



BUDGET The United States
Department of the Interior

JUSTIFICATIONS

and Performance Information
Fiscal Year 2017

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION PROGRAM

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DEPARTMENT OF THE INTERIOR



Restoration Program

Assessment & Restoration Program

Fiscal Year 2017 Budget Justifications

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NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION PROGRAM

GENERAL STATEMENT

FY 2017 Budget Request:

The Restoration Program's Fiscal Year 2017 request for current appropriations is \$9,229,000, an increase of \$1,462,000 over the 2016 enacted level of \$7,767,000. The request proposes increases in restoration support to facilitate more on-the-ground restoration—consistent with approved restoration plans—and increase the rate of spending of the balance of funds previously recovered in settlements. This increase adds staff to the Program's Restoration Support Unit and allocates staff and funds to bureaus to accelerate restoration activities in accord with this expanding workload. Additionally, the 2017 request provides a modest increase in funding for training and the development of contingency plans required to respond to inland oil spills.

This year's request continues to advance the Program's goal of spending down balances in the Department's DOI Restoration Fund to implement restoration projects consistent with approved restoration plans. Balances in the Restoration Fund have grown over time, with each year bringing many additional settlements for which total amounts cannot be accurately predicted given the myriad of external factors at play in reaching a final settlement in any given case. However, over the last five years, the DOI Restoration Fund has received an average of **\$118** million annually in restoration settlements and advanced or reimbursed cooperative damage assessment funds. A number of long-running damage assessments cases have recently settled, and numerous others are currently in settlement negotiations. This sustained and increasing influx of settlement funds is expected to continue as additional cases settle, and could be exacerbated by the potential settlement for ecological damages arising from the Deepwater Horizon oil spill in the Gulf of Mexico. While balances build, the Department faces challenges in spending them because the vast majority of these restoration settlements are shared jointly with other Federal, State, and tribal co-trustees. In response to these challenges, the Restoration Program (along with involved DOI bureaus) is committed to strengthening its program infrastructure and staffing to be best positioned to execute settlements to benefit trust resources. These activities will be accomplished consistent with the recommendations of a detailed programmatic analysis and the resulting draft strategic plan [*Office of Restoration and Damage Assessment Strategic Plan, 2016 - 2019*], aimed at streamlining Restoration Program activities to maximize restoration outcomes. The analysis identified staffing constraints and process bottlenecks in the course of achieving restoration in coordination with our co-trustee partners. The Restoration Program is working with Departmental bureaus and with other Federal, State, and tribal co-trustees to improve processes and the requested increases will help address staffing constraints.

The potential benefits associated with this budget request are significant, for both injured natural resources and for the American public’s use and enjoyment of these resources. The DOI Restoration Fund holds close to \$500 million in restoration settlement funds with more settlements on the horizon, and the Program’s new strategic efforts on planning and implementation of restoration actions can produce tangible ecological and economic benefits at dozens of sites nationwide.

Total 2017 Budget Request

(Dollars in Thousands)

Budget Authority	2015 Actual	2016 Enacted	2017 Budget Request
Current Appropriations	7,767	7,767	9,236
Permanent Appropriations <i>(excludes sequestration & transfers)</i>	248,517	103,000	103,000
Total	256,284	110,767	112,236
Total (with sequestration & transfers)	244,509	96,962	96,476
<i>FTE</i>	13	15	19

Fiscal Year 2017 fixed costs of \$47,000 are fully funded at the request level.

In addition, the request includes an estimate of \$103 million in permanent funds for DOI bureaus and its Federal, State, and tribal co-trustees, which result from negotiated legal settlement agreements and cooperative damage assessments with responsible parties.

Executive Summary

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

As authorized by the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA or Superfund), the Clean Water Act (CWA), and the Oil Pollution Act of 1990

(OPA), injuries to natural resources that the Department of the Interior manages or controls are assessed, and appropriate restoration projects are identified in contemplation of negotiated settlements or in rare cases, litigation with potentially responsible parties. Recoveries, in cash or in-kind services, from the potentially responsible parties are then used to finance or implement the restoration of the injured resources, pursuant to a publicly reviewed restoration plan.

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



The **Bureau of Indian Affairs** is responsible for the administration and management over 56 million surface acres and 60 million acres of sub-surface minerals estates held in trust by the United States for American Indians, Indian Tribes, and Alaska Natives, and provides assistance to 566 federally-recognized tribal governments to help protect water, natural resources and land rights.



The **Bureau of Land Management** administers 247 million acres of Federal land and an additional 700 million acres of onshore Federal mineral estate, located primarily in 12 western States, including Alaska, characterized by grasslands, forests, deserts, coastline, and arctic tundra. The BLM sustains the ecological and economic health, diversity, and productivity of these public lands for the use and enjoyment of present and future generations.



Working in 17 States west of the Mississippi River, the **Bureau of Reclamation** manages 475 dams and 337 reservoirs covering more than 7 million acres associated with irrigation projects to protect local economies and preserve natural resources and ecosystems through the management and effective use of water resources.



The **U.S. Fish & Wildlife Service** conserves, protects and enhances fish, wildlife, and plants and their habitats and manages over 150 million acres within 563 National Wildlife Refuges, other refuge units, and 38 wetland management districts for the continuing benefit of the American people, providing primary trusteeship for migratory birds and over 2,000 threatened and endangered species.



The **National Park Service** preserves unimpaired the natural and cultural resources and values of the 85 million acres of land and 4.5 million acres of oceans, lakes, and reservoirs of the 409 units of the national park system, and conserves the scenery and the natural and historic objects and the wildlife of these special places for the enjoyment, education, and inspiration of current and future generations.



In addition to the five bureaus with primary trust resource management activities, the U.S. Geological Survey (USGS) conducts scientific research in ecosystems, climate and land use change, environmental health and water resources, and provides access to natural resource science to support effective decision making on how to best restore injured natural resources impacted by the release of oil or hazardous substances in the environment.

The DOI Office of the Secretary and the Office of the Solicitor also play key roles in making the Restoration Program a fully integrated Departmental program. The Office of the Solicitor provides legal advice, and the Office of Policy Analysis provides economic analytical expertise to the Program at both a national policy and at individual case management levels. The Office of Environmental Policy and Compliance provides a link to response and remedial activities associated with oil spills or chemical releases.

The Department, through the Restoration Program and its bureaus, conducts every damage assessment and restoration case in partnership with co-trustees at various levels (Federal, State, and tribal), 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 collaboration 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.

Overview

The FY 2017 budget request for the Natural Resource Damage Assessment and Restoration Program totals \$9,229,000, an increase of \$1,462,000 over the 2016 enacted level. The requested increase supports the following program initiatives:

1. Restoration Support (+\$1.5 million and +4 FTE), focused at providing additional staff and program capacity to increase the amount of restoration underway across the country and improve utilization of the growing balance of restoration settlement funds in the DOI Restoration Fund. The Program expects that an increase in the number of dedicated program staff in ORDA and in the bureaus focused exclusively on implementing restoration will increase the acres and stream/shoreline miles being restored, along with attendant ecological and economic benefits for the American public.
2. Inland Oil Spill Preparedness (\$100,000 and +1 FTE), will allow the Department to continue to develop the tools and contingency plans necessary to deal with inland oil spills. Conventional energy resources will remain an important component as the Department moves forward in implementing the Department's *Powering Our Future and Responsible Use of the Nation's Resources* initiative. Domestic oil and gas production and transportation are likely to continue at high levels. New forms of transportation entering into the industry (e.g., tank cars on high-speed rail and pipelines carrying tar sands/bitumen oil) pose new risks and challenges to spill planners and responders.

The Economic Benefits of Restoration

Federal investments in ecosystem restoration protect Federal trusts, ensure public health and safety, and preserve and enhance essential ecosystem services. These investments also generate business activity and create jobs. With funding support from the Restoration Program and the Bureau of Land Management (BLM), the USGS Fort Collins Science Center has estimated the economic impacts of 21 DOI restoration projects associated with the Restoration Program and the BLM. In the February 2016 report entitled, *Estimating the Economic Impacts of Ecosystem Restoration: Methods and Case Studies*, USGS found that ecosystem restoration projects provide meaningful economic contributions to local economies and to broader regional and national economies, and estimate that between 13 and 32 job-years¹ and between \$2.2 million and \$3.4

¹ Job-years measure the total number of annualized full and part-time jobs accumulated over the duration of a restoration project.

million in total economic output² are contributed to the national economy per million dollars invested in ecosystem restoration. These results demonstrate how investments in ecosystem restoration support jobs and livelihoods, small businesses, and rural economies.

The case studies highlight DOI restoration efforts and tell personalized stories about each project and the communities that are positively affected by restoration activities. For example, settlement funds from the Upper Arkansas River / California Gulch Superfund Site in Colorado were used to improve in-stream aquatic habitat and increase brown trout populations in the Arkansas River. This restoration project was designed to address bank erosion, altered river channel morphology, and degraded in-stream trout habitat. The Arkansas River In-Stream Habitat Restoration project began in 2010 and continued into 2014, and had a total cost of more than \$3.2 million during this period (2014 dollars). Approximately 54% of the funds for this project were spent locally, which supported an estimated total of 25 job-years and over \$3.2 million in economic output within the local economy surrounding the project site. Expanding to include the effects of both local and non-local expenditures, the Arkansas River In-Stream Habitat Restoration project supported an estimated total of 49.5 job-years and over \$9 million in economic output to the national economy.

Arkansas River In-Stream Habitat Restoration	
Total project expenditures:	\$3,244,000
National economic impacts:	
✓	49.5 job-years
✓	\$3,119,000 in labor income
✓	\$4,600,000 in value added
✓	\$9,060,000 in economic output
Local project expenditures:	\$1,763,000
Local economic impacts:	
✓	25.0 job-years
✓	\$1,268,000 in labor income
✓	\$1,667,000 in value added
✓	\$3,261,000 in economic output

The Lone Mountain, Virginia, coal slurry spill case study, tells the story of five restoration projects in the Upper Tennessee River Basin that were supported by the Lone Mountain settlement. The highlighted restoration projects include two mussel and fish propagation and reintroduction projects that are working to replace freshwater mussels and fish species killed during the spill; two instream and riparian restoration projects designed to provide fish and mussel habitat and to provide recreation and education opportunities for the people of Lee County; and an acid mine drainage project designed to improve water quality in the watershed. The total project expenditures for all five restorations were approximately \$1.65 million (2014 dollars) and generated 38.5 job-years in national economic impacts.

² Economic output measures the total value of the production of goods and services supported by project expenditures, and is equal to the sum of all intermediate sales (i.e., business to business sales) and final demand (i.e., sales to consumers).

Secretarial Initiatives

Celebrating and Enhancing America's Great Outdoors

America's Great Outdoors fosters the intrinsic link between healthy economies and healthy landscapes to increase tourism, outdoor recreation, and visitor experience in balance with the preservation and conservation of America's landscapes and cultural and heritage resources. This initiative features collaborative and community-driven efforts and outcome-focused investments focused on preserving and enhancing rural landscapes, urban parks and rivers, important ecosystems, cultural and heritage resources, and wildlife habitat. These activities incorporate the best available science, a landscape-level understanding, and stakeholder input to identify and share conservation priorities, and to help connect Americans to the great outdoors.

The AGO initiative seeks to empower all Americans to share in the responsibility to conserve, restore, and provide better access to our lands and waters in order to leave a healthy, vibrant outdoor legacy for generations to come. Funding for the initiative is broadly defined to capture programs that are key to attaining conservation goals. That includes funding to operate and maintain our public lands; expand and improve recreational opportunities at the state and local level; protect cultural resources; and conserve and restore land, water, and native species through ecosystem resilience projects.

The Restoration Program has no discretionary appropriated funds that specifically tie to the AGO initiative. However, many of the projects, funded with permanent (settlement) funds, accomplish resource and recreational objectives that are consistent with the spirit and intent of the AGO initiative. A large percentage of DOI and its Federal, State, and tribal co-trustee partners' restoration actions and accomplishments are jointly accomplished using settlement funds recovered through the Restoration Program, often involve non-governmental conservation organizations, and are targeted toward the restoration, acquisition, or protection of public lands, creation of recreational opportunities, and the restoration of landscapes and trust species.

Strengthening Tribal Nations

In a similar fashion, the Restoration Program does not have any discretionary appropriations that are specifically tied to this Secretarial initiative. However, the Restoration Program does routinely engage in a number of activities that are closely aligned with the spirit and intent of the initiative. The Program routinely provides damage assessment funding to the Bureau of Indian Affairs (BIA) and technical advice to a number of tribes where tribal lands and resources are impacted by oil spills and hazardous substances. The Program works closely with tribes as co-trustees and sovereign equal partners in assessing injury and implementing restoration actions with settlement funds. The Program recently worked closely with the Saginaw Chippewa Tribe of Michigan and provided financial sponsorship in the planning of the 2nd National Tribal NRDAR Workshop. The objective of the workshop was to bring together tribal damage

assessment and restoration program practitioners from across the country for training, to present and discuss current issues and challenges, and to exchange strategies and technology – all with the intent of strengthening the skill set of tribal trustee practitioners, and fostering the continued growth and development of tribal assessment and restoration capacity.

The Restoration Program is also embarking on an effort to identify and evaluate tribal cultural resource issues associated with natural resources that have been negatively impacted by hazardous substances releases and oil spills. This effort will promote a better and more consistent understanding of the complex issues involved with tribal natural and cultural resource claim development methods in NRDA cases. Three different listening sessions are being held with tribal members in different parts of the country to solicit tribal input and perspectives, the sum of which will be presented at a legal and technical workshop for the Department and co-trustee practitioners in the spring of 2016.

