

BUDGET The United States Department of the Interior **JUSTIFICATIONS**

and Performance Information
Fiscal Year 2010

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION PROGRAM

NOTICE: These budget justifications are prepared for the Interior, Environment and Related Agencies Appropriations Subcommittees. Approval for release of the justifications prior to their printing in the public record of the Subcommittee hearings may be obtained through the Office of Budget of the Department of the Interior.

DEPARTMENT OF THE INTERIOR



Restoration Program

Assessment & Restoration Program

Fiscal Year 2010 Budget Justifications

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NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION PROGRAM

GENERAL STATEMENT

FY 2010 Budget Request:

The Restoration Program's total Fiscal Year 2010 request for current appropriations is \$6,462,000, an increase of \$124,000 over the 2009 enacted level. The increase is entirely comprised of fixed cost increases, which are fully funded.

In addition, the request also includes an estimated \$73.0 million in permanent funds for DOI bureaus, which result from negotiated legal settlement agreements and cooperative damage assessments with responsible parties.

The mission of the Natural Resource Damage Assessment and Restoration Program (Restoration Program) is to restore natural resources injured as a result of oil spills or hazardous substance releases into the environment. In partnership with other affected State, Tribal, and Federal trustee agencies, damage assessments provide the basis for determining the restoration needs that address the public's loss and use of these resources. Cooperation with its co-trustees and partners, and where possible, with the responsible parties, is an important component of meeting the Restoration Program's core mission.

As authorized by the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA or Superfund), the Clean Water Act (CWA), and the Oil Pollution Act of 1990 (OPA), injuries to natural resources that the Department of the Interior manages or controls are assessed, and appropriate restoration projects are identified in contemplation of negotiated settlements or in rare cases, litigation with potentially responsible parties. Recoveries, in cash or in-kind services, from the potentially responsible parties are then used to finance or implement the restoration of the injured resources, pursuant to a publicly reviewed restoration plan.

The Restoration Program Office manages the confluence of the technical, ecological, biological, legal, and economic disciplines and coordinates the efforts of six bureaus and three offices to accomplish this mission. The Program has a nationwide presence encompassing nearly the full span of natural and cultural resources for which the Secretary of the Interior has trust responsibility. Each bureau has its unique natural resource trusteeship and brings its expertise to bear on relevant sites. The Restoration Program is a truly integrated Departmental program, drawing upon the interdisciplinary strengths of its various bureaus and offices.



The **Bureau of Indian Affairs** administers and manages over 66 million acres of land held in trust by the United States for American Indians, Indian Tribes, and Alaska Natives and provides assistance to 562 federally recognized tribal governments to help protect water, natural resources and land rights.



The **Bureau of Land Management** administers 256 million acres of land, located primarily in 12 western states, sustaining the health, diversity, and productivity of these public lands for the use and enjoyment of present and future generations.



Working primarily in the western United States, the **Bureau of Reclamation** manages nearly 9 million acres associated with reclamation projects to protect local economies and preserve natural resources and ecosystems through the management and effective use of water resources.



The **U.S. Fish & Wildlife Service** conserves, protects and enhances fish, wildlife, and plants and their habitats and manages the 96 million acre National Wildlife Refuge System for the continuing benefit of the American people, providing primary trusteeship for migratory birds and threatened and endangered species.



The **National Park Service** preserves unimpaired the natural and cultural resources and values of the 84 million acre national park system and conserves the scenery and the natural and historic objects and the wildlife of the park system for the enjoyment, education, and inspiration of current and future generations.

In addition to the five bureaus with primary trust resource management activities, the U.S. Geological Survey (USGS), the Office of the Secretary, and the Office of the Solicitor play key roles in making the Restoration Program a fully integrated Departmental program. The Office of the Solicitor provides legal advice, USGS provides technical scientific support, and the Office of Policy Analysis provides economic analytical expertise to the Program at both national policy and individual case management levels. The Office of Environmental Policy and Compliance provides a link to response and remedial activities associated with oil or chemical releases.

The Department, through its bureaus, conducts every damage assessment and restoration case in partnership with co-trustees, and all restoration plans must undergo public review and be approved by affected State and Tribal governments. The Restoration Program serves as a model of cooperation in its day-to-day operations and partnerships that have been developed with Tribal, State, and other Federal co-trustees, as well as with non-governmental conservation organizations and industry.

Total 2010 Budget Request
(Dollars in Thousands)

Budget Authority	2008 Actual	2009 Enacted	2010 President's Budget	2010 Request Change from 2009	
				Amount	Percent
Discretionary	6,202	6,338	6,462	+124	+1.96%
Mandatory	38,436	44,000	73,000	29,000	65.91%
TOTAL	44,638	50,338	79,462	29,124	57.86%
<i>FTE</i>	7	9	9	-	-

Performance Summary

All activities within the Restoration Program (damage assessment, restoration support and program management) support resource restoration either directly or as necessary steps on the road to restoration of injured natural resources under the trusteeship of the Department of the Interior.

In accordance with the Government Performance and Results Act of 1993 and with OMB policy and direction, the DOI Strategic Plan is currently undergoing the required triennial review and update. The Department is reviewing the organization and construct of the Strategic Plan in light of the Administration’s priorities, goals, and objectives. Although the majority of end outcome goals and measures, intermediate measures, and other measures are expected to remain intact, the organizing principles for these goals and measures may change during this review. Therefore, this budget request does not directly reference the existing DOI Strategic Plan, but does continue to report on performance goals and accomplishments associated with the current slate of end outcome goals and related performance measures.

2010 Program Performance

In 2010, the Program will continue to develop and implement guidance and regulations that directly address process improvements recommended over the past several years by field practitioners, co-trustees, and key stakeholders. The program will also continue to sponsor a series of technical workshops to gather the most up to date information needed for guidance development. These improvements address four major policy areas: injury quantification, damage determination, analysis of restoration alternatives, and restoration implementation. Once implemented, the recommendations will lead to improved processes and tools to achieve long-term restoration goals that support the Department’s mission and overall goal to protect the nation’s natural, cultural, and recreational resources.

The program will continue to focus its activities in support of trust resource restoration. Fiscal Year 2010 planned performance targets include the restoration of 13,400 acres and 136 stream or

shoreline miles, increases of 800 acres (+6%) and 8 stream / shoreline miles (+6%), respectively over FY 2009 strategic plan goals. Attainment of these goals will be accomplished by DOI and its co-trustees through the use of funds or in-kind services received in settlement of damage claims with responsible parties. A secondary, less formal performance indicator used by the Program is monitoring the amount of funds disbursed from the Restoration Fund to DOI bureaus and co-trustees to implement on-the-ground restoration projects. In the previous three years (2006 – 2008), the Restoration Program released over \$95 million to trustee agencies. This amount is equal to the total released in the previous fourteen years (1992 – 2005).

Restoration program performance measures and accomplishments in all three activities (Damage Assessment, Restoration Support, and Program Management) are singularly focused on one goal, the increased restoration of acres and stream / shoreline miles. Such restoration creates or protects habitat for injured biological communities to recuperate, thrive and flourish. Program accomplishments at the activity level are but a step leading to the implementation of restoration actions. Within the Damage Assessment activity, data is collected biannually on all Departmentally-funded cases, which enables the Program to monitor the progress of cases through the assessment process to settlement, using measures such as number of cases reaching various milestones, numbers of cooperative assessments with industry, and number of cases settled. Through the restoration science initiative begun in 2006, the Program is working with the USGS to develop protocols and metrics to better measure the ecological outcomes of restoration activities.

The Restoration Program's performance goals reflect continued progress funded with monies and in-kind actions recovered in settlement from responsible parties, and not appropriated funds. Appropriated funds are used to administer the program and provide technical support. There is roughly \$250 million in settlement funds currently in the DOI Restoration Fund that will allow the program to continue moving forward towards its long term restoration goals.

Restoration accomplishments in acres and stream/shoreline miles restored can fluctuate from year-to-year, the result of a complex process in which numerous trustee councils across the nation are moving forward in identifying specific opportunities for restoration consistent with approved restoration plans, but which generally cannot be scheduled or readily anticipated on a site-specific basis. The year-to-year variability in performance shown on the following table reflects the pace of restoration which is greatly influenced by factors outside the Department's control, such as finding cooperative landowners or willing sellers.

