

SCOMM

101:96

REVENUE SOURCES BOOK

FORECAST & HISTORICAL DATA

SPRING 1995



STATE OF ALASKA

Tony Knowles, Governor

DEPARTMENT OF REVENUE

Wilson L. Condon, Commissioner

STATE OF ALASKA

DEPARTMENT OF REVENUE

OIL AND GAS AUDIT DIVISION

TONY KNOWLES, GOVERNOR

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April 14, 1995

The Honorable Tony Knowles
Governor
P.O. Box 110001
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Dear Governor Knowles:

Declining oil production on the North Slope and potentially volatile oil prices continue to be the key factors in looking ahead at the State's future revenue stream. Oil prices during FY 1995 have been exceptionally stable averaging just over \$16.50/bbl since last July. Lower-than-expected production from Prudhoe Bay has resulted in a downward revision in our production forecast by .067 million bbl/day in FY 1995 and .092 million bbl/day in FY 1996. The results are a FY 1995 base case scenario projection of \$1,885.2 million in General Fund unrestricted revenues, down \$67.6 million from our last forecast and a FY 1996 projection of \$1,774.7 million in General Fund unrestricted revenues down \$184.6 million.

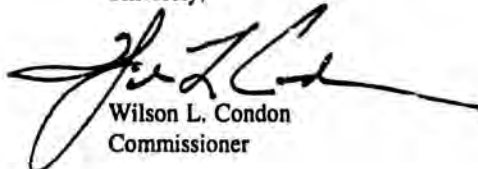
The global demand for crude oil increased substantially last year as the global economy followed the U.S. economy into recovery. OPEC member countries continue to produce at close to quota levels although higher non-OPEC production has absorbed the biggest share of increased consumption. The result has been a relatively stable oil price situation with prices so far this spring hovering around the \$17/bbl level.

Oil production from Alaska's North Slope briefly jumped above 1.7 million bbl/day with the gas handling project GHX-2 fully operational at Prudhoe Bay last December, but output has been running closer to 1.6 million bbl/day since January. As a result, we have revised our near-term estimates for production downward from previously assumed levels. Over the long run, however, recently announced new developments including those planned for both Kuparuk and Milne Point actually make our long-term oil production forecast look better than before. Our latest assessment in our base case is that production through the Trans-Alaska Pipeline System (TAPS) will not fall below 1.0 million bbl/day until FY 2007.

Oil taxes and royalties continue to provide most of the revenue stream (78 percent in FY 1994 and a projected 82 percent in FY 1995). As the oil stream dries up, so will this tax base. Our current long-term forecast suggests that in general we expect this to happen slowly, but surely. Obviously, it will be a bigger problem sooner if oil prices turn out to be as low as they were in FY 1994.

This forecast is based on conservative assumptions about future enhancements of petroleum reserves and economic development of Alaska's resources. We have used a three scenario approach to deal with the very real oil price risks we face. Actual oil prices will follow a much more chaotic path than any of the scenarios taken by themselves. We feel confident that the scenarios depict a range which will include most of the likely future outcomes. It should be noted that the General Fund unrestricted revenues, as outlined in this forecast booklet, constitute only one part of the total revenue picture in terms of what is available for appropriation.

Sincerely,



Wilson L. Condon
Commissioner

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
REVENUE FORECAST SUMMARY	
<u>Outlook for Short Term (FY 1995 - FY 1997)</u>	1
<u>Outlook for Long Term (FY 1998 - FY 2010)</u>	2
REVENUE FORECAST: SHORT-TERM OUTLOOK (FY 1995 - FY 1997)	
<u>General Fund Unrestricted and Restricted Revenues</u>	5
<u>Petroleum Revenues</u>	
Importance of Petroleum Revenues	9
<u>Current Oil Market Situation</u>	
World Market	13
Alaska North Slope Market	14
<u>Forecast Assumptions</u>	
ANS Lower 48 Prices	15
Transportation Costs to Lower 48 Markets	17
Trans-Alaska Pipeline System Tariff	18
Wellhead Price for ANS	19
Oil Production	20

<u>SECTION</u>	<u>PAGE</u>
<u>Other Non-Oil Revenue Sources Assumptions</u>	
Oil Corporate Taxes	21
Non-Oil Corporate Taxes	21
Property Taxes	21
Alcoholic Beverage Taxes	21
Intergovernmental Receipts	22
Investment Earnings	22
Facilities and Related Charges	22
<u>Methodology</u>	23
<u>Short-Term Oil Price Scenarios</u>	
Base Case Scenario	25
Low Price Alternative Scenario	26
High Price Alternative Scenario	27
REVENUE FORECAST:	
LONG-TERM OUTLOOK (FY 1998 - FY 2010)	30
HISTORICAL REVENUES, PRICES, AND PRODUCTION	46

FORECAST FIGURES

<u>FIGURE</u>	<u>PAGE</u>
1. General Fund Unrestricted Revenues, FY 1994 Actual and FY 1995 - FY 2010 Estimates	3
2. ANS Lower 48 Spot Prices, FY 1994 Actual and FY 1995 - FY 2010 Estimates	4
3. ANS Production: Black Oil and NGLs, FY 1994 Actual and FY 1995 - FY 2010 Estimates	4
4. FY 1994 General Fund Unrestricted Revenues	9
5. FY 1994 General Fund Unrestricted Revenues (Detailed Petroleum Revenues as Percentages of the Total)	10
6. Percentage of General Fund Unrestricted Revenues Which Come from Petroleum (FY 1977 - FY 1997)	12
7. OPEC Production	13
8. ANS Spot Price, January 1989 - March 1995	14
9. ANS at the U.S. West Coast (January 1991 - January 1997)	16
10. ANS at the U.S. Gulf Coast (January 1991 - January 1997)	16
11. Total Transportation Costs to Lower 48 Pipeline and Tanker (January 1989 - March 1995)	17
12. ANS at the Wellhead (January 1991 - January 1997)	19
13. Simulated Oil Production Total Alaska and Base Case Prudhoe Bay (FY 1994 - FY 2010)	20
14. General Fund Unrestricted Revenue Projections	
Base Case Scenario FY 1981 - FY 2010	31
Low Price Alternative FY 1981 - FY 2010	31
High Price Alternative FY 1981 - FY 2010	31

FORECAST TABLES

<u>TABLE</u>	<u>PAGE</u>
1. General Fund Unrestricted Revenues and ANS Lower 48 Price (FY 1994 Actual and FY 1995 - FY 1997 Estimates)	1
2. General Fund Unrestricted Revenues and ANS Lower 48 Price (FY 1998 - FY 2000)	2
3. General Fund Unrestricted Revenues (FY 1994 Actual and FY 1995 - FY 1997 Estimates)	6-7
4. General Fund Unrestricted Revenues Petroleum Revenues as a Percentage of the Total	11
5. OPEC Production	13
6. Scenarios for ANS Oil Price West Coast and Gulf Coast (FY 1995 - FY 1997, FY 2000, FY 2005)	15
7. Marine Transportation Costs Valdez to Lower 48 (FY 1995 - FY 1997, FY 2000, FY 2005).....	17
8. Scenarios for TAPS Tariff (FY 1985 - FY 1995 Actuals, FY 1996 - FY 1998, FY 2000, FY 2005 Estimates).....	18
9. Scenarios for ANS Wellhead Price (FY 1995 - FY 1997, FY 2000, FY 2005).....	19
10. Global Market Assumptions, Base Case Scenario	24
11. Base Case Scenario Revenues, Oil Prices, and Production (FY 1995 - FY 1997)	25
12. Low Price Alternative Revenues, Oil Prices, and Production (FY 1995 - FY 1997)	26
13. High Price Alternative Revenues, Oil Prices, and Production (FY 1995 - FY 1997)	27
14. Alaska State Revenue Matrix Unrestricted General Fund FY 1995	28
15. Alaska State Revenue Matrix Unrestricted General Fund FY 1996	29
16. Spring 1995 Forecast Assumptions.....	32