Building a 21st Century Department of the Interior

The President's administration continues to challenge Federal agencies to make the Nation's government more effective, to deliver more to the American taxpayers, and to manage Federal resources more responsibly. The Department is actively engaged in supporting this agenda. The Restoration Program continues to meet the challenge of the *Campaign to Cut Waste*, which again in 2017 maintains a focus on Federal travel and relocation costs, strategic sourcing, and IT consolidation. Through the end of 2015, the Restoration Program and its components across the Department had met its *Campaign to Cut Waste* target goals. The Program's continued and expanded use of tools including SharePoint to collaborate on documents and webinars in place of in-person meetings and trainings will continue to allow the program to minimize its travel costs in 2016 and 2017. The Program Office also follows the lead of the Office of the Secretary in other cost-cutting and efficiency efforts, such as information technology transformation, space consolidation, and strategic sourcing. The Program Office's investment in the damage assessment and restoration tracking system will allow for case managers to access case information all in one place, and provide the ability to find resources with its new search capabilities and user-friendly navigation. The continued use of electronic forms eliminates the need to submit hard copy funding requests.

Performance Summary

All activities within the Restoration Program (Damage Assessment, Restoration Support, In-Land Oil Spill Preparedness, and Program Management) are focused on and support resource restoration either directly, or indirectly - as necessary steps on the road to restoration of injured natural resources under the trusteeship of the Department of the Interior. These restoration activities contribute towards Mission Area 1: Celebrating and Enhancing America's Great

Outdoors Goal No. 1 Protect America's Landscapes, and Goal No. 2 Protect America's Cultural and Heritage Resources. The Restoration program's contributions towards meeting these goals is as varied as partnerships to acquire and protect high-value habitats; improve stewardship of Federal, State, and tribal lands; and landscape-level conservation efforts in key ecosystems.

In addition, many of the Program's damage assessment and restoration activities undertaken in concert with tribal co-trustees contribute towards Mission Area 2 – Strengthening Tribal Nations and Insular Communities by working government to government as equal partners to restore injured tribal natural resources. The Program also actively seeks out opportunities wherever possible to involve young people, either through involvement in hands-on restoration activities or outdoor classroom experiences, in support of the Engaging the Next Generation Initiative.

2017 Program Performance

In 2017, the Restoration Program expects to see measurable increases in the amount of restoration being achieved, notably through the Program's performance indicators of acres restored and stream/shoreline miles restored. The Program also actively monitors a lesser, secondary measure that tracks the movement of settlement funds transferred out of the Restoration Fund to DOI bureaus and involved co-trustees. Expected increases in 2017 will be largely due to the additional restoration support staff and resources contained in the 2017 budget request. The addition of new, restoration-dedicated staff focused solely on supporting on-the-ground restoration will pay benefits within the first year.

Restoration accomplishments measured in acres and stream/shoreline miles restored often fluctuate from year-to-year as the result of a complex process in which numerous trustee councils across the Nation are moving forward in identifying specific opportunities for restoration, consistent with approved restoration plans. However, such accomplishments generally cannot be scheduled or readily anticipated on a site-specific basis. Year-to-year variability in performance is the norm, and is reflected on the following table which is often greatly influenced by factors outside of the Departments control, such as finding cooperative landowners or willing sellers.

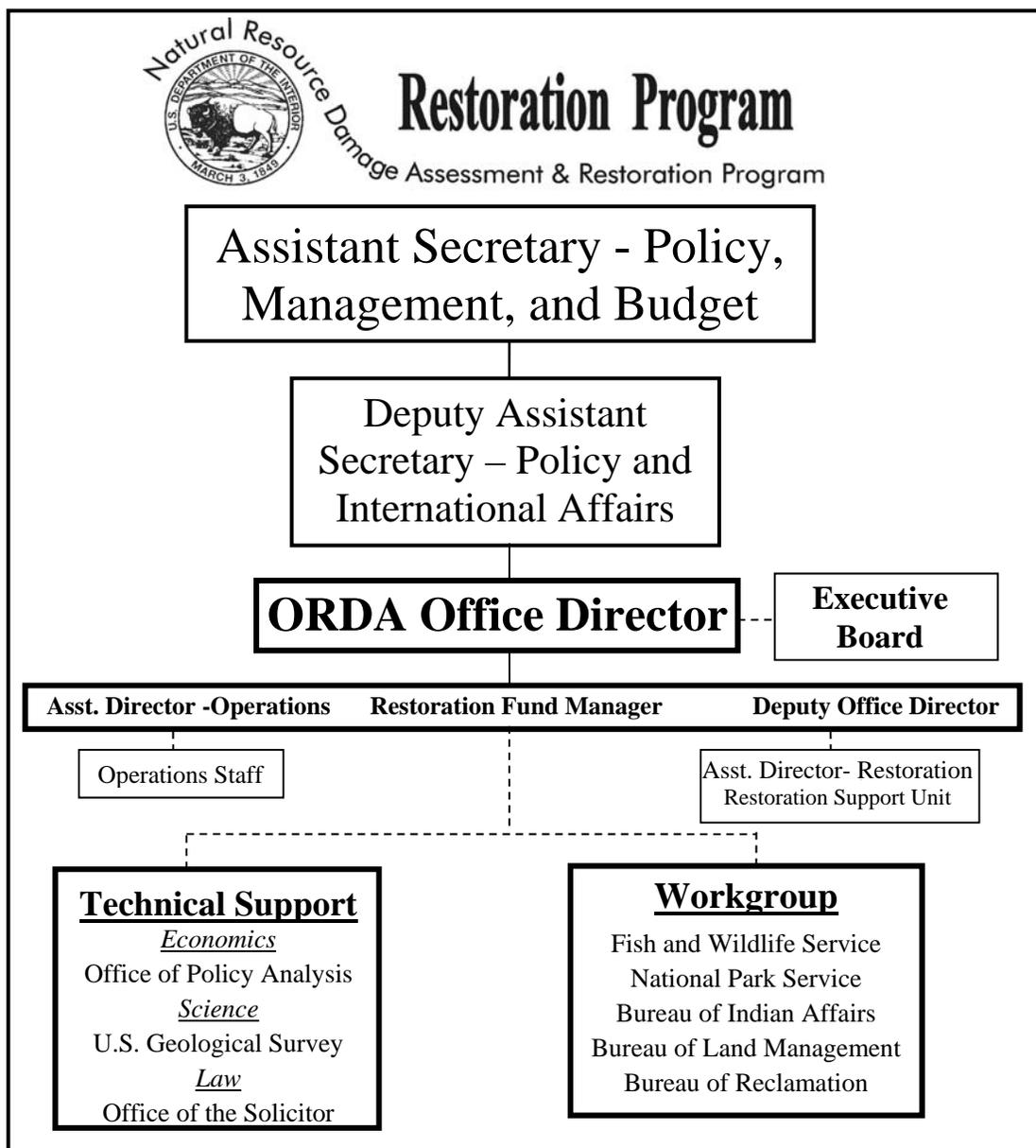
Cost information, including unit costs, in the context of performance management is of limited value within the Restoration Program, due to the wide variability of possible restoration solutions that might be implemented, as well as the multi-year implementation time-frames they often entail. Every ecological restoration implemented is unique, from the resource injury being addressed, to the ecological, biological, and engineering aspects involved, and the number and roles of other involved co-trustees, partners, and responsible parties. For example, a parcel of land being acquired and/or restored performed by the responsible party (in-kind restoration) may achieve the trustee's desired ecological outcomes, but the responsible party performing the work is under no obligation to disclose the costs involved. The wide range of possible, but generally

not comparable, restoration actions is best exemplified in the restoration success stories found in the Restoration Support section.

The bureaus will continue to collect, validate, and verify the performance data before reporting to the Program. In addition, the Program Office will continue to track internally the progress of cases from start to finish using measures such as increased number of restoration plans drafted, finalized, and in stages of implementation; increased numbers of restorations completed; increased numbers of cooperative assessment conducted with industry, and increased funding leverages through restoration partnerships. Lastly, the Program anticipates useful information to be generated by three current ongoing monitoring studies. These studies are evaluating restoration techniques in a context that address the quality and productivity of habitat restoration projects rather than simply counting acres and stream/shoreline miles restored.

Mission Area 1: Provide natural and cultural resource protection and experiences							
Goal #1: Protect America's Landscapes							
Strategic Objective Metrics Strategic Plan Measure / Efficiency or other Bureau-specific Measure	2012 Actual	2013 Plan	2013 Actual	2014 Actual	2015 Actual	2016 Enacted	2017 Request
Strategy #1: Improve land and water health by restoring wetlands and uplands that support trust natural resources that have been injured by oil spills or releases of hazardous substances							
Number of acres restored, enhanced, or protected to achieve desired habitat conditions to support trust species conservation	97,813	18,750	122,360	45,027	46,606	68,000	75,000
Comments: Year to year variability is expected based on variability of timing of restoration actions and settlement amounts.							
Note: In early 2014, a ten-year conservation easement on a very large parcel of land in Alaska (approx. 57,000 acres) was unexpectedly terminated, which reduced the 2014 Actuals and will similarly affect future years beyond 2015.							
Contributing Programs: NRDAR, FWS Environmental Contaminants, NPS, BIA, BLM, BOR, USGS, SOL, OS/Policy Analysis, other Federal, State, and tribal co-trustees							
Strategy #2: Improve land and water health by restoring riparian, stream, and shoreline areas that support trust natural resources that have been injured by oil spills or releases of hazardous substances							
Number of stream or shoreline miles restored, enhanced, or protected to achieve desired habitat conditions to support trust species conservation	409	165	332	423	149	350	400
Comments: Year to year variability is expected based on variability of timing of restoration actions							
Contributing Programs: NRDAR, FWS Environmental Contaminants, NPS, BIA, BLM, BOR, USGS, SOL, OS/Policy Analysis, other Federal, State, and tribal co-trustees							
Note: The actual and planned acres and miles presented in this table are included among the performance results and targets presented in the Performance Budgets of the bureaus. As such, in order to avoid double-counting, these acres and miles are not included in the Department's aggregate results calculations or performance projections.							

The DOI Office of Restoration and Damage Assessment (ORDA) manages the Restoration Program, and currently consists of fifteen (15) direct FTE. They are the Office Director and fourteen staff: the Deputy Director for Restoration, the Assistant Director for Operations, the Budget Officer/Restoration Fund Manager, a budget analyst, and four program operations staff located in its Washington, DC headquarters, and the Assistant Director for Restoration and five Restoration Support specialists located in Denver, Colorado. The following organization chart goes beyond the small number of people in the Program Management Office and reflects the integrated management structure of the Program as a whole, with the inter-related components of six bureaus, the Office of the Solicitor, and two offices within the Office of the Secretary.



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

Summary of Requirements Table
(Dollars in Thousands)

Appropriation: Natural Resource Damage Assessment and Restoration

Activity	2015 Actual	2016 Enacted		Fixed Costs (+/-)		Internal Transfers (+/-)		Program Changes (+/-)		2017 Budget Request		Change from 2016 Enacted (+/-)	
	Amount	Total FTE	Amount	(+/-)	(+/-)	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
APPROPRIATED FUNDS													
Damage Assessments	2,500	0	2,500	+8	0	0	-437	0	2,071	0	2,071	0	-429
Restoration Support	2,075	7	2,075	+12	0	0	+1,532	11	3,619	11	3,619	11	+1,544
Inland Oil Spill Preparedness	1,000	1	1,000	+1	0	0	+100	1	1,101	1	1,101	1	+101
Program Management	2,192	7	2,192	+26	0	0	+220	7	2,438	7	2,438	7	+246
Total, Appropriation	7,767	15	7,767	+47	0	0	+4	1,415	19	9,229	19	9,229	+4
PERMANENT FUNDS (RECEIPTS)													
Damage Assessments	33,754		19,000	0	0	0	0	0	12,000		12,000		-7,000
Restoration													
Prince William Sound Restoration	5,349		6,000	0	0	0	0	0	6,000		6,000		0
Other Restoration	209,277		77,900	0	0	0	0	0	84,900		84,900		+7,000
Program Management	137		100	0	0	0	0	0	100		100		0
Subtotal, Gross Receipts	248,517	0	103,000	0	0	0	0	0	103,000	0	103,000	0	+0
Sequestration Reduction	-438		-476						0		0		+476
Previously Unavailable Budget Authority	+576		+438						+476		+476		+38
Transfers Out	-4,146		-6,000						-6,000		-6,000		0
TOTAL, Net Receipts	244,509	0	96,962	0	0	0	0	0	97,476	0	97,476	0	+514

Natural Resource Damage Assessment and Restoration Program

Justification of Fixed Costs and Internal Realignments

(Dollars In Thousands)

Fixed Cost Changes and Projections	CY (2016) Total	CY (2016) to BY (2017) Change
Change in Number of Paid Days This column reflects changes in pay associated with the change (two fewer days) in the number of paid days between the CY (2016) and BY(2017).	+19	-43
Pay Raise The change reflects the salary impact of the 1.6% programmed pay raise increases as provided in the June 2015 Circular A-11.	+61	+85
Departmental Working Capital Fund The change reflects expected changes in the charges for centrally billed Department services and other services through the Working Capital Fund. These charges are displayed in the Budget Justification for Department Management.	+79	+26
Rental Payments The amounts reflect changes in the costs payable to the General Services Administration (GSA) and others resulting from changes in rates for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These costs include building security; in the case of GSA space, these are paid to the Department of Homeland Security (DHS). Costs of mandatory office relocation, i.e. relocations in cases where due to external events there is no alternative but to vacate the currently occupied space, are also included.	+106	-21

Natural Resource Damage Assessment and Restoration Program

Appropriations Language

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

To conduct natural resource damage assessment, restoration activities, and onshore oil spill preparedness by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.), and [Public Law 101-337, as amended (16 U.S.C. 19jj et seq.), \$7,767,000] 54 U.S.C. 100721 et seq., \$9,229,000, to remain available until expended. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2016.*)

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.

System Unit Resource Protection Act (54 U.S.C. 100721-25). 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). Provides permanent authorization for 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.

