



BP Testimony to House Resources

Damian Bilbao

Head of Finance

March 26, 2013

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