TABLE**PAGE****Petroleum Production Revenue Forecast**

17. Base Case Scenario (FY 1995 - FY 2010)..... 33
18. Low Price Alternative (FY 1995 - FY 2010)..... 34
19. High Price Alternative (FY 1995 - FY 2010) 35

Detailed Revenue Projections

20. Base Case Scenario (FY 1995 - FY 2010)..... 36-37
21. Low Price Alternative (FY 1995 - FY 2010)..... 38-39
22. High Price Alternative (FY 1995 - FY 2010) 40-41
23. Projected and Historical Crude Oil Prices
Alaska North Slope and Domestic Marker In 1992 Constant \$/Barrel 42

Simulated Oil Production

24. Base Case Scenario (FY 1995 - FY 2010)..... 43
25. Low Price Alternative (FY 1995 - FY 2010)..... 44
26. High Price Alternative (FY 1995 - FY 2010) 45
27. Historical Petroleum Revenues (FY 1959 - FY 1993)..... 47
28. Historical General Fund Unrestricted Revenues
Tax and Non-Tax Portion (FY 1979 - FY 1993)..... 48-49
29. Historical Crude Oil Spot Prices For Alaska North Slope
Crude and Domestic Marker (FY 1981 - FY 1994) 50
30. Historical Crude Oil Production For Alaska North Slope
and Cook Inlet (FY 1978 - FY 1994) 51

REVENUE FORECAST SUMMARY

Outlook for Short Term (FY 1995 - FY 1997)

With a good part of FY 1995 already elapsed, oil prices continue to average around \$16.50/bbl, \$.11/bbl higher than our base case assumption last fall. Relatively stable prices can be attributed to production discipline by the Organization of Petroleum Exporting Countries (OPEC) in the face of major increases in non-OPEC production and robust growth in world oil consumption. OPEC production has been averaging close to 25 million bbl/day compared to its official quota of 24.5 million bbl/day established in September 1993. World oil consumption in 1994 grew at the rate of 2 percent per year according to data compiled by the International Energy Administration.

The base case scenario for this forecast is essentially the same as that used for the fall 1994 forecast with only minor changes in price outlook. Two alternative price scenarios are presented in this revenue forecast. The scenarios are summarized as follows:

Base Case Scenario: Continued robust global economic growth results in increasing worldwide oil consumption. OPEC holds the line on overall member production levels and non-OPEC production grows only modestly. As a result, oil prices remain relatively stable with a moderate upward trend going into FY 1996.

Low Price Alternative: Global oil consumption grows very slowly as global economic activity begins to taper off. The embargo on Iraqi production is partially lifted and non-OPEC production exceeds expectations resulting in persistent downward pressure on oil prices.

High Price Alternative: Oil consumption increases rapidly in response to a strong global economy. Increased consumption puts pressure on available supply, and consequently, on oil prices.

Table 1

General Fund Unrestricted Revenues and ANS Lower 48 Price

	Base Case		Low Price Alternative		High Price Alternative	
	(\$Mil)	(\$/bbl)	(\$Mil)	(\$/bbl)	(\$Mil)	(\$/bbl)
FY 1994 Actual	1,652.5	14.21	1,652.5	14.21	1,652.5	14.21
FY 1995	1,885.2	16.45	1,780.7	16.20	1,986.4	16.63
FY 1996	1,774.7	16.52	1,566.4	15.29	2,014.7	17.97
FY 1997	1,828.6	16.62	1,563.0	15.03	2,108.4	18.20

Outlook for Long Term (FY 1998 - FY 2010)

The long-term outlook for State revenues assumes that the current fiscal system remains the same in the future with respect to State taxes and royalties. Given Alaska's dependence on petroleum revenues, Alaska's revenue future closely tracks the continued depletion of petroleum reserves, in particular, the mammoth Prudhoe Bay oil field. Although higher oil prices would offset some of the negative impact of anticipated lower production levels, ultimately revenues will fall barring some unknown oil discovery.

The current oil production forecast scenarios project total Alaska oil production to be one-half current levels (approximately .8 million bbl/day) by FY 2010 in the base case scenario. Clearly, Alaska will be a major oil producing region for years to come; however, keeping oil prices the same, the halving of production will reduce State oil revenues by one-half. For the base case, real or after-inflation adjusted oil prices are assumed to increase at .5 percent per year. For the low price alternative, real oil prices are estimated to decrease at 1.1 percent per year. And, for the high price alternative, real prices will grow at 1.1 percent per year.

This forecast is inherently conservative since it does not include any revenues from new oil fields which may be discovered and developed, such as the Arctic National Wildlife Refuge (ANWR), nor does it factor in any allowance for technological developments which will increase production from Alaska's older fields.

Table 2

General Fund Unrestricted Revenues and ANS Lower 48 Price

	Base Case		Low Price Alternative		High Price Alternative	
	(\$Mil)	(\$/bbl)	(\$Mil)	(\$/bbl)	(\$Mil)	(\$/bbl)
FY 1998	1,907.5	17.42	1,548.2	15.06	2,297.0	19.61
FY 1999	1,948.2	17.97	1,522.1	15.16	2,436.5	20.69
FY 2000	1,971.6	18.64	1,472.8	15.31	2,598.6	21.89

Figure 1

General Fund Unrestricted Revenues FY 1994 Actual and FY 1995 - FY 2010 Estimates

