



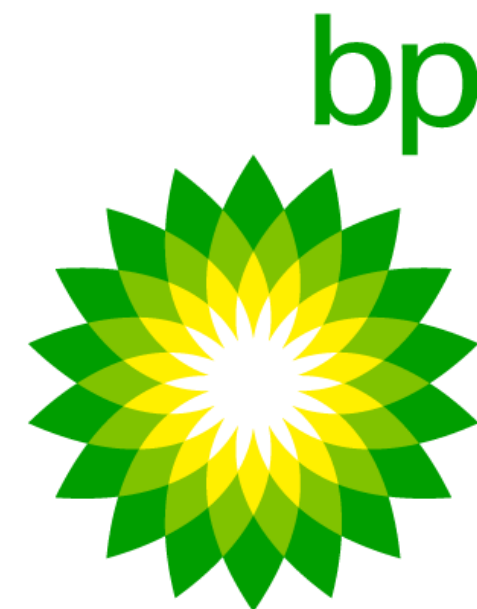
AOGA

House Resources Committee

May 8, 2020

Kara Moriarty, AOGA President/CEO

AOGA Membership

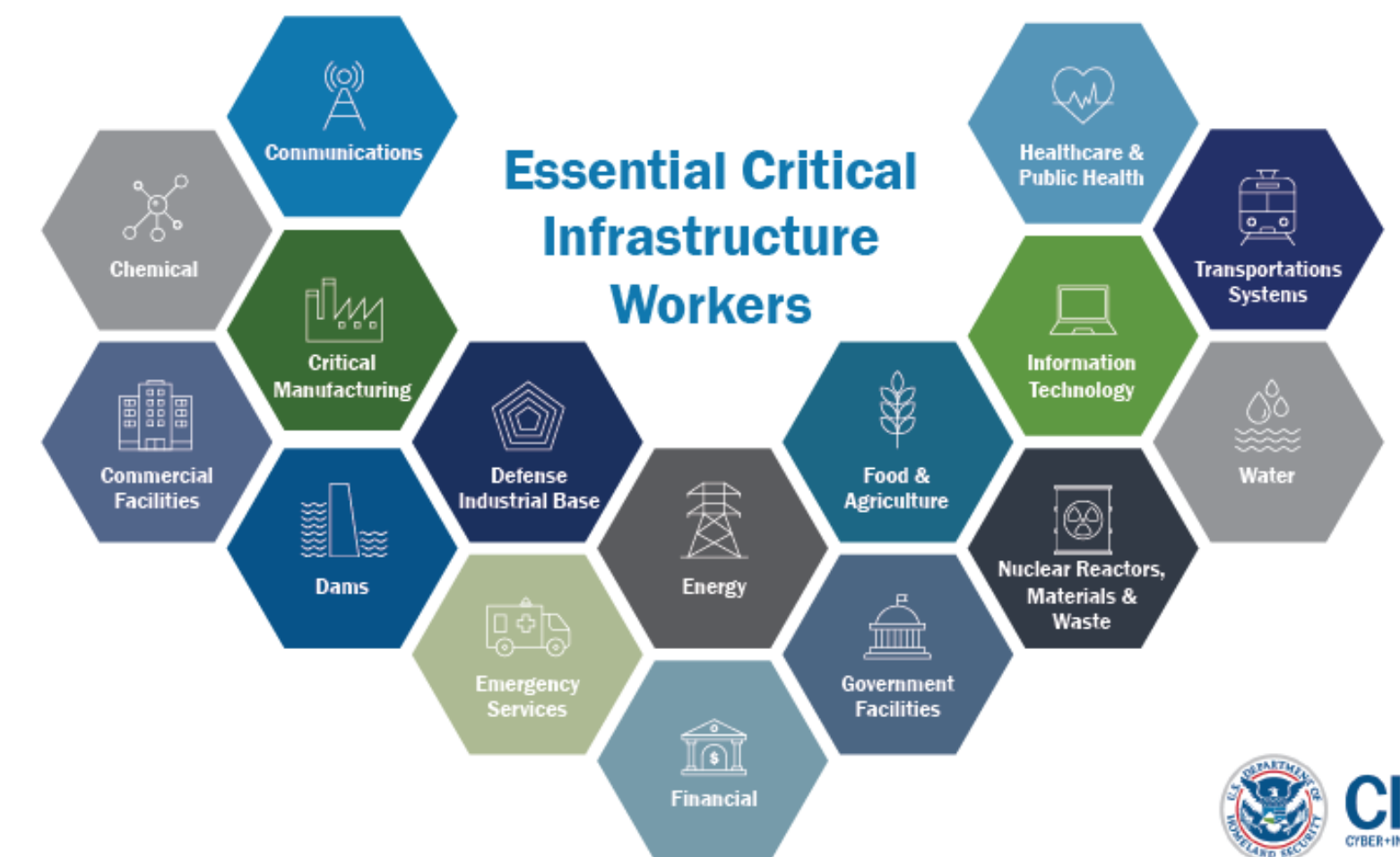


Industry Responds Swiftly to COVID-19



“Critical Infrastructure” Response Priorities:

- Safety of employees, contractors, and Alaskan communities
- Enacting health safety measures in accordance with guidance from WHO, CDC, state and local officials
- Keeping facilities safe and operational to deliver the energy resources Alaskans depend on



