

SB

69

ALASKA STATE LEGISLATURE



Official Business

SENATE RESOURCES COMMITTEE

Senator Tom Wagoner, Chair

State Capitol, Room 427

Juneau, AK 99801-1182

Phone: (907) 465-4907 Fax: (907) 465-4779

Senator Ralph Seekins, Vice-Chair

Senator Ben Stevens

Senator Kim Elton

Senator Fred Dyson

Senator Bert Stedman

Senator Gretchen Guess

69
SB.60 - Arctic Power Appropriation

Materials handed out at January 31, 2005 meeting

- 2003 Intent Language – SCS CSHB 100 (FIN) am S (3 pages)
- Final Reports – from Arctic Power (4 pages)
- Arctic Power Info Sheet (1 page)
- ANWR Important Dates (5 pages)

/mj

**SB 69 – Arctic Power Appropriation
New Materials --- 2003 Intent Language**



✚ Chapter 001

Chapter: CH001

Source: ▶SCS◀▶CSHB◀▶100◀(▶FIN◀) ▶am◀▶S◀

Action Date: March 17, ▶2003◀

Effective Date: See chapter

03

AN ACT

Making supplemental and other appropriations; amending appropriations; making appropriations to capitalize funds; and providing for an effective date.

* **Section 1.** DEPARTMENT OF ADMINISTRATION. (a) The sum of \$3,300,000 is appropriated from the general fund to the Department of Administration, office of public advocacy, for operating costs of the office for the fiscal year ending June 30, ▶2003◀.

(b) The sum of \$390,700 is appropriated from the general fund to the Department of Administration, Alaska Pioneers' Home system, for increased costs for certified nurse aides and assisted living aides for the fiscal year ending June 30, ▶2003◀.

(c) The sum of \$14,300 is appropriated from federal receipts to the Department of Administration, Alaska Oil and Gas Conservation Commission, for the underground injection control program for the fiscal year ending June 30, ▶2003◀.

(d) The sum of \$1,000,000 is appropriated from the general fund to the Department of Administration, Public Defender Agency, for operating costs of the agency for the fiscal year ending June 30, ▶2003◀.

(e) The sum of \$73,000 is appropriated from Alaska Mental Health Trust Authority authorized receipts to the Department of Administration, Public Defender Agency, for costs of a mental health court attorney in Anchorage for the fiscal year ending June 30, ▶2003◀.

(f) The sum of \$209,300 is appropriated from the general fund to the Department of Administration, labor relations section, for the costs of a mediated labor settlement for the fiscal year ending June 30, ▶2003◀.

(g) The sum of \$400,000 is appropriated from the general fund to the Department of Administration, division of finance, for charge-back overruns on the state's accounting and payroll systems for the fiscal year ending June 30, ▶2003◀.

* **Sec. 2.** DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT. (a) The federal receipts from the United States Department of Agriculture, Community Facilities Economic Impact Initiative Grants program,

(b) The expenditures by the Department of Natural Resources for fire suppression for the fiscal year ending June 30, 2002 (AR37313-02 Fire General Fund) are ratified in the amount of \$13,340,900.

(c) The expenditures by the Department of Natural Resources for fire suppression for the fiscal year ending June 30, 2002 (AR37311-02 Fire Federal Receipts) are ratified in the amount of \$3,000,000.

(d) Notwithstanding any other provision of an appropriation Act, if amounts from sources available to finance the appropriations listed in (1) - (5) of this subsection fall short of estimates appropriated by law, deposits of amounts in the fish and game fund (AS 16.05.100) from the general fund derived from criminal fines, penalties, and forfeitures, not specifically appropriated for another purpose, are ratified and appropriated to the fish and game fund (AS 16.05.100) to cover the shortfall:

(1) sec. 14, ch. 60, SLA 2001;

(2) sec. 16, ch. 133, SLA 2000;

(3) sec. 9, ch. 84, SLA 1999, as amended by sec. 31, ch. 135, SLA 2000;

(4) sec. 9, ch. 137, SLA 1998;

(5) sec. 9, ch. 98, SLA 1997.

(e) Notwithstanding sec. 77, ch. 1, SSSLA 2002, the transfer of \$51,000 of the unexpended balance of the appropriation made by sec. 2, ch. 34, SLA 1998, from the disaster relief fund (AS 26.23.300) to the commercial fishing revolving loan fund (AS 16.10.340) is ratified.

(f) The transfer of the amounts received by the Alaska Science and Technology Foundation under AS 37.17.090(g) and paid into the principal of the Alaska science and technology endowment (AS 37.17.020) by the board of directors of the Alaska Science and Technology Foundation before July 1, 2002, is ratified.

* **Sec. 20. OPENING THE ARCTIC NATIONAL WILDLIFE REFUGE.** (a) It is the intent of the Alaska State Legislature that Arctic Power coordinate with the Alaska Delegation in Congress and the Office of the Governor in the development of an educational effort to promote the opening of the Arctic National Wildlife Refuge to oil and gas exploration and development.

