



Alaska Fuel Price Report: Winter 2022

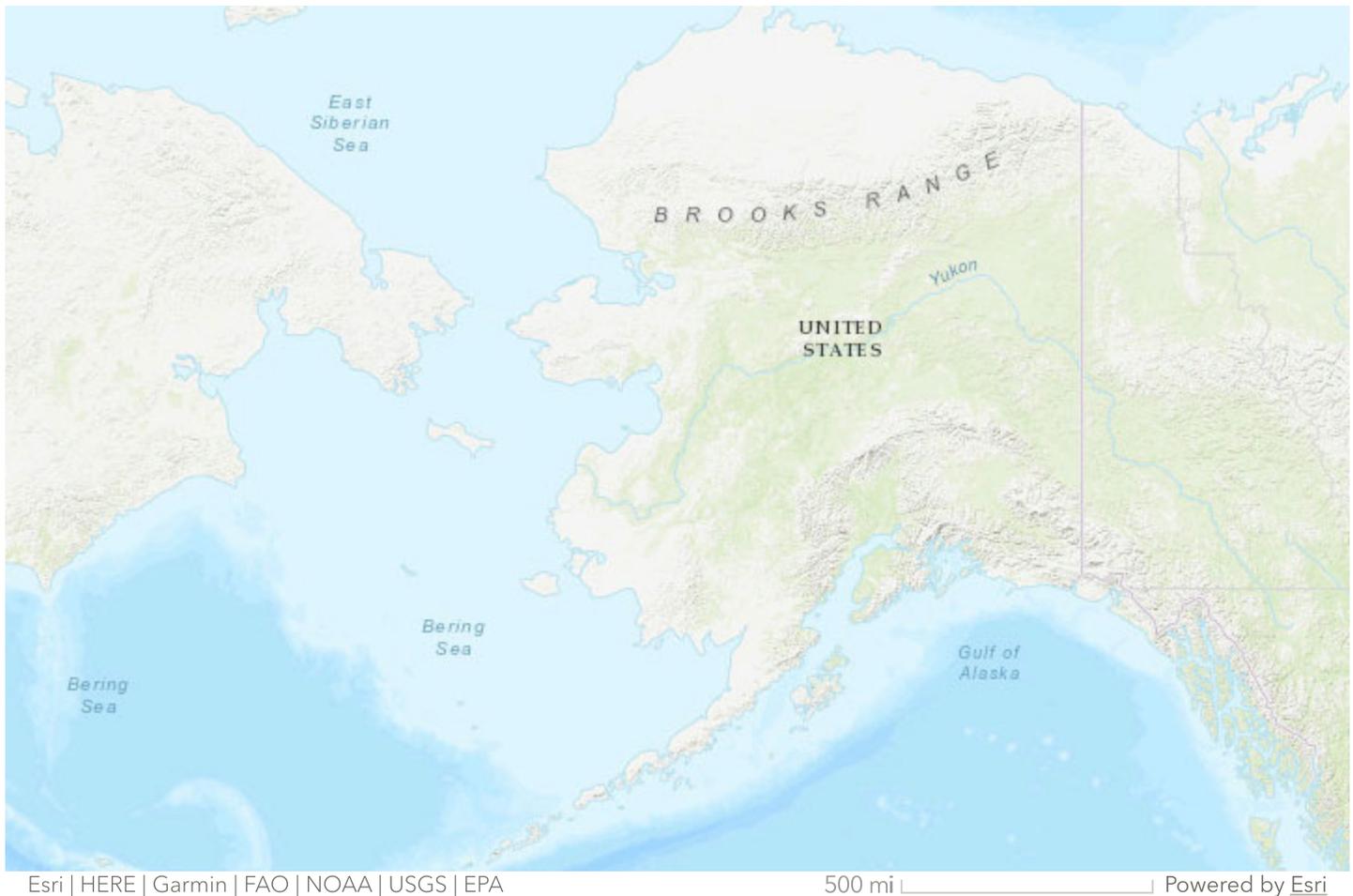
DCRA Research & Analysis Section

March 10, 2022

The Alaska Fuel Price Report was originally created in 2005 to inform former Governor Frank Murkowski's administration about actual energy costs across Alaska. These data were used to inform decision making relating to grant and loan programs administered by the Alaska Department of Commerce, Community, and Economic Development.

Since the initial report in 2005, DCRA has conducted 33 surveys to obtain heating fuel and gasoline prices from 100 selected Alaskan communities. The survey data continue to be used by public and private entities as a consistent frame of reference over time.