ACTIVITY: DAMAGE ASSESSMENT

Appropriation: Natural Resource Damage Assessment		2016 Enacted	Fixed Costs	Internal Transfers (+/-)	Program Changes (+/-)	2017 Request
Activity: Damage Assessment	\$000	2,500	+8	0	-437	2,071
	FTE	0	0	0	0	0



Wildlife crews work to protect Western snowy plover nests from possible impacts from the Refugio Beach Oil Spill at Coal Oil Point Reserve in California. The University of California at Santa Barbara, the California Department of Fish and Wildlife and the U.S. Fish and Wildlife Service worked together to protect nesting birds while clean-up crews removed oil from the beach area. (FWS Photo)

Justification of 2017 Program Change:

Damage Assessment (-\$437,000 / 0 FTE) – The 2017 budget request for the Damage Assessments activity is \$2,071,000, a reduction of \$429,000 from the 2016 enacted level. The reduction reflects the Natural Resource Damage Assessment Program’s decision to focus funding on increasing restoration project completions funded under the Program’s Restoration

Support activity. This shift in funding will not diminish the Program's overall capacity to conduct damage assessment activities, which will remain level with 2016 activity. The Program will support future damage assessments using available funds from previously completed damage assessments that were recovered following settlement of several cases.

Activity Overview:

Damage assessment activities are the critical first step taken by the Department on the long journey to achieving restoration of natural resources injured through the release of oil or hazardous substances. The source and magnitude of injury must first be identified, investigated, and thoroughly understood if the subsequent restoration is to be effective. Through the damage assessment process, physical and scientific evidence of natural resource injury is documented, which then forms the basis for the Department's claim for appropriate compensation (or in-kind services) to compensate the American public for the loss and use of those injured resources. The resulting restoration settlements allow the Restoration Program to then restore those injured trust resources, in concert with other affected natural resource trustee agencies. Damage assessment activities support the Department's performance outcome goals of protecting the nation's natural and cultural resources. Information regarding the nature, pathway, and magnitude of the injury, and the means by which they are determined, also help establish the focus of the subsequent restoration plans and influence the determination of when those goals have been successfully reached.

Damage assessment cases are conducted by one or more of the five resource management bureaus within the Department: Fish and Wildlife Service; National Park Service; Bureau of Land Management; Bureau of Indian Affairs, and Bureau of Reclamation. All FTE involved in supporting the Damage Assessment activity are allocated to the Department's bureaus and there are no direct FTE within the Program Office. Economic analytical support is provided by the Office of Policy Analysis, scientific and technical analysis and support is provided by the U.S. Geological Survey, and the Office of the Solicitor provides legal counsel. In nearly all cases, the Department's assessment activities are carried out in partnership with other Federal, State, and/or tribal co-trustees. These partnerships have proven advantageous, as cooperation, consultation, and collaboration amongst 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 and expenses. Responsible parties also benefit, as they are able to address all trustee concerns in a single, unified case.

Cooperative Assessments - The Restoration Program continues to make progress in conducting many of its damage assessment cases on a cooperative basis with responsible parties. As a matter of Departmental practice, potentially responsible parties are contacted and invited to participate in the development of assessment and restoration plans. The Department has been

involved in 49 cooperative assessments across the Nation, 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 advance funds or reimburse Interior for its assessment activities prior to settlement. In Fiscal Year 2015, over \$27.2 million in advanced and/or reimbursed cooperative assessment funding was received from cooperating responsible parties for DOI's assessment activities at 12 sites, including \$22.8 million from BP or the U.S. Coast Guard related to the Deepwater Horizon oil spill in the Gulf of Mexico. This constant effort to reach cooperative Funding and Participation Agreements with responsible parties to the greatest extent possible allows the Department to stretch its discretionary appropriated and recovered assessment funds further, which allows assessments for additional cases it might not otherwise fund.



Stingrays, fish and a large number of invertebrates and other nearshore marine life were impacted by the Refugio Beach oil spill in California. Wildlife recovered and treated by personnel working on the spill included brown pelicans, Western Grebes, elephant seals, and sea lions. (FWS Photos)

Project Selection - 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. Significant consideration is given to those damage assessment cases that have the potential to address and support Administration or Secretarial priorities and initiatives, such as America's Great Outdoors. Criteria 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 and legal merit and administrative readiness focused on the purpose of achieving restoration.

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

- Be inclusive of all natural resources under Interior trusteeship and trustee roles;
- Provide a process that encourages thorough planning and ultimately, strong 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 planning and operational efforts into a single project proposal, thus promoting inter-Departmental efficiencies and eliminating duplication of effort. Bureau and DOI office capabilities are used to augment and complement each other, as opposed to building redundant program capabilities in multiple bureaus.

Use of Cost and Performance Data - Once projects are funded, the Restoration Program makes use of project-level performance information to inform and guide future funding decisions. The Restoration Program relies on performance data collected from ongoing cases that document the attainment of specific chronological milestones (trustee MOU, assessment plan development, injury determination and quantification, preliminary estimate of damages, etc.) in the multi-year process toward settlement. Funding decisions were weighted in favor of 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, and case teams are given direction to make course corrections at a stable or reduced funding level. Course corrections must be made before additional funding is made available for addressing future milestones. For example, a case team may be directed to finalize necessary procedural products such as a publicly-announced assessment plan before beginning its scientific studies. The use of such project-level performance data lends itself to helping the Restoration Program better manage its workload by having a clearer sense of when damage assessment cases are near completion and opportunities for new starts emerge.

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 project funding decision process. Further, unobligated balances on all damage assessment projects are closely monitored from inception through settlement, at which time all unused or unneeded funds are identified, pulled back and re-allocated to other high-priority damage assessment projects. In some instances and under certain circumstances, case teams have been directed to or have voluntarily returned project funds from ongoing projects so that they can be re-allocated to other projects and needs.

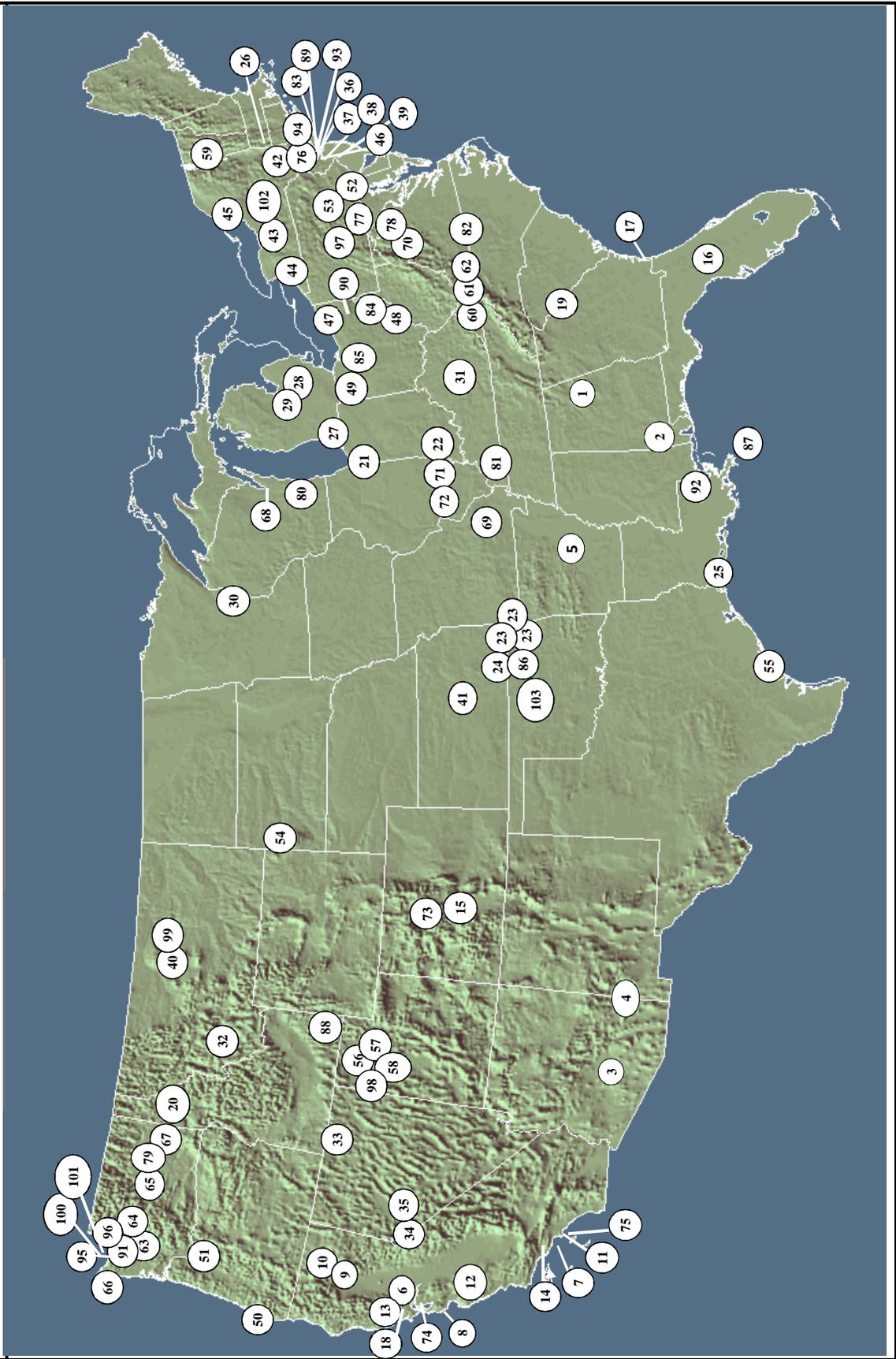
The program requires its case teams to document their respective assessment costs and attempts to recover those costs from the potentially responsible parties when negotiating settlement agreements. Over the past three fiscal year funding cycles (2014 – 2016), the Program has utilized an average of \$2.0 million annually in damage assessment funds recovered in settlement, in combination with its annual discretionary appropriations in order to continue ongoing damage assessment work at current sites or to initiate new cases.

2017 Activity Performance

In 2017, the program will continue to utilize a mix of discretionary appropriations, recovered past assessment costs from recent settlements and/or returned funds from completed assessments, as well as advanced funds from cooperative responsible parties to meet its damage assessment workload requirements. The combined appropriated and recovered funds will provide funding to support new or ongoing damage assessment efforts at approximately 35-40 sites, maintaining the program's damage assessment capability at current levels. An additional 40 ongoing cases will continue on as well, using previously allocated funds from prior years. This level of funding will support initiation of assessments at new sites where warranted, as well as providing continued funding for ongoing cases towards completion and settlement. In most years, the program anticipates that the annual project proposals received from the field will exceed the amount of available funding, thus leading the program to carefully scrutinize, select, and fund those cases best focused on Administration and Secretarial priorities, and best organized and prepared to advance towards settlement. The program will also continue its focus on the use of cooperative assessments, and pursue advance funding agreements with potentially responsible parties wherever and whenever possible. Money provided under these funding agreements will expand program coverage by allowing other damage assessment cases to utilize the appropriated and recovered/returned assessment funds. In addition, the program will continue to refine its milestone reporting process and use that performance data to enhance management of its damage assessment workload. Lastly, the Program shall continue its efforts to work closely with other trustee partners to jointly identify future workload, those new sites and incidents requiring an assessment of natural resource injury

The Program's current damage assessment project caseload through 2016 includes 71 ongoing cases, and are among those depicted on the map and table on the following pages.