Protecting Our Workforce



Industry COVID-19 Cases
in Alaska to Date:

- (1) BP employee on North Slope (AK resident)
- (1) Contractor from Deadhorse
- None reported in Cook Inlet



Alaskans Supporting Alaskans



Hilcorp Partners with ACF to Inspire Employee Giving in Alaska

by [Christina Fenner](#) | January 31, 2020 | Comments Off

EDITORS' PICK | 1,992 views | Apr 29, 2020, 09:59am EDT

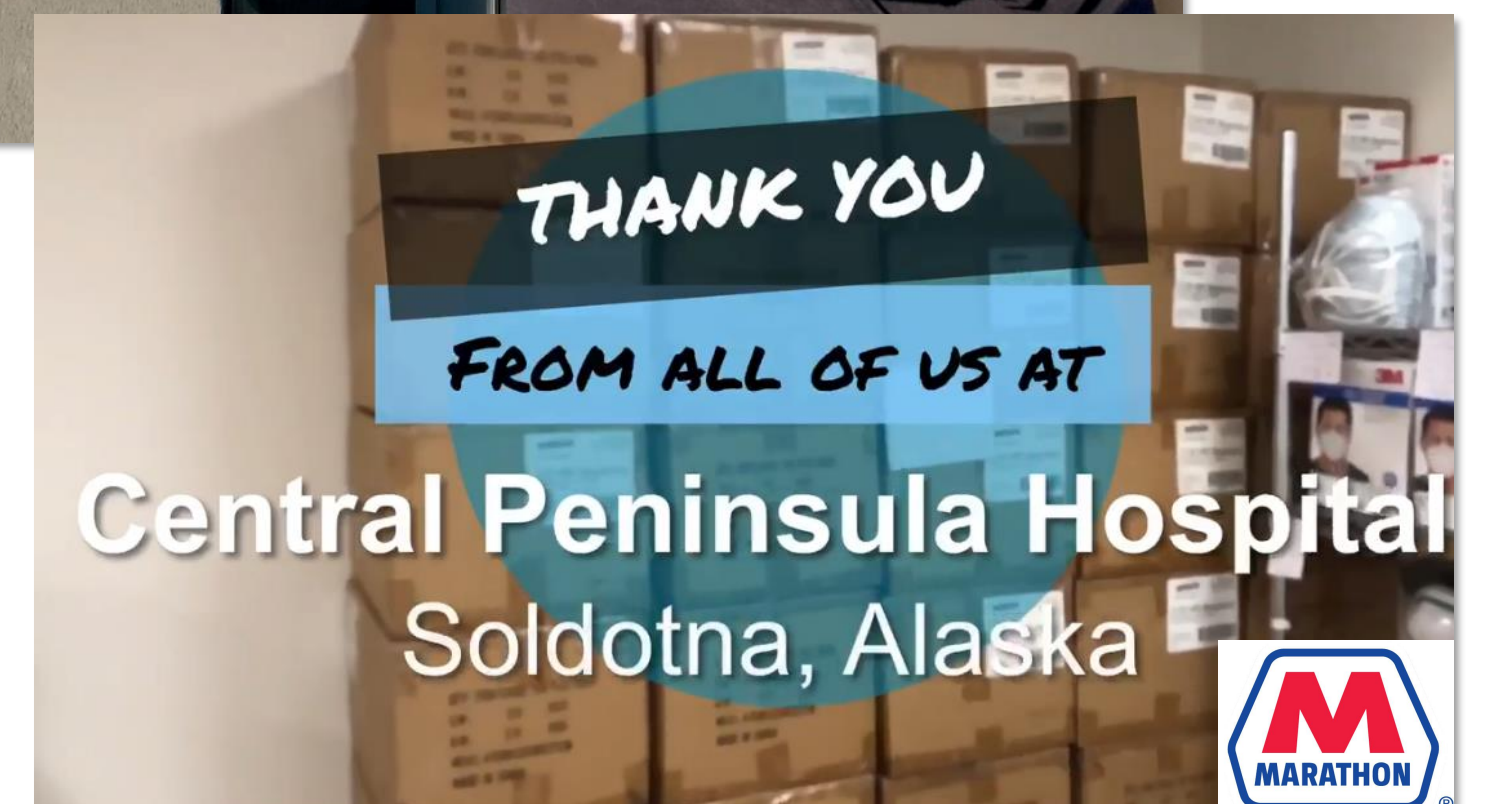
BP Donates Jet Fuel To FedEx And Alaska Airlines For Coronavirus Relief Efforts