This report provides summary information about current fuel prices across Alaska, comparisons of historical fuel prices in the surveyed communities versus the national average, and interactive maps that contain both current and historical fuel price data.



About Fuel Transportation in Alaska

Most communities in Alaska receive heating fuel and gasoline by barge or via the road system; however, some communities receive fuel by air cargo, local refineries, or seasonal ice roads.

Communities on the road system or those near local refineries receive regular fuel shipments and have access to cheap, reliable delivery.

Southeast and Gulf Coast communities are generally able to receive fuel barges or chartered boats year round. These communities will

generally have gasoline and heating fuel prices that rise and fall throughout the year.

Coastal communities in western Alaska and communities along Alaska's major river systems have a shorter window in which to receive fuel. Rough waters and ice buildup limit when fuel barges can make deliveries. Specialized barges are required to deliver fuel to river communities where docking facilities are underdeveloped or nonexistent. Longer shipping distances and unique shipping solutions add to the overall cost of fuel delivery.

Communities in these areas have a large fuel delivery in the summer, and possibly a small top-off delivery shortly before the rivers and ports freeze over. Because of the limited delivery schedule, prices in these communities often remain fixed for a full year until the arrival of the next barge.

Communities that are not on the road system and not located near the coast or a major river rely on air service for fuel delivery. As these communities are usually rural, remote communities, delivery volumes are limited. Retail prices in these communities reflect the inefficiencies involved in shipping fuel via general aviation.

Researchers: DCRA's Community Database Online has data about [fuel transportation methods](#) for download.



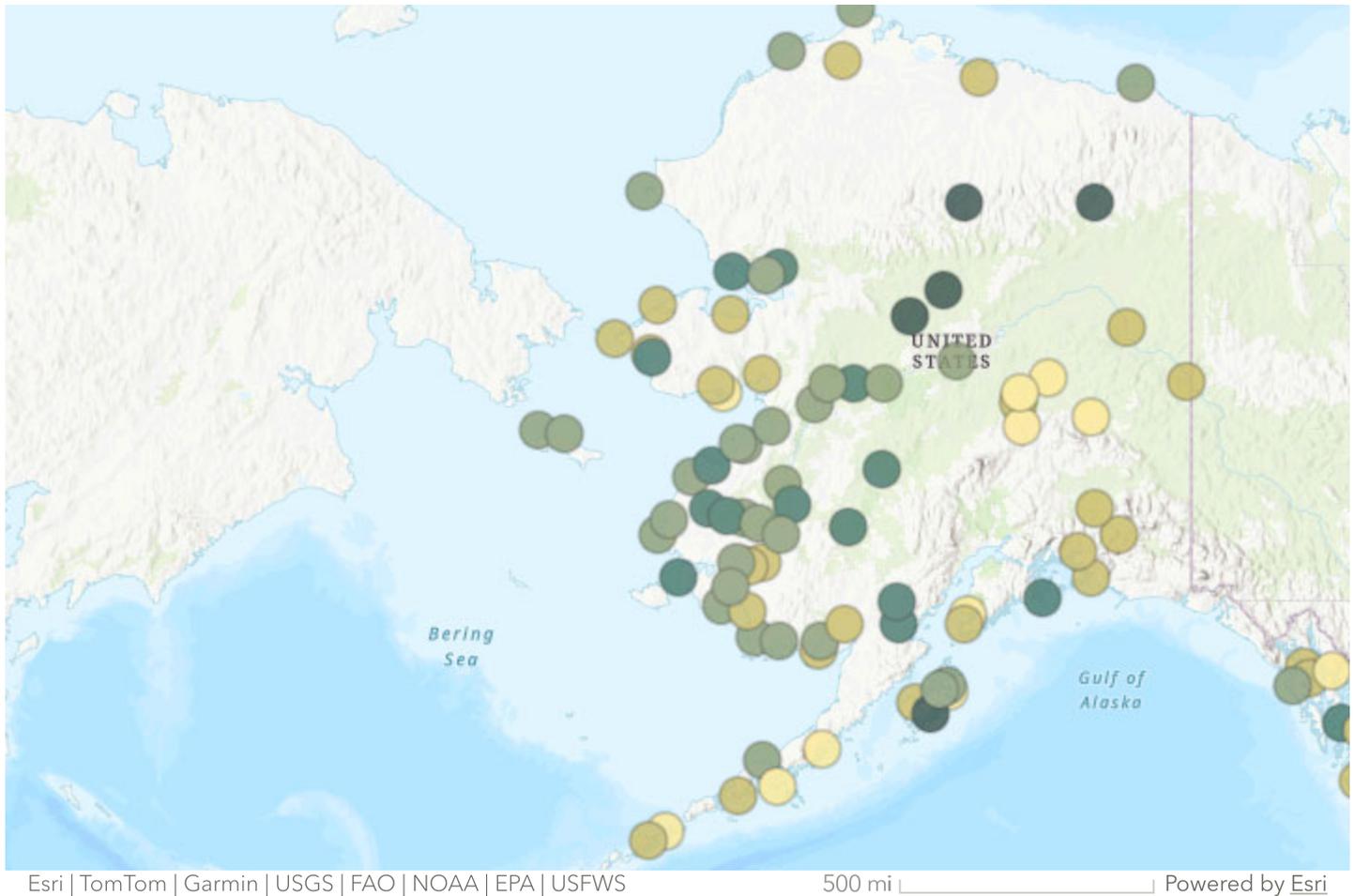
Responsiveness to the Winter 2022 Survey