There are a number of efforts currently underway or that will be accomplished in 2009 that will help the Restoration Program meet its performance goals for 2010. Overall, continued program maturity and a focus on achieving restoration will provide the impetus for case teams in getting restoration projects underway. In addition, products and services such as contracting, restoration planning, engineering support and a partnership/matching funds clearinghouse will be provided by the Restoration Support Unit, giving case teams an expanding set of tools for restoration implementation. The continued growth in cooperative assessments is expected to continue, thus minimizing the chance of adversarial confrontations with responsible parties, and thus allowing case teams to move more quickly to settlement and restoration. In the longer term, the recently begun implementation of regulatory, policy and operational improvements arising from practitioner, co-trustee, and stakeholder recommendations will lead to better, more efficient

damage assessments, which will lead to quicker and more effective restorations, positioning the Restoration Program to achieve its long-term strategic plan goals.

Cost information in the context of performance measurement is of limited value within the Restoration Program, due to the wide variability of possible restoration solutions that might be implemented. Every restoration implemented is unique, from the resource injury being addressed, to the ecological, biological, and engineering aspects involved, and the number and roles of other involved co-trustees, partners, and responsible parties. The wide range of possible but generally not comparable restoration actions is best exemplified in the restoration success stories found in the Restoration Support section beginning on page 21.

The bureaus will continue to collect, validate, and verify the performance data before reporting to the Program. In addition, the Program Office will continue to track internally the progress of cases from start to finish using measures such as increased numbers of restoration plans drafted, finalized, and in stages of implementation; increased numbers of restorations completed; increased numbers of cooperative assessments with industry; and increased funding leveraged from restoration partnerships.

Goal Performance Table
Target Codes:
Type Codes:

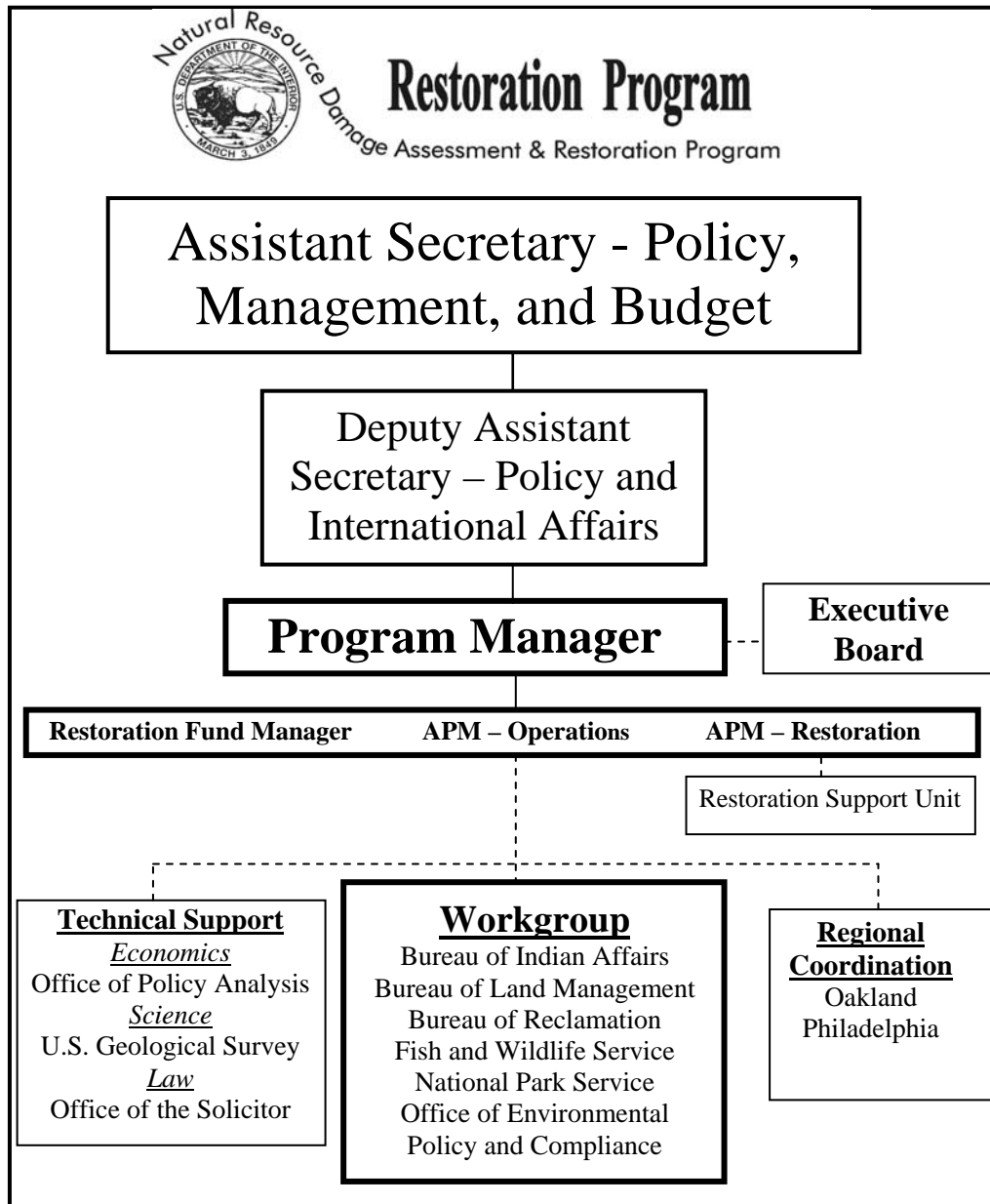
SP = Strategic Plan measures	PART = PART Measure
TBD = Targets have not yet been developed	UNK = Prior year data unavailable
C = Cumulative Measure	BUR = Bureau specific measure
A = Annual Measure	NA = Long-term targets are inappropriate to determine at this time
F = Future Measure	

End Outcome Goal 1.2 Resource Protection: Sustain Biological Communities

End Outcome Goal End Outcome Measure / Intermediate or PART Measure / PART Efficiency or other Outcome Measure	Type	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
End Outcome Measures										
Restoration: Number of acres restored or enhanced to achieve habitat conditions to support species conservation:	A	13,782	13,403	15,462	11,800	22,251	12,600	13,400	+800 (+6%)	15,000
Comments:	Note: Year to year variability is to be expected based on the variability of timing and settlement amounts									
Δ Contributing Programs:	NRDAR, FWS Environmental Contaminants, NPS Environmental Quality, BIA, BLM, BOR, other Federal, State, and Tribal co-trustees.									
End Outcome Measures										
Restoration: Number of stream or shoreline miles restored or enhanced to achieve habitat conditions to support species conservation:	A	12	42	171	120	391	128	136	+8 (+6%)	150
Comments:	Note: Year to year variability is to be expected based on the variability of timing and settlement amounts.									
Δ Contributing Programs:	NRDAR, FWS Environmental Contaminants, NPS Environmental Quality, BIA, BLM, BOR, other Federal, State, and Tribal co-trustees.									

Note: The actual and planned acres and miles presented in this table are included among the performance results and targets presented in the Performance Budgets of the bureaus. As such, in order to avoid double-counting, these acres and miles are not included in the Department's aggregate results calculations or performance projections.

The Restoration Program Management Office consists of nine FTE. They are the Program Manager and eight staff: the Assistant Program Manager for Restoration, the Assistant Program Manager for Operations, and the Budget Officer/Restoration Fund Manager, located in its Washington, DC headquarters; three staff Restoration Support specialists located in Denver, Colorado; and Regional Coordinators in Oakland, California and Philadelphia, Pennsylvania. The following organization chart goes beyond the small number of people in the Program Management Office and reflects the integrated management structure of the Program as a whole, with the inter-related components of six bureaus, the Office of the Solicitor, and two offices within the Office of the Secretary.



The Restoration Program reports to the Deputy Assistant Secretary – Policy and International Affairs, under the Assistant Secretary - Policy, Management, and Budget (AS-PMB). There is also a “Restoration Executive Board” representative at the assistant director level for BIA, BLM, BOR, FWS and NPS; a Deputy Associate Solicitor, and the Director of the Office of Environmental Policy and Compliance. The Restoration Executive Board is responsible for overseeing policy direction and approving allocation of resources.

