



DENALI COMMISSION

# **The Denali Commission's Investments in Bulk Fuel Improvements**

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# The Concept of the Denali Commission

## The Denali Commission Act of 1998

- Coordinate, convene
- Bring infrastructure of rural Alaska up to American standards





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# The Concept of the Denali Commission

For 17 years, the Commission has invested over a billion dollars of federal funds – matched with local, State, philanthropic and other federal funds – into rural Alaska

- Bulk Fuel Tank Farms
- Rural Power System Upgrades
- Clinics
- Behavioral Health Centers
- Roads
- Docks and Mooring Points





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# The Concept of the Denali Commission

And millions of dollars were matched with other funders to train rural Alaskans to work in trades and careers related to Denali Commission infrastructure

- Construction
- Operations
- Building maintenance
- Allied health
- Municipal clerks

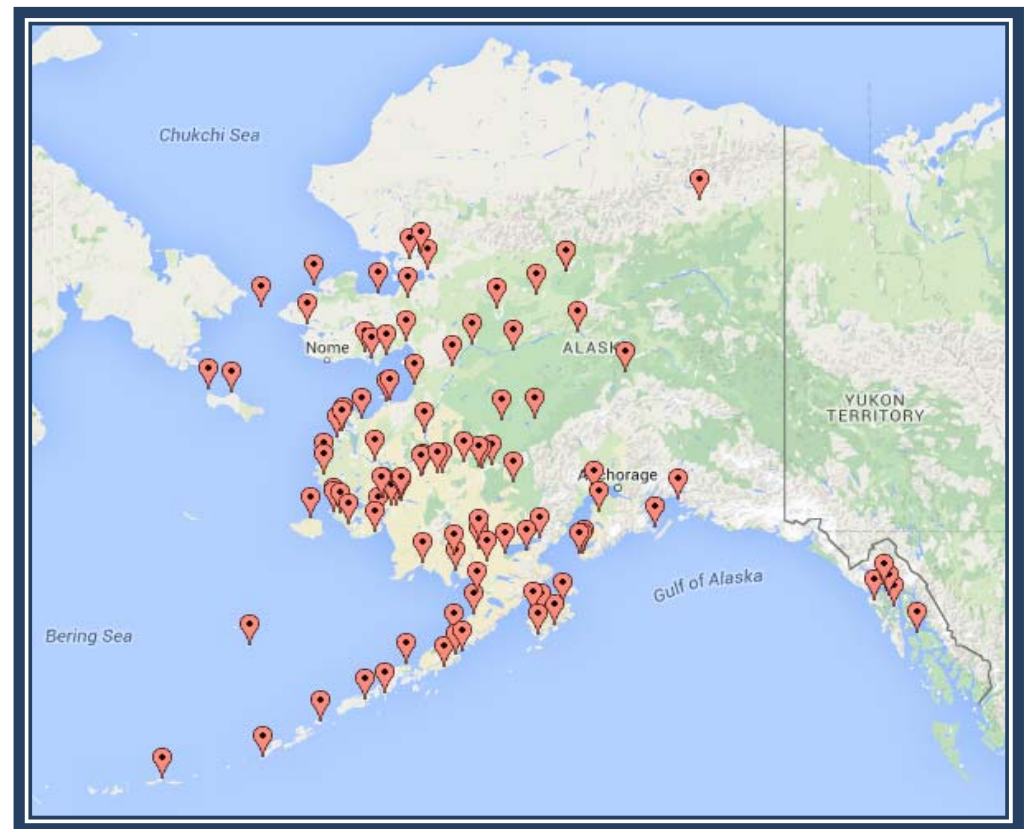




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# Denali Commission's Bulk Fuel Program

- Over 100 fuel storage facilities built over 17 years
- Projects originally prioritized based on 1999 condition list
- Approximately \$250 million of Commission funding spent

