



**DENALI COMMISSION  
CONGRESSIONAL BUDGET JUSTIFICATION  
FISCAL YEAR 2022**

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## **About the Denali Commission**

The Denali Commission was formed when U.S. Senator Ted Stevens drafted the Denali Commission Act of 1998, signed into law by President Bill Clinton in October 1998. The Commission was established as an independent Federal agency focusing on the development of basic infrastructure, economic development, and workforce training needs for rural Alaska in collaboration with federal, state, local, tribal, and private partners.

There are more than 200 remote Alaska communities not connected by a road network that are often served by individual diesel-powered electrical systems and some may not have access to community water and sewer systems, or basic community infrastructure as compared to many of their peers in rural “Lower 48” states.

The vision for the Commission is to operate efficiently and effectively while continuing to adapt the agency’s working model to lead the way in the innovative delivery of essential programs and services. This is evident by the footprint of the Commission investments across Alaska, including primary care health services, critical energy infrastructure, road and waterfront transportation improvements, workforce training, and new initiatives like the Village Infrastructure Protection and broadband programs, which focus on the built environment in rural Alaska communities threatened by erosion, flooding, and permafrost degradation.

The Commission is committed to a public and transparent process in both the development and execution of programs, projects, and activities. It is led by a Federal Co-Chair and a guiding body of six Commissioners, including the Governor of Alaska who has delegated to the current Policy Advisor for Rural Alaska and Alaska Native Affairs to serve as the State Co-Chair.

This Strategic Plan capitalizes on the unique authorities in the Commission’s authorizing statute; assumes the Commission will complement and not duplicate other Federal agencies and programs; challenges management to eliminate barriers so staff can efficiently implement programs and initiatives; and encourages a paradigm shift to emphasize investments that extend the lifespan of publicly funded infrastructure in rural Alaska.

In September 2015, President Obama tasked the Commission as the lead federal agency for building climate resilience in Alaska. The assignment envisioned that the agency would play a lead coordinator role for the Federal, State, Tribal, local government regional and non-profit partners to assist communities in developing short- and long-term solutions to address the impacts of erosion, flooding, and permafrost degradation.

The Denali Commission Act of 1988 established that the Commission is composed of seven members appointed by the Secretary of Commerce to create and approve the annual work plan for the Denali Commission. The Act designates Commissioners represent the State of Alaska, the Presidents of the University of Alaska, Alaska Municipal League, Alaska Federation of Natives, AFL-CIO Alaska, Associated General Contractors, and the Federal Co-Chair of the Denali Commission.

## **The Commissioners**

### **John Torgerson**

#### **Interim Federal Co-Chair**

Mr. Torgerson serves as the Interim Federal Co-Chair and in that position acts as the meeting chair during Commission meetings, and as Chair of the Transportation Advisory Committee.

### **John Moller**

#### **Representing the State of Alaska, Policy Advisor to the Governor for Rural Alaska and Alaska Native affairs**

Mr. Moller serves as the State Co-Chair for the Denali Commission and as Policy Advisor to the Governor for Rural Alaska and Alaska Native Affairs.

### **Alicia Siira**

#### **Executive Director of the Associated General Contractors**

Ms. Siira serves as a Commissioner representing the Associated General Contractors.

### **Julie E. Kitka**

#### **President Alaska Federation of Natives**

Ms. Kitka serves as a Commissioner representing the Alaska Federation of Natives.

### **Nils Andreassen**

#### **Executive Director Alaska Municipal League**

Mr. Andreassen serves as a Commissioner representing the Alaska Municipal League.

### **Ms. Pat Pitney**

#### **Interim President of the University of Alaska**

Ms. Pitney serves as a Commissioner representing the University of Alaska.

### **Ms. Joelle Hall**

#### **President of the Alaska AFL-CIO**

Ms. Hall serve as a Commissioner representing the Alaska AFL-CIO.