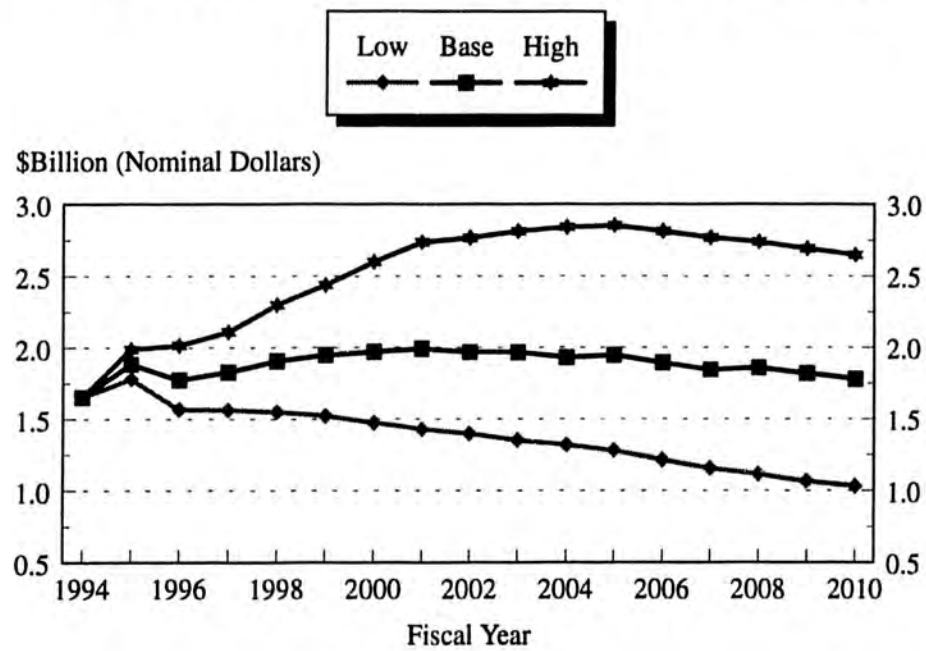


Figure 2

ANS Lower 48 Spot Prices FY 1994 Actual and FY 1995 - FY 2010 Estimates

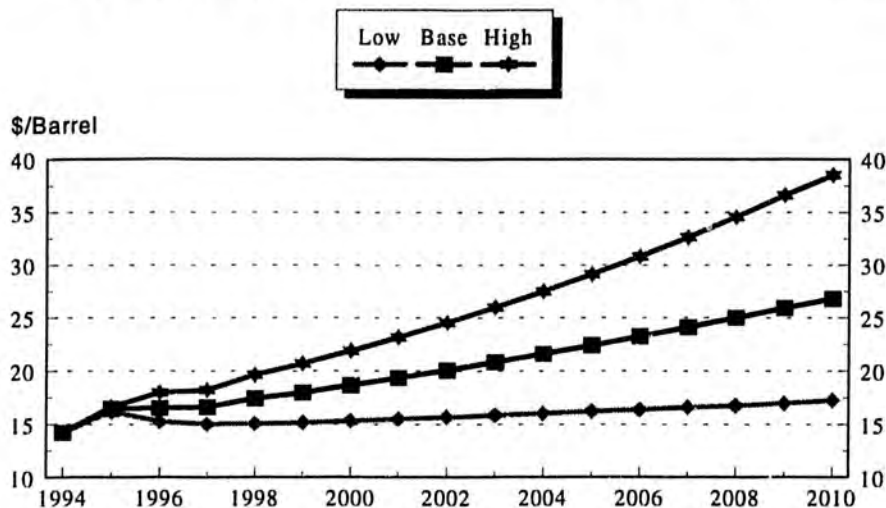
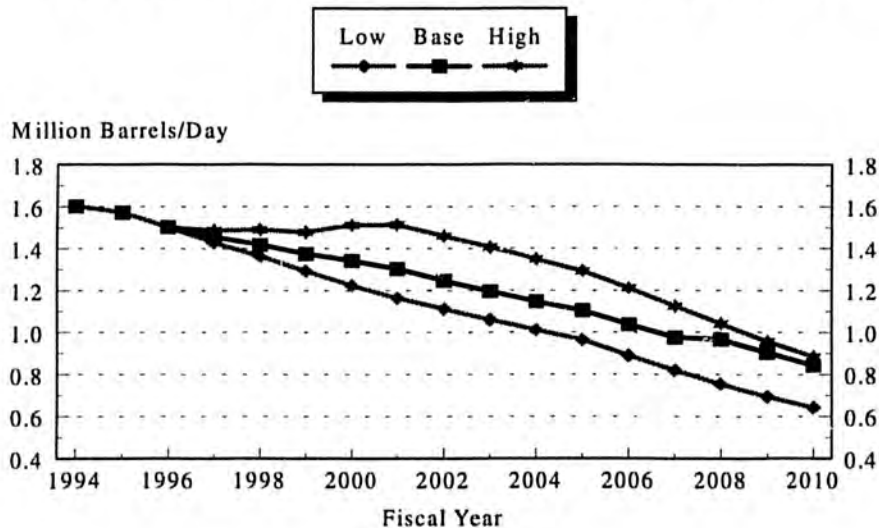


Figure 3

ANS Production: Black Oil and NGLs FY 1994 Actual and FY 1995 - FY 2010 Estimates



REVENUE FORECAST: SHORT-TERM OUTLOOK (FY 1995 - FY 1997)

General Fund Unrestricted and Restricted Revenues

This section analyzes unrestricted revenues through the remainder of FY 1995 to the end of FY 1997. Both unrestricted and restricted revenues flow into the General Fund, the account which finances most of the State budget. The difference between these two types of revenues is in how the Alaska State Legislature can use them. Unrestricted revenues have no restrictions on their use; restricted revenues carry some restriction. For most restricted revenues, the restriction comes from the federal government.

Because restricted revenues are specific in their use, discussions of revenues in this publication focus on unrestricted revenues. Restricted revenues designated in the State's budgeting process are not included in this forecast.

The table on the next pages shows sources of and actual General Fund unrestricted revenues for FY 1994. Additionally, General Fund unrestricted revenues are projected for FY 1995 through FY 1997 for the spring 1995 base case scenario and low and high price alternatives.

Table 3

GENERAL FUND UNRESTRICTED REVENUES

(Millions of Dollars)

		Base Case			Low Price Alternative			High Price Alternative		
	FY94									
TAXES	Actual	FY95	FY96	FY97	FY95	FY96	FY97	FY95	FY96	FY97
Income	44.3	45.0	45.0	40.0	35.0	30.0	30.0	55.0	55.0	50.0
Corporate - General	17.8	80.0	80.0	90.0	40.0	40.0	50.0	130.0	130.0	140.0
Corporate - Petroleum	62.1	125.0	125.0	130.0	75.0	70.0	80.0	185.0	185.0	190.0
Total (1)(2)										
Severance	662.8	775.6	703.4	727.9	752.2	631.2	620.9	792.8	792.9	841.3
Oil & Gas Production	2.3	2.1	1.9	1.8	2.1	1.9	1.8	2.1	1.9	1.9
Oil & Gas Conservation	27.0	21.9	14.1	13.8	21.9	14.1	13.5	21.9	14.1	14.0
Oil & Hazardous Release (3)	692.1	799.6	719.4	743.5	776.2	647.2	636.2	816.8	808.9	857.2
Total										
Property (4)	61.5	57.9	53.9	50.2	57.9	53.9	50.2	57.9	53.9	50.2
Oil & Gas										
Sale/Use	12.0	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5
Alcoholic Beverages	6.9	7.0	7.5	7.5	7.0	7.5	7.5	7.0	7.5	7.5
Fuel Taxes - Aviation (5)(6)	25.5	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0
Fuel Taxes - Highway (5)	8.1	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Fuel Taxes - Marine (5)	14.1	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5
Tobacco Products	66.6	66.5	67.0	67.0	66.5	67.0	67.0	66.5	67.0	67.0
Total										
Miscellaneous - Other Taxes	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alaska Business License (7)	33.9	29.0	29.0	29.0	21.0	21.0	21.0	37.0	37.0	37.0
Fish (8)	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Salmon Enhancement (9)	2.1	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Seafood Marketing (10)	3.7	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Salmon Marketing (11)	0.1	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Fish Landing (12)	26.1	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0
Insurance Companies	2.6	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Electric & Telephone Coop (13)	1.7	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Gaming (14)	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Mining License Tax	1.6	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Estate	77.2	74.6	74.6	74.6	66.6	66.6	66.6	82.6	82.6	82.6
Total										
TOTAL TAXES	959.5	1123.6	1039.9	1065.3	1042.2	904.7	900.0	1208.8	1197.4	1247.0

LICENSES & PERMITS

Business (7)(15)	5.6	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Non-Business	<u>30.1</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>
Total	<u>35.7</u>	<u>31.0</u>	<u>31.0</u>	<u>31.0</u>	<u>31.0</u>	<u>31.0</u>	<u>31.0</u>	<u>31.0</u>	<u>31.0</u>	<u>31.0</u>

INTERGOVERNMENTAL RECEIPTS

Federal Shared Revenues (16)(17)	4.2	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Section 8(g) Funds (16)(18)	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>
Total	<u>4.3</u>	<u>4.1</u>	<u>4.1</u>	<u>4.1</u>	<u>4.1</u>	<u>4.1</u>	<u>4.1</u>	<u>4.1</u>	<u>4.1</u>	<u>4.1</u>

