

DEPARTMENT OF THE INTERIOR



Restoration Program

Natural Resource Damage Assessment & Restoration Program

Fiscal Year 2007 Budget Justifications

TABLE OF CONTENTS

Appropriation: Natural Resource Damage Assessment and Restoration

Summary of Request	Page
General Statement.....	1
Section 405 Compliance.....	3
President's Management Agenda.....	5
Performance Summary.....	6
Organization Chart.....	8
Appropriations Language.....	9
Fixed Costs and Related Changes.....	12
Goal Performance Table.....	13
Program Activities	
Damage Assessments Activity.....	17
Assessments and Restorations Site Map.....	18
Restoration Support Activity.....	22
Program Management Activity.....	33
Exhibits and Schedules.....	37

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION PROGRAM

GENERAL STATEMENT

Overview of 2007 Budget Request:

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.

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 legal actions (in rare cases) 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 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 55 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 261 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 states, the **Bureau of Reclamation** seeks 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 trustee bureaus, the U.S. Geological Survey, 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 the national policy and the individual case management levels. The Office of Environmental Policy and Compliance provides regional coordination support as well as a link to response and remedial activities associated with oil or chemical releases.

The Departmental trustee bureaus conduct 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 implementation of the Secretary's 4C's (Conservation through Consultation, Cooperation, and Communication) 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.

All program performance within the Restoration Program supports the Department's Resource Protection Strategic End Outcome Goal No. 1.2, Sustain Desired Biological Communities on DOI -Managed and Influenced Lands and Waters. Specifically, Program activities support Strategy 1 – **Create Habitat Conditions for Desired Communities to Flourish** by restoring habitats that have been injured by releases of oil or hazardous substances.

The Restoration Program requests \$6,109,000 in current appropriations for Fiscal Year 2007. The 2007 request for direct appropriations represents an increase of \$93,000 over the 2006 enacted appropriation of \$6,016,000. Fixed costs and related changes of \$93,000 account for the entire requested increase and are fully funded. No programmatic increases are requested. In addition, the request also includes an estimated \$30.0 million in permanent funds, which result from negotiated legal settlement agreements with responsible parties.

Overview of 2007 Budget Request *(Dollars in Thousands)*

Budget Authority	2005 Actual	2006 Enacted	2007 Request	2007 Request Change from 2006	
				Amount	Percent
Current	5,737	6,016	6,109	+93	+1.15%
Permanent	37,769	32,000	30,000	-2,000	-6.25%
TOTAL FTE	43,506	38,016	36,109	-1,907	-5.02%
				-	0%

Budget Request by DOI Mission Component *(Dollars in Thousands)*

DOI Strategic Goal	2006 Enacted	2007 Request	Change From 2006
Resource Protection	6,016	6,109	+93
Resource Use	0	0	0
Recreation	0	0	0
Serving Communities	0	0	0
Management	0	0	0
TOTAL	6,016	6,109	+93

Section 405 Compliance:

Section 405 of the 2006 Interior appropriations bill directs the disclosure of overhead, administrative, and other types of 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 2007, the Restoration Program's costs related to overhead, administration, and central/regional operations are addressed in two components of the budget, both 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 2005 Actual</u>	<u>FY 2006 Estimate</u>	<u>FY 2007 Estimate</u>
<u>DOI Working Capital Fund</u>			
Centralized Billings	148	75	80
Fee for Services	0	0	0
Direct Billings	5	150	148
Reimbursables	0	0	0
Total, Working Capital Fund	153	225	228
<u>Fish and Wildlife Service</u>			
Cost Allocation Methodology (CAM)	265	211	213

Charges related to the Departmental Working Capital Fund (WCF) identified in the above 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. Starting in 2006, charges for program-specific financial management services provided by the Department's National Business Center (NBC) are moved from Centralized Billings and are more accurately reflected under the Direct Billing heading. This funding adjustment between Centralized Billing and Direct Billing results in an unbudgeted increase of \$52,000 in 2006 for these essential financial management services, which will need to be absorbed. Further, \$50,000 will also need to be absorbed in FY 2007.

Since 2002, the Fish and Wildlife Service (FWS) has assessed its Cost Allocation Methodology (CAM) charges on damage assessment funds provided to the Service from the Restoration Program. Effective in 2003 and thereafter, the Restoration Program reached an agreement with all the bureaus regarding administrative overhead charges such as the CAM. The agreement provides that the program would allow any bureau that requested administrative overhead an amount no greater than seven percent of the damage assessment funding allocated to that bureau. Regardless of the usual overhead rate charged or the bureau's internal holdback or reserve policies, the agreement caps administrative allocations from the Program to the bureaus at seven percent of the amount transferred. To date, only FWS has requested such funds from the Program to cover bureau indirect administrative charges. The actual amount given to FWS is calculated annually after the Program has made its funding decisions for ongoing and new damage assessment cases. For 2006, damage assessment funding recommendations made in December 2005 resulted in 2006 CAM charges of \$211,000. For 2007, it is anticipated that FWS will likely receive damage assessment funding at a level comparable to the average of recent years, yielding an estimate of \$213,000 to be transferred for 2007 CAM charges.

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. Such program operations are addressed in the Program Management activity narrative starting on page 33.

President's Management Agenda:

In keeping with the President's Management Agenda, program performance information continues to play a key role in Program operations and the development of the 2007 budget request. The Program Office continues to work closely with the bureaus to develop and utilize common Activity-Based Cost (ABC) accounting measures across bureau lines. These cross-bureau ABC measures coalesce into three major program performance areas – assessment, restoration, and program management. Individual bureaus and case teams also continue to collect data at a finer level of detail to be used in documenting costs that may be recoverable in settlement agreements.

The Restoration Program has worked to integrate its staff planning efforts within the framework established by the Departmental Workforce Planning Team. With only six FTE in the Restoration Program Management Office, the Program relies greatly on distributive management, in close coordination with a workgroup comprised of multiple bureaus and offices. A Restoration Program workforce gap analysis that was conducted in 2003 in response to the President's Management Agenda identified increased interagency restoration support as the greatest program need to accomplish its missions and performance goals over the next five years. The 2005 budget included two additional FTE for the Program, specifically two restoration specialists, to be housed in the field, co-located with other related bureau offices. These FTE provide restoration support activities within all the bureaus involved in the Program. The 2006 enacted budget built on this identified need for a more precisely-focused restoration capability in the Program, but will be accomplished using existing FTE within the U.S. Geological Survey.

As part of an annual Departmental Competitive Sourcing exercise, all current positions within the Restoration Program Office are reviewed to identify opportunities for competitive sourcing. At this time, all positions were identified as being inherently governmental in nature because they focus on Program-level policy, budget, and program guidance activities. Many ongoing cases already make use of contractors and consultants, and the bureaus may identify additional opportunities, while ensuring that the inherently governmental tasks in each case continue to be carried out by DOI employees. Additionally, the Restoration Support Unit will identify further opportunities to use contractors to implement restoration activities.

The Restoration Program Office, as part of the Office of the Secretary, follows the lead of the Departmental budget and financial management offices. The Restoration Program has no major financial management systems of its own. Financial management improvements initiated by the Office of the Secretary will be fully assimilated into Restoration Program Office operations, such as the move to Activity-Based Costing and Management (ABCM), and the development of the Department-wide Financial Business and Management System (FBMS).

The Restoration Program Office, consisting of 6 FTE, does not prepare a budget for information technology investments (Exhibit 53 or Exhibit 300). The Program Office's information

technology investments consist of six personal desktop computers, which reside within the Office of the Secretary's operating networks. The Program does not own or operate any other information systems outside of these. The Program, as part of the Office of the Secretary, will again follow the lead of the Secretarial Offices in enterprise information technology investments and initiatives, such as ESN, Messaging, Active Directory and E-Authentication.

Performance Summary:

Restoration activities conducted under the auspices of the Restoration Program support the Department's Strategic End Outcome Goal No. 1.2, Sustain Desired Biological Communities on DOI-Managed and Influenced Lands and Waters. Specifically, Program activities support Strategy 1 – **Create Habitat Conditions for Desired Communities to Flourish** by restoring habitats that have been injured by releases of oil or hazardous substances.

Consistent with the intermediate outcome measures in the Departmental Strategic Plan, program performance is measured by the number of acres and the number of stream/shoreline miles restored in accordance with publicly approved restoration plans. The bureaus directly involved in the on-the-ground restoration activities collect these resource-based end outcome restoration accomplishments and the Program Office synthesizes the bureau figures to report total accomplishments for the Restoration Program. In 2005, the bureaus reported the restoration of 13,782 acres of wetlands and 12 miles of streamside or shoreline habitat. The 2005 results include a large parcel property in the thousands of acres protected as the result of an oil spill settlement in the northeastern United States, which caused the 2005 totals to greatly exceed the original 2005 target. Such occurrences are atypical, and 2006 performance goals reflect a more realistic target. In 2006, the program estimates that it will restore 8,500 acres and 80 shoreline/stream miles of habitat for injured trust resources. In 2007, with stable funding and a continued focus on restoration, the Restoration Support Unit and the outcomes of the restoration science initiative will assist the bureaus in the restoration of 10,000 acres and 100 shoreline/stream miles of habitat for injured trust resources, an incremental increase of 1,500 acres and 20 miles of restored habitat.

The bureaus 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.