(b) The sum of \$1,100,000 is appropriated from the general fund to the Department of Community and Economic Development for payment as a grant under AS 37.05.316 to Arctic Power for education efforts from January 1, ~~2003~~, until June 30, ~~2003~~, inclusive, to open the coastal plain of the Arctic National Wildlife Refuge for oil and gas exploration and development. Arctic Power shall submit monthly detailed progress reports of activities and expenditures of state funds by the first day of the second month following the month of expenditure to the Alaska Congressional Delegation, the Governor of the State of Alaska, and the members of the Alaska State House of Representatives and the Alaska State Senate.

(c) The sum of \$50,000 is appropriated from the general fund to the Department of Community and Economic Development for payment as a grant under AS 37.05.315 to the City of Kaktovik for support of the education efforts undertaken by Arctic Power to open the coastal plain of the Arctic National Wildlife Refuge for oil and gas exploration and development.

(d) The sum of \$50,000 is appropriated from the general fund to the Department of Community and Economic Development for payment as a grant under AS 37.05.316 to the Native Village of Kaktovik for support of the education efforts undertaken by Arctic Power to open the coastal plain of the Arctic National Wildlife Refuge for

oil and gas exploration and development.

(e) The sum of \$100,000 is appropriated from the general fund to the Office of the Governor for direct support of national efforts to open the coastal plain of the Arctic National Wildlife Refuge for oil and gas exploration and development.

* **Sec. 21. REPEAL OF CONDITION ON FY 2003 OPERATING APPROPRIATIONS.** Section 6, ch. 94, SLA 2002, is repealed.

* **Sec. 22. LAPSE OF APPROPRIATIONS.** (a) The appropriations made by secs. 2(c), 5, 19(e), and 19(f) of this Act are to capitalize funds and do not lapse.

(b) The appropriations made by secs. 2(a), 13(c), 16(k), 16(l), 16(m), and 16(n) of this Act are for capital projects and lapse under AS 37.25.020.

(c) The appropriations made by secs. 20(c), 20(d), and 20(e) of this Act lapse June 30, 2007.

* **Sec. 23. RETROACTIVITY.** (a) Section 12(c) of this Act is retroactive to July 1, 2002.

(b) Section 2(a) of this Act is retroactive to October 3, 2002.

* **Sec. 24. EFFECTIVE DATE.** This Act takes effect immediately under AS 01.10.070(c).



SB 69 – Arctic Power: Appropriation
New Materials --- Final Reports

**ANWR:**

JOBS AND ENERGY
FOR AMERICA

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Facsimile Transmittal

To: Mary Jackson
Fax #: #907-465-4779
From: Kevin Hand
Date: January 31, 2005
Total pages: 4
Message:

The pages that follow are the SOA Financial Reports submitted to DCED for the previous 3 grants to Arctic Power, encompassing the last two years FY 04 & FY 03.

Attached are the final reports for the grants, which show cumulative totals for each category of Arctic Power activities.

As you can see, in FY 04' Arctic Power was granted a total of \$800,000 of which \$283,715 was sent back to the Legislature for re-appropriation.

I am having created a categorical breakdown of component expenditures by fiscal year that I will forward to you shortly.

If you have any questions, please contact me at #907-274-2697.

If you have any problems with this transmission,
please call 907-274-2697 (Anchorage).

State of Alaska
Department of Community and Economic Development
Division of Community Advocacy
Designated Legislative Grant Financial Report

Grantee: Arctic Power	Report #: 6	Funds: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Project Name: Educational Efforts to Open ANWR Grant Number: 03-DS-001	Report Period From: 09/01/03	To: 09/08/03

(Note: Financial Report/Request for Reimbursement must be accompanied by Progress Report.)

Cost Category	Authorized Budget	Expenditures this Report Period	Total Expenditures to Date	Balance of Grant Funds
1. DC EDUCATION EFFORT				
Contractual Services	\$620,700	1,365.00	620,630.66	69.34
Consultant Travel	\$10,000	0	9,646.16	353.84
Education Materials	\$4,000	0	3,197.25	802.75
Office Equipment	\$17,500	0	17,824.63	(324.63)
2. TARGET STATES EDUCATION				
Contractual Services	\$30,000	0	28,481.25	1,518.75
Delegation Travel	\$8,400	0	8,436.56	(36.56)
Communications	\$17,000	0	17,860.52	(860.52)
3. ANWR TOURS				
Travel	\$13,500	0	14,274.23	(774.23)
4. COMMUNICATION MATERIAL				
Educational Material Production	\$15,000	0	15,883.83	(883.83)
Communication/Equipment	\$900	0	928.99	(28.99)
5. MEDIA				
Paid Advertisement	\$311,000	210,000.00	310,537.50	462.50
6. UNION OUTREACH				
Contractual Services	\$50,000	6,300.00	50,400.00	(400.00)
Delegation Travel	\$2,000	0	2,053.80	(53.80)
Total this Report	\$1,100,000	217,665.00	110,0155.38	(155.38)
Less Advance/DVP		0.00		
Net Reimbursement		\$217,509.62*		

Net reimbursement less than total expenditures this report, not enough funds left in grant for full reimbursement.

