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OVERVIEW:

DNR

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Handout 1/25/07

Overview
Alaska Department of Natural Resources

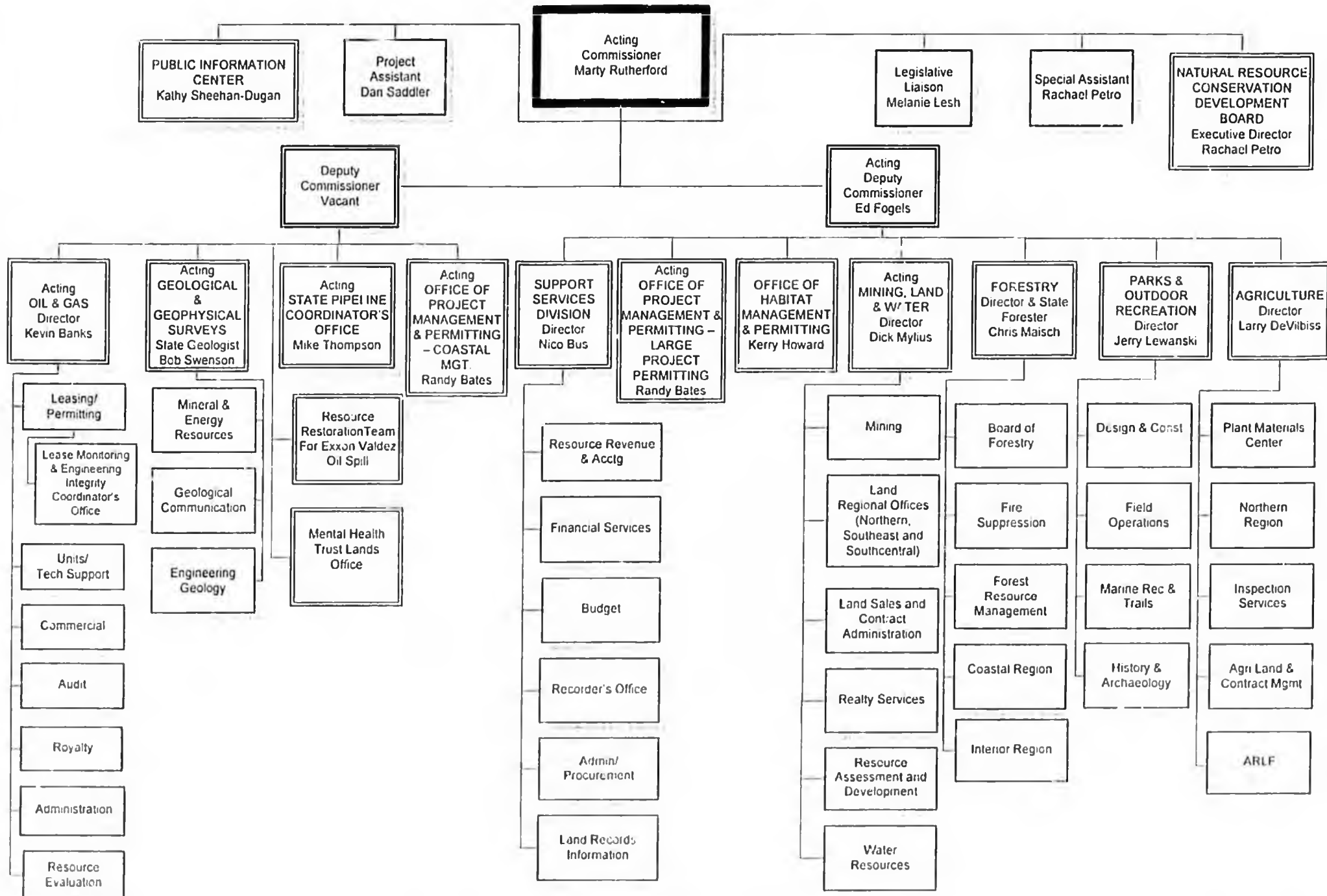
Submitted to 25th Alaska State Legislature
House Finance Committee
January 25, 2007



"It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest."