Budget Summary Table:

Natural Resource Damage Assessment and Restoration Program Summary of Fiscal Year 2007 Request						
<u>Appropriation / Activity</u>						
<u>Discretionary Appropriations</u>		FY 2005 Enacted	FY 2006 Enacted	Uncontrollable & Related Changes	Program Changes (+/-)	Change from FY 2006 (+/-)
Damage Assessments	\$000 <i>FTE</i>	3,845 0	3,873 0	+45 0	0 0	3,918 0
Restoration Support	\$000 <i>FTE</i>	366 2	574 2	+2 0	0 0	576 2
Program Management	\$000 <i>FTE</i>	1,526 4	1,569 4	+46 0	0 0	1,615 4
Total, Current Appropriations	\$000 <i>Direct FTE</i>	5,737 6	6,016 6	+93 0	+0 0	6,109 6
<i>Estimated FTE Allocated to Other Accounts</i>		[29]	[29]	[0]	[0]	[29] [0]
<u>Mandatory Appropriations - Receipts</u>						
Settlement Receipts		37,769	32,000	0	-2,000	30,000 -2,000
Total, Permanent Appropriations	\$000 <i>Direct FTE</i>	37,769 0	32,000 0	0 0	-2,000 0	30,000 0
<i>Estimated FTE Allocated to Other Accounts</i>		[29]	[29]	[0]	[0]	[29] [0]
Total, Natural Resource Damage Assessment and Restoration	\$000 <i>FTE</i>	43,506 6	38,016 6	+93 0	-2,000 +0	36,109 6 -1,907 +0
<i>Total, Estimated FTE Allocated to Others</i>		[58]	[58]	[0]	[0]	[58] [0]

Organization Chart:

The Restoration Program Management Office consists of six FTE. They are the Program Manager and five staff: the Assistant Program Manager for Operations, the Assistant Program Manager for Restoration, and the Budget Officer/Restoration Fund Manager, located in its Washington, DC headquarters and two staff Restoration Support specialists located in Denver.

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.



Restoration Program

Natural Resource Damage Assessment & Restoration Program

Assistant Secretary - Policy, Management, and Budget

Deputy Assistant
Secretary – Policy and
International Affairs

Program Manager

**Executive
Board**

Restoration Fund Manager

APM – Operations

APM – Restoration

Restoration Support Unit

Technical Support

Economics

Office of Policy Analysis

Science

U.S. Geological Survey

Law

Office of the Solicitor

Workgroup

Bureau of Indian Affairs

Bureau of Land Management

Bureau of Reclamation

Fish and Wildlife Service

National Park Service

Office of Environmental
Policy and Compliance

**Regional
Coordination**

Denver

Oakland

Philadelphia

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.

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* [(Public Law 101-380)] (33 U.S.C. 2701 et seq.), and *Public Law 101-337*, as amended (16 U.S.C. 19jj et seq.), [\$6,106,000] \$6,109,000, to remain available until expended. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006*)

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.

Summary of Requirements

(Dollars in Thousands)

Appropriation: Natural Resource Damage Assessment and Restoration Fund

	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Appropriation enacted, 2006			6	6,016
Fixed Costs and Related Changes	0	+93		
Program Changes (detailed below)	0	0		
Total Requirements (2007 Request)			6	6,109

Comparison by Activity/Subactivity

Comparison by Activity	2005 Actual		2006 Enacted		Fixed Costs & Related Changes (+/-)		Program Changes (+/-)		2007 Budget Request		Inc. (+) Dec. (-) from 2006	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Damage Assessments		3,845		3,873	0	+45	0	+	0	3,918	0	+45
[Receipts]		[5,104]		[4,000]				[+50]		[4,050]		[+50]
Restoration Support		366	2	574	0	+2	0	+000	2	576	0	+2
[Prince William Sound Restoration]		[2,041]		[1,700]				[-200]		[1,500]		[-200]
[Other Restoration]		[30,523]		[26,050]				[-1,850]		[24,200]		[-1,850]
Program Management	4	1,526	4	1,569	0	+46	+0	+00	4	1,615	0	+46
[Receipts]		[101]		[250]				[0]		[250]		[0]
Total, Appropriation	4	5,737	6	6,016	0	+93	0	0	6	6,109	+0	+93
[Gross Receipts]		[37,769]		[32,000]		[0]		[-2,000]		[30,000]		[-2,000]

Justification of Fixed Costs and and Related Changes (Dollars in Thousands)	2006	2006	2007
	Budget Change	Revised Change	Change
Additional Operational Costs from 2006 and 2007 January Pay Raises:			
2006 Pay Raise, 3 Quarters in 2006 Budget.....	48	48	N/A
Amount of Pay Raise Absorbed.....	0	[17]	N/A
2006 Pay Raise, 1 Quarter.....			+22
Amount of Pay Raise Absorbed.....			0
2007 Pay Raise.....	N/A	N/A	+51
Amount of Pay Raise Absorbed.....			0
These adjustments are for an additional amount needed in 2007 to fund the remaining 3-month portion of the estimated cost of the, on average, 3.1 percent pay increase effective in January 2006 and the additional costs of funding for an estimated 2.2 percent January 2007 pay increase for GS-series employees and the associated pay rate changes made in other pay series			
Other Fixed Cost Changes:			
Rental Payments to GSA and Others.....	71	70	+3
The adjustment is for changes in the costs payable to General Services Administration and others 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. Costs of mandatory office relocations, i.e., relocations in cases where due to external events there is no alternative but to vacate the currently occupied space, are also included.		[1]	
Employer Share of Federal Health Benefits.....	143	141	+12
The adjustment is for changes in the Federal government's share of the cost of health insurance coverage for Federal employees. The increase is estimated at 11 percent, the average increase for the past few years.		[2]	
Departmental Working Capital Fund (WCF) Charges.....	75	75	+5
The change reflects expected changes in the charges for centrally-billed services provided through the Working Capital Fund. These charges are displayed in the Budget Justification for Departmental Management. Charges for directly-billed services from the WCF are not included in this amount.		[1]	
Totals	337	334	+93

GOAL PERFORMANCE TABLE

End Outcome Goal 1.2: Resource Protection. Sustain desired biological communities on DOI managed or influenced lands in a manner consistent with obligations regarding the allocation and use of water.

End Outcome Measure/Intermediate or PART Measure/PART Efficiency or Other Outcome Measure	Type	2004 Actual	2005 Final Plan	2005 Actual	2006 Enacted	2007 Plan	Change from 2006 Revised to 2007	Long-term Target (2008) 2006 Pres Bud	Long-term Target (2008) Revised	Explanations of Changes: for change from 2006 to 2007 and 2006 and 2008 target revisions
<i>End Outcome Measures</i>										
Habitat restoration: Number of acres restored or enhanced to achieve habitat conditions to support species conservation, consistent with management documents, program objectives, and consistent with substantive and procedural requirements of State and Federal water law. (SP)	F	1,100	3,500	13,872	8,500	10,000	+1,500 (+18%)	20,000		Year to year variability is to be expected based on the variability of timing and settlement amounts. 2005 actual results includes one extremely large site restored in the northeast U.S. using oil spill settlement funds.
<i>Intermediate Program Outcome Measures</i>										
Habitat restoration: Number of stream / shoreline miles restored or enhanced to achieve habitat conditions to support species conservation, consistent with management documents, program objectives, and consistent with substantive and procedural requirements of State and Federal water law. (SP)	F	11	50	12	80	100	+20 (+25%)	195		Year to year variability is to be expected based on the variability of timing and settlement amounts.
<i>Program Output Measures</i>										
Cumulative Number of Restoration Actions Implemented	C	145	176	157	200	200	+0 (0%)	270	225	Long term target (2008) revised in light of 2005 performance

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 trustee 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.

Key to Measure Types

The Goal Performance Table that follows includes a column called Type. Each measure in the Goal Performance Table has measure Type: A, C, or F. Each classification reflects a different timeframe between when a result is realized, in terms of a changing target value, relative to when funds are budgeted.

A - Annual-result performance measures (“Annual” measures)

For these performance measures, the 2007 budget request level supports the performance target for that year only. This is typical of any performance measure target for an operational effort that is repeated annually.

C - Cumulative-result performance measures (“Cumulative” measures)

For these performance measures, the 2007 budget request reflects only an annual increment of funding that is being used to maintain or reach the level of achievement reflected in the target. While these measures reflect the level of performance achieved over a number of years, the target value for a given fiscal year reflects the level of performance which is expected to be reached by the end of that fiscal year, and no further.

F - Future-result performance measures (“Future” measures)

For these performance measures, the 2007 budget request reflects an investment towards a result that may take multiple applications over time and/or contributions from other efforts to realize. “Future” performance measures are similar to “cumulative” performance measures in that the time to achieve results extends beyond a single budget year reflecting either a delayed effect or the contributions from multiple years. One of the characteristics that distinguish “cumulative” from “future” performance measures is whether or not the level of achievement can be reflected in a target value in the budget year with the funding effecting the achievement.

Data regarding resource-based end outcome restoration accomplishments (acres and miles of restored habitat) were collected and reported directly by the bureaus involved in the on-the ground restoration activities, then synthesized by the NRDAR program management office. All goals and measures were developed in consultation with the bureaus implementing the habitat restorations in the field. Each goal is measurable and clear, and has a direct bearing on the mission activity in which it is categorized.

To ensure data validity, each bureau employs several levels of review and verification. Data collected by the staff directly involved with the on-the-ground restoration are reported to and reviewed sequentially by field, regional and headquarters personnel in the bureau responsible for the restoration. When multiple bureaus work together on a given restoration project, the bureau that is the designated lead for the project is responsible for the validation, verification, and reporting of those results.