Financial/Progress Report
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT
DIVISION OF COMMUNITY ADVOCACY

Grantee: Arctic Power	Grant Number: 04-RR-018	Report Number: 5
Project Name: Open the Coastal Plain of ANWR For Oil & Gas Development	Report Period From: April 2, 2004 To: May 3, 2004	

STATEMENT OF GRANT EXPENDITURES				
Cost Category	Authorized Budget	Expenditures this Report Period	Total Expenditures to Date	Balance of Grant Funds
DC Education Effort-Office Equipment	2,850	.0	.0	2,850.00
ANWR Tours-Travel	15,750	.0	13,387.50	2,362.50
Media-Paid Advertisement	210,000	.0	193.20	209,806.80
Union Outreach-Contractual Services	71,400	12,600.00	56,700.00	14,700.00
Totals	\$300,000	12,600.00	70,280.70	229,719.30
Less Advance/DVP				
Net Billing		12,600.00		

PROGRESS REPORT

Describe activities that have occurred during the last month/months on this project. Include a discussion of any problem areas you may be experiencing. Attach additional pages if necessary.

B. O'Hara retained to provide union insight and coordinate with union factions.

GRANTEE CERTIFICATION: *I certify that the above information is true and correct, and that expenditures have been made for the purpose of, and in accordance with applicable grant agreement terms and conditions.*

Arctic Power _____
 Grantee Name and Title

Al Adams 5/4/04
 Signature

Al Adams, Chairman
 Printed Name and Title

DCED Staff Use:	
Encumbrance No:	_____
Payment Amount:	_____
DCED Approval:	_____
Date:	_____

Financial/Progress Report
 DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT
 DIVISION OF COMMUNITY ADVOCACY

Grantee: Arctic Power	Grant Number: 04-DC-036	Report Number: 8 <i>final</i>
Project Name: Open the Coastal Plain of ANWR For Oil & Gas Development	Report Period From: June 1, 2004 To: June 30, 2004	

STATEMENT OF GRANT EXPENDITURES

Cost Category	Authorized Budget	Expenditures this Report Period	Total Expenditures to Date	Balance of Grant Funds
Contractual Services	409,657	19,900.88	405,130.74	4,526.26
Consultant Travel	44,940	.0	16,829.53	28,110.47
Education Materials	13,598	4,117.26	17,559.32	(3,961.32)
Office Equipment	3,712	.0	3,626.64	85.36
Delegation Travel	28,093	.0	2,858.53	5,234.47
Totals	\$500,000	24,018.14	446,004.76	53,995.24
Less Advance/DVP				
Net Billing		24,018.14		

PROGRESS REPORT

Describe activities that have occurred during the last month/months on this project. Include a discussion of any problem areas you may be experiencing. Attach additional pages if necessary.

Continued DC education program with 108th Congress, monitoring progress of energy bill, ANWR developments.
 Updated ANWR web site.
 Communicated w/ AK Delegation and staff on regular basis.
 Responded to public and media inquiries.

GRANTEE CERTIFICATION: *I certify that the above information is true and correct, and that expenditures have been made for the purpose of, and in accordance with applicable grant agreement terms and conditions.*

 Signature Date

Al Adams, Chairman
 Printed Name and Title

DCED Staff Use:

Encumbrance No: _____
 Payment Amount: _____
 DCED Approval: _____
 Date: _____

SB 69 – Arctic Power Appropriation

New Materials --- Arctic Power Info Sheet



About Arctic Power

ANWR:

**JOBS AND ENERGY
FOR AMERICA**

ARCTIC POWER

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Anchorage, AK 99510
907.274.2697
907.274.2706 FAX

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<http://www.anwr.org>

Formed in 1992, Arctic Power is a 501(c)6 non-profit organization advocating jobs and energy for Americans through development of the Arctic National Wildlife Refuge's (ANWR) resources. We seek congressional and presidential approval of legislation to allow responsible oil and gas exploration and production within ANWR's promising Coastal Plain.

Arctic Power is a grassroots coalition of citizens from Alaska and across the nation who hail from a full economic spectrum: miners, fishermen, loggers, tourism operators, retail and service businesses, transportation companies, labor unions, financial institutions, educational systems, the legal community, Alaska Native Corporations, elected officials and more. Many trade and business associations have joined our ranks through membership and participation on the Arctic Power board of directors. These include the Alaska Support Industry Alliance, Alaska State Chamber of Commerce, Alaska State Home Builders Assn., Alaska Forest Assn., Alaska Oil & Gas Assn., Alaska Miners Assn., Resource Development Council for Alaska, Alaska Trucking Assn., Alaska Outdoor Council, Associated General Contractors, Bristol Bay Driftnetters Assn., Anchorage Convention & Visitors Bureau, People for the USA and National Federation of Independent Businesses.

Arctic Power is governed by a board of directors representing all regions of the state...from Barrow to Kodiak. The board works closely with Alaska's U.S. congressional delegation, who have endorsed Arctic Power's purpose. Outreach efforts in Washington, D.C. are the product of cooperative efforts between Arctic Power, the State of Alaska and our congressional leaders. Arctic Power is based in Anchorage but maintains an office in Washington, D.C. when ANWR is being debated in Congress.

SB 69 – Arctic Power Appropriation
New Material's --- ANWR Important Dates



ANWR - IMPORTANT DATES

1002

ANWR:

**JOBS AND ENERGY
FOR AMERICA**

1949

President Theodore Roosevelt established the National Wildlife Refuge System.