*- Alaska State Constitution
Article 8, Section 1*

Department of Natural Resources As of January 2007



Commissioner's Office

Mission: The Commissioner's Office Component provides policy and management direction to the DNR divisions, resource policy advice to the Governor and the Cabinet, and resource information to the Legislature. Line authority is exercised to oversee and facilitate the wise use, development and conservation of state-owned land, water, timber, mineral, oil and gas, agricultural and recreational resources. We foster inter-divisional and interdepartmental cooperation, assist in developing and monitoring legislation, and carefully consider any citizen appeals of divisional decisions.

Oil & Gas Development

Mission: Oil and Gas Development manages oil and gas lands in a manner that assures both responsible oil and gas exploration and development and deliver of maximum revenues to the state.

Core Services

A) Encourage Exploration and Development:

- Make prospective lands available for oil and gas exploration, development and production on a predictable basis
- Provide publicly available existing and new oil- and gas-related information to technical users, the general public, and the press through technical publications, informational pamphlets, the Web site, or personal contact
- Provide technical and policy support for the Alaska congressional delegation, the governor's office, the Legislature, and the commissioner of DNR
- Adjudicate exploration and development permits effectively and maintain a proactive inspection program

B) Maximize Benefits of Development and Production to the State:

- Administer conventional oil and gas leases and exploration licenses, as well as exploration incentive programs
- Maximize the economic and physical recovery of hydrocarbon resources through unitized or cooperative operations
- Ensure that exploration, leasehold and unit-related operations are conducted in a timely and environmentally sound manner, with emphasis on long-range system integrity
- Advocate responsible oil and gas development throughout the State

C) Maximize Non-tax Revenue from State Oil and Gas Production:

- Ensure that the state receives full value from the extraction and sale of state oil and gas resources
- Develop marketing strategies and negotiate agreements for the sale of royalty oil and gas to provide in-state benefits and revenue enhancements

- Ensure that bonus, rental, license fees, net profit and royalty payments are correct, allocated to the proper revenue fund and received when due
- Ensure that shared federal bonus, rent, and royalty revenues are properly received and allocated to the proper revenue fund
- Ensure that the state's resource ownership interests are effectively represented in the North Slope gas contract and provide technical and commercial support in the negotiations

Petroleum System Integrity

Mission: The Petroleum System Integrity office will improve both the development and conservation of resources through coordination of oil and gas permitting and oversight activities among all state and federal agencies with oil-and-gas related authority and responsibility.

Core Services

A) Quality Assurance Review: Review the quality assurance programs of unit/lease operators; prioritize areas of risk for corrective attention; identify gaps or weaknesses in the programs; exercise oversight of quality assurance actions and activities

B) Oversight Coordination: Coordinate permitting actions and oversight activities between state and federal agencies that have oil and gas related responsibility

C) Gap Filling/Duplication Avoidance: Ensure there are neither any gaps in regulations for oil and gas related infrastructure and activity, nor any duplication of government regulations and oversight responsibilities

Alaska Coastal Management Program

Mission: The Alaska Coastal Management Program's mission is to oversee responsible development of coastal uses and resources within the State's coastal area and the Outer Continental Shelf (OCS).

Core Services

- Manage and administer the Alaska Coastal Management Program (ACMP)
- Act as State's liaison to federal agencies (1) conducting/permitting activities within the State's coastal area and the Outer Continental Shelf; (2) involving federal laws/initiatives that effect development of the coastal uses or resources of the State
- Manage and administer the Coastal Impact Assistance Program (CIAP)

Large Project Permitting

Mission: The Large Project Permitting team protects and advances State and public interests concerning major private and federal developments and policy initiatives to enhance the State's economy, quality of life, and natural resource values.