Summary of Requirements Table
(Dollars in Thousands)

Appropriation: Natural Resource Damage Assessment and Restoration Fund

Activity	Comparison by Activity / Subactivity											
	2008 Actual		2009 Enacted		Fixed Costs & Related Changes (+/-)		Program Changes (+/-)		2010 Budget Request		Inc. (+) Dec. (-) from 2009	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
APPROPRIATED FUNDS												
Damage Assessments	0	3,938	0	3,979	0	+43	0	0	0	4,022	0	+43
Restoration Support	3	591	3	604	0	+11	0	0	3	615	0	+11
Program Management	4	1,673	6	1,755	0	+70	0	0	6	1,825	0	+70
Total, Appropriation	7	6,202	9	6,338	0	+124	0	0	9	6,462	0	+124
PERMANENT FUNDS (RECEIPTS)												
Damage Assessments		8,100		8,500		0		0		8,500		0
Restoration Support												
[Prince William Sound Restoration]		2,815		4,000		0		0		4,000		0
[Other Restoration]		28,462		33,000		0		+29,000		62,000		+29,000
Program Management		253		500		0		0		500		0
Subtotal, Gross Receipts	0	39,630	0	46,000	0	0	0	+29,000	0	75,000	0	+29,000
Transfers Out		-1,194		-2,000		0		0		-2,000		0
Total, Net Receipts		38,436		44,000		0		+29,000		73,000		+29,000

Justification of Fixed Costs and Related Changes:
Natural Resource Damage Assessment and Restoration Program

	2009 Budget	2009 Revised	2010 Fixed Costs Change
<u>Additional Operational Costs from 2009 and 2010 January Pay Raises</u>			
1. 2009 Pay Raise, 3 Quarters in 2009 Budget	+\$88	+\$88	NA
<i>Amount of pay raise absorbed</i>	[\$0]	[\$30]	NA
2. 2009 Pay Raise, 1 Quarter (Enacted 3.9%)	NA	NA	+\$32
<i>Amount of pay raise absorbed</i>			[\$0]
3. 2010 Pay Raise (Assumed 2.0%)	NA	NA	+\$49
<p>These adjustments are for an additional amount needed to fund estimated pay raises for Federal employees.</p> <p>Line 1. 2009 Revised column is an update of 2009 budget estimates based upon the 2009 Enacted and the enacted 3.9% versus 2.9% request.</p> <p>Line 2 is the amount needed in 2010 to fund the enacted 3.9% January 2009 pay raise from October through December 2009.</p> <p>Line 3 is the amount needed in 2010 to fund the estimated 2.0% January 2010 pay raise from January through September 2010.</p>			

	2009 Budget	2009 Revised	2010 Fixed Costs Change
<u>Other Fixed Cost Changes</u>			
Employer Share of Federal Health Benefit Plans	155	155	+10
<p>The adjustment is for changes in the Federal government's share of the cost of health insurance coverage for Federal employees. For 2010, the increase is estimated at 6.5%.</p>			
Rental Payments	80	80	+27
<p>The adjustment is for changes in the costs payable to General Services Administration and others resulting from changes in rates for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These costs include building security; in the case of GSA space, these are paid to DHS. Costs of mandatory office relocations, i.e., relocations in cases where due to external events there is not alternative but to vacate the currently occupied space, are also included.</p>			
Departmental Working Capital Fund	91	91	+6
<p>The 2009 revised adjustment is for changes in the costs payable to General Services Administration and others resulting from changes in rates for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These costs include building security; in the case of GSA space, these are paid to DHS.</p>			

Natural Resource Damage Assessment and Restoration Program

Appropriations Language:

To conduct natural resource damage assessment and restoration activities by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), Federal Water Pollution Control Act, as amended, (33 U.S.C. 1251 et seq.), the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.), and Public Law 101-337, as amended (16 U.S.C. 19jj et seq.), [\$6,338,000] \$6,462,000, to remain available until expended. *Department of the Interior, Environment, and Related Agencies Appropriations Act, 2009.*

Authorizing Statutes:

Comprehensive Environmental Response, Compensation, and Liability Act, as amended, (42 U.S.C. 9601 et seq.). Section 106 of the Act authorizes the President to clean up hazardous substance sites directly, or obtain cleanup by a responsible party through enforcement actions. Trustees for natural resources may assess and recover damages for injury to natural resources from releases of hazardous substances and use the damages for restoration, replacement or acquisition of equivalent natural resources. Provides permanent authorization to appropriate receipts from responsible parties.

Federal Water Pollution Control Act (Clean Water Act), as amended, (33 U.S.C. 1251-1387). Authorizes trustees for natural resources to assess and recover damages for injuries to natural resources resulting from the discharge of oil into or upon the navigable waters of the United States, adjoining shorelines, the waters of the contiguous zone, or in connection with activities under the *Outer Continental Shelf Lands Act* or the *Deepwater Port Act of 1974*, or which may affect natural resources belonging to, appertaining to, or under the exclusive management authority of the United States.

Oil Pollution Act of 1990, (33 U.S.C. 2701 et seq.) Amends the *Federal Water Pollution Control Act*, and authorizes trustee(s) of natural resources to present a claim for and to recover damages for injuries to natural resources from each responsible party for a vessel or facility from which oil is discharged, or which poses a substantial threat of discharge of oil, into or upon the navigable waters or adjoining shorelines or the exclusive zone.

Public Law 101-337, (16 U.S.C. 19jj). Provides that response costs and damages recovered under it or amounts recovered under any statute as a result of damage to any Federal resource within a unit of the National Park System shall be retained and used for response costs, damage assessments, restoration, and replacements. Liability for damages under this Act is in addition to any other liability that may arise under other statutes.

Interior and Related Agencies Appropriation Act, 1992 (P.L. 102-154). Permanently authorized receipts for damage assessment and restoration activities to be available without further appropriation until expended.

Dire Emergency Supplemental Appropriations for Fiscal Year 1992 (P.L. 102-229). Provides that the Fund's receipts are authorized to be invested and available until expended. Also provides that amounts received by United States in settlement of *U.S. v Exxon Corp. et al.* in FY 1992 and thereafter be deposited into the Fund.

Interior and Related Agencies Appropriation Act, 1998 (P.L. 104-134). Provides authority to make transfers of settlement funds to other federal trustees and payments to non-federal trustees.

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ACTIVITY: DAMAGE ASSESSMENT

Natural Resource Damage Assessment		2008 Actual	2009 Enacted	2010			Change from 2009 (+/-)
				Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Activity: Damage Assessment	\$000	3,938	3,979	+43	0	4,022	+43
	FTE	0	0	0	0	0	0

Activity Overview:

Damage assessment activities are the critical first step taken on the path to achieving restoration of natural resources injured through the release of oil or hazardous substances. The nature and magnitude of injury must be identified, investigated, and thoroughly understood if the resulting restoration is to be effective. The resulting physical and scientific evidence of natural resource injury then forms the basis for the Department's claim for appropriate compensation via restoration settlements that allow the Restoration Program to restore those injured trust resources. Damage assessment activities support the Department's performance outcome goals of protecting the nation's natural and cultural resources. Information regarding the nature and magnitude of the injury, and the means by which they are determined, also help establish the goals of the restoration plans and influence the determination of when those goals have been successfully reached.

Damage assessment cases are conducted by one or more of the five resource management bureaus within the Department: (Fish and Wildlife Service; Bureau of Land Management; National Park Service; Bureau of Indian Affairs; and Bureau of Reclamation). Economic analytical support is provided by the Office of Policy Analysis, scientific / technical analysis and support from the U.S. Geological Survey, and legal counsel from the Office of the Solicitor. In nearly all cases, assessment activities are carried out in partnership with other affected Federal, State, and/or tribal co-trustees. These partnerships have proven advantageous for all involved, as cooperation and consultation among the trustees facilitates addressing overlapping areas of trustee concern, and consolidates those concerns into a single case. Trustees can also share data, achieve economies of scale, avoid duplication of effort and minimize administrative burdens. Responsible parties also benefit, as they are able to address trustee concerns in a single case.

The Restoration Program continues to make progress in conducting many of its damage assessment cases on a cooperative basis with responsible parties. As a matter of practice, responsible parties are invited to participate in the development of assessment and restoration plans. The Department has been involved in nearly forty cooperative assessments across the country, where the responsible parties have elected to participate in the damage assessment process and provide input into the selection of various injury studies and contribute funds for or reimburse Interior assessment activities. In Fiscal Year 2008, over \$3.5 million of advance cooperative funding was received from cooperating responsible parties for assessment activities at seven sites.

Selection of damage assessment projects is accomplished on an annual basis through an extensive internal proposal and screening process that assures that only the highest priority cases

are funded. Priorities for selecting initial projects are based upon a case's likelihood of success in achieving restoration, either through negotiated restoration settlements or through successful litigation where necessary. Cases must demonstrate sufficient technical, legal, and administrative merit focused on the purpose of achieving restoration.

