



# Alaska Fuel Price Report: Winter 2023

DCRA Mapping, Analytics, and Data Resources Section

March 2, 2023

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, the Division of Community and Regional Affairs (DCRA) has conducted 35 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.

All reported prices are "point in time" as reported by local fuel vendors, community contacts, and the corporate offices of major Alaskan retailers. Survey calls for the Winter 2023 survey were placed between January 9, 2023 and February 14, 2023. All prices include applicable local taxes.



### **Circumstances Surrounding the Winter 2023 Survey**

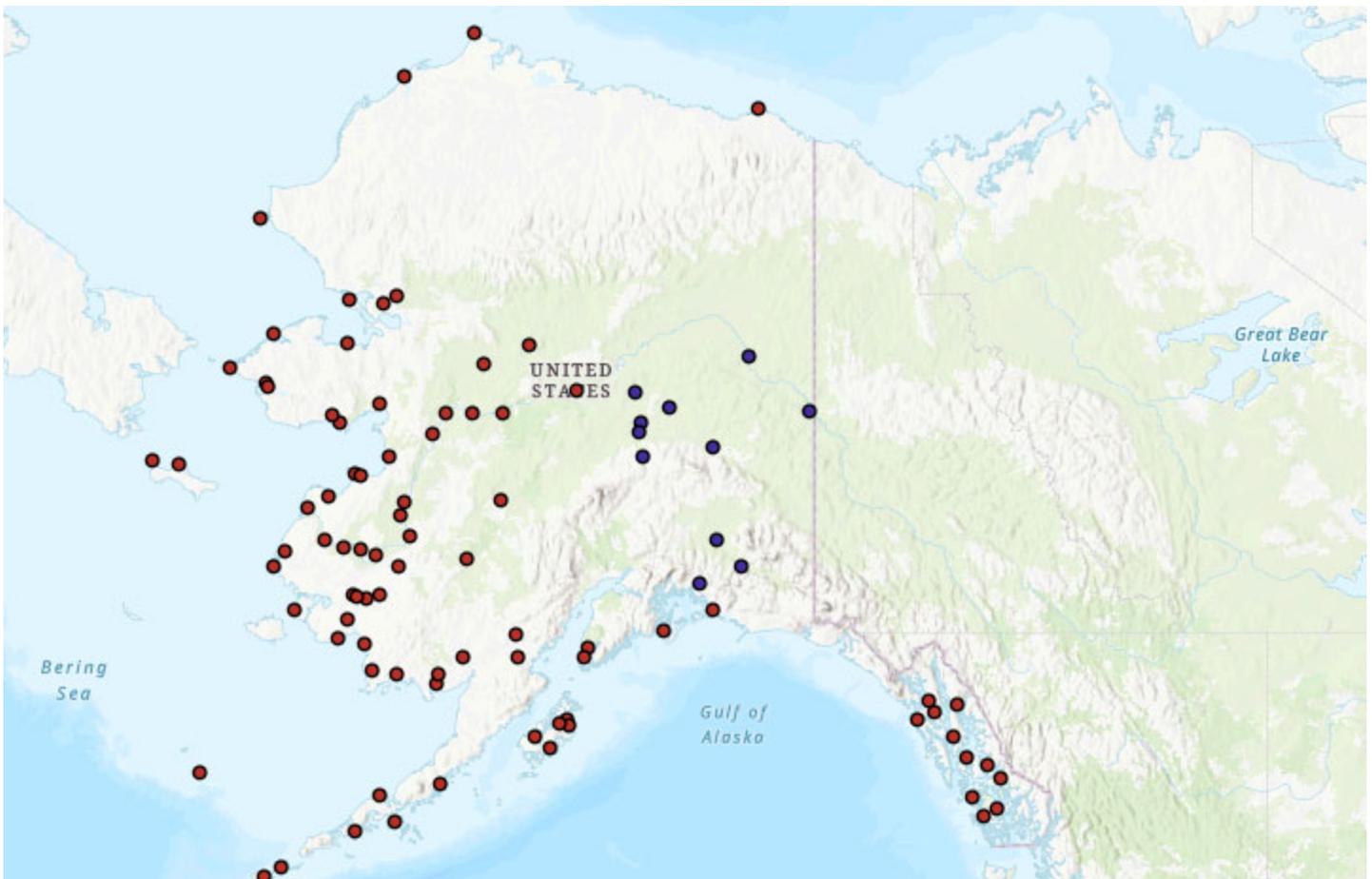
At the time the Summer 2022 survey was being conducted, Alaska North Slope Crude was in the midst of a six-month run where the average monthly price topped \$100 per barrel.

More recently, the per barrel price in December 2022 and January 2023 averaged roughly \$80 per barrel. While there is not a one-to-one relationship between crude and distillate pricing, lower crude

prices generally mean lower gasoline and heating fuel prices for those communities that receive fuel shipments year-round.

