



ALASKA NATURAL GAS
TRANSPORTATION PROJECTS
OFFICE OF THE FEDERAL COORDINATOR

FISCAL YEAR 2012 CONGRESSIONAL BUDGET JUSTIFICATION

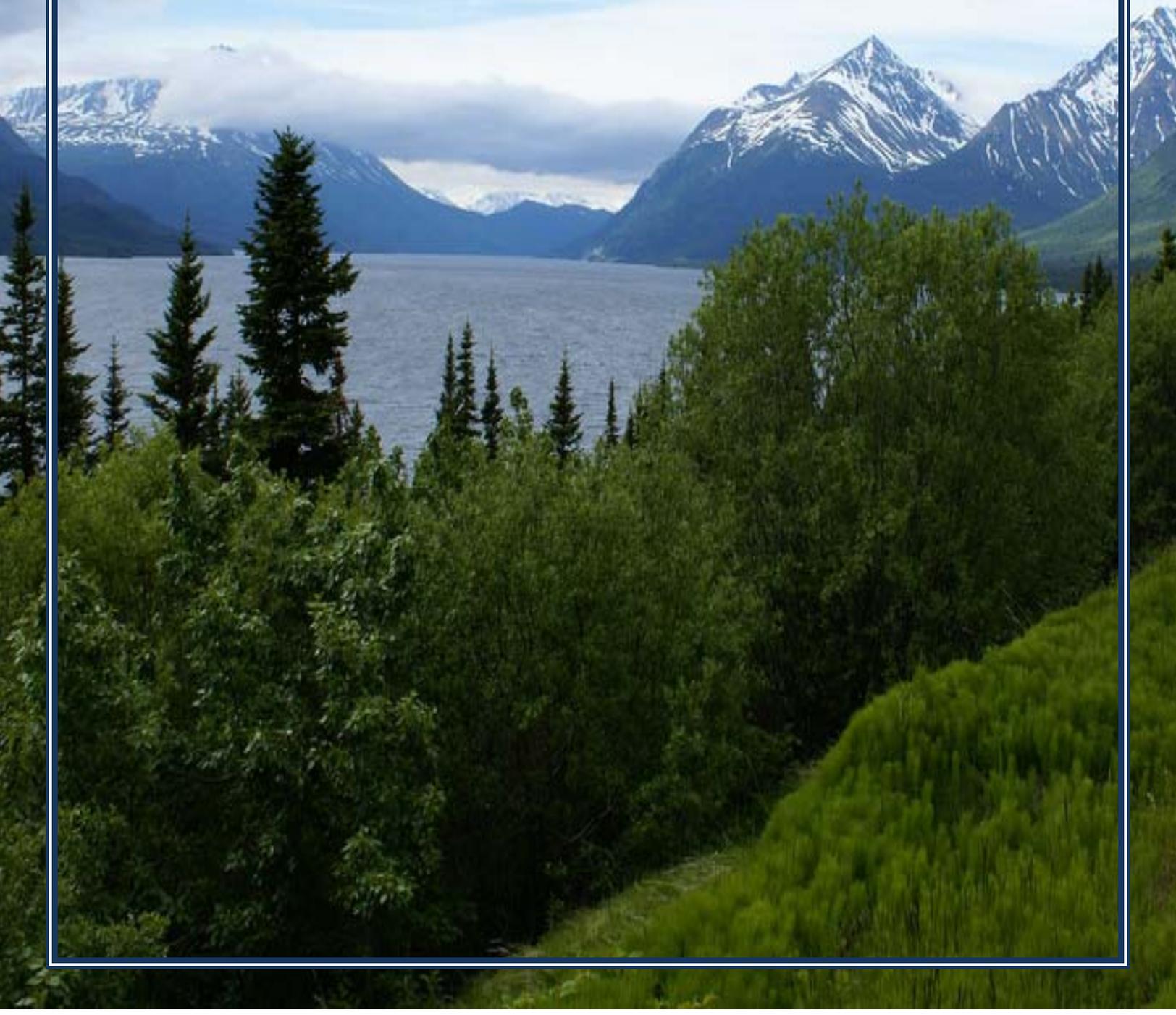


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EXECUTIVE SUMMARY

The Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects (OFC), established by Public Law 108-324, is an independent agency in the Executive Branch, pursuant to the Alaska Natural Gas Pipeline Act (ANGPA) of 2004. The OFC is responsible for coordinating all federal activities for an Alaska natural gas pipeline project, including joint surveillance and monitoring with the State of Alaska during construction and for one year following the completion of the project.

