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INSPECTOR GENERAL

January 2007

To: George Cannelos, Federal Co-Chair
From: Mike Marsh, Esq., Inspector General
Subject: Inspection of Takotna fuel storage tanks

FINAL REPORT

FOR PUBLIC RELEASE

On September 18, 2006, I conducted a routine inspection of the two new fuel tank facilities at Takotna. The purpose of this inspection was to confirm (1) activity at the project site and (2) the traceability of expenditures within the total reported to the Denali Commission on OMB Form 269A.

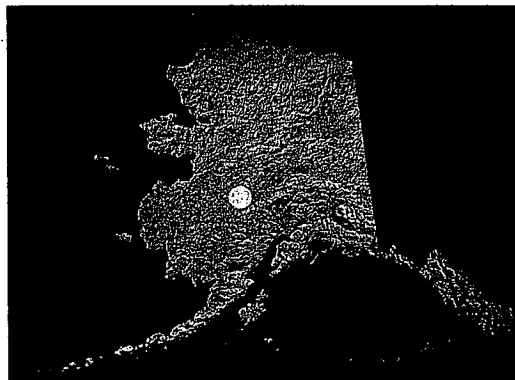
The Commission's implementing "program partner" is the Alaska Energy Authority (AEA). As of October 2006, AEA had reported total expenditures of around \$1.27 million for the two inspected facilities.

PROJECT BACKGROUND

The tiny, unincorporated, mountain settlement of Takotna is located deep in Alaska's interior. Year-round access is by chartered "bush" aircraft that land on a short mountainside airstrip.

The Denali Commission has built four facilities (total \$3.6 million) to serve Takotna's fuel and electricity needs. They consist of (1) Takotna's power plant, (2) a tank farm for the community, (3) a fuel tank for the washeteria (community showers and laundry), and (4) the tank farm 26 miles down the road at Sterling Landing. All of these facilities are owned by Takotna's community association.

This inspection concerned the community tank farm and the washeteria's fuel tank, both of which are located within the settlement of Takotna itself. The tank farm at Sterling Landing is discussed in a separate inspection report.¹



BASE MAP USGS

¹ The tank farm at Sterling Landing is only used for temporary fuel storage after a barge unloads there during the summer.

My inspection verified that fuel tanks consistent with AEA's project records have been substantially completed on the two expected sites in Takotna. The community tank farm consists of five tanks with a total storage capacity of 92,000 gallons. A 12,000-gallon storage tank has been installed at the washeteria.

My observations were consistent with the photographs that AEA has previously submitted for public display on the Commission's online project database at www.denali.gov.

AEA formally turned the facilities over to the local community association on September 15, 2006. The president of the community association perceived that a few punchlist items remained to be resolved at the time of my inspection.

CONCLUSIONS AND RECOMMENDATIONS

1. The commissioners should strategically address the tough issue of serviceable size (facilities for "micro-settlements").

Every state has its hard issues and, for Alaska, a chronically uncomfortable call is the size of settlement that warrants public support (versus self-support). While national lore may abstractly decry construction to "nowhere," the choices are very real, and very serious, for rural families that must go without what most of America takes for granted.

One of the few statutory tasks for the commissioners as a group is the annual reporting of a "comprehensive work plan for rural and infrastructure development," with "recommendations for funding priorities."² Discussions to develop that plan can serve as a valuable forum for the commissioners to advance this tough issue of serviceable size.

Funding for projects like this one reflects the Commission's aspiration that "*[a]ll Alaska, no matter how isolated, will have the physical infrastructure necessary to protect health and safety and to support self-sustaining economic development.*"³ However, discussions of possible population thresholds seem to raise more questions than answers for "micro-settlements" like Takotna (see Exhibit 1).

EXHIBIT 1 PRACTICAL CHALLENGES OF POPULATION COUNTS IN ALASKA'S "MICRO-SETTLEMENTS"
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No organized city government if unincorporated
Seasonal population fluctuations
Long-term net out-migration to urban areas
Nebulous geographic boundaries if unincorporated
Uncertain definition of "resident"
Uncertainties over who's a credible "counter"

² Denali Commission Act, sec. 304(a).

³ Denali Commission Five Year Strategic Plan (2005-2009), page 3 (emphasis added).

The state demographer estimated Takotna's population at just 39 people in 2005.⁴ The U.S. Census showed only 50 residents (19 households) there in 2000. The public school served a total of 12 students last year, ranging from first grade through a high school senior. The current phone book lists 15 residential telephone numbers for Takotna's prefix.