The National Park Service began a recreational survey in Alaska to identify areas with special natural values.

ARCTIC POWER

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1954

The National Park Service recommended that the undisturbed lands in the northeastern corner of Alaska be preserved for their wildlife, wilderness, recreation, scientific, and cultural values.

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Washington, DC 20002
202.544.5363
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<http://www.anwr.org>

1957

The Department of the Interior announced plans to ask Congress to establish an 8,000 square-mile wildlife reserve in the area identified by the National Park Service study.

Jan. 3, 1959

Alaska Statehood

Dec. 6, 1960
(acres)

Arctic National Wildlife Range Created (8.9 million acres)

1964

President Lyndon Johnson signed the Wilderness Act, establishing the National Wilderness Preservation System and policies for wilderness management.

1969

The first manager was hired for ANWR.

Dec. 18, 1971

Alaska Native Claims Settlement Act. The Act gave the Kaktovik Inupiat Corporation (KIC) surface rights to 69,000 acres along the arctic coast within the Range.

June 20, 1977

Trans Alaska Pipeline Start-up

Dec. 2, 1980

Alaska National Interest Lands Conservation Act (ANILCA). The Act expanded the Arctic Range to approximately 18 million acres, renamed it the Arctic National Wildlife Refuge, designated eight million acres as Wilderness, designated three rivers as Wild, and called for wildlife studies and an oil and gas assessment of 1.5 million acres of the ANWR Coastal Plain (the "10-02 Area").

Gwich'in opt out settling for Indian Reservation status and thus not subject to ANILCA 7i revenue sharing of

	natural resources. Likewise they don't receive benefit of other native natural resource royalties.
1983	The Chandler Lake land exchange agreement conveyed subsurface ownership of Kaktovik Inupiat Corporation lands to the Arctic Slope Regional Corporation.
1983 cont. ...	Nearly one million acres were added to the south side of the Refuge when the State of Alaska decided not to retain control of lands it had selected under the Statehood Act.
Winter, 1983-84	Approx. 600 line miles of 2D geophysical data acquired in ANWR
Winter, 1984-85	Approx. 580 line miles of 2D geophysical data acquired in ANWR
Dec. 2, 1985	ANWR closed to any further geophysical surveys
Sept. 2, 1986	Secretary of Interior's Report to Congress, as required by Sec. 1002 of ANILCA
Feb., 1987	Draft Environmental Impact Statement for ANWR Exploration Published
Sept, 1987	Dept. Of Interior recommends to Congress to open the coastal plain.
1988	House Merchant Marine & Fisheries Committee approves an open ANWR Bill. Congress added 325,000 acres to the south side of the Refuge, bringing the total area managed by the Refuge to approximately 19.3 million acres and making ANWR the largest Refuge in the National Wildlife Refuge System.
early 1989	House Merchant Marine & Fisheries Committee again approves an ANWR Bill.
Mar. 24, 1989	Exxon Valdez aground in Prince William Sound.
Aug 2, 1990	Saddam Hussein invades Kuwait.
October 31, 1991	Congress debated National Energy Policy Act, Title 9 of which allowed for development of the Coastal Plain. Senate Energy Committee approves Title 9.

Nov. 1991	Senate Roll-call vote on Sen. Wellstone amendment to cut off debate on ANWR, 50 to 44. (60 votes needed to defeat filibuster) National Energy Policy Act shelved.
October 1992 passed.	New National Energy Policy Act, without ANWR.
Nov. 1992	Mr. Clinton elected President
March 1995	ANWR resurrected as part of the Balanced Budget bill.
May 24, 1995	Senator Roth amendment to table ANWR from the Budget Resolution defeated 56 to 44 votes.
Sept. 1995	President Clinton tried to create a National Monument of ANWR under the Antiquities Act - this was prevented.
Sept. 19, 1995	Cong. Vento motion to strike ANWR from the Budget Reconciliation Bill in the House Resources Committee, defeated 27 to 14.
Oct., 1995	House vote on Budget Reconciliation plan including ANWR, passed 227 to 203 votes.
Oct. 25, 1995	Sen. Bumpers asset sale amendment (which would drop ANWR from the Reconciliation bill), defeated.
Oct. 26, 1995	Sen. Baucus anti-ANWR amendment defeated 51 to 48 votes.
Dec. 6, 1995	President Clinton vetoed the Balanced Budget Act which included a provision to open ANWR.
May, 1996	A new Budget Resolution was initiated by Congress.
May 24, 1996	Sen. Bumpers again tried an asset sale amendment on the floor of the Senate as a way of killing ANWR. The first amendment was modified and defeated 98 to 0, but a second attempt aimed directly at ANWR was defeated 52 to 46 votes.
1997	President William Clinton signed the "National Wildlife Refuge System Improvement Act." This Act provides specific guidance to the Refuge System, and establishes the mission of the National Wildlife Refuge System "to administer a national network of lands and waters for the conservation, management, and where appropriate,

restoration of fish, wildlife, and plant resources and their habitats within the United States for the benefit of present and future generations of Americans."

The U.S. Supreme Court affirmed that the barrier islands and the lagoons which they enclose, along the northeast coast of Alaska, are within the boundaries of the Arctic Refuge. The State of Alaska had hoped to claim ownership of these lagoons and to lease them for oil and gas exploration and development.