Unfortunately, not all Alaskan communities receive fuel shipments year-round. Rural, remote communities do not benefit from winter fuel price drops, and the findings of the Winter 2023 survey reflect that reality.

Of the 100 communities that DCRA regularly surveys, 99 responded to the Winter 2023 survey. Despite repeated attempts, DCRA was unable to obtain current fuel pricing for the community of Arctic Village.



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### 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 less expensive and more reliable deliveries than other parts of the state.

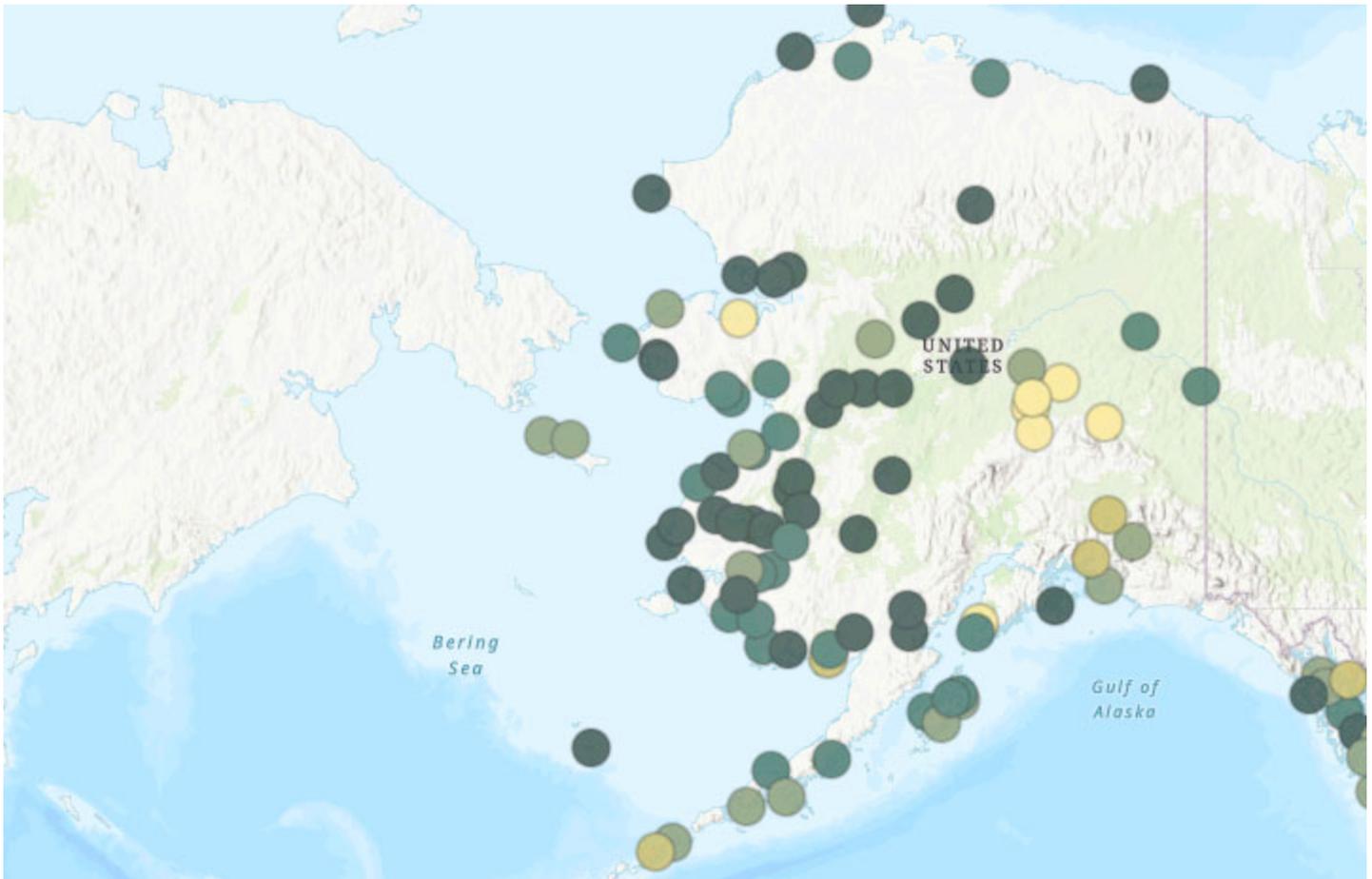
Southeast and Gulf Coast communities are generally able to receive fuel barges or chartered boats year round. Most of these communities will have gasoline and heating fuel prices that rise and fall throughout the year.

Coastal communities in western Alaska and communities along Alaska's major river systems have a shorter window in which to receive fuel. Rough waters, ice buildup, and shallow river depths limit when fuel barges can make deliveries. Specialized barges are required to deliver fuel to river communities where docking facilities are underdeveloped or nonexistent and rivers can be shallow. 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.