Conscientious efforts to employ local residents can be strained in such locations. My review of the contractor's daily reports shows that no Takotna residents worked last summer on construction of the settlement's two tank facilities. The contractor noted the following in a June report:

There is not anyone willing to work. [The president of the community association] has tried to recruit a couple of guys but they will not show up to work. We have made every attempt. The lack of labor will not affect the progress of the project.

Local hire has traditionally been one justification for "force account" arrangements (versus competitive "hard bids"). However, the contractor's frustration in this case is not surprising given that, per the last census, Takotna has a potential work force of only 29 people.

While the Denali Commission prides itself on the need for communities to submit a "business plan," that document in this case offers little insight concerning the number of users. The three Denali-funded tank facilities (two at Takotna, one at Sterling Landing) are all lumped together as "the Facility," with no projection of the total number of users. Rather, the plan just predicts an "initial annual throughput" of 120,000 gallons, with assumed linear increases each year thereafter. Similarly, the business plan for Takotna's Denali-funded power plant predicts an initial annual fuel consumption of 22,250 gallons with linear annual increases, but provides no indication of the number of customers to be served.

Grant-seeking residents of Takotna challenge the state demographer's estimate of 39 people; in fact, they assert more than the count of 50 recorded in the last census. But all seem to agree that Takotna's population by any count is well below 100.

However, any assumption that Takotna's population is expanding — rather than declining — seems contrary to the past trend for that region. Takotna lies within the Yukon-Koyukuk census area, which had a history of net "out migration" during the five years preceding the 2000 Census.⁵

On one hand, Takotna lies deep in the interior of Alaska. It connects to an isolated 80-mile network of gravel roads that is effectively an island. On the other hand, the modern regional hub of McGrath, with its utilities and daily airline service, lies only 17 miles east of Takotna and 7 miles north of Sterling Landing (the end of the road that leads to Takotna).

⁴ See www.commerce.state.ak.us/dca/commdb.

⁵ See Greg Williams [state demographer], "Migration," *Alaska Economic Trends* (July 2004), pages 4, 8-9.

While tiny settlements may sometimes prefer their own utilities, a geographic configuration like this suggests some possibility of connection to the regional hub for the \$3.6 million that was instead spent on four facilities to energize around 20 households.

Other examples of small settlements with Denali-funded energy facilities are Tenakee Springs (est. pop. 98), Chuathbaluk (est. pop. 95), Sleetmute (est. pop. 92), Atka (est. pop. 90), Hughes (est. pop. 69), Stevens Village (est. pop. 68), Clark's Point (est. pop. 65), Stony River (est. pop. 42), Alatna (est. pop. 41), Red Devil (est. pop. 36), Nikolski (est. pop. 31), and Lime Village (est. pop. 28).

The Commission's grants for clinics are also challenged by the effort to serve micro-settlements. The Commission's home page publicly presents its goal to build over 200 clinics around the state. This paradigm of a clinic in every village is based upon a 2000 study by other agencies that assumes a need for settlements from 20 to 100 people to have a 1,500 square-foot clinic, complete with pharmacy and morgue.⁶

Examples of small settlements that have received Denali grants to construct clinics are Sleetmute (est. pop. 92), Egegik (est. pop. 81), Twin Hills (est. pop. 71), Clark's Point (est. pop. 65), Stevens Village (est. pop. 68), Beaver (est. pop. 64), and Alatna (est. pop. 41).

The Commission has paid for the design of a new clinic at Takotna, with construction estimated to cost \$1 million. The residents are apparently anticipating that construction will begin next summer.

The federal Office of Management and Budget (OMB) has publicly criticized the Commission's lack of assessment as to whether all this construction is actually making rural Alaska a better place to live.⁷ OMB's criticism is well-taken, but I note the Commission's recent retention of a research contractor that is actively attempting to gauge this impact.

All of this suggests the broader issue of whether the Commission's "legacy" programs should be defined in terms of innovative rural electrification and health care — or the methodical addressing of longstanding state lists of needed clinics, generators, and tank farms.

The Commission is hardly alone in these dilemmas of funding micro-settlements. The state's transportation department is planning to spend \$12 million on a new airport for Takotna (including some heavy equipment).⁸ This is ironic since the FAA radar station at Takotna Mountain has a modern runway for cargo planes that is 10 miles down the road. While settlements may understandably prefer a neighborhood runway to one down the road, coordination of tough public choices on such infrastructure would seem a valuable niche that the Commission could fill for the people of Alaska.

