

**Alpine Satellite Development Plan
Final Environmental Impact Statement**

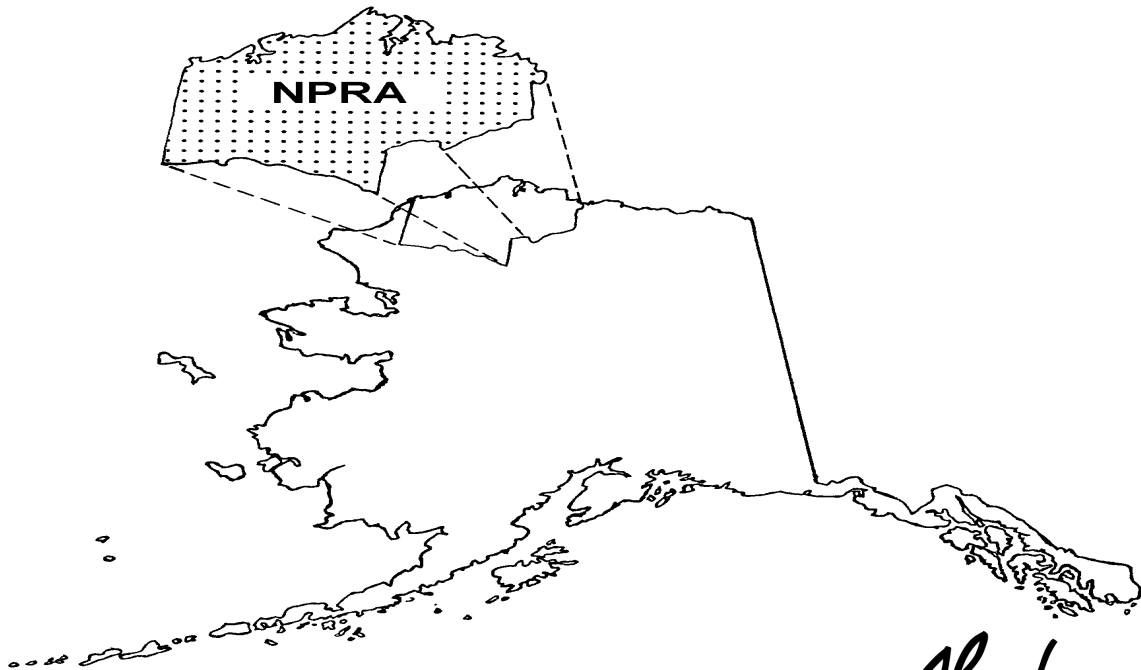
Appendix F

**National Petroleum Reserve-Alaska
Report to the Second Session
of the Twenty Third Legislature
State Fiscal Year 2004**

National Petroleum Reserve - Alaska Impact Program

Report to the Second Session
of the Twenty Third Legislature

State Fiscal Year 2004



State of Alaska

Frank Murkowski, Governor

Department of Community & Economic Development

Edgar Blatchford, Commissioner



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and Economic Development**

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January 21, 2004

The Honorable Gene Therriault
Senate President
Twenty-Third Alaska State Legislature
State Capitol, Room 111
Juneau, Alaska 99801-1182

The Honorable Pete Kott
Speaker of the House
Twenty-Third Alaska State Legislature
State Capitol, Room 208
Juneau, Alaska 99801-1182

Dear President Therriault and Speaker Kott:

This document is the Division of Community Advocacy's report on the status of the National Petroleum Reserve-Alaska (NPR-A) Impact Program.

The State of Alaska receives 50% of the federal revenues from oil and gas lease sales located in the NPR-A. Those revenues are deposited into the NPR-A Special Revenue Fund to provide grants to communities impacted by oil and gas development. This report provides information on the program and the status of the grants previously approved.

Please contact me if you have any questions about the NPR-A Program or this report.

Cordially,

Gene Kane
Director
Division of Community Advocacy

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Alaska Regulations (03 AAC 150)

NPR-A Impact Mitigation Program History and Overview

As authorized December 12, 1980 by 42 U.S.C. Chapter 78, Sections 6501-6508, the Federal Government, through the Department of Interior, Bureau of Land Management allows for the exploration and development of oil and gas within the National Petroleum Reserve-Alaska (NPR-A).

Although the federal government manages the NPR-A, Section 6508 of the federal statute requires that fifty-percent of the money received by the federal government from the "sales, rentals, bonuses, and royalties on leases issued.." be paid to the State of Alaska. Leases awarded by the federal government are usually for ten years and require that each company holding a lease pay a decreasing annual amount.

In accordance with Section 6508, the monies are to be used by "the State of Alaska for (a) planning, (b) construction, maintenance, and operation of essential public facilities, and (c) other necessary provisions of public service: *Provided further*, That in the allocation of such funds, the State shall give priority to use by subdivisions of the State most directly or severely impacted by development of oil and gas leased under this section."

