



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Environmental Conservation

DIVISION OF SPILL PREVENTION AND RESPONSE
Director's Office

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Dear Spill Prevention and Response Partner –

I am happy to announce the Alaska Division of Spill Prevention and Response (SPAR) has reached a milestone in our efforts to improve the services we offer. We now have one program - The Prevention, Preparedness, and Response (PPR) program that will provide many of your SPAR related needs.

Previously, you would interact with our prevention program (Industry Prevention and Preparedness) for your contingency planning and financial responsibility and work with our response program (Prevention and Emergency Response) during drills, exercises, and actual events to implement those plans.

The outcome of our effort is you will now work with one program to ensure you are preventing spills, you are prepared to respond when they occur, and you are implementing all that planning work during drills, exercises, and actual responses. Our goal is for you to work with one individual or group throughout all three activities improving synergy between planning and response. The Contaminated Sites Program - which regulates longer term remediation of contamination - will continue to be a separate entity within the Division of SPAR albeit working closely with PPR when sites are transferred.

I have included the most recent organizational chart so you can navigate the new PPR program. While all impacted staff generally know their new work assignments, it will take us some time to get everyone up-to-speed regarding their specific duties and completely transfer work.

When looking at our new structure, you will see the planning and response work is regionally based. This reflects our belief that any response (at least any large one) will utilize all the assets – equipment and expertise – in an area and won't be limited to the responsible party. We will be relying more on sub-area government response plans and sub-area committees to orchestrate drill and exercise schedules so we are more efficient with your time and money, as well as our own. Verifying a plan holder's ability to adequately respond is important, but we need to find ways to achieve that while practicing what is really likely to occur during an event.

We have also been making significant improvements to our cost recovery processes. Some of you may have experienced those changes by receiving bills for something that occurred in the past. We are catching up with a back log and should be current soon. Regulations that define how cost recovery occurs will be out for comment by this fall. Although many services we provide are not cost recoverable, improvements in this area are overdue.

Many of you are aware that legislation was recently passed providing another revenue stream for all the important work SPAR accomplishes. The legislature passed HB158 and Governor Walker signed the bill into law last month. The majority of our spills and resulting contaminated sites are associated with refined fuel. Based on that knowledge, .095 cent surcharge per gallon on most refined fuel was established. This was necessary to offset declining revenue that funds our important prevention and response activities.

We have also been undergoing many financial changes within SPAR to use less revenue. We reduced our budget this year (fiscal year 2016) by \$830,000 and eliminated 6 positions. We closed a field office and reduced other expenses. This has the net effect of reducing our usage of the Response Fund substantially.

Please be patient as we head down this path of continual improvement. If you have any questions I'd be happy to answer them.

Thanks, Kristin