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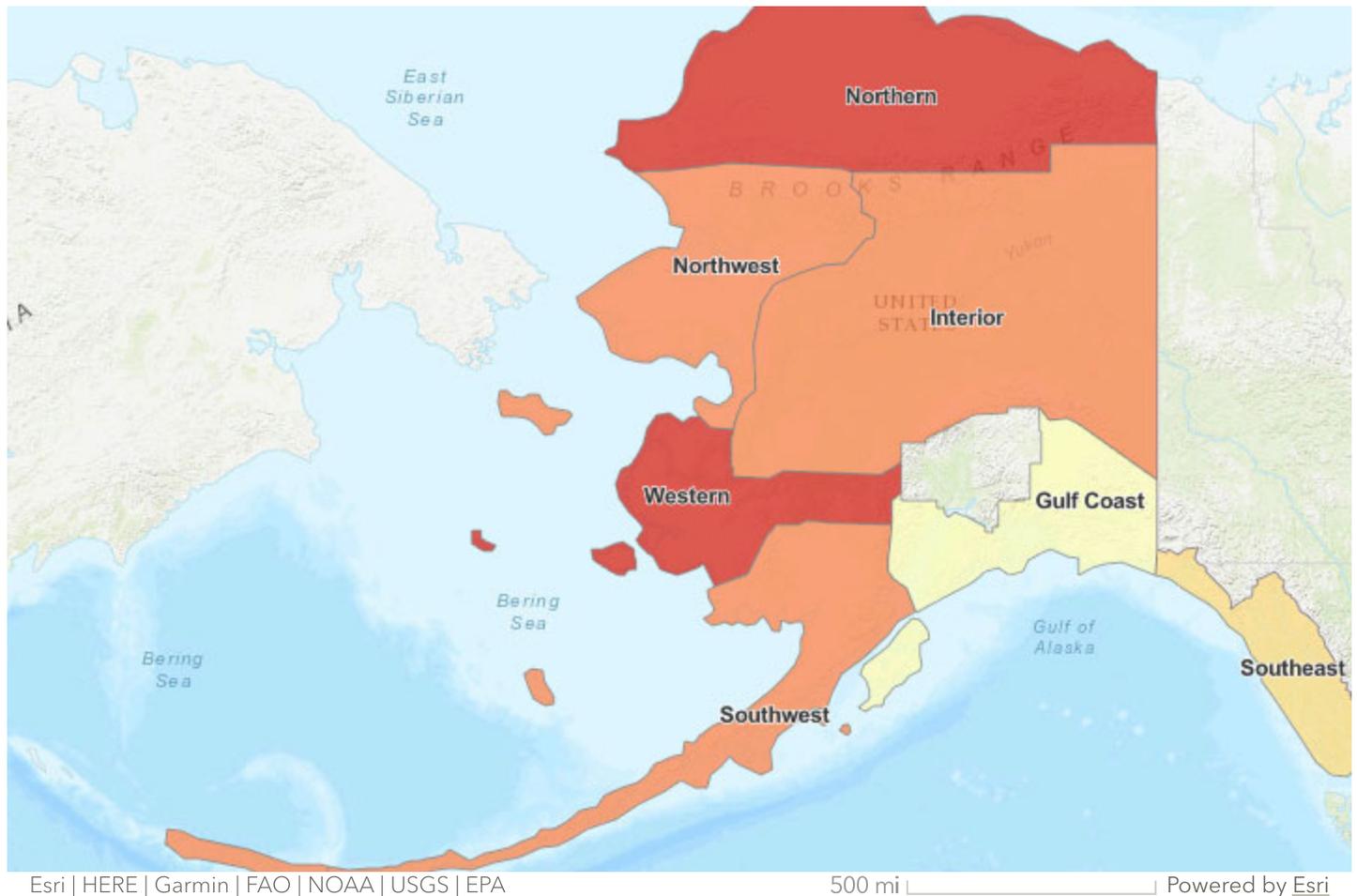
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### Gasoline Pricing in Alaskan Communities

The average retail price of unleaded gasoline in the 100 surveyed communities in Winter 2023 was \$6.70 per gallon, which is less than one percent lower than the reported Summer 2022 price of \$6.73 per gallon. The national average on January 16, 2023 was \$3.23 per gallon.

The map to the right includes the price per gallon in each of the responsive surveyed communities, as reported in the Winter 2023 survey.

**Researchers:** National average price is from the January 16, 2023 report from the [U.S. Energy Information Administration](https://www.eia.gov/).



## Gasoline Price Average by Region

Among the 99 responsive surveyed communities, the Gulf Coast region had the lowest average gasoline price at \$5.62 per gallon. The Northern region had the highest average gasoline price at \$7.53 per gallon.