The State of Alaska began receiving payments in State fiscal year 1983 (FY 83). To segregate these monies, in SLA 1984, Chapter 94 the Alaska Legislature enacted AS 37.05.530 (a) and (b). This statute established the National Petroleum Reserve Alaska Special Revenue Fund. Henceforth, NPR-A payments were to be deposited within the NPR-A Fund and used to support:

1. NPR-A Impact Mitigation grants to communities in accordance with AS 37.05.530 (c) through (e) which established the NPR-A Impact Mitigation Program. Under this program, communities may apply for assistance, i.e. grants, to fund projects that fall within federal and state guidelines. As required, priority is given to those communities most directly or severely impacted by oil and gas development.
2. Of the remaining lease payments, not needed to fund NPR-A Impact Mitigation grants, twenty-five percent is transferred to the Alaska Permanent Fund per AS 37.05.530(g).

3. Of the remaining payments, not needed to fund NPR-A Impact Mitigation grants, one-half percent is transferred to the Public School Trust Fund per AS 37.05.530(g).
4. Up to the entire amount of the remaining payments may be appropriated by the Legislature to the Power Cost Equalization and Rural Electric Capitalization Fund per AS 37.05.530(g).
5. Any remaining payments are then transferred to the State's General Fund per AS 37.05.530(g).

In 1985 the North Slope Borough, Wainwright, and Barrow filed suit alleging that the State's method of allocating the NPR-A payments was in conflict with federal law. The decision in *Barrow v. State*, No. 1JU-85-2634, established that: (1) the State's distribution of NPR-A revenue had been incorrect and it did conflict with federal requirements; (2) the State needed to "reconstitute" the NPR-A Fund in part; and (3) henceforth, the State would allow first priority to the municipalities and/or communities most directly impacted by the NPR-A development.

As a result of the litigation, the NPR-A Fund was reconciled and reconstituted as of October 1987. It was also reconciled and reconstituted again as of September 1990 and again as of June 1992.

Multiple reconciliation's between actual NPR-A payments received and cash available in the NPR-A Fund were necessary because:

- (1) The NPR-A payments (deposited in the NPR-A Fund) were being used to fund *two* programs. In addition to funding the NPR-A Impact Mitigation Program the payments were also funding grants awarded by the Department of Administration under the Municipal Grants Program; and
- (2) In FY 92 AS 37.05.530 was amended and required a recalculation of available cash in the NPR-A Fund annually back to FY 87.

SLA 1985, Chapter 96; SLA 1986, Chapter 128; SLA 1988, Chapter 173; and SLA 1990, Chapter 208 appropriated, repealed, and reappropriated the grants funded from NPR-A payments but administered under the Municipal Grants Program by the Department of Administration. These projects and their grants are not reflected in this report.

This report addresses only the grants that were/are funded from NPR-A payments *and* awarded under the NPR-A Impact Mitigation Program.

FY 87 was the first year of the actual NPR-A Impact Mitigation Program. The general procedure remains the same in 2004 as in 1987. Periodically, the Department is notified by the U.S. Department of Interior, Bureau of Land Management (BLM) that the federal government will be offering tracts of land for lease in the National Petroleum Reserve-Alaska. The Department then provides public notice that funding may become available for NPR-A Impact Mitigation grants and requests that communities submit project proposals (grant applications). The Department establishes a review committee, makes award recommendations, and if both NPR-A lease revenue and a Legislative appropriation is received, the Department awards NPR-A Impact Mitigation grants to specific communities for specific projects.

Aggregate information for the initial years of the NPR-A Impact Mitigation Program is reflected below. Project specific information is provided beginning on page 7 of this report.

<u>State Fiscal Year</u>	<u># of Projects and Communities</u>	<u>\$ Awarded</u>
FY 87	11 Projects 5 Communities	6,558,162
FY 88	0	0
FY 89	1Project 1 Community	937,000
FY 90	8 Projects 4 Communities	836,745
FY 91	7 Projects 5 Communities	590,000
FY 92	7 Projects 4 Communities	367,378
FY 93	4 Projects 4 Communities	447,126
FY 94	4 Projects 4 Communities	18,941
FY 95	4 Projects 4 Communities	25,538
FY 96 through FY 99	0	0
Total		\$9,780,890

By FY 96 all existing NPR-A leases had been terminated, relinquished, or had expired. The U.S. Department of the Interior, Bureau of Land Management (BLM) notified the Department that additional NPR-A payments would not be forthcoming. Therefore, the NPR-A Impact Mitigation Program was inactive from FY 96 through FY 99.

The NPR-A Impact Mitigation Program remained inactive until the early part of calendar year 1999. At that time the Department was notified that the U.S. Department of Interior, Bureau of Land Management (BLM) would be entering into new ten-year (approximate) leases on tracts of land in the National Petroleum Reserve-Alaska in May 1999.