Due to the long-term nature of many of the natural resource injuries that the program addresses, and the ensuing need for long-term restoration and success monitoring, the program began the restoration science initiative in 2006 in part to develop improved endpoints for measuring restoration success. The program will continue to track progress through the use of current output measures (acres and stream/shoreline miles of habitat) as well as integrating these new resource-based outcome measures as they become available.

In addition, the Program Office will continue its internal tracking of interim outputs utilizing measures including the number of restoration plans drafted, finalized, and in stages of implementation; numbers of restorations completed; increased numbers of cooperative restorations with industry; and increased funding leveraged from restoration partnerships.

Program Performance Overview by Activity:

Damage Assessment

The damage assessment activity indirectly supports the Department's Strategic End Outcome Goal No. 1.2, Sustain Desired Biological Communities on DOI -Managed and Influenced Lands and Waters, specifically Strategy 1 – **Create Habitat Conditions for Desired Communities to Flourish** by restoring habitats that have been injured by releases of oil or hazardous substances. Damage assessments are an integral step leading to the resolution of damage claims, which when settled, provides the funds or services necessary for natural resource restoration. Performance under this activity, however, is not captured directly by the resource-based Departmental strategic outcome measures such as the number of acres and the number of stream/shoreline miles restored in accordance with publicly approved restoration plans.

As described in the text box on page 21, the Program has instituted a process across all the bureaus to track and report progress within ongoing damage assessment cases. Key milestones in this tracking system are linked to the damage assessment regulations and include trustee coordination, development of assessment plans, injury determination and quantification, pathway, and development of damage claims, and case settlement. Data collected biannually on all Departmentally-funded cases enables the Program to monitor and report on 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.

Restoration Support

Restoration activities conducted under the auspices of the Restoration Program support the Department's Strategic End Outcome Goal No. 1.2, Sustain Desired Biological Communities on DOI-Managed and Influenced Lands and Waters. Specifically, Program activities support Strategy 1 – **Create Habitat Conditions for Desired Communities to Flourish** by restoring habitats that have been injured by releases of oil or hazardous substances.

Consistent with the intermediate outcome measures in the Departmental Strategic Plan, program performance is measured by the number of acres and the number of stream/shoreline miles

restored in accordance with publicly approved restoration plans. The bureaus directly involved in the on-the-ground restoration activities collect these resource-based end outcome restoration accomplishments and the Program Office synthesizes the bureau figures to report total accomplishments for the Department. In 2005, the bureaus reported the restoration of 13,782 acres of wetlands and 12 miles of streamside or shoreline habitat. The 2005 total included a very large parcel related to an oil spill restoration project in the northeastern United States. In 2006, the program estimates that it will restore 8,500 acres and 80 shoreline/stream miles of habitat for injured trust resources. In 2007, with stable funding and a continued focus on restoration, a fully operational Restoration Support Unit, and the outcomes of the restoration science initiative will assist the bureaus in the restoration of 10,000 acres and 100 shoreline/stream miles of habitat for injured trust resources, an incremental increase of 1,500 acres (an increase of 18%) and 20 shoreline / stream miles (an increase of 20%) of restored habitat.

In 2007, the Program will continue to utilize resource-based end outcome restoration accomplishments (acres of habitat, miles of stream/shoreline restored) that will be collected and reported directly by the bureaus involved in the on-the-ground restoration activities. The Program Office will synthesize the bureau figures to report total accomplishments for the Department, ensuring that cases with multi-bureau involvement are counted, but not double-counted.

Program Management

This activity indirectly supports the Department's Strategic End Outcome Goal No. 1.2, Sustain Desired Biological Communities on DOI-Managed and Influenced Lands and Waters, specifically Strategy 1 – **Create Habitat Conditions for Desired Communities to Flourish** by restoring habitats that have been injured by releases of oil or hazardous substances. Program management provides the corporate infrastructure and policy direction necessary to support natural resource restoration. Performance under this activity, however, is not captured directly by the resource-based Departmental strategic outcome measures such as acreage or the number of stream /shoreline miles restored in accordance with publicly approved restoration plans.

Through the current year, the Restoration Program has relied on two intermediate measures to track program performance: the cumulative number of sites where restoration activities have begun and the cumulative amount of funds deposited into the DOI Restoration Fund. During the transition to the new resource-based performance measures, the program will continue to report on these intermediate measures as well.

ACTIVITY: DAMAGE ASSESSMENT

Natural Resource Damage Assessment	FY 2005 Actual	FY 2006 Enacted	2007			Change from FY 2006 (+ / -)	
			Fixed Costs & Related Changes (+ / -)	Program Changes (+ / -)	FY 2007 Request		
Activity: Damage Assessment	\$000	3,845	3,873	+45	0	3,918	+45
	FTE	0	0	0	0	0	0

Activity Overview:

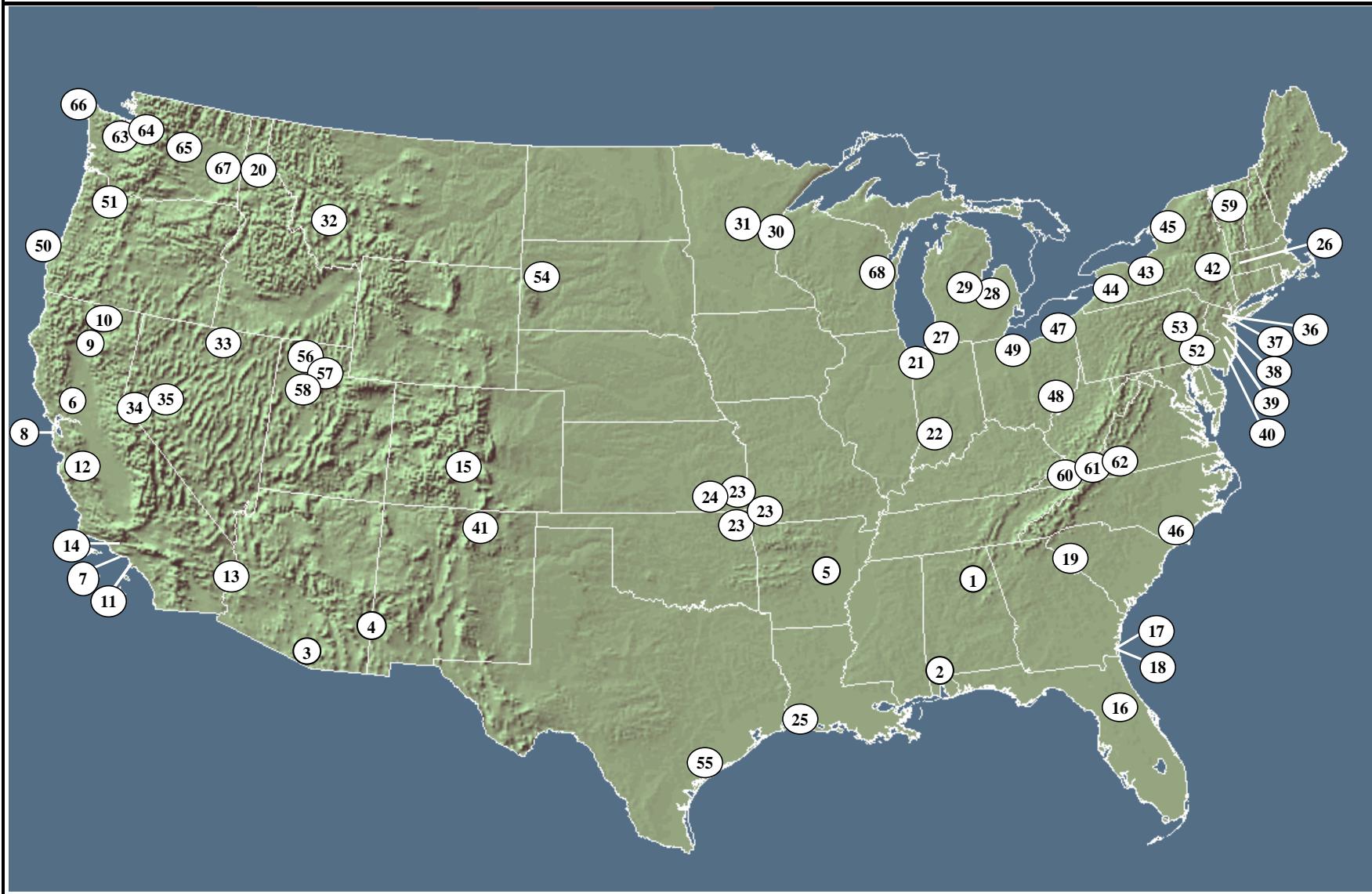
Damage assessment activities are the critical first step taken on the path to achieving restoration of natural resources injured through the release of oil or hazardous substances. The nature and magnitude of injury must be identified, investigated, and thoroughly understood if the resulting restoration 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 contribute to the Department's Strategic Goal of **Resource Protection – Sustain Desired Biological Communities on DOI Managed and Influenced Lands and Waters**. 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.

