



**Financial Assistance Award**

**DENALI COMMISSION**  
 510 "L" Street, Suite 410  
 Anchorage, Alaska 99501  
 (907) 271-1414

**Project Number**  
 0026-DC-2001-18

**Denali Commission Accounting Code**

9567000	FY01 Commission Funding	\$6,332,846

**Total Commission Funding** *etc* \$6,332,846

**Funds Available & Apportioned by OMB**

**Recipient Name & Address**

State of Alaska  
 Alaska Industrial Development and Export Authority  
 Alaska Energy Authority  
 813 W. Northern Lights  
 Anchorage, AK 99503  
  
 Phone (907) 269-3000  
 Fax (907) 269-3044

**Cost Share Distribution**

	Denali Commission	Other contributors	Totals
<b>Bulk Fuel</b>	0	0	0
<b>RPSU</b>	1,400,000	1,218,500	2,618,500
<b>Other</b>	4,932,846	0	4,932,846
<b>Totals</b>	6,332,846	1,218,500	7,551,346

**Authority**  
 112 Stat 1854

**Project Title**  
 Bulk Fuel Consolidation Upgrades & Power Generation

**Award Performance Period**  
 From: April 19, 2001  
 To: January 1, 2007

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission is issued in triplicate and constitutes an obligation of federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions indicated below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Federal Co-Chair of the Denali Commission and the Recipient shall retain the third document. If not signed and returned without modification by the Recipient within 30 days of receipt, the Federal Co-Chair may unilaterally terminate this Award.

- EDA Standard Terms and Conditions Public Works and Implementations Construction Components, dated 3/99
- Special Award Conditions and Attachments
- Line Item Budget
- 15 CFR 24, Uniform Admin Requirements for Grants/Cooperative Agreements to State and Local Governments ([www.access.gpo.gov/nara/cfr/waisidx\\_99/15cfr24\\_99.html](http://www.access.gpo.gov/nara/cfr/waisidx_99/15cfr24_99.html))
- OMB Circular A-87, Cost Principles for State and Local Governments and Indian Tribal Governments ([www.whitehouse.gov/OMB/circulars/a087/a087-all.html](http://www.whitehouse.gov/OMB/circulars/a087/a087-all.html))
- OMB Circular A-133, Audits of States, Local Governments and Indian Tribal Governments ([www.whitehouse.gov/OMB/circulars/a133/a133.html](http://www.whitehouse.gov/OMB/circulars/a133/a133.html))
- 15 CFR, Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Nonprofit, and Commercial Organizations ([www.access.gpo.gov/nara/cfr/waisidx\\_99/15cfr14\\_99.html](http://www.access.gpo.gov/nara/cfr/waisidx_99/15cfr14_99.html))
- OMB Circular A-122, Cost Principles for Nonprofit Organizations ([www.whitehouse.gov/OMB/circulars/a122/a122.html](http://www.whitehouse.gov/OMB/circulars/a122/a122.html))
- OMB Circular A-21, Cost Principles for Educational Institutions ([www.whitehouse.gov/OMB/circulars/a021/a021.html](http://www.whitehouse.gov/OMB/circulars/a021/a021.html))
- EDA Standard Terms and Conditions Capacity Building Programs
- Department of Commerce Financial Assistance Standard Terms and Conditions, dated 10/98

Signature of Authorized Official - Denali Commission

Typed Name and Title

Jeffrey B. Staser, Federal Co-Chair

Date

4/26/01

Signature of Authorized Official

DEG

Typed Name and Title

Robert Poe, Jr., Executive Director

Date

5/2/01

**Award Conditions to the Financial Assistance Award**  
**Project No. 0026-DC-2001-18**  
**FY2001 Bulk Fuel Consolidation Upgrades & Power Generation**  
**Alaska Energy Authority**

1. This award is made subsequent to an allocation of FY2001 funds by the Commission at its April 19, 2001 meeting for bulk fuel and power system upgrade projects.
2. The scope of work under this Financial Assistance Award (the "Agreement") is to perform the planning and construct the projects listed on the attached spreadsheet. Any surplus of funds (on one or more of the projects funded under this Agreement) may be used on other projects identified under this Agreement that may be experiencing a project shortfall. The intent is not to set aside a specific sum of Commission funding to a particular community, but rather that the projects on the attached spreadsheet are all completed successfully. Shifting of funding between project line items by AEA is allowed provided there is no increase in the total funding provided by the Commission. The Commission Project Officer is to be copied on all revisions to the spreadsheet.
3. Budget revisions to Commission funding shall be in accordance with 15CFR24.30 (c)(2). Written request by letter from the AEA Project Officer to the Commission Project Officer for concurrence is necessary for budget revisions where projects are added or deleted or that would result in the need for additional Commission funds.
4. The Project Officers for AEA are Mr. Chris Mello for purposes of project design and construction and Ms. Sara Fisher-Goad for purposes of financial management. The Project Officer for the Denali Commission is Ms. Kathleen Prentki.
5. AEA shall submit written progress reports to the Commission Project Officer quarterly (January/March, April/June, etc.). The reports are due within 30 calendar days of the end of the quarter. Interim reports are required in the event of significant project events that may extend the project schedule and/or impact the project budget. Quarterly progress reports shall include a narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems. These progress reports shall be sent to:

Denali Commission  
510 "L" Street, Suite 410  
Anchorage, AK 99501

The Commission reserves the right to direct AEA to provide the progress reports in electronic format for posting on the Commission web page.