⁶ See Alaska Native Tribal Health Consortium, Alaska Dept. of Health & Social Services, and Indian Health Service, *Alaska Rural Primary Care Facility Needs Assessment Project Final Report*, vol. I (Oct. 2000), pages 10, 23-25.

⁷ See U.S. Office of Management and Budget, *Program Assessment of Denali Commission*, sec. 2.6, at www.whitehouse.gov/omb/expectmore/detail.10002338.2005.html.

⁸ See Rural Airport Spending Plan at www.dot.state.ak.us/stwdav/Documents.shtml.

These issues about the Commission's developing role suggest conversations that the commissioners themselves need to have on behalf of the public.

Response by Denali Commission's management:

The full response of the Federal Co-Chair is attached as an appendix. He defends the Commission's choice of project and technology, noting that "*Sterling Landing/Takotna will always require community storage tanks to supply fuel for motor vehicles and heating . . .*" He notes that "*No matter how isolated' is only one of many factors used to select projects, and is a topic under review that we will clarify in our new strategic plan to be developed this year.*"

2. Finance officers at the Commission and AEA should jointly assess the "lessons learned" from this experiment in consolidated expenditure tracking.

In the Commission's enabling act, the very first purpose listed by Congress was "[t]o deliver the services of the Federal Government in the most cost-effective manner practicable by reducing administrative and overhead costs." In the search for "silver bullets" to do this, the Commission serves as a national proving ground for delivery alternatives in very isolated places. "Lessons learned" are as much a part of these experiments as breakthroughs and successes.

The Takotna tanks in this inspection were part of a consolidated regional project to construct energy facilities in a group of seven small communities along the Kuskokwim River. This "Middle Kuskokwim Regional Energy Project"⁹ was an innovative test of the outer limits for effectuating economies of scale in such a setting.

One potential economy of scale was pooled purchasing, with actual expenditures tracked for the group as a whole rather than for each individual facility. In my review of AEA's accounting records, these consolidated expenditures did indeed "roll up" to the cumulative total reported to the Commission on OMB Form 269A.¹⁰

However, expenditures were not meaningfully traceable down to the facility level. To assign a "cost" to an individual facility, AEA used constant, capacity-based, prorated percentages to allocate pooled totals. Thus, for instance, when a Takotna resident sent AEA a bill for over \$35,000 to rent his construction vehicles, only 21% of that charge was actually allocated to Takotna projects. Similarly, a bill showed an actual charge of \$11,760 for worker lodging in Takotna, but AEA's accounting records allocated only 28% of the bill to construction at that location.

The true cost of any individual facility is thus obscured in the accounting records. Transparency was also limited at the consolidated project-wide level. AEA's expenditure listings mainly reflect

⁹ Denali Commission award no. 148-DC-2005-11.

¹⁰ As of the third quarter of federal fiscal year 2006.

global payments to the construction management firm under generic identifiers (e.g., "sm proce," "cm svcs"). That private firm then paid the individual vendors.

Such streamlining in AEA's records supports efficiency, but also frankly makes it difficult for any later reviewer to detect exactly who got paid for what. However, these limits on transparency do not reflect upon the efforts of AEA's quite capable and conscientious accounting staff. There are always tradeoffs in the extent to which detail is tracked by any accounting system, and AEA's accountants simply recorded expenditures as allocated by the agreement between AEA and its subgrantees.

The respective finance officers of the Denali Commission and AEA should together review the lessons learned from this experiment in streamlined, consolidated tracking. Under the inevitable tradeoffs, one accountant's consolidation may function as another accountant's obscuration. To the extent the Commission wants to monitor the true cost of an individual facility, a grant condition should specify it.

Response by Denali Commission's management:

The full response of the Federal Co-Chair is attached as an appendix. He notes that "[t]he Commission is meeting with the finance officer of AEA in the next ten days to ensure progress is made in these areas to maintain strict accountability of funding and expenditures."

3. The Commission's management should consider a grant condition requiring communities to contribute construction vehicles, fuel, and itinerant housing as their effort toward the projects.

As of October 2006, AEA had reported total expenditures of around \$1.27 million for the two storage tank facilities that I inspected in Takotna (community tank farm; washeteria tank). Except for the underlying land furnished by the community, the Denali Commission has been the only contributor.

