FAA
Alaska Region
Office of Airports

ERRATA SHEET

Final Environmental Assessment for the Noatak Airport Relocation, August 2, 2024
Project No. Z614780000

The following comment was submitted on the subject Final Environmental Assessment on September 9, 2024, to the Alaska Department of Transportation and Public Facilities, Northern Region Project Manager.

Table 1. Written Comment submitted to DOT&PF on September 9, 2024:

Section 9.9 Socioeconomic, Environmental Justice, and Children's Health and Safety Risks does not address the impacts of the new airport on the economic hardship this project will impose on the community in the long run.
Section 9.9.2.1 talks about impacts being a haul road, increased employment during construction, and states that no businesses will need to move. What is not addressed is the high cost of fuel to head homes and provide transportation increasing due to the relocation of the airport. All fuel is flow[n] into Noatak. There is no road connecting the village to transport routes and no barges can make it up the river. At this point fuel costs in Noatak are among the highest in the nation with heating fuel hitting a high of over $17.00 per gallon in recent years. There is no mitigation discussed for [the] increase to the cost of fuel. The project does not provide new fuel storage at the relocated airport or any way to transport fuel from the new airport to the community. It does not discuss the increased cost of fuel for the community and the impact on the community over time due to increased fuel costs.
The increase in fuel costs impacts every person. Fuel is used for heating, transportation for boats, four wheelers, snowmachines, cars and trucks, and heavy equipment. The cost of power will go up. Subsistence lifestyle will be impacted.
The EA for this project does not discuss any of these impacts as required under E.O. 12898 "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations."
AVEC published "Noatak Bulk Fuel Upgrades – Conceptual Design Report in October 2021"[1] which addresses the cost providing fuel storage and transportation due to the airport move which is in the millions of dollars which the community does not have.

[1] This comment does not raise the issue of the potential fuel bulk storage being potentially located at the proposed relocated airport. The FAA does not have information to suggest that there has been recent discussion related to long term bulk fuel storage options between AVEC and DOT&PF, and multiple options are possible. Per the Final

All of the issues stated above must be addressed in the EA so a true impact of the proposed action can be [assessed].

The FAA responds as follows.

Summary of Issue Raised

The four entities that own and operate fuel facilities in Noatak are the Alaska Village Electric Cooperative (AVEC), Northwest Arctic Borough School District (NWABSD), the Native Store, and the Noatak IRA Native Council. AVEC uses fuel for electric power generation; the NWABSD uses fuel for heating the school building; the Native Council uses fuel to operate the water treatment plant; and the Native Store provides diesel and gasoline sales for residential use. Currently AVEC, the NWABSD, and the Native Store receive diesel fuel to their various fuel tank farms via a fuel header located on the existing airport apron (AVEC, 2021). The Native Council utilizes a mobile 500-gallon tank to move diesel fuel from a transfer tank on a fuel trailer to transfer gasoline from a transfer tank on the existing airport to the Native Store's dispensing tanks (AVEC, 2021).

The analysis provided in the Final EA in Section 9.9 (Socioeconomics, Environmental Justice, and Children's Health and Safety Risks) referenced a fuel distribution system alternative as a connected action to the Final EA's proposed action of relocating the Noatak Airport. The comment submitted in response to the Final EA provided a *2021 Noatak Bulk Fuel Upgrades – Conceptual Design Report* (AVEC, 2021). The FAA has reviewed that report including but not limited to the locations of existing fuel facilities and the analyses of various long-term bulk fuel upgrade options for the community.

According to the AVEC report, the additional price for fuel delivery due to the proposed action of relocating the Noatak Airport—as described in the Final EA—is estimated to be $0.33 per gallon (AVEC 2021). The increase is alleged to be an impact that individuals in the community will feel in various ways.

FAA Response to Comment

The *2021 Noatak Bulk Fuel Upgrades – Conceptual Design Report* provided a 5-year average annual fuel consumption, broken out by primary user for the years 2016-2020. Using these fuel consumption estimates (the "5-year annual fuel demand column below is taken from Table 4 of the *2021 Noatak Bulk Fuel Upgrades*), the FAA performed a cost increase per household calculation by aggregating the estimated cost increases to electric utilities, water utilities, home heating, and household transportation.

EA, a bulk fuel storage option is not a part of the proposed action. For these reasons, the FAA is responding to the comment as presented, namely, that the FAA allegedly did not appropriately consider the potential fuel cost increase impact of the project as described in the Final EA. Although these immediate comments contained via errata are directed to fuel cost increase impacts, the Final EA notes that the FAA will assess the need for further environmental impact analysis upon the ultimate land disposal determination as that land disposal process may inform the status of the fuel bulk upgrade effort.