Core Services

- Coordinate State review and permitting for large complex resource development projects, which include hard rock mining projects, oil and gas projects, and transportation projects
- Coordinate State participation in federal land use planning efforts that lay the groundwork for successful resource development, wise stewardship of state resources, and continued opportunities for access, and public uses such as recreation, hunting and fishing. Coordinated multi-agency planning ensures that multiple departmental interests, authorities and jurisdictions are properly recognized in adopted federal land management strategies.
- Coordinate State participation in ANILCA implementation issues to ensure the State of Alaska's multiple departmental interests, authorities, and jurisdictions are properly recognized in federal decision making. Participation ensures that the 100 million acres of federal conservation system units are managed consistent with Congressional intent to protect tourism and resource development opportunities and maintain opportunities for traditional activities and access.
- Manage a collaborative approach between state, federal and local resource agencies and land managers to address North Slope resource information needs through the North Slope Science Initiative.

Office of Habitat Management and Permitting

Mission: The mission of the Office of Habitat Management and Permitting is to protect Alaska's valuable fish and wildlife resources and their habitats as Alaska's population and economy continue to expand.

Core Services

- Review applications and issue permits for activities in anadromous waterbodies and fish-bearing waters (Title 41); provide expertise to protect important fish and wildlife habitat; monitor authorized projects
- Review proposed timber harvest activities; conduct field inspections; work cooperatively with timber operators and other governmental agencies
- Maintain and revise the Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes
- Review development projects (e.g., oil and gas, hard-rock mining, hydropower, roads) authorized under other agencies' authorities
- Conduct research on ways to minimize impacts of development projects on fish and wildlife resources

Mining, Land and Water

Mission: The mission of the Division of Mining, Land and Water is to encourage the settlement of state land and the development of state resources by making them available for maximum use consistent with the public interest. (Constitution; Article VIII, Sec 1).

The primary service provided by this component is the effective management of Alaska's minerals, land and resource assets to produce revenues, create jobs, and to promote economic vitality. The Director's Office component provides the management and administrative oversight for the five other components within the Division of Mining, Land and Water. These are:

- Claims, Permits and Leases
- Land Sales and Municipal Entitlements
- Water Development
- Title Acquisition and Defense
- RS2477 / Navigability Assertions and Litigation Support

The Division of Mining, Land and Water promotes the use of state minerals, land and resources and recognizes the public benefits derived from this use and development. The Division has and will continue to streamline processes and maximize economic opportunity working with the public and private sectors to stimulate and promote sound development.

The Division has structured its budget to reflect the expectation that developing the state's land and resources should, in general, pay for itself. Functions that develop Alaska by authorizing or granting resources to the private sector are funded primarily on program receipts. That is, developing the land and resources of Alaska will pay for the cost of administration and provide some return to the school fund, permanent fund and the general fund.

Forest Management and Development

Mission: The Forest management and Development component's mission is to support jobs in timber and fishing, manages sustainable forests on state land, and provides technical forestry assistance to communities and private landowners.

Core Services

- Delivers forest resource management and forest practices services
- Provides a sustained yield of forest resources and uses on legislatively designated State Forests and other forested state land
- Sells timber to the private sector which creates jobs through local value-added processing, harvesting, transportation, and reforestation

- Inspects harvest operations on state land for compliance with state laws and contracts. Involves the public and other agencies in forest management decisions on state land
- Maintains and enhances wildlife habitat on forest lands to support personal and guided hunting, and provides sites for commercial tourism and private recreation
- Administers the Forest Resources and Practices Act (FRPA) on state, municipal, trust, and private lands
- Provides one-stop shopping for compliance with the federal Clean Water Act and coastal zone management requirements
- Reviews Detailed Plans of Operation, works with operators during on-site inspections, trains operators and landowners, conducts implementation monitoring, and when necessary, enforces the FRPA's provisions
- Provides forestry assistance to private landowners, Native corporations, and communities
- Provides statewide leadership and policy direction, and administrative direction, to the division's wildland fire and forest management programs