## Budget Summary

Please see the table below that enumerates the budgeted line items for FY 2022 in accordance with our requested \$18.1 million. The funding proposed will be used to leverage investments from other Federal agencies and coordinate activities to address climate change impacts in rural Alaskan villages. Some example investments follow to provide a spectrum of likely Commission work:

- Complete “global” environmental reviews for village relocations and protect in place solutions that will allow other Federal agencies to use the Commission’s work to shorten the time and effort to complete NEPA reviews,
- Provide cost share match to other Federal agencies to meet required local match requirements, thus leveraging additional Federal resources,
- Work with the local communities to complete Hazard Mitigation Plans and other Federal Emergency Management Administration (FEMA) documents so that the communities can be eligible for FEMA resources,
- Work with the State of Alaska, the local communities, and other stakeholders in developing realistic project scoping, budgeting, and scheduling documents for proposed protect in place solutions,
- Developing a project level prioritization process for ETC projects and activities that can then be used by the family of Federal agencies to identify resources through their own Congressional authorities and appropriations to carry out the proposed projects and activities, and
- Develop a web-based portal for local communities and stakeholders to access relevant Federal programs that can provide assistance.

<b>FY 2022 Budget Summary</b>				
<b>Budget Category</b>	<b>FY 2021 Enacted</b>		<b>FY 2022 Request</b>	
	<b>Discretionary</b>	<b>Trans-Alaska Pipeline Liability</b>	<b>Discretionary</b>	<b>Trans-Alaska Pipeline Liability</b>
<b>10 Personnel Compensation and Benefits</b>	2,385,104	156,633	2,500,000	200,000
<b>20 Contractual Services and Supplies</b>	2,592,396		2,475,000	
<b>30 Acquisition of Assets</b>	22,500		25,000	
<b>40 Grants and Reimbursable Agreements</b>	10,00,000	2,976,032	10,100,000	2,800,000
<b>Total</b>	<b>15,000,000</b>	<b>3,132,665</b>	<b>15,100,000</b>	<b>3,000,000</b>

## Work Plan

Commissioners identified and approved general program funding levels for the FY 2021 Work Plan based on anticipated appropriations and an estimate of the 2020 allocations from the Trans-Alaska Pipeline Liability Fund (TAPL). The Bulk Fuel program is largely funded through an annual interest allocation from TAPL, which has ranged from \$2 to \$11 million over the last 21 years. Annual TAPL funding is expected to remain at about \$3.5 million for the next few years. The proposed FY 2022 Work Plan is pending approval.

The approved FY 2021 Work Plan included \$4.925M for the Energy Program, \$2.2M for the Bulk Fuel Program, and \$.5M for the Village Infrastructure Protection Program. This work plan also reincorporated some of the Commission’s legacy programs as work plan items. The full FY 2021 approved, and FY 2022 proposed Work Plan totals can be found in the table below.

Over \$1.2 billion invested to date has leveraged over \$900 million from other federal, state, tribal, and non-profit sources to match the federal investment for infrastructure.

<b>Work Plan Budget by Program</b>				
<b>Program</b>	<b>FY 2021</b>		<b>FY 2022</b>	
	<b>Approved</b>		<b>Proposed</b>	
	<b>Discretionary</b>	<b>Trans-Alaska Pipeline Liability</b>	<b>Discretionary</b>	<b>Trans-Alaska Pipeline Liability</b>
<b>Energy Reliability and Security</b>	4,925,000		4,925,000	
<b>Bulk Fuel Safety and Security</b>		2,200,000		2,200,000
<b>Village Infrastructure Protection</b>	500,000		500,000	
<b>Transportation</b>	1,000,000		1,000,000	
<b>Sanitation</b>	1,500,000		1,500,000	
<b>Health Facilities</b>	750,000		750,000	
<b>Housing</b>	500,000		500,000	
<b>Broadband</b>	750,000		750,000	
<b>Workforce and Economic Development</b>	1,075,000	600,000	1,075,000	600,000
<b>Total</b>	<b>11,000,000</b>	<b>2,800,000</b>	<b>11,000,000</b>	<b>2,800,000</b>

## **MAP-21 Transfer Authority**

In FY 2022 the Commission anticipates using its unique transfer authority (Section 311 of the Denali Commission Act of 1998, as amended) to issue grants on behalf of the following Federal agencies:

### **Centers for Disease Control (DHHS/CDC)**

The Commission funded two grants to ANTHC and YKHC. They are participating as part of a nationwide study on the effectiveness of the COVID-19 vaccine among health care personnel. This totals approximately \$500,000.