If there was ever an Alaskan archetype of an Appalachian settlement, remote Takotna would be it. I had the luxury of visiting amidst scenic fall colors rather than its months of winter darkness that can drop to -40° F. And ideal weather facilitated an uneventful landing on the short mountainside airstrip that typifies much bush flying.

The tenacity of this handful of households cannot be denied. At various points, they've built their own church, aired their own radio station, and run their own charter school.¹¹ But the question is not whether these families need modern facilities but, rather, who should provide them.

If the Commission's goal was to move money, it got moved. If the goal was to infuse a village with cash, it got infused. But the Commission's fundamental documents suggest a more creative calling.

¹¹ Though Takotna's public school has only 12 students, one teacher, and two assistants, its local enthusiasm is evident from its home page at <http://tct.schoolaccess.net>.

The Commission's responsibility as an intergovernmental "coordinator," not just rote funding, is repeatedly emphasized in its strategic plan. And contributions by other entities are part of what needs to be coordinated, with the Commission's strategic plan providing that "[p]riority will generally be given to projects with substantial cost sharing."¹²

AEA's grant agreement for this project explicitly recognized the importance of local effort:

*The Authority [AEA] requires in-kind contributions to demonstrate that the grantee and the community are committed to and invested in the proposed project. Typical in-kind contributions include, but are not limited to: land for the project, the use of heavy equipment as available, lodging, etc. The Authority encourages the grantee and the community to support this project with in-kind contributions to the greatest extent possible.*¹³

And this grant agreement lists the following in-kind contributions for the Takotna project: "As capable: lodging, coordination, meeting time and space, resources."¹⁴

Notably, the grantee promises to contribute "lodging." However, in the two years after signing the agreement, the grantee (recipient of all four Denali-funded facilities) went on to bill AEA over \$18,000 for housing itinerant construction workers in quarters that were directly owned by the grantee. AEA nevertheless paid these bills.

This incident emphasizes the need for AEA's accounting staff to remember any in-kind commitments when screening the incoming bills for payment. I further note that the 2000 Census reported that 30 of the 49 houses in Takotna were *vacant*.¹⁵

Similarly, AEA had to pay for its contractor to rent the needed construction vehicles from the person who signed the grant agreement on behalf of the community association. AEA paid that individual's private business around \$70,000 to rent his equipment and over \$2,000 for fuel.

The contractor was disturbed by the level of the rental charges. AEA's engineer responded by mediating some rate adjustments — but not the more fundamental issue as to whether the residents of this unincorporated settlement should be contributing rather than billing.

Opportunities for local contributions were especially desirable in hindsight. To complete all rural energy projects at Takotna and several other locations, AEA had to return to the Commission a year ago for additional funding to cover an anticipated overrun of up to \$1 million.¹⁶

¹² Denali Commission Five Year Strategic Plan (2005-2009), page 4.

¹³ AEA grant agreement no. 2195219, excerpt from section B(6)(c).

¹⁴ AEA grant agreement no. 2195219, Appendix 4.

¹⁵ See www.commerce.state.ak.us/dca/commdb.

¹⁶ Resolution No. 06-02 (Oct. 19, 2005).

The extent to which the Commission's projects should be a shared effort — versus just provided — is a sensitive policy decision that currently varies with the type of facility. Nevertheless, long-run national support for this program may be encouraged to the extent that projects are perceived more as innovative partnerships and community “barn raisings” — and less as seasonal cash injections and entitlements.

Response by Denali Commission's management:

The full response of the Federal Co-Chair is attached as an appendix. He asserts the limited capacity of small places to contribute and notes the commissioners' previous decision to not adopt an overall cost-sharing requirement for energy projects.

ANCILLARY REPORTS

This is the first inspection of these facilities by the Commission's inspector general.

These facilities have not been the subject of any audit reports issued by Congress' Government Accountability Office (GAO) or the state's Division of Legislative Audit. AEA does not have an internal auditor.

Program partner AEA is a state agency and annually obtains a single audit for itself from a CPA firm. Neither the latest audit report (for the state's FY06) nor the associated management letter signal any matters of concern to the Denali Commission. The CPA firm considered AEA to be a low-risk auditee for purposes of federal OMB Circular A-133.

INSPECTION PROCESS

My inspection was conducted in accordance with section 2 of the Commission's standard grant assurances, the project's business operating plan (p. 15), section C(1) of the subgrantee's agreement with AEA, sections 4(a) and 6(a) of the Inspector General Act, and the *Quality Standards for Inspections* issued by the federal Executive Council on Integrity and Efficiency. An “inspection” is narrower in scope and procedures than the classic financial “audit.”