The Restoration Program's project selection process is designed to:

- Be inclusive of all natural resources under Interior trusteeship and trustee roles;
- Provide a process that encourages thorough planning and ultimately, enhanced opportunities for restoration success;
- Provide a process that evaluates both the objective and subjective aspects of individual cases; and
- Fund cases that have demonstrated sufficient levels of technical and legal merit, trustee organization, and case readiness.

DOI bureaus are also required to coordinate their efforts into a single project proposal, thus promoting inter-Departmental efficiencies and eliminating duplication of effort. Bureau capabilities are used to augment and compliment each other, as opposed to building redundant program capabilities in each bureau.

Once projects are funded, the Restoration Program makes use of project performance information to inform future funding decisions (see text box on page 14). In addition to project milestone reporting, financial obligation data is monitored at the aggregate (DOI), bureau, and project levels across all involved bureaus. This obligation data and carryover balances are factors considered in the annual funding decision process. Further, unobligated balances on all damage assessment projects are closely monitored from inception through settlement, at which time all unused or unneeded funds are pulled back and re-allocated to other high-priority projects. In some instances and under certain circumstances, case teams have been directed to or have voluntarily returned project funds from ongoing projects so that they can be re-allocated to other projects and needs.

The program requires its case teams to document their respective assessment costs and attempts to recover those costs from the potentially responsible parties when negotiating settlement agreements. Over the past three fiscal years (2006 – 2008), the Program has utilized an average of \$2.5 million annually in recovered funds to supplement new and ongoing assessment needs.

2010 Activity Performance

In 2010, the program will continue to utilize recovered past assessment costs from recent settlements and/or returned funds from completed assessments in addition to the \$4.0 million in appropriated funds contained in this request. These funds will support new or ongoing damage assessment efforts at approximately 40 sites, maintaining the program's damage assessment capability at current levels. This level of funding will support new feasibility studies, initiation of assessments at new sites, as well as providing continued funding for ongoing cases. As has been the norm in recent years, the program anticipates that the annual project proposals received from the field will exceed the amount of available funding. The program will also continue its focus on the use of cooperative assessments, and pursue funding and participation agreements

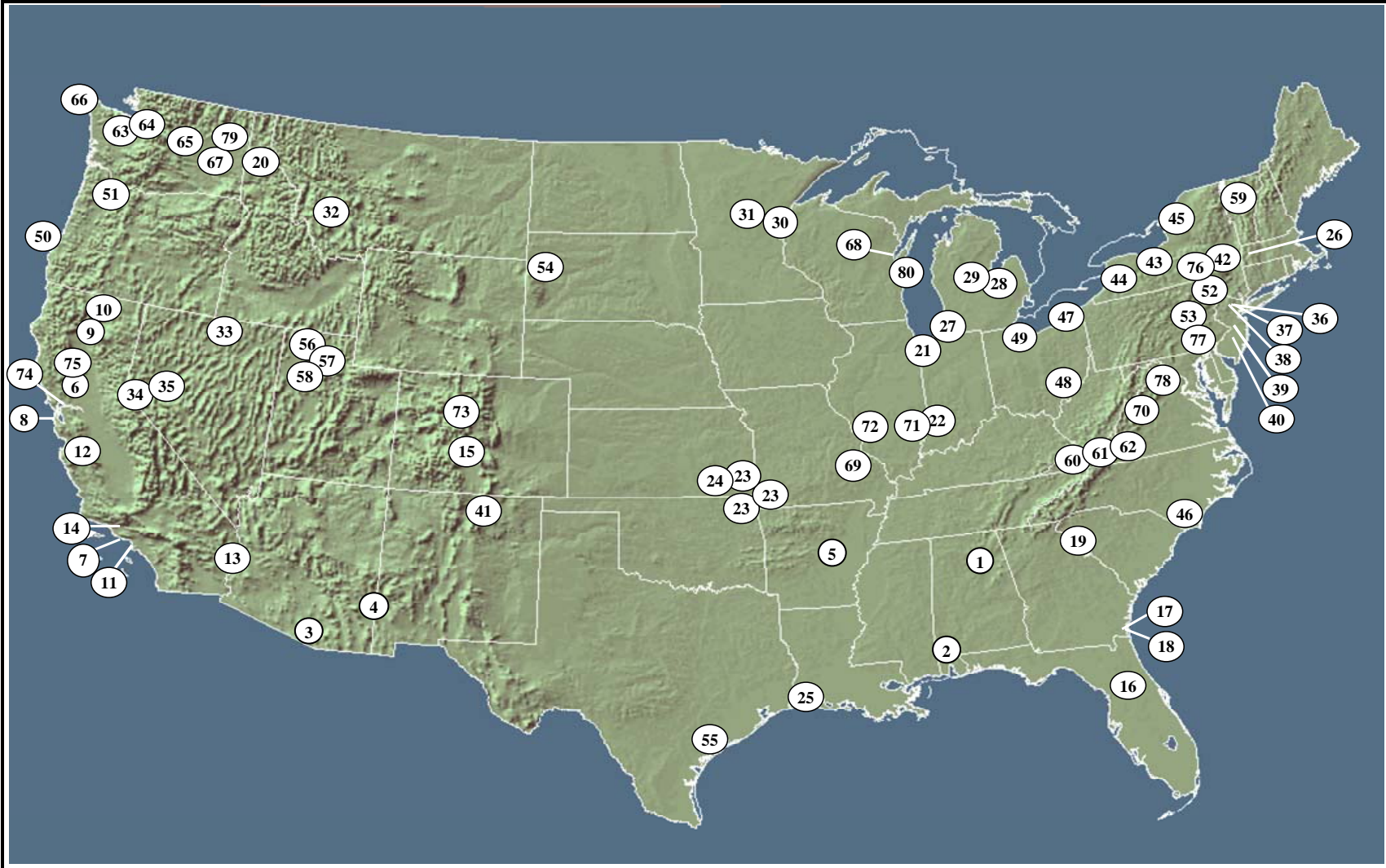
with potentially responsible parties wherever and whenever possible. Money provided under these funding agreements expands the program coverage by allowing other damage assessment cases to utilize the appropriated and returned assessment funds. In addition, the program will continue to refine its milestone reporting process and use that performance information to enhance management of its damage assessment workload.

Also in 2010, the program will continue to implement administrative reforms suggested by stakeholders. Field practitioners will be briefed and trained on the regulatory revisions adopted in 2008. In addition, the Program will enhance its coordination with other co-trustees particularly Tribes and States.

In its 2009 project funding deliberations, the Restoration Program again made use of performance data collected from ongoing cases that document the attainment of specific chronological milestones (trustee MOU, assessment plan development, injury determination and quantification, claim for damages, etc.) in the multi-year process toward settlement. Funding decisions were weighted towards those cases that continue to show progress along the damage assessment continuum towards settlement and eventual restoration. Cases that stall or fail to progress are considered a lesser priority, but are given direction to make course corrections at a stable or reduced funding level. Course corrections must be made before funding is made available for addressing subsequent milestones. For example, a case team was directed to finalize necessary procedural products such as a publicly-announced assessment plan before beginning its scientific studies. Such performance information lends itself to helping the Restoration Program better manage its workload by having a clearer sense of when damage assessments are near completion and opportunities for new starts emerge.

The Program's current damage assessment project caseload through 2009 totals 53 ongoing cases (including feasibility studies), and are among those depicted on the map and table on the following pages.