The five major functions of the OFC are to: (1) coordinate the expeditious discharge of all activities by all federal agencies with respect to an Alaska natural gas pipeline project; (2) ensure compliance of a project with ANGPA and the Alaska Natural Gas Transportation Act (ANGTA); (3) ensure that implementation or enforcement actions do not exceed the limitations established in ANGPA; (4) enter into a joint surveillance and monitoring agreement with the State of Alaska for the purpose of monitoring construction of the project; and (5) provide a liaison function to ensure adequate communication with Congress, the State of Alaska, U.S Federal Government and Canadian agencies.

The OFC's FY 2012 budget proposes \$4.032 million in discretionary appropriated funds and up to \$4.683 million in mandatory reimbursable fees, charges and commissions.

ORGANIZATIONAL STRUCTURE AND FUNCTIONS OF THE AGENCY

The OFC is organized into four divisions overseen by the Federal Coordinator in the Washington, DC, office and a Deputy Federal Coordinator in the Anchorage, Alaska, field office.

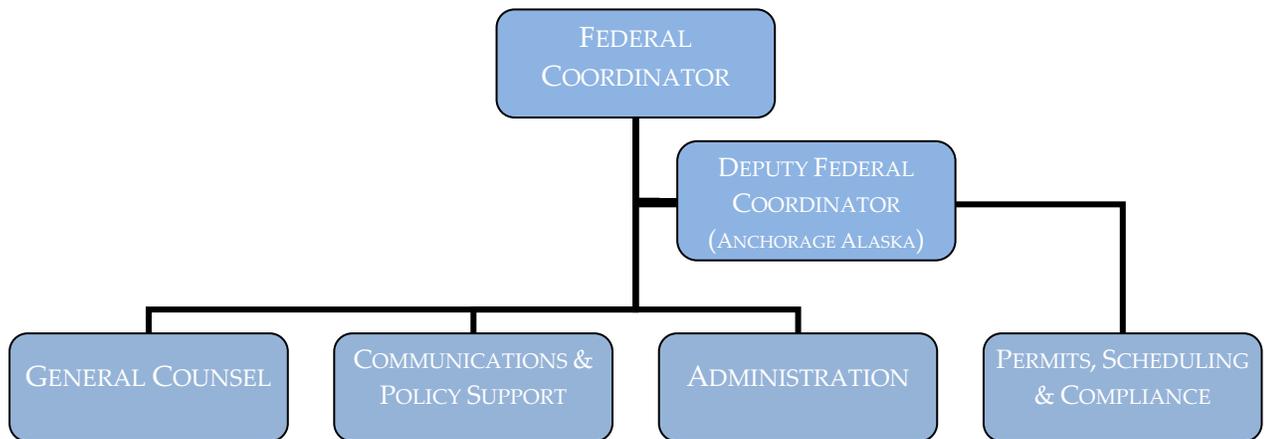
The four divisions are Permits, Scheduling and Compliance; Communications and Policy Support; General Counsel; and Administration.

- **Permits, Scheduling, and Compliance:** Oversees federal agencies' compliance with applicable laws and ensures that no discretionary terms or conditions are imposed by participating federal agencies that would delay or impair the expeditious completion of the project. The permits, scheduling and compliance division drafts and manages the federal implementation plans for the project. The division also prepares and maintains a matrix with respect to environmental, engineering, construction and operation permits and authorizations that will be issued by state and federal agencies. The division provides oversight of the various regulatory processes for completing the natural gas pipeline project; and coordinates activities between U.S. federal agencies and the appropriate regulatory Canadian agencies to ensure synchronization of critical processes related to the project.
- **Communications and Policy Support:** Maintains liaison and communication efforts with Congress, the public, project stakeholders, federal agencies, Alaska state agencies and Canadian agencies through outreach presentations, newsletters, the OFC website and other information portals. The communications and policy support division develops, implements and maintains a comprehensive communications plan to maximize the collection and delivery of information related to the project.
- **General Counsel:** Provides legal counsel and support to the OFC. The general counsel is responsible for drafting and implementing memorandums of understanding, agreements, policies and regulations that may be required by the OFC to carry out its statutorily mandated mission.