BLM estimated that upon issuance of the ten-year leases, the federal government would receive approximately \$80,000,000 in fees. Alaska would receive fifty-percent, approximately \$40,000,000, about six months after the leases were awarded.

In anticipation of the forthcoming \$40,000,000 in payments, the Alaska State Legislature appropriated funding for NPR-A Impact Mitigation grants in FSSLA99 Chapter 2 Section 63.

Additionally, the Department provided public notice and requested communities to submit grant applications for potential projects. The Department established a review committee, evaluated the grant applications and in April 2000 recommended award of 24 grants totaling \$28,000,000 to four communities.

In January 2000 the State received \$40,298,622 in payments. The State retained \$28,000,000 of the cash within the NPR-A Fund for the NPR-A Impact Mitigation grants. As required by AS 37.05.530(g) the remaining cash was distributed to the Alaska Permanent Fund, Public School Trust Fund, and the Power Cost Equalization and Rural Electric Capitalization Fund.

In the two years following the May 1999 leases, BLM received slightly over \$3.3 Million annually. Alaska continued to receive fifty-percent, or approximately \$1,683,850 in FY 02 and \$1,686,105 in FY 03.

In May 2002 the State was notified by U.S. Department of Interior, Bureau of Land Management (BLM) that new ten-year leases would be awarded June 3, 2002. BLM awarded leases on approximately 60 tracts totaling 579,269 acres. BLM estimated the initial lease fees at \$63,811,496. The State's fifty-percent was estimated to be approximately \$31,905,748. It was actually \$34,556,369 and was received in April 2003. The State will also continue to receive its fifty-percent of the fees resulting from the May 1999 leases of approximately \$1,700,000 for another six to seven years.

In anticipation of the continuing payments from the May 1999 leases and the initial payments from the June 2002 leases the Department requested a \$35,300,000 capital appropriation for FY 04, to be funded with the NPR-A payments. The Department requested and received grant applications from impacted communities and awarded 30 projects totaling \$25,011,457 to 3 communities in March 2003. Aggregate information on all of the above is reflected on page 6 of this report. Project specific information is provided beginning on page 12.

For FY 05, the State anticipates receiving approximately \$3,190,170 for the NPR-A Impact Mitigation Grants. As of November 2003 the first installment of approximately \$1,595,085 had been received.

Effective October 16, 2003 the NPR-A program regulations were amended to change the date by which grant applications must be postmarked (for receipt by the Department) from September 15th annually to November 15th annually. This was the only change made to the regulations.

The Department provided public notice and requested communities to submit grant applications for potential projects in September 2003. Department staff also traveled to Barrow in September to provide NPR-A assistance and grant training to eligible communities.

Applications were received in November 2003. The Department established a review committee, evaluated the grant applications and in December 2003 recommended award of 10 grants totaling \$3,030,000 to 3 communities. Aggregate information is provided on page 6 with project specific information on page 20 of this report.

<u>State Fiscal Year and SLA</u>	<u># of Projects and Communities</u>	<u>\$ Awarded</u>
FSSLA 1999 Chapter 2 Section 63 - FY 00	24 Projects 4 Communities	28,000,000
SLA 2000	0	0
SLA 2001 Chapter 61 Section 85 – FY 02	10 Projects 3 Communities	1,683,850
SSSLA 2002 Chapter 1 Section 29 – FY 03	8 Projects 3 Communities	1,686,105
SLA 2003, Chapter 82 Section 11 - FY 04	30 Projects 3 Communities	25,011,457
FY 2005 (Tentative)	10 Projects 3 Communities	3,030,000
Total		\$59,411,412

FY 87 NPR-A Impact Mitigation Grants Awarded

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Atqasuk	Community Center Maintenance and Operations	99,000	Fund 50% of operating costs; only partly related to NPR-A development.	Closed 3/90
Atqasuk	Community Center Expansion	500,000	Project provides space for additional cultural programs; related to mitigation of cultural impacts.	Closed 1/88
Atqasuk	Basic Local Government Operations	90,000	Fund administrator position and miscellaneous office equipment/supplies. Administrator to develop strategies and plan for dealing with future NPR-A impacts and other grants.	Closed 9/90
Barrow	Boat Ramps	825,000	Related to subsistence impacts.	Closed 9/92
North Slope Borough	Barrow - Residential Care	539,637	Partly related to NPR-A impacts; fund a portion of operating costs. Serves regional needs.	Closed 9/90
North Slope Borough	Barrow - Juvenile Detention	3,000,000	Related to incremental impacts of NPR-A development. Serves regional needs.	Closed 6/93
North Slope Borough	Comprehensive Subsistence Management Plan	232,500	Related to overall subsistence impacts of NPR-A development.	Closed 9/91
Nuiqsut	Dry Boat Storage	551,395	Related to subsistence impacts. Fund construction of storage facility but not entrepreneurial activity unrelated to NPR-A impacts. Maintenance & operation costs partly related; funded at 50%.	Closed 9/90
Nuiqsut	Basic Local Government Operations	109,250	Large expansion of municipal government. Fund full-time administrator 1-1/2 years and miscellaneous office equipment/supplies. Administrator to develop strategies and plan for future impacts and administer other grants. Fund 50% (\$19,250) of request for computer/recreation equipment, only partly related to impacts.	Closed 10/89
Wainwright	Boat Ramp Construction	550,000	Related to mitigation of subsistence impacts. One boat ramp on sea and one on river.	Closed 11/88
Wainwright	Boat Ramp Planning	61,380	Planning Boat Ramp project (see above).	Closed 5/88
	Total	6,558,162		