RESOURCE SALES AND ROYALTIES**Sale/Use**

Bonus Sales (16)(19)(20)	0.6	0.8	0.0	0.0	0.8	0.0	0.0	0.8	0.0	0.0
Rents (16)(20)	4.6	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Royalties (16)	512.1	615.6	600.2	628.7	597.5	537.1	538.4	629.3	678.1	722.2
Sale of State Property (7)	9.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Gravel, Timber, etc. (7)	<u>0.4</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
Total	<u>526.7</u>	<u>625.9</u>	<u>609.7</u>	<u>638.2</u>	<u>607.8</u>	<u>546.6</u>	<u>547.9</u>	<u>639.6</u>	<u>687.6</u>	<u>731.7</u>

INVESTMENT EARNINGS

	<u>31.7</u>	<u>38.6</u>	<u>28.0</u>	<u>28.0</u>	<u>33.6</u>	<u>18.0</u>	<u>18.0</u>	<u>40.9</u>	<u>32.6</u>	<u>32.6</u>
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FACILITIES RELATED CHARGES

Airports	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Ferry System (21)	40.4	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Other	<u>6.1</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total	<u>47.0</u>	<u>41.5</u>	<u>41.5</u>	<u>41.5</u>	<u>41.5</u>	<u>41.5</u>	<u>41.5</u>	<u>41.5</u>	<u>41.5</u>	<u>41.5</u>

SERVICES RELATED CHARGES

Court System	6.6	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Other	<u>4.8</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
Total	<u>11.4</u>	<u>11.5</u>	<u>11.5</u>	<u>11.5</u>	<u>11.5</u>	<u>11.5</u>	<u>11.5</u>	<u>11.5</u>	<u>11.5</u>	<u>11.5</u>

MISCELLANEOUS REVENUE

	<u>36.2</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>
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**TOTAL UNRESRICTED
REVENUE (22)**

	1652.5	1885.2	1774.7	1828.6	1780.7	1566.4	1563.0	1986.4	2014.7	2108.4
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MENTAL HEALTH TRUST102.1

FOOTNOTES

- (1) Tax settlements in FY 94 that must be paid to the Constitutional Budget Reserve Fund (CBRF) are not included in actual revenues.
- (2) Amounts include that portion (\$39.9 million in FY 94) annually shared through the municipal assistance program (AS 29.60.350).
- (3) Reflects enactment of the modified conservation surcharge on oil which reduces the surcharge to \$.03/bbl when the 470 Fund reached \$50 million (Ch. 128, SLA 1994).
- (4) Amounts represent the State's share of total oil and gas property taxes collected. Estimated total property taxes and the municipalities' share are as follows (millions \$): FY 94: \$315.1 and \$253.5; FY 95: \$309.1 and \$251.2; FY 96: \$291.9 and \$238.1; FY 97: \$279.7 and \$229.5.
- (5) The accounting approach prior to FY 93 was to subtract all refunds from the highway fuel account. The current approach commencing with FY 93 is to allocate refunds to their respective fuel types which are reflected in the numbers for FY 94 as well as the forecast.
- (6) Includes amounts annually shared to qualified municipalities (AS 43.40.010).
- (7) Most fees charged by various agencies are restricted program receipts and not General Fund unrestricted revenues.
- (8) The amount of \$33.9 million for FY 94 is the remainder after tax credits have been applied. Amounts collected after tax credits are subject to municipal revenue sharing (AS 43.75.130). In FY 94 the shared revenues were \$17.2 million.
- (9) Provides annual funding, based on collections, for qualified regional aquaculture associations (AS 43.76 and AS 29.60.450).
- (10) Provides annual funding, based on collections, for the Alaska Seafood Marketing Institute (AS 16.51.160).
- (11) The salmon marketing tax applies to permit holders per AS 43.76 and became effective July 1, 1993.
- (12) The fish landing tax per AS 43.77 became effective January 1, 1994. Revenue collections will not occur until FY 95.
- (13) Amounts include that portion (\$2.6 million for FY 94) annually refunded to local taxing authorities (AS 10.25.570).
- (14) Reflects enactment of the Gaming Reform Act (AS 05.15).
- (15) Amounts include that portion of amusement and gaming licenses (AS 43.35.050) and liquor licenses (AS 04.11.610) annually shared to qualified municipalities.
- (16) Net of Permanent Fund and Public School Fund contributions.
- (17) National forest receipts transferred to organized and unorganized boroughs per Chapter 37, SLA 1991.
- (18) The OCS "8(g)" monies normally deposited in the General Fund are now transferred to the budget reserve fund (CBRF) based on the Alaska Supreme Court opinion of April 4, 1994.
- (19) Figures for FY 94 reflect the State's unrestricted General Fund share of actual State lease sales: FY 94 (Sale 57, North Slope Foothills, September 1993, \$0—Sale 75A, Colville, September 1993, \$449,846.80); FY 95 (Sale 78, Cook Inlet, October 31, 1994, \$1,654,136.94).
- (20) The Department of Natural Resources projects the following tentative FY 96 and FY 97 state lease sales: FY 96 (Sale 79, Yakataga, September 1995—Sale 67A-W2, Cook Inlet, October 1995—Sale 74W, Cook Inlet, October 1995—Sale 76W, Cook Inlet, October 1995—Sale 78W, Cook Inlet, October 1995—Sale 80, Shaviovik, November 1995); FY 97 (Sale 85A, Cook Inlet, September 1996—Sale 86, Central Beaufort Sea, April 1997). Amounts from bonus bids are impossible to anticipate prior to sales; therefore, no estimates are provided.
- (21) Chapter 193, SLA 1990, established the Alaska Marine Highway System Fund and provided that gross revenues of the State ferry system be deposited in the fund which may then be appropriated for operating and capital expenditures.
- (22) The State, per AS 38.05.180, may grant incentive credits against royalties, severance taxes and rentals to companies for drilling exploratory wells. Credits granted for FY 94 have not been deducted from total unrestricted revenues. Additional credits are anticipated in subsequent years.

Petroleum Revenues

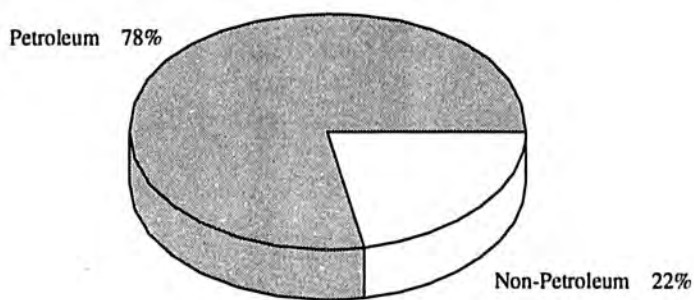
This section underlines the importance of petroleum revenues to Alaska's total revenues; discusses the current oil markets; sets out the petroleum forecast assumptions; describes the non-oil revenue source assumptions; and finally, concludes with a note on methodology.

Importance of Petroleum Revenues

Petroleum revenues accounted for 78 percent of all General Fund unrestricted revenues in FY 1994. The majority of total State petroleum production revenues continues to come from the Alaska North Slope (96 percent in FY 1994). The figure below shows the relationship of petroleum revenues to all revenues for FY 1994.