Two officers of the Takotna Community Association (the facilities' owner) accompanied me during my visit to Takotna. The new fuel tanks at that location were the subject of this inspection but, to understand the project's context, I visited the settlement's power plant, washeteria, clinic, church, school, and community association office. The local teacher showed me the school and a health aide showed me the clinic.¹⁷

I also visited the new tank farm located 26 miles down the road in Sterling Landing, which is the subject of a separate inspection report.

¹⁷Telemedicine equipment was present in the clinic but, per the health aide, not operational. I recommend that the Commission's program staff coordinate technical assistance to resolve this. The Commission has awarded a \$28,000 grant to this clinic for telepharmacy equipment that appears scheduled for installation over the next six months.

One of the Commission's prior inspector generals accompanied me during my inspection, and I appreciated the insights derived from his many years of experience.

On November 21, 2006, the Federal Co-Chair was provided a draft of this report and invited to comment on my proposed conclusions and recommendations. He was encouraged to consult his staff, AEA, and any other parties as desired in the preparation of his response. AEA was provided a copy of my draft report for this purpose.

The Federal Co-Chair's response was received on January 12, 2007 and is attached as an appendix.

The Commission's implementation of recommendations will be summarized in my semiannual report filed with Congress under the Inspector General Act.

Mike Marsh

Mike Marsh, Esq.
Inspector General

Appendix

Federal Co-Chair's Response



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January 12, 2007

Mike Marsh
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Re: Response to draft inspection report of Takotna fuel storage tanks

Dear Mr. Marsh:

Thank you for the recent inspection report on the Denali Commission funded bulk fuel tank facilities at Takotna, Alaska. I appreciate the insightful and detailed review of this project. The project was funded and constructed in two stages, Sterling Landing and Takotna. The Sterling Landing bulk fuel upgrade was the first stage of the fuel storage upgrade efforts serving Takotna; originally the second phase was intended to be a stand-alone project. However, the small, isolated communities along the Middle Kuskokwim rivers system proved very difficult to justify on a village-by-village basis. Individually the projects couldn't meet the cost benchmarks, and some communities needed management and business operation assistance to help them meet sustainability goals. Because the Commission has always encouraged regional approaches to meeting rural needs, Alaska Energy Authority (AEA) proposed developing a single regional energy project for these communities. Takotna's energy needs were completed under both the Middle Kuskokwim Regional Energy Project (MKREP), on which you are providing two other separate reports, and Sterling Landing which had a report previously completed.

I am providing a response to several recommendations and observations, related predominately to the Takotna bulk fuel draft report, for consideration in completing your final public report on the project. Your two stated purposes in conducting this inspection were to verify the tank farm had been built and to evaluate the accounting was sufficient to track expenses to the specific project. The physical inspection was apparently satisfactory, however you have raised some concerns with the proportional accounting method used to allocate project costs across the MKREP. In preparing this response we met with AEA staff to discuss the issues you raise, and to consider their response. I acknowledge the importance of all the issues you raise; however, a full response to them is beyond the scope of this response.

CONCLUSIONS AND RECOMMENDATIONS

1. The commissioners should strategically address the tough issue of serviceable size (facilities for 'micro-settlements').

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You raise several challenging issues that are fundamental to short-term rural policy and long-term sustainability of Alaska's remote communities. The Denali Commissioners and staff share your concerns, and I am actively engaging all parties in raising and honestly working through these issues. Alaska is a special and unique member of the United States. We are the only state where 40% of its residents live in communities not connected by traditional road and electrical grids. And given remote distances, harsh climates and exceedingly difficult terrain, traditional solutions for infrastructure are largely not appropriate, nor feasible here. I intend to provide your final report to The McDowell Group, for example, who is under contract to conduct an independent program evaluation of the Denali Commission.

The Denali Commission, since inception, has been a careful steward of federal funding and has taken the lead among government agencies by creating policies to foster sustainability, cost containment, and proper investment of federal funding pursuant to our authorizing legislation. I believe the portion of your report "All Alaska, no matter how isolated, will have the physical infrastructure necessary to protect the health and safety and to support self sustaining economic development" places too much emphasis on a single criteria of our process for determining Commission investment in a project. "No matter how isolated" is only one of many factors used to select projects, and is a topic under review that we will clarify in our new strategic plan to be developed this year.