FY 89 NPR-A Impact Mitigation Grants Awarded

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
North Slope Borough	Alcohol and Drug Abuse Facility	937,000	Residential and emergency respite care, alcohol and drug abuse treatment center located in Barrow. Serves regional needs.	Closed 10/91
Total		937,000		

FY 90 NPR-A Impact Mitigation Grants Awarded

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Atqasuk	Basic Local Government Operations	79,130	Continuation funding of FY 87 award. Related to mitigation of NPR-A impacts.	Closed 7/91
Atqasuk	Community Center Planning and Operations	96,982	Maintenance of facility related to expected long-term impacts of NPR-A.	Closed 4/91
Barrow	Cultural Center Planning	48,250	Related to mitigation of cultural impacts of NPR-A. Fund planning/design of facility.	Closed 8/91
Barrow	Basic Local Government Assistance	74,788	Fund each position by half; City to make up difference.	Closed 10/90
Barrow	City's Public Facilities Maintenance and Operations	238,843	Maintenance of public facilities related to expected long-term impacts of NPR-A.	Closed 11/90
Nuiqsut	Community Center/City Hall Maintenance and Operations	57,900	Previous NPR-A grant funded expansion of center. Maintenance and operations of facilities related to counteracting long-term cultural impacts from NPR-A.	Closed 1/91
Wainwright	Basic Local Government Operations	82,961	Goal: properly process and disseminate information and have adequate management in order for City to properly function. Related to mitigation of NPR-A impacts.	Closed 5/91
Wainwright	Community Center Maintenance and Operations	157,891	Maintenance and operation of center related to expected long-term impacts of NPR-A.	Closed 7/91
Total		836,745		

FY 91 NPR-A Impact Mitigation Grants Awarded

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Atqasuk	Community Center Maintenance and Operations	21,181	On-going maintenance and operation of facility related to impacts of NPR-A.	Closed 7/91
Barrow	Volunteer Fire Department Operations	133,980	Project pertains to life/health/safety.	Closed 11/91
Barrow	Search and Rescue Operations	104,000	Project pertains to life/health/safety.	Closed 11/91
Barrow	City Facilities Maintenance and Operations	49,319	On-going maintenance and operation of facility related to impacts of NPR-A.	Closed 4/91
North Slope Borough	Arctic Women in Crisis	200,000	Facility and program serves regional needs; pertains to life/health/safety.	Closed 9/91
Nuiqsut	Boat Storage Maintenance and Operations	30,500	On-going maintenance related to NPR-A impacts.	Closed 8/91
Wainwright	Community Center Maintenance and Operations	51,020	On-going maintenance and operation of facility related to impacts of NPR-A.	Closed 7/91
	Total	590,000		

FY 92 NPR-A Impact Mitigation Grants Awarded

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Atqasuk	Basic Local Government Assistance	69,802	Equipment/Office Supplies; Freight; Salaries/Benefits; Administrative/Audit Costs; Phone; Office Utilities.	Closed 8/92
Atqasuk	Community Center Maintenance and Operations	14,328	Maintenance and operation of center related to expected long-term impacts of NPR-A.	Closed 1/92
Barrow	Public Facilities Maintenance and Operations	146,951	Operation of public facilities related to long-term impacts of NPR-A.	Closed 10/92
Nuiqsut	Basic Local Government Assistance	49,963	Salary/Benefits; Equipment/Office Supplies.	Closed 4/92
Nuiqsut	Utilities Maintenance and Operations	5,878	City facility utility costs.	Closed 4/92
Wainwright	Basic Local Government Assistance	66,128	Equipment/Freight; Administrative Costs; Office Utilities; Salaries/Benefits; Maintenance of city vehicle.	Closed 9/92
Wainwright	Community Center Maintenance and Operations	14,328	On-going maintenance and operation of facility related to long-term impacts of NPR-A.	Closed 9/92
	Total	367,378		

