

# Homer Electric Association

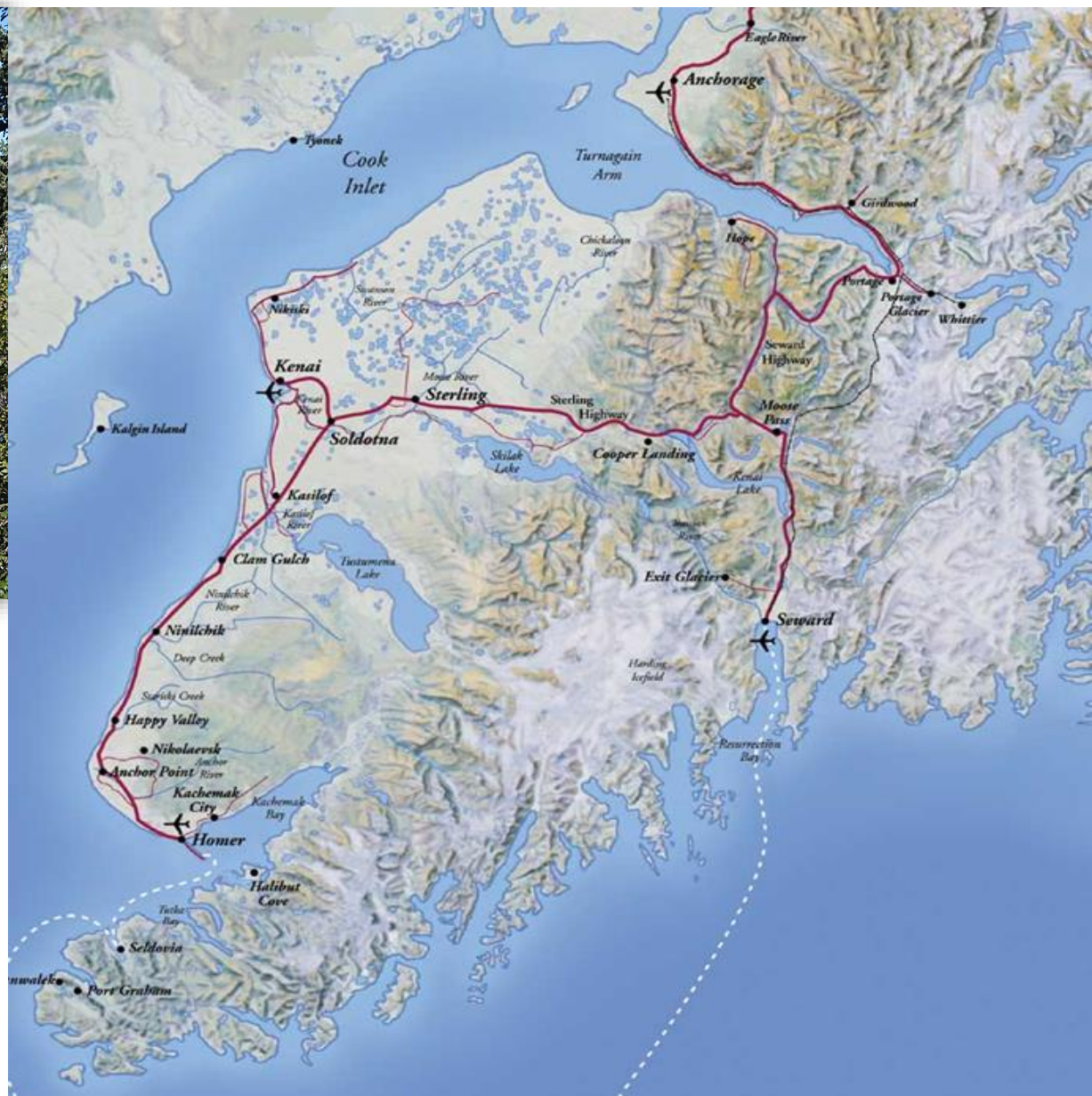


Senate Oil & Gas Tax Credit Working Group

October 1, 2015

Mike Salzetti





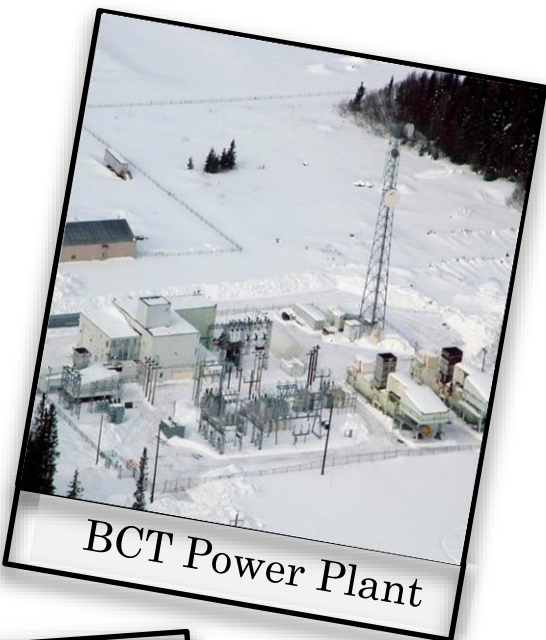




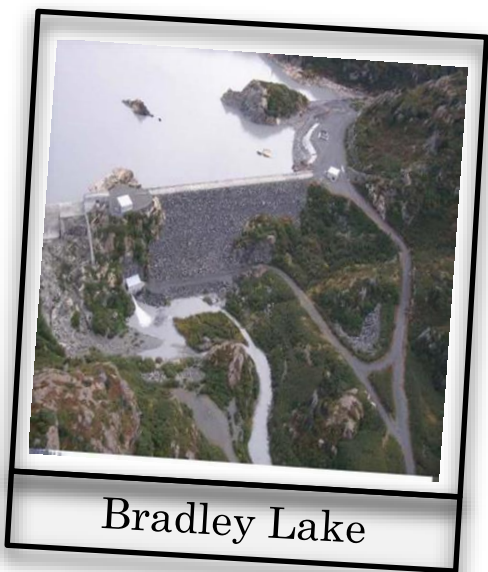
NCC Power Plant



SCT Power Plant



BCT Power Plant



Bradley Lake



Grant Lake



## HEA Gas Supply History

- Signed CINGSA Precedent Agreement (12/2010)
- Signed Union (aka Chevron) GSA (8/2011)
- Joined Long Term Gas Supply Group (11/2012)

