

An offshore oil rig is silhouetted against a vibrant sunset sky with orange and yellow hues. The rig's complex structure, including a tall derrick and various platforms, is reflected in the calm water below. The scene is framed by blue geometric shapes on the right side.

Alaska's Oil and Gas Competitiveness Review Board

October 18, 2017

Oil and Gas Competitiveness Review Board

- ▶ Formed as part of SB 21
- ▶ Created to
 - ▶ Establish and maintain salient data regarding oil and gas exploration, development, and production
 - ▶ Advise the Alaska Legislature on the state's fiscal system, labor pool, and regulatory competitiveness
- ▶ Comprised of:
 - ▶ 2 public members
 - ▶ 3 administration department heads
 - ▶ 1 commissioner from the Alaska Oil and Gas Conservation Commission
 - ▶ 3 oil and gas subject matter experts
 - ▶ 2 industry trade group representatives
- ▶ **Initial report was delivered to the legislature in March 2015 comparing Alaska's competitiveness to oil and gas producing peers around the world**

Oil & Gas Competitiveness Review Board

CURRENT BOARD MEMBERSHIP

| NAME | APPOINTED | REAPPOINTED |
|--|------------|-------------|
| Ford, G. Wyche Non-Profit Trade Association | 3/14/2016 | |
| Beltrami, Vincent Public | 10/26/2015 | |
| Fisher, Sheldon Commissioner/Revenue/Designee | 2017 | |
| French, Hollis Chair of AOGCC/Designee | 2017 | |
| Mack, Andrew Commissioner/Natural Resources/Designee | 7/1/2016 | |
| Maloney, Tom Public Financial Analyst | 7/1/2014 | 7/1/2016 |
| Moriarty, Kara Non-Profit Trade Association | 7/1/2014 | |
| Pawlowski, Bob Public | 3/14/2016 | 7/1/2016 |
| Ryan, Kristin Commissioner/Environmental Conservation/Designee | 7/1/2014 | |
| Walsh, Tom Public/Geologist | 3/14/2016 | |
| Van Dyke, William Public/Petroleum Engineer | 6/21/2016 | |

What is Competitiveness

- Competitiveness is the cost of supply
 - Investment in Alaska's Oil and Gas Industry is affected by more than just our fiscal policy (royalties, property taxes, severance taxes, State corporate income taxes) *****
 - Regulatory environment Federal, State and Local**
 - Labor, equipment and service resources*
 - Infrastructure**
 - Logistics*
 - Time to market*
 - Proven and undiscovered potential reserves*
 - Existing well maintained oil and gas facilities serve as a platform to enable nearby prospects and the likelihood of additional discoveries
- All of these factors affect the cost of supply

*No Control to *****Controllable

How does Alaska compare?

- In almost all of the factors which affect cost of supply, Alaska has higher costs and increased risks
- *The primary controllable factor is Alaska's fiscal policy*

Oil & Gas Competitiveness Review Board

- *Board stands ready as a resource to the Legislature to evaluate the broad range of issues that affect competitiveness*
- *Role is to provide factual information not policy*

THANK YOU

For additional information please contact:



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O&GCR Board Website Location:

dor.alaska.gov