



ALASKA OIL & GAS ASSOCIATION
People. Pride. Petroleum.

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Kara Moriarty, President & CEO

April 8, 2022

VIA EMAIL: House.Finance@akleg.gov

House Finance Committee
Alaska State Capitol, Room 519
Juneau, AK 99801

RE: HB 409

House Finance Committee Members,

The Alaska Oil and Gas Association (AOGA) appreciates the opportunity to provide comment on House Bill 409 (HB409).

Incorporated in Alaska in 1966, AOGA is a professional trade association whose mission is to foster the long-term viability of the oil and gas industry for the benefit of all Alaskans. For more than half a century, we have represented the majority of companies exploring, developing, producing, transporting, refining, or marketing oil and gas on the North Slope, in the Cook Inlet, and in the offshore areas of Alaska. On behalf of our membership, we write to express our support for HB409.

Petro Star Inc., a wholly owned subsidiary of Arctic Slope Regional Corporation, operates two refineries situated along the Trans-Alaska Pipeline System (TAPS) in North Pole and Valdez. These plants contribute significantly to our state and local economies, and in addition to employing Alaskans, Petro Star's partnerships with Golden Valley Electric Association and Copper Valley Electric Association, provides Interior and Southcentral residents with significant energy savings. The State of Alaska also realizes cost savings by having a local source for asphalt oil for Interior road work. As an in-state manufacturer of quality fuels, Petro Star is a critical source of jet fuel for Alaska's commercial airlines and military bases, as well as heating oil, ultra-low sulfur diesel fuels, and other essential products and services consumed by Alaska residents and businesses.

This contract with the State of Alaska is critical to enable Petro Star to continue providing essential products locally and contributing significantly to our state economy. Additionally, the Department of Natural Resources noted in their Best Interest Finding the additional financial benefit to the State due to the price the state will receive for its Royalty in Kind oil.

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We believe in supporting this bill the Legislature will encourage further positive economic benefits to the State similar to those noted above. We appreciate the opportunity to comment in support of HB409.

Sincerely,

A handwritten signature in black ink that reads "Kara Moriarty". The signature is written in a cursive, flowing style.

Kara Moriarty
President/CEO
Alaska Oil and Gas Association