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



<p>Alabama</p> <p>1. Anniston PCBs </p> <p>2. CIBA - McIntosh NPL Site </p> <p>Arizona</p> <p>3. Cyprus Tohono Mine </p> <p>4. Phelps-Dodge Mine Complex </p> <p>Arkansas</p> <p>5. Vertac/Bayou Meto </p> <p>California</p> <p>6. Almaden Quicksilver </p> <p>7. American Trader Oil Spill </p> <p>8. APEX Houston Oil Spill </p> <p>9. Cantara Loop Chemical Spill </p> <p>10. Iron Mountain Mine </p> <p>11. Montrose Chemical </p> <p>12. New Idria Mine </p> <p>13. Abbott & Turkey Run Mines </p> <p>14. Santa Clara River Oil Spill </p> <p>18. Yosemite Slough </p> <p>74. Stege Marsh </p> <p>75. San Diego Bay </p> <p>Colorado</p> <p>15. Upper Arkansas River </p> <p>73. French Gulch Mines </p> <p>Florida</p> <p>16. Lake Apopka - North Shore </p> <p>Georgia</p> <p>17. LCP Chemical </p> <p>19. Lake Hartwell PCBs </p> <p>Idaho</p> <p>20. Coeur d'Alene Mine </p> <p>(Bunker Hill Mining District) </p> <p>88. Southeast Idaho Phosphates Sites </p> <p>Illinois</p> <p>71. Former Indian Refinery </p> <p>72. Sauguet Area Dump Sites </p>	<p>Indiana</p> <p>21. Grand Calumet River </p> <p>22. Viacom / Westinghouse PCBs </p> <p>Kansas</p> <p>23. Tri-State Mining District - Cherokee County </p> <p>24. Eastern Kansas Smelters </p> <p>41. Tri-County Airport NPL Site </p> <p>Kentucky</p> <p>31. Acorn Fork Creek release </p> <p>81. B.F. Goodrich- Airco Site </p> <p>Louisiana</p> <p>25. Calcasieu Estuary </p> <p>87. Deepwater Horizon Oil Spill, LA (also AL, MS, FL, & TX) </p> <p>Massachusetts</p> <p>26. Housatonic River </p> <p>Michigan</p> <p>27. Kalamazoo River </p> <p>28. Saginaw River and Bay </p> <p>29. Tittabawassee River </p> <p>Minnesota</p> <p>30. St. Louis River </p> <p>Missouri</p> <p>23. Tri-State Mining District - Jasper County </p> <p>69. S.E. Missouri Lead Mining Sites </p> <p>Montana</p> <p>32. Grant-Kohrs Ranch (Clark Fork River) </p> <p>40. Barker-Hughesville NPL Site </p> <p>99. Carpenter Snow Creek NPL Site </p> <p>Nevada</p> <p>33. Rio Tinto Mine </p> <p>34. Leviathan Mine </p> <p>35. Yerington Anaconda Mine </p>	<p>New Jersey</p> <p>36. Diamond Alkali </p> <p>37. Great Swamp NWR </p> <p>38. Berry's Creek Watershed </p> <p>39. GAF / ISP-ESI Facility </p> <p>46. American Cyanamid NPL Site </p> <p>83. Rolling Knolls Landfill </p> <p>93. DuPont/Pompton Lakes Site </p> <p>New Mexico</p> <p>4. Phelps-Dodge Mine Complex </p> <p>New York</p> <p>42. Hudson River PCBs </p> <p>43. Onondaga Lake NPL Site </p> <p>44. Niagara River/Bufalo River </p> <p>45. St. Lawrence Environment </p> <p>76. Richardson Hill Road Landfill </p> <p>89. Newtown Creek NPL Site </p> <p>94. Gowanus Canal NPL Site </p> <p>102. Sinclair Refinery NPL Site </p> <p>North Carolina</p> <p>82. Dan River Coal Ash Spill </p> <p>Ohio</p> <p>47. Ashtabula River </p> <p>48. Ohio River </p> <p>49. Ottawa River </p> <p>84. Dover Chemical Site </p> <p>85. Duck & Otter Creeks </p> <p>90. Nease Chemical </p> <p>Oklahoma</p> <p>23. Tri-State Mining District - Tar Creek </p> <p>86. National Zinc NPL Site </p> <p>103. Tulsa County Smelter Complex </p> <p>Oregon</p> <p>50. M/V New Carissa Oil Spill </p> <p>51. Portland Harbor NPL Site </p>	<p>Pennsylvania</p> <p>52. Paoli Railway </p> <p>53. Palmerton Zinc </p> <p>77. Lower Darby Creek </p> <p>97. Centre County Kepone NPL Site </p> <p>South Dakota</p> <p>54. Whitewood Creek </p> <p>Texas</p> <p>55. Lavaca Bay </p> <p>Utah</p> <p>56. Jordan River </p> <p>57. Kennecott Copper-North End </p> <p>58. Richardson Flats / Silver Creek </p> <p>98. US Magnesium Site </p> <p>Vermont</p> <p>59. Pine Street Canal </p> <p>Virginia</p> <p>60. CERTUS - Clinch River Spill </p> <p>61. Lone Mountain Coal Slurry </p> <p>62. Saltville Disposal NPL Site </p> <p>70. DuPont - Waynesboro Facility </p> <p>78. AVTEX Fibers Superfund Site </p> <p>82. Dan River Coal Ash Spill </p> <p>Washington</p> <p>63. Commencement Bay </p> <p>64. Elliott Bay </p> <p>65. Holden Mine </p> <p>66. Tenyo Maru Oil Spill </p> <p>67. Midnite Mine </p> <p>79. Upper Columbia River / Lake Roosevelt </p> <p>91. Quendall Terminals Site </p> <p>95. Port Angeles Harbor </p> <p>96. Bellingham Bay </p> <p>100. Port Gamble </p> <p>101. Port Gardner </p> <p>Wisconsin</p> <p>68. Fox River / Green Bay </p> <p>80. Sheboygan River </p>	<p>Damage Assessment in Progress </p>	<p>Case Settled - Restoration </p>	<p>Restoration Actions </p>	<p>Tribal Involvement </p>
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ACTIVITY: RESTORATION SUPPORT

Appropriation: Natural Resource Damage Assessment		2016 Enacted	Fixed Costs	Internal Transfers (+/-)	Program Changes (+/-)	2017 Request
Activity: Restoration Support	\$000	2,075	+12	0	+1,532	3,619
	FTE	7	0	0	+4	11

Justification of 2017 Program Changes:

Restoration Support (+\$1,522,000/+4 FTE) - The 2017 budget request for Restoration Support is \$3,619,000 and 14 FTE (11 direct and 3 allocated to bureaus), an increase of \$1,544,000 and 7 FTE (4 direct and 3 allocated to bureaus) from the 2016 enacted level. The requested increase for Restoration Support in 2017 will enable the Department to address growing staffing demands to plan, implement, or oversee additional restoration actions. While bureau-staffed case teams can and do use settlement funds to plan and implement on-the-ground restoration actions specifically related to a given settlement and site, the Department lacks an adequate number of dedicated restoration support personnel needed to successfully plan and implement restoration actions at numerous sites across the country. In addition, smaller restoration settlements are often not sufficient to support both the completion of the restoration and to cover the staff time required to plan and implement these projects. In any given settlement, the parties responsible for the spill or release of hazardous substances into the environment are responsible for restoring injured natural resources for that specific site, but bear no responsibility for maintaining the restoration specialists needed to successfully staff and support a wide range of restoration support activities across the Nation.

The DOI Restoration Fund has a growing balance of funds recovered in legal settlements of completed damage assessment cases. In 2015, over \$213M of restoration settlement funds were deposited, while more than \$56M was withdrawn and distributed to DOI bureaus and other Federal, State, and tribal co-trustees for restoration. A number of long-running damage assessment cases have recently settled, many with multi-million dollar settlements. Still others are in settlement negotiations or have recently settled with fund deposits expected in the near future, including anticipated funds for ecological restoration under the Restore Act and from the conclusion of natural resource damage assessment activities in the Deepwater Horizon oil spill. At the end of fiscal year 2015, the unallocated balance of funds earmarked for restoration in the Restoration Fund was over \$496M, and several settlements in early 2016 have added to this balance.

Despite significant gains in the completion of restoration projects, the Department's current Restoration Program infrastructure and restoration-focused staffing has not been able to keep pace with the growth in settlement funds. The additional staffing requested in the 2017 Budget is needed to implement settlement-funded restoration in a timely manner.

Working with our restoration partners, the Department has identified specific skill sets and partnerships that are essential to move additional restoration projects to completion. With the requested increase, the Department will use the requested increase to supplement efforts in the following four areas as follows:

- **Restoration Specialists (+3 FTE)** - These FTE will be housed at the Department's Restoration Support Unit (RSU) to offer the necessary skill sets and specialized expertise to support planning and implementation of difficult or challenging restoration plans or projects. Case teams currently lack access to these skills, which were identified by field practitioners and co-trustees as an impediment to timely restoration. Examples of expertise that may be added to the RSU are a hydro-geologist, restoration ecologist, and environmental engineer. A geographical information systems (GIS) specialist was added in 2016.
- **Tribal Restoration Specialist (+1 FTE)** One RSU-based FTE will be dedicated to tribal restoration issues, and will coordinate with tribes, tribal representatives and BIA to focus on the unique aspects of restoring injured cultural resources. This support could involve planning to restore the use of ancestral lands, plants, and animals for shelter, subsistence, medicinal, or ceremonial purposes. These projects become even more challenging when the clean-up does not allow for on-site restoration. Once tribal restoration options are developed and vetted, this FTE will support tribal restoration training, project planning, and restoration implementation.
- **FWS Restoration Staff (+3 Allocation FTE)** - The requested increase will fully fund 3 dedicated NRDA restoration staff placed within FWS offices to support restoration projects. Allocated FTE will be assigned to three geographic areas (Western, Central (including the Great Lakes area), and Eastern United States) and will work with and facilitate coordination between FWS case teams and the RSU to write restoration plans or assist with the development of other case documents, implement restoration projects, and track and monitor restoration progress and success. With the addition of these restoration-focused positions, the FWS will improve its ability to plan, implement, and monitor its restoration efforts. Further, the skill sets for these restoration-focused FTE would reflect the training, expertise, and experience necessary for the cooperative nature of restoration, which differs from the skill set suited for the often adversarial setting of damage assessments and NRDA claim resolution.

- **Increase Partnerships** - The additional discretionary funding will also catalyze the expenditure of settlement funds building on existing partnerships and through the development of new or novel agreements. For example, through partnerships with non-governmental organizations (NGOs), academia, FWS's National Wildlife Refuge System, and the U.S. Geological Survey (USGS), three separate initiatives began in 2015 to advance methodologies and techniques used in restoration success monitoring, which will lead to more efficient and effective restoration. These initiatives will inform the development of a science and economics database that is expected to be completed in 2017, one of several modules being developed as part of the Damage Assessment and Restoration Tracking System (DARTS). The RSU will continue to work with the USGS to implement additional restoration science advances. The Program Office will also continue to develop relationships with other DOI restoration programs, such as the FWS Partners and Coastal programs, to assist with restoration implementation, or to develop new agreements with co-trustees, NGOs, and academia to support all facets of restoration and to seek landscape-level restoration opportunities consistent with provisions of case settlement agreements.

The potential benefits associated with this budget request are significant, for both injured natural resources and the American public. With more than \$600 million in settlement funds currently residing in the DOI Restoration Fund, and more settlements on the near horizon, moving forward deliberately and strategically in the implementation of restoration actions at dozens of sites nationwide will produce benefits, both ecologically and economically.

Activity Overview:

The restoration of injured natural resources is the sole reason for the existence of the Department's Natural Resource Damage Assessment and Restoration Program. Every action the Restoration Program undertakes is done with the end goal of restoration in mind. Upon the successful conclusion of a natural resource injury assessment and upon achieving settlement with the responsible parties, DOI bureaus working in partnership with other affected State, Federal, tribal and/or foreign co-trustees, use settlement funds to identify, plan, and implement restoration activities. Under the Restoration Support activity, the Program continues its coordinated effort to focus greater attention on restoration activities and to expedite the expenditure of settlement funds to develop and implement restoration plans. The Program's RSU staff, upon request, provides support to the Department's case managers/teams, as well as assistance with meeting various legal and regulatory compliance requirements (such as NEPA compliance), identifying possible partnering opportunities, and drafting appropriate documents. In addition, the Program continues to work with the USGS in the field of restoration ecology to develop monitoring protocols to better measure the success and impacts of restoration efforts.

In meeting the statutory and regulatory requirements of CERCLA and the Oil Pollution Act to restore, replace, or acquire the equivalent of the natural resources that were injured by the release of oil or hazardous substances, these restoration activities encompass a wide variety of projects that support the Department’s mission of protecting natural and cultural resources. By working with the co-trustees on restoration activities, the Program is able to focus restoration actions which often support and contribute to the *Celebrating and Enhancing America’s Great Outdoors* initiative through ecological restoration, land acquisition, and/or protection. Some restoration projects also provide indirect support to the Secretary’s *Strengthening Tribal Nations* initiative via tribal co-trustee interactions and restoration projects benefitting tribal communities. In addition, many projects engage youth in restoration activities and outdoor classrooms. These activities include multiple sites in high-priority landscapes such as the Great Lakes, the California Bay/Delta, Chesapeake Bay, and the Gulf of Mexico; land acquisition for several national wildlife refuges and numerous State and local parks and trails; protection and reintroduction of threatened and endangered species to support recovery; and protection and restoration of essential habitat for migratory birds and fish.

The DOI Restoration Program uses both current discretionary appropriations along with permanent funding to achieve its restoration program mission needs as follows:

- **Current Funding** – Current discretionary funds (Restoration Support activity) are used to support the existing RSU staff, and to support ecological restoration science research conducted by USGS.
- **Permanent Funding** – Consists of all incoming settlement funds paid by responsible parties. Over ninety percent of all such funds received from settled damage assessment cases currently in the DOI Restoration Fund are designated as joint restoration funds, and are accepted, held, and managed on behalf of DOI and its co-trustee partners. These funds can be used only for the Trustee’s restoration planning, implementation, oversight, and monitoring of implemented restoration actions at a specific site or related to a specific settlement. These restoration activities can proceed only after the development and issuance of a publicly-reviewed restoration plan and in some instances, may take as long as 10 to 15 years to fully implement. The use of such settlement funds provides real value to the American public, as injured natural resources and services are restored by, or at the expense of the responsible party, and not the taxpaying public.

Other Available Restoration Resources		
(Dollars in \$000)		
	<u>2015</u>	<u>2016</u>
Restoration settlement funds held in DOI Restoration Fund (estimate)	\$496,042	\$580,000
Settlement funds in various court registry accounts (estimate)	\$100,000	\$100,000

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

All restoration activities are focused on restoring those trust resources and the services they provide back to the baseline level they would have had in the absence of the spill or release of hazardous substances. This encompasses preserving and maintaining the lands, waters, and wildlife of the Nation's public lands, embodied in national wildlife refuges, national parks, and BLM lands, as well as restoring trust resources that are on private or tribal lands. Results are achieved through DOI-administered programs and through partnership efforts and in collaboration with others in and out of government. These efforts are as widely varied as the trust resources the Department manages. Examples of these activities include:

- Restoration of nesting habitat for migratory birds;
- Re-introduction and re-establishment of threatened or endangered species;
- Acquisition of property that is added to the National Wildlife Refuge System or lands managed by State, tribal, or local governments;
- In-stream and riparian habitat improvement to improve aquatic communities, fisheries, or fish passage;
- Control or removal of invasive species of plants and animals and re-establishment of native flora and fauna, and
- Providing recreational opportunities or protecting cultural uses and activities that flow from trust resources.

2017 Activity Performance:

A restoration-focused Program Review that was completed in early 2015 recommended several actions that could be implemented to increase our restoration effectiveness. These factors included enhancing the capacity of the program, training, and coordination with other offices and programs. These recommendations can be met through the continued strengthening of the RSU, hiring additional dedicated restoration staff in DOI bureaus, and by leveraging the capabilities of other programs that conduct restoration.

In 2017, the Program will continue to focus its activities in support of trust resource restoration, and will through additional restoration support staff and resources, see increased restoration

outputs and outcomes. Fiscal year 2017 planned performance targets include the restoration of 68,000 acres and 350 stream or shoreline miles. The Department and its co-trustees will accomplish these goals through the use of settlement funds or in-kind services received in settlement of damage assessment claims with responsible parties.