Geological Development

Mission: The Geological Development component's mission is to contribute to the Department's mission to develop, conserve, and enhance Alaska's natural resources by collecting, archiving, and distributing the geological information that will catalyze private-sector energy- and mineral resource exploration and support wise land-use decisions. The mission of the Division of Geological & Geophysical Surveys is clearly defined in statute: " ... determine the potential of Alaskan land for production of metals, minerals, fuel, and geothermal resources; the location and supplies of groundwater and construction materials; the potential geologic hazards to buildings, roads, bridges, and other installations and structures ... " (AS 41.08)

Core Services

- Functions as the state's lead source and repository of Alaska geologic information and the primary source of information concerning Alaska's energy resources, mineral resources, and geologic hazards
- Provides the geologic information needed for economic diversification, revenue generation, hazards mitigation, infrastructure development, and resource management in the state of Alaska
- Plays a strategic role in the generation and maintenance of Alaska's economy through development of its geologic resources, and in the public safety of its citizens with respect to mitigating the risks from natural geologic hazards
- Stimulates the discovery of minerals, coal, oil, gas, geothermal energy, construction-quality sand and gravel, and water by providing geologic-framework data on which to base industry resource-exploration programs

- Provides geologic data and assessments used by DNR management divisions (Mining, Land & Water; Oil & Gas; Parks & Outdoor Recreation; Agriculture; and Forestry), state departments (e.g., Commerce, Community and Economic Development; Transportation & Public Facilities; Military and Veterans Affairs), and municipalities. Geologic information provided to users outside DNR has been used to catalyze private sector exploration investment, plan natural-hazard mitigation and disaster preparedness in cities and villages, select transportation-corridor lands for Alaska, and to better design roads and other infrastructure
- Maintains the Geologic Materials Center, Alaska's archive of representative geologic materials from across the state. The collection, representing many millions of dollars in acquisition cost, includes oil- and gas-related samples, mineral-related and coal samples collected by DGGS and donated by industry and numerous Federal agencies. The samples provide the reference collection of materials used by the petroleum and mineral industry to guide new exploration ventures
- Works collaboratively with the other Divisions in DNR and with Alaska-based federal agencies to make all public sector geologic resource data accessible via the Internet
- Administers the Alaska Seismic Hazards Safety Commission and publishes its recommendations for improving state and local policies to reduce human casualties and economic losses from earthquakes and tsunamis

Agricultural Development

Mission: The Division of Agriculture, and Board of Agriculture and Conservation work to promote and encourage development of an agriculture industry in the state.

Core Services

The Division of Agriculture, in cooperation with industry representatives, the Commissioner of the Department of Natural Resources, and the Board of Agriculture and Conservation administers agricultural policy for Alaska. The division works to create opportunities by providing consistency and stability in state agricultural programs. The agricultural assets owned by the division are managed to promote economically viable development, maximize return to the state, and encourage privatization.

Conservation and Development Board

Mission: The Natural Resource Conservation and Development Board provides for the development, use, and conservation of farm, forest, and grazing land of the state in accordance with its capabilities through conservation planning.

Core Services

The Natural Resources Conservation and Development Board provides advice, direction, and assistance to local Soil and Water Conservation Districts (SWCDs). The Board conducts and certifies elections of local SWCDs and provides administrative oversight and assistance. The Board has the ability to make recommendations on "the

orderly development of agricultural, forest and grazing land in the state" to the Commissioner and Director of the Division of Agriculture. In addition, the Board acts in an advisory capacity to the Commissioner and Director of the Division of Agriculture in the review of natural resources conservation plans for all state agricultural land sales in the Alaska District.

The Executive Director coordinates the activities of the board, provides procedural and technical assistance, and provides a direct link to the Commissioner on matters relating to the Natural Resources Conservation and Development Board and Soil and Water Conservation Districts.