In support of the analysis provided in Table 2 below, the FAA made the following assumptions:

- Additional cost of fuel needed for electric and water utilities will be passed on entirely to the consumer.
- The Native Store sales of diesel fuel is used entirely for household heating.
- The Native Store sales of gasoline are used for household transportation.
- Noatak has 106 households, based on the number of water and wastewater connections (DCRA, 2024).
- The newly installed solar electric in Noatak will ease likely future estimated increases in fuel demand.

Table 2. Noatak Community Fuel Consumption Estimates

Primary fuel user/distributer	5-year annual fuel demand (gallons per year)	Gallons per household	Total cost increase	Cost increase per household
AVEC (Electricity)	130,102	N/A	$42,933.66	$405.03
Noatak IRA (Water Plant)	1,500	N/A	$495.00	$4.67
Native Store (Gasoline)	49,263	465	N/A	$153.37
Native Store (Diesel)	52,470	495	N/A	$163.35
			Total	$726.42

This $726.42 per household cost increase represents a 1.1% anticipated increase to the 2024 median household income in Noatak of $67,500.00 (DCRA, 2024)[2]. A 1.2% cost increase would occur if the assumed cost increase to price per gallon is greater than $0.35, and the increase is not due to an inflation of fuel prices that is unrelated to the airport relocation." This 1.1% - 1.2% potential increase to the median household income due to an anticipated increase to the cost of fuel is compared to the potential cost increase to that of statewide trends such as reported by the State of Alaska Department of Labor and Workforce Development's (DLWD) *July 2023 Alaska Economic Trends* (DLWD, 2023). The DLWD report identified the 2023 annual rate of urban housing inflation in Alaska to be 6.3% overall; with an individual rate of 3.1% for housing fuels and utilities, and 5.4% for housing electricity (other housing related rates that impacted the overall housing inflation percentage included those for shelter, home furnishings/operations, and utility gas service). Rates of inflation for rural

[2] Some of the fuel consumption in this calculation will be for local governmental or commercial use, however given the small and interconnected nature of the community, it is reasonable to assume these governmental and commercial uses will ultimately be transferred to the individual households as well.

Alaskan communities were not quantified due to the scarcity of statewide economic survey data for Alaska (DLWD, 2023). However, it is noted within the DLWD's July 2023 report that "everything costs more in rural Alaska, …". It is therefore reasonably inferred that rural inflation rates in Alaska *may be*—and probably are—higher than those in urban areas, and that the cost of living reflected by the inflation rates are higher due to the primary role that shipping to remote areas in Alaska plays in those higher costs.

While the proposed action may increase the cost of living in Noatak, the increase is well below the currently known rate of housing-rated inflation of 6.3%. Therefore, the anticipated increase to the cost of living in Noatak associated with the airport relocation is not significant from an environmental impact analysis standpoint.

We also place and consider the comment about fuel cost increases occasioned by the relocated airport into a broader context. If the proposed action does not occur, continued Noatak River erosion would result in the eventual closure of the existing Noatak Airport. The Noatak Airport is the residents' only transportation method in and out of the community including for fuel. The socioeconomic and environmental justice impacts to Noatak under the no action alternative would result in adverse socioeconomic, environmental justice, and safety impacts, as documented in the Final EA. There are simply no easy or perfect solutions for transportation in rural Alaska where population, time, distance, weather, socioeconomics, fuel costs, and other variables make for difficult transportation decisions. The community as a whole has been very supportive of this project because of the obvious long-term benefits to the community by securing a long and reliable transportation facility that, in turn, will better enable reliable transportation for delivery of medical supplies, food, fuel, and so on. To suggest that inadequate consideration has been given to environmental justice arguably views the overall situation through too narrow of a lens. Nor does the airport relocation project discussed in the Final EA preclude the community from engaging in any of the long-term discussions about bulk fuel storage upgrades identified and discussed in the AVEC 2021 report or from implementing or continuing to pursue the consultant recommendations identified at page 67 of that report.

REFERENCES

Alaska Division of Community and Regional Affairs (DCRA). 2024. *Noatak, Alaska, Information Portal StoryMap*. Accessed September 2024, at https://dcced.maps.arcgis.com/apps/MapJournal/index.html?appid=c03b36a00b464ba6804cb1b7c5e89c32#.

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Alaska Village Electric Cooperation (AVEC). 2018. *Draft Noatak Bulk Fuel Upgrades – Conceptual Design Report, January 2018*. Prepared for AVEC. Prepared by Nicole Yount, P.E., David Cooper, P.E., HDL Engineering Consultants, LLC, Anchorage, Alaska.

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