Currently, the RSU provides a wide suite of restoration support services to case teams and trustee councils across the Nation, including the following:

- Restoration planning, including development of the required restoration plan which must be publicly reviewed;
- Restoration science technical support;
- National Environmental Policy Act (NEPA) compliance support;
- Geographical information systems (GIS) support;
- Project management planning and support, and
- Liaison with other restoration programs and services across the spectrum (government/contractor/non-profits/local organizations)

In addition to these activities, the RSU staff will lead best practices and technology transfer and outreach activities to ensure that restoration advances made by individual case teams will be shared with fellow restoration practitioners. Examples include participation on the continued development and refinement of the Restoration Policy, Planning, and Partnering course taught at the FWS National Conservation Training Center which includes modules specifically targeted at NRDAR restoration specialists. The RSU will continue to maintain its partnerships with the Society for Ecological Restoration and the Society of Environmental Toxicology and Chemistry, and they will continue to develop and implement policies and guidance to coordinate restoration planning and NEPA compliance actions.

For 2017, the RSU will focus on adding FTE with specific restoration-centric technical skills. For example, extensive construction may be required to restore a stream or riparian area that has been injured from the release of hazardous substances. Therefore, it may be necessary to engage specialists with experience in stream dynamics, flow regimes, or channel morphology in order to complete an appropriate restoration project. Because it may not be feasible for the bureaus to individually hire this expertise, the RSU will retain this specialist, which will allow them to support restoration projects throughout the country and across bureaus.

In addition to new technical support staff in the RSU, new restoration-dedicated staff will be added to the FWS or housed within FWS offices, given that FWS acts as Authorized Official and lead bureau on most of the Department's NRDAR cases. The 2017 funding increase will support three allocated FTE to plan, oversee, and conduct habitat restoration projects. A review of the fund balance indicates that the majority of settlement funds are located in specific geographic areas of the country. Given this distribution, staff will be targeted to increasing restoration

outputs and outcomes in three areas: the western, central, and eastern regions of the U.S. Lastly, in an effort to close out cases with small balances (less than \$100,000 in restoration funds), these new restoration specialists will also target the completion of restoration plans for these cases and moving the funds towards restoration. This will use a variety of methods such as partnering with existing restoration programs within DOI (e.g., the FWS Partners and Coastal programs), engaging with the Landscape Conservation Cooperatives to identify target restoration areas, species, and habitat types, and with non-governmental organizations that specialize in identifying and implementing habitat restoration projects.

In order to leverage other scientists and restoration experts, we will utilize a variety of agreements, partnerships, and memoranda of agreements to further restoration science, implementation, and monitoring. For examples, scientists from the USGS are working with the Restoration Support Unit in developing protocols to improve the monitoring and management of restoration projects and the development of effective measures of restoration success on historically contaminated lands. Because ecosystems are dynamic, restoration monitoring protocols must serve as triggers for corrective actions and adaptive management and be carefully crafted into restoration plans. These efforts are focusing on species distributions, abundance and diversity, invasive species, community development and, when possible, ecosystem resiliency which is critically important as the NRDAR Program addresses the influence of global climate change on restoration planning, the role of global climate change in environmental responses to chemical exposure, how climate change may affect the damage assessment process, and to explore how restoration activities may aid in the adaptation and mitigation of climate change effects in our environment. The Program will continue to support and work with USGS in 2017.

Other agreements may include developing relationships with NGOs to identify and implement suitable restoration projects that meet the criteria in a Restoration Plan. Several NGOs specialize in evaluating habitat restoration projects, and efforts would include the development of a formal agreement with the NGO via an MOA or grant or cooperative agreement for restoration.

Lastly, the Program will continue with the Restoration Catalyst Fund. This was a pilot project that was begun in 2014 in which a portion of prior year balances were used to fund projects. A competitive proposal process is used, seeking to evaluate project proposals that would serve to catalyze restoration projects and increase the pace and volume of restoration actions, and by extension, the amount of money withdrawn from the Restoration Fund. The Restoration Catalyst Fund was continued in 2015 and further refined to use an electronic proposal process.

RESTORING INJURED RESOURCES

Following an oil spill or the release of a hazardous substance, the natural resource trustees evaluate the injury to our trust resources and then write a restoration plan that outlines the projects that will be conducted to restore the injured resource. As part of the planning process, the public is invited to participate and provide comments on the proposed restoration projects. The goal of the restoration projects is to restore the injured resources or the services lost as a result of the spill or release back to baseline condition, or the level that would exist had the spill or release not occurred. For example, if an oil spill results in the destruction of beach dune habitat that is used by shorebirds for nesting, then the restoration projects are designed to restore or create similar dune or beach habitat. Similarly, if the removal of a hazardous chemical from a wetland results in the loss of this wetland, the resulting restoration projects would be designed to restore the same wetland at its current location to its baseline condition, or to replace or acquire similar habitat.

The following are examples of recent on-the-ground restoration accomplished by the Department of the Interior's bureaus and their co-trustee counterparts. These examples are representative of the wide range of restoration actions that the trustees may take to restore injured resources.

Fox River/Green Bay, Wisconsin

The Lower Fox River, located in northeastern Wisconsin, flows northeast for 39 miles where it discharges into Green Bay and Lake Michigan. Between 1954 and 1971, paper companies using polychlorinated biphenyls (PCBs) to make carbonless copy paper discharged nearly 700,000 pounds of these chemicals into the Fox River. Because PCBs bind to soil particles and break down very slowly, they are still found today in the sediments of the Lower Fox River and Green Bay. In fact, PCBs tend to accumulate at higher and higher concentrations in the bodies of fish and other organisms, reaching levels that are many thousands of times higher than levels in their surrounding habitat.

A natural resource damage assessment of the Fox River and Green Bay identified companies that were historically responsible for the release of PCBs into the Fox River. Several of these companies have settled with the natural resource trustees (Department of the Interior, represented by the Fish and Wildlife Service, and the Bureau of Indian Affairs; Department of Commerce, represented by the National Oceanic and Atmospheric Administration; Wisconsin Department of Natural Resources; the Oneida Tribe of Indians of Wisconsin; and the Menominee Indian Tribe of Wisconsin), to fund natural resource restoration projects in the Fox River Valley and surrounding areas. Some recent projects have included restoration of the Cat Islands and preservation of fish and wildlife habitat adjacent to John Muir's boyhood home, St. Martin Island, and in the Door County area. Working with numerous partners, the Trustees have been able to protect and restore thousands of acres of wildlife habitat in Wisconsin.



Three islands and connecting access roads serve as a wave barrier. The islands will be filled over the next 20 to 30 years with clean material dredged from the Green Bay Harbor, a beneficial reuse of the material. (FWS Photo)

The Cat Islands, a chain of barrier islands on the southern edge of Green Bay once provided important habitat for colonial nesting water birds, shorebirds, and waterfowl. The chain of barrier islands protected this delicate ecosystem and shielded the shoreline from waves and storms. But extremely high water levels in the mid-1970s, and a series of severe storms resulted in catastrophic erosion and ice damage to the islands. The goal of reconstructing the Cat Islands is to protect and restore 1,225 acres of shallow water and wetland habitats. The chain includes three island cells with a connecting dike that serves as a wave barrier. The wave barrier protects the barrier island and restored wetlands from future storm or ice damage. To rebuild the islands, the Corps of Engineers, using clean dredge materials from the maintenance of the Lower Fox River shipping channel and Green Bay Harbor, will fill in the islands over the next 20-30 years.

Restoring the islands' habitat will benefit sport and commercial fisheries, waterfowl, water birds and shorebirds, and other wildlife. NRDA settlement funds totaling \$1.1 million from the Lower Fox River/Green Bay NRDA settlements supported this \$18.7 million restoration project, contributing to the restoration of 272 acres of island habitat, 2.5 miles of shoreline habitat, and 1,225 acres of backwater habitat. Additional benefits of restoration have already been seen in improved water quality, re-vegetation of near shore areas and an increase in waterfowl species.



Left: Aerial view of St. Martin Island (Photo: Mark Godfrey)
Right: Forest habitat on St. Martin Island (Photo: Frykman Gallery)

Additionally, the Fox River Trustees have helped procure several parcels of land in 2015 including the Eggleston-Muir Family Farm, a 198 acre property founded by the famous naturalist John Muir's family. The property, now held by the National Heritage Land Trust, is open to the public for hiking, bird watching, and other recreational opportunities. St. Martin Island is a 1,243 acre acquisition (94% of the island) that provides excellent habitat for many birds, bats, and insects that utilize the waters, shoreline forests and wetlands; and is one of the last large islands in the Grand Traverse chain to remain predominantly underdeveloped. The island will be incorporated into the Green Bay National Wildlife Refuge. Lastly, the Chambers Island and Gibraltar-Ephraim Swamp parcels totaling 112 acres were acquired by, and will be managed by the Door County Land Trust, and will help protect important natural habitat that's threatened by increasing development pressure. Protecting these parcels will help maintain a collection of critical habitat types including: contiguous forest, wetland, and migratory feeding and nesting habitats. Matching funds were also provided to support these projects through other Federal, State, and local programs and private sources.

Montrose Chemical Superfund Site, Channel Islands, California



Bald eagle nests can take up to three months to build, and may be reused (and added to) year after year. The female lays one to three eggs. The eggs are incubated for approximately 35 days, and the young eagles fledge 10 - 12 weeks after hatching. Bald eagles become sexually mature at five to six years with maturity usually corresponding to when their head and tail feathers become white. (NPS Photo)

From the late 1940s to the early 1970s, millions of pounds of dichlorodiphenyltrichloroethane (DDT) and polychlorinated biphenyl (PCB) were discharged into the ocean near Los Angeles, California. These hazardous substances spread throughout the marine environment and harmed birds and impaired fishing in the Southern California Bight. The Federal and State governments held the Montrose Chemical Corporation of California and several other parties responsible, and in 2000, a final settlement was reached, ending ten years of litigation. Approximately \$38 million was made available from multiple legal settlements to restore injured natural resources.

The nearby Channel Islands are home to plants and animals found nowhere else on Earth. This includes 145 endemic or unique species. The Montrose Trustee Council (Department of the Interior, represented by the Fish and Wildlife Service and the National Park Service; the Department of Commerce, represented by the National Oceanic and Atmospheric Administration; and the State of California) have pursued a number of important bald eagle and seabird restoration projects in Channel Islands National Park, using funding from the Montrose Settlement Restoration Program (MSRP).

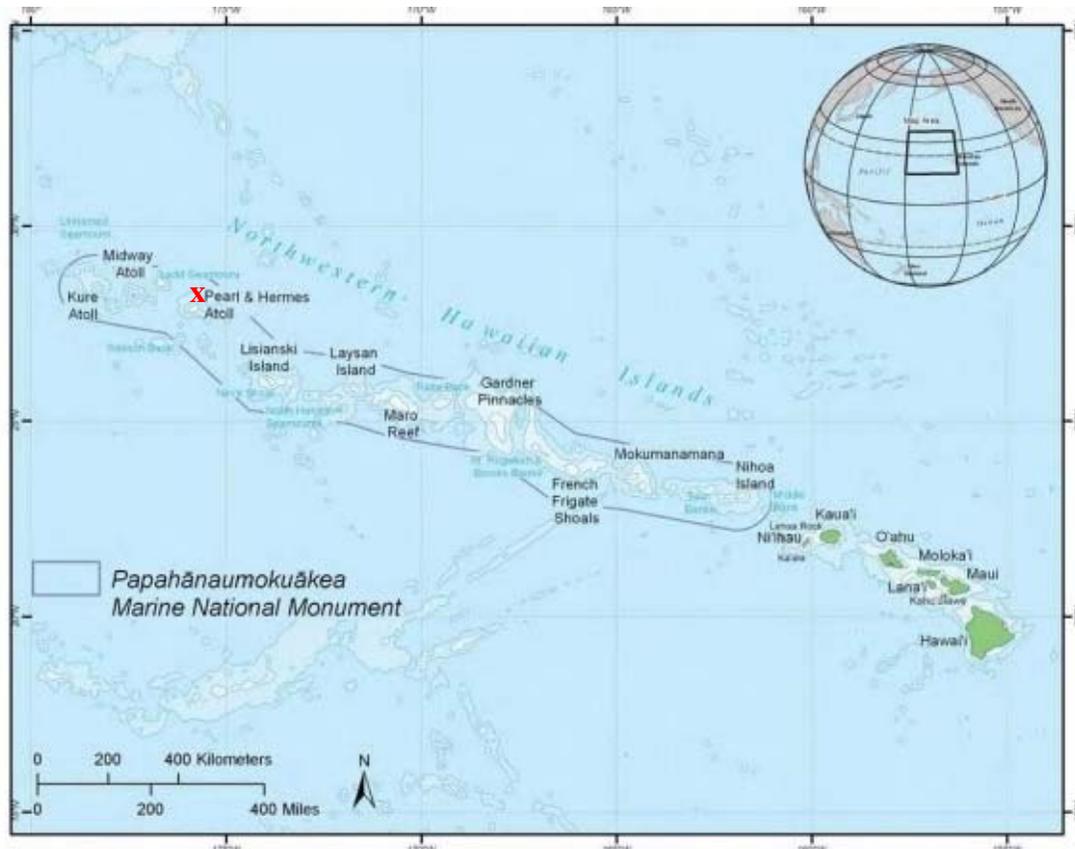
The goal of the Channel Islands Bald Eagle Restoration Program is to restore a self-sustaining population of bald eagles to the Channel Islands. Bald eagles disappeared from the Channel Islands by 1960 due primarily to DDT contamination in the food chain. As part of the restoration program, 61 bald eagles were reintroduced to Santa Cruz Island from 2002 through 2006. The first major milestone for the program occurred in 2006 when the first chick hatched naturally on Santa Cruz Island.

