Title: **AKLNG Full Project & Phase 1-Only Year-by-Year Summary of Government Revenue: Current Law & HB 381 as Introduced**

Preparer: Economic Research Group, Tax Division, Department of Revenue

Date: April 26, 2026

Purpose: To provide year-by-year estimates of revenue to state and local governments associated with the Alaska LNG project under current law and under the Alternative Volumetric Tax (AVT) structure proposed in HB 381 as introduced, both for the full project development as well as for Phase 1 only.

Data Source: Gas production and related oil production and cost estimates as well as midstream costs, financing terms, in-state gas sales from AGDC. Oil price, base oil production, upstream costs, netbacks, royalty rates and field costs based on DOR Spring 2026 Forecast.

Key Assumptions: Revenues shown are in nominal dollars. Fiscal modeling includes the following assumptions:

- No State equity investment in the Alaska LNG project is assumed.
- Project timeline assumes construction beginning in 2027, first in-state gas deliveries in 2029, first LNG exports in 2031, and full operations at 3,500 Mcf per day beginning in 2033. Modeling assumes 20 years of full-capacity operations plus an additional 10 years, for a total project life of 32 years.
- Project infrastructure includes three major components: Gas Treatment Plant (North Slope), Natural Gas Pipeline system from Prudhoe Bay to Nikiski (including Point Thomson feeder line), and LNG Plant at Nikiski.
- Total capital cost estimated at $46.2 billion (real 2026$): $10.9 billion Gas Treatment Plant, $15.5 billion Pipeline, and $19.9 billion LNG Plant.
- Financing structure assumes 70/30 debt-to-equity ratio, 5% interest rate on debt, and tolling methodology providing a 10% pre-tax return on equity.
- Gas price assumption of $1.50 per Mcf in 2026, escalating at 2.5% annually.
- Upstream impacts include no change to Prudhoe Bay production and an incremental 262 MMBoe increase in Point Thomson production over the life of the project, with associated increases in capital and operating costs.
- Revenue baseline reflects Spring 2026 Department of Revenue forecast assumptions.

Carbon dioxide removed at the Gas Treatment Plant is assumed to qualify for federal 45Q tax credits; credits are treated as non-taxable cash payments and are not applicable for Alaska corporate income tax.

Assumptions specific to modeling under HB 381 as introduced are as follows:

- Existing property tax on Alaska LNG project infrastructure is replaced by an Alternative Volumetric Tax (AVT).
- AVT applies once project throughput reaches 1 billion cubic feet (Bcf) per day (30-day rolling average).
- AVT rate of $0.06 per Mcf, escalating at 1% annually.
- AVT revenue is allocated across project components (Gas Treatment Plant, Pipeline, and LNG Plant) based on relative capital investment.
- AVT revenues are distributed between the State of Alaska and affected municipalities based on the geographic location of project infrastructure.

Assumptions specific to Phase 1 modeling are as follows:
- Phase 1 assumes in-state gas supply only; no LNG exports are included.
- Project scope limited to a pipeline from the North Slope to Southcentral Alaska; excludes LNG plant, Point Thomson feeder line, Cook Inlet crossing, and full-project compression infrastructure.
- First in-state gas deliveries are assumed in 2029.
- In-state demand includes existing utility demand and an anchor industrial customer, with total demand growing over time.
- Gas pricing reflects lower prices required to support anchor industrial demand, with pricing influenced by overall demand levels.
- Gas treatment costs are assumed based on full project estimates, with potential variation due to differing CO_2 removal requirements for Phase 1.

Acronyms:

AVT – Alternative Volumetric Tax
AGDC – Alaska Gasline Development Corporation
DNR – Department of Natural Resources
DOR – Department of Revenue
GTP – Gas Treatment Plant
HB – House Bill
LNG – Liquefied Natural Gas
Mcf – Thousand cubic feet

History:

First version of this analysis.

Disclaimer:

The Department of Revenue is in the process of reviewing and updating the data on which this analysis is based. As a result, future analyses could have different results.

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AKLNG Full Project

Total Gas Sales (Billion cubic feet)	Through 2042	Through 2052	Through 2062	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Total Export LNG & In-State Gas Sales	**12,371**	**23,523**	**34,688**	-	-	-	65	65	371	741	1,112	1,112	1,112	1,112

AKLNG Full Project, Current Law

Revenue (Nominal, $ millions)	Through 2042	Through 2052	Through 2062	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Total State Revenue	**$ 10,093**	**$ 20,770**	**$ 29,716**	$ -	$ 13	$ 10	$ (38)	$ (62)	$ 125	$ 326	$ 984	$ 1,034	$ 1,042	$ 1,016
Total Municipal Revenue	**6,274**	**11,870**	**17,297**	-	42	32	57	64	217	370	540	540	546	546

AKLNG Full Project, HB 381 as Introduced

Revenue (Nominal, $ millions)	Through 2042	Through 2052	Through 2062	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Total State Revenue	**$ 7,482**	**$ 15,867**	**$ 22,532**	$ -	$ -	$ -	$ (61)	$ (86)	$ 38	$ 172	$ 753	$ 804	$ 812	$ 786
Total Municipal Revenue	**1,337**	**2,699**	**3,968**	-	-	-	7	14	44	84	107	108	114	114