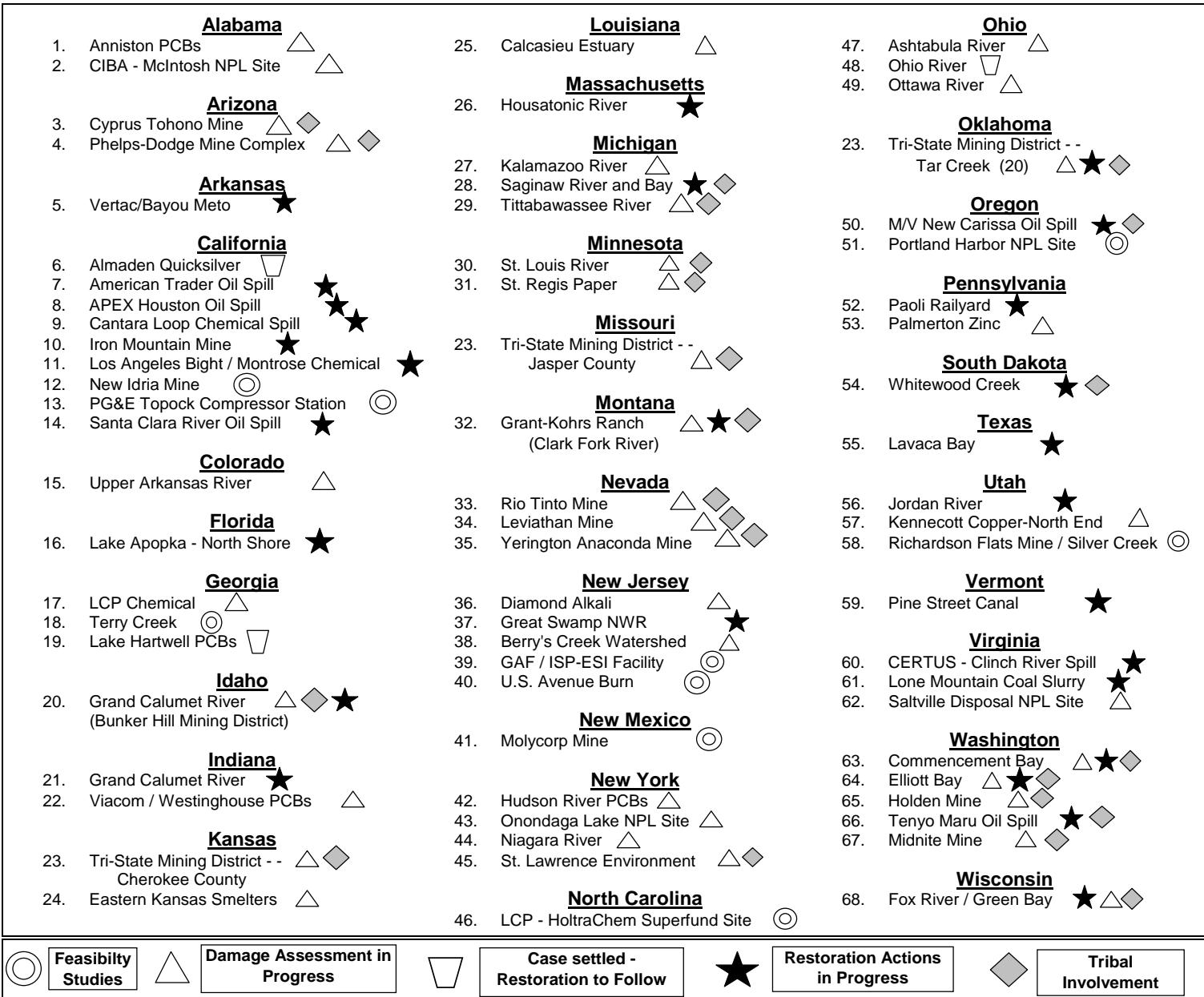
Damage assessment cases are conducted by one or more of the five principal trustee bureaus within the Department: (Fish and Wildlife Service; Bureau of Land Management; National Park Service; Bureau of Indian Affairs, and Bureau of Reclamation). Economic analytical support is provided by the Office of 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 very beneficial 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 Department 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 over thirty-five 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 funding towards Interior assessment activities.

The Program's current damage assessment project caseload totals 46 ongoing cases (including feasibility studies), and is depicted on the map and table on the following pages.

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





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 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 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. 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 tracked through settlement, at which time all unused or unneeded funds are pulled back and re-allocated to other deserving 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 more deserving projects.

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 (2004 – 2006), the Program has utilized an average of \$2.2 million in recovered funds annually to supplement appropriated funds to fund new and ongoing assessment needs.

2007 Activity Performance Estimates:

In 2007, the program plans to continue to utilize recovered past assessment costs from recent settlements and/or returned funds from completed assessments in addition to the \$3.9 million in appropriated funds contained in this request. It is estimated that these funds will support new or ongoing damage assessment efforts at approximately 30 sites, maintaining the 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 in recent years, the program anticipates that original project proposals from the field for this funding will exceed the amount of funding available. The program will continue its focus on the use of cooperative assessments, and pursue funding agreements with potentially responsible parties. 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 manage damage assessment workload.

In 2007 the program will begin to implement the administrative and regulatory reforms that may come out of the FACA process upon the Secretary's acceptance of the FACA Committee recommendations. The FACA Committee is addressing key questions that impact the damage assessment process, such as how to improve injury determination methods and how to deal with interim losses of natural resources. (See Program Management activity section for a broader discussion of the FACA Committee).

2006 Planned Activity Performance:

In 2006, the program will utilize \$1.5 million in recovered past assessment costs from recent settlements and/or returned funds from completed assessments in addition to the \$3.8 million in appropriated funds to fund a total of \$5.3 million for damage assessment projects under this activity. These funds will support new or ongoing damage assessment efforts at 31 sites, including two new feasibility studies and five new sites, including three that previously received feasibility funds and have matured into fully-developed cases. The Restoration Program evaluated original project proposals from the field that totaled over \$7.5 million in selecting projects for funding at this level.

In its 2006 project funding deliberations, the Restoration Program again made use of performance data collected from ongoing cases that document the attainment of specific milestones (assessment plan development, trustee MOU, injury determination and quantification, claim for damages) 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 given opportunity 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. 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.

2005 Activity Performance Accomplishments:

Damage assessment activities are essential first step in the process of restoring natural resources that have been injured by releases of oil or hazardous substances. The nature and magnitude of the natural resource injury must first be fully understood and quantified if the resulting restoration actions are to be effective. The program outcome measures of acres and miles of habitat restored, however, do not directly measure progress in this activity. Instead, the Program must rely on output measures, such as numbers of assessment cases that have been settled and amount of funds recovered in those settlements. These program output measures report the following 2005 accomplishments: 15 damage assessment cases reached settlement, with an estimated value of over \$60 million to be received over a number of years. Through January 2006, the DOI Restoration Fund has recovered over \$641 million in gross settlement receipts and earned interest since its creation in 1992. Deposits and interest for 2005 alone totaled nearly \$38 million. (All amounts inclusive of Exxon Valdez oil spill funds).

In 2005, the Program continued its project milestone reporting requirements, and received project performance data that enabled the Program to report on interim progress toward case settlement in these multi-year damage assessment cases. 33 of the 46 ongoing damage assessment cases in 2005 demonstrated progress toward completion of the assessment phase, meeting project performance milestones such as completion of assessment plans, injury determination or damage quantification.

ACTIVITY: RESTORATION SUPPORT

Natural Resource Damage Assessment	FY 2005 Actual	FY 2006 Enacted	2007			Change from FY 2006 (+/-)
			Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	FY 2007 Request	
Activity: Restoration Support	\$000	366	574	+2	0	576
	FTE	2	2	0	0	2

Activity Overview:

As a result of achieving many successful settlements in recent years, the Restoration Program recognized the need to provide a broader and more substantive institutional emphasis on accomplishing restoration in a timely fashion whenever possible. This need goes beyond simply planning and implementing restoration on a case-by-case manner, as had been the practice.

Interior bureaus, working in partnership with other affected State, Federal, and tribal co-trustees, use settlement funds to carry out restoration activities. The Program continues its coordinated effort in recent years to focus greater attention on restoration activities and to expedite the expenditure of settlement funds. The shift of \$250,000 from assessment to restoration in 2003, the establishment of a new restoration position in 2004, the establishment two new positions in

the restoration support unit in 2005, and the restoration science initiative funded in 2006 are key elements within this coordinated effort.

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, after the issuance of an approved restoration plan. The use of such settlement funds provides real value to the American public, as injured natural resources and services are restored at the expense of the responsible party, and not the taxpayers.

Other Available Restoration Resources (Dollars in \$000)		
	2006	2007
Settlement funds currently held in DOI Restoration Fund (estimate)	\$210,000	\$235,000
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 a 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.

2007 Activity Performance Estimates:

In 2007, the Program will continue activities furthering the achievement of restoration through the Restoration Support Unit in Denver. The program will complete docket development and the pilot projects on restoration planning and regional restorations and continue to support field efforts to expand restoration partnerships with non-profit conservation groups, industry, and other interested parties. 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.

The Restoration Support Unit will continue in 2007 to be a focal point for the program's restoration efforts nation-wide. 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.

In 2007, the program will continue implementation of the restoration science initiative begun in 2006. Specific outputs of the restoration science initiative in 2007 and subsequent years of funding will build upon the protocols and habitat/contaminant site types evaluated in 2006. Future results and outputs will depend upon the results of the strategy and matrix currently under

development. The study plans developed in year one will describe possible out-year schedules for the testing of protocols at further habitat/contaminant site types from the classification matrix. The long-range outputs of the initiative include:

- Tools to predict the time from initiating restoration actions to system recovery that incorporate toxicological effects, land use, and the natural variability in ecosystems.
- Integrated models that will help to predict realistic responses for alternative management actions, thus enabling managers to implement adaptive management strategies and move impaired ecosystems toward their restoration goals.
- Increased understanding of the ecological significance of restored habitats, leading to improved endpoints and more meaningful criteria for measuring restoration success.
- Long-term time series (5-10 years) information on restoration success specific to contaminated lands.