Figure 4

FY 1994 General Fund Unrestricted Revenues

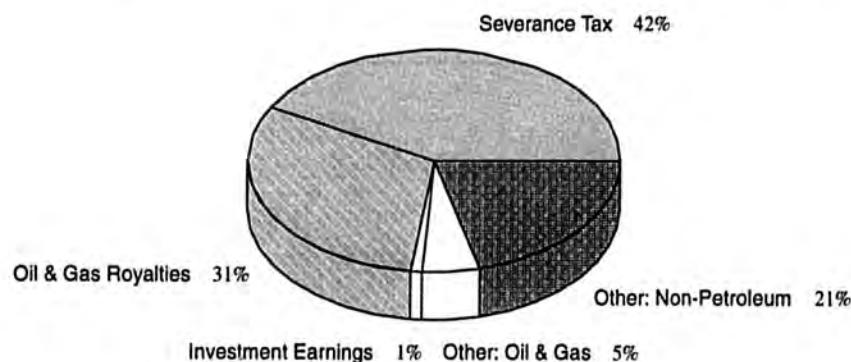


Petroleum revenues come from: (1) severance taxes (also called production taxes); (2) royalties on oil and gas the State owns; (3) corporate income taxes on corporations producing and transporting oil and gas; (4) oil and gas property taxes; and (5) other oil and gas revenues (rents and bonuses).

Together, these petroleum revenues accounted for 78 percent of State revenues in FY 1994. The State also collects revenues in the form of interest earned on money invested in the State Treasury, which accounted for another 1 percent of the total General Fund unrestricted revenues. (Most of the earnings come from interest earned on petroleum revenues.) The figure below illustrates detailed petroleum revenues as percentages of the total.

Figure 5

FY 1994 General Fund Unrestricted Revenues



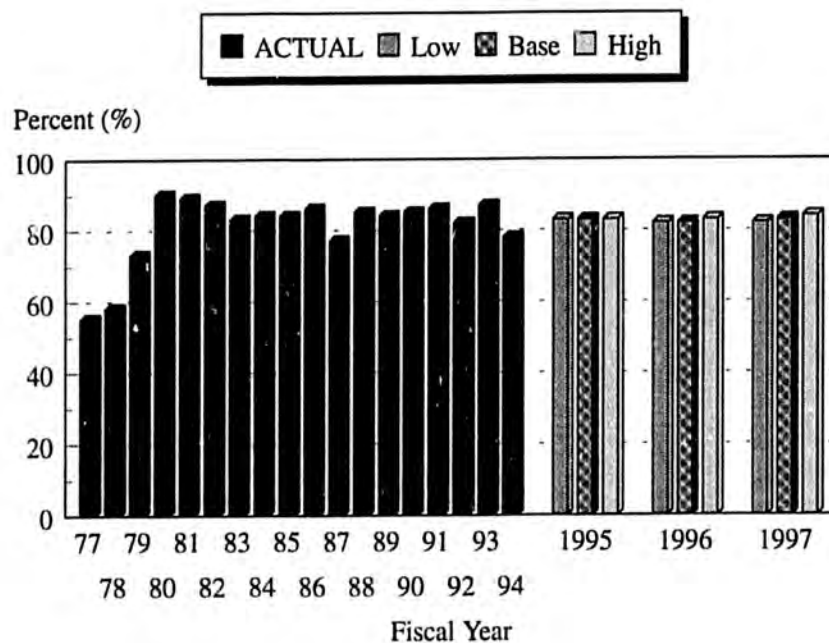
Petroleum revenues will continue to dominate Alaska's General Fund unrestricted revenues in the short term under all three scenarios as shown in Table 4 below.

Table 4 **General Fund Unrestricted Revenues
Petroleum Revenues as a Percentage of the Total**

	Total G.F. Unrestricted from Petroleum	Total G.F. Unrestricted Revenues	Percent
<u>FY 1994</u> Actual	1,292.7	1,652.5	78
<u>Base Case</u>			
FY 1995	1,562.5	1,885.2	83
FY 1996	1,462.1	1,774.7	82
FY 1997	1,521.0	1,828.6	83
<u>Low Price Alternative</u>			
FY 1995	1,481.0	1,780.7	83
FY 1996	1,286.8	1,566.4	82
FY 1997	1,283.4	1,563.0	82
<u>High Price Alternative</u>			
FY 1995	1,643.4	1,986.4	83
FY 1996	1,679.5	2,014.7	83
FY 1997	1,788.2	2,108.4	84

The State of Alaska has received most of its revenues from petroleum for a substantial period. Petroleum revenues comprised more than 77 percent of General Fund unrestricted revenues in FY 1994 for the fifteenth year in a row.

Figure 6 **Percentage of General Fund Unrestricted Revenues
Which Come From Petroleum**
(FY 1977 - FY 1997)



Current Oil Market Situation

World Market

So far, FY 1995 has proven to be one of the most stable periods for the oil market since 1986. Crude oil demand has continued to grow at about 2 percent per year with OPEC and non-OPEC countries roughly sharing the increase.

The base case scenario for FY 1996 suggests that OPEC market share should grow by roughly .7 million bbl/day. This level of call on OPEC leaves some room for increased production by members at current or slightly higher prices.

Given the hardline stance by the U.S., it is unlikely that the embargo on Iraqi production will be lifted any time soon. However, the Iraqis have succeeded in building significant support among U.N. members, particularly Security Council members France and Russia, for lifting the sanctions in place since the Persian Gulf War in 1990.

Figure 7 OPEC Production

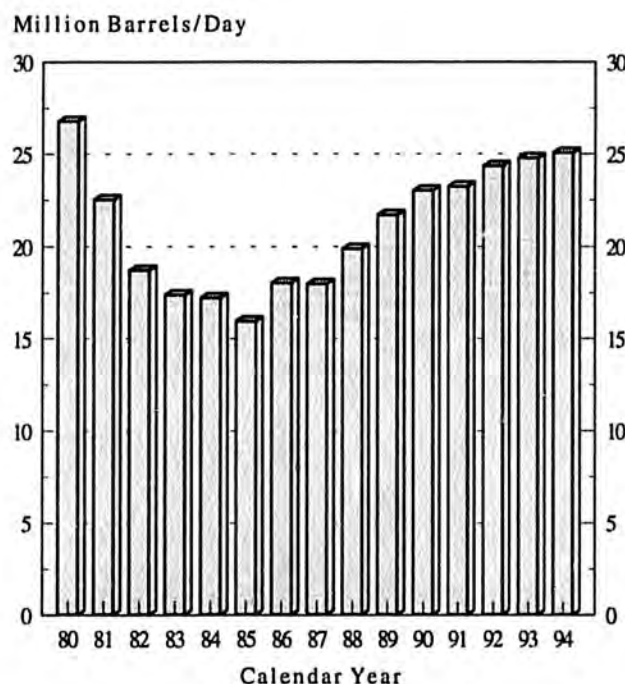


Table 5 OPEC Production
(Thousand bbls/day)

Country	Production	
	January 1995	1995 Quota
Algeria	750	750
Gabon	330	287
Indonesia	1,325	1,330
Iran	3,600	3,600
Iraq	670	400
Kuwait*	2,000	2,000
Libya	1,390	1,390
Nigeria	1,860	1,865
Qatar	420	378
Saudi Arabia*	8,000	8,000
UAE	2,225	2,161
Venezuela	2,450	2,359
TOTAL	25,020	24,520

Source: Platt's Oilgram News (2/8/95).

*Share Neutral Zone output.