FY 93 NPR-A Impact Mitigation Grants Awarded

<u>Grantee</u>	<u>Project</u>	<u>Initial</u>	<u>Increase</u>	<u>Total</u>	<u>Comments</u>	<u>Grant Status</u>
Atqasuk	Basic Local Government Assistance	21,280	28,720	50,000	Equipment/Office Supplies; Freight; Salaries/Benefits; Administrative/Audit Costs; Phone; Office Utilities.	Closed 4/93
Barrow	Public Facilities Maintenance and Operations	61,286	138,714	200,000	Operation of public facilities related to long-term impacts of NPR-A.	Closed 6/93
Nuiqsut	Basic Local Government Assistance	21,280	68,720	90,000	Office Benefits; Equipment/Office Supplies.	Closed 6/93
Wainwright	Basic Local Government Assistance	21,280	85,846	107,126	Equipment/Freight; Administrative Costs; Office Utilities; Salaries/Benefits; Maintenance of city vehicle.	Closed 6/93
Total		125,126	322,000	447,126		

FY 94 NPR-A Impact Mitigation Grants Awarded

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Atqasuk	Basic Local Government Assistance	4,167.02	Funds for existing city employees' salary and fringe benefits and for NPR-A fund audit related costs.	Closed 3/94
Barrow	Public Facilities Maintenance and Operations	6,439.94	Funds for utilities in association with public facilities.	Closed 3/94
Nuiqsut	Basic Local Government Assistance	4,167.02	Funds for existing city employees' salary and fringe benefits and for NPR-A fund audit related costs.	Closed 12/93
Wainwright	Basic Local Government Assistance	4,167.02	Funds for existing city employees' salary and fringe benefits and for NPR-A fund audit related costs.	Closed 4/94
	Total	18,941.00		

FY 95 NPR-A Impact Mitigation Grants Awarded

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Atqasuk	Basic Local Government Assistance	8,172.27	Funds for existing city employees' salary and fringe benefits and for NPR-A fund audit related costs.	Closed 7/95
Barrow	Public Facilities Maintenance and Operations	7,661.50	Funds for utilities in association with public facilities.	Closed 6/95
Nuiqsut	Basic Local Government Assistance	3,319.98	Funds for existing city employees' salary and fringe benefits and for NPR-A fund audit related costs.	Closed 6/95
Wainwright	Basic Local Government Assistance	6,384.58	Funds for existing city employees' salary and fringe benefits and for NPR-A fund audit related costs.	Closed 7/95
	Total	25,538.33		

NPR-A Impact Mitigation Grants Awarded - Based on April 2000 Recommendations

FY 00 Appropriation

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Atqasuk	Community Center Maintenance and Operations	90,000	Maintenance and operation of center related to expected long-term impacts of NPR-A.	closed 10/01
Atqasuk	Basic Local Government Operations	109,000	Fund salaries for new positions and increase of hours on current positions from part-time to full-time.	closed 4/02
Barrow	Public Facilities - Maintenance and Operations	650,000	Fund staff and other expenses to operate city recreation facilities.	closed 8/02
Barrow	Renovation/Upgrade of Barrow Teen Center and Community Center	1,000,000	These facilities are needed due to increase in NPR-A activities. The City's ability to absorb this impact through existing facilities and services is limited.	In progress
Barrow	Design, Construction & Purchase Retractable Boat Ramp	1,000,000	NPR-A uplands development will displace subsistence users from some areas. A boat ramp will provide subsistence hunters better access to the ocean.	In progress
Barrow	Maintenance Building Construction	630,000	Need for warm storage can be linked to mitigation of foreseeable NPR-A impacts.	In progress
North Slope Borough	Village Power Plant/Electrical Distribution & Waste Heat Conversion Upgrade	10,069,367	NPR-A development will impact power generation and distribution. Upgraded power production and distribution will mitigate population growth impacts and increasing 'westernization' of local lifestyles.	In progress
North Slope Borough	All Infrastructures Services Study	1,500,000	Studies will identify additional and continuing effects of NPR-A development on public facilities and the provision of public services. Impacts known or anticipated now can be supplemented with new data and forecasts.	In progress
North Slope Borough	Nuiqsut Above Ground Service Connections	2,100,000	Project is completed and closed out. A total of 124 residential, commercial, and public facilities were connected to water and sewer service.	closed 3/03
North Slope Borough	Nuiqsut Police Officer for 3 years	100,000	The community is presently impacted by NPR-A development. An additional officer will help the city address NPR-A related impacts.	closed 9/01
North Slope Borough	Wainwright Community Center Renovations	191,283	Will provide improved facilities for locals who have family members working away from home in NPR-A related employment. Improved opportunity for social and community support.	closed 6/03
North Slope Borough	Fire Department Equipment & training	1,114,150	Current firefighting equipment is old and outdated. Existing fire trucks are not equipped to handle the new city water system. Provides an essential public service. Need is linked to anticipated growth in service demand caused by NPR-A development.	closed 6/03
North Slope Borough	Harvest Monitoring: Subsistence Documentation Project	100,000	The need for harvest monitoring is clearly related to the foreseeable impacts of oil and gas development. Subsistence hunting is a culturally important activity. Establishment of baseline data will permit more accurate monitoring of oil and gas impacts on wildlife.	closed 4/02