Mental Health Trust Lands Administration

Mission: The Trust Land Office (TLO), supported by funds derived from Trust Income, manages and develops Alaska Mental Health Trust lands on behalf of the Alaska Mental Health Trust Authority to help improve the lives and circumstances of Trust beneficiaries. Annual income earned is available for distribution by the Trust Authority in the following year; principal earned contributes to income distributed in subsequent years.

Core Services

- Administer existing transactions on Trust lands (e.g., contracts, leases, permits, rights-of-way and other encumbrances affecting Trust lands). Initiate new and diverse revenue-generating activities on Trust land. Fully account for Trust Land Office revenues, costs, and actions. Generate \$2.6M in spendable income and \$5.0M in principal
- Manage existing and create new business through sales, licenses, leasing and project development
- Coordinate with Resource Management Committee (RMC) on annual work plan and consult with RMC on specifications to implement work plan
- Enhance Trust land values through subdivision improvements and actions, and acquire new lands and improvements for The Trust
- Provide efficient and accountable Trust Land Office administration

Fire Suppression Preparedness

Mission: The Division contributes to the Department's mission in the fire suppression preparedness component by ensuring that the Division's wildland fire suppression resources are in a state of readiness to safely and cost-effectively initial attack wildland fires. This component supports the Department's mission by providing wildland fire protection on state, private and municipal lands in Alaska, commensurate with the values at risk.

Core Services

- Provides for delivery of services in the wildland fire suppression preparedness program as part of its statutory responsibility under AS41.15.010

- Provides personnel, fire training, equipment, facilities and related support activities for Alaska's wildland fire management program, and establishes fire fighting readiness
- Promotes fire prevention
- Provides training in Incident Command System and required areas
- Certifies Fire Fighters to national standards
- Provides for joint fire response with other government agencies
- Strengthens local/state fire response

Fire Suppression Activity

Mission: The Division of Forestry's contribution to the Department's mission is to manage wildland fires in the safest, most efficient and cost-effective manner possible, meeting statutory requirements to provide wildland fire protection, commensurate with values at risk, to all state, municipal and private lands.

Core Services

The Division's Wildland Fire Management Program consists of two components under its statutory responsibility in AS 41.15.010 for wildland fires on all state, municipal and private lands in Alaska. This component funds wildland fire suppression operations and closely related activities.

The Division provides appropriate management response to wildland fires consistent with the Alaska Interagency Wildland Fire Management Plan. Appropriate management response ranges from rapid and aggressive initial attack to surveillance, dependant on values at risk and land manager objectives. In some parts of the state, this will be accomplished through cooperative agreements with federal and local government fire cooperators. Helicopters, air tankers and light fixed-wing aircraft are contracted and leased from private vendors to provide detection, transportation of initial attack firefighters, and application of fire retardant to wildland fires.

Parks Management

Mission: The Division of Parks and Outdoor Recreation provides Alaskans and state visitors outdoor recreational and economic opportunities to enhance their quality of life.

Core Services

- Keep all the parks open, clean, safe and well maintained
- Provide outdoor recreation opportunities in State Parks
- Promote and develop recreation and tourism as an industry

A) Park Maintenance and Operations provides for: repair and replacement of worn or vandalized facilities, refuse collection, volunteer support, janitorial maintenance, latrine pumping, painting, installing signs, printing park brochures, develop and maintain visitor information kiosks, water testing, trail maintenance, road grading, snow removal, telephone service, purchase and repair of tools and equipment, and compliance with health and safety practices required by OSHA.

B) Public Safety: Twenty-eight Park Rangers are commissioned as Peace Officers. Trained staff deter crime and behavior disruptive to park visitors; render first aid to accident victims; help coordinate search and rescue missions; educate visitors about wildlife and other natural hazards.

C) Resource Management: Park staff manages public use at 121 state park units spread across 3.3 million acres, much of which is intensely used. This use often requires careful supervision and community involvement to balance conflicting activities, to evaluate and mitigate the impacts of natural occurrences, such as avalanches or disastrous flooding, or to minimize human impacts such as river bank degradation from angler foot traffic.

