

TESTIMONY – ConocoPhillips prepared Remarks

January 23, 2017 – Senate Resources

January 23, 2017 – House Resources Committee

- Good afternoon, Madame chair and members of the committee. For the record my name is Darren Meznarich, and I am the ConocoPhillips Manager for Alaska North Slope gas.
 - Building on my colleagues' comments, which address many of my remarks, I'll be brief
 - As we have said in the past, ConocoPhillips is supportive of the State's efforts to try and move a project forward.
 - We support a state-led project because there are certain things that only the state can do which will make an ANS Gas project more competitive and lower its cost of supply
 - AGDC has discussed these as key elements in their plan:
 - First, structuring for federal and state tax efficiencies – including seeking federal tax exempt status. We think this could be a significant opportunity ... and we support AGDC pursuing this.
 - Also, Advancing low cost financing and investor options,
- These key elements could be foundational to a competitive project, even in this environment. And, they could provide a compelling story to LNG Buyers and project lenders and investors.
- As we've said before, we intend to make our gas available to a state-led project on mutually agreed commercially reasonable terms.
 - In summary, we are continuing to work to support AGDC as it executes this plan, we are working to make our gas available and taking other steps so the state, including AGDC and other parties, can go forward.