The response rate for the Winter 2022 survey was lower than normal, with only 94 of 100 communities responding, despite the survey period being extended from early January to late February. Past surveys have had no less than a 97 percent response rate. Of the 94 responsive communities, 94 provided gasoline prices and 91 provided heating fuel prices.

One of the communities where fuel vendors could not be reached was [Saint George, which faced a significant fuel shortage](#) and harsh weather conditions that led to widespread power outages and water shortages. DCRA survey staff also reported delays in reaching several community contacts due to localized outbreaks of the Omicron strain of COVID-19.

While it is uncertain whether similar community hardships are responsible for the increased rate of non-responsiveness, what is

clear is that fewer local fuel vendors were picking up their phones during this survey period.



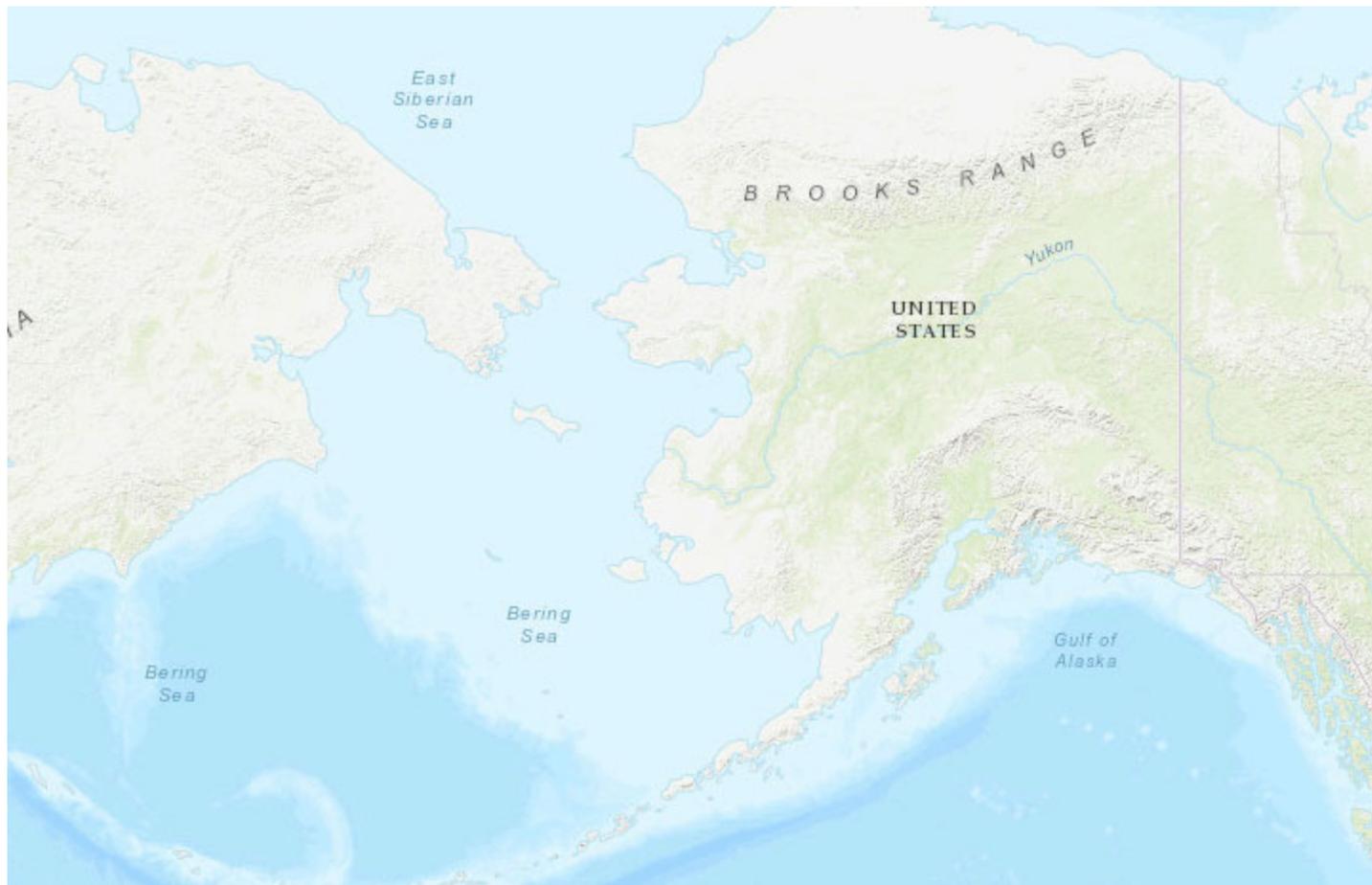
