look forward to serving you in the future.

Sincerely,

Marvin Buchanan
Director, Marketing and Pricing, Alaska Division



One Renton Place, Suite 600
555 South Renton Village Place
Renton, WA 98055-3221

November 4, 2005

Dear Valued Customer:

Horizon Lines of Alaska has filed today with the Surface Transportation Board a general rate increase of 4.6% in our Alaska Tariff HRZK 301. The effective date of the increase is November 27, 2005.

We work hard at holding down our costs. Unfortunately some cost increases cannot be avoided. Property taxes, rent, labor, utilities, wharfage, and dockage costs are all on the rise.

We also continue to reinvest in our service. By the end of 2005, we will have added another 1,200 new refrigerated containers and 1,000 dry containers to our fleet. We are upgrading tractors, chassis and terminal facilities, and enhancing operations and systems to ensure on-time vessel arrivals and the best possible service for our customers.

We appreciate your business and look forward to serving you in the future.

Sincerely,

Marvin Buchanan
Director, Marketing & Pricing, Alaska Division

FY2006 ENERGY SUPPLEMENTAL
HB 369 / SB 232

	A	B	C	D	E	F	G	H	I
1	Section Number	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
2	1	Commerce	Community Advocacy	Small Municipality Energy Assistance Program - SMEAP	6,405.2				6,405.2
3	2(e)	Commerce	Power Cost Equalization and Rural Electric Capitalization Fund	Capitalization of the Power Cost Equalization Fund to fully fund program.	5,459.9				5,459.9
4	2(b)	Commerce	Alaska Energy Authority Power Cost Equalization	Full funding of the Power Cost Equalization (PCE) program			5,817.9	PCE Fund	5,817.9
5	3	Commerce	Community Advocacy	Bulk Fuel Bridge Loan Program	500.0				500.0
6	4(1)	Corrections	Institutional Facilities	Fuel Cost Increase	405.0				405.0
7	4(2)	Environmental Conservation	DEC Buildings Maintenance and Operations	Annualizes fuel and utilities costs for new Environmental Health Lab. The original fiscal note for construction of the Environmental Health Laboratory included estimates for out year operating costs. Changes have occurred since the fiscal note was first prepared in FY2002 in both the cost of utilities (fuel and electricity), and the amount of energy consumed by technologies employed in the laboratory.	98.8				98.8
8	4(3)(A)	Health & Social Svcs	Alaska Psychiatric Institute	Fuel Cost Increase	89.0				89.0
9	4(3)(B)	Health & Social Svcs	Energy Assistance Program	Adds state funds to the federal Low Income Home Energy Assistance Program (LIHEAP). Application period runs from September 1, 2005 - April 30, 2006 and are 18% higher than last year at this time (department had projected a 1.6% increase).	8,600.0				8,600.0
10	4(3)(C)	Health & Social Svcs	Nursing	Fuel Cost Increase	30.0				30.0
11	4(3)(D)	Health & Social Svcs	Pioneer Homes	Fuel Cost Increase	308.0				308.0
12	4(3)(E)	Health & Social Svcs	Probation Services	Fuel Cost Increase	176.8				176.8
13	4(3)(F)	Health & Social Svcs	Public Health Laboratories	Fuel Cost Increase	55.1				55.1
14	4(3)(G)	Health & Social Svcs	HSS State Facilities Rent	Fuel Cost Increase	464.6				464.6
15	4(4)(A)	Military & Vets	Air Guard Facilities Maintenance	Fuel and Utility Increases	684.6		7.8	Inter-Agency Receipts	692.4
16	4(4)(B)	Military & Vets	Asr Guard Facilities Maintenance	Fuel and Utility Increases	100.0	300.0			400.0
17	4(4)(C)	Military & Vets	Alaska Military Youth Academy	Fuel and Utility Increases	32.2				32.2