In 2015, a major milestone was reached in the Program with the 100th bald eagle to naturally hatch and fledge from the Channel Islands. Totals for the 2015 season included 18 known breeding pairs producing 17 chicks of which 13 successfully fledged. A successful nesting on U.S. Navy-owned San Clemente Island was also confirmed during the 2015 breeding season, resulting in the first known chicks on the Island in over 60 years. Bald Eagles are now nesting on five of the eight Channel Islands, including Santa Catalina, San Clemente, Santa Cruz, Santa Rosa, and Anacapa Islands. Thousands of visitors observed and learned about bald eagles in 2015 through online real-time nest cameras, a tool that was also used during educational visits to primary and elementary classrooms.

Seabird habitat restoration work continued on several of the Channel Islands through non-native vegetation removal, native plant re-vegetation, enhancement of nesting habitat, and monitoring of reproductive success. Peregrine falcon monitoring on the Channel Islands in 2015 documented a total of 48 occupied peregrine falcon territories across all eight Channel Islands. This is a significant increase compared to the 2007 survey which documented 27 nesting territories. Continued habitat restoration work on Santa Barbara Island to improve habitat for the Scripps's murrelet and Cassin's auklet has resulted in 8.3 acres restored and over 30,000 native outplantings. In 2015, there were five successful Scripps's murrelet nests in the restoration plots. This restoration project involved several volunteer and educational groups, logging over 2,000 volunteer hours in 2015. Finally, the Santa Cruz Island Ashy Storm-Petrel Project saw a total of four ashy storm-petrel pairs nesting in new nesting modules during the 2015 season.

M/V Casitas Ship Grounding, Hawaii

The *M/V Casitas*, a 145-foot research vessel owned and operated by F/V North Wind, Inc. chartered by the National Oceanic and Atmospheric Administration (NOAA) for marine debris removal, ran aground at Pearl and Hermes Atoll within the Hawaiian Islands National Wildlife Refuge (now also part of the Papahānaumokuākea Marine National Monument) in July 2005. The Pearl and Hermes Atoll is the second largest atoll in the Hawaiian Islands National Wildlife Refuge. This protected region of sensitive island environments supports thousands of marine species as well as endangered seabirds and the endangered Hawaiian monk seal.



Map showing the Papahānaumokuākea Marine National Monument.

At the time of the grounding, the vessel carried 23 passengers and had aboard numerous 55-gallon drums containing 1,850 gallons of gasoline, 30,000 gallons of diesel in the fuel tanks, lines and engine, and 200 gallons of lubricating oils in storage. Because the grounding created the substantial threat of release of fuel and oils, Federal and State agencies immediately began operations to prevent or minimize any discharge into the environment. Intending to salvage the vessel, crews installed temporary patches before towing the *M/V Casitas* toward Honolulu. Unfortunately the vessel could not be salvaged and was sunk in over 7,000 feet of water at an EPA-approved emergency site on August 4, 2005.



The *M/V Casitas* aground at Pearl and Hermes Atoll within the Hawaiian Islands National Wildlife Refuge.
(Photo: American Marine Corporation)

Natural Resource Trustees were able to assess and recover natural resource damages and to plan and implement actions to restore natural resources and resource services injured or lost as the result of the vessel grounding and substantial threat of oil discharge. In 2008, the Trustee Council, comprised of the U.S. Fish and Wildlife Service, on behalf of the U.S. Department of the Interior; the National Oceanic and Atmospheric Administration, on behalf of the U.S. Department of Commerce; and the Department of Land and Natural Resources, on behalf of the State of Hawaii, reached a \$3.8 million settlement. Trustees focused restoration projects on marine debris removal and monitoring of natural recovery at the grounding site.

In 2011, the Restoration Plan was finalized to restore resources injured by the grounding and compensate the public for injuries from the time of the grounding until full recovery. Trustees determined that marine debris removal could provide services of the same type and quality, and of comparable value, to the lost ecological services by preventing coral and substrate injury at Pearl and Hermes Atoll and nearby reefs. Marine debris, particularly derelict fishing gear, is a substantial source of coral damage in the Papahānaumokuākea Marine National Monument. Fishing nets frequently get lodged on corals and smother or break the corals underneath them. Removal of nets from the coral reefs in this area compensates for coral reef injuries incurred during the *M/V Casitas* vessel grounding and subsequent response. Marine debris tends to collect on some reefs more than others, and previous field work identified reefs in the Papahānaumokuākea Marine National Monument that are predisposed to high levels of debris accumulation. With this information in mind, the initial cleanup efforts involved a marine debris survey and debris removal in nearshore waters and on beaches at Midway Atoll. Diving personnel with specialized dive training conducted in-water surveys and removed 15 metric tons of derelict fishing gear from reefs in 2011.

The second part of the cleanup consisted of in-water and shoreline surveys and debris removal at other atolls and islands including Pearl and Hermes Atoll, Kure Atoll, Lisianski Island, Laysan Island, and French Frigate Shoals. A total of 52 metric tons of debris were removed in 2012, 13.8 metric tons in 2013, and 51 metric tons in 2014. Difficulties in logistics of training and ship

availability prevented a trip for debris removal in 2015. Since 2011 four trips have been conducted, including three cruises and one ground based removal project on Midway Atoll with air transport, removing a total of 138 metric tons of marine debris.



Lost or discarded fishing nets frequently get lodged on corals and smother or break the corals underneath them. Here, divers remove them from reefs near Midway Atoll in the Northwestern Hawaiian Islands. (Photos: NOAA)



These efforts were financed cooperatively with funds from the *M/V Casitas* natural resource damage settlement, the NOAA Marine Debris Program, the Papahānaumokuākea Marine National Monument, and the Pacific Island Fisheries Science Center. Restoration credits have been proportionally distributed to each Agency based on funding contributions for each cruise. As a result of cost sharing, a much greater amount of marine debris has been able to be collected than was calculated to satisfy the compensatory restoration requirements in the Restoration Plan. Because of these cost sharing efforts, only about half of the restoration funds have been expended to date. A balance of \$1.4 million remains in the fund, which will be used for future marine debris collection trips scheduled for Midway Atoll in 2016, and the program will continue for several more years.

New Bedford Harbor, Massachusetts

New Bedford Harbor is a major commercial fishing port and industrial center in southeastern Massachusetts, an 18,000 acre urban estuary that has been contaminated from industrial activities. From the 1940s to the 1970s, electrical parts manufacturers improperly discharged wastes containing polychlorinated biphenyls (PCBs) and toxic metals into the harbor. Hundreds of acres of marine sediment in the harbor from the Acushnet River into Buzzards Bay were highly contaminated, resulting in reproductive impairment and death of marine life throughout the estuary, along with loss of marine biodiversity in areas of high contamination. PCB contamination was evident at all levels of the food chain from small crustaceans such as amphipods to fish and birds. Numerous species of fish and shellfish (e.g. American eel, flounder, scup, bluefish, striped bass, oysters, soft-shelled clams, blue crabs and lobsters) were contaminated with PCBs above FDA limits for edible seafood. The economic impact was severe, due to long-term fishing closures, the loss of beach use, diminished property values, and reduced opportunities for coastal development.

New Bedford Harbor was placed on the Environmental Protection Agency's (EPA's) National Priorities List, under the Superfund Program, in 1982; investigation and clean-up of the contamination continues today. In the late 1980's, the U.S. Fish and Wildlife Service on behalf of the Department of the Interior, the National Oceanic and Atmospheric Administration (NOAA) on behalf of the Department of Commerce, and the Commonwealth of Massachusetts (collectively called the Trustees) began pursuing a natural resource damage assessment claim against the manufacturing entities that had discharged the contaminated waste. The natural resources that were injured were identified, the extent of the injury was determined and quantified, and damages were pursued from the responsible parties. In 1992, the Trustees reached a settlement with the responsible parties for \$20.2 million. The Trustees established priorities for restoration projects that included marshes and wetlands benefiting shellfish, anadromous fish, endangered species, and creating recreational areas. To date, the Trustees have applied settlement money to more than 40 restoration projects in the New Bedford Harbor environment.

In 2015, one of the most comprehensive restoration projects was completed after many years of hard work and restoration efforts. In total, the Trustees provided more than \$3 million from the New Bedford Harbor NRDAR settlement to the Buzzards Bay Coalition to purchase and transform the former Acushnet Sawmill property into a restored natural area and environmental education center. As part of the effort, workers removed buildings and pavement from the former sawmill location and pulled out old cement seawalls and revetments that lined the Acushnet River. An antiquated fish ladder was removed and replaced with a fishway more similar to natural conditions to restore passage for migratory fish, such as river herring. The Coalition planted trees and shrubs along the river's edge, restored a red maple swamp, and planted wildflower meadows. They constructed a canoe launch on the mill pond and created a mile-long trail that meanders through the woods and along the river. Lastly, local vocational students

restored one of the mill's historic buildings and created an environmental learning center. The restored property now provides many opportunities for passive recreation as well as habitat for fish, songbirds, waterfowl, and other wildlife species.

In November 2015, the Coalition and the towns of Acushnet and New Bedford celebrated the official opening of the restored property as a public park, called Sawmill Park. Community leaders have spoken enthusiastically about bringing residents and students back to the River and local natural areas, and also noted that the environmental transformation will help to offset and restore the impacts that have resulted from PCBs in New Bedford Harbor.



A walking trail with interpretive signage winds through restored upland and wetland habitat. (FWS Photo)



A formerly paved area (left) is transformed into a young red maple swamp (right) (FWS Photos)

In addition to the restoration efforts along the Acushnet River at the Sawmill property, the Trustees have also provided funding to restore fish passage at two other locations along the river. Fish passage is any activity that improves the ability of fish or other aquatic species to move to habitat that has been fragmented by barriers. In this case, it meant creating nature-like fishways and fish ladders that the fish can find easily to reach their spawning grounds. Providing fish passage with these fishways and ladders has dramatically increased the abundance of river herring in the system. In 2015, NOAA and the Massachusetts Department of Marine Fisheries

reported that the number of river herring in the river increased substantially from less than 400 before the restoration to more than 10,000.



The nature-like fishway created at the Acushnet Sawmill Property has helped to increase the number of river herring in the Acushnet by more than 25 times.
(Photo: USFWS)

Another restoration project was started in 2015 using the New Bedford Harbor settlement funds. The Trustees provided \$714,000 to the U.S. Army Corps of Engineers (Corps) to protect and restore Bird Island in Marion, Massachusetts. These funds comprised an essential portion of the match for the \$5 million Corps project. The planned restoration activities will double the size of the existing nesting habitat for common terns and federally-endangered roseate terns on the Island. Thirty percent of the entire population of the northeastern roseate tern nest on Bird Island; thus, expansion of nesting habitat and prevention of further habitat loss is critical. Construction and restoration efforts began in fall of 2015 and are scheduled to be completed in 2017.



Thousands of terns nest on Bird Island. Stabilizing and protecting the island is critical for tern survival in the northeast United States.
(Photo: Bird Island Lighthouse SVO)

The Trustees have also been working with the City of New Bedford to increase opportunities for passive recreation and enjoyment of the Acushnet River. The city has created a preliminary design for a pedestrian path that will follow along the river for 2 miles in the heart of the city. The Trustees have allocated nearly \$3 million to plan, design and construct the trail. In addition, the city has engaged in several clean-up efforts with local youth at Palmer's Island. Trails are being created and natural habitats are being restored to provide residents with access to this i

ACTIVITY: INLAND OIL SPILL PREPAREDNESS

Appropriation: Natural Resource Damage Assessment	2016 Enacted	Fixed Costs	Internal Transfers (+/-)	Program Changes (+/-)	2017 Request
Activity: Inland Oil Spill Preparedness	1,000	+1	0	+100	1,101
FTE	1	0	0	0	1



Repeated spills on the Yellowstone River articulate illustrate the challenges DOI has been facing in recent years. The 2011 Exxon-Mobil pipeline and 2015 Bridger pipeline spills resulted in impacts to Federal, State and private lands, including habitat for endangered pallid sturgeon, bald eagles, piping plover, and terns.

Justification of 2017 Program Changes:

Inland Oil Spill Preparedness (+\$100,000) - The 2017 budget request for Inland Oil Spill Preparedness is \$1,101,000, an increase of \$101,000 from the 2016 enacted level. The Program will use the increase to expand work on regional and area oil spill contingency plans, participation in spill drills and exercises with Federal, state, and local partners, development of a document library and technical resources, and training on inland spill response.

In the past few years, the Nation's domestic oil production has increased dramatically, largely due to the use of hydraulic fracturing technology to access deposits that were previously uneconomical or unrecoverable. According to many experts, we are experiencing a domestic oil and gas renaissance that has transformed the Nation's energy future. In the next decade years, the U.S. will likely continue to reduce its reliance on foreign oil and could become a net exporter of oil and gas. The latest U.S. Energy Information Administration data show that annual domestic crude oil production is expected to grow from approximately 2.37 billion barrels (bbl) in 2012 to approximately 3.65 billion bbl in 2017, an increase of 54 percent in five years.

Oil and gas production have increased dramatically in recent years and for example, from 2009 to 2014 production increased 250 percent in Midwestern states (on average 923 thousand bbl/day

in 2009 to 2,276 thousand bbl/day in 2014) and in North Dakota, oil production increased by over 1,000 percent from 2000 to 2014; over 1 million bbl/day is now being produced from the Bakken region.

This significant growth in domestic oil production has resulted in an increase in the transportation of crude oil by both pipeline and by rail tank car. For example, the transportation of crude oil through pipelines has increased from 7,344 thousand bbl/day in 2009 to 9,429 thousand bbl/day in 2014. Data from the Association of American Railroads in 2015 indicates the annual amount of crude oil transported by rail increased nearly 5,000 percent: from 9,500 carloads of crude oil in 2008 to 493,146 carloads of crude oil in 2014.