Gasoline Pricing in Alaskan Communities

In Winter 2022, the average retail price of unleaded gasoline in the surveyed communities was \$5.31 per gallon. The national average on January 17, 2022 was \$3.18 per gallon.

The map to the right includes the price per gallon in each of the responsive surveyed communities, as reported in the Winter 2022 survey.

Note: Angoon, Grayling, Huslia, Minto, Point Baker, and Saint George did not report unleaded gasoline pricing during the Winter 2022 survey window.

Researchers: National average price is from the January 17, 2022 report from the [U.S. Energy Information Administration](https://www.eia.gov/).



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Gasoline Price Average by Region

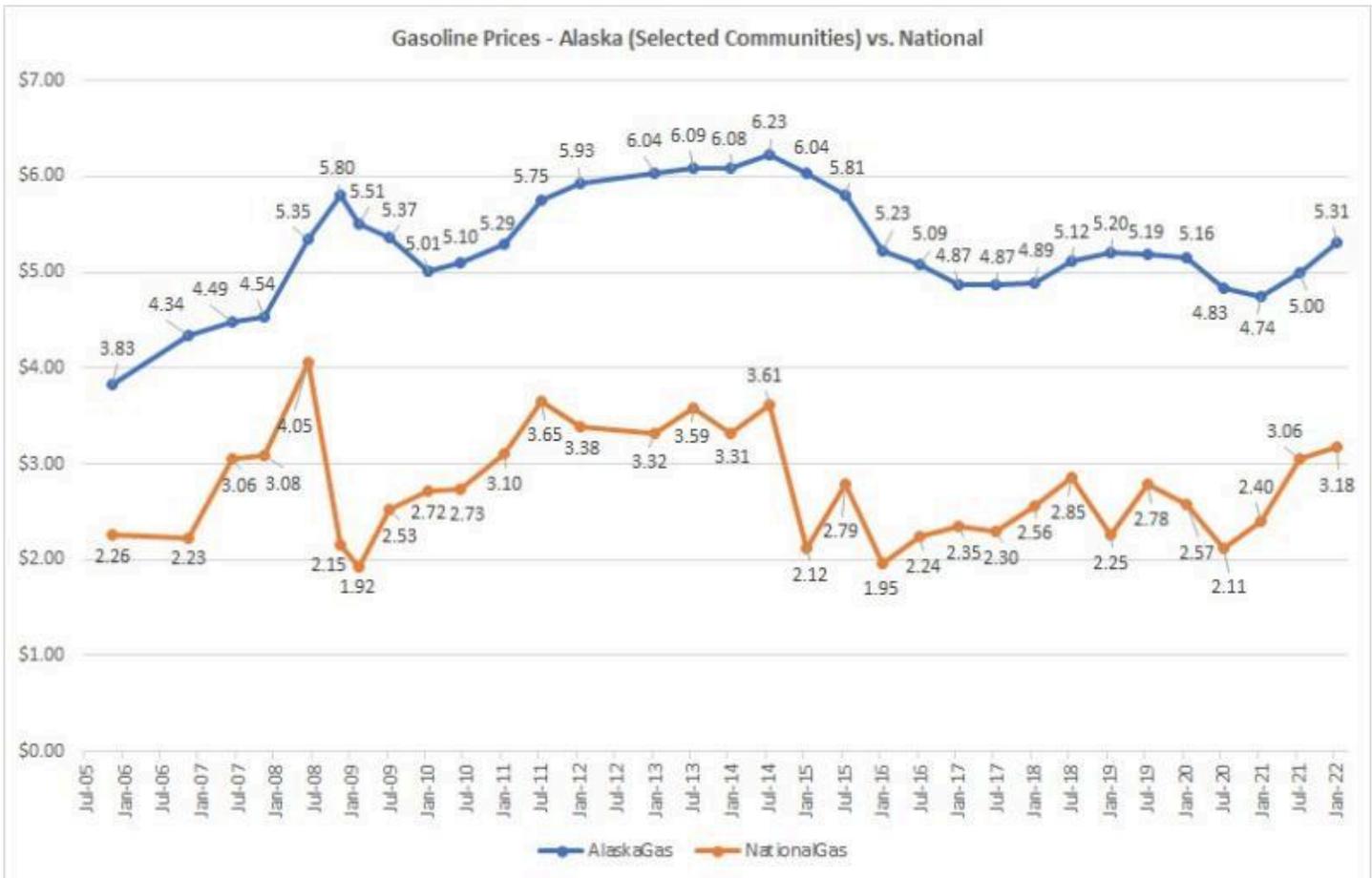
Among the responsive surveyed communities, the Southeast region had the lowest average gasoline price at \$4.69 per gallon. The Western region had the highest average gasoline price at \$5.69 per gallon.