- **Administration:** Manages all human resource and personnel matters, financial management, procurement, contract management, facilities management, program travel, security and IT-related functions. The administrative division also maintains active liaison with the Office of Personnel Management and Office of Management and Budget.

In addition to the four divisions, the OFC has a field office in Anchorage, Alaska (OFC-Alaska).

- **OFC-Alaska:** Provides liaison functions with state interests including regulatory authorities, local Federal participating offices, the Alaska public, tribal interests, conservation groups and applicant offices in Alaska. OFC-Alaska also conducts interagency coordination and technical discussions relevant to the project and the joint surveillance and monitoring agreement with the State of Alaska.



BACKGROUND OF ACTIVITIES AFFECTING THE OFC'S 2012 BUDGET

There are two project sponsor teams pursuing a possible Alaska natural gas pipeline project to serve the Lower 48 states: The Alaska Pipeline Project (TransCanada and ExxonMobil), and Denali - The Alaska Gas Pipeline (ConocoPhillips and BP). Both are pursuing the project under Section 103 of the Alaska Natural Gas Pipeline Act (ANGPA) enacted in 2004, and both have entered the pre-filing process with the Federal Energy Regulatory Commission (FERC) toward applying for a certificate of public convenience and necessity. The two sponsor teams are looking at essentially the same project: Constructing a 48-inch-diameter steel pipe about 1,700 miles from Alaska's North Slope to Alberta, where the line would connect with existing natural gas pipelines to move the gas to Lower 48 markets. Both are proposing the same initial capacity for the pipeline — 4.5 billion cubic feet of gas per day, adding about 6 percent to U.S. natural gas supplies based on 2009 consumption.

In addition to working toward submitting a complete application to FERC for a certificate of public convenience and necessity — which would formally start the Environmental Impact Statement process — both project teams are working on gathering and analyzing data that will be required for the project's multiple state and federal permits. The Alaska Pipeline Project timeline anticipates submitting a certificate application to FERC in 2012; the Denali timeline anticipates a 2013 application to FERC. The project sponsor teams will continue with their design and agency consultations and permit work in FY 2012, while preparing the complex FERC applications. The OFC is working on the assumption that both projects will meet their application timelines to FERC, requiring a substantial increase in OFC work in FY 2012.

Both project teams held open seasons in 2010, a formal process under FERC regulations in which a pipeline developer requests proposals from potential shippers to sign binding, long-term contracts to move gas on the pipeline. Open seasons are a commercial opportunity for potential customers to compete for and acquire capacity on a new FERC-regulated interstate pipeline or expanded existing line. Based on open season bids, a pipeline developer may adjust a project design accordingly.

The Alaska Pipeline Project open season closed July 30, 2010; the Denali open season closed Oct. 4, 2010. The project sponsors then entered into discussions with potential shippers that submitted proposals under the open seasons. Those discussions are confidential negotiations between private parties. If the parties can reach agreement, they are required to file what are called "precedent

agreements” with FERC, detailing the terms of the shipping commitments. Those terms are then released to the public. Both project sponsors received bids for significant capacity on the pipeline and are looking toward completing successful negotiations of precedent agreements by early 2011 in order to remain on schedule for project development.

It is expected that only one project team will proceed with actual construction of the Alaska natural gas pipeline, but that will be a commercial decision for the companies to make on their terms and on their schedule. The OFC does not favor either project sponsor team over another, and assists both teams equally.

The OFC’s job includes preparing and updating an implementation plan for each project sponsor team, covering all stages of environmental review and federal permitting through the completion of construction. The OFC issued its first-phase implementation plan for each project; the first update was released in February 2011 and every six months thereafter additional updates will be released. Preparing and updating the implementation plans involves working with the project sponsor teams and two dozen federal agencies to constantly track environmental reviews and permit work to ensure the project can remain on schedule and that agencies receive all of the information needed for timely decisions. The implementation plans are a responsibility of the OFC under a multi-agency memorandum of understanding signed by 20 federal permitting agencies.