In 2007, the program will begin to implement the administrative and regulatory reforms that may come out of FACA process upon Secretary's acceptance of FACA Committee recommendations. The FACA Committee is addressing key questions that impact the restoration of injured natural resources, such as how to evaluate the potential effectiveness of restoration alternatives (on-site v. off-site) and how to streamline post-settlement restoration activities. (See Program Management activity section for a broader discussion of the FACA Committee).

2006 Planned Activity Performance:

In 2006, the program will complete the staffing of the Restoration Support Unit established in 2005. The 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 continuing its ongoing Restoration Support Unit activities, the Restoration Program is implementing a restoration science initiative approved in the FY 2006 appropriations bill. 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.

For 2006, efforts will focus on producing the following four products:

- A science strategy document that lays out the multi-stage, integrated approach that is necessary to achieve the goals and objectives of the science to be done.
- A decision matrix for classification of contaminants and habitats that describes the full range of habitats and contaminants encountered at NRDAR assessment and restoration sites. Categorization by contaminant and habitat type will allow the program to understand the ecological variability of sites, to set priorities for developing and testing protocols over the range of habitats and contaminants, and to compare the effectiveness of different restoration practices and protocols at different types of sites.
- A set of recommended protocols for evaluating restoration progress, including specific laboratory and field analytical methods that will be chosen to test their applicability for evaluating restoration at the full range of habitat/contaminant site types in the matrix selected high priority.
- Study plans for multi-year field studies. Multi-year testing in future years will allow for refinement and improvement of the protocols over the full range of habitat/contaminant combinations.

2005 Activity Performance Accomplishments:

Prior to 2004, the Restoration Program had only anecdotal information and data on restoration performance, which had not been collected in a uniform systematic fashion. Common measures, acres of habitat and miles of stream/shoreline restored, are now collected by each bureau and reported to the Program Office, which synthesizes the bureau figures to report total accomplishments for the Department, ensuring that cases with multi-bureau involvement are not double-counted. In 2005, the bureaus, primarily the Fish and Wildlife Service, worked with their co-trustee partners to restore 13,782 acres of habitat and 12 miles of streams and shorelines. In 2005, (excluding Exxon Valdez), \$20.4 million was released from the DOI Restoration Fund to DOI and other trustee agencies for site-specific restoration activities. This increase of \$4.2 million over 2004 is indicative of the continuing increased focus of the program on restoration.

FY 2005 funding under this activity was used to initiate a pilot project in regional restoration, which focused on the challenges of combining and coordinating restoration efforts, utilizing multiple small settlements under a single restoration plan. Funds were also used for a pilot project in restoration planning approaches in partnership with non-profit conservation groups and with the Bureau of Reclamation Technical Services Center. The Technical Services Center also began development of a restoration docket to house program performance data as well as information on completion of key milestones on the path from assessment through settlement and restoration. In addition, the Program developed a set of policies and operating principles for natural resource restoration activities. Selected case examples that highlight various restoration successes are described on the following pages.

RESTORING INJURED RESOURCES

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

Lower Fox River / Green Bay, Wisconsin

The Lower Fox River restoration project in northeast Wisconsin moved forward with many restoration improvements in 2005. The projects exemplify the benefits of creating collaborations between natural resource trustees, responsible parties and various community partners. The Lower Fox River, which flows into Green Bay and eventually Lake Michigan, has been severely impacted by years of industrial activity in the Fox River watershed. The primary concern is the toxic levels of polychlorinated biphenyls (PCBs), which have been deposited in the river's sediment and are harmful to humans and wildlife. Fish consumption advisories remain in place today in the Lower Fox River and Green Bay due to the PCBs.

In 2004, Federal, State, and Tribal co-trustees reached an agreement with Wisconsin Tissue Mills and the P.H. Glatfelter Corporation that will apply more than \$3 million toward natural resource restoration and \$300,000 toward past assessment costs, as a "down payment" on their ultimate liability. Also in 2004, Trustees reached an agreement with Georgia-Pacific (formerly Fort James Corporation) for over \$12 million toward restoration-related projects, as well as the preservation of 1,063 acres of ecologically-significant threatened habitat on the west shore of Green Bay.



Wisconsin DNR Fisheries Technician holds a large spotted musky, a product of the state's successful stocking program. Trustee Council support provided for a major expansion of the stocking program through 2015 when state fisheries biologists hope that stocking will no longer be needed due to natural reproduction producing enough fish to continue to populate Green Bay

In 2005, trustees used \$1,500,000 of NRDA settlement funds matched with \$36,892 of Nature Conservancy partner funds to acquire 3 miles or 230 acres of shoreline, coastal plain marsh and adjacent upland forest on the west side of the Garden Peninsula on Big Bay De Noc in the northern portion of the Green Bay Watershed. The area includes 78 acres of diverse wetland types ranging from coastal plain marsh to forested wetland, all located along and near the shore of Lake Michigan. The remaining 152 acres acts as an important upland buffer habitat. Furthermore, state and non-profit partners have joined together to protect an additional 3 miles of shoreline or 424 acres of land in the same project area.

The U.S. Fish and Wildlife Service continued habitat restoration at the Green Bay and Gravel Island National Wildlife Refuges in 2005. Settlement funds of \$170,000 will be used to restore important migratory bird resting and nesting habitats on a total of five islands. An evaluation of habitat was completed to develop a management plan for restoration of the islands. Locations for exotic vegetation have been mapped on the islands and permanent vegetation plots have been set up to monitor changes in the vegetative community as restoration activities are completed and maintained through time. Surveys to document bird use of all five islands have occurred during spring and fall migration. Additional restoration is scheduled for 2006.

DOI trustees have completed grassland restoration, specifically dry prairie and oak savanna, at Fox River National Wildlife Refuge. \$150,000 of NRDA settlement funds and an additional \$50,000 of matching funds and in-kind services from numerous area partners went towards the project. Project objectives included removing red cedar and white pine invasive species, logging the pine plantation, and burning the entire prairie. Additionally, native prairie grasses were planted using no-till drill and forest tracts were thinned. The project will restore a portion of two native rare Wisconsin ecosystems, increase value to wildlife, including native songbirds, and ultimately improve overall water quality in the watershed. Several additional projects, which applied NRDA settlement funds to Wisconsin State Trustees, also moved forward in 2005 restoring hundreds of acres of various habitats, including additional wetlands and prairies.

The specific examples cited here are but a small sampling of the recent natural resource restoration achievements of the Fox River/Green Bay Trustee Council. Over the past four years, the Trustee Council has approved 71 projects, of which 21 have been completed, with the rest in varying stages of implementation. In implementing these restoration projects, the case team has utilized \$30.7 million in restoration settlement funds. These funds have been matched or supplemented with over \$20 million contributed either in cash or in-kind services.

PEPCO / Chalk Point Oil Spill, Patuxent River, Maryland

In April 2000, an oil pipeline supplying the Potomac Electric Power Company's (PEPCO) Chalk Point electrical power plant ruptured, spilling more than 140,000 gallons of oil into the Patuxent River, a tributary of the Chesapeake Bay in Maryland just east of Washington, D.C. The spill impacted wetland and shoreline habitats of many native animal species, including birds, mammals, fish, amphibians and reptiles, as well as many native plants species. The spill reduced recreational use and other sources of economic revenue from the river and wetlands. In 2002, the U.S. Fish and Wildlife Service, NOAA and state natural resource trustees announced a settlement with responsible parties PEPCO and ST Services for \$2.7 million. The final

restoration plan is extensive due to the wide range of resource damages and was compiled after months of public review.

Over 500 migrating ruddy ducks were killed during the Chalk Point oil spill. The ruddy duck is a migratory species that breeds in wetlands located in the Prairie Pothole Region of the Midwest, including portions of Iowa, Minnesota, North and South Dakota, and southern Canada. During the winter, the ruddy duck migrates to the Chesapeake Bay, where they stay through late winter to early spring. The Prairie Potholes are a specialized wetland habitat that has been severely reduced in the past decades. In 2005, over 800 acres of ruddy duck nesting ground were restored or designated protected in North and South Dakota. Over 1,850 acres of ruddy duck nesting habitat in North and South Dakota will eventually be restored or become protected with settlement funds to compensate for the injury to ruddy ducks.



Diamondback terrapin nesting grounds created along Patuxent River, MD are one of the restoration projects implemented under the PEPCO / Chalk Point oil spill settlement.

The diamondback terrapin is another species that took a particularly hard hit during the Chalk Point Oil Spill. Well over 100 terrapins deaths were documented and vast amounts of nesting grounds were contaminated with oil. The female diamondback terrapin relies on selective beach areas and dunes near brackish waters for nesting during late-spring and early summer. Several areas with proper physical conditions along the Patuxent River shoreline will be enhanced and made suitable for diamondback terrapin nesting ground as part of the settlement. The U.S. Fish and Wildlife Service assisted in restoration in 2005, including the creation of a .25 mile beach

specifically designed for terrapin nesting habitat. An 8-acre brackish marsh area was also restored in 2005 in the same general area. This restoration site will provide additional habitat for waterfowl and native plant species that were injured in the oil spill. Several other projects involving Federal and State co-trustees also took place in 2005, including oyster seeding to restore an oyster reef in the Patuxent River. Additional projects will continue into 2006.

