



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
- ✓ **CS makes additional progress on item**