In addition to the workload of the implementation plans, the OFC has developed a complex permits matrix, tracking the federal permits required for the project, providing regulatory and statutory citations, permit summaries, data requirements, agency contact information and other details useful for the project sponsors, stakeholders and general public. The permits matrix is available to the public at <http://www.arcticgas.gov>. OFC plans to expand the permits matrix to add a feature that will track the progress of each permit.

Although the OFC’s legal authority to oversee project permitting does not extend across the U.S. border into Canada, the office is fully engaged with Canadian federal, provincial and territorial authorities to ensure that all regulatory agencies on both sides of the U.S.-Canada border are fully informed of the project and aligned in their efforts.

Public outreach is another key element of the OFC’s work, especially in providing the public clear and easily accessible information on the project, the permitting process and requirements, and the FERC process (the project’s open seasons

were the first ever held for an interstate pipeline in Alaska). The OFC serves as a clearinghouse for public information about the project. Outreach efforts also include working with Native groups, state and municipal officials, Canadian governments and other stakeholders to ensure everyone has accurate information on the project.

The OFC is continuing its work to develop a prototype, web-based Geographic Information System (GIS) of a 20-mile stretch of the proposed natural gas pipeline route at Alaska's Atigun Pass. The GIS prototype will go on line in 2011 providing project sponsors, stakeholders, permitting agencies and the general public the ability to learn the full value of the data-rich GIS, which layers multiple data sources on top of an authoritative LiDAR (Light Detection and Ranging) base map. The GIS can provide users with detailed information and images on terrain, wetlands, waterways, ground slope, vegetation, roads and structures, and other ground features.

The OFC also is in discussions with the State of Alaska regarding a framework that would lead to the agreement required in Section 106(e) of ANGPA (joint surveillance and monitoring agreement for project construction). The agreement would be in effect during the construction of an Alaska natural gas pipeline project and requires approval by the President of the United States and Governor of Alaska. A similar agreement was in place during construction of the trans-Alaska oil pipeline in the mid-1970s.

The OFC is authorized to establish reasonable filing and service fees, charges and commissions. The collection of fees and charges depend upon the level of the project's activity, and the first collections occurred in FY 2010. The OFC has a cost reimbursement agreement with the Denali project (signed in the spring of 2010), and expects to have a similar agreement in place with The Alaska Pipeline Project by the end of 2010. Collections under both cost reimbursement agreements in FY 2012 will depend on several unknown factors, including the completion of precedent agreements under the open seasons and permitting activities and, as such, the OFC request for FY 2012 fees remains static from the FY 2010 and FY 2011 budget requests.

More detailed information about the OFC's past activities can be found in the Performance Accountability Reports on the OFC's website at www.arcticgas.gov.

HIGHLIGHTS OF PROGRAM ACTIVITIES FOR FISCAL YEAR 2012

Following are highlights of the OFC’s planned FY 2012 activities, summarized by program area. Specific details regarding performance goals and objectives can be found in the OFC’s strategic plan.

The volume and intensity of some OFC FY 2012 activities will depend in part on the progress by the two project sponsor teams toward submitting their applications for federal environmental, land-use and construction permits, and their application to FERC for a certificate of public convenience and necessity to build and operate the gas pipeline. The pace of those applications will be determined in part by the success of commercial negotiations that commenced between project sponsors and potential shippers after the project open seasons (bidding) closed in 2010. Although several aspects of the permitting process are outside the control of the OFC in particular, and the Federal Government in general, while waiting for the commercial negotiations to conclude between the private interests that would be involved in financing and constructing the pipeline there are multiple other statutorily mandated activities on which the OFC intends to work in FY 2012 that would help expedite discharge of project activities by other Federal agencies. Acknowledging this variability, the Budget requests \$4.032 million discretionary funding for base activities and up to \$4.683 million in reimbursable fees, charges and commissions to be designated as mandatory funding, for a total of up to \$8.715 million. The OFC is authorized by statute to establish reasonable filing and service fees, charges and commissions, which will depend on the level of permitting activity.