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
North Slope Borough	Service & Inventory of Fish Resources in the Lakes & Streams of Eastern NPRA	150,000	The need for the inventory is clearly related to the foreseeable impacts of oil and gas development. Establishment of baseline data will permit more accurate monitoring of oil and gas impacts on wildlife.	In progress
North Slope Borough	Tracking & Analysis of Teshekpuk Lake Caribou Herd Movement and Distribution	150,000	The need for the tracking and analysis is clearly related to the foreseeable impacts of oil and gas development. Establishment of baseline data will permit more accurate monitoring of oil and gas impacts on wildlife.	closed 12/02
North Slope Borough	Nuiqsut Natural Gas Piping Distribution	3,800,000	NPRA development will create a higher demand for fuel use. Impacts include larger volumes and more frequent shipping, handling, increased air pollution, fuel spills and leaks, expanded fuel storage needs. The two Natural Gas grants were originally awarded to Nuiqsut who chose in 10/01 to have the NSB administer both projects on their behalf.	In progress
North Slope Borough	Nuiqsut Natural Gas Home/Building	2,200,000	Same as above.	In progress
North Slope Borough	Waterfowl Surveys	150,000	The need for the survey is clearly related to the foreseeable impacts of oil and gas development. Establishment of baseline data will permit more accurate monitoring of impact on wildlife.	closed 11/01
Nuiqsut	Construct Cultural Center	939,800	NPR-A development will impact the cultural resources of Nuiqsut. Cultural hall mitigates impacts by providing for cultural displays and storage. Anticipated level of activity at Kisik Hall make it unsuitable to serve as a cultural center as well.	Close out pending; grant will be renegotiated with the NSB
Nuiqsut	Daycare Construction, Operation & Maintenance	495,400	Need for the facility can be linked to the present and foreseeable impacts of NPR-A development.	Close out pending; grant will be renegotiated with the NSB
Nuiqsut	Basic Government Operation/Maintenance	200,000	Funds used to supplement staff salaries for a full-time mayor/administrator, grants administrator, clerk and bookkeeper.	closed 8/01
Nuiqsut	Kisik Hall Expansion	340,000	Increased use of city hall is anticipated to result directly from the NPR-A development. Renovation will help alleviate these impacts.	Close out pending; grant will be renegotiated with the NSB
Nuiqsut	Boat Dock With Ramp	765,000	NPR-A uplands development will displace subsistence users from some areas. A boat ramp will give subsistence hunters better access to the ocean.	Close out pending; grant will be renegotiated with the NSB

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Nuiqsut	Fencing for Graveyard	156,000	Provides mitigation for foreseeable NPR-A impacts through the protection of cultural resources.	Project has been completed and close out is pending
Total		28,000,000		

NPR-A Impact Mitigation Grants Awarded - Based on January 2001 Recommendations

FY 02 Appropriation

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Barrow	Public Facilities - Maintenance and Operation	334,540	Project will maintain safe and improved recreational facilities. This alleviates adverse social and cultural impacts from oil and gas development.	In progress
North Slope Borough	Harvest Monitoring; Subsistence Documentation	100,000	This is Phase II of the FY00 study.	In progress
North Slope Borough	Waterfowl Surveys	150,000	This is Phase II of the FY00 surveys.	In progress
North Slope Borough	Tracking & Analysis of the Teshekpuk Lake Caribou Herd	150,000	This is Phase II of the FY00 study.	In progress
North Slope Borough	Wainwright Basic Operations	250,000	Project provides operations assistance including partial salary costs, expenses and staff training necessary to successfully operate the local government.	Closed 5/03
Nuiqsut	Basic City Government Operations	200,000	Grant funds needed for staff salaries and expenses.	In Progress
Nuiqsut	Cultural Center Operations	288,000	Project will increase the Cultural Guardian position to full-time once facility is complete.	See note below
Nuiqsut	Teen Center Operation & Maintenance	121,310	Funds needed for staff salaries including adult recreation aides and part-time student hires.	See note below
Nuiqsut	Construct Wooden Deck Ball Court	30,000	The court is essential for recreational use by the youth residents.	See note below
Nuiqsut	Construct Emergency Hunting Shelters	60,000	Project provides a health/safety benefit to hunters.	See note below
Total		1,683,850		

Note: Nuiqsut's grants, with the exception of the Basic City Operations, will be negotiated and executed between the Department and the North Slope Borough for the benefit of Nuiqsut residents, as agreed upon by all parties.