### **Department of Energy (DOI-OIE)**

The Commission received DOE-OIE previous year funding to implement Tribal Technical Assistance and Statewide Tribal Energy Education and Energy Economics.

### **Department of Justice (DOJ/OVC)**

In partnership with the Department of Justice (DOJ) Office for Victims of Crime (OVC), the Denali Commission will continue the work to distribute \$6.5 million in grants to Alaska's Tribal Communities. Grantees will implement services for persons who have experienced crimes.

### **Environmental Protection Agency (EPA)**

Denali Commission received EPA funding to implement a regional backhaul multi-year program that will serve greater than or equal to at least 60% Federally Recognized Tribes. The Commission previously received funding for a backhaul pilot project and a project for coordinating advisory team meetings.

### **USDA-Rural Utility Services (RUS)**

7 U.S.C. Section 918a allows High Energy Cost Grant funds to be transferred directly from RUS to the Denali Commission. The Commission combines these direct grant RUS funds with our own appropriations and Trans-Alaska Pipeline Liability (TAPL) allocations for bulk fuel, power plant, intertie, and other energy related projects. In many cases the RUS and Commission dollars are used to leverage contributions from other partners like the State of Alaska.

### **US Forest Service (USFS)**

The Commission will use funds received from the USFS to fund 'shovel-ready' wood energy projects in rural Alaska. It is anticipated that USFS and Commission dollars will be used to leverage contributions from other partners like the State of Alaska.



## **Denali Commission Program Partners**

- Alaska Center for Energy and Power (ACEP)  
[www.uaf.edu/acep](http://www.uaf.edu/acep)
- Alaska Department of Labor and Workforce Development  
<http://labor.state.ak.us>
- Alaska Department of Transportation and Public Facilities  
[www.dot.state.ak.us](http://www.dot.state.ak.us)
- Alaska Energy Authority  
[www.aidea.org/aea](http://www.aidea.org/aea)
- Alaska Native Tribal Health Consortium  
[www.anthc.org](http://www.anthc.org)
- Alaska Village Electric Cooperative  
[www.avec.org](http://www.avec.org)
- Community Development Quota Organizations  
[www.wacda.org](http://www.wacda.org)
- Construction Education Foundation Associated General Contractors of Alaska  
[www.agcak.org](http://www.agcak.org)
- First Alaskans Institute  
[www.firstalaskans.org](http://www.firstalaskans.org)
- National Renewable Energy Laboratory (NREL)  
[www.nrel.doe.gov](http://www.nrel.doe.gov)
- State of Alaska Village Safe Water Program  
[www.dec.state.ak.us/water/vsw/index.htm](http://www.dec.state.ak.us/water/vsw/index.htm)
- U.S. Army Corps of Engineers  
[www.poa.usace.army.mil](http://www.poa.usace.army.mil)
- U.S. Bureau of Indian Affairs  
[www.doi.gov/bia](http://www.doi.gov/bia)
- U.S. Department of Agriculture Rural Utilities Service  
[www.usda.gov/rus/electric](http://www.usda.gov/rus/electric)
- US Department of Agriculture US Forest Service  
[www.fs.usda.gov](http://www.fs.usda.gov)
- U.S. Department of Energy  
[www.doe.gov](http://www.doe.gov)
- U.S. DOT Federal Highway Administration  
[www.fhwa.dot.gov](http://www.fhwa.dot.gov)
- US DHHS Center for Disease Control and Prevention  
[www.cdc.gov](http://www.cdc.gov)
- U.S. DOT Western Federal Lands Highway Division  
[www.wfl.fhwa.dot.gov](http://www.wfl.fhwa.dot.gov)
- U.S. Environmental Protection Agency  
[www.epa.gov](http://www.epa.gov)
- U.S. Indian Health Service  
[www.ihs.gov](http://www.ihs.gov)
- U.S. Department of Labor  
[www.dol.gov](http://www.dol.gov)
- University of Alaska  
[www.alaska.edu](http://www.alaska.edu)