The Interior region featured the community with the lowest retail price (Healy - \$3.59 per gallon). The Southwest region has the community with the highest retail price for gasoline (Atka - \$8.35 per gallon).

Region	Average
Gulf Coast	\$4.95
Interior	\$5.55
Northern	\$5.43
Northwest	\$5.21
Southeast	\$4.69

Southwest \$5.26
 Western \$5.69

Note: Because national fuel surveys included Southcentral Alaska only, the DCRA fuel survey was intentionally designed to report on fuel prices in unreported regions of Alaska. For this reason, the DCRA survey does not report on prices in the Anchorage/Mat-Su region.



Comparison of Gasoline Prices vs. National Average: 2005 to Present

Average gasoline prices for the 100 surveyed communities have generally been between \$2.00 and \$3.00 per gallon higher than the national average. Comparing the survey results to the national average price of regular unleaded gasoline on January 17, 2022, the gap in Winter 2022 was \$2.13 per gallon.

In western regions and river communities of Alaska, communities are locked into the prior summer's prices even when winter prices

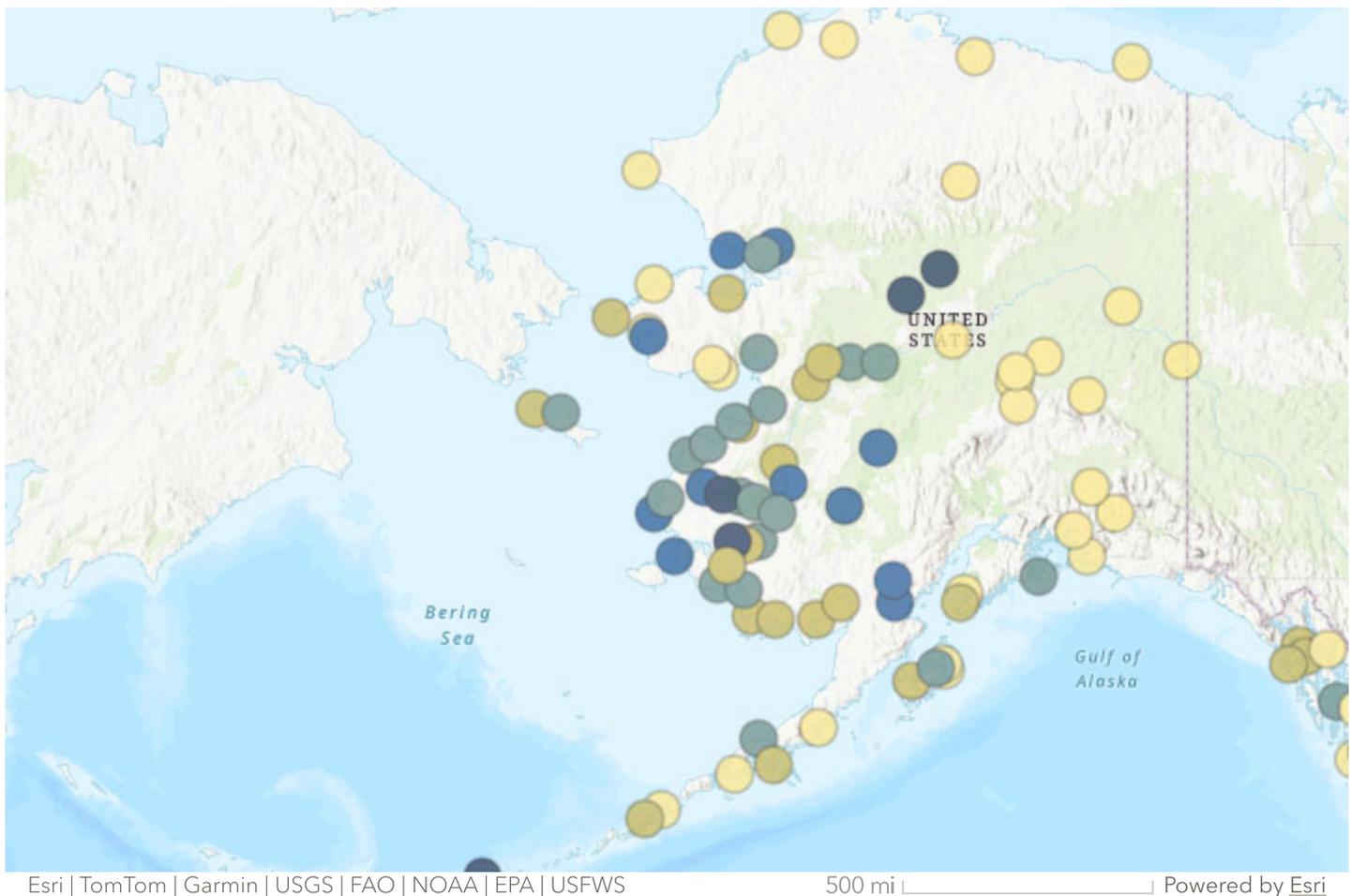
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significantly elsewhere. These gaps were exaggerated in winters when a summer spike in the price per barrel of Alaska North Slope Crude was followed by a winter crash, such as those in 2009 and 2015:

- \$133.78 in June 2008 vs. \$39.01 in January 2009
- \$114.47 in July 2014 vs. \$48.84 in January 2015

In the Winter 2009 and Winter 2015 surveys, gasoline prices were between \$3.50 and \$4.00 per gallon higher in the surveyed communities - nearly triple the national average (\$5.51 vs. \$1.92 and \$6.04 vs. \$2.12, respectively).

Researchers: The national unleaded gasoline average is tracked by the [US Energy Information Administration](#).



Heating Fuel Prices in Alaskan Communities