Takatna was one of the Commission's earlier bulk fuel projects. Our planning and funding decisions for energy projects have been refined over the last several years. Conceptual design for Takotna was initiated in 2001, the final design occurred in 2003, around the same time the second phase of the bulk fuel project at Takotna was rolled into the MKREP approach. The project was subject to an evaluation of our energy project policies including sustainability and cost benchmarks and it complied with those policies in 2003 when the first phase funding for Sterling Landing was approved.

I agree that the Commission should continue to seek renewable and alternative energy options in communities, where it makes sense. Our partner, the AEA, routinely evaluates alternative methods of providing community energy needs and potential for interconnection or regional approaches to service. For some communities these technologies are either cost prohibitive or not feasible. Sterling Landing/Takatna will always require community storage tanks to supply fuel for motor vehicles and heating, even with an alternative energy system or a 17 mile intertie connecting to McGrath (~\$7 to 9 million). The limitations are many but the Commission and its partners are looking for any and all opportunities for more cost effective approaches to meeting a community's need.

2. Finance officers at the Commission and AEA should jointly assess the "lessons learned" from this experiment in consolidated expenditure tracking.

I was pleased to see your review of the traceability of expenditures at the roll-up level, and control over purchases managed by the Denali Commission funding recipient and AEA, were found to be generally consistent with the Commission's policies and procedures. I concur that there are lessons to be learned from the complexities of the expenditure tracking in a 'pooled' purchase. This was the first time the Commission used a regional project approach for multiple communities. Decisions made for expediency in

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reporting on this project; that is to list only two project numbers in the database—one for bulk fuel and one for power plant upgrades, probably made it more susceptible to the proportioning of project costs, rather than charging against the actual community account. The Commission is meeting with the finance officer of AEA in the next ten days to ensure progress is made in these areas to maintain strict accountability of funding and expenditures. We are proud to have the AEA as a partner agency to deliver our energy program. This review and subsequent reviews provide many recommendations that will further strengthen this relationship.

3. The Commission's management should consider a grant condition requiring communities to contribute construction vehicles, fuel, and itinerant housing as their effort toward the projects.

The Commission, in coordination with other federal funding agencies and our program partners, works actively to encourage community contributions. Our partners have made stronger efforts in recent years to find in kind community match or other sources of contributed funds for projects. For example, King Cove (administered by AEA) has provided a cash match on the bulk fuel project planned for their community, and Alaska Village Electric Cooperative (AVEC) has successfully acquired partial project funding from Alaska Community Development Quota Program (CDQ) organizations and others.

However, few small communities have substantial cash resources to contribute to a project, and may not own heavy equipment or local housing to be contributed on an "in kind" basis. The Commissioners wrestled with this issue in January 2005 when they considered a mandatory cash match to all Commission funded projects. After remanding the discussion to public input, the issue was put to a vote at the quarterly meeting April 28, 2005 in Kodiak: the motion to not adopt the match policy was approved. While we look for opportunities, they are not reliably available for equipment. Labor donations can create schedule challenges for contractors and may affect liability for volunteers operating heavy equipment on job sites. In many cases a small city or community does not own any equipment. If all equipment is privately owned there is reluctance to forfeit the use of the equipment to a project for the "Public Benefit." The cost of rental and freight to barge equipment in from a facility in Anchorage may be several times more expensive. It is unclear who owns the vacant houses in Takotna you reference, or even if they are in habitable condition. Non-participants in a project, such as absentee landowners, can scarcely be expected to contribute to a project that provides them no return.

The lack of community contributions did not have a significant impact on the increased cost of the Middle Kuskokwim Regional Energy Project referred to in your report. The cost increases were specifically related to errors in the original design estimates, increases in nationwide rapidly rising steel and material costs, rising transportation costs directly related to fuel increases, and delays caused by smoke from forest fires. They can not be attributed to a single project.

I appreciate your candid assessment of many program decisions, policies and philosophies of the Denali Commission, the state and other federal programs. While those comments cannot all be addressed in this response, I fully intend to pursue these discussions with the Commissioners, program partners and other state and federal

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agencies which are party to the Denali Commission's Memorandum of Understanding, as we develop our strategic plan for the Commission.

Thank you for your continued review and inspection of Commission projects. I appreciate your attention to detail, and the opportunity for the Commission to respond to your findings. We will continue to refine our processes to make them more efficient and effective, and your suggestions will undoubtedly contribute to our success.

Sincerely,



George Canelos
Federal Co-Chair