I. COORDINATION (GOALS 1 AND 2 OF THE OFC’S STRATEGIC PLAN)

A. PROJECT PLANNING AND IMPLEMENTATION

In accordance with PL 108-778, Section 106(c), the OFC has the statutory mandate to ensure federal agencies act in a manner that leads to expedited permitting, construction, and operation of the project within the requirements of all applicable laws. To carry out these mandates, the OFC 2012 budget includes \$211,581 in discretionary funds and up to \$250,000 in mandatory funds (up to \$461,581 total) to maintain and update the consolidated project implementation plans and permits matrix. The implementation plans describe federal government-wide program management activities and address legal and regulatory concerns, timelines, roles and responsibilities, data collection procedures, information management, and interagency communication

requirements. The implementation plans also address compliance with permitting guidelines, as well as other requirements delineated in ANGPA and detailed in the memorandum of understanding between the OFC and federal permitting agencies. In addition to the implementation plans, the OFC will continue to develop and maintain a matrix delineating responsibilities and timelines for federal agency permit and approval actions. The OFC's intent is to work closely with federal permitting agencies and FERC to ensure that the permits matrix — which is available on the OFC website — is the most complete and up-to-date publicly available inventory of permits required for the project, including status reports on each federal permit.

B. DATA AND INFORMATION MANAGEMENT

Data and information management are important to monitor and oversee the design, construction and operation of a pipeline system. The FY 2012 budget includes a total of up to \$1,100,000, of which \$100,000 is discretionary funding to maintain an interagency agreement for a federally managed and shared data management and information system. The OFC started work in 2009 on a comprehensive data management system and a prototype geographic information system (GIS) to allow for the integration of hardware and software to assemble and share geographic data along the proposed pipeline route for use by federal agencies, the State of Alaska, project sponsors and the public. The objective of the data management system is to provide a common point of reference for applicants and agencies that will assist in streamlining the permitting processes while providing an authoritative base map for analysis and referencing of all data related to the pipeline corridors. The OFC is continuing to refine the data management system and GIS prototype, and will carry forward that effort into FY 2012.

C. LIAISON AND COORDINATION

To ensure efficient communication and coordination among the project participants, the FY 2012 budget includes \$514,635 in discretionary funds and up to \$210,000 in mandatory funds (up to \$724,635 total). Significant OFC staff time will go toward evaluating the needs of federal permitting agencies and ensuring that project sponsors are fully aware of those needs, to avoid as much as possible any unnecessary delays in project development. As the pace of the project increases and the permitting coordination becomes more complex, the OFC will step up its role as liaison and coordinator to ensure alignment among the involved entities — while also maximizing delivery of information to the public and key decision makers. The OFC will work closely with federal agencies

under the terms of its memorandum of understanding and will continue to work with the State of Alaska in managing and updating the State-Federal Joint Surveillance and Monitoring Agreement. In addition, the OFC will work with the federal participating agencies, state and Canadian agencies to ensure consistency and to avoid unnecessary delays in the project.

II. COMPLIANCE AND OVERSIGHT (GOAL 2 OF THE OFC'S STRATEGIC PLAN)

A. REVIEWS

To ensure expedited reviews as specified in PL 108-778, Section 106(d)(1), the FY 2012 budget includes \$615,669 in discretionary funds and up to \$1,290,000 in mandatory funds (up to \$1,905,669 total). Relying on professional FTEs, contracted, term and/or temporarily employed personnel with expertise in a range of subject matter, the OFC will review all proposed federal permits, right-of-way authorizations, certificates and leases before their issuance to ensure that no unnecessary reviews and/or restrictions are imposed that could impair, delay or prevent the successful completion of an Alaska natural gas pipeline project.

B. STATE AND FEDERAL MOU

To maintain and manage a joint surveillance and monitoring agreement with the State of Alaska and to carry out the Federal Coordinator duties specified in PL 108-778, Section 106(e), the FY 2012 budget includes \$123,680 in discretionary funds and up to \$160,000 in mandatory funds (up to \$283,680 total). The federal government will have primary surveillance and monitoring responsibility in areas where the Alaska natural gas pipeline crosses federal land or private land, and the state government will have primary surveillance and monitoring responsibility in areas where the project crosses state land. The OFC will create and maintain a complete and timely agreement to address topics such as intergovernmental coordination with federal, state and local agencies; Alaska Natives, including Native institutions; the oil and gas industry and environmental groups.