With the growth in oil production and transport comes the increased risk of spills that could impact public lands and resources under the trusteeship of the DOI. Recent pipeline spills such as the Bridger Pipeline break in the Yellowstone River, MT (January 2015) illustrate the hazards of aging pipeline infrastructure. Likewise, oil spills from train derailments in 2015 such those in Mt. Carbon, WV and Galena, IL highlight the potential impacts from increased rail transport of oil. While the Department of Transportation released new tank car standards in 2015 for rail cars used to transport flammable liquids such as crude oil, the DOI, other government agencies, and various industries are working to improve efficiencies and environmental safeguards to address the related risks and challenges that come with increased domestic production and transportation. To ensure that DOI and its bureaus are prepared to respond to potential spills, the Department must expand its inland oil spill preparedness and response capabilities.

Activity Overview:

Through the National Response System, EPA leads the federal response for inland oil spills and the U.S. Coast Guard leads the Federal response for spills occurring offshore and in navigable waterways, including major rivers, lakes and bays. DOI is a primary Federal natural resource trustee with vast resources that could potentially be impacted by inland oil spills, including those managed by the National Park Service, Fish and Wildlife Service, Bureau of Land Management and Bureau of Reclamation, and the trust lands and resources of Native American tribes. It is critical that DOI serve as a strong partner in the oil spill contingency planning process to address potential impacts to resources under the trusteeship and management of DOI and its Bureaus.

Discharges of oil and other hazardous substances from domestic oil and gas production, transportation, and associated inland facilities, including pipelines, can injure trust resources in a variety of ways. The Secretary of the Interior has trust responsibility for resources such as threatened and endangered species, national wildlife refuges, national parks, monuments, seashores, and historic sites, national conservation lands, reservoirs, reserved water rights, and certain Indian lands.



Response to Crude-by-Rail spill: In February 2015, 28 cars of a 107 tank-car shipment of Bakken crude derailed near Mt. Carbon, WV. Nineteen of the cars burned and roughly 225 people from two nearby towns were evacuated. The oil quickly reached the Kanawha River where threatened and endangered species are present. Representatives from the FWS and USGS responded to this spill. (U.S. Coast Guard photo)

When a spill occurs, employees of the Department's many bureaus are often the first responders, along with State or local responders and EPA on-scene coordinators. Pre-incident planning requires DOI employees to participate in local, regional, and national contingency planning including contingency response teams' efforts, area contingency plans, and spill drills. This participation is essential to build effective teamwork to best respond when spill incidents occur.

The Department's Office of Environmental Policy and Compliance (OEPC) leads and coordinates DOI's participation on the National Response Team (NRT) for both preparedness and response. One of its key activities is to coordinate DOI input to the Regional and Area Committee contingency planning processes, but DOI Bureaus' budget constraints have limited their participation. While OEPC can provide generalized information regarding DOI resources, field-level expertise from the Bureaus is needed to identify specific areas for oil collection and deflection, as well avoidance areas for personnel and equipment. Bureau participation in EPA and U.S. Coast Guard led Regional and Area Committee meetings and exercises will result in (1) filling information gaps on DOI trust resources in Contingency Plans, (2) improved notification and communication between EPA/U.S. Coast Guard and DOI during oil spill responses, and (3) familiarizing DOI resource managers with oil spill response operations and organizations.

With the first year of inland oil spill preparedness funding received in 2015, the Department's objective for this program was to improve overall preparedness and ability to respond to inland oil spills in ways that can better protect the Nation's natural and cultural resources, historic properties, and DOI lands, resources, and interests. Representatives from OEPC and ORDA have established a coordinated, integrated Work Group that included representatives from FWS, NPS, USGS, BLM, BIA, and BOR. The Work Group established funding guidelines and

criteria, and set up an on-line proposal system for bureaus to apply for inland spill project funding. In 2015, the Inland Oil Spill Preparedness Project Work Group funded 11 project proposals for activities such as multi-agency coordination and outreach, participation in area contingency planning, developing agency inland oil spill plans and job aids, risk assessments, required hazardous materials response training, and inland oil spill response training.



Response to Crude-by Rail spill: In March 2015, 21 cars of a 105 tank-car shipment of crude oil derailed near Galena, IL. Five of the derailed cars caught fire and ruptured, releasing oil onto an embankment and wetland adjacent to the Galena River and just upstream of the Mississippi River. Potential impacted resources included the adjacent Upper Mississippi National Wildlife Refuge. Representatives from the FWS responded to the spill. (U.S. EPA photo)

In addition to these projects, funding was provided to the FWS National Conservation Training Center to update and revise their inland oil spill course. This course was last given in 2005 and was in need of updating. The pilot for this new 40 hour course is scheduled for February, 2016. The course will be offered to DOI employees at both at the NCTC campus in Shepherdstown, WV as well as in DOI field locations in order to train as many individuals as possible. The Inland Oil Spill Preparedness funding will also be used to offset the tuition and in some cases the travel costs, to attend this course. As part of this class, attendees will receive their hazardous materials training annual certification. This certificate is usually required when responding to an oil spill.

In addition to training, the program identified and supported targeted work on Regional, Area, and Geographic Contingency Plans based on where the greatest risks and vulnerabilities exist that may adversely affect DOI lands, resources, and interests. Strong DOI engagement in the planning process is critical because these plans establish the response strategies that will be put into effect immediately by initial responders during the first few hours of an inland oil spill.

In addition, the program supported DOI Bureau field staff participation in Area Committee inland oil spill response exercises alongside EPA and USCG staff, to experience and learn oil spill response organizations and operations, the roles of the on scene coordinator and the Regional Response Teams, and build necessary relationships to work effectively towards protecting DOI trust resources when an inland oil spill occurs.

In 2015, the National Response Team and the Spill of National Significance (SONS) Executive Steering Committee approved an Inland SONS exercise proposal for a crude-by-rail incident in the Columbia River Gorge that was developed by DOI through an interagency planning committee. The exercise scenario would impact the Bonneville Dam (operated by the U.S. Army Corps of Engineers), DOI lands and resources, tribal resources, and both Washington and Oregon states. Both the Inland zone and the Coastal zone are impacted in this exercise (the dam is the dividing line) with EPA and USCG having respective lead Federal response authority. The exercise is designed to have a NRDAR training component.

This exercise was conducted in three parts: the first was a September 2015 Regional Response Team exercise in Washington State; the second was held during a National Response Team Co-Chairs Meeting in October 2015; and the last part will be a Principal-level Executive Seminar in January 2016. Issues that were identified at all three levels of the exercise will be discussed and reviewed. This exercise also incorporated information from FEMA's Operation Safe Delivery crude-by-rail exercises held in New Jersey, Wisconsin, and Montana during 2015.

In FY 2017, the Department is requesting funds to continue to develop its inland oil spill response capability. The funds would be used to train employees in spill preparedness, including understanding response techniques, participation in contingency planning, and establishing and maintaining the readiness of an operational program that will result in more timely and more effective Departmental response to inland oil spills.

2017 Activity Performance:

The program's performance will be evaluated and documented to ensure robust programmatic performance and to support evidence-based decision making. This increase will build on the funding received in FY 2016 to support a valuable DOI crosscutting program with OEPC to develop the inland spill preparedness program, provide advice, and document its program activities.

The OEPC and the Restoration Program are uniquely equipped to work with DOI bureaus and offices to implement this unified Departmental program to deliver products and activities that improve DOI's inland oil spill preparedness. It is important to avoid having each bureau and office pursue its own program independently with no coordination or leveraged efforts. By working together, DOI bureaus and offices can leverage efforts to optimize this program's performance.

The program would identify and support participation by field and regional contacts to bolster information in these contingency plans regarding protection of natural and cultural resources, historic properties, and DOI lands, resources, and interests which could be threatened by an inland oil spill. This information would be developed and updated using a Geospatial Platform to consolidate data from all of the DOI bureaus and offices and other federal agencies such as EPA and DOT's Pipeline Hazards Safety Materials Administration (PHMSA). With the modest increase requested in FY 2017, the DOI program will continue to oversee the administration of these funds and to co-lead the Inland Oil Spill Preparedness Work Group along with the Office of Environmental Policy and Compliance. This increase will continue to provide resources to enable DOI Bureaus and office's participation in the following:

- Regional and Area Contingency Committee planning activities;
- Participation in inland oil spill response exercises and drills held by the EPA, U.S. Coast Guard, and National or Regional Response Teams;
- Continued development of an online library of applicable spill response guidance, templates, and technical resources related to contingency planning and response activities;
- Development of targeted training to support effective engagement in inland oil spill contingency planning and response activities with a special emphasis on highlighting protective measures for our natural and cultural resources and tribal lands.

ACTIVITY: PROGRAM MANAGEMENT

Appropriation: Natural Resource Damage Assessment		2016 Enacted	Fixed Costs	Internal Transfers (+/-)	Program Changes (+/-)	2017 Request
Activity: Program Management	\$000	2,192	+26	0	+220	2,438
	FTE	7	0	0	0	7

Justification of 2017 Program Changes:

Program Management (+\$220,000) - The 2017 budget request for Program Management is \$2,438,000 and 7 direct FTE, an increase of \$246,000 over the 2016 enacted level. The 2017 budget will be used to provide a modest increase to the funding for bureau support positions in the five trustee bureaus (known as the Restoration Program Workgroup) and the bureaus and offices that provide technical support to the Departmental program. The Program currently provides on average \$100,000 (approximately 0.8 allocation FTE) to each participating bureau and office, with the exact amount commensurate with the bureau's level of participation and support in Program Management and Workgroup activities. Additionally, a portion of the proposed increase will be used for the costs associated with the operation and maintenance of the online damage assessment and restoration tracking system (DARTS) and for the populating of additional datasets to be incorporated into the DARTS database application, which are part of the Program Office's efforts to increase its use of information technology and web-based tools.

Activity Overview:

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

Program Management funding enables the program to maintain support for bureau Workgroup representation, ensuring essential integrated program coordination across the Department. The

request includes funds for program support positions in the five bureaus with primary trust resource management roles (BIA, BLM, BR, FWS, and NPS) and technical support offices (USGS, Office of Policy Analysis, and the Office of the Solicitor). A fully integrated Departmental program requires a significant level of bureau participation on the Workgroup and Program Management Team, as well as continued regional coordination and technical support in science, economics, and law.

The Restoration Program Office will continue its ongoing efforts to enhance its outreach to Tribes in three significant ways. First, it will continue monthly conference calls with tribal co-trustees that have an interest in the natural resources and restoration activities of the Department. Second, the program is continuing its work with tribal nations to better understand the issues in NRDAR claim development that involve tribal natural and cultural resources. The Program Office contracted with facilitators to conduct three different informal listening sessions with tribal members in 2015 and 2016 in areas of the country where a number of tribes are undertaking or considering damage assessments: the Midwest, Southwest, and Northwest. Upon completion of the three listening sessions, contractors working on behalf of the Restoration Program were tasked with developing a scoping paper summarizing what was learned. Before finalizing the scoping paper, the preliminary findings are to be presented at a workshop in the Spring of 2016. The ultimate goal of these listening sessions is for DOI practitioners to not only understand the issues, but to also document and develop protocols that lead to successful NRDAR claims in this arena. Third, the program will support a Tribal Training Workshop in 2017, the purpose of which is to bring together a community of Federal, State and tribal NRDAR practitioners in an effort to look for restoration best practices, particularly in a tribal restoration context.

Coincident to the Program improving relationships with tribal co-trustees and governments, is an equally important effort to maintain and improve communications with State co-trustees by coordinating with the State NRDAR Alliance, a consortium of State trustee agencies, on issues of mutual interest with the intent of leading to the development of policies, improved assessment techniques, sharing of best practices, and if needed, regulatory revisions. Additionally, the program continues to support the development of Memoranda of Agreements (MOA) with State agencies as acknowledgement of our common interests and/or responsibilities as designated natural resource trustees. These MOAs address coordination and cooperation in damage assessment activities, settlement negotiations and in the development of claims. This coordination allows the program and State agencies to work together toward the common goal of restoration of natural resources.

Additionally, the program continues to foster its relationships with non-governmental entities, such as The Nature Conservancy, whose primary missions mirror our office's goal of restoring natural resources. Likewise, the Program Office will continue its recent partnership with NatureServe, a non-profit conservation organization which strives to provide a scientific basis

for conservation activities. NatureServe is working on a project to apply their ecological integrity assessment methodology to three NRDAR wetland restoration projects to determine if this is an effective way to monitor success at these sites. Lastly, as an outcome of a Presidential Memorandum on *Mitigating Impacts on Natural Resources from Development and Encouraging Related Private Investment* signed in November 2015, the Program Office will develop guidance on the use of mitigation banks for NRDAR restoration projects and we will continue our collaboration with the National Mitigation Banking Association, an industry association that encourages the use of mitigation banking, where appropriate, for compensating the public for adverse impacts to the environment.

The Restoration Program Office continues to expand the deployment and use of information technology tools with the development of DARTS, an online database system used to house case information, case proposals, and document library. The Restoration Program Office is continuing to refine and make better use of the tools it has in place for a more effective program through the development of an integrated system to track damage assessment and restoration actions and outcomes. When completed, this online system will allow the Program Office to track cases from new case initiation through damage assessment, claim closeout, restoration implementation/monitoring, and case closure. This system will produce functional reports for use by various stakeholders including internal and external ones; high-quality, accessible, relevant information and data; and provide a centralized location for data and documents. The first phase of this system went online in January 2016. These improvements and the enhanced use of information technology by the Program Office has resulted in reduced travel costs, consistent with Secretarial and Administration priorities, while increasing internal communications efficiency.