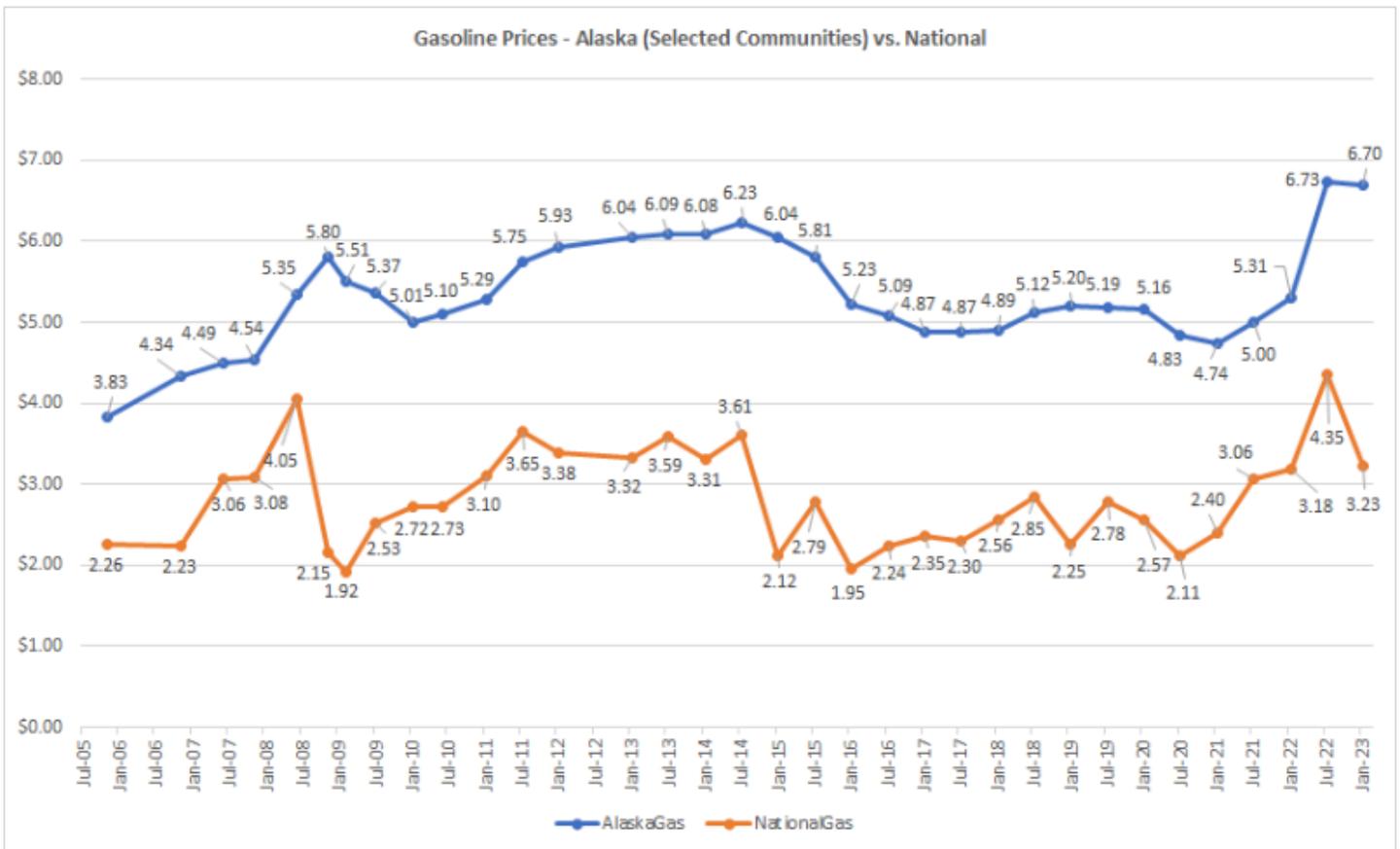
The Interior region includes five of the six communities with the lowest per gallon gasoline prices. Within the Interior, Fairbanks reported the lowest retail price per gallon at \$3.49, followed by Anderson (\$3.65), Delta Junction (\$3.65), Healy (\$3.70), and Nenana (\$3.80). All five of these communities are on the road system. Notably, Deering, in the Northwest Arctic Borough, reports a local gasoline price of \$3.61 per gallon.

The Interior region also includes the two communities with the highest retail price per gallon for gasoline (Alatna: \$11.50, Galena: \$10.08). Arctic Village, which routinely has some of the highest

gasoline prices in Alaska, did not report. All three of these communities are off the road system.

Region	Average
Gulf Coast	\$5.62
Interior	\$6.90
Northern	\$7.53
Northwest	\$6.67
Southeast	\$5.76
Southwest	\$6.67
Western	\$7.47

**Note:** Because national fuel surveys in 2005 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 16, 2023, the gap in Winter 2023 was \$3.47 per gallon.