In Winter 2022, the average retail heating price of the 85 responsive, unsubsidized communities was \$5.03 per gallon. The national average on January 17, 2022 was \$3.60 per gallon.

The map to the right includes the price per gallon for heating fuel in each of the surveyed communities as reported in the Winter 2022 survey.

Note: Angoon, Clark's Point, Grayling, Huslia, Minto, Old Harbor, Point Baker, and Saint George did not report heating fuel pricing during the Winter 2022 survey window. All North Slope communities are excluded from the statewide average, as the cost of heating fuel is subsidized by the North Slope Borough.

Researchers: National average price is from the January 17, 2022 report from the [U.S. Energy Information Administration](#).



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Heating Fuel Price Average by Region

Among the surveyed communities, the Gulf Coast region had the least expensive average heating fuel price at \$4.16 per gallon, The Western region had the most expensive average heating fuel price at \$5.70 per gallon.

The community with the lowest retail price for heating fuel was Healy (\$3.10 per gallon - Southwest). The interior communities of Arctic Village (\$14.00 per gallon), Hughes (\$9.00 per gallon), and Alatna (\$8.00 per gallon) have the highest heating fuel prices. All three communities are off the road system and rely on air cargo for fuel delivery. Notably, Arctic Village now only sells heating fuel to the city utility building as residences have converted to biomass for heating.

Region	Average
Gulf Coast	\$4.16
Interior	\$5.42
Northwest	\$4.93
Southeast	\$4.28
Southwest	\$4.94
Western	\$5.70

Note: Because national fuel surveys included Southcentral Alaska only, the DCRA fuel survey was intentionally designed to report on fuel prices in unreported regions of Alaska. For this reason, the DCRA survey does not report on prices in the Anchorage/Mat-Su region.