Alaska North Slope Market

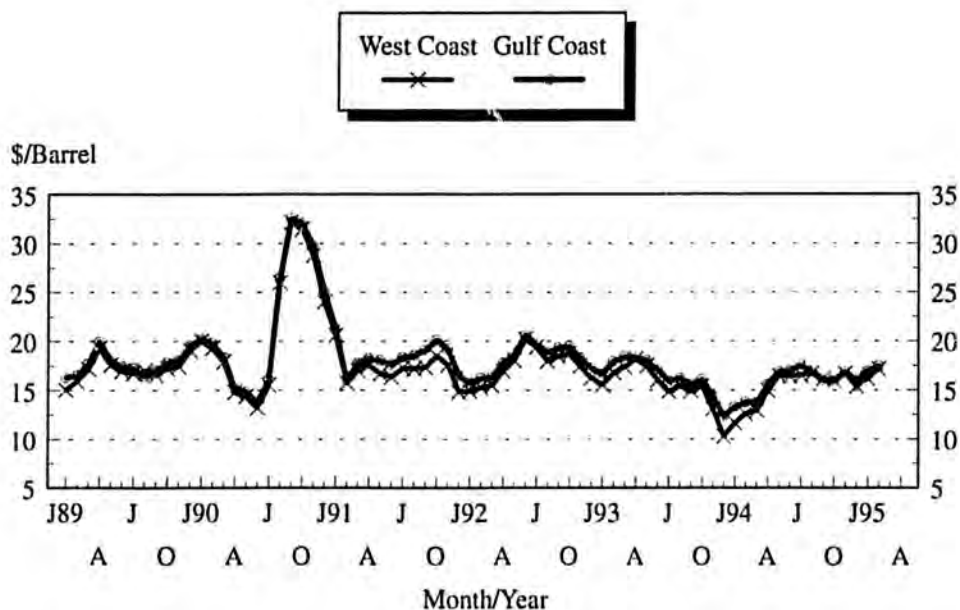
So far in FY 1995, ANS oil prices have averaged \$16.50/bbl—just slightly higher than the \$16.39/bbl used for our fall 1994 base case forecast. West Coast ANS prices have been particularly strong, suggesting that the recession-plagued California market may be turning around.

BP Exploration announced its official selling prices for March 1995 as \$17.16/bbl on the West Coast and \$17.42/bbl on the Gulf Coast. The price difference between West and Gulf Coast has narrowed considerably over the last eight months. The average difference was \$.28/bbl over this time period which included the three-month period of October, November, and December when prices were essentially the same in both markets. Prices at parity can be expected to occur more often in the future as ANS production declines and the most expensive transportation route to the Gulf Coast via Panama loses tanker traffic.

Roughly 85 percent of ANS production is sold on the West Coast, while 15 percent is marketed in the eastern half of the U.S. and Caribbean. As ANS production declines, it is expected that shipments via Panama to eastern U.S. destinations will cease after 1995. Greater transportation costs to the more distant markets result in a Gulf Coast-derived wellhead price which is lower than the West Coast price. Historical ANS spot prices are graphed below.

Figure 8

ANS Spot Price January 1989 - March 1995



Forecast Assumptions

ANS Lower 48 Prices

The oil price assumptions used in this forecast are based on spot oil prices as reported in Platt's Oilgram Price Report. Future ANS oil prices are developed subjectively to reflect the economic fundamentals depicted in the alternative oil market scenarios. The relative price relationships between ANS sold in the West Coast market and ANS sold in the Gulf Coast market are based on the last twelve months of market data.

Over the next few years, as demand on the West Coast grows and ANS production declines, ANS will not be sold for delivery to the Gulf Coast. At that time, West Coast ANS prices will be determined by the price of foreign sour crude oil imported into that market. The assumed forecast for ANS prices is contained in the table below.

Table 6
Scenarios for ANS Oil Price
West Coast and Gulf Coast
(\$/bbl)

Fiscal Year	Base Case		Low Price Alternative		High Price Alternative	
	West	Gulf	West	Gulf	West	Gulf
1995	16.39	16.84	16.14	16.58	16.57	17.02
1996	16.50	17.07	15.27	15.80	17.95	18.57
1997	16.62	16.62	15.03	15.03	18.21	18.21
2000	18.64	18.64	15.31	15.31	21.89	21.89
2005	22.39	22.39	16.20	16.20	29.12	29.12

Currently, prices reported by the producers for both severance tax and royalty purposes closely track spot prices. Royalties are reported using a value which is determined by a market basket of crude oils which includes ANS spot price.

The wellhead price determines the value of production, and thus the State's severance tax and royalty income. The discussion that follows describes the assumptions for the various cost deductions from the market price which determine the wellhead value.

Over the long run, demand on the West Coast will increase while ANS production is in decline; the oil glut on the West Coast will then disappear. In this forecast, West Coast and Gulf Coast oil prices are assumed to converge when the West Coast surplus disappears (this forecast assumes that prices converge in FY 1997). If the ANS export ban were lifted, the West Coast crude surplus would disappear immediately. West Coast oil prices would then rise to world oil price levels.

Figure 9

ANS at the U. S. West Coast

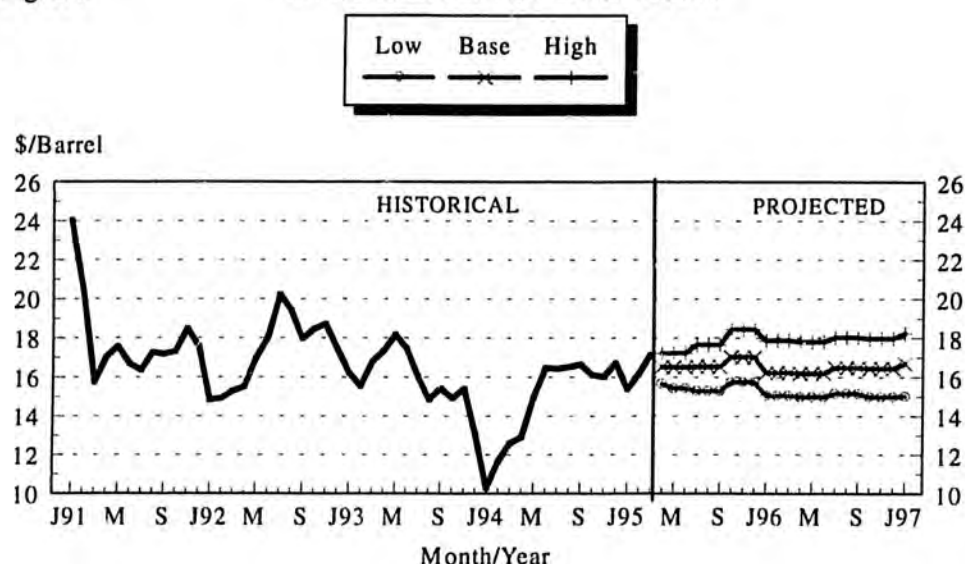
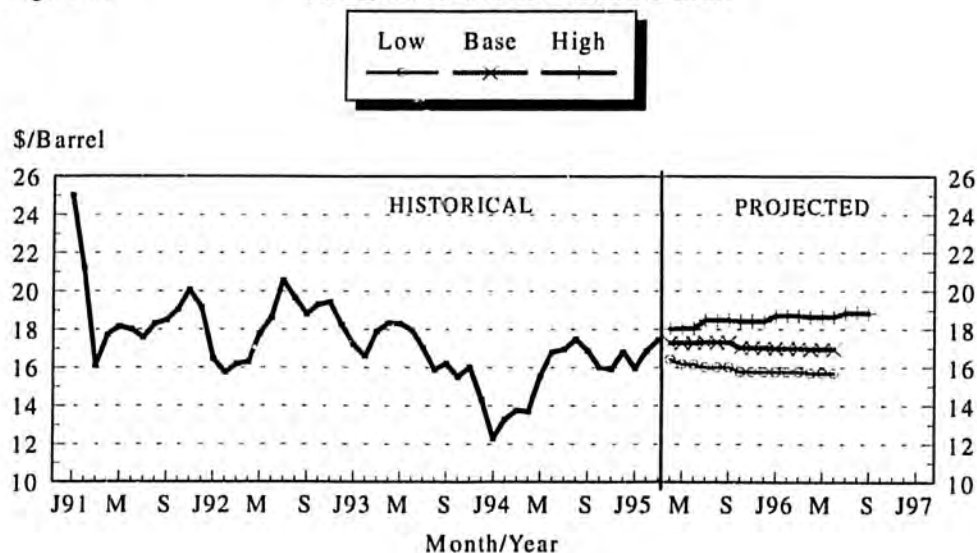


Figure 10

ANS at the U. S. Gulf Coast



Transportation Costs to Lower 48 Markets

The weighted average Lower 48 shipping cost averaged \$1.57/bbl in FY 1994, \$.03/bbl higher than in FY 1993. This increase can be attributed to tight markets in the higher cost Gulf trade. Also, the Oilspill Pollution Act of 1990 (OPA90) has added to transportation costs.