- May 1998 U.S. Geological Survey released the Arctic National Wildlife Refuge, 1002 Area, Petroleum Assessment, 1998 containing the highest estimates ever for the region. The agency's mid-range estimate of oil in place rose from 13.8 billion barrels to 20.7 billion barrels of oil.
- Jan. 2000 Representative Vento's Morris Udall ANWR Wilderness Bill has 165 co-sponsors; while Senator Roth's Senate version has 25 co-sponsors.
- March 31, 2000 Assumptions about ANWR revenues were included in the FY2001 budget resolution (S. Con. Res. 101) as reported by the Senate Budget Committee. An amendment to remove the language was tabled. However, conferees rejected the language.
- January 10, 2001 Clinton announced that ANWR would not be declared a national monument.
- May 24, 2001 Vermont Senator James Jeffords changes party affiliate from Republican to Independent. Democrats take over Senate majority.
- July 27, 2001 Representative Billy Tauzin (D-SD) introduces HR4 that included a provision to open ANWR.
- Aug. 1, 2001 HR4 passed in the House of Representatives.
- Dec. 5, 2001 Senator Tom Daschle introduces S.1766. Bill does not move.
- January 17, 2002 The Interior Department concluded that the proposed Arctic drilling plan would not violate American treaty obligations to protect polar bears.
- February 26, 2002 As the energy bill begins to wind its way through the Senate, the White House considered a "scaled-back"

version of the ANWR drilling plan, including only 500,000 of the original 1.5 million acres of the refuge's coastal plain.

- Mar. 12, 2002 Senator Jeff Bingaman (D-NM) introduces S.517, The National Energy Policy Act.
- Apr. 25 2002 S.517 passes Senate 88-11. It did not contain ANWR.
- Nov 2002 Conference Committee fails to pass Comprehensive Energy Bill
- Dec 2002 Energy Bill is shelved.
- April 2003
House
passes Amendment vote to take ANWR language out of the Energy Bill. The vote did not pass. House votes and passes its version of the Energy Bill (H.R.6)that included ANWR. Senate votes 52-48 to strip from a budget resolution language to lift the longtime ban on the development of oil in the ANWR.
- July 2003 Senate passed the 2002 Senate Energy Bill excluding ANWR language.
- Sept 2003 Conference Committee convened and failed to reach agreement
- 2004 The House again passed a comprehensive energy bill that included authorization to open the Coastal Plain to exploration and development. No action occurred in the Senate.
- Jan 2005 Sen. Domenici reappointed Chairman of Senate Natural Resources Committee and in inaugural speech announces opening the Coastal Plain of AN

ALASKA STATE LEGISLATURE



Official Business

SENATE RESOURCES COMMITTEE

Senator Tom Wagoner, Chair

State Capitol, Room 427

Juneau, AK 99801-1182

Phone: (907) 465-4907 Fax: (907) 465-4779

Senator Ralph Seekins, Vice-Chair

Senator Ben Stevens

Senator Kim Elton

Senator Fred Dyson

Senator Bert Stedman

Senator Gretchen Guess

Sponsor Statement

SB 69 – Grant to Arctic Power for ANWR

SB 69 appropriates \$1.2 million in general funds to Arctic Power for its efforts to secure support for legislation opening ANWR to oil exploration.

The bill also includes a general fund appropriation of \$100,000 to the native village of Kaktovik for their community outreach effort to open ANWR.

Arctic Power is a private non-profit entity that has been coordinating the effort to open ANWR for over 12 years. State funding has previously been awarded to them for that effort. They have provided such things as Congressional member visitations to ANWR as well as providing travel for ANWR advocates to other states to advocate for opening the area.

The decrease in production from existing fields negatively impacts state revenues. By opening ANWR, we will be adding new fields to provide new revenues for our future generations.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB 32
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Environmental Conservation
 Title Permitting grants to certain regulated public RDU Division of Water
utilities for water and waste/water systems Component Facility Construction
 Sponsor Therriault
 Requester Resources Component No. 637

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	83.3	83.3	83.3	83.3	83.3	83.3
Travel	12.0	12.0	12.0	12.0	12.0	12.0
Contractual	29.0	29.0	29.0	29.0	29.0	29.0
Supplies	1.0	1.0	1.0	1.0	1.0	1.0
Equipment	6.9	0.5	0.5	0.5	0.5	0.5
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	132.2	125.8	125.8	125.8	125.8	125.8

CAPITAL EXPENDITURES	132.2	125.8	125.8	125.8	125.8	125.8
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1061 CIP Receipts	132.2	125.8	125.8	125.8	125.8	125.8
TOTAL	132.2	125.8	125.8	125.8	125.8	125.8

Estimate of any current year (FY2005) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

SB 32 will expand eligibility for Municipal Water, Sewer and Solid Waste Matching Grants to include privately-owned water and sewer utilities that are economically regulated by the Regulatory Commission of Alaska (RCA). The grant program is administered by the Department of Environmental Conservation (DEC). Eligibility is currently restricted to municipally-owned utilities. DEC, along with the RCA, estimates that there are 193 water and sewer utilities that could qualify for the expanded grant program. We estimate that approximately 50% -- or 96 utilities -- would seek to participate in the grant program over the next 10 years. This suggests that the expanded program would result in DEC administering 6 grants each year to these newly eligible, primarily small utilities. This would require an increase of \$132.2 to Ref Number 40142, Municipal Matching Grants Project Administration, in the capital budget. An additional Environmental Engineer I position will be required to manage these new grant projects, along with contractual funding to audit each grant upon completion in accordance with program requirements.