18	4(5)	Natural Resources	Parks Management	Fuel and Utility Increases	92.0				92.0
19	4(6)(A)	Transportation	Central Region Facilities	Heating Oil and Electricity Price Increase	433.8				433.8
20	4(6)(B)	Transportation	Northern Region Facilities	Heating Oil and Utility Price Increase	469.2		155.1	Inter-Agency Receipts	624.3
21	4(6)(C)	Transportation	Central Region Highways and Aviation	Diesel Fuel and Gasoline Price Increase	806.8				806.8
22	4(6)(D)	Transportation	Northern Region Highways and Aviation	Diesel Fuel, Heating Oil, and Electricity Price Increase	768.8				768.8
23	4(6)(E)	Transportation	Southeast Region Highways and Aviation	Diesel Fuel and Gasoline Price Increase	75.0				75.0
24	4(6)(F)	Transportation	Anchorage International Airport Facilities	Electricity, Natural Gas/Propane Price Increase			555.9	International Airports Revenue Fund	555.9
25	4(6)(G)	Transportation	Anchorage International Airport Field and Equipment Maintenance	Utility and Equipment Fuel Price Increase			186.6	International Airports Revenue Fund	186.6
26	4(6)(H)	Transportation	Marine Vessel Operations	Fuel Price and Usage Increase	14,774.8				14,774.8
27	4(7)(A)	University	Anchorage Campus	Fuel and Utility Increases	719.4				719.4
28	4(7)(B)	University	Kenai Peninsula College	Fuel and Utility Increases	77.1				77.1
29	4(7)(C)	University	Kodiak College	Fuel and Utility Increases	29.3				29.3
30	4(7)(D)	University	Matanuska-Susitna College	Fuel and Utility Increases	49.5				49.5
31	4(7)(E)	University	Prince William Sound Community College	Fuel and Utility Increases	93.7				93.7
32	4(7)(F)	University	Bristol Bay Campus	Fuel and Utility Increases	14.0				14.0
33	4(7)(G)	University	Chukchi Campus	Fuel and Utility Increases	6.0				6.0
34	4(7)(H)	University	Fairbanks Campus	Fuel and Utility Increases	1,487.7				1,487.7
35	4(7)(I)	University	Interior-Alutians Campus	Fuel and Utility Increases	17.3				17.3
36	4(7)(J)	University	Kuskokwim Campus	Fuel and Utility Increases	116.4				116.4
37	4(7)(K)	University	Northwest Campus	Fuel and Utility Increases	16.0				16.0
38	4(7)(L)	University	Tanana Valley Campus	Fuel and Utility Increases	10.4				10.4
39	4(7)(M)	University	Juneau Campus	Fuel and Utility Increases	203.6				203.6
40	4(7)(N)	University	Katchikan Campus	Fuel and Utility Increases	24.4				24.4
41	4(7)(O)	University	Sitka Campus	Fuel and Utility Increases	16.4				16.4
42	4(B)	Court System	Trial Courts	Fuel Cost Increase	87.1				87.1
43	5	Commerce	Alaska Energy Authority Circuit Rider	Expand program's technical assistance to communities to include bulk fuel systems	300.0				300.0
44	6(a)	Governor	Executive Office	Work related to the state gas pipeline and to bringing North Slope natural gas to market for FY06 and FY07.	1,000.0				1,000.0
45	6(b)	Law	Oil, Gas, and Mining	Will exhaust FY06 funding by March 2006. Anticipate expenditures of \$3.9 million for the remainder of FY06 and \$1.5 million in FY07. Funds for actual pipeline negotiations and other oil and gas projects (Federal Energy Regulatory Commission (FERC), Exxon Royalties)	5,400.0				5,400.0
46	7	Commerce	Capital - Grant to "2006 Arctic Winter Games Host Society"	Funding for the Arctic Winter Games that take place March 5 - 12, 2006	500.0				500.0
47	8(a)	Transportation	Capital - Congressional Earmarks	Increase Congressional Earmarks appropriation of \$69,463,666, \$9 million Federal funds to \$78,469,666 for the Katchikan Shipyard Improvements project allocation below					0.0