NPR-A Impact Mitigation Grants Awarded - Based on November 2002 Recommendations
FY 03 Appropriation

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Atqasuk	Renovate Recreation Center	49,000	This phase includes installation of an efficient waste heating system.	In progress
Atqasuk	City Operations	249,057	Project supplements operations with partial salaries for the mayor, janitor, recreational aides and city clerk.	In progress
Barrow	Summer Youth Program	50,000	Project includes the annual Summer Clean-up Program which employs up to 60 youth as a service to the community.	In progress
Barrow	Public Facilities Operations	350,000	Project will maintain safe and improved recreational facilities and supplement funding for the Summer Youth Program.	In progress
North Slope Borough	Wainwright Basic Operations	250,000	Project provides operational assistance such as salaries, equipment and training to city staff with the goal of increased efficiency and an improved level of service to residents.	In progress
North Slope Borough	Nuiqsut Natural Gas Project	450,000	Project provides an alternative to high energy costs and increased demand created by the oil and gas activity.	In progress
North Slope Borough	Capacity Building	100,000	This involves each community within the Borough, encouraging consolidation of resources between city & tribal governments to result in the formation of partnerships to generate revenue necessary for a common goal: economic viability of the NPR-A communities.	In progress
North Slope Borough	Mayor's Workforce Job Training Program	188,048	Project mitigates impacts by supplying entry-level employment in village positions that have been vacated due to oil and gas development.	In progress
Total		1,686,105		

NPR-A Impact Mitigation Grants Awarded - Based on March 2003 Recommendations
FY 04 Appropriation

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Atqasuk	Local Government & Community Center Operations & Maintenance	368,621	Project supplements operations with partial salaries for the mayor, janitor, recreational aides and city clerk as well as costs to operate and maintain community center.	In progress
Barrow	Renovate Multi-Purpose Facility	53,719	Project will upgrade and expand existing public services currently provided at the Roller Rink and purchase necessary equipment and supplies.	In progress
Barrow	Public Facilities Operations and Maintenance	420,705	Project will maintain safe and improved recreational facilities and supplement funding for the Summer Youth Program.	Pending
Barrow	Recreation Building Addition Feasibility	40,000	Project will complete a feasibility study for the renovation and construction of the recreation building.	Pending
Barrow	Basic Local Government Operations and Maintenance	1,309,806	Project will fund in part the operation and maintenance of the city council, administration and recreation departments.	In progress
Barrow	Quest Mentorship Program with KBRW	265,000	Project will fund the Quest Mentorship Program through KBRW AM/FM radio station. Grant funds will be used to purchase necessary equipment for training interns and contractual services for implementation of the program.	In progress
Barrow	Addition to Cemetery Road	44,230	Project will construct a one-quarter mile road, drainage culverts, and shoulder work to gain access to cemetery. Funds for design, purchase of road materials, freight, supplies, labor.	In progress
North Slope Borough	Nuiqsut Natural Gas Upstream Conditioner	2,000,000	Project provides an alternative to high energy costs and increased demand created by the oil and gas activity.	In progress
North Slope Borough	Waterfowl in NPRA Continuation	443,619	The need for the survey is clearly related to the foreseeable impacts of oil and gas development. Establishment of baseline data will permit more accurate monitoring of impact on wildlife.	In progress
North Slope Borough	Arctic Fox Satellite Project	316,582	Purpose of project is to outfit 20 arctic fox with radio transmitters and collection and analysis of data gathered	In progress
North Slope Borough	Caribou Movements & Distribution	359,245	The need for the tracking and analysis is clearly related to the foreseeable impacts of oil and gas development. Establishment of baseline data will permit more accurate monitoring of oil and gas impacts on wildlife.	In progress
North Slope Borough	Survey and Inventory of Fish Resources	362,931	The need for the inventory is clearly related to the foreseeable impacts of oil and gas development. Establishment of baseline data will permit more accurate monitoring of oil and gas impacts on wildlife.	In progress