2017 Program Performance:

All current Program Management efforts and activities are focused on providing the tools, processes, or infrastructure to achieve restoration of injured natural resources. In 2017, in continuing efforts to improve efficiency and effectiveness and to cut costs, the Program Office will seek to meet target goals by broadening its use of information technology in communicating with the program's Workgroup, Bureaus, State, Tribal, and other Federal agency partners as follows:

- Combining the use of DOI video conferencing, webinar, and SharePoint enterprise software technology. This technology will be used for all monthly meetings of the Program's Workgroup to discuss program and policy issues affecting new and ongoing damage assessment projects and policies, improving inter-Departmental communications and saving travel time and expense.

- Revising and updating the NRDAR 101 class that is hosted by the FWS National Conservation Training Center. This class was developed many years ago and is in need of updating and revising. In addition, work will begin on an advanced-level NRDAR course, which will be targeted to assisting current NRDAR case managers and providing them the tools and skill necessary to manage a case.
- Maintaining the office's document library within DARTS will provide Departmental bureaus and offices access to historical case documents, including case project funding proposals dating back to 1999, as well as the attendant allocation memoranda and other supporting program documents. The Program's document library contains documents that have been generated through case activities such as Pre-Assessment Screens, Assessment Plans, Restoration Plans, and Consent Decrees. All of these documents are stored in the library in "searchable" .pdf file format. What was previously a vast collection of information and documents is becoming useful data that is organized and searchable.
- Continued development of DARTS to allow for the organization and standardization of damage assessment project data so that the Program can track assessment project performance and the attainment of important case milestones. Such project performance data serves as an objective basis for future funding decisions.
- Enhanced and improved presentation and information on the Program's website (<http://www.doi.gov/restoration>) by improved design, accessibility, and content. The website platform was updated in late 2015 and the basic content was updated and revised. Additionally, the online map component that was developed as part of DARTS is also on-line and now serves as the centerpiece of the website. This map and the associated index allow the public to find information using different search parameters including State, eco-regions, and incident type. The public will be able to find cases and retrieve documents based on affected trust resources, contaminants of concern, as well as by the names of Potentially Responsible Parties. The individual case home pages will provide basic case information including a summary of the incident, links to the trustees involved and case documents, as well as the latest on the status of the case and any settlements.

The 2017 request level will support the broadened Departmental communication, consultation, and coordination activities with Federal, State, and Tribal co-trustees, the environmental community, industry and the public. Continued cooperation and coordination with co-trustees is critical to increasing restoration productivity, and will enhance opportunities for efficiencies and to identify and eliminate duplication of effort and process redundancies.

Program management activities in 2017 will also continue efforts to develop, refine, and update a number of existing administrative and policy tools, with an eye towards improved consistency, effectiveness, and maximizing restoration outcomes. Among these efforts are the following:

- Review of existing case team best practices at ongoing damage assessment cases, in areas such as information management practices, seeking to promote successful approaches practitioners can use to keep track of their case records and documents as they build a case to reach settlement and eventually implement restoration.
- Continue to develop policy and procedures for conducting reviews of damage assessments cases currently on the docket in order to document their status. For cases which are closed or inactive, determine next steps and ensure any unused funds are returned to the Program Office to be reallocated for new or ongoing cases. This review includes the development of internal control review plans to ensure that the program's policies and procedures are effective in order to efficiently carry out its damage assessment and restoration mission requirements.
- Continue to evaluate the appropriate role and use of economic analytical tools used in damage assessment and restoration activities.
- Coordinate with other trustees and restoration funding entities (namely the U.S. Coast Guard's National Pollution Funds Center) to continue the development of common cost documentation practices and formats to ensure consistency and uniformity.
- Broaden the opportunities for cooperative assessment by improving existing guidance and documents.
- Continue improvement of public outreach and information sharing through internet-based applications and websites.
- Adopt procedures that promote coordination between response and NRDAR activities.
- Ensure that compliance by Federal trustees with the requirements of the National Environmental Policy Act (NEPA) occurs concurrently with restoration planning.
- Enhance its NRDAR partnerships with academia and non-governmental organizations, through improvements in grants, cooperative agreements, and contracting.
- Encourage the use of existing local and regional restoration plans and databases within other DOI programs for use in NRDAR restoration efforts.

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 Department-wide natural resources management.

The Program continues to enjoy a good relationship with the other Federal agencies involved in NRDAR activities either directly (i.e. NOAA, Forest Service, and NPFC) or indirectly (i.e. EPA and DOE). The Program will explore opportunities for additional collaboration and coordination, particularly in the area of project prioritization and selection. In 2017, the program will continue to reach out to industry by participating in industry symposia, discussion groups, and lessons learned workshops on NRDAR issues and policy, and encouraging the use of cooperative damage assessments.

As a cost-saving measure in response to diminished travel budgets, the Restoration Program has transitioned from holding its annual national workshop to a biennial schedule, now held on even years. The next workshop is scheduled for the spring of 2016. In recent years, this workshop has provided training for over 200 practitioners from across the Department on a variety of topics including project management, damage claim development, restoration methods and other scientific and legal issues and trends. As an indicator of collaborative approach that continues to be pursued by the Department and its co-trustees, over 50 State, tribal, and Federal co-trustees, as well as representatives from industry and the conservation community also attended the 2014 workshop.

Section 403 Compliance

Section 403 of the 2016 Consolidated Appropriations Act directs the disclosure of overhead, administrative, and other types of administrative support spending. The provision requires that budgets disclose current amounts and practices with regard to overhead charges, deductions, reserves, or holdbacks from program funding to support government-wide, Departmental, or bureau administrative functions or headquarters, regional, or central office operations. Changes to such estimates trigger reprogramming procedures, in which the Department must provide advance notice to and seek approval from the House and Senate Appropriations Committees.

For 2017, the Restoration Program's costs related to overhead, administration, and central/regional operations are addressed in three components of the budget, all under the heading of External Administrative Costs. These costs include amounts paid to bureaus, the Department, or other Executive Branch agencies to support bureau, Departmental or Government-wide administrative costs.

External Administrative Costs			
(Dollars in Thousands)			
	<u>FY2015 Actual</u>	<u>FY 2016 Enacted</u>	<u>FY 2017 Request</u>
<u>DOI Working Capital Fund</u>			
Centralized Billings	95	79	105
Fee for Services	0	0	0
Direct Billings (Financial Mgmt)	126	126	130
Reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total, DOI Working Capital Fund	221	205	235
<u>DOI Interior Business Center</u>			
Financial Management Systems Support	9	18	18
<u>Fish and Wildlife Service</u>			
FWS User-Pay Cost Share	115	118	118
<u>Bureau of Safety and Environmental Enforcement</u>			
Personnel / HR Services	36	40	45
<u>U.S. Geological Survey</u>			
Common Services Support	89	90	90
<u>U.S. Department of Justice</u>			
DOJ Sec. 108 3% Offset Authority	294	100	100

Charges related to the Departmental Working Capital Fund (WCF) identified in the preceding table reflect the Restoration Program's share of centralized Departmental expenses for items and expenses such as telecommunications, information technology management, security, mailroom services, costs associated with audited financial statements, and other WCF charges.

The Fish and Wildlife Service (FWS) levies its User-Pay Cost Share charges on damage assessment and restoration funds provided to the Service from the Restoration Program. Funds collected by FWS are used to offset a range of Servicewide administrative costs. For 2017, User-Pay Cost Share charges to the Restoration Program are estimated to be \$118,000. The amounts identified for FY 2016 and 2017 are estimates based on prior year workload, and the actual amounts recovered may be more or less, depending upon actual workload, the timing of settlements, and the ability to recover such costs through settlement negotiations. Indirect costs will not be assessed to previous settlements or in cases where FWS indirect costs were not included or recovered in the final settlement. For 2017, FWS currently estimates those charges payable by the DOI Restoration Program to be comparable to the 2016 charges.

Charges related to the Bureau of Safety and Environmental Enforcement identified in the preceding table reflect the Restoration Program's share of personnel management and human resources (HR) services provided to the Office of the Secretary, covering items such as HR policies and procedures, staffing and delegated examining, employee classification, SES appointments, personnel security, reorganizations, and reductions-in-force.

The U.S. Geological Survey (USGS) applies a seven percent administrative overhead charge to all funds provided to USGS, primarily to the Columbia Environmental Research Center. Funds collected by the Center are used to offset common client administrative and facility expenses. Funds provided to USGS from the Exxon Valdez Oil Spill settlement include a nine percent general administrative assessment.

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

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

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

Program and Financing (in millions)

Identification code 14-1618-0-1-302	2015 Actual	2016 Enacted	2017 Request
<u>Obligations by program activity:</u>			
Direct Program:			
0001 Damage Assessments	11	10	10
0002 Prince William Sound Restoration	2	2	2
0003 Other Restoration	61	66	74
0004 Program Management	2	3	3
0005 Oil Spill Preparedness	1	1	1
0900 Total, Direct program	77	82	90
<u>Budgetary resources available for obligation:</u>			
1000 Unobligated balance carried forward, Oct. 1	545	720	739
1010 Unobligated balance transferred to other accounts	-1	-6	-6
(Funds Transferred to DOC/NOAA 13-4316)	0	[-6]	[-6]
(Funds Transferred to DOC/Forest Service 12-9921)	[-1]	0	0
1021 Recoveries of prior year unpaid obligations	1	1	1
1050 Unobligated balance (total)	545	715	734
<u>Budget Authority</u>			
Appropriations, discretionary			
1100 Appropriation	8	8	9
Appropriations, mandatory			
1201 Appropriation (Special fund)	249	103	103
1203 Appropriations previously unavailable	0	1	0
1220 Appropriation transferred to other accounts	-4	-6	-6
(Funds Transferred to DOC/NOAA 13-4316)	[-4]	[-6]	[-6]
1232 Appropriations temporarily reduced	-1	0	0
1260 Appropriations (mandatory) total	244	98	97
1900 Budget Authority (total)	252	106	106
1930 Total budgetary resources available	797	821	840
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year:	720	739	750

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

Program and Financing (in millions)			
Identification code 14-1618-0-1-302	2015 Actual	2016 Enacted	2017 Request
<u>Change in obligated balance:</u>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct. 1 (gross)	21	34	23
3010 Obligations incurred, unexpired accounts	77	82	90
3020 Outlays, gross (-)	-63	-92	-97
3040 Recoveries of prior year unpaid obligations (-)	-1	-1	-1
Obligated balance, end of year (net):			
3050 Unpaid obligations, end of year (gross)	34	23	15
3100 Obligated balance, end of year (net)	34	23	15
<u>Budget authority and outlays, net:</u>			
Discretionary:			
4000 Budget authority, gross	8	8	9
Outlays, gross			
4010 Outlays from new discretionary authority	3	6	6
4011 Outlays from discretionary balances	3	2	2
4020 Outlays, gross (total)	6	8	8
Mandatory:			
4090 Budget authority, gross	244	98	97
Outlays, gross			
4100 Outlays from new mandatory authority	0	10	10
4101 Outlays from mandatory balances	57	74	79
4110 Outlays, gross (total)	57	84	89
<u>Net budget authority and outlays:</u>			
4180 Budget authority	252	106	106
4190 Outlays	63	92	97
<u>Investments in U.S. securities</u>			
5000 Total investments, start of year U.S. securities, par value	497	227	600
5001 Total investments, end of year U.S. securities, par value	227	600	650

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

Program and Financing (in millions)

Identification code 14-1618-0-1-302	2015 Actual	2016 Enacted	2017 Request
<u>DIRECT OBLIGATIONS</u>			
Personnel compensation:			
11.1 Full-time permanent	2	2	2
11.9 Total personnel compensation	2	2	2
12.1 Civilian personnel benefits	0	0	0
25.3 Purchases of goods & services from other govt. accts	15	8	4
42.0 Insurance claims and indemnities	15	25	30
99.9 Subtotal, direct obligations	32	35	36
<u>ALLOCATION ACCOUNTS</u>			
Personnel compensation:			
11.1 Full-time permanent	7	7	7
11.3 Other than full-time permanent	3	3	3
11.9 Total personnel compensation	10	10	10
12.1 Civilian personnel benefits	3	3	3
21.0 Travel and transportation of persons	1	1	1
25.2 Other services	22	20	25
25.3 Purchases of goods & services from other govt. accts	1	2	2
26.0 Supplies and materials	0	0	0
31.0 Equipment	0	0	0
32.0 Land and structures	1	1	1
41.0 Grants	7	10	12
99.0 Subtotal obligations - Allocation Accounts	45	47	54
99.9 Total new obligations	77	82	90

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

Program and Financing (in millions)

Identification code 14-1618-0-1-302	2015 Actual	2016 Enacted	2017 Request
Obligations are distributed as follows:			
Natural Resource Damage Assessment Program Office	32	35	36
Bureau of Indian Affairs	1	1	1
Bureau of Land Management	1	1	1
Bureau of Reclamation	0	0	0
Fish and Wildlife Service	31	34	38
National Park Service	9	7	9
U.S. Geological Survey	4	4	5
99.9 Total new obligations	77	82	90

Personnel Summary

Identification code 14-1618-0-1-302	2015 Actual	2016 Enacted	2017 Request
Direct:			
Total compensable workyears:			
1001 Full-time equivalent employment	13	15	19

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

	2015 Actual	2016 Enacted	2017 Request
Executive Level	0	0	0
SES.....	1	1	1
CA-3 *	0	0	0
AL-2-3 **	0	0	0
SL-0 ***	0	0	0
subtotal.....	1	1	1
GS/GM-15	1	1	1
GS/GM-14	2	3	3
GS/GM-13	4	4	5
GS-12	1	3	5
GS-11	1	1	3
GS-10	0	0	0
GS-9	1	1	1
GS-8	0	0	0
GS-7	0	0	0
GS-6	0	0	0
GS-5	1	1	0
GS-4	0	0	0
GS-3	0	0	0
GS-2	0	0	0
subtotal (GS/GM).....	11	14	18
Total employment (actual / projected) at end of fiscal year.....	12	15	19

*CA - DOI Board Member

**AL - Administrative Law Judge

***SL - Senior-Level / Scientific Professionals