D) Volunteerism: The division recruits, trains and supervises more than 850 persons volunteering for jobs from campground hosts, ranger assistants, trail maintenance crew members or visitor information providers to crime stoppers in our Park Watch program. Fourteen park advisory boards help park managers involve the local community in local park issues.

E) Commercial Use and User Fee Management: The division operates the necessary infrastructure and staffing to collect and account for over \$2.5 million in user fees, collected at 64 sites and 45 public-use cabins. The division permits over 800 commercial operators to provide for park-based tourism business opportunities while ensuring client safety and resource protection and reducing conflicts with non-commercial park users.

F) Manage Outsourced Operations: Forty-four separate facilities within 25 state parks are under private concession management. These parks include historic sites, nature centers, day use areas and numerous campgrounds. The division also manages two concession contracts that include a tractor launch in the Kenai Peninsula and a historic site near Delta Junction.

Parks & Recreation Access

Mission: The Division of Parks and Outdoor Recreation provides outdoor recreation opportunities including development of local park and recreation facilities and programs; and conserves and interprets natural, cultural, and historic resources for the use, enjoyment, and welfare of the people.

Core Services

- Keeping all State Parks open, clean, safe and well maintained
- Provide outdoor recreation opportunities in Alaska
- Provide facility and design construction for State Parks

A) Facility design and construction: Access to park resources is improved and expanded through coordinated site planning with local communities. Design, engineering and construction management will be done by parks staff with actual construction done by private sector contractors. Access includes new or improved trails, boat launch ramps, docks, campgrounds, public use cabins, and trailhead parking lots. To the extent possible, all facilities are designed to comply with the Americans with Disabilities Act (ADA) guidelines.

B) Public health and safety: Developing roadside scenic overlooks provides travelers with a safe, off the road facility from which to view Alaska's scenic and wildlife wonders. Regularly spaced roadside rest areas provide the public with clean and regularly serviced toilets.

C) Trail development and administration: Creating a coordinated statewide trail system for all seasons with motorized and non-motorized trails for residents, and to support the visitor industry. Protection of existing trail system through easements acquisition and dedication. Develop trail standards to be used throughout the state.

D) Grants administration: Support for outdoor recreation opportunities beyond state park boundaries is provided by two federal grants programs and one state grant program administered by Parks; Recreational Trails Program (RTP) and Land and Water Conservation Fund (LWCF). RTP provides grants from federal funds to agencies, local governments, trail clubs and organizations. Snowmobile registration fees are used to fund snowmobile trail grants. Parks gives snowmobile grants to agencies, local governments, trail clubs and organizations.

E) Safe boating: Increase public awareness, and the knowledge, skills, and abilities of Alaska's boaters by providing Alaska relevant boating education programs and educational materials.

F) Provide Interpretive and Education Opportunities: Develop displays containing safety, educational and informational messages to aid the visitor's welfare and enjoyment of cultural and natural resources. Management of the natural and cultural resources will be improved by the development of interpretive displays that will educate and inform the visitors about specific resource topics and concerns.

Information Services

Mission: Information Services provides information technology services and graphic land records to the Department of Natural Resources, and assures public access to information.

Core Services

- A) Create and maintain the state status plat maps that display location and distribution of state lands, property rights, and active DNR business cases
- B) Create, maintain and upgrade DNR business transaction systems via a centralized database of land management activity; including case, customer, revenue and billing, location, Recordings, Uniform Commercial Code, and electronic document management
- C) Create and maintain the centralized DNR Geographic Information Systems databases and maps used for policy, planning, and land management decisions
- D) Provide computer support, networking, email access, data storage, security, server administration, disaster recovery, help desk and other information technology services to DNR
- E) Build and maintain the primary DNR public access web pages and Internet portals that support millions of public use searches into department databases and deliver Internet-ready business systems to simplify the process of working with government on resource development projects.