Prepared by: Dan Maston, Director Phone 465-5135
 Division: Water Date/Time 1/25/05 2:30 PM
 Approved by: Kurt Fredriksson, Acting Commissioner Date _____
 Agency: Department of Environmental Conservation

Personal Services New Position Detail

Department of Environmental Conservation

Scenario: A Scenario for FY2006 Fiscal Notes (4191)
 Component: Facility Construction (637)
 RDU: Water (210)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range & Steps	Budgeted Months	Split / Annual Count Salary	COLA	Premium %	Annual Benefits	Total Costs
18-#018	Environmental Engineer I	FT	A	GG	Anchorage	2A	21 A	12.0	55,920	1,081		26,333	83,334

Justification: No justification provided.

Funding Detail:

1004	General Fund Receipts	100.00%	83,334
Total Funding:		100.00%	83,334

Component Summary:

Total New Positions: 1

Fund Description	Fund Percent	Fund Amount
1004 General Fund Receipts	100.00%	83,334
Total Funding:	100.00%	83,334

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB 32
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
 Title Water/Sewer/Waste Grants to Utilities RDU Regulatory Commission of Alaska (399)
 Component Regulatory Commission of Alaska
 Sponsor Therriault
 Requester Senate Resources Component No. 2417

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

The Regulatory Commission of Alaska's (RCA) mission is to protect consumer interests and promote economic development by ensuring affordable, reliable utility and pipeline services and ensuring that the utility and pipeline infrastructure is adequate to support community needs. The RCA believes that passage of this legislation will increase utility infrastructure throughout the state. Grant-funded infrastructure reduces rates for consumers.

ANALYSIS CONTINUED ON NEXT PAGE

Prepared by: Kate Giard, Chair Phone 907.276.6222
 Division Regulatory Commission of Alaska Date/Time 1/25/05 5:30 PM
 Approved by: Edgar Blatchford, Commissioner Date 1/25/2005
 Agency Commerce, Community & Economic Development

FISCAL NOTE

**STATE OF ALASKA
2005 LEGISLATIVE SESSION**

BILL NO. SB32

ANALYSIS CONTINUATION

The RCA is in the process of implementing a reduced regulatory program for small water and sewer utilities. When fully implemented, this program will reduce the regulatory burden and reporting requirements on these utilities. However, passage of this legislation may cause some of these utilities to seek a higher degree of regulation in order to be eligible to receive grant funds. The RCA can identify the number of utilities which may seek expanded regulation, but it is more difficult to quantify the number or timing of these applications. At this juncture, the RCA anticipates that existing staff can absorb any additional applications resulting from this legislation in the normal course of Commission operations. Therefore, this legislation is anticipated to have no fiscal impact on the RCA.

RCA's budget is funded through the Regulatory Cost Charge (RCC) mechanism and direct charge mechanisms. No general funds are allocated for support of the agency. The RCC is recalculated each year and allows the agency to recover its operating costs through an assessment on the revenues of the utilities and pipeline carriers.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB059-DNR-O&G-01-24
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Natural Resources
 Title: Approp. Grant to Arctic Power for ANWR RDU: Resource Development
 Component: Oil & Gas Development
 Sponsor: Senate Resources
 Requester: Senate Resources Component No: 439

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

There is no fiscal impact to DNR associated with passage of this legislation.

Prepared by: Nancy Welch, Special Assistant Phone 465-2400
 Division: Commissioner's Office Date/Time 1/24/2005
 Approved by: Tom Irwin, Commissioner Date 1/24/2005
 Agency: Natural Resources



SB 69

January 21, 2005

The Honorable Thomas Wagoner, Chairman
Senate Resources Committee
Alaska State Legislature
State Capitol #427
Juneau, Alaska 99801

ANWR:

**JOBS AND ENERGY
FOR AMERICA**

ARCTIC POWER

PO Box 100220
Anchorage, Alaska 99510
(907) 274-2697
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www.anwr.org

300 F Street, NE
Washington, DC 20002
(202) 544-5363
Fax (202) 544-1121
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Dear Senator Wagoner,

This letter is in support of and urging your fellow member's support of SB 69, *"An Act making special appropriations to promote the opening of the Arctic National Wildlife Refuge for oil and gas exploration and development."*

The resources necessary to continue the advocacy efforts to open a small portion of the coastal plain of the Arctic National Wildlife Refuge to responsible oil and gas development are needed immediately. Funds are needed to support the open ANWR legislation campaign already underway in Congress.

As you know, energy is a topic attracting much attention nationwide. The debate becomes focused on America's dangerous reliance on foreign oil, the ever-growing global demand for energy and the costs borne by society to utilize that energy. It is critical that ANWR be a part of this national energy debate.