6. Four forms of project financial and labor reports are required.

- A. Project financial status reports shall be submitted to the Commission Project Officer quarterly (included as part of the quarterly progress reports). For each project that includes funding from the Denali Commission, the quarterly financial status report shall include the following:
- i. the total project budget
  - ii. the project schedule with milestone dates for design and construction
  - iii. the total amount of Denali Commission funds committed to the project
  - iv. the total project expenditures as of the end of the most recent quarter
  - v. the total expenditure of Denali Commission funds for the project as of the end of the most recent quarter
  - vi. the percentage of expenditures to the total budget; and
  - vii. a project performance analysis on project line items, as defined by the AEA, showing budget costs compared to actual expenditures and obligations to date versus work performed to date (for each line item).
- B. Monthly project checking account summaries (or at other intervals as requested by the Commission Project Officer) for each project and revolving fund account summary shall be provided to the Commission Project Officer.
- C. A Financial Status Report (Standard Form 269 – [www.whitehouse.gov/OMB/grants/index.html#forms](http://www.whitehouse.gov/OMB/grants/index.html#forms)) shall be submitted to the Commission Project Officer within 90 days after the end of each anniversary of the initial award date, and a final Financial Status Report shall be submitted within 90 days after the end of the Award Performance Period.
- D. A Labor Type, Residence, and Wage Report shall be submitted to the Commission Project Officer at a minimum of two times annually. At a minimum, these two reports must be submitted on or near August 1<sup>st</sup> and December 1<sup>st</sup> each year to correspond with the Alaska construction season. A Labor Type, Residence, and Wage Report must include the following information by construction project for any person employed on the construction of that project: position, place of primary residence, first check date, last check date, rate of pay per hour, payroll earnings from inception of project to date.
7. Indirect costs (see OMB Circular A-87) are not allowable under this Agreement.
8. To receive payment, AEA must submit a "Request for Advance or Reimbursement", Standard Form-270, [www.whitehouse.gov/OMB/grants/index.html#forms](http://www.whitehouse.gov/OMB/grants/index.html#forms), to the Commission Project Officer. On Standard Form-270, AEA will request that the Commission transfer the funds directly to a non-interest bearing checking account ("Account") in the name of AEA at a bank insured by the Federal Deposit Insurance Corporation. AEA shall move Commission funds for this Agreement from the Account

into separate project checking accounts at a bank insured by the Federal Deposit Insurance Corporation. These project-level fund transfers shall occur when project funds are required to make payment upon AEA approved project invoices or when requesting project expenditure advances. It is expected that AEA will forecast by letter or spreadsheet format, Commission funds or project expenditure advances needed on a monthly (or as needed) basis for each project. The Commission reserves the right to consolidate project level payments into one payment. The Commission Project Officer may review all payments to determine if payments made from the separate project checking accounts are justified and supported by appropriate records, invoices and other documentation. If discrepancies involving the checking account funds arise, the Commission reserves the right to prohibit further payments to the AEA, until such time that the discrepancies are resolved to the satisfaction of the Commission. Pay requests for AEA administrative costs shall be submitted on a quarterly basis on a separate Standard Form – 270.

9. To the maximum extent feasible, considering applicable laws, AEA shall accomplish the work of this Agreement utilizing local labor and small, minority owned and disadvantaged businesses.
10. No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.
11. AEA agrees to comply with the Commission's private enterprise policy, a draft of which is attached hereto and made a part hereof.
12. Based upon proposed Federal funding, project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds. In accordance with NEPA and NHPA legislation, AEA shall address all potential environmental concerns (specific and cumulative effects) associated with the projects, identified in this Agreement, in consultation with applicable Federal, State, and local authorities. If the scope of work is changed in the future, then AEA will revisit the project level environmental reviews to determine if potential environmental concerns must be further addressed. In the interest of streamlining the project level environmental reviews and to avoid duplication of effort, any other Federal Agency environmental review process carried out by AEA on projects, identified in this Agreement, shall meet the intent of this paragraph.
13. AEA shall evaluate the condition of bulk fuel storage facilities and electric utility systems in rural Alaska, and will develop a list of these facilities ranked in the order of their physical condition. AEA will also acquire information on the operations and maintenance performance of rural electric utilities that may be incorporated in the project selection process.

14. The electric utility systems and bulk fuel systems receiving the benefit of Commission funding must be sustainable. As a precondition of construction funding, a project must meet the attached sustainability criteria.
  
15. There are many issues such as facility location, project ownership, construction costs, and compliance with sustainability criteria that require resolution prior to proceeding with full design and construction. If project issues cannot be resolved in a reasonable time frame, the Commission expects AEA to move down the priority list(s) to projects that are ready to proceed to full design and construction. It is expected that the Commission and AEA Project Officers will meet quarterly to review the progress of projects and collaboratively determine if reasonable progress is being made and what steps should be taken, if any, to deal with new developments encountered in the design and construction process.