III. ADMINISTRATION AND POLICY SUPPORT (GOALS 3 AND 4 OF THE OFC'S STRATEGIC PLAN)

A. POLICY SUPPORT AND INFORMATION DISSEMINATION

The FY 2012 budget includes \$291,675 in discretionary funds and up to \$540,000 in mandatory funds (up to \$831,675 total) for policy support and information dissemination. To ensure the expeditious completion of an Alaska natural gas pipeline project, the OFC will analyze major administrative policy issues and legislative initiatives and will determine their effect on the mission of the OFC and the Alaska natural gas pipeline itself. The OFC will employ professional FTEs, term and/or temporary employees to advise the Federal Coordinator, members of the OFC staff, and other federal agencies. The OFC will confer with key officials from the State of Alaska, the federal government, the Canadian government, Alaska Natives and the general public on legislative matters, policies, problems or major concerns regarding a natural gas pipeline project.

B. ADMINISTRATIVE PROGRAM SUPPORT

The OFC 2012 budget includes \$2,174,760 in discretionary funds and up to \$1,233,000 in mandatory funds (up to \$3,445,760 total) for administrative program support. The OFC administrative program support activities include human resource management, accounting, payroll, background investigations credentialing of employees, travel, contract management, space management, telecommunications, procurement of furniture, equipment, miscellaneous supplies, publications and online legal, environmental, and professional research database subscriptions.

SUMMARY OF FUNDING BY PROGRAM ACTIVITY (2009 – 2012)

The FY 2012 Budget designates \$4.032 million as discretionary funding and up to \$4.683 million in mandatory funding from collected fees, charges, and commissions, for a total of up to \$8.715 million. Mandatory funding will be used to pay for contracted, term, and temporary personnel and associated costs.

PROGRAM ACTIVITY	FY2009 DISCRETIONARY APPROPRIATION	FY2009 MANDATORY APPROPRIATION	FY2009 TOTAL	FY2010 DISCRETIONARY APPROPRIATION	FY2010 MANDATORY APPROPRIATION	FY2010 TOTAL	FY2011 DISCRETIONARY APPROPRIATION	FY2011 MANDATORY APPROPRIATION	FY2011 TOTAL	FY2012 DISCRETIONARY REQUEST	FY2012 MANDATORY REQUEST	FY2012 TOTAL REQUEST
Project Planning and Implementation	\$159,238	\$260,188	\$419,426	\$339,784	\$250,000	\$589,784	\$294,261	\$250,000	\$544,261	\$211,581	\$250,000	\$461,581
Data and Information Management	\$1,000,000	\$0	\$1,000,000	\$50,000	\$1,000,000	\$1,050,000	\$50,000	\$1,000,000	\$1,050,000	\$100,000	\$1,000,000	\$1,100,000
Liaison and Coordination	\$399,414	\$109,050	\$508,464	\$485,916	\$210,000	\$695,916	\$516,296	\$210,000	\$726,296	\$514,635	\$210,000	\$724,635
Reviews	\$2291,590	\$2,014,745	\$2,306,335	\$642,232	\$1,290,000	\$1,932,232	\$920,119	\$1,290,000	\$2,210,119	\$615,669	\$1,290,000	\$1,905,669
Federal and State MOU	\$198,945	\$218,775	\$417,720	\$152,480	\$160,000	\$312,480	\$155,530	\$160,000	\$315,530	\$123,680	\$160,000	\$283,680
Policy Support and Information Dissemination	\$239,438	\$583,289	\$822,727	\$358,586	\$540,000	\$898,586	\$273,419	\$540,000	\$813,419	\$291,675	\$540,000	\$831,675
Administrative Program Support	\$2,111,375	\$1,473,953	\$3,585,328	\$2,437,002	\$1,233,000	\$3,670,002	\$2,075,375	\$1,233,000	\$3,308,375	\$2,174,760	\$1,233,000	\$3,407,760
TOTAL BUDGET	\$4,400,000	\$4,660,000	\$9,060,000	\$4,466,000	\$4,683,000	\$9,149,000	\$4,285,000	\$4,683,000	\$8,968,000	\$4,032,000	\$4,683,000	\$8,715,000

SUMMARY OF FUNDING BY OBJECT CLASSIFICATION (2009 – 2012)

The Budget designates \$4.032 million as discretionary funding and up to \$4.683 million in collected fees, charges, and commissions to be designated as mandatory funding, for a total of up to \$8.715 million. Mandatory funding in the 2012 budget will be used to pay for contracted, term, and temporary personnel and associated costs.