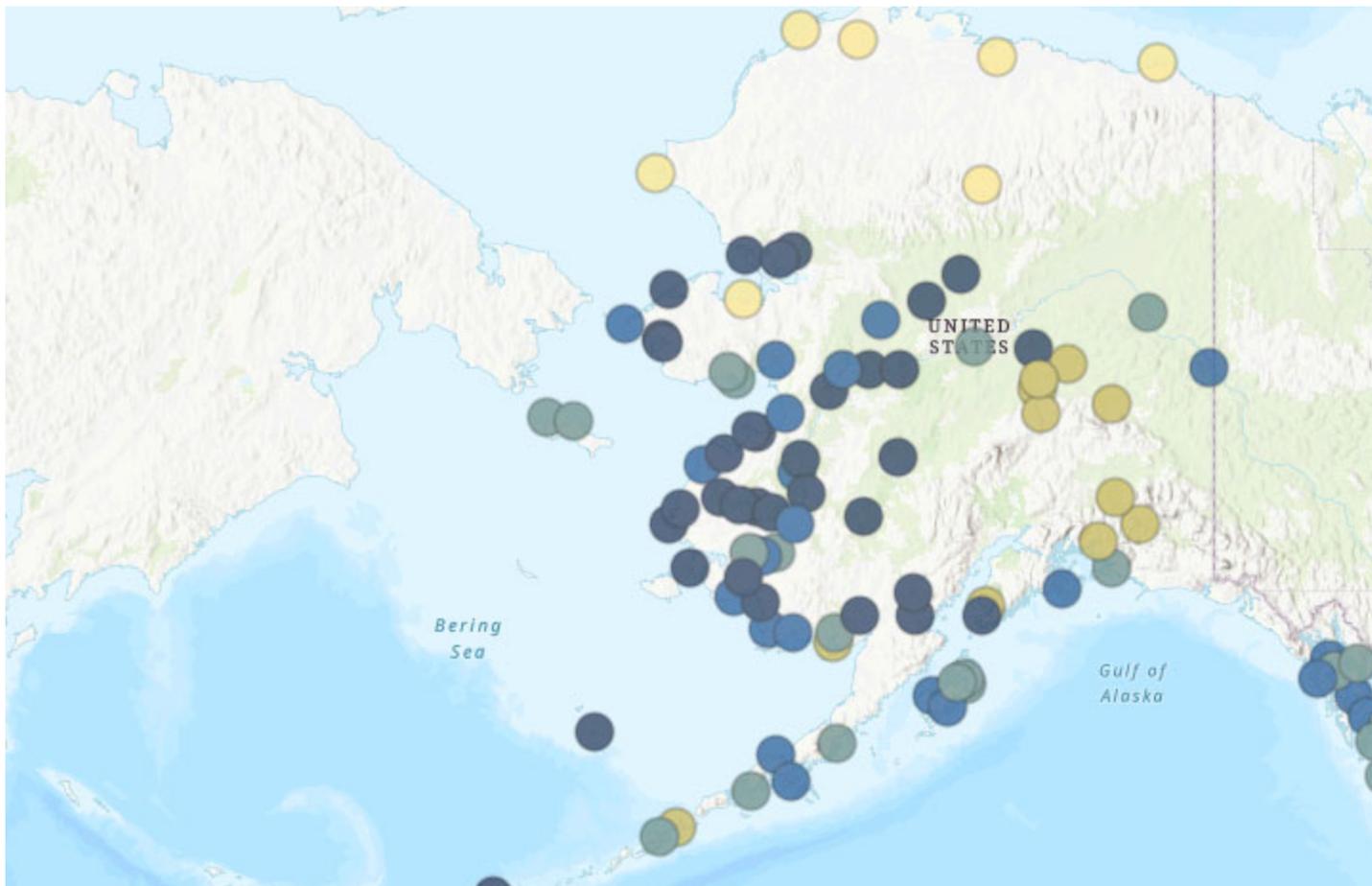
In western regions and river communities of Alaska, communities are locked into the prior summer's prices even when winter prices drop significantly elsewhere. These gaps were exaggerated in winters when a summer spike in the price per barrel of Alaska North Slope Crude was followed by a winter crash, such as those in 2009 and 2015:

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

While the recent dropoff in crude oil pricing was less precipitous than in the above examples (\$120.17 in June 2022 vs. \$80.87 in January 2023), the price gap of \$3.47 per gallon between the surveyed communities and the national average is nearly as large as the gap in Winter 2009, when crude prices dropped nearly \$95 per barrel over a seven-month period.

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



### Heating Fuel Prices in Alaskan Communities

In Winter 2023, the average retail heating fuel price per gallon for the 92 unsubsidized communities who reported their pricing was \$6.72. This was two percent higher than the \$6.62 reported in Summer 2022. The January 16, 2023 national average price of heating fuel was \$4.60 per gallon.