Lavaca Bay / ALCOA NPL site, Texas

Restoration actions related to the Lavaca Bay/Alcoa National Priorities List (NPL) settlement made significant strides in 2005. The Alcoa site, located on the eastern shore of Lavaca Bay, includes the Alcoa industrial facility and adjacent portions of Lavaca Bay. Historical industrial activities at the site resulted in the release of mercury and hydrocarbons into the marine environment. In 1988, a portion of Lavaca Bay was closed to fishing and crabbing due to high mercury levels. In 2000, a portion of the fisheries closure area in Lavaca Bay was reduced due to a reduction in sediment mercury levels.

This cooperative natural resource damage assessment between the Federal (Department of the Interior and NOAA) and State trustees and Alcoa has been completed. In December 2004, State and Federal Trustees announced two settlements with Alcoa Inc. and Alcoa World Alumina L.L.C. that addressed mercury contaminated sediments, ongoing un-permitted discharges of mercury and soil contamination at the Alcoa facility. Alcoa agreed to spend \$11.4 million to complete cleanup efforts, in addition to the approximately \$40 million already spent on early response and restoration action.



Construction of oyster reef in Lavaca Bay, Texas was carried out by ALCOA under the oversight of the natural resource trustee agencies (DOI, NOAA, and the State of Texas).

The joint restoration actions between the trustees and Alcoa have reached a milestone during 2005 with the construction of an 11-acre oyster reef in Lavaca Bay. Alcoa constructed the oyster reef as compensation for ecological losses related to mercury releases. In addition to the oyster reef, 729 acres of estuarine wetland and coastal prairie habitat are being preserved and will be transferred to the Aransas National Wildlife Refuge upon restoration completion. Also a 70-acre intertidal salt marsh is currently being constructed and planted with emergent vegetation on and adjacent to the Myrtle Foester Whitmire Division of Aransas National Wildlife Refuge. This project will provide additional habitat for the endangered whooping crane as well as numerous species of migratory waterfowl and wading shorebirds. The emergent vegetation will also provide beneficial habitat for finfish and invertebrates.

As compensation for lost recreational use due to the fisheries closure in Lavaca Bay, Alcoa will complete the construction of three fishing piers and three boat ramps in Lavaca Bay. Most of these recreational projects have been started and will be completed by July 2006.

SS Cape Mohican Oil Spill, California

The SS Cape Mohican Restoration Plan describes numerous projects selected to restore the trust natural resources and public uses injured as the result of an oil spill in San Francisco Bay in October 1996. The 40,000 gallon spill spread through much of the bay and beyond. The spill affected the Golden Gate National Recreation Area, the Gulf of the Farallons National Marine Sanctuary, and Point Reyes National Seashore. The spill caused injuries to several species of shorebirds and seabirds and anadromous fish such as steelhead and pacific herring. The National Park Service and U.S. Fish and Wildlife Service continue to work in partnership with co-trustees from NOAA and two California State agencies (Department of Fish and Game and the Department of Parks and Recreation) on the implementation of the plan.

U.S. Fish and Wildlife Service staff is leading many of the shorebird restoration efforts and the activities at Alameda Point. The Service is the lead for the creation of new nesting habitat for colonies of the endangered California least tern. This project entails herbicidal removal of undesirable vegetation, addition of pea gravel as a nesting substrate, and three years of follow-up monitoring of nesting success. Monitoring in 2005 indicated significant improvements with 120 least tern nests in the new substrate, increasing total colony size by over 150 nesting pairs above original pre-project numbers. Herbicide application will continue in 2006 to reduce overall vegetation and prevent the establishment of weeds in the new colony. Additionally, material that deters predatory raptors will be added to the top of each fence. Annual monitoring for 2006 will begin in April.

Three DOI-led restoration projects are also underway to remove exotic vegetation in important additional shorebird habitats at several locations in the San Francisco Bay Area. The first project is led by the U.S. Fish and Wildlife Service and will restore shorebird foraging habitat on mudflats and intertidal salt marshes within the Bay. Treatment to eradicate non-native vegetation continued in the fall of 2005, including treatment of 250 acres to control invasive smooth cordgrass in shorebird habitat. In the second project, the Service will restore burrow nest habitat on the Farallon Islands for seabirds such as auklets and ashy storm-petrels. A combination of chemical and mechanical methods will be used to control exotic vegetation. Seeds from native Farallon weeds will be used to re-seed bare soils when exotic plants are

removed. The third project, led by the National Park Service, will restore shorebird foraging and nesting areas, primarily for snowy plovers, at Point Reyes National Seashore. In 2005, 47 acres of snowy plover nesting habitat were restored at Great Beach on the Point Reyes National Seashore, and monitoring indicated that at least eleven snowy plover chicks were hatched and reared in the restoration sites. Additional projects, under the leadership of NOAA and the State co-trustees, continue to deal with injuries to anadromous fisheries, water quality, wetland habitat, and recreational use.

Asbestos Dump Superfund Site (Great Swamp National Wildlife Refuge, New Jersey)

When the Department of the Interior, acting through the Fish and Wildlife Service (FWS) took on the remediation and restoration associated with a former Superfund site – where asbestos and other contaminated wastes were dumped years before the six-acre tract became part of the Great Swamp National Wildlife Refuge – few could have anticipated how successful the project would become. Even fewer would have imagined the ripple effects that the activities would have to the overall mission of the Refuge and development of strong interagency relationships that continue today, following Secretary Norton’s 4C philosophy. A truly unique group of private and public partnerships have resulted from cooperative and synergistic efforts rarely seen in the often polarizing and divisive world of contaminant remediation and restoration.

The story, in many ways, begins in 1984, when six acres of the National Wilderness Area of the Great Swamp National Wildlife Refuge were declared part of a Superfund site [Operable Unit 3 (OU-3) of the Asbestos Dump Superfund site]. The site was formerly a privately-owned wooded and wetland tract where open dumping, landfilling, and burning of household, industrial, and asbestos-containing waste was conducted for many years prior to the FWS taking possession of the property in 1968. In addition to asbestos-containing waste, metals, and numerous drums of chlorinated solvents and other organic wastes were found. In 1993 the Department received a settlement of approximately \$3.4 million from a court-ordered bankruptcy settlement with the National Gypsum Company. This settlement was designed to ensure that the waste generator paid for degradation of natural resources.

A comprehensive restoration program was launched in December 2000, when Great Swamp National Wildlife Refuge and the FWS New Jersey Ecological Services Field Office developed a broad-scale restoration plan. The main goal of the plan was to restore, replace, or enhance the natural resources and their services lost or impaired due to disturbance that was created by the OU-3 site. The plan stressed land acquisition, invasive plant species control, enhancement of vernal pools and replacement of habitat and public access.

Activities outlined in the restoration plan have yielded a significant share of benefits. Over 164 acres of land have been added to the Refuge. Settlement funds have aided in the control of over 110 acres of invasive species and more work is planned for the coming year. Approximately 17 acres of impervious cover and nearly 1,600 tons of demolition debris have been removed from the refuge through the restoration plan’s “Old Home Site” habitat restoration initiative. A major portion of that 1,600 tons of demolition debris, over 425 tons of concrete and 275 tons of asphalt, was recycled rather than disposed of in a landfill. The remaining debris was screened for metals and other recyclable materials prior to disposal.



Biological control of purple loosestrife has proven successful after several years of *Gallerucella* (purple loosestrife beetle) influence on the Great Swamp National Wildlife Refuge, funded in part by settlement funds.

Over a half-mile of new boardwalks, constructed with recycled materials, have been added to the Refuge's Wildlife Observation Center, located just 26 miles west of New York City, bringing wildlife closer to public view. Over 100,000 visits per year are now made to the Wildlife Observation Center boardwalk and trail system.

More than 100 vernal pools have been mapped and 25 have been restored in order to maintain this unique but fragile habitat on the Refuge, and more work is planned for the coming year. The unique and highly sought after Great Swamp National Wildlife Refuge Watershed Natural Resource Restoration Assistance Project is empowering Refuge partners (such as the Ten Towns Great Swamp Watershed Management Committee and its members, Great Swamp Watershed Association, Somerset County Park Commission, New Jersey Conservation Foundation, and the Harding Land Trust) to complete 8 restoration projects throughout the watershed through a competitive application and review process. These valuable restoration projects that would have otherwise gone undone, will be completed because of the program. The restoration plan allocated \$350,000 toward this effort, to which the partners leveraged \$190,000 of funds or in-kind services bringing the total value of combined restoration projects to \$540,000.

Restoration implementation will be largely completed by the end of 2006.

ACTIVITY: PROGRAM MANAGEMENT

Natural Resource Damage Assessment	FY 2005 Actual	FY 2006 Enacted	2007			Change from FY 2006 (+ / -)	
			Fixed Costs & Related Changes (+ / -)	Program Changes (+ / -)	FY 2007 Request		
Activity: Program Management	\$000	1,526	1,569	+46	0	1,615	+46
	FTE	0	0	0	0	0	0

Activity Overview:

Program Management provides the 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 interdepartmental 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 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, OMB, and Congressional inquiries; and ensures coordination among Federal, State, and Tribal governments.

2007 Program Performance Estimates:

For 2007, the Restoration Program Management activity will continue a wide range of program operations and improvements carried over from 2006. In addition, the program will begin to implement the administrative and regulatory reforms that may come out of FACA process upon Secretary's acceptance of FACA Committee recommendations.

2006 Planned Program Performance:

In 2006, the Program will continue to build upon the progress and accomplishments achieved in 2005 to implement common activity-based cost accounting, resource-based performance measures, and cross-bureau management tools. The Program will also continue to strengthen its coordination and consultation with industry, environmental organizations, and other interested parties, which has focused on getting to restoration quicker and on improving the cooperative assessment process.