As ANS production declines and West Coast petroleum demand increases, shipments to the Gulf Coast will diminish which will free up excess tonnage and increase the proportion of tonnage going to the lower cost West Coast. Consequently, average shipping costs are expected to decrease over the next few years. In the long term, the double hulling requirements of OPA90 will result in increased shipping costs.

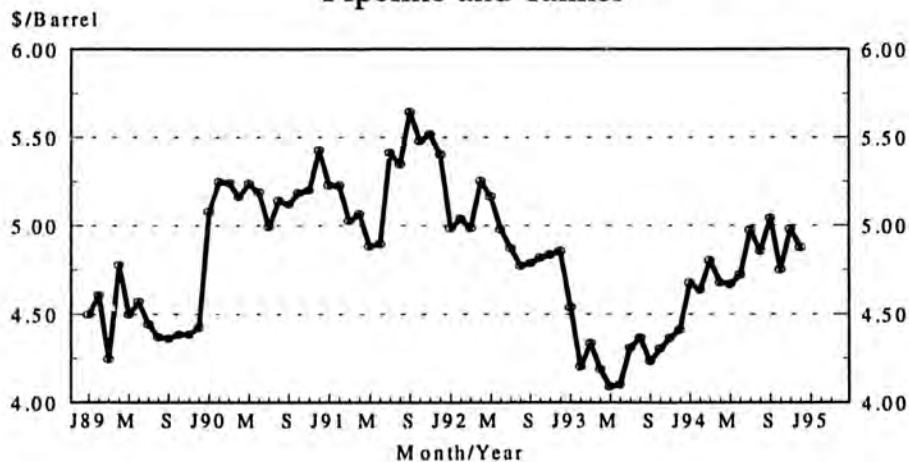
Table 7

Marine Transportation Costs Valdez to Lower 48

Fiscal Year	(\$/bbl)		
	Base Case	Low Price Alternative	High Price Alternative
1995	1.62	1.63	1.62
1996	1.46	1.46	1.46
1997	1.39	1.39	1.39
2000	1.54	1.51	1.59
2005	2.00	1.89	2.17

Figure 11

Total Transportation Costs to Lower 48 Pipeline and Tanker



Trans-Alaska Pipeline System Tariff

The Trans-Alaska Pipeline System (TAPS) tariff is determined according to the TAPS Settlement Method, a ratemaking agreement of the pipeline owners and the State of Alaska. This method of ratemaking allowed an accelerated recovery of the construction costs, operating costs, taxes, and a fixed profit of an inflation adjusted \$.35/bbl. This resulted in higher tariffs from 1977 through 1985 in exchange for lower tariffs in the late 1980's and 1990's.

As Table 8 below indicates, TAPS tariffs have increased since 1989 due to corrosion repairs, other unexpected maintenance costs, lower-than-expected TAPS throughput, and oil spill mitigation expenditures due to the Exxon Valdez accident.

The average tariff filed in FY 1995 was \$3.59/bbl. Historical and forecasted tariffs are represented below. New tariffs take effect January 1 of each year.

Table 8

Scenarios for TAPS Tariff (\$/bbl)

<u>Fiscal Year</u>	<u>Actual</u>	<u>Base Case</u>	<u>Low Price Alternative</u>	<u>High Price Alternative</u>
1985	6.04	.	.	.
1986	5.29	.	.	.
1987	4.20	.	.	.
1988	3.54	.	.	.
1989	3.12	.	.	.
1990	3.48	.	.	.
1991	3.75	.	.	.
1992	3.60	.	.	.
1993	3.24	.	.	.
1994	3.16	.	.	.
1995	3.59	.	.	.
1996	.	3.41	3.41	3.41
1997	.	2.84	2.85	2.85
1998	.	2.37	2.35	2.40
2000	.	2.35	2.33	2.40
2005	.	2.81	2.73	3.03

Wellhead Price for ANS

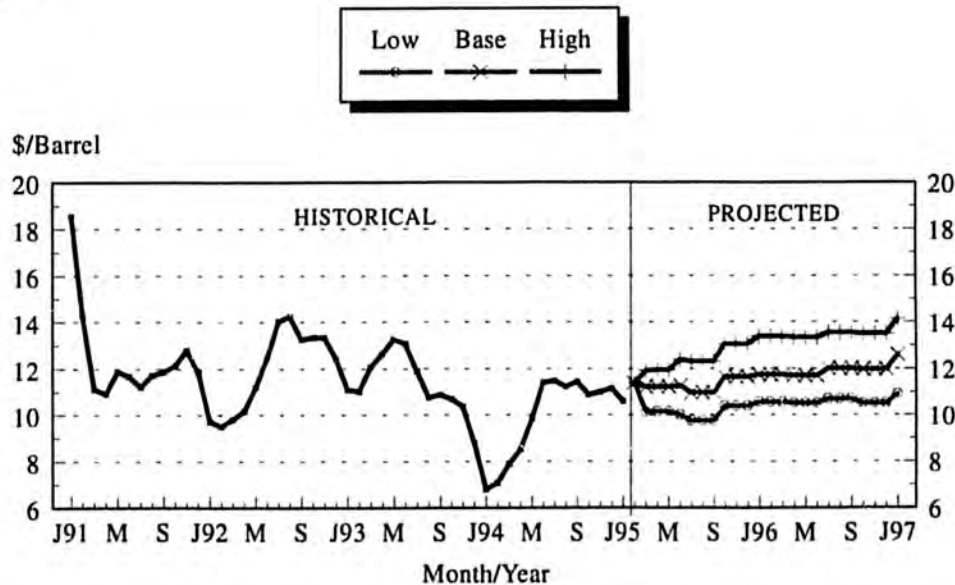
The wellhead value of ANS, along with production, is the basis for both State severance taxes and royalties. The wellhead value is calculated by subtracting the pipeline and marine transportation costs from the sales price (or transfer price at the refinery gate in the case of oil run through a producer's own refinery).

Table 9 Alternatives for ANS Wellhead Price
(\$/bbl)

Fiscal Year	Base Case	Low Price Alternative	High Price Alternative
1995	11.17	10.78	11.45
1996	11.51	10.30	13.02
1997	12.34	10.74	13.92
2000	14.69	11.42	17.70
2005	17.47	11.53	23.62

Figure 12

ANS at the Wellhead



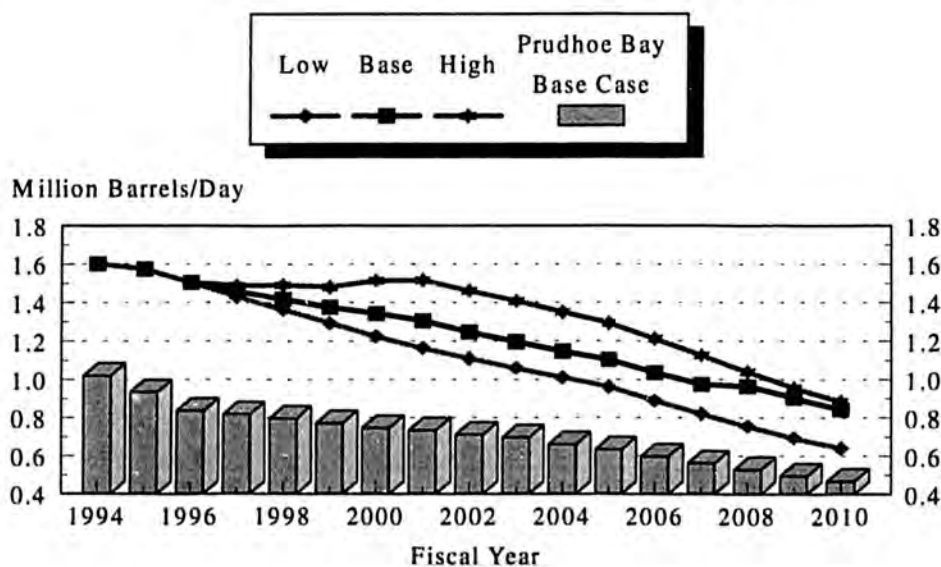
Oil Production

North Slope production accounts for 97 percent of statewide production. North Slope production for FY 1995 is projected to total approximately 575 million barrels, down 4.8 percent from the prior fiscal year. This decline is heavily influenced by greater-than-expected production downtime attributed to weather-induced tanker delays and unplanned winter maintenance at Prudhoe Bay. It is projected that total North Slope production will continue to decline at the more moderate average annualized rate of 3 percent throughout FY 2000.

Ongoing rig activity at Prudhoe Bay, Kuparuk, Endicott, and Point McIntyre; continued development of new and existing resources in the vicinity of Milne Point; and a successful expansion of the enhanced oil recovery project at Kuparuk are paramount in insuring the projected soft decline in production on the North Slope.

Figure 13

Simulated Oil Production Total Alaska and Base Case Prudhoe Bay



Other Non-Oil Revenue Sources Assumptions

Oil Corporate Taxes

Oil corporate taxes for FY 1994 generated \$17.8 million compared to \$834.7 million collected in FY 1993. Settlements of disputes over prior years' taxes resulted in the collection of a large part of the FY 1993 monies. The remaining large shortfall can be attributed to three factors: lower oil prices, large refunds, and deductibility of interest for tax settlements.

Non-Oil Corporate Taxes

Non-petroleum corporate taxes generated \$44.3 million in FY 1994 compared to \$37.6 million in FY 1993. The increase in non-petroleum corporate tax revenue can be attributed to enhanced business activity.

Property Taxes

Revenues from current oil and gas property tax, which are levied at 20 mills on the full and true value of oil and gas property, are expected to continue to decline. The decrease for FY 1992, FY 1993, and FY 1994 as compared to previous forecasts, is due in part to adjustments for investment delays and increased mill levies by the North Slope Borough, the Kenai Peninsula Borough, and the City of Valdez. The municipalities in which taxable oil and gas property exist continue to receive the bulk of the property tax assessment.

Alcoholic Beverage Taxes

Alcohol consumption has been fairly steady over the last five years in all categories. Current consumption trends for liquor, and wine and beer, given population growth, demographics, and income levels, are expected to continue generating revenues of between \$12 and \$13 million per year.

Intergovernmental Receipts

Federal Shared Revenues, which consist of several categories, totaled \$12.8 million in FY 1991 but dropped to \$6.7 million in FY 1992, to \$5.6 million in FY 1993, and to \$4.2 million in FY 1994. This is due primarily to the fact that the U.S. Forest Service (USFS) monies for timber sales were formerly allocated to only organized boroughs. The USFS has since notified the State that additional monies will be set aside for the unorganized borough as well (Chapter 37, SLA 1991). The monies are intended to support roads and schools affected by national forest activities.

Section 8(g) funds are the result of a negotiated settlement between the State and federal governments several years ago with a specific payment schedule. The bulk of this money, formerly going to General Fund unrestricted revenues, is now being transferred to the Constitutional Budget Reserve Fund (CBRF).

Investment Earnings

The projections are based on projected outgoing expenditures and incoming revenues with an assessment of yield on instruments and the length of maturity for the funds invested by the Treasury Division. FY 1994 investment earnings were \$31.7 million.

Facilities and Related Charges

The main revenue item in this category is ferry system receipts which amounted to \$40.4 million in FY 1994. The legislature established the Alaska Marine Highway System Fund (Chapter 193, SLA 1990) which provides that the gross revenue of the State ferry system be deposited into the fund and then may be appropriated for operating and capital expenditures.

Methodology

The Department of Revenue uses a variety of models and techniques to forecast petroleum severance taxes and royalties and non-petroleum revenue sources. The main petroleum forecasting model is a marketing and production simulation model which projects severance taxes and royalties on a company-by-company, field-by-field specific basis through the year 2010.

In this forecast we discuss only three of the many possible future price and production outcomes affecting Alaska oil revenues: the base case, the low price alternative, and the high price alternative.

To assist in examining a greater number of possible future oil revenue outcomes, a revenue matrix has been developed for both FY 1995 and FY 1996. The Alaska State Revenue Matrices on pages 28 and 29 provide an estimate of State General Fund unrestricted revenues for various alternative ANS price and production levels.

Table 10

Global Market Assumptions
Base Case Scenario

	Actual		Projected				1995	Q196	Q296	Q396	Q496	1996
	1993	1994	Q195	Q295	Q395	Q495						
DEMAND												
OECD												
North America	19.2	19.7	19.8	19.6	20.1	20.3	19.9	19.9	19.7	20.1	20.3	20.0
Europe	13.5	13.7	14.0	13.4	13.8	14.2	13.9	14.1	13.5	13.9	14.4	14.0
Pacific	6.3	6.6	7.3	6.2	6.3	7.0	6.7	7.4	6.3	6.3	7.1	6.8
Total	39.1	39.9	41.1	39.2	40.1	41.5	40.5	41.4	39.4	40.3	41.8	40.7
Non-OECD												
CIS*	5.6	4.8	5.2	4.7	4.4	4.0	4.6	4.9	4.4	4.1	3.8	4.3
China	3.0	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.3
Eastern Europe	1.3	1.4	1.4	1.4	1.3	1.4	1.4	1.4	1.4	1.3	1.4	1.4
West Hemisphere	5.6	5.7	5.7	5.9	6.0	5.9	5.9	5.9	6.1	6.2	6.1	6.1
Africa	2.1	2.0	2.1	2.1	2.0	2.1	2.1	2.1	2.1	2.1	2.2	2.1
Middle East	3.8	3.9	4.1	4.1	4.2	4.1	4.1	4.3	4.3	4.4	4.4	4.3
Asia	6.8	7.3	7.6	7.5	7.3	8.1	7.6	8.0	7.8	7.7	8.6	8.0
Total	28.2	28.2	29.3	28.7	28.4	29.0	28.8	29.9	29.3	29.1	29.7	29.5
TOTAL DEMAND	66.7	68.1	70.4	67.9	68.5	70.5	69.3	71.3	68.8	69.4	71.5	70.2
SUPPLY												
Non-OPEC												
OECD	16.8	17.6	18.4	17.9	18.0	18.6	18.2	18.6	18.1	18.2	18.8	18.4
CIS*	7.8	7.2	7.1	7.0	6.7	6.6	6.8	6.7	6.6	6.4	6.3	6.5
China	2.9	2.9	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.1	3.0
Eastern Europe	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
LDCs	11.2	11.7	11.9	11.8