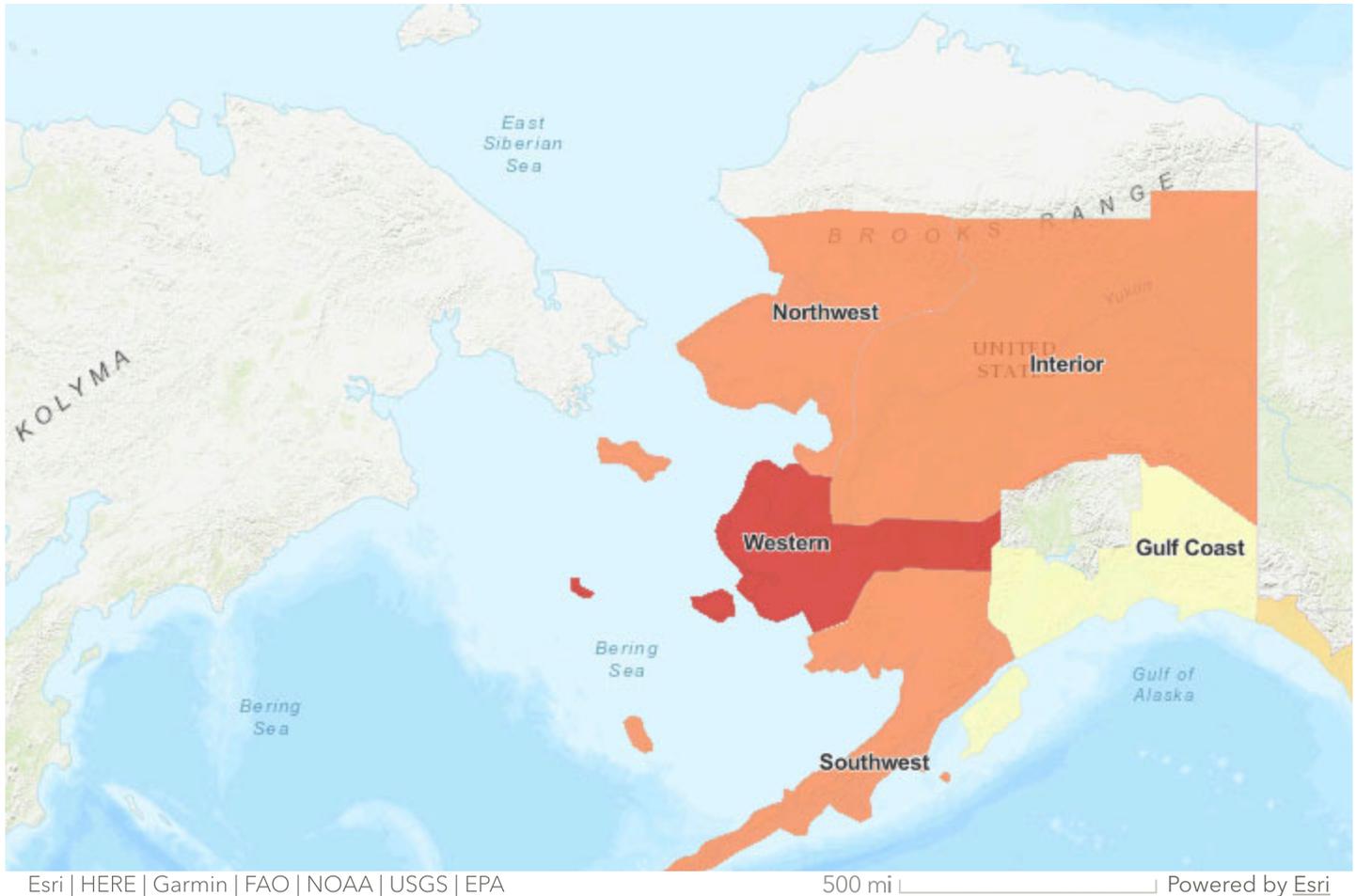
The map to the right includes the price per gallon for heating fuel in each of the surveyed communities as reported in the Winter 2023 survey.

**Note:** 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 16, 2023, report from the [U.S. Energy Information Administration \(EIA\)](https://www.eia.gov/). EIA only reports retail heating fuel

prices during the "winter heating season" from October through March, as per its

[FAQ](#).



### Heating Fuel Price Average by Region

Among the surveyed communities, the Gulf Coast region had the least expensive average heating fuel price at \$5.52 per gallon, followed by the Southeast region (\$5.91). The Western region had the most expensive average heating fuel price at \$7.50 per gallon.

The community with the lowest retail price for heating fuel was the Northwest community of Deering (\$3.30), followed by the Gulf Coast region communities of Chitina (\$4.42) and Glennallen (\$4.42).