Damage Assessment and Restoration Sites
Funded by the Department of the Interior Restoration Fund



<p>Alabama</p> <p>1. Anniston PCBs </p> <p>2. CIBA - McIntosh NPL Site </p> <p>Arizona</p> <p>3. Cyprus Tohono Mine </p> <p>4. Phelps-Dodge Mine Complex </p> <p>Arkansas</p> <p>5. Vertac/Bayou Meto </p> <p>California</p> <p>6. Almaden Quicksilver </p> <p>7. American Trader Oil Spill </p> <p>8. APEX Houston Oil Spill </p> <p>9. Cantara Loop Chemical Spill </p> <p>10. Iron Mountain Mine </p> <p>11. Montrose Chemical / Los Angeles Bight </p> <p>12. New Idria Mine </p> <p>13. PG&E Topock Compressor Station </p> <p>14. Santa Clara River Oil Spill </p> <p>74. Stege Marsh </p> <p>75. Turkey Run Mine </p> <p>Colorado</p> <p>15. Upper Arkansas River </p> <p>73. French Gulch Mines </p> <p>Florida</p> <p>16. Lake Apopka - North Shore </p> <p>Georgia</p> <p>17. LCP Chemical </p> <p>18. Terry Creek </p> <p>19. Lake Hartwell PCBs </p> <p>Idaho</p> <p>20. Coeur d'Alene Mine (Bunker Hill Mining District) </p> <p>Illinois</p> <p>71. Former Indian Refinery </p> <p>72. Sauget Area Dump Sites </p> <p>Indiana</p> <p>21. Grand Calumet River </p> <p>22. Viacom / Westinghouse PCBs </p> <p>Kansas</p> <p>23. Tri-State Mining District - - Cherokee County </p> <p>24. Eastern Kansas Smelters </p>	<p>Louisiana</p> <p>25. Calcasieu Estuary </p> <p>Massachusetts</p> <p>26. Housatonic River </p> <p>Michigan</p> <p>27. Kalamazoo River </p> <p>28. Saginaw River and Bay </p> <p>29. Tittabawassee River </p> <p>Minnesota</p> <p>30. St. Louis River </p> <p>31. St. Regis Paper </p> <p>Missouri</p> <p>23. Tri-State Mining District - - Jasper County </p> <p>69. S.E. Missouri Lead Mining Sites </p> <p>Montana</p> <p>32. Grant-Kohrs Ranch (Clark Fork River) </p> <p>Nevada</p> <p>33. Rio Tinto Mine </p> <p>34. Leviathan Mine </p> <p>35. Yerington Anaconda Mine </p> <p>New Jersey</p> <p>36. Diamond Alkali </p> <p>37. Great Swamp NWR </p> <p>38. Berry's Creek Watershed </p> <p>39. GAF / ISP-ESI Facility </p> <p>40. U.S. Avenue Burn </p> <p>New Mexico</p> <p>41. Molycorp Mine </p> <p>New York</p> <p>42. Hudson River PCBs </p> <p>43. Onondaga Lake NPL Site </p> <p>44. Niagara River </p> <p>45. St. Lawrence Environment </p> <p>76. Richardson Hill Road Landfill </p> <p>North Carolina</p> <p>46. LCP - HoltraChem Superfund Site </p>	<p>Ohio</p> <p>47. Ashtabula River </p> <p>48. Ohio River </p> <p>49. Ottawa River </p> <p>Oklahoma</p> <p>23. Tri-State Mining District - - Tar Creek (20) </p> <p>Oregon</p> <p>50. M/V New Carissa Oil Spill </p> <p>51. Portland Harbor NPL Site </p> <p>Pennsylvania</p> <p>52. Paoli Railyard </p> <p>53. Palmerton Zinc </p> <p>77. Lower Darby Creek </p> <p>South Dakota</p> <p>54. Whitewood Creek </p> <p>Texas</p> <p>55. Lavaca Bay </p> <p>Utah</p> <p>56. Jordan River </p> <p>57. Kennecott Copper-North End </p> <p>58. Richardson Flats Mine / Silver Creek </p> <p>Vermont</p> <p>59. Pine Street Canal </p> <p>Virginia</p> <p>60. CERTUS - Clinch River Spill </p> <p>61. Lone Mountain Coal Slurry </p> <p>62. Saltville Disposal NPL Site </p> <p>70. DuPont - Waynesboro Facility </p> <p>Washington</p> <p>63. Commencement Bay </p> <p>64. Elliott Bay </p> <p>65. Holden Mine </p> <p>66. Tenyo Maru Oil Spill </p> <p>67. Midnite Mine </p> <p>78. Upper Columbia River/Lake Roosevelt </p> <p>Wisconsin</p> <p>68. Fox River / Green Bay </p> <p>79. Sheboygan River </p>
<p> Feasibility Studies</p> <p> Damage Assessment in Progress</p> <p> Case Settled - Restoration to Follow</p> <p> Restoration Actions in Progress</p> <p> Tribal Involvement</p>		

The primary program performance measures of acres and miles of habitat restored do not directly measure progress in the Damage Assessment activity. Instead, the Program must rely on workload measures, such as numbers of assessment cases that have been settled and amount of funds recovered in those settlements. These program output indicators reveal the following accomplishments: Through March 2009, the DOI Restoration Fund has recovered over \$840 million in gross settlement receipts and earned interest since its creation in 1992. (All amounts inclusive of Exxon Valdez oil spill funds). Deposits and interest for 2008 alone totaled nearly \$40 million.

ACTIVITY: RESTORATION SUPPORT

Natural Resource Damage Assessment	2008 Actual	2009 Enacted	2010			Change from 2009 (+/-)	
			Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request		
Activity: Restoration Support	\$000	591	604	+11	0	615	+11
	FTE	3	3	0	0	3	0

Activity Overview:

Every action the Restoration Program undertakes is done with the goal of restoration in mind. Upon the successful conclusion of a damage assessment and upon achieving settlement, Departmental bureaus, working in partnership with other affected State, Federal, tribal and/or foreign co-trustees, use settlement funds to carry out restoration activities. Under this activity, the Program continues its coordinated effort to focus greater attention on restoration activities and to expedite the expenditure of settlement funds to develop and implement resource restoration plans. The program's Restoration Support Unit staff, upon request, provides engineering and ecological/biological support to the Department's case managers/teams, as well as assistance with meeting various legal and regulatory compliance requirements, identifying possible partnering opportunities, and drafting appropriate documents. In addition, the Program continues to work with the USGS in the field of restoration ecology to develop monitoring protocols to measure the success of restoration efforts.

Over ninety percent of all funds received and interest earned to date from natural resource damage case settlements are designated as restoration funds, and can be used only for restoration planning, implementation (including land acquisition), oversight, and monitoring of implemented restoration actions at a specific site or related to a specific settlement, and only after the issuance of a publicly-reviewed restoration plan. The use of such settlement funds provides real value to the American public, as injured natural resources and services are restored by, or at the expense of the responsible party, and not the taxpaying public.

Other Available Restoration Resources		
(Dollars in \$000)		
	<u>2008</u>	<u>2009</u>
Settlement funds currently held in DOI Restoration Fund (estimate)	\$245,000	\$275,000
Settlement funds in various court registry accounts (estimate)	\$100,000	\$100,000

In addition to settlement funds deposited into the DOI Restoration Fund, the Department is party to other natural resource damage settlements where settlement funds are deposited into a Court Registry or some other account selected by the Trustees. Additionally, there are a number of settlements where the responsible parties have agreed to undertake or implement the restoration action, with trustee agencies providing oversight to ensure compliance with the terms of the settlement and adherence to the approved and public-reviewed restoration plan. Once fully implemented, the restoration actions are then subject to long-term monitoring by the trustees to ensure they have been effective and have accomplished the goals and intent of the restoration plan.

2010 Activity Performance:

In 2010, the Program will continue a variety of activities focused on furthering the achievement of restoration, primarily through the Restoration Support Unit in Denver. The focus of this activity will continue to be to provide assistance to the field for the sole purpose of getting restoration accomplished on the ground. As the focal point for the program's restoration efforts nation-wide, in 2010 the Unit will continue to support and facilitate restoration led by the bureaus at sites where damage claims have been settled. In addition, the Unit expects to have compiled a significant amount of information on restoration successes and actual restoration costs and start providing input based on lessons learned that will help damage assessment case teams improve the strength of their damage claims in the future. The Restoration Support Unit continues to provide technical support to case teams to facilitate multiple aspects of restoration, including contracting, restoration planning, engineering support, and seeking out partnership opportunities and matching funds.

In addition to the activities just described, Unit staff will lead technology transfer and outreach activities to ensure that restoration advances made by individual case teams will be shared with fellow restoration practitioners. Examples include development of training modules to be taught at the FWS and BLM training centers, and the organization of seminar sessions at the Restoration Program's annual workshop.

The program will continue to implement administrative and regulatory reforms that resulted from recommendations provided by field practitioners, co-trustees, and stakeholders. Specific restoration support activities in response to these recommendations include a partnership with the Society for Ecological Restorations to develop and maintain an inventory of restoration plans, opportunities, and success stories, as well as the development and implementation of policies and guidance to coordinate NRD restoration planning and NEPA compliance actions.