OBJECT CODE	EXPENSES	FY2009 DISCRETIONARY APPROPRIATION	FY2009 MANDATORY APPROPRIATION	FY2009 TOTAL	FY2010 DISCRETIONARY APPROPRIATION	FY2010 MANDATORY APPROPRIATION	FY2010 TOTAL	FY2011 DISCRETIONARY APPROPRIATION	FY2011 MANDATORY APPROPRIATION	FY2011 TOTAL	FY2012 DISCRETIONARY REQUEST	FY2012 MANDATORY REQUEST	FY2011 TOTAL REQUEST
11.	Compensation	\$1,585,292	\$2,451,136	\$4,036,428	\$1,628,095	\$1,672,000	\$3,300,095	\$1,777,800	\$1,672,000	\$3,449,800	\$1,620,562	\$1,672,000	\$3,292,562
12.	Benefits	\$429,000	\$651,567	\$1,080,567	\$439,586	\$528,000	\$967,586	\$545,700	\$528,000	\$1,073,700	\$385,938	\$528,000	\$913,938
21.	Travel	\$500,000	\$200,000	\$700,000	\$200,000	\$500,000	\$700,000	\$250,000	\$500,000	\$750,000	\$212,000	\$500,000	\$712,000
22.	Transportation of Things	\$25,000	\$0	\$25,000	\$25,000	\$0	\$25,000	\$5,000	\$0	\$5,000	\$5,000	\$0	\$5,000
23.	Communications and Utilities	\$35,000	\$58,000	\$93,000	\$50,000	\$25,000	\$75,000	\$125,000	\$25,000	\$150,000	\$125,000	\$25,000	\$150,000
23.	Rent	\$229,000	\$382,000	\$611,000	\$903,000 ¹	\$0	\$903,000	\$910,000	\$0	\$910,000	\$919,400	\$0	\$919,400
24.	Printing and Reproduction	\$25,000	\$0	\$25,000	\$25,000	\$15,000	\$40,000	\$25,000	\$15,000	\$40,000	\$5,000	\$15,000	\$20,000
25.	Consulting and Other Service	\$1,271,708	\$522,297	\$1,794,005	\$710,319	\$1,493,000	\$2,203,319	\$336,500	\$1,493,000	\$1,829,500	\$574,100	\$1,493,000	\$2,067,100
25.	Training	\$50,000	\$20,000	\$70,000	\$80,000	\$75,000	\$155,000	\$80,000	\$75,000	\$155,000	\$80,000	\$75,000	\$155,000
26.	Supplies and Materials	\$55,000	\$50,000	\$105,000	\$55,000	\$25,000	\$80,000	\$55,000	\$25,000	\$80,000	\$55,000	\$25,000	\$80,000
31.	Equipment and Furniture	\$195,000	\$325,000	\$520,000	\$350,000	\$350,000	\$700,000	\$175,000	\$350,000	\$525,000	\$50,000	\$350,000	\$400,000
TOTAL BUDGET		\$4,400,000	\$4,660,000	\$9,060,000	\$4,466,000	\$4,683,000	\$9,149,000	\$4,285,000	\$4,683,000	\$8,968,000	\$4,032,000	\$4,683,000	\$8,715,000

SUMMARY OF FUNDING BY OBJECT CLASSIFICATION (2009 – 2012) CONTINUED

TOTAL	FY2009 DISCRETIONARY APPROPRIATION	FY2009 MANDATORY APPROPRIATION	FY2009 TOTAL	FY2010 DISCRETIONARY APPROPRIATION	FY2010 MANDATORY APPROPRIATION	FY2010 TOTAL	FY2011 DISCRETIONARY APPROPRIATION	FY2011 MANDATORY APPROPRIATION	FY2011 TOTAL	FY2012 DISCRETIONARY REQUEST	FY2012 MANDATORY REQUEST	FY2012 TOTAL REQUEST
EMPLOYEES	15	25 ²	40 TOTAL	15	15 ²	30 TOTAL	15	15 ²	30 TOTAL	14	15	29 TOTAL

Notes:

1. For the first three quarters of FY 2009, the OFC was located in temporary space. The increase in discretionary funding for rent in the years subsequent to FY 2009 budget request provided for rent for two permanent spaces in Anchorage, Alaska, and in Washington, DC.
2. As a result of the unexpected number of competing project sponsors and related program delays, some activities to include increasing staff that were projected to occur did not occur; subsequently, the number of anticipated contracted/term and or temporary staff hires have been readjusted accordingly.

