

DENALI COMMISSION

FY24 AWARD RECOMMENDATIONS AND TRANSFERS DISCUSSION

via Microsoft Teams
Anchorage, Alaska

August 26, 2024

MINUTES

PRESENT:

Commissioners Present

Jocelyn Fenton, Interim Federal Co-Chair

Micaela Fowler, State Co-Chair

Alicia Amberg

Joelle Hall

Julie Kitka

Nils Andreassen

Others Present

Roderick Fillinger, Denali OIG

CALL TO ORDER

Interim Federal Co-Chair Jocelyn Fenton called the meeting to order at 11:04 a.m. A quorum was established.

FY24 AWARD RECOMMENDATIONS -- Interim Federal Co-Chair Jocelyn Fenton

Interim Federal Co-Chair Fenton previously provided the FY24 FOA Award Recommendations list and she was looking for feedback from the Commissioners from the process and mentioned desire to keep better track of applicant metrics. Commissioner Kitka requested a list of all the applications and Interim Federal Co-Chair Fenton agreed to supply to the group in addition to the listing of successful applicants on the Commission website.

Discussion began on a better strategy when formulating the FY25 FOA. Interim Federal Co-Chair Fenton began with the discussion on energy applications to the Infrastructure Fund. Alaska Energy Authority (AEA) maintains and updates Rural Power-System Upgrade (RPSU) and Bulk Fuel Upgrade Programs, which are priority lists that evaluate sites across the state to allocate funding towards the energy infrastructure with the most need. Due to these priority lists, paired

with the Commission's annual FOA evaluation criteria, the applications submitted that address top-priority projects on the lists have been successful for full award requests (\$2 million) in the past three years. The commitment of resources to evaluate applications for RPSU and BFU seems inappropriate given the existence of the priority lists, so Interim Federal Co-Chair Fenton offered to exclude these types of projects from the FY25 FOA, and instead allocate \$2 million each to projects on the priority lists out of the \$10 million Infrastructure Fund pot.

MOTION: Commissioner Nils Andreassen moved for the Denali Commission to approve removing \$4 million for the FY25 FOA Infrastructure Fund, to be dedicated to RPSU and BFU projects on the AEA Priority Lists.

SECONDED: Commissioner Amberg seconded, opening the floor to questions and discussion.

Interim Federal Co-Chair Fenton asked about appetite for restricting eligibility for some programs applications to only match or gap funding to be more strategic with limited resources during a time that so many large grants are trickling into Alaska. Commissioner Kitka countered that limiting to match or gap funding means communities are sophisticated enough to already have large grants and consequently weeds out small and more needy communities. The input was appreciated, and discussion continued around different outreach methods for economically distressed and disadvantaged communities, including offering project managers as eligible application requests to manage project overruns and other creative ways to combat increasing costs due to inflation.

Interim Federal Co-Chair Fenton called the question on the motion to approve the removal of \$4 million from the FY25 FOA Infrastructure Fund for priority RPSU and BFU projects.

VOTE: Motion passed unanimously.

FY24 Funding Transfers - Interim Federal Co-Chair Fenton stated the Commission aimed to accept over \$30 million in agency funding for this fiscal year. She asked the Commissioners their thoughts on whether the State of Alaska Nonfederal Match for Infrastructure Projects (Match FOA) should be combined with the Unified FOA in January, and Commissioner Andreassen countered that the point of the last Match FOA was the quick turnaround. Interim Federal Co-Chair Fenton agreed that it was convenient that the standalone process was quick and efficient, producing the recommended list of projects in time for a Senate Finance Committee hearing March 26, 2024. Comparatively, the FY24 Unified FOA, due in April, took until August for final recommendations.

FY26 Congressional Budget Request - Interim Federal Co-Chair Fenton mentioned the Commission was preparing its FY26 Budget Request. Commissioner Kitka suggested that more meetings between the Commissioners and the Alaska Delegation and the Alaska Governor should be scheduled, and Interim Federal Co-Chair Fenton agreed that it would be a great idea for incoming Federal Co-Chair Kitka to arrange upon her arrival to the Commission in October. Commissioner Kitka's last day at AFN would be September 20. Interim Federal Co-Chair Fenton mentioned that the Commission had organized a booth for the AFN Conference in October.

Rural Energy Conference and Bulk Fuel Summit - Interim Federal Co-Chair Fenton reminded the group of the upcoming Rural Energy Conference and discussion on immense bulk fuel needs across the state. She mentioned the US Coast Guard Bulk Fuel Assessment and Commissioner Kitka asked about actions for USCG and the delegation considering Department of Homeland Security's Under Secretary for Science and Technology Dimitri Kusnezov had been up to Alaska a few times. Interim Federal Co-Chair Fenton agreed that more outreach is needed and did briefly meet with Under Secretary Kusnezov at the ADAC Grand Opening and the Office of Science Technology and Policy meetings in Anchorage, and at other virtual meetings with the Arctic Executive Steering Committee.

Commissioner Andreassen agreed to send out an email to Commissioners with links with more information on the Rural Energy Conference.

ADJOURNMENT

Without any further business to discuss, Interim Federal Co-Chair Fenton adjourned the meeting at 12:02 p.m.