The program will continue to work with the U.S. Geological Survey (USGS) to implement restoration science advances. Scientists from the USGS are developing protocols to improve the monitoring and management of restoration processes and the development of effective measures of restoration success on historically contaminated lands. These scientists, who have been providing scientific and technical support for NRDAR assessment activities are now directing new scientific efforts to support NRDAR restoration activities. Because ecosystems are dynamic, restoration monitoring protocols must serve as triggers for corrective actions and adaptive management and be carefully crafted into restoration plans. USGS is working with restoration scientists in the public and private sector to develop a primer for restoration monitoring that will provide the guidance necessary to ensure successful restorations and return of ecosystem services to injured resources. These efforts are focusing on species distributions, abundance and diversity, invasive species, community development and, when possible, ecosystem resiliency which is critically important as the NRDAR program faces the influence of global climate change on restoration planning. A special symposium was convened at the 2008 Society of Environmental Toxicology and Chemistry (SETAC) meeting where DOI NRDA practitioners were invited to present 18 presentations focused on methods, uses, benefits and examples of monitoring programs originating from NRDA-associated restoration projects. This international symposium, organized cooperatively by the USGS, the NRDAR Program Office, SETAC, and the Society of Ecological Restoration (SER), included participants from government, universities, and industry.

USGS has also worked with the NRDAR Program and SER to highlight DOI restorations on the SER Global Restoration Network (<http://www.globalrestorationnetwork.org/>), a freely accessible internet-based platform where practitioners as well as stakeholders and the general public can go to obtain extensive information on restoration successes and lessons learned in the process. By documenting restoration activities and their ultimate success, the Program can maintain transparency in the process that returns ecosystem services lost as a result of chemical contamination.

These efforts bring USGS science expertise to address the ecological restoration of species and habitats injured by the release of oil or other hazardous substances and the monitoring and measurement of restoration success. Although many scientifically valid techniques are available to document the extent and severity of injury to natural resources, restoration science is still in its infancy. Several interconnected efforts, engaging multiple disciplines within USGS, are being undertaken to strengthen the state of restoration science, reduce disagreements with responsible parties, and help us achieve more timely and effective restoration.

Improving the science in the design, implementation, and monitoring of type-specific restoration projects will increase the understanding of issues critical to restoration success, thus benefiting the Restoration Program as a whole, as well as enabling “technology transfer” opportunities to other DOI restoration efforts, including the Everglades, California Bay-Delta, and possibly the hurricane-ravaged Gulf coast.

RESTORING INJURED RESOURCES

The following are examples of recent on-the-ground restoration accomplishments achieved by the DOI bureaus and their co-trustees at a number of selected sites:

Fox River/Green Bay, Wisconsin

The Fox River/Green Bay Natural Resource Trustee Council, comprised of U.S. Fish and Wildlife Service, the Wisconsin Department of Natural Resources, the Oneida Nation, and the Menominee Nation continues to exemplify the restoration focus of the Program. Over the course of the case, the Trustee Council has worked with numerous partners to develop and implement over 70 restoration projects utilizing \$30 million in settlement funds matched by \$11 million in other contributions. Nearly forty of these projects have been completed to date, resulting in thousands of acres restored, and projects ranging from land acquisition, wetland and upland restoration, hatchery rearing and stocking of muskies, to restoration of tribal cultural resources. Measuring acres of habitats or miles of stream or shoreline restored does not capture the full scope of the Trustee Council's accomplishments. Projects with a small areal extent can often provide extremely significant ecological results for populations of injured wildlife.

The Trustee Council followed the sage old advice "build it and they will come" to help restore a local population of common terns. Early in 2008, during the coldest winter in several years, local contractors were able to drive dump trucks over thick ice to deposit over 600 tons of rocks, sand, and dirt in an area over a shallow shoal. When the ice melted in the spring, the new material sank to form a small rocky island that provides ideal nesting habitat for terns that build nests on sparsely vegetated islands. The island is less than one acre, no bigger than many backyards in the town of Green Bay. Although they had not expected immediate results, trustee biologists were extremely pleased to discover 11 nesting pairs this past summer. The 2008/2009 winter season was again cold enough to allow the trustees to expand on the success of this project by depositing rocks in a nearby location to build another island. A local conservation club will assist the trustees in managing the island and monitoring nesting success.



Trustee Council contracted with heavy equipment operators to place rocks on ice over shoals, to become small islands after the ice melted. (Photo: Art Techlow, Wisconsin DNR)



Terns colonized, nested, and produced offspring in first season after the islands were established. (Photo: FWS)

Mispillion River Restoration, Delaware

In June 2008, the Natural Resource Trustees (U.S. Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, and the Delaware Department of Natural Resources and Environmental Control) marked the successful completion of a cooperative effort with the DuPont Corporation to restore tidal wetlands along the Mispillion River in Kent and Sussex Counties, Delaware. The restoration of these vital resources compensates the public for natural resource losses and injuries associated with hazardous waste releases from the DuPont Newport Superfund Site. Working together across Federal and State agency programs and in close partnership with DuPont, each organization drew upon its own expertise to craft a comprehensive restoration plan for the river's degraded shoreline and adjacent wetlands.

The trustees and DuPont examined and evaluated 40 potential restoration sites before selecting a privately-owned 56-acre site with over 2,000 feet of winding river frontage. The wetlands, creeks, and oxbows associated with the natural meanders of this stretch of the river provide vital habitat for local fish and wildlife and migratory birds. The chosen restoration plan was comprised of many components including stream bank stabilization, removing sediment from the marsh and oxbows, removal of invasive vegetation, and re-colonization of native plants.

Stream-bank stabilization is the most visible component to boaters along the river. The partners primarily used minimally intrusive bioengineering methods to stabilize the banks and prevent further erosion. Instead of using the more common hard engineering methods employing concrete and rocks, the trustees anchored large (between 12 and 25 feet long) trees in a criss-cross pattern, with artificial logs made of recycled coconut fiber behind them to dampen the effect of boat wakes. This method not only protects the river bank, but also traps organic and mineral sediment for marsh vegetation while providing roosting, nesting and foraging opportunities for fish and wildlife. Trustees monitoring the site were able to detect improvements in the quality and extent of the fringing marsh within months of implementation of the project.



(Photo: FWS)

(Photo: DNREC)

Large logs placed along riverbank protects bank from erosion, helps re-vegetation, and provides wildlife habitat. (At Left: At low tide after placement of logs; at Right: at high tide after growth of new marsh plants.)

The trustees also opened up creeks and oxbows branching from the river by dredging out areas that had been filled in over time by silt. The dredged material was then spread thinly over the marsh to serve as a nutrient source and base for further plant growth. In addition, shallow mudflats were deepened to create tidal pools that are important habitat for fish reproduction and rearing. Tidal pool areas were selected to approximate the location of tidal pools that were visible in old photographs of the area taken in the 1930's before the river was channelized by the Corps of Engineers in an effort to minimize flooding.

Another key component of the restoration was the removal of invasive phragmites. After removal of this invasive plant, the marsh now supports a much more diverse natural plant community. Native plants, such as pickerelweed, arrow arum, and salt marsh cordgrass now dominate the site. Wild rice also has begun to colonize areas where the soil is in thin layers. The restoration site will remain in private hands, with a conservation easement held and enforced by DNREC, which will take responsibility for the project following a five-year monitoring phase.

New Bedford Harbor Superfund Site, Massachusetts

New Bedford Harbor is a major commercial fishing port and industrial center in southeastern Massachusetts on Buzzards Bay. From the 1940s to the 1970s, electrical parts manufacturers discharged wastes containing polychlorinated biphenyls (PCBs) and toxic metals into New Bedford Harbor, resulting in high levels of contamination throughout the waters, sediments and biota of the Harbor and parts of Buzzards Bay. Hundreds of acres of marine environment were highly contaminated. Biological effects of the contamination include reproductive impairment and death of anadromous fish and migratory birds throughout the estuary, along with significant losses of marine biodiversity in areas of high contamination.



Newly constructed step pool at the former Acushnet Sawmill Dam on the Acushnet River (shown during low flow conditions) will facilitate fish passage and breeding.
(Photo: V. Varela, FWS)

The New Bedford Harbor Natural Resource Trustee Council (U.S. Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, and the Massachusetts Office of Energy and Environmental Affairs) developed and implemented projects to restore anadromous fish passage in the Acushnet River in Massachusetts. The project installed one traditional fish ladder and two step pool systems made of native boulders that more closely resemble a natural system at the remaining three dams on the river. The project reopened 200 acres of spawning habitat and 8 miles of contiguous river to herring and other anadromous fish.

M/V Stuyvesant and M/V Kure Oil Spills, California

Two oil spills in the late 1990's near Humboldt Bay along the northern California coast resulted in recent restoration settlements which will address impacts on the marbled murrelet, is a small dove-sized seabird that inhabits the coastal forest and near-shore marine environment along the Pacific Coast of North America. For most of its range, the marbled murrelet uses only old growth coniferous forests for nesting and forages in the near shore marine environment. Due, in part, to the decline of its nesting habitat and mortality from oil spills, the marbled murrelet's long-term survival in Washington, Oregon, and California is not certain, and the species is listed as threatened under the Endangered Species Act.

