



August 25, 2025

Alaska Energy Authority
813 West Northern Lights Blvd.
Anchorage, AK 99503

Subject: Request for Consideration of a Publicly Owned Community Tank Farm in Aniak

To Whom It May Concern,

I am writing to urge the Denali Commission and the Alaska Energy Authority (AEA) to consider the development of a publicly owned community tank farm in Aniak, rather than directing this investment solely toward a facility owned by a for profit utility such as Aniak Light & Power. The Denali Commission's recent receipt of \$100 million in EPA funding, originally designated for renewables but now redirected toward Bulk Fuel Upgrade (BFU) projects, presents a unique and time sensitive opportunity. With the grant agreement now signed and the Alaska Native Tribal Health Consortium (ANTHC) leading this effort in coordination with AEA and AVEC, the three-year clock to construct 10 BFUs has already begun.

It is my understanding that Aniak Light & Power is currently slated to receive a new tank farm under this program. While this may address the utility's fuel needs, it does not meet the broader requirements of the community. For example, the City of Aniak depends on a single 10,000-gallon tank that must be refilled multiple times each year just to keep public facilities running. TKC Fish Wheel, the nonprofit that manages the Arviiq Regional Economic Development and Training Center, operates with four small tanks that require weekly deliveries. These challenges are not unique—other community organizations in Aniak face the same fuel shortages and inefficiencies caused by inadequate infrastructure. This fragmented system is costly, inefficient, and leaves our community vulnerable to supply disruptions.

A stronger, more equitable path forward is for a public entity such as the City of Aniak to receive this funding and assume ownership of the facility. Public ownership would not only allow for long-term leases, such as 50-year agreements, with fuel vendors like Aniak Light & Power, but would also ensure that storage capacity is available for other organizations that serve the hub community. Importantly, this approach keeps critical infrastructure in the hands of a local government that is accountable to residents. It creates a fairer system where decisions are made in the best interest of the entire community, reduces costs through shared access, and ensures that the long-term benefits of this federal investment remain with the people of Aniak—not a single private utility.

Historically, most publicly funded tank farms in Alaska have been owned by local governments for good reason. City ownership offers significant advantages, including:

- Access to discounted insurance rates through the Alaska Municipal League (AML).
- Eligibility for AML's bulk fuel participant savings, which support spill response readiness, renewable energy integration, and replacement funds.
- Ongoing O&M support for day-to-day operations and maintenance.

These benefits not only reduce costs but also strengthen the resilience, safety, and long-term viability of the fuel supply system for the entire community.

Given the once in a generation scale of this funding and the urgency of the timeline, I respectfully request that Denali Commission and AEA update its records for Aniak and fully consider a community owned tank farm model as the preferred option. This approach will ensure that the investment serves all residents equitably, preserves public benefit, and aligns with the long-standing best practices for publicly funded fuel infrastructure in rural Alaska.

Thank you for your attention to this matter and for your ongoing efforts to improve energy security in our region. I would welcome the opportunity to discuss this proposal further and provide any additional information needed.

Sincerely,



Andrea Gusty
President & CEO
The Kuskokwim Corporation