AKOG

April 24 at 10:42 AM · 🌐

ConocoPhillips is donating a generous \$100,000 to #AKCanDO and will be matching all private donations dollar-for-dollar to the fund of up to \$100,000!

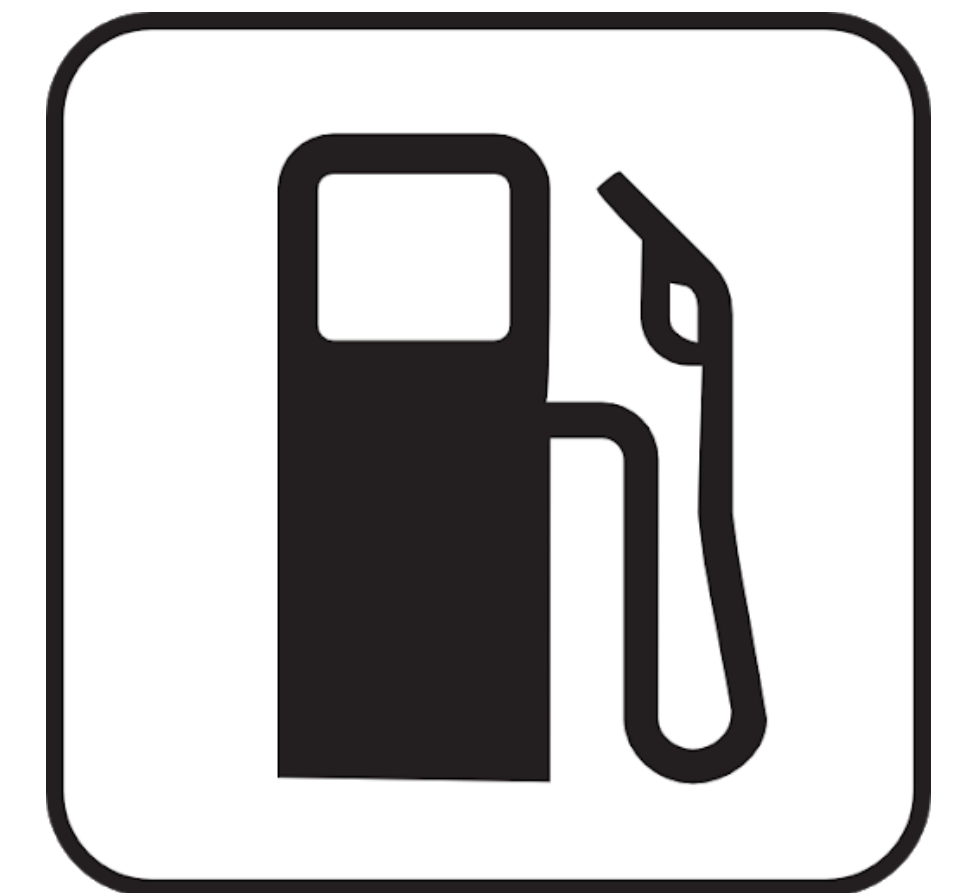


COVID-19: A Drastic Drop in Demand



As of May 1, 2020:

- Global crude demand down 29 million bpd, out of 100 million bpd market
- Lowest U.S. petroleum consumption in decades; 31% below 2020 avg. before pandemic (Jan. 1 – March 13)
- U.S. demand for refined products down significantly compared to this time last year (April 2020 vs. April 2019):
 - Gasoline ▼ 39.6%
 - Jet fuel ▼ 66.6%
 - Diesel ▼ 20.2%
- U.S. electricity consumption has fallen to 16-year low



Market Forces Collide



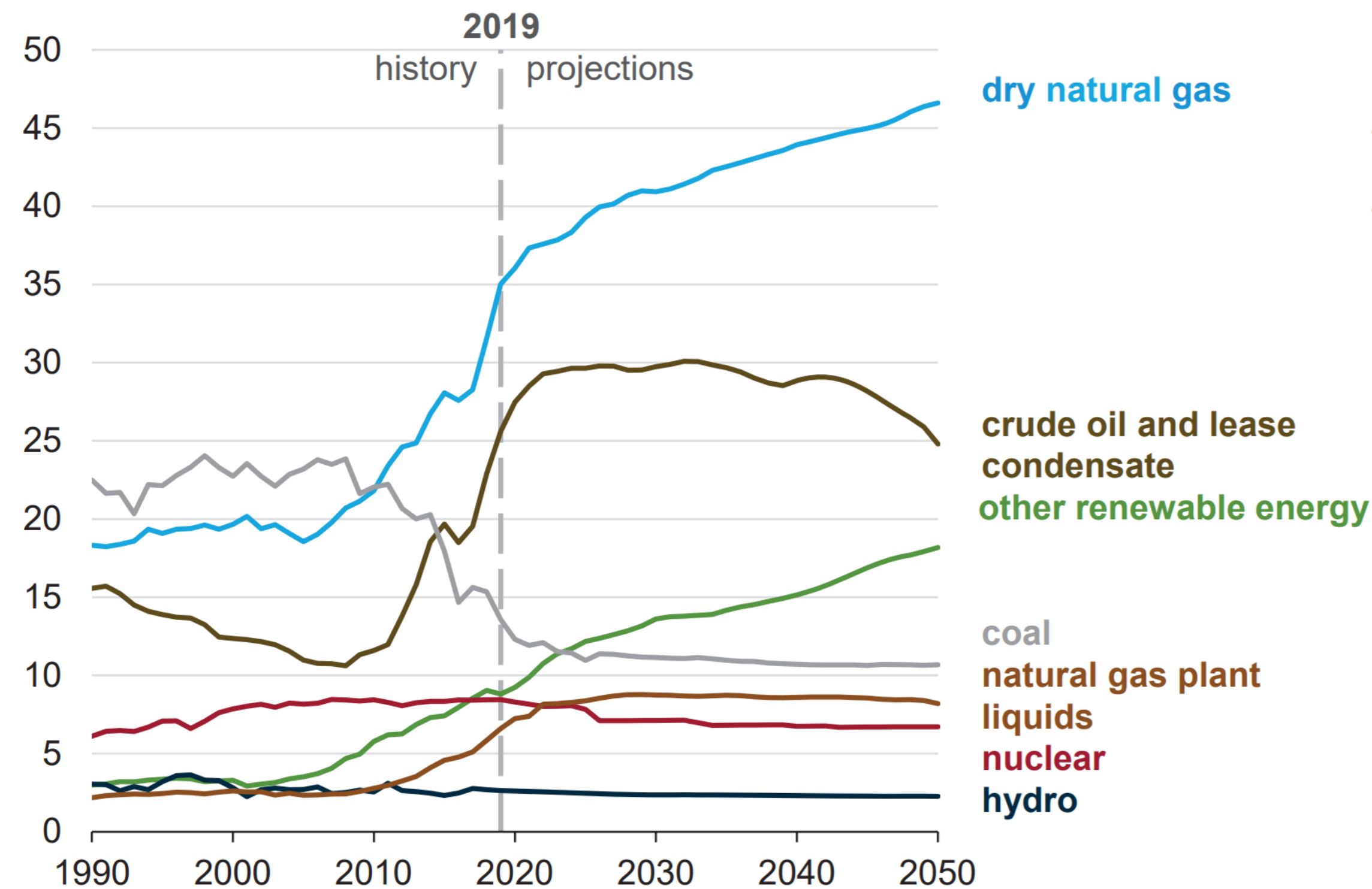
“The oil and gas industry is critical to our nation’s economy and supports more than 10 million jobs. With plummeting global demand wrought by the coronavirus pandemic and supply rising as a result of the Saudi-Russian price war, prices have fallen to their lowest levels in nearly 20 years.”