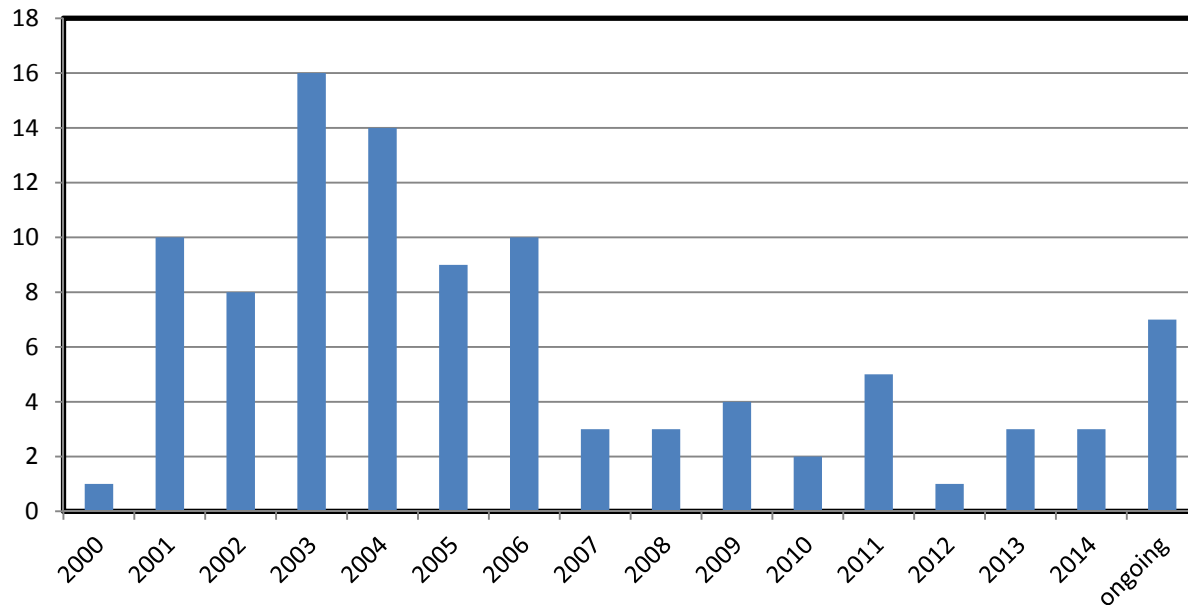




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## As Funding Declines, Now What?

Funding for the Commission's Bulk Fuel Program has gone from a high of \$40 million annually to about \$4 million. This chart shows the number of projects completed per year.





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## Remaining Unmet Need

- 56 communities, with a total of 241 tank farms, remain on the Commission's unmet need list.
- An inventory in Summer 2015 ranked these communities from worst to best physical condition.
- **Main takeaway: There is still considerable need in rural Alaska communities for improved bulk fuel storage facilities.**





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# Difficulties Facing Tank Farms

- Operation and maintenance of existing facilities
- Training for tank farm operators
- Tank farm administration
- Inactive and abandoned tank farms
- Effects of climate change and erosion



Tank farm operators participating in an AVTEC training in Seward





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# New Approaches to Funding

“Life-extension” projects as opposed to full replacements



Denali Commission 1435  
Alaska Village Electric Cooperative  
Scammon Bay BFU Refurbishment



Denali Commission 1435  
Alaska Village Electric Cooperative, Inc.  
Scammon Bay 2013 BFU Refurbishment



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# Maintenance and Improvement

## Protect, Maintain, Sustain

- Fix active leaks
- Add secondary containment
- Install fencing and lighting
- Clean and paint tanks
- Install clock gauges or emergency vent covers
- **What else does your tank farm need?**





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## The Commission's Next Steps

- Funding letter reports for five communities, outlining options for refurbishment and small repair projects
- Funding construction of a model tank farm in Seward at the AVTEC training facility
- Providing gap funding to an AEA tank farm upgrade project to ensure it is fully-funded





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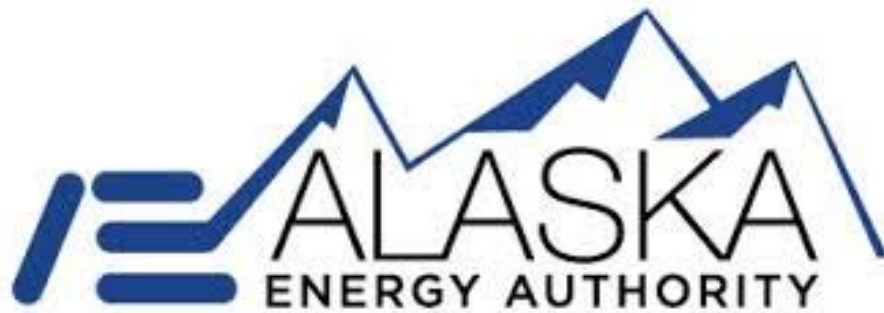
## Continued Investments in Infrastructure

- Fund construction projects in the communities whose tank farms are in the worst condition with a new focus on small improvements aimed at extending the facility's life
- Fund several letter reports annually in order to maintain a list of construction-ready projects



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# Collaboration with Partners



Department of Commerce, Community, and Economic Development  
Community and Regional Affairs



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# QUESTIONS?

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