COMMITTEE COPY

**FY2006 ENERGY SUPPLEMENTAL
HB 369 / SB 232**

	A	B	C	D	E	F	G	H	I
1	Section Number	Department	RDU nr Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
	8(b)	Transportation	Capital - Ketchikan Shipyard Improvements	How ship lift to accomodate construction of Expeditionary Craft (E-Craft) for the Office of Naval Research (ONR), a \$30.0 million contract. DOT's proposed FY07 capital budget includes \$42.5 million in Federal funds, but \$9.0 million is required earlier for March 2006 construction bid (FY07 capital budget will be amended to reduce by the \$9.0 million). This is a SAFETEA-LI Earmark.		9,000.0			9,000.0
48									
49	9	Lapse Section							
50	10	Effective date section							
51				Energy Supplemental Total	51,198.3	9,300.0	6,721.3		67,221.3

FY2006 ENERGY SUPPLEMENTAL
HB 369 / SB 232

	A	B	C	D	E	F	G	H	I
1	Section Number	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
2	1	Commerce	Community Advocacy	Small Municipality Energy Assistance Program - SMEAP	8,405.2				8,405.2
3	2(a)	Dept-Fund Capitalization	Power Cost Equalization and Rural Electric Capitalization Fund	Capitalization of the Power Cost Equalization Fund to fully fund program	5,459.0				5,459.0
4	2(b)	Commerce	Alaska Energy Authority Power Cost Equalization	Full funding of the Power Cost Equalization (PCE) program			5,817.9	PCE Fund	5,817.9
5	3	Commerce	Community Advocacy	Bulk Fuel Bridge Loan Program	500.0				500.0
6	4(1)	Corrections	Institutional Facilities	Fuel Cost Increase	405.0				405.0
	4(2)	Environmental Conservation	DEC Buildings Maintenance and Operations	Annualizes fuel and utilities costs for new Environmental Health Lab. The original fiscal note for construction of the Environmental Health Laboratory included estimates for out year operating costs. Changes have occurred since the fiscal note was first prepared in FY2002 in both the cost of utilities (fuel and electricity), and the amount of energy consumed by technologies employed in the laboratory.	98.6				98.6
7									
8	4(3)(A)	Health & Social Svcs	Alaska Psychiatric Institute	Fuel Cost Increase	89.0				89.0
9	4(3)(B)	Health & Social Svcs	Energy Assistance Program	Adds state funds to the federal Low Income Home Energy Assistance Program (LIHEAP). Application period runs from September 1, 2005 - April 30, 2006 and are 18% higher than last year at this time (department had projected a 1.6% increase)	8,800.0				8,800.0
10	4(3)(C)	Health & Social Svcs	Nursing	Fuel Cost Increase	30.0				30.0
11	4(3)(D)	Health & Social Svcs	Pioneer Homes	Fuel Cost Increase	308.0				308.0
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14	4(3)(G)	Health & Social Svcs	HSS State Facilities Rent	Fuel Cost Increase	464.6				464.6
15	4(4)(A)	Military & Vets	Army Guard Facilities Maintenance	Fuel and Utility Increases	684.6		7.8	Inter Agency Receipts	692.4
16	4(4)(B)	Military & Vets	Air Guard Facilities Maintenance	Fuel and Utility Increases	100.0	300.0			400.0
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21	4(6)(C)	Transportation	Central Region Highways and Aviation	Diesel Fuel and Gasoline Price Increase	806.9				806.9
22	4(6)(D)	Transportation	Northern Region Highways and Aviation	Diesel Fuel, Heating Oil, and Electricity Price Increase	768.8				768.8
23	4(6)(E)	Transportation	Southeast Region Highways and Aviation	Diesel Fuel and Gasoline Price Increase	75.0				75.0
	4(6)(F)	Transportation	Anchorage International Airport Facilities	Electricity, Natural Gas/Propane Price Increase			555.9	International Airports Revenue Fund	555.9
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26	4(7)(H)	Transportation	Marine Vessel Operations	Fuel Price and Usage Increase	14,774.8				14,774.8
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30	4(7)(D)	University	Malanuska-Sustina College	Fuel and Utility Increases	49.5				49.5
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34	4(7)(H)	University	Fairbanks Campus	Fuel and Utility Increases	1,487.7				1,487.7
35	4(7)(I)	University	Interior-Alutians Campus	Fuel and Utility Increases	17.3				17.3
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39	4(7)(M)	University	Juneau Campus	Fuel and Utility Increases	203.6				203.6
40	4(7)(N)	University	Katichuan Campus	Fuel and Utility Increases	24.4				24.4
41	4(7)(O)	University	Sitka Campus	Fuel and Utility Increases	10.4				10.4
42	4(8)	Court System	Trial Courts	Fuel Cost Increase	87.1				87.1
43	5	Commerce	Alaska Energy Authority Canal Rider	Expand program a technical assistance to communities to include bulk fuel systems	300.0				300.0
44	6(a)	Governor	Executive Office	Work related to the state gas pipeline and to bringing North Slope natural gas to market for FY06 and FY07	1,000.0				1,000.0
	6(b)	Law	Oil, Gas, and Mining	Will exhaust FY06 funding by March 2006. Anticipate expenditures of \$3.9 million for the remainder of FY06 and \$1.5 million in FY07. Funds for actual pipeline negotiations and other oil and gas projects (Federal Energy Regulatory Commission (FERC), Exxon Royalties)	5,400.0				5,400.0
45									
46	7	Commerce	Capital - Grant to 2006 Arctic Winter Games Host Society	Funding for the Arctic Winter Games that take place March 5 - 12, 2006	500.0				500.0
47	8(a)	Transportation	Capital - Congressional Earmarks	Increase Congressional Earmarks appropriation of \$69,469.6 by \$9 million Federal funds to \$78,469.6 for the Ketchikan Shipyard Improvements project allocation below					0.0

COMMITTEE COPY

**FY2006 ENERGY SUPPLEMENTAL
HB 369 / SB 232**

	A	B	C	D	E	F	G	H	I
1	Section Number	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
	8(b)	Transportation	Capital - Ketchikan Shipyard Improvements	New ship lift to accomodate construction of Expeditionary Craft (E-Craft) for the Office of Naval Research (ONR), a \$30.0 million contract. DOT's proposed FY07 capital budget includes \$42.5 million in Federal funds, but \$9.0 million is required earlier for March 2006 construction bid (FY07 capital budget will be amended to reduce by the \$9.0 million). This is a SAFETEA-LU Earmark.		9,000.0			9,000.0
48									
49	9	Lense Section							
50	10	Effective date section							
51				Energy Supplemental Total	51,198.3	9,300.0	6,723.3		67,221.6



SB232

FRANK H. MURKOWSKI
GOVERNOR

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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 12, 2006

The Honorable Ben Stevens
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Stevens:

I am today transmitting an FY 2006 supplemental appropriations bill for increased energy costs and for certain time-sensitive items. A spreadsheet summarizing the requests is enclosed, along with backup information for each.

I encourage your early and favorable action on this measure.

Sincerely yours,

Frank H. Murkowski
Governor

Enclosure

COMMITTEE CO-