About Heating Fuel Pricing in the North Slope

Residential heating fuel in the North Slope is subsidized by the North Slope Borough. This subsidy is not extended to commercial businesses. The commercial heating fuel price in North Slope communities is routinely 2 to 6 times higher than the residential price.

Because residential heating fuel costs are subsidized in this region, North Slope communities are not factored into the average heating fuel price of DCRA's surveyed communities.

Community	Residential	Commercial
Anaktuvuk Pass	\$1.50	\$8.35
Atqasuk	\$1.40	\$4.10
Kaktovik	\$2.50	\$7.35
Nuiqsut	\$2.30	\$6.91
Point Hope	\$1.79	\$7.25

Utqiagvik	n/a	n/a
Wainwright	\$1.50	\$7.30

Note: Heating fuel is not sold in Utqiagvik, where homes are heated with natural gas.



Comparison of Heating Fuel Prices vs. National Average: 2005 to Present

Average heating fuel prices in the surveyed communities have generally ranged between \$1.00 and \$2.00 per gallon higher than the national average. In Winter 2022, there was a difference of \$1.43 per gallon between the surveyed, unsubsidized communities and the January 17, 2022, national average.

In western regions and river communities of Alaska, communities are locked into the prior summer's prices even when winter prices drop significantly elsewhere. These gaps were exaggerated in winters when a summer spike in the price per barrel of Alaska North

Slope Crude was followed by a winter crash, such as those in 2009 and 2015:

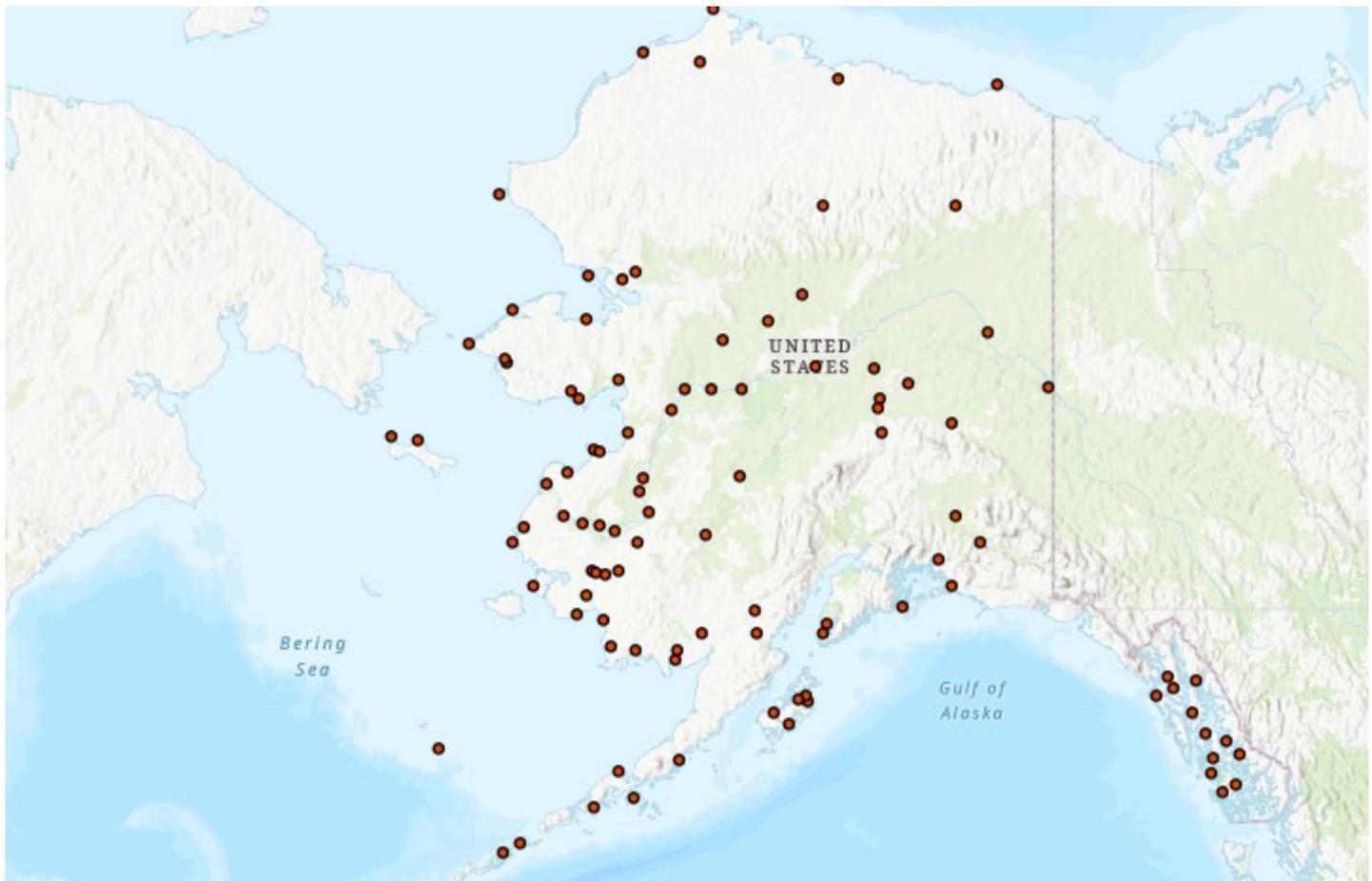
- \$133.78 in June 2008 vs. \$39.01 in January 2009
- \$114.47 in July 2014 vs. \$48.87 in January 2015

