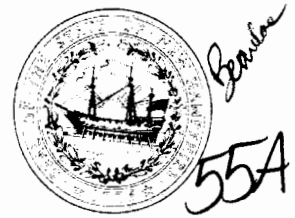




The State of New Hampshire
Department of Environmental Services



Clark B. Freise, Assistant Commissioner

February 21, 2017

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Environmental Services to budget and expend prior year carry forward funds under the provisions of RSA 125-C:6, in the amount of \$29,650 for purposes of covering staff salaries for work performed associated with the settlement agreement with American Electric Power effective upon Governor and Council approval through June 30, 2017. Funding to be budgeted as follows, 100% other funds.

**AEP Settlement Funds Account
03-44-44-443010-5035
FY 2017**

Class	Budget Category	Current Budget	Requested Action	Revised Budget
Income				
005-406882	Private Local Funds	(\$312,242)	\$0	(\$312,242)
005-406882	Carry Forward Balance	\$795,942	(\$29,650)	\$766,292
Expenditures				
010-500100	Personal Services Perm Class	\$ 128,450	\$0	\$ 128,450
020-500200	Current Expense	2,350	0	2,350
027-500799	Transfers to DoIT	7,952	0	7,952
028-500292	Transfers to General Services	7,770	0	7,770
030-500302	Equipment	25,000	0	25,000
039-500188	Telecommunications	431	0	431
040-500800	Indirect Costs	14,986	0	14,986
042-500620	Additional Fringe Benefits	13,966	0	13,966
049-500109	Transfers to Other Agencies	64	0	64
050-500109	Personnel Part-time Temp	7,820	\$29,650	37,470
059-500117	Salary Temporary Employees	6,342	0	6,342
060-500601	Benefits	69,911	0	69,911
066-501709	Employee Training	800	0	800
070-500705	In-State Travel	550	0	550
073-500581	Grants Non Federal	4,000	0	4,000
080-500716	Out Of State Travel	1,850	0	1,850
102-500731	Contracts for Program Services	20,000	0	20,000
	TOTAL	\$ 312,242	\$ 29,650	\$ 341,892

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EXPLANATION

In 2007, the State of New Hampshire along with seven other states settled litigation with American Electric Power (AEP) for alleged violations of the federal Clean Air Act. Under the settlement agreement, AEP is required to pay the state \$240,000 per year for five years. DES received the first of these payments in FY 2009. In accordance with the settlement agreement, DES must propose specific projects to use said funds on an annual basis to AEP for concurrence that the project proposals are consistent with the agreement. In 2009, DES proposed the use of these funds to support a Climate and Energy Analyst position within the Air Resources Division. AEP concurred that the use of these funds was consistent with the Consent Decree. In order to account for the climate and energy work completed in accordance with AEP Consent Decree, DES is requesting the use of prior year carryforward funds in the AEP Account for FY17 to cover the transfer of expenditures for work performed by the Climate and Energy Program Manager in FY17.

DES is requesting authorization to budget and expend \$29,650 in prior year carry forward funds, and to budget those funds as follows:

Class 050 – *Personnel Services – Temporary* - The additional funds in class 50 will not be used to support any new positions. These funds are available in continued support of climate and energy work related to the AEP settlement agreement. These funds will be used to supplant funding of the following position, which is currently budgeted:

Position #	Title	Funding Mix	Amount
40602	Administrator II	100% Federal	\$29,650

Classes 040, 041, and 060 – *Indirect Costs, Additional Fringe and Benefits* – No changes are necessary in these classes as there are sufficient funds available to cover any expenses.

We respectfully request your approval.



Clark B. Freise, Assistant Commissioner