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
North Slope Borough	Fish Petroleum Hydrocarbon Study	405,659	Project will establish baseline data on the current status of petroleum hydrocarbons in four species of subsistence fish in the NPR-A.	In progress
North Slope Borough	Subsistence Harvest Monitoring	188,030	The need for harvest monitoring is clearly related to the foreseeable impacts of oil and gas development. Establishment of baseline data will permit more accurate monitoring of oil and gas impacts on wildlife.	In progress
North Slope Borough	Electric Thermal Oxidation/Waste Heat	1,500,000	Project will remodel the thermal oxidation system, expand the thermal oxidation system facility, and prepare a feasibility study on development of an electrical co-generation system at the facility.	In progress
North Slope Borough	Grant Oversight and Supervision	213,418	Project will allow NSB staff to work with borough communities to provide capacity building as well as send staff to professional development training.	In progress
North Slope Borough	Volunteer Search and Rescue Equipment	565,425	Project will provide search and rescue equipment, parts and supplies, and training for borough communities.	In progress
North Slope Borough	Fire Department Equipment Upgrades	250,276	Project will provide emergency medical equipment for five borough communities.	In progress
North Slope Borough	Barrow Sewage Treatment Facility	10,000,000	Project will provide funds for construction of a new sewage treatment facility which will safely store and treat raw sewage and runoff for the next 20 years.	In progress
North Slope Borough	Emergency Radio Communications	1,550,570	Project will provide funds for purchase and maintenance of equipment/materials/supplies needed for the 800 MHz radio system for NSB emergency response teams.	In progress
North Slope Borough	Police Department Facilities and Training	728,999	Project will upgrade police department facilities in NSB communities including purchase of updated equipment and vehicles and professional development training.	In progress
North Slope Borough	Telecommunications System Update	156,145	Project will purchase equipment necessary for upgrading the current information technology system and to provide training for NSB staff in installation, operation, and maintenance.	In progress
North Slope Borough	Research Equipment for NPR-A Activities	250,000	Project will purchase equipment for collecting and analyzing data on subsistence activities and fish and wildlife resources.	In progress
North Slope Borough	Barrow School Resource Officers	237,240	Project will place School Resource Officers in three Barrow schools as well as purchase educational materials, supplies, and training.	In progress
North Slope Borough	NPR-A Village School Counselors	435,736	Project will place a School Counselor in each of four borough communities and provide training for each.	In progress
North Slope Borough	Project Compliance and Fiscal Officer	198,250	Project will provide a new Project Compliance and Fiscal Coordinator for all research related projects within the NSB's Dept of Wildlife Management for two years.	In progress

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
North Slope Borough	Childcare/Learning Center/Training	56,123	Funds will be used to purchase surveillance equipment and for purchase and installation of fencing around Barrow Child Care Learning Center playground. Two Center employees will attend professional development training.	In progress
North Slope Borough	Village Summer Recreation Program	121,374	Project will hire a Recreation Coordinator and a Recreation Aide for a summer recreation program in the five NSB communities. Professional development training also to be provided.	In progress
North Slope Borough	Mayor's Job Program	653,929	Project mitigates impacts by supplying entry-level employment in village positions that have been vacated due to oil and gas development.	In progress
North Slope Borough	Workforce Development Program	1,515,825	Project will develop a One-Stop Job Center where village members can obtain skills, certifications, and the expertise necessary to become employed by the infrastructure created by NPR-A development.	In progress
Total		25,011,457		

NPR-A Impact Mitigation Grants Awarded - Based on December 2003 Recommendations
FY 05 Appropriation

<u>Grantee</u>	<u>Project</u>	<u>Amount</u>	<u>Comments</u>	<u>Grant Status</u>
Barrow	Tuzzy Library	180,000	Project will allow for the hiring of a full-time Library Technician to provide general library services with a focus on children.	Pending
Nuiqsut	Local Government Operations	250,000	Fund salaries for City positions and increase of hours on some current positions.	Pending
North Slope Borough	Local Government Operations for Wainwright	250,000	Fund salaries for City positions and increase of hours on some current positions.	Pending
North Slope Borough	Barrow Allied Health Care Training Program	500,000	The need for the survey is clearly related to the foreseeable impacts of oil and gas development. With project funds the North Slope Allied Health Training Program will provide a continuum of training and education in paraprofessional fields essential to developing local health care providers on the North Slope.	Pending
North Slope Borough	Social and Cultural Impacts Study	500,000	Purpose of project is to document observations and perceptions of North Slope residents regarding historical, current, and potential effects of oil industry activities on hunting and to determine how oil/gas development has affected hunters.	Pending
North Slope Borough	Oil/Gas Development Comprehensive Plan	400,000	This project will develop a comprehensive borough-wide oil and gas land-use plan to guide industrial development.	Pending
North Slope Borough	School Counselors Extended Program	205,000	This is a continuation of the program initially funded in FY 04 and will hire two additional school counselors in Barrow.	Pending
North Slope Borough	School Resource Officers	125,000	This is a continuation of the program initially funded in FY 04 and will be used to retain and train a School Resource Officer in Barrow.	Pending
North Slope Borough	School Based Programs	500,000	The NSB will partner with the NSB School District to provide open gyms and structured activities with grant funds in Atqasak, Anaktuvuk Pass, Barrow, Nuiqsut, and Wainwright.	Pending
North Slope Borough	Gull Distribution, Predation & Impact Study	120,000	This project will document the movements, behavior, and distribution of Glaucous Gulls through the use of satellite telemetry.	Pending
Total		3,030,000		