During the M/V Stuyvesant oil spill near Humboldt Bay in 1999, an estimated 135 marbled murrelets were oiled and killed. To compensate for this injury, the Natural Resource Trustees, including the U.S. Fish and Wildlife Service and the State of California, negotiated as part of the settlement an agreement with the responsible party to provide for restoration to benefit the marbled murrelet. This restoration included purchase of a conservation easement to protect 135 acres of pristine old-growth redwood forest, as well as an additional 222 acres of surrounding buffer area to protect the old growth stand from logging. This parcel is occupied by marbled murrelets and is known as the Miracle Mile.



Over 600 acres of old-growth redwood forest is being protected to provide habitat for the marbled murrelet
(Photos: T. Hamer / Hamer Environmental)



During the M/V Kure oil spill in 1997, an estimated 130 marbled murrelets were oiled and killed. This spill was similar to the Stuyvesant spill due to its location, the timing of the spill, the mix of Trustees, and the Responsible Party representatives. The Trustees took a similar approach to compensate the public for the injury to marbled murrelets for these two spills. Accordingly, settlement terms included the purchase of conservation easements to benefit marbled murrelets for the Kure spill. The conservation easement for the Kure spill includes purchase of two parcels of redwood forest comprising 87 acres of pristine old growth forest, and an additional 198 acres of surrounding buffer areas. These two parcels are known as the Big Mynott / E.F. Hunter Complex.

In total, the Miracle Mile and Big Mynott / E.F. Hunter conservation easements protect approximately 642 acres of privately-held forest from logging to protect nesting habitat for the marbled murrelet.

ACTIVITY: PROGRAM MANAGEMENT

Natural Resource Damage Assessment	2008 Actual	2009 Enacted	2010			Change from 2009 (+/-)	
			Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request		
Activity: Program Management	\$000	1,673	1,755	+70	0	1,825	+70
	FTE	4	6	0	0	6	0

Activity Overview:

Program Management provides the strategic vision, direction, management, and coordination of inter-Departmental activities necessary for the Department to carry out the Restoration Program. In short, it manages the intersection of complex interdisciplinary relationships among biology, environmental toxicology, natural resource management, economics, and law. The Program Management activity allocates damage assessment project funding; monitors program performance and ensures accountability; provides the framework for identifying and resolving issues that raise significant management or policy implications; develops the Department's policies and regulations for conducting and managing damage assessment and restoration cases; responds to Departmental, Office of Management and Budget, and Congressional inquiries; and ensures coordination among Federal, State, and Tribal governments.

Program Management funding enables the program to maintain support for bureau workgroup representation, ensuring essential integrated program coordination across the Department. The request includes funds for program support positions in the five bureaus with primary trust resource management roles (BIA, BLM, BR, FWS, NPS), technical support offices (USGS, Office of Policy Analysis, and the Office of the Solicitor). The Program Office currently provides \$78,000 (approximately 0.6 FTE) to each participating bureau for workgroup participation and program support. A fully integrated Departmental program requires at least this level of bureau participation on the workgroup and Program Management Team, as well as continued regional coordination and technical support in science, economics, and law.

2010 Program Performance:

All Program Management efforts and activities are focused on providing the tools, processes, or infrastructure to achieving restoration of injured natural resources. For 2010, Restoration Program will continue the implementation of administrative and regulatory reforms resulting from recommendations provided by practitioners, co-trustees, and stakeholders. In addition, a wide range of on-going program operations and improvements will be carried over from 2009, including efforts to effectively manage growing budget and financial stewardship requirements, made necessary as the result of continued growth in the volume and complexity of financial and budgetary transactions in its day to day operations. These continued efforts will allow the program to keep pace with the Restoration Fund's growth and maintain high standards of fiscal accountability and responsibility to the Department and its co-trustees.

The 2010 request level will support the workgroup as the Program continues its communication, consultation, and coordination activities with industry, the environmental community and

Federal, State, and Tribal co-trustees. Continued cooperation and coordination with co-trustees will enhance opportunities for efficiencies and to identify and eliminate duplication of effort and process redundancies.

Program management activities in 2010 will include the following efforts to continue to develop, refine and update a number of existing administrative and policy tools, with an eye towards improved consistency and effectiveness. Among these efforts are the following:

- Continue to evaluate the appropriate role and use of economic analytical tools used in damage assessment and restoration activities.
- Enhance communication with tribal co-trustees and assist BIA in strengthening capacity of Tribes to undertake damage assessment and restoration activities.
- Coordination with other trustees and restoration funding entities (U.S. Coast Guard's National Pollution Funds Center) to develop common cost documentation practices and formats to ensure consistency and uniformity.
- Broaden the opportunities for cooperative assessment by improving existing guidance and documents.
- Improve public outreach and information sharing through internet-based applications and websites.

Continued development and broader use of these and other tools will help ensure cross-bureau consistency and compatibility of information and systems, allowing the program to serve as a model for integrated management Department-wide.

The Program continues to work on significant reforms and enhancements suggested by stakeholders over the past few years. These included discussions among Federal, State, and Tribal trustees and industry that were held in accordance with the Federal Advisory Committee Act. Among the reforms being implemented are:

- Authorizing trustees to use a "restoration-based approach" for all natural resource damages, including interim losses.
- Adopting procedures that promote coordination between response and NRDAR activities.
- Encouraging early and continued consideration of appropriate restoration options in the NRDAR process.
- Sponsoring a series of workshops, research papers, and symposiums to inform guidance on explicitly linking the scale of restoration to the nature and extent of the injury.
- Ensuring that compliance by federal trustees with the requirements of the National Environmental Policy Act (NEPA) occurs concurrently with restoration planning.
- Identifying and adopting department-wide categorical exclusions from NEPA for appropriate types of restoration actions.
- Revising the existing criteria for evaluating restoration alternatives to provide clearer guidance that will enhance trustee decision-making.
- Enhancing its NRDAR partnerships, through improvements in grants, cooperative agreements, and contracting.
- Encouraging the use of existing local and regional restoration plans and databases for use in NRDAR.

At a national workshop held in April 2009, the Program provided training for over 130 practitioners from across the Department on a variety of topics including project management, damage claim development, restoration methods and other scientific and legal issues. As an indicator of cooperative approach that continues to be implemented by the Department and its co-trustees, over 50 State, Tribal, and Federal co-trustees, as well as representatives from industry and the conservation community also attended the workshop.

Program Support of Bureau, Department, and Government-wide Costs:

Section 405 of the 2008 Interior and Related Agencies Appropriations Act, adopted in the 2008 Consolidated Appropriations Act (Public Law 110-161) directs the disclosure of overhead, administrative, and other types of administrative support spending. The provision requires that budgets disclose current amounts and practices with regard to overhead charges, deductions, reserves, or holdbacks from program funding to support government-wide, Departmental, or bureau administrative functions or headquarters, regional, or central office operations. Changes to such estimates trigger reprogramming procedures, in which the Department must provide advance notice to and seek approval from the House and Senate Appropriations Committees.

For 2010, the Restoration Program’s costs related to overhead, administration, and central/regional operations are addressed in three components of the budget, all under the heading of External Administrative Costs. These costs include amounts paid to the Department or other Executive Branch agencies to support Departmental or Government-wide administrative costs.

External Administrative Costs			
(Dollars in Thousands)			
	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Enacted</u>	<u>FY 2010</u> <u>Estimate</u>
<u>DOI Working Capital Fund</u>			
Centralized Billings	87	91	96
Fee for Services	0	0	0
Direct Billings	166	177	196
Reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total, Working Capital Fund	253	268	292
<u>Fish and Wildlife Service</u>			
FWS User-Pay Cost Share	178	176	181
<u>U.S. Geological Survey</u>			
Common Services Support	47	42	60
<u>U.S. Department of Justice</u>			
DOJ Sec. 108 3% Offset Authority	253	400	400

Charges related to the Departmental Working Capital Fund (WCF) identified in the preceding table reflect the Restoration Program’s share of centralized Departmental expenses for items and

expenses such as telecommunications, security, mailroom services, costs associated with audited financial statements, and other WCF charges.

The Fish and Wildlife Service (FWS) levies its User-Pay Cost Share charges on damage assessment funds provided to the Service from the Restoration Program. Funds collected by FWS are used to offset a range of Servicewide administrative costs. For 2009, User-Pay Cost Share charges to the Restoration Program will be \$176,420. For 2010, FWS estimates those charges to be \$181,469.