OVERVIEW OF 2012 FUNDING BY OBJECT CLASSIFICATION

OBJECT CLASS 11.1

FULL-TIME STAFF \$1,620,562 (DISCRETIONARY FUNDING)

Includes funding for 14 full-time permanent staff. Projected staff activities include but are not limited to, preparing and issuing advice to federal agencies on executing project implementation plans; providing analyses of major administrative policy issues to support OFC’s consultations with Canadian and State of Alaska regulatory authorities; responding to Congress and federal agencies with information and data requests; reviewing all proposed federal permits, right-of-way authorizations, certificates, and leases before their final issuance to ensure that no unnecessary conditions or restrictions are imposed by other federal agencies that will impair, delay or prevent the successful completion of an Alaska natural gas pipeline project; and acting as point of contact and liaison for federal agencies, Alaska state officials, Canadian officials, project sponsors and other stakeholders.

OBJECT CLASS 11.3

OTHER THAN FULL-TIME STAFF UP TO \$1,672,000 (MANDATORY FUNDING)

Mandatory funds for up to 15 term, temporary and/or contracted employees. The OFC may employ contracted, term and/or temporary employees with technical expertise in areas such as pipeline design, Arctic civil design, environmental engineering and geotechnical engineering. The experts may conduct reviews and, if warranted, studies to enable the OFC to respond quickly to ensure that no unnecessary reviews and restrictions are imposed by other federal agencies that will impair, delay or prevent the successful completion of an Alaska natural gas pipeline project. Also, the studies may assist in determining the financial viability of decisions made by other federal agencies.

OBJECT CLASS 12

BENEFITS FOR FULL-TIME STAFF \$385,938 (DISCRETIONARY FUNDING);

AND BENEFITS FOR OTHER THAN FULL-TIME STAFF UP TO \$528,000

(MANDATORY FUNDING)

Funding for benefits for 14 full-time staff; and up to 15 temporary, term or contracted employees.

OBJECT CLASS 21

PROGRAM TRAVEL \$212,000 (DISCRETIONARY FUNDS);
AND UP TO \$500,000 (MANDATORY FUNDS)

Funding provides for travel to Alaska, Canada, project proponents' headquarters and other associated project-related program travel.

OBJECT CLASS 22

TRANSPORTATION OF THINGS \$5,000 (DISCRETIONARY FUNDS)

Shipping, mailing, and related equipment.

OBJECT CLASS 23

RENT AND ASSOCIATED COSTS \$1,044,000 (DISCRETIONARY FUNDS);
AND UP TO \$25,000 (MANDATORY FUNDS)

Funding for rent, communications and utilities in two offices: Anchorage, Alaska, and Washington, DC.

OBJECT CLASS 24

PRINTING AND REPRODUCTION \$5,000 (DISCRETIONARY FUNDS);
AND UP TO \$15,000 (MANDATORY FUNDS)

Funding for agency letterhead, printing and copying services for studies, publications, reports, vacancy announcements and other program-related materials.

OBJECT CLASS 25

TRAINING, CONSULTING, AND OTHER SERVICES \$654,100, (DISCRETIONARY FUNDS); AND UP TO \$1,568,000 (MANDATORY FUNDS)

Discretionary funding to provide for training, conferences, administrative support services such as payroll, accounting, human resource services and support, background investigations, credentialing, automated travel program support and other miscellaneous interagency support agreements. Mandatory funding to conduct specific studies, regulatory research, analysis, system design and construction, and implementation of a data management system.

OBJECT CLASS 26

SUPPLIES AND MATERIALS \$55,000 (DISCRETIONARY FUNDS);
AND UP TO \$25,000 (MANDATORY FUNDS)

Funding to provide for routine office supplies, on-line subscriptions, newspapers, periodicals and other technical and professional publications.

OBJECT CLASS 31

EQUIPMENT AND FURNITURE \$50,000 (DISCRETIONARY FUNDS);
AND UP TO \$350,000 (MANDATORY FUNDS)

Funding for furniture, computer equipment, IT servers and network hardware, software, copiers, faxes, printers to support permanent staff, authorized officers, term, contracted and/or temporary employees.