



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Environmental
Conservation**

DIVISION OF ADMINISTRATIVE SERVICES

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February 21, 2025

The Honorable Andy Josephson
Co-Chair, House Finance Committee
Alaska State Capitol, Room 501
Juneau, AK 99801

The Honorable Neal Foster
Co-Chair, House Finance Committee
Alaska State Capitol, Room 511
Juneau, AK 99801

The Honorable Calvin Schrage
Co-Chair, House Finance Committee
Alaska State Capitol, Room 410
Juneau, AK 99801

Dear Co-Chairs,

Thank you for the opportunity to provide an overview of the Department of Environmental Conservation (DEC) on February 14, 2025. Questions arose during this meeting that required additional information. Below are the responses to those questions.

1. Will homeowners across the state be required to pay for energy ratings? What are the estimated costs of this requirement

This regulation only applies inside the Fairbanks Nonattainment area. Estimated costs range from \$600 to \$1,200, which will be factored into the additional costs of home inspection and paid for by the seller. The DEC is continuing to monitor cost estimates and explore grant opportunities to help offset costs or determine if some administrative relief is needed.

2. Provide details on the Firefighting Foam Disposal Program, including specific criteria for eligibility and participation.

A person can qualify for reimbursement of their expenses to dispose of Aqueous Film-Forming Foam (AFFF) in two ways.

1) They live in a community that has a population of less than 2,000 people and is off the road system.

2) They live in Alaska and have received AFFF from a partially State-funded fire safety project, such as the Alaska Department of Public Safety's Project Code Red.

A 'person' is defined in Alaska Statute (AS) 46.03.900 as "any individual, public or private corporation, political subdivision, government agency, municipality, industry, co-partnership, association, firm, trust, estate, or any other entity whatsoever". For the purposes of eligibility for this reimbursement, a business can be eligible if it operates in an eligible community even if its principal place of business is elsewhere.

Eligible expenses: AS 46.03.135 provides for the reimbursement of expenses associated with the disposal of firefighting substances that contain per- and polyfluoroalkyl substances (PFAS) and the equipment that contains them, disposal of residually contaminated firefighting equipment, and the replacement of contaminated equipment. Currently, the DEC is prioritizing reimbursements for disposal of AFFF and the equipment that contains it. In the future, the DEC will be providing reimbursement for equipment that is residually contaminated with PFAS and for new equipment to replace the items that had to be disposed of, as funds allow.

Additional details available on the [Firefighting Substances Disposal Reimbursement Program](#) webpage.

3. What is the strategy for the disposal and removal of legacy PFAS?

The party responsible for the contamination is required to characterize and respond to releases of hazardous substances, including PFAS. There are 161 active contaminated sites with PFAS as a contaminant of concern in Alaska, 84% resulting from airport or military/federal activity. The DEC's priority has been to address the potential of exposure to PFAS in drinking water. The DEC and the Department of Transportation and Public Facilities (DOT&PF) coordinated to sample all Part 139 airports where PFAS was expected to be used that showed a high or medium risk to private or public drinking water sources. Sampling was completed in 2023. Alternative sources of drinking water such as bottled water or treatment systems have been provided for all wells where perfluorooctane sulfonic acid (PFOS) and perfluorooctanoic acid (PFOA) was found above the DEC's action level of 70 parts per trillion.

The DEC work with responsible parties to characterize and address environmental media (soil and water) that have been impacted by PFAS. Due to the widespread presence of PFAS, as well as the high cost of disposal and the limited disposal options available in Alaska. The DEC shall continue to work with communities and responsible parties to

address the widespread issue.

4. Provide an update on the Raspberry Road Water Table

68 drinking water wells in the Raspberry Road neighborhood south of the Anchorage International Airport were sampled and none exceeded the current DEC action level. PFAS levels were not detected in the majority of wells, with low-level detections below the DEC action level in four wells. There is no known source for these low-level detections, however PFAS are known to have been used in many consumer products.

5. What recommendations does the DEC have regarding PFAS water consumption in Gustavus? Should the DEC have a greater role in working with the DOT&PF on PFAS issues related to airports and transportation facilities?

The Division of Spill Prevention and Response (SPAR) requires responsible parties to provide alternative water if the source of drinking water has PFAS in concentrations above the department's action level. The DOT&PF has sampled the drinking water in Gustavus properties near the airport and wells that were impacted above the action level have been provided alternative sources of drinking water. The DEC continues to work closely with the DOT&PF on PFAS issues at airports across the state and remains committed to working with all responsible parties to ensure protection of the people and the environment.

6. What is the current balance of the SPAR Response Fund?

As of December 31, 2024, the cumulative balance of the SPAR Response Fund was \$40,721,834.79. The most recent fund balance report from the Department of Revenue on the response fund is attached.

7. Provide a cost analysis for recently completed planning documents—specifically Alatna.

The Alaska Native Tribal Health Consortium (ANTHC) contracted four engineering firms with vast experience and expertise in rural Alaska sanitation infrastructure design and construction to develop comprehensive planning documents to consider alternatives for providing piped water and sewer to the remaining unserved and underserved communities. This effort was funded using American Rescue Plan Act funds from the Indian Health Service (IHS). The attached spreadsheet provides a summary of the estimated design and construction costs for the selected alternative for each community based on the planning efforts. The communities green have been allocated funding.

8. Can Infrastructure Investment and Jobs Act (IIJA) dollars be used to create a fund for village safe water maintenance costs?

IIJA funding for rural sanitation is primarily allocated through the IHS and the Environmental Protection Agency (EPA). The EPA funds may not be used for operations and maintenance (O&M) activities. While the IHS has authority to provide funding for O&M, they have not had funding allocated for this purpose. The IIJA language specifically directs that all IIJA funds allocated to IHS be used for project funding only.

9. Who are the contractors involved in these projects? Provide names and details of bids and contracts.


The contractors selected by the Alaska Native Tribal Health Consortium (ANTHC) are Bristol Engineering Services, CRW, HDL, and DOWL, all of which have term contracts with ANTHC for planning projects. The department does not have access to the procurement documents or contracts held by ANTHC.

10. How many homes still need improved service?

There are approximately 2,160 homes to be served in the unserved/underserved communities. Of these, approximately 1,390 have been funded for design and construction, leaving 770 yet to be funded.

Please do not hesitate to reach out if you have additional questions or need clarification on any of the above responses.

Sincerely,

DocuSigned by:

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Megan Kohler
Administrative Services Director

Enclosure: Oil and Hazardous Substance Release Response Fund 4th Quarter 2024, Village Safe Water First Service Cost Estimates 2025.

cc: Michael Partlow, Legislative Finance Division
Elizabeth Freeman, Office of Management and Budget
Jordan Shilling, Director, Governor's Legislative Office
Alexander Schrodinger, Staff to Representative Josephson