In the Winter 2009 survey, heating fuel prices were \$3.28 per gallon higher in the surveyed communities (\$5.60 vs. \$2.32). In the Winter 2015 survey, heating fuel prices were \$2.83 per gallon higher (\$5.71 vs. \$2.88).

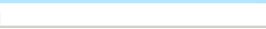
Note 1: The national heating fuel average is based on the price of heating fuel #2, the primary heating fuel utilized in the Lower 48. The average of Alaska's surveyed, unsubsidized communities is based on the fuel most commonly sold in the community. This is often heating fuel #1, which is better suited to Alaska's cold climates.

Note 2: Heating fuel averages are tracked, nationally, from October to March. Summer comparisons are based upon the final national averages reported at the end of March against the the average price of heating fuel in the surveyed, unsubsidized Alaskan communities.

Researchers: National averages for per gallon heating fuel pricing are obtained from the [United States Energy Information Administration](https://www.eia.gov/).



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Interactive Map of DCRA Fuel Survey Data

The map to the right contains historical pricing for all 100 surveyed communities from Winter 2005 to present.

Please note that there are missing data points within the historical collection. Missing data points indicate that one of the following conditions occurred:

- The vendor did not sell a given fuel type at the time of the survey
- The vendor was out of inventory at the time of the survey
- The vendor was unresponsive or unreachable during the survey period
- In two instances, the recorded survey response was determined to be in error
 - Summer 2018, Wainwright - The commercial heating fuel price of \$7.30 per gallon was recorded instead of the residential rate

- Winter 2018, Shishmaref - The heating fuel price was recorded as \$15.30 per gallon, more than \$10.00 per gallon more than either the reported Summer 2017 or Summer 2018 price

Researchers: DCRA fuel survey data is available through the Community Database Online for both [heating fuel](#) and [gasoline](#) data.



About Alaska North Slope Crude Pricing

Alaska North Slope Crude pricing is relevant to any conversation relating to unleaded gasoline and heating fuel prices in Alaska.

While high crude oil prices inevitably lead to high prices for petroleum distillates, these prices also increase state revenue and allow Alaska's decision makers to enact programs and policies to mitigate the impacts these prices have upon its residents, such as [the energy rebate that was distributed in 2008](#) to every eligible Permanent Fund Dividend recipient.

The Alaska Department of Revenue's Tax Division reports on the [daily price and output](#) and the [monthly average price](#) of Alaska North Slope Crude.



Historical Alaska Fuel Price Reports

All prior interactive Alaska Fuel Price Reports are available through the [Interactive Maps](#) portion of the Community Database Online.

PDF copies of all historical (2005 to 2017) Alaska Fuel Price Reports may be obtained [here](#).



About the Alaska Fuel Price Report

The Alaska Fuel Price Report is an ongoing project of the Division of Community and Regional Affairs (DCRA). On 33 occasions from November 2005 to the present, DCRA has surveyed the same 100 selected communities across Alaska and obtained pricing information for unleaded gasoline and heating fuel.

Due to the inherent challenges related to surveying rural Alaskan communities, actual contact dates within a given survey period may range from three days to six weeks apart. Gasoline and heating fuel prices are based on the price of fuel on the actual day of contact.

National pricing data is sourced from the [U.S. Energy Information Administration](#).

Alaska North Slope crude pricing data is sourced from the [Alaska Department of Revenue](#).

For more information about this report, please contact [DCRA Research and Analysis](#).