



DENALI COMMISSION

Denali Commission Fiscal Year 2026 Draft Work Plan

AGENCY: Denali Commission.

ACTION: Notice.

SUMMARY: The President's 2026 Budget requested no new funding for the Denali Commission in 2026 and proposed to use all available resources to conduct an orderly closeout of the Commission. Congress has begun work on bills that do provide funding for the Commission's FY 2026 operations and the FY 2026 Work Plan represents the Commission's contingency plan if such a bill is enacted. The Denali Commission (Commission) is an independent Federal agency based on an innovative federal-state partnership designed to provide critical utilities, infrastructure and support for economic development and training in Alaska by delivering federal services in the most cost-effective manner possible. The Commission is required to develop an annual work plan for future spending which will be published in the Federal Register, providing an opportunity for a 30-day period of public review and written comment. This Federal Register notice serves to announce the 30-day opportunity for public comment on the Denali Commission Draft Work Plan for Federal Fiscal Year 2026 (FY 2026).

DATES: Comments and related material to be received by February 23, 2026.

ADDRESSES: Submit comments to the Denali Commission, Attention: John Whittington, 550 W 7th Avenue, Suite 1230, Anchorage, AK 99501.

FOR FURTHER INFORMATION CONTACT: John Whittington, Denali Commission, 550 W 7th Avenue, Suite 1230, Anchorage, AK 99501. Telephone: (907) 271-1414. Email: jwhittington@denali.gov

SUPPLEMENTARY INFORMATION:

Background: The Denali Commission’s mission is to partner with tribal, federal, state, and local governments and collaborate with all Alaskans to improve the effectiveness and efficiency of government services, to build and ensure the operation and maintenance of Alaska’s basic infrastructure, and to develop a well-trained labor force employed in a diversified and sustainable economy.

By creating the Commission, Congress mandated that all parties involved partner together to find new and innovative solutions to the unique infrastructure and economic development challenges in America’s most remote communities. Pursuant to the Denali Commission Act, the Commission determines its own basic operating principles and funding criteria on an annual federal fiscal year (October 1 to September 30) basis. The Commission outlines these priorities and funding recommendations in an annual work plan. The FY 2026 Work Plan was developed in the following manner.

- A workgroup comprised of Denali Commissioners and Commission staff developed a preliminary draft work plan.
- The preliminary draft work plan was published on Denali.gov for review by the public in advance of public testimony.
- A public hearing was held to record public comments and recommendations on the preliminary draft work plan.
- Written comments on the preliminary draft work plan were also accepted.
- All public hearing comments and written comments were provided to Commissioners for their review and consideration.
- Commissioners discussed the preliminary draft work plan in a public meeting and then voted on the work plan during the meeting.
- The Commissioners forwarded their recommended work plan to the Federal Co-Chair, who then prepared the draft work plan for publication in the *Federal Register* providing a 30-day period for public review and written comment. During this time,

the draft work plan will also be disseminated to Commission program partners including, but not limited to, the Bureau of Indian Affairs (BIA), the Economic Development Administration (EDA), Department of Agriculture – Rural Utilities Service (USDA/RUS), and the State of Alaska.

- At the conclusion of the Federal Register Public comment period Commission staff provides the Federal Co-Chair with a summary of public comments and recommendations, if any, on the draft work plan.
- If no revisions are made to the draft, the Federal Co-Chair provides notice of approval of the work plan to the Commissioners, and forwards the work plan to the Secretary of Commerce for approval; or, if there are revisions the Federal Co-Chair provides notice of modifications to the Commissioners for their consideration and approval, and upon receipt of approval from Commissioners, forwards the work plan to the Secretary of Commerce for approval.
- The Secretary of Commerce approves the work plan.
- The Federal Co-Chair then approves grants and contracts based upon the approved work plan.

FY 2026 Appropriations Summary

The Commission has historically received federal funding from several sources. The three primary sources at this time include the Energy & Water Appropriation Bill (“base” or “discretionary” funds), transfers from the Department of Transportation (DOT) and an annual allocation from the Trans-Alaska Pipeline Liability (TAPL) fund. The proposed FY 2026 Work Plan assumes the Commission will receive \$18,000,000 of base funds, a \$3,500,000 TAPL allocation and \$17,800,000 in transfers from DOT based on discussions with the Office of Management and Budget (OMB). The total base funding shown in the Work Plan also includes an amount typically available from project closeouts and other de-obligations that occur in any given year. Administrative costs will

be taken from the \$18,000,000 in base funds, reducing that amount to \$15,000,000 which will be available for program activities. Absent any new specific direction or limitations provided by Congress in the current Energy & Water Appropriations Bill, these funding sources are governed by the following general principles, either by statute or by language in the Work Plan itself:

- Funds from the Energy & Water Appropriation are eligible for use in all programs.
- TAPL funds can only be used for bulk fuel related projects and activities.
- DOT transfers can only be used for surface and water transportation projects.
- Appropriated funds may be reduced due to Congressional action, rescissions by OMB, and other federal agency actions.
- All Energy & Water and TAPL investment amounts identified in the work plan, are “up to” amounts, and may be reassigned to other programs included in the current year work plan, if they are not fully expended in a program component area or a specific project.
- Energy & Water and TAPL funds set aside for administrative expenses that subsequently become available, may be used for program activities included in the current year work plan.

DENALI COMMISSION FY2026 FUNDING SUMMARY	
<i>Source</i>	<i>Available for Program Activities</i>
Energy & Water Funds	
FY 2026 Energy & Water Appropriation ¹	\$15,000,000
Subtotal	\$15,000,000
TAPL Funds	
FY 2026 Annual Allocation ²	\$3,500,000
Subtotal	\$3,500,000
DOT Transfers	
FY 2026 Allocation ³	\$17,800,000
Subtotal	\$17,800,000
Grand Total⁴	\$36,300,000

¹If the final appropriation is less than \$18 million the Federal Co-Chair shall reduce investments to balance the FY 2026 Work Plan. This column reflects H.R. 6938, which passed the House on 1/8/2026 and contains \$18 million in appropriations for the Denali Commission. This amount reflects administrative costs reducing the \$18 million in appropriations.

² This column reflects projected FY 2026 TAPL interest allocation plus anticipated recoveries as reflected in the committee-passed House and Senate bills.

³ This column reflects S. 2465, which was reported out of the Senate Committee on Appropriations 7/24/2025 and contains \$20 million in DOT funding for the Commission.

⁴ Dollar amounts may change based on the final enacted FY 2026 appropriations bills.

Energy Systems	Base	TAPL	DOT	Total
Power and Bulk Fuel Systems; Hybrid and Redundant Systems; Electricity and Heat; Energy Efficiency, and Small-Scale Nuclear	\$5,000,000	\$3,500,000		\$8,500,000
Subtotal	\$5,000,000	\$3,500,000		\$8,500,000
Transportation				
Roads, Boardwalks, Ports, Waterway Facilities, and Intermodal Connections			\$17,800,000	
Subtotal			\$17,800,000	
Communications & Emergency Preparedness and Recovery				
Adaptation to new technologies, cold climate, remote rural pilot projects, access to create economies, technology transfers	\$2,000,000			
Risk Mitigation and risk Management; Projects that address risks to life-safety, human health, and the environment	\$6,000,000			
Subtotal	\$8,000,000			
Other Infrastructure				
Discretionary amount to focus on activities that emerge through the above program priorities	\$2,000,000			
Subtotal	\$2,000,000			
Totals	\$15,000,000	\$3,500,000	\$17,800,000	\$36,300,000

John Whittington,

General Counsel.

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