Sustained Program Management funding will enable 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 primary bureaus (BIA, BLM, BR, FWS, NPS), technical support offices (USGS, Office of Policy Analysis, and Solicitor) and regional coordination (DOI Office of Environmental Policy and Compliance). The Program Office currently provides \$78,000 (approximately 0.7 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 the law. The 2006 enacted level will support the workgroup as the Program conducts 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 seek out opportunities for efficiencies and to identify and eliminate duplication of effort and process redundancies.

Program management activities in 2006 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 use of economic analytical tools used in 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.
- Finalize a Memorandum of Understanding to integrate natural resource trustee authorities with EPA cleanup and Army Corps of Engineers Water Resources Development Act (WRDA) environmental restoration authorities.
- Broaden the opportunities for cooperative assessment by improving existing guidance and documents.
- Improve public outreach and information sharing through internet-based applications and websites.
- Respond to legislative directives concerning coordination of remedial / restoration issues jointly with FWS and EPA.

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.

2005 Program Performance Accomplishments:

In 2005, the Restoration Program Office continued to work closely with the bureaus to refine and implement natural resource-based performance measures, tied to the Departmental and multiple bureau strategic plans. These new measures track ecologically significant program outcomes, such as species or populations restored or enhanced, or numbers of acres or miles of habitat improved. Due to the long-term nature of many of the natural resource injuries that the Program addresses, and the ensuing need for long-term restoration and success monitoring, the Program will continue to track progress internally through the use of current output measures as well as interim reporting of resource-based outcomes.

Resource-based outcome measures are not appropriate for measuring the performance accomplishments of the Program Management activity, as this activity provides vision, leadership, direction, management, and coordination necessary to support on-the-ground restoration by the trustee bureaus. Output measures more accurately portray accomplishments achieved within the Program Management activity. Resource-based outcomes more accurately

measure on-the-ground restoration accomplishments. In 2005, the Program continued its efforts to refine and utilize case milestone reporting on Departmentally-funded cases. This systematic approach allows the Program to better manage and report on progress toward successful conclusion of the multi-year damage assessment and restoration cases that make up the Program docket and provides valuable information relative to managing case workload in the future..

An analysis of how damage assessment funds were utilized by the bureaus (particularly the FWS) indicated that a portion of funds allocated for damage assessment activities were ultimately transmitted to the U.S. Geological Survey (USGS) for scientific and technical support via reimbursable agreements. As a result, DOI bureaus are now requested to identify such amounts in the annual project proposals. If the requested scientific or technical support activities are approved, funds earmarked for USGS are now transferred directly from the DOI Restoration Program to USGS, thereby eliminating the time and cost of developing and monitoring unnecessary reimbursable agreements between the bureaus as well as applicable bureau overhead costs. Savings of over \$120,000 in avoided bureau overhead charges was realized in 2005.

In 2005 the Program Office also worked closely with Departmental staff and the bureaus to further refine common Activity-Based Cost (ABC) accounting measures across bureau lines. These cross-bureau ABC measures, first implemented in 2004, coalesce into three major measures – assessment, restoration, and program management. Individual bureaus and case teams will also collect data at a finer level of detail to be used in documenting costs that may be recoverable in settlement agreements. The use of standard cost documentation forms was piloted in a select number of cases to gather information on how to improve and streamline the cost recovery process.

At a national workshop held in March 2005, 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 continued implementation of the Secretary's 4C's philosophy focused on communication and coordination with other involved parties, a number of State, Tribal, and Federal co-trustees, as well as representatives from industry and the conservation community also attended the workshop.

Establishment of a Restoration Program Advisory Committee

In May of 2005, the Secretary chartered an NRDAR Advisory Committee to provide advice and recommendations on issues related to the Department's authorities, responsibilities and implementation of natural resource damage statutes and regulations. The Committee consists of 30 members selected from Federal, state and tribal natural resource trustee agencies, and representatives from business and industry, the academic community, and national and local environmental groups. In 2006, the Advisory Committee is continuing its work, leading to consensus recommendations in the spring of 2007.

In the NRDAR process, successfully implementing a “4-Cs” approach requires more than cooperation among one Federal agency and some potentially responsible parties. The Federal statutes that authorize natural resource damage claims mandate coordination among state, tribal, and Federal agency trustees that share management and control responsibilities for natural resources. Moreover, the regulations that implement these statutes describe an open process, with significant public involvement, in the assessment and restoration of injured natural resources. The Department – by virtue of its comprehensive trusteeship over federally managed resources and its unique status as rule-making authority for the conduct of assessments and restoration is particularly suited to sponsoring a process for seeking consensus among all interested parties, on productive alternatives to an adversarial process for restoring injured natural resources. Such a process – by promoting faster, more efficient, and more effective restoration of injured public natural resources – is clearly in the public interest, and essential to the successful administration of the Department’s responsibilities. The success of this venture depends on the interested parties working together, over time, to build consensus on complex practice issues

Since the statutes that authorize natural resource injury assessment and restoration are set up in the context of adversarial claims, having the Department merely “talk to itself” on how to best implement a more cooperative process is of limited utility. A strategy of separate meetings conducted with individual interested parties is only slightly more useful in producing consensus among all of the varied interested parties regarding cooperative approaches. What is needed is a process that allows for intensive exploration of actual practice issues, methodologies, and protocols among representatives from all interested party groups, working together in an open public forum, implemented through the Advisory Committee. The Restoration Program is involved with managing over two hundred million dollars worth of vital restoration projects, in partnership with states, tribes, non-governmental organizations, and – in some cases – responsible parties. At this time, however, there is no other advisory committee, agency, program office, or gathering that could more effectively make the “4-Cs” a regular part of the NRDAR process.

**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	2005 Actual	2006 Estimate	2007 Estimate
Obligations by program activity:			
Direct Program:			
00.01 Damage Assessments	7,235	6,000	6,000
00.02 Prince William Sound Restoration	1,611	1,100	1,000
00.03 Other Restoration	17,496	20,000	20,200
00.04 Program Management	2,519	2,850	2,900
00.91 Total, direct program	28,861	29,950	30,100
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	183,183	194,896	199,962
22.00 New budget authority (gross)	43,490	37,016	35,109
22.10 Resources available from recoveries of prior year obligations	589	1,000	1,000
22.21 Unobligated balance transferred to other accounts: Funds Transferred to DOC/NOAA 13-4316) Funds Transferred to USDA/USFS 12-5215)	-3,505 [-3,433] [-72]	-3,000 [-3,000] [0]	-3,000 [-3,000] [0]
23.90 Total budgetary resources available for obligation	223,757	229,912	233,071
23.95 New obligations	-28,861	-29,950	-30,100
24.40 Unobligated balance carried forward, end of year:	194,896	199,962	202,971
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation (definite)	5,818	6,106	6,109
40.35 Appropriation permanently reduced	-81	-90	0
43.00 Appropriation (total)	5,737	6,016	6,109
Mandatory:			
60.25 Appropriation (Special fund, Indefinite)	37,769	32,000	30,000
61.00 Transferred to Other Accounts: (Funds Transferred to DOC/NOAA 13-4316)	-16 [-16]	-1,000 [-1,000]	-1,000 [-1,000]
62.50 Appropriation (total mandatory)	37,753	31,000	29,000
70.00 Total new budget authority (gross)	43,490	37,016	35,109

**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	2005 Actual	2006 Estimate	2007 Estimate
<u>Change in unpaid obligations:</u>			
72.40 Obligated balance, start of year	9,789	11,877	7,696
73.10 New obligations	28,861	29,950	30,100
73.20 Total outlays, gross (-)	-26,184	-33,131	-30,331
73.45 Adjustments in unexpired accounts	-589	-1,000	-1,000
74.40 Obligated balance, end of year	11,877	7,696	6,465
<u>Outlays, (gross) detail:</u>			
86.90 Outlays from new current authority	3,435	4,211	4,276
86.93 Outlays from current balances	1,472	3,870	1,805
86.97 Outlays from new permanent authority	3,138	3,350	3,250
86.98 Outlays from permanent balances	18,139	21,700	21,000
87.00 Total outlays (gross)	26,184	33,131	30,331
<u>Net budget authority and outlays:</u>			
89.00 Budget authority	43,418	37,016	35,109
90.00 Outlays	26,184	33,131	30,331
<u>Investments in U.S. securities</u>			
92.01 Total investments, start of year			
U.S. securities, par value	168,016	177,954	188,000
92.02 Total investments, end of year	177,954	188,000	198,000
U.S. securities, par value			