## Value of Cook Inlet Tax Credits

- New Producers & Activity

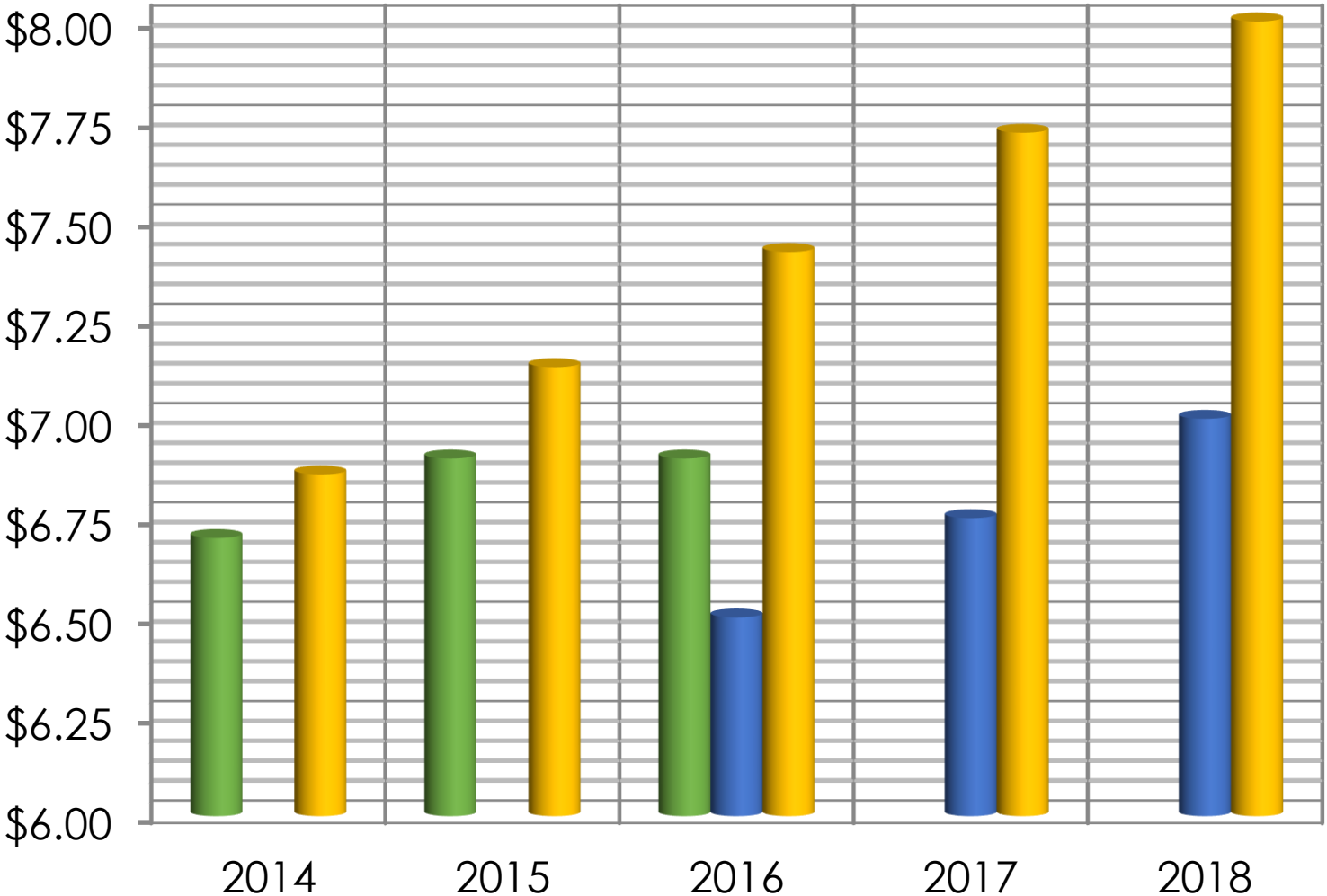
Hilcorp	Furie	BlueCrest	AIX	Nordaq	Cook Inlet Energy
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- Utility Contracts Signed Through 2018
- Continued Export of LNG
- Tesoro Refinery Continues to Operate

# HEA Gas Supply Future



## Cost of Fuel per MCF

■ Hilcorp ■ Furie ■ Consent Decree Pricing



# Cook Inlet's Long Term Future

HEA Would Encourage Policy That:

- Ensures a tax regime that provides stability and predictability for CI producers
- Continues to encourage exploration, development & production to provide:
  - Long Term Utility Supply
  - Economic Prosperity for HEA Member Owners
    - Tesoro Operation
    - Continued Export of LNG
    - Possible Restart of the Agrium Facility

HEA appreciates the Legislators efforts in achieving a Cook Inlet oil & gas renaissance and we looks forward to policy that provides for continued oil and gas activity in the Cook Inlet