The U.S. Geological Survey (USGS) applies a seven percent administrative overhead charge to all funds provided to USGS, primarily to the Columbia Environmental Research Center. Funds collected by the Center are used to offset common client administrative and facility expenses.

The Department of Justice applies a three percent offset to some, but not all, civil litigation debt collections made on behalf of the Restoration Program. Authority for these offsets can be found in Section 108 of the Commerce, Justice, and State Appropriations Act for Fiscal Year 1994 (P.L. 103-121, 107 Stat 1164 (1994)). The offset is applicable to collections where the Department is the sole recipient of the funds. Funds subject to the offset authority are credited to the DOJ Working Capital Fund. The DOJ offset authority does not apply to restoration settlements jointly shared with non-Federal co-trustees that are collected by DOJ and deposited into the DOI Restoration Fund.

The Program Management activity, which includes Restoration Program administrative functions and central and regional operations, does not assess or levy any internal program overhead charges, deductions, or holdbacks to support such operations.

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**DEPARTMENT OF THE INTERIOR
NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION
RESTORATION FUND**

Program and Financing (in thousands of dollars)

Identification code 14-1618-0-1-302	2008 Actual	2009 Enacted	2010 Estimate
Obligations by program activity:			
Direct Program:			
00.01 Damage Assessments	8,341	8,000	8,000
00.02 Prince William Sound Restoration	1,854	2,000	2,000
00.03 Other Restoration	15,243	22,000	22,000
00.04 Program Management	2,423	3,000	3,000
00.91 Total, direct program	27,861	35,000	35,000
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	257,443	269,126	279,464
22.00 New budget authority (gross)	44,638	50,338	79,462
22.10 Resources available from recoveries of prior year obligations	511	1,000	1,000
22.21 Unobligated balance transferred to other accounts: (Funds Transferred to DOC/NOAA 13-4316)	-5,605 [-5,605]	-6,000 [-6,000]	-6,000 [-6,000]
23.90 Total budgetary resources available for obligation	296,987	314,464	353,926
23.95 New obligations	-27,861	-35,000	-35,000
24.40 Unobligated balance carried forward, end of year:	269,126	279,464	318,926
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation (definite)	6,300	6,338	6,462
40.35 Appropriation permanently reduced	-98	0	0
43.00 Appropriation (total)	6,202	6,338	6,462
Mandatory:			
60.25 Appropriation (Special fund, Indefinite)	39,630	46,000	75,000
61.00 Transferred to Other Accounts: (Funds Transferred to DOC/NOAA 13-4316)	-1,194 [-1,194]	-2,000 [-2,000]	-2,000 [-2,000]
62.50 Appropriation (total mandatory)	38,436	44,000	73,000
70.00 Total new budget authority (gross)	44,638	50,338	79,462

**DEPARTMENT OF THE INTERIOR
NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION
RESTORATION FUND**

Program and Financing (in thousands of dollars)

Identification code 14-1618-0-1-302	2008 Actual	2009 Enacted	2010 Estimate
<u>Change in unpaid obligations:</u>			
72.40 Obligated balance, start of year	11,813	9,985	12,688
73.10 New obligations	27,861	35,000	35,000
73.20 Total outlays, gross (-)	-29,178	-31,297	-38,325
73.45 Adjustments in unexpired accounts	-511	-1,000	-1,000
74.40 Obligated balance, end of year	9,985	12,688	8,363
<u>Outlays, (gross) detail:</u>			
86.90 Outlays from new current authority	1,808	4,437	4,523
86.93 Outlays from current balances	4,615	1,861	1,901
86.97 Outlays from new permanent authority	14,754	4,300	5,300
86.98 Outlays from permanent balances	8,001	20,700	26,600
87.00 Total outlays (gross)	29,178	31,297	38,325
<u>Net budget authority and outlays:</u>			
89.00 Budget authority	44,638	50,338	79,462
90.00 Outlays	29,178	31,297	38,325
<u>Investments in U.S. securities</u>			
92.01 Total investments, start of year			
U.S. securities, par value	237,458	239,438	270,000
92.02 Total investments, end of year			
U.S. securities, par value	239,438	270,000	320,000

**DEPARTMENT OF THE INTERIOR
NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION
RESTORATION FUND**

Object classification (in thousands of dollars)

Identification code 14-1618-0-1-302	2008 Actual	2009 Enacted	2010 Estimate
<u>DIRECT OBLIGATIONS</u>			
Personnel compensation:			
11.1 Full-time permanent	833	856	881
11.3 Other than full-time permanent	0	0	0
11.5 Other personnel compensation	25	15	10
11.9 Total personnel compensation	858	871	891
12.1 Civilian personnel benefits	185	200	212
21.0 Travel and transportation of persons	53	40	40
22.0 Transportation of things	0	60	0
23.1 Rental payments to GSA	55	70	90
23.3 Communications, utilities, and miscellaneous charges	4	5	5
24.0 Printing and reproduction	3	4	4
25.2 Other services	33	35	50
25.3 Purchases of goods & services from other govt. accounts	489	450	400
26.0 Supplies and materials	11	10	10
41.0 Grants	4,765	6,700	6,700
99.9 Subtotal, direct obligations	6,456	8,445	8,402
<u>ALLOCATION ACCOUNTS</u>			
Personnel compensation:			
11.1 Full-time permanent	5,577	5,700	5,900
11.3 Other than full-time permanent	1,182	1,000	1,000
11.5 Other personnel compensation	168	200	200
11.8 Special personnel services payment	2		
11.9 Total personnel compensation	6,929	6,900	7,100
12.1 Civilian personnel benefits	1,767	1,900	2,050
21.0 Travel and transportation of persons	503	750	700
22.0 Transportation of things	187	145	35
23.1 Rental payments to GSA	174	250	250
23.2 Rental payments to others	1	10	10
23.3 Communications, utilities, and miscellaneous charges	62	100	102
24.0 Printing and reproduction	39	50	50
25.1 Advisory and assistance services	110	100	100
25.2 Other services	5,644	6,800	6,900
25.3 Purchases of goods & services from other govt. accounts	634	700	700
25.4 Operation & maintenance of facilities	8	100	100
25.7 Operation & maintenance of equipment	36	50	50
26.0 Supplies and materials	412	600	550
31.0 Equipment	172	400	300
32.0 Land and structures	613	1,700	1,600
41.0 Grants	4,114	6,000	6,000
99.0 Subtotal obligations - Allocation Accounts	21,405	26,555	26,597
99.9 Total obligations	27,861	35,000	35,000

**DEPARTMENT OF THE INTERIOR
NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION
RESTORATION FUND**

Obligation Summary (in thousands of dollars)

Identification code 14-1618-0-1-302	2008 Actual	2009 Enacted	2010 Estimate
Obligations are distributed as follows:			
Natural Resource Damage Assessment Program Office	6,456	8,445	8,402
Bureau of Indian Affairs	1,347	1,410	1,400
Bureau of Land Management	980	1,000	1,000
Bureau of Reclamation	50	3,000	3,000
Fish and Wildlife Service	14,203	15,845	16,048
National Park Service	2,290	2,700	2,600
Office of the Secretary	860	800	700
U.S. Geological Survey	1,675	1,800	1,850
99.9 Total obligations	27,861	35,000	35,000

Personnel Summary

Identification code 14-1618-0-1-302	2008 Actual	2009 Enacted	2010 Estimate
Direct:			
Total compensable workyears:			
1001 Full-time equivalent employment	7	9	9
Average Salary per FTE	\$145,429	\$150,903	\$156,196

**DEPARTMENT OF THE INTERIOR
NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION
EMPLOYEE COUNT BY GRADE**

	2008 Actual	2009 Enacted	2010 Estimate
Executive Level	0	0	0
SES.....	1	1	1
CA-3 *.....	0	0	0
AL-2-3 **	0	0	0
SL-0 ***	0	0	0
subtotal.....	0	0	0
GS/GM-15	0	0	0
GS/GM-14	3	3	3
GS/GM-13	2	5	5
GS-12	1	0	0
GS-11	0	0	0
GS-10	0	0	0
GS-9	0	0	0
GS-8	0	0	0
GS-7	0	0	0
GS-6	0	0	0
GS-5	0	0	0
GS-4	0	0	0
GS-3	0	0	0
GS-2	0	0	0
subtotal (GS/GM).....	6	8	8
Total employment (actual / projected) at end of fiscal year.....	7	9	9

*CA - DOI Board Member

**AL - Administrative Law Judge

***SL - Senior-Level / Scientific Professionals

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