Politically speaking, ANWR legislation may be at one of the most favorable positions in recent history. The recent gain among supporters has ANWR receiving renewed attention in Congress, in the media and among the American public. A positive outcome, however, is far from assured.

We will continue to encounter heavy opposition every step of the way. Alaska must advocate its position in this debate in order for ANWR to become a reality. Arctic Power can assist by sustaining our relentless efforts to cultivate support among policy makers and educate the public on the benefits of opening ANWR.

Arctic Power will utilize these state funds for continued advocacy, including the multiple advantages of production from Alaska's North Slope, Alaska's historical experience of environmentally responsible resource development and the overwhelming support among Alaskans for ANWR.

Program components include:

Capital Hill Education – Effective and continuous lobbying of members of Congress by Alaskans. Coordinating with and assisting the Alaska delegation in education and advocacy efforts for members of Congress.

Union Outreach – Securing and maintaining national and state level organized labor support for the opening of ANWR.

Coalition Building – Continued efforts to build and foster a network of organizations and governments to further the grass-roots support of legislation containing ANWR provisions.

ANWR Tours – Alaska tours for members of Congress, the media, and other national opinion leaders to showcase Alaska's knowledge of responsible oil development: including the exploration, production, and transportation systems. Participants have in the past visited Valdez, Prudhoe Bay, Barrow, and Kaktovik.

Targeted States Education Program – Delegations of Alaskans and ANWR supporters who undertake education trips to states to provide information on responsible ANWR development and the benefits to both the nation and their state.

Communications Materials – Continue the production and distribution of ANWR informational documents nationwide. Includes maintaining the ANWR.org website, providing continuous information and materials to meet growing demand – currently averaging over 1,000,000 hits per month.

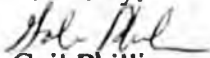
Arctic Power continues our private fundraising efforts to match state appropriations. Private funding is attained through fundraising events, membership and contributions, direct mail requests and other means. The Arctic Power Board of Directors is committed and confident that these private funds can and will continue to be raised in a timely manner to augment these efforts.


As always, we are witnessing a very aggressive and well-organized effort from obstructionist environmental groups that have the ability to raise and spend considerable resources. These organizations will surely wage an assault of multi-million dollar campaigns of professional media and lobbying groups with the aim of blocking ANWR legislation and instituting a permanent Wilderness designation.

Arctic Power is there as Alaska's primary voice advocating ANWR as a safe supply of domestic energy while creating jobs and revenue for America and the state of Alaska. Immediate action is required if Alaska is going to take advantage of this opportunity.

As Alaska's citizen organization charged with coordinating Alaska's efforts to open the coastal plain to development, Arctic Power believes strongly that this is a small, wise investment in Alaska's future.

Sincerely,


Gail Phillips
Co-chair


Al Adams
Co-chair



LAWS OF ALASKA

2003

Source

SCS CSHB 100(FIN) am S

Chapter No.

1

AN ACT

Making supplemental and other appropriations; amending appropriations; making appropriations to capitalize funds; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

1 (d) Notwithstanding any other provision of an appropriation Act, if amounts from
2 sources available to finance the appropriations listed in (1) - (5) of this subsection fall short of
3 estimates appropriated by law, deposits of amounts in the fish and game fund (AS 16.05.100)
4 from the general fund derived from criminal fines, penalties, and forfeitures, not specifically
5 appropriated for another purpose, are ratified and appropriated to the fish and game fund
6 (AS 16.05.100) to cover the shortfall:

7 (1) sec. 14, ch. 60, SLA 2001;

8 (2) sec. 16, ch. 133, SLA 2000;

9 (3) sec. 9, ch. 84, SLA 1999, as amended by sec. 31, ch. 135, SLA 2000;

10 (4) sec. 9, ch. 137, SLA 1998;

11 (5) sec. 9, ch. 98, SLA 1997.

12 (e) Notwithstanding sec. 77, ch. 1, SSSLA 2002, the transfer of \$51,000 of the
13 unexpended balance of the appropriation made by sec. 2, ch. 34, SLA 1998, from the disaster
14 relief fund (AS 26.23.300) to the commercial fishing revolving loan fund (AS 16.10.340) is
15 ratified.

16 (f) The transfer of the amounts received by the Alaska Science and Technology
17 Foundation under AS 37.17.090(g) and paid into the principal of the Alaska science and
18 technology endowment (AS 37.17.020) by the board of directors of the Alaska Science and
19 Technology Foundation before July 1, 2002, is ratified.

20 * **Sec. 20. OPENING THE ARCTIC NATIONAL WILDLIFE REFUGE.** (a) It is the
21 intent of the Alaska State Legislature that Arctic Power coordinate with the Alaska Delegation
22 in Congress and the Office of the Governor in the development of an educational effort to
23 promote the opening of the Arctic National Wildlife Refuge to oil and gas exploration and
24 development.

25 (b) The sum of \$1,100,000 is appropriated from the general fund to the Department of
26 Community and Economic Development for payment as a grant under AS 37.05.316 to Arctic
27 Power for education efforts from January 1, 2003, until June 30, 2003, inclusive, to open the
28 coastal plain of the Arctic National Wildlife Refuge for oil and gas exploration and
29 development. Arctic Power shall submit monthly detailed progress reports of activities and
30 expenditures of state funds by the first day of the second month following the month of
31 expenditure to the Alaska Congressional Delegation, the Governor of the State of Alaska, and

1 the members of the Alaska State House of Representatives and the Alaska State Senate.