Phase 1 Only

Total Gas Sales (Billion cubic feet)	Through 2042	Through 2052	Through 2062	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Total In-State Gas Sales	**1,316**	**5,931**	**3,516**	-	-	-	65	65	80	85	90	95	95	100

Phase 1, Current Law

Revenue (Nominal, $ millions)	Through 2042	Through 2052	Through 2062	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Total State Revenue	**$ 2,637**	**$ 4,954**	**$ 7,479**	$ 11	$ 15	$ 15	$ 121	$ 122	$ 150	$ 161	$ 171	$ 182	$ 183	$ 208
Total Municipal Revenue	**1,165**	**2,101**	**3,038**	6	8	8	56	56	68	72	77	81	81	93

Phase 1, HB 381 as Introduced

Revenue (Nominal, $ millions)	Through 2042	Through 2052	Through 2062	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Total State Revenue	**$ 695**	**$ 1,477**	**$ 2,469**	**$ -**	**$ -**	**$ -**	**$ 29**	**$ 29**	**$ 37**	**$ 40**	**$ 43**	**$ 47**	**$ 48**	**$ 52**
Total Municipal Revenue	**132**	**275**	**422**	**-**	**-**	**-**	**6**	**6**	**7**	**7**	**8**	**8**	**8**	**9**

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AKLNG Full Project

Total Gas Sales (Billion cubic feet)	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Total Export LNG & In-State Gas Sales	1,112	1,113	1,114	1,114	1,114	1,114	1,115	1,115	1,115	1,115	1,115	1,116	1,116

AKLNG Full Project, Current Law

Revenue (Nominal, $ millions)	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Total State Revenue	$ 992	$ 637	$ 993	$ 999	$ 1,006	$ 1,016	$ 1,028	$ 986	$ 996	$ 1,002	$ 1,024	$ 1,100	$ 1,118
Total Municipal Revenue	546	554	554	555	555	556	557	558	560	561	561	561	561

AKLNG Full Project, HB 381 as Introduced

Revenue (Nominal, $ millions)	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Total State Revenue	$ 762	$ 407	$ 763	$ 769	$ 776	$ 786	$ 798	$ 756	$ 766	$ 772	$ 795	$ 871	$ 889
Total Municipal Revenue	115	123	125	126	127	129	130	132	134	136	137	138	139

Phase 1 Only

Total Gas Sales (Billion cubic feet)	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Total In-State Gas Sales	105	105	105	105	110	110	110	110	110	110	110	110	110

Phase 1, Current Law

Revenue (Nominal, $ millions)	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Total State Revenue	$ 212	$ 213	$ 215	$ 216	$ 221	$ 222	$ 224	$ 225	$ 227	$ 229	$ 231	$ 232	$ 234
Total Municipal Revenue	93	93	93	93	94	94	94	94	94	94	94	94	94

Phase 1, HB 381 as Introduced

Revenue (Nominal, $ millions)	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Total State Revenue	**$ 56**	**$ 57**	**$ 61**	**$ 62**	**$ 67**	**$ 68**	**$ 70**	**$ 72**	**$ 73**	**$ 75**	**$ 77**	**$ 79**	**$ 81**
Total Municipal Revenue	**9**	**9**	**13**	**13**	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**

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AKLNG Full Project

Total Gas Sales (Billion cubic feet)	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062
Total Export LNG & In-State Gas Sales	1,116	1,116	1,116	1,116	1,116	1,116	1,116	1,116	1,117	1,117	1,116	1,116	1,116

AKLNG Full Project, Current Law

Revenue (Nominal, $ millions)	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062
Total State Revenue	$ 1,133	$ 1,150	$ 1,141	$ 1,096	$ 1,061	$ 1,034	$ 1,009	$ 961	$ 884	$ 809	$ 731	$ 678	$ 684
Total Municipal Revenue	561	560	557	553	549	545	543	542	541	540	538	537	537

AKLNG Full Project, HB 381 as Introduced

Revenue (Nominal, $ millions)	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062
Total State Revenue	$ 904	$ 922	$ 912	$ 868	$ 832	$ 805	$ 781	$ 733	$ 656	$ 581	$ 503	$ 450	$ 456
Total Municipal Revenue	139	139	137	134	131	127	126	126	126	125	125	124	125

Phase 1 Only

Total Gas Sales (Billion cubic feet)	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062
Total In-State Gas Sales	110	110	110	110	110	110	110	110	110	110	110	110	110

Phase 1, Current Law

Revenue (Nominal, $ millions)	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062
Total State Revenue	$ 236	$ 238	$ 240	$ 242	$ 244	$ 247	$ 249	$ 251	$ 253	$ 256	$ 258	$ 261	$ 263
Total Municipal Revenue	94	94	94	94	94	94	94	94	94	94	94	94	94

Phase 1, HB 381 as Introduced

Revenue (Nominal, $ millions)	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062
Total State Revenue	**$ 83**	**$ 85**	**$ 87**	**$ 89**	**$ 91**	**$ 93**	**$ 96**	**$ 98**	**$ 100**	**$ 103**	**$ 105**	**$ 108**	**$ 110**
Total Municipal Revenue	**14**	**14**	**14**	**14**	**15**	**15**	**15**	**15**	**15**	**15**	**15**	**15**	**15**