– Senator Lisa Murkowski, April 7, 2020



Demand Remains: Alaska Needs to Compete

Energy production (AEO2020 Reference case)
quadrillion British thermal units

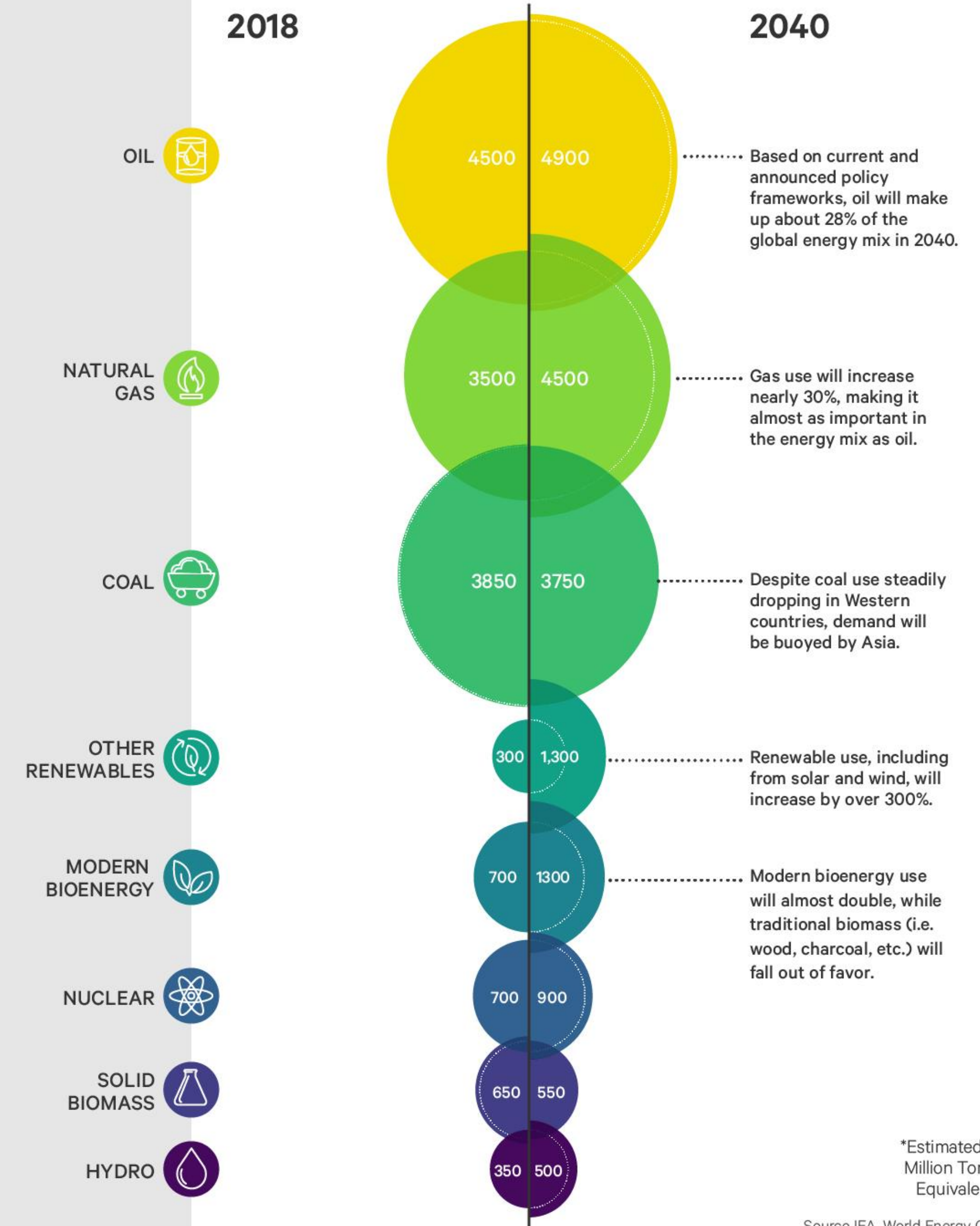


Changes in the Global Energy Mix 2018 vs Stated Policies 2040

Measured in MTOE*

2018

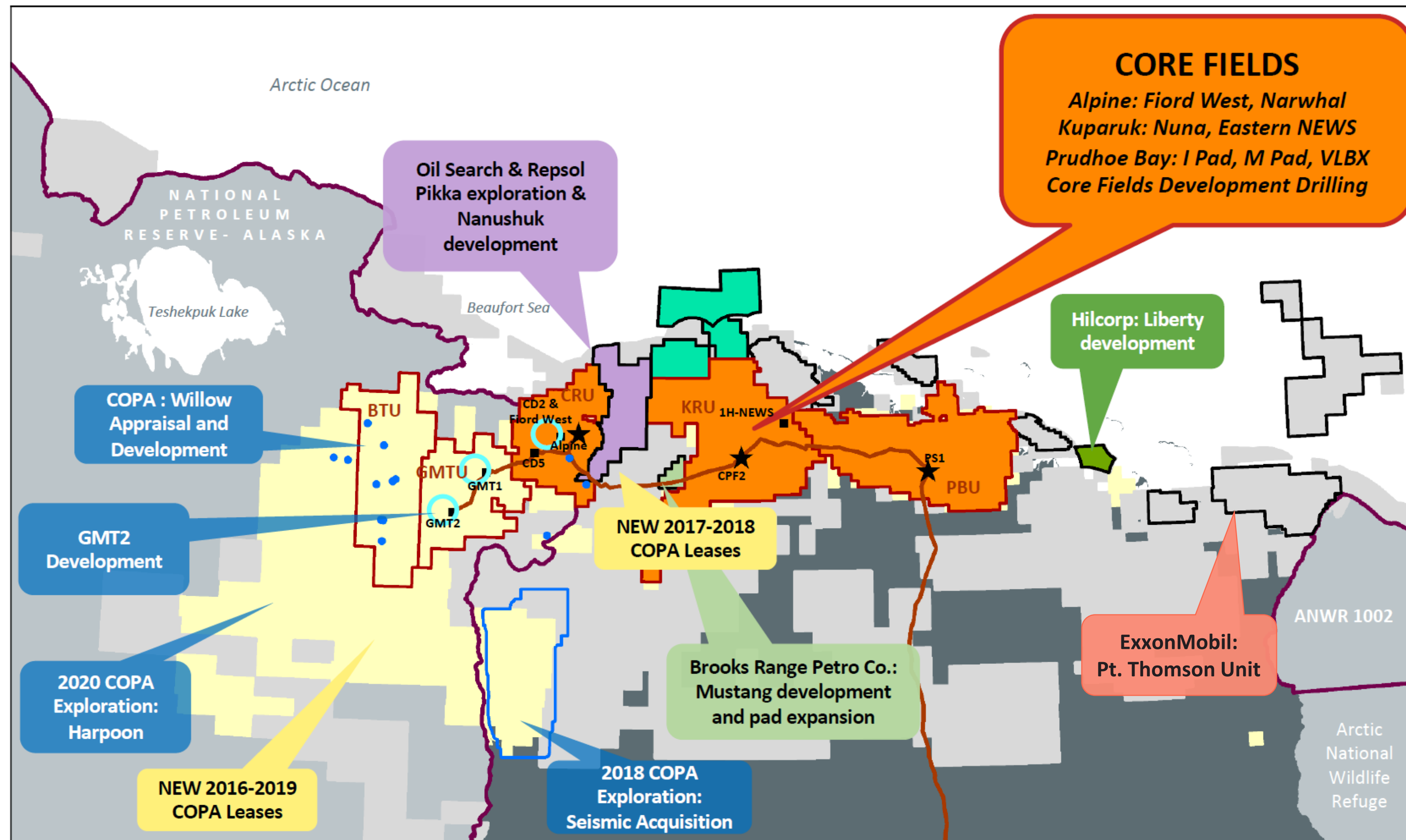
2040



*Estimated figures in
Million Tonnes of Oil
Equivalent (MTOE)

Source IEA, World Energy Outlook 2019

Alaska's Resource Potential Remains



Oil Tax Ballot Measure Sets Alaska Back



- Before Alaskan voters November 3, 2020
- Hurts jobs, Alaskan families, small businesses, and new discoveries on the horizon
- Viewed as short-term budget solution, but has immediate and long-term economic consequences
- Significant tax increase on a single industry, ranging from 150-300% depending on oil price
- Now is not the time to increase taxes on any industry – including the oil and gas industry

