

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSSB 348(FIN)
 (S) Publish Date: 2/27/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Natural Resources
 Title Royalty Oil Contract Sale Approval RDU Resource Development
 Component Oil and Gas Development
 Sponsor Therriault
 Requester Senate Finance Component No. 439

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010

CHANGE IN REVENUES (1004 GF)	7,665.0	7,665.0	7,665.0	7,665.0	7,665.0	7,665.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would provide legislative approval of a royalty oil contract between the state and Flint Hills Resources Alaska for the sale of Alaska North Slope royalty oil.

The contract price for royalty oil sold to Flint Hills Resources Alaska will be approximately \$0.30 per barrel more than the state will receive for royalty oil taken by the lessees in-value. The contract allows Flint Hills to purchase up to 77,000 barrels per day.

The contract price goes into effect as soon as the Governor signs the passed legislation. Assuming passage by March 31, an additional \$2.1 million in revenues would be received in FY04.

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 Division Oil and Gas Date/Time 2/26/04
 Approved by: Thomas Irwin, Commissioner Date 2/26/04
 Agency Natural Resources