The highest heating fuel prices per gallon were reported in the Interior communities of Hughes (\$13.00) and the Southwest community of Kokhanok (\$10.00).

<b>Region</b>	<b>Average</b>
Gulf Coast	\$5.52
Interior	\$7.03
Northwest	\$6.80
Southeast	\$5.91
Southwest	\$6.78
Western	\$7.50

**Note:** Because national fuel surveys in 2005 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**

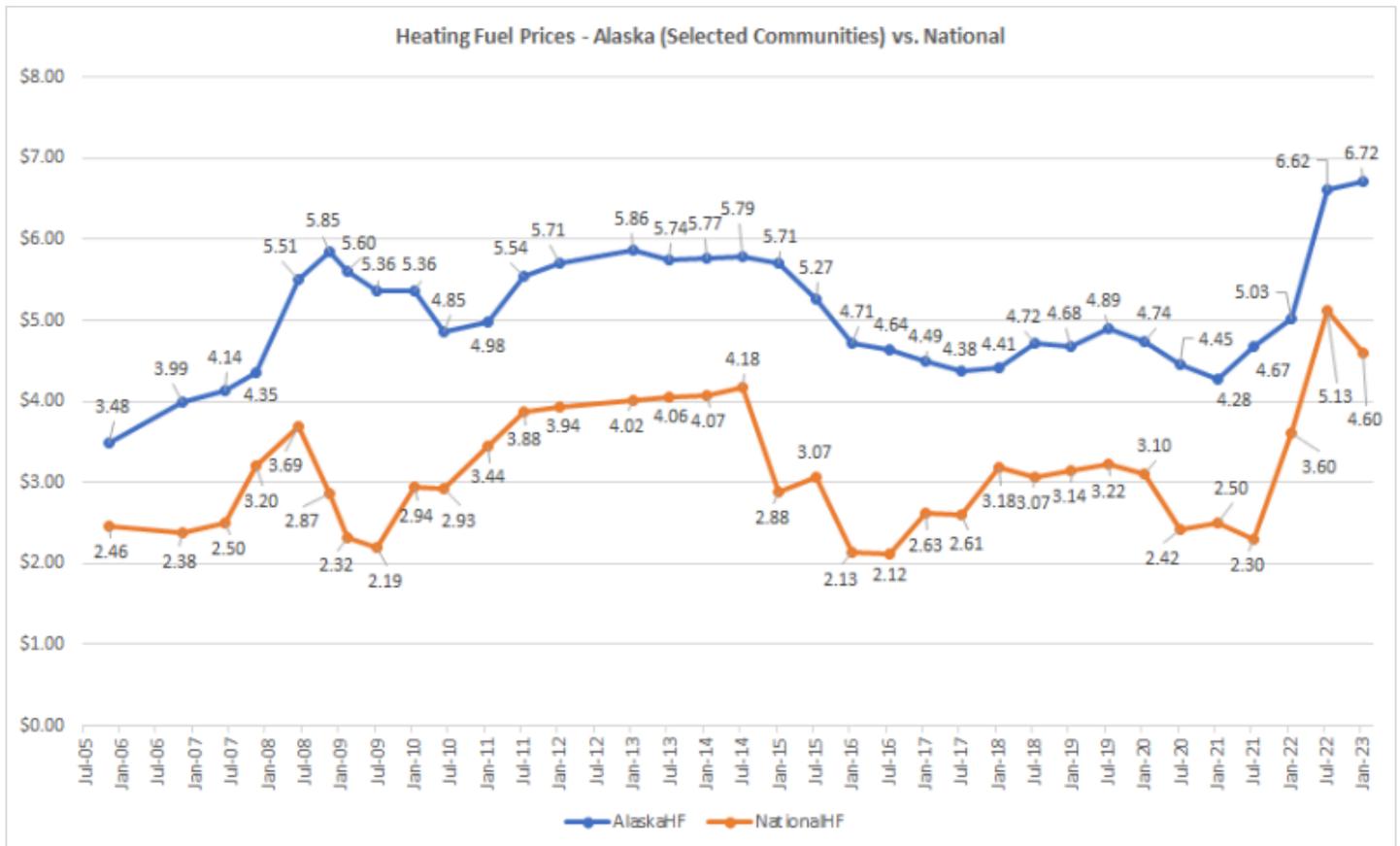
Residential heating fuel in the North Slope is subsidized by the North Slope Borough. This subsidy is not extended to commercial businesses. The commercial heating fuel price in North Slope

communities is routinely many 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	\$8.17
Atkasuk	\$1.50	\$6.50
Kaktovik	\$2.50	\$10.00
Nuiqsut	\$1.50	\$6.57
Point Hope	\$2.10	\$10.36
Utqiagvik	n/a	n/a
Wainwright	\$1.05	\$11.25

**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 2023, there was a difference of \$2.12 per gallon between the surveyed, unsubsidized communities and the national average, as of January 16, 2023.