2 (c) The sum of \$50,000 is appropriated from the general fund to the Department of
3 Community and Economic Development for payment as a grant under AS 37.05.315 to the
4 City of Kaktovik for support of the education efforts undertaken by Arctic Power to open the
5 coastal plain of the Arctic National Wildlife Refuge for oil and gas exploration and
6 development.

7 (d) The sum of \$50,000 is appropriated from the general fund to the Department of
8 Community and Economic Development for payment as a grant under AS 37.05.316 to the
9 Native Village of Kaktovik for support of the education efforts undertaken by Arctic Power to
10 open the coastal plain of the Arctic National Wildlife Refuge for oil and gas exploration and
11 development.

12 (e) The sum of \$100,000 is appropriated from the general fund to the Office of the
13 Governor for direct support of national efforts to open the coastal plain of the Arctic National
14 Wildlife Refuge for oil and gas exploration and development.

15 * **Sec. 21. REPEAL OF CONDITION ON FY 2003 OPERATING APPROPRIATIONS.**
16 Section 6, ch. 94, SLA 2002, is repealed.

17 * **Sec. 22. LAPSE OF APPROPRIATIONS.** (a) The appropriations made by secs. 2(c), 5,
18 19(e), and 19(f) of this Act are to capitalize funds and do not lapse.

19 (b) The appropriations made by secs. 2(a), 13(c), 16(k), 16(l), 16(m), and 16(n) of this
20 Act are for capital projects and lapse under AS 37.25.020.

21 (c) The appropriations made by secs. 20(c), 20(d), and 20(e) of this Act lapse June 30,
22 2007.

23 * **Sec. 23. RETROACTIVITY.** (a) Section 12(c) of this Act is retroactive to July 1, 2002.

24 (b) Section 2(a) of this Act is retroactive to October 3, 2002.

25 * **Sec. 24. EFFECTIVE DATE.** This Act takes effect immediately under AS 01.10.070(c).



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ANWR lobby group asks state for \$1.1 million

Lawmakers have no oversight in how Arctic Power spends money

January 27, 2005

By **TIMOTHY INKLEBARGER**
JUNEAU EMPIRE

Arctic Power, Alaska's top lobbyist for opening the Arctic National Wildlife Refuge to oil drilling, is asking the Alaska Legislature to put up more than \$1 million toward its efforts.

Alaska has given the group about \$9 million since 1992 when Arctic Power was formed, but lawmakers have no oversight on how the money is spent and some are beginning to ask whether it's worth it.

"I would think it wouldn't take that long for someone to sit down and make a list saying this is what we did," said Sen. Tom Wagoner, R-Kenai, chairman of the Senate Resources Committee.

Wagoner said he expects direction from Alaska's congressional delegation on how much, if any, to give the group this year.

"If we were to talk about \$1.1 million now, I'm not sure how much of that we'll need," he said.

He said he believes Sen. Ted Stevens, R-Alaska, will address the issue next month in his annual visit to the Legislature. Earlier this month, Stevens told the Anchorage Daily News, "You can spend all the money you want in this town, and I don't think it changes a Senate vote."

The U.S. Senate is polarized on the ANWR issue and Arctic Power's efforts might be better used on educating the public, according to Stevens spokeswoman Courtney Schikora Boothe.

"He believes (Arctic Power) serves a purpose, but lobbyists will not solve the ANWR issue in the Senate," she said.

The state Senate Resources Committee heard testimony on the funding

request Wednesday. Following the meeting, Arctic Power Executive Director Kevin Hand said the lobbying group is audited every year on its expenses. Hand, however, acknowledged that the results of the audit are not made public.

The financial report is not released because those opposing ANWR drilling would try to use the document against the group's lobbying effort, Hand said. He also said not all the money is contributed by public entities. Al Adams, co-chairman of the board for Arctic Power, said about 400 businesses contribute to Arctic Power.

ConocoPhillips, one of the state's largest oil companies, has dropped its financial support for Arctic Power, as has oil producer BP.

"We have not been involved in the ANWR debate in many years and have focused our investment attention in Alaska toward the gas pipeline and development of other North Slope satellite fields. Since ANWR is currently closed to development, we feel that any resolution or pledge on our part would be moot," according to a recent statement by ConocoPhillips.

Hand said the \$1.1 million would represent about a third of Arctic Power's total budget.

"The state of Alaska has to have a voice in this debate," he said. He noted that Arctic Power is outfunded many times over by environmental groups.

Although Arctic Power has been unsuccessful in its 12-year quest to open the refuge to drilling, Hand said the group has made some strides in educating the public.

"No one knew what ANWR was in 1992," he said. "If you talked about the Porcupine caribou herd in 1992, people thought you were talking about porcupines."

Sen. Kim Elton, D-Juneau, who serves on the Senate Resources Committee, has opposed funding Arctic Power and said the state should be able to account for how its money is used if it is going to spend millions.

"You need to have a vision backed by tactics, so you can measure your effectiveness along the way," he said.

The committee did not take action on the bill Wednesday.