**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	2005 Actual	2006 Estimate	2007 Estimate
DIRECT OBLIGATIONS			
Personnel compensation:			
11.1 Full-time permanent	451	643	659
11.3 Other than full-time permanent	0	0	0
11.5 Other personnel compensation	7	5	5
11.9 Total personnel compensation	458	648	664
Civilian personnel benefits	107	155	166
Travel and transportation of persons	36	40	50
Rental payments to GSA	40	43	57
Communications, utilities, and miscellaneous charges	2	2	2
Printing and reproduction	3	4	4
Other services	289	300	300
Purchases of goods & services from other govt. accounts	229	250	250
Supplies and materials	5	10	5
Grants	5,504	5,000	5,000
99.9 Subtotal, direct obligations	6,673	6,452	6,498
ALLOCATION ACCOUNTS			
Personnel compensation:			
11.1 Full-time permanent	4,391	4,500	4,600
11.3 Other than full-time permanent	1,086	1,000	1,000
11.5 Other personnel compensation	104	100	100
11.9 Total personnel compensation	5,581	5,600	5,700
Civilian personnel benefits	1,483	1,600	1,700
Travel and transportation of persons	590	600	610
Transportation of things	23	30	35
Rental payments to GSA	333	200	210
Rental payments to others	4	5	5
Communications, utilities, and miscellaneous charges	109	100	105
Printing and reproduction	7	25	30
Advisory and assistance services	29	50	50
Other services	4,569	6,188	6,157
Purchases of goods & services from other govt. accounts	271	400	400
Operation & maintenance of facilities	368	350	350
Operation & maintenance of equipment	30	50	50
Supplies and materials	310	500	500
Equipment	314	400	400
Land and structures	589	1,100	1,000
Grants	7,578	6,300	6,300
99.0 Subtotal obligations - Allocation Accounts	22,188	23,498	23,602
99.9 Total obligations	28,861	29,950	30,100

**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	2005	2006	2007
	Actual	Estimate	Estimate
Obligations are distributed as follows:			
Natural Resource Damage Assessment Program Office	6,673	6,452	6,498
Bureau of Indian Affairs	1,283	1,300	1,300
Bureau of Land Management	281	400	400
Bureau of Reclamation	89	100	100
Fish and Wildlife Service	15,790	17,782	18,181
National Park Service	2,501	2,100	1,800
Office of the Secretary	683	716	721
U.S. Geological Survey	1,561	1,100	1,100
99.9 Total obligations	28,861	29,950	30,100

Personnel Summary

Identification code 14-1618-0-1-302	2005	2006	2007
	Actual	Estimate	Estimate
Direct:			
Total compensable workyears:			
1001 Full-time equivalent employment	4	6	6
Average Salary per FTE	\$110,259	\$107,216	\$109,800

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION
Analysis of Budgetary Resources
Natural Resource Damage Assessment and Restoration Fund
(Dollars in Thousands)

Appropriation: Natural Resource Damage Assessment and Restoration Fund
(14-1618-0-1-302)

Activity	2005 Actual Budget Authority	2006 Estimate	2007 Request	Dec (-) Inc. (+) From 2006
DAMAGE ASSESSMENTS				
Budget Authority Available for Obligation				
Current Appropriation	3,845	3,873	3,918	+45
Receipts	5,104	4,000	4,050	+50
Internal Re-allocation of Receipts (to Program Mgmt)	-800 *	-1,000 *	-1,000 *	0
Transfer of Receipts to Other Agencies	0	0	0	0
Unobligated Balance Start of Year	12,052	13,288	14,561	+1,273
Transfers of Unobligated Balances to Other Agencies	0	0	0	0
Recovery of Prior Year Obligations	322	400	400	0
Total BR Available - DAMAGE ASSESSMENTS	20,523	20,561	21,929	+1,368
Less Obligations	7,235	6,000	6,000	0
Unobligated Balance End of Year	13,288	14,561	15,929	+1,368
(FTE - Direct)	(0)	(0)	(0)	(0)
[FTE Allocated to Other Bureaus]	[24]	[24]	[24]	[0]
PRINCE WILLIAM SOUND RESTORATION				
Budget Authority Available for Obligation				
Current Appropriation	0	0	0	0
Receipts	2,041	1,700	1,500	-200
Internal Re-allocation of Receipts	0 *	0 *	0 *	0
Transfer of Receipts to Other Agencies	-16	-400	-400	0
Unobligated Balance Start of Year	9,903	8,852	8,452	-400
Transfers of Unobligated Balances to Other Agencies	-1,473	-600	-600	0
Recovery of Prior Year Obligations	8	0	0	0
Total BR Available - PRINCE WILLIAM SOUND	10,463	9,552	8,952	-600
Less Obligations	1,611	1,100	1,000	-100
Unobligated Balance End of Year	8,852	8,452	7,952	-500
(FTE - Direct)	(0)	(0)	(0)	(0)
[FTE Allocated to Other Bureaus]	[10]	[8]	[8]	[0]
OTHER RESTORATION				
Budget Authority Available for Obligation				
Current Appropriation	366	574	576	+2
Receipts	30,521	26,150	24,300	-1,850
Internal Re-allocation of Receipts	0 *	0 *	0 *	0
Transfer of Receipts to Other Agencies	0	-600	-600	0
Unobligated Balance Start of Year	161,031	172,649	176,873	+4,224
Transfers of Unobligated Balances to Other Agencies	-2,032	-2,400	-2,400	0
Recovery of Prior Year Obligations	259	500	500	0
Total BR Available - OTHER RESTORATION	190,145	196,873	199,249	+2,376
Less Obligations	17,496	20,000	20,200	+200
Unobligated Balance End of Year	172,649	176,873	179,049	+2,176
(FTE - Direct)	(0)	(2)	(2)	(0)
[FTE Allocated to Other Bureaus]	[12]	[16]	[16]	[0]

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION
Analysis of Budgetary Resources
Natural Resource Damage Assessment and Restoration Fund
(Dollars in Thousands)

Appropriation: Natural Resource Damage Assessment and Restoration Fund

(14-1618-0-1-302)

Activity	2005 Actual Budget Authority	2006 Estimate	2007 Request	Dec (-) Inc. (+) From 2006
PROGRAM MANAGEMENT				
Budget Authority Available for Obligation				
Current Appropriation	1,526	1,569	1,615	+46
Receipts	103	150	150	0
Internal Re-allocation of Receipts (from Damage Assmnts)	800 *	1,000 *	1,000 *	0
Transfer of Receipts to Other Agencies	0	0	0	0
Unobligated Balance Start of Year	198	108	77	-31
Transfers of Unobligated Balances to Other Agencies	0	0	0	0
Recovery of Prior Year Obligations	0	100	100	0
Total BR Available - PROGRAM MANAGEMENT	2,627	2,927	2,942	15
Less Obligations	2,519	2,850	2,900	50
Unobligated Balance End of Year	108	77	42	-35
(FTE - Direct) [FTE Allocated to Other Bureaus]	(4) [10]	(4) [10]	(4) [10]	(0) [0]
ACCOUNT TOTAL				
Budget Authority Available for Obligation				
Current Appropriation	5,737	6,016	6,109	+93
Receipts	37,769	32,000	30,000	-2,000
Internal Re-allocation of Receipts (net)	0 *	0 *	0 *	0
Transfer of Receipts to Other Agencies	-16	-1,000	-1,000	0
Unobligated Balance Start of Year	183,184	194,897	199,963	+5,066
Transfers of Unobligated Balances to Other Agencies	-3,505	-3,000	-3,000	0
Recovery of Prior Year Obligations	589	1,000	1,000	0
Total BR Available - NRDAR	223,758	229,913	233,072	+3,159
Less Obligations	28,861	29,950	30,100	+150
Unobligated Balance End of Year	194,897	199,963	202,972	3,009
(FTE - Direct) [FTE Allocated to Other Bureaus]	(4) [56]	(6) [58]	(6) [58]	(0) [0]

* Reflects funds recovered in settlements as past damage assessment costs, which also include bureau and program indirect costs. These funds are subsequently re-allocated to DOI bureaus and offices as Program Management funds to cover future indirect costs and charges, including the FWS CAM charges.

Summary of Requirements by Object Class

(Dollar amounts in thousands)

Appropriation: Natural Resource Damage Assessment and Restoration Fund

<u>Object Class</u>	2006 Estimate		Uncontrollable and Related Changes		Program Changes		2007 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<u>11 Personnel compensation</u>								
11.1 Full-time permanent	6	5,000	0	+62	0	0	6	5,062
11.3 Other than full-time permanent		1,000		+5		0		1,005
11.5 Other personnel compensation		250				0		250
Total personnel compensation	6	6,250	0	+67	0	0	6	6,317
<u>12 General expenses</u>								
12.1 Civilian personnel benefits		1,900		+18		0		1,918
21.0 Travel and transportation of persons		650				0		650
22.0 Transportation of things		50				0		50
23.1 Rental payments to GSA		250		+3		0		253
23.2 Rental payments to others		50				0		50
23.3 Communications, utilities and miscellaneous charges		150				0		150
24.0 Printing and reproduction		50				0		50
25.1 Advisory and assistance services		600				0		600
25.2 Other services		14,866				-2,000		12,866
25.3 Purchases of goods and services from Government accounts		3,000		+5		0		3,005
25.4 Operations and maintenance of facilities		200				0		200
25.7 Operations and maintenance of equipment		300				0		300
26.0 Supplies and materials		700				0		700
31.0 Equipment		500				0		500
32.0 Land and structures		2,500				0		2,500
41.0 Grants, subsidies, and contributions		5,000				0		5,000
Total Appropriation (net budgetary authority)	6	37,016	0	+93	+0	-2,000	6	35,109
[Allocations to Other DOI Bureaus]	[58]		[0]		[0]		[58]	

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

	2005 Actual	2006 Estimate	2007 Estimate
Executive Level	0	0	0
SES.....	0	0	0
CA-3 *.....	0	0	0
AL-2-3 **.....	0	0	0
SL-0 ***.....	0	0	0
subtotal.....	0	0	0
GS/GM-15	1	1	1
GS/GM-14	3	3	3
GS/GM-13	0	1	1
GS-12	0	1	1
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).....	4	6	6
Total employment (actual / projected) at end of fiscal year.....	4	6	6

*CA - DOI Board Member

**AL - Administrative Law Judge

***SL - Senior-Level / Scientific Professionals