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:

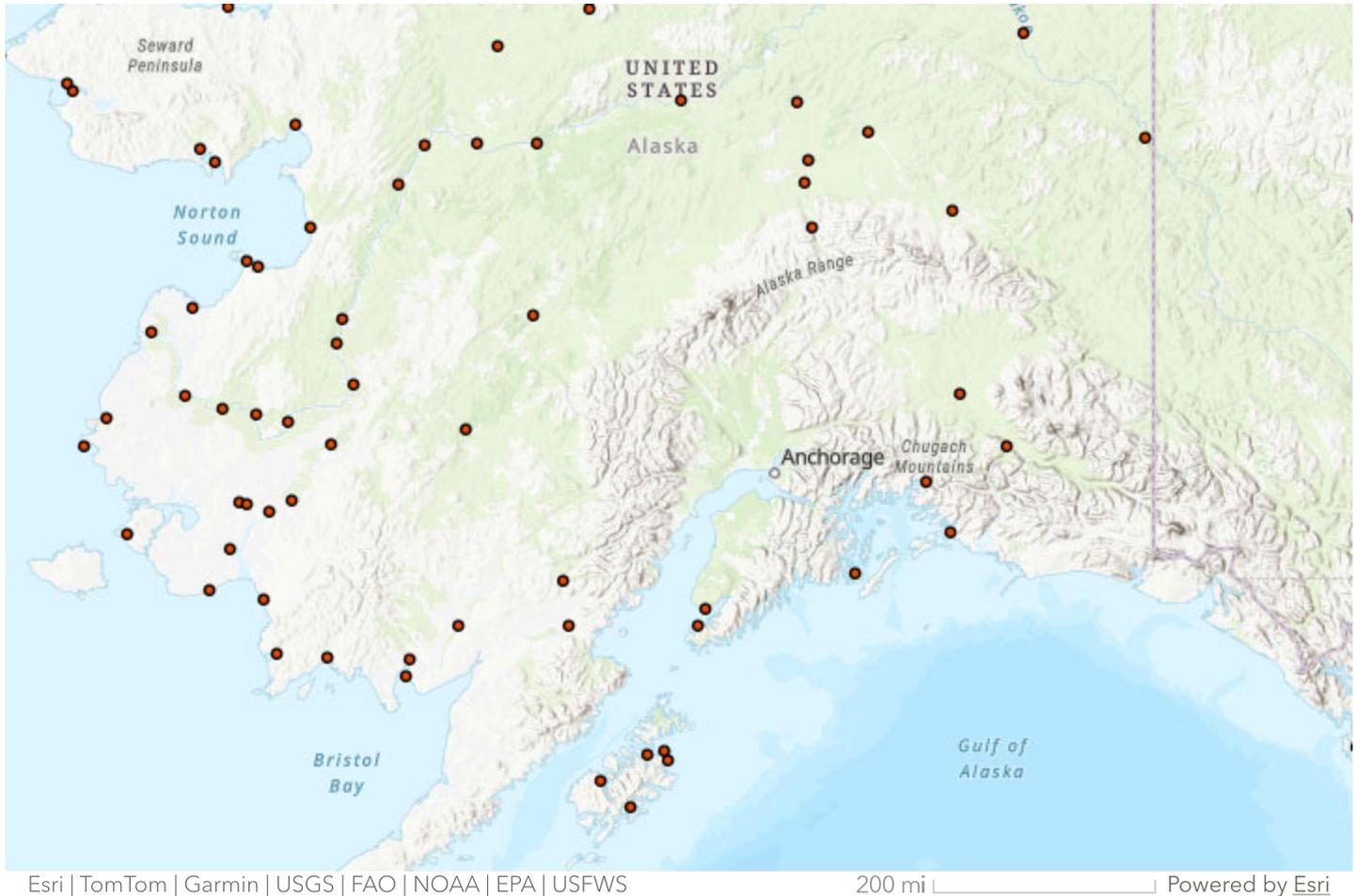
- \$133.78 in June 2008 vs. \$39.01 in January 2009
- \$114.47 in July 2014 vs. \$48.87 in January 2015

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 average price is from the January 16, 2023, report from the [U.S. Energy Information Administration \(EIA\)](#).



### 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.

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, although some of Alaska's fuel may be sourced from other indices, such as OPIS and PLATTS Singapore.

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](#) and [a similar rebate in 2022](#) 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.



### **Bulk Fuel Revolving Loan Program**

The Division of Community and Regional Affairs administers the Bulk Fuel Revolving Loan Program to assist communities, utilities, and fuel retailers with purchases of bulk fuel to generate power or supply the public with fuel for use in rural communities.

More information about this program is available on [DCRA's website](#).



## 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 35 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 a few days to several 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](#).

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