



# BP Testimony to House Resources

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# SB 21 makes Alaska more competitive



## What it does well:

- Elimination of progressivity is a game changer
  - Puts Alaska “back in the game” of competition for investment
- Gross Revenue Exclusion could have a positive impact on economics
  - Application to legacy fields targets most reliable source of new oil
- Simplifies Alaska’s fiscal system
  - Removes many inefficient elements of administering ACES

## What it could do better:

- Base rate presents a challenge below \$100/bbl for all players
  - 2010 prices averaged \$80/bbl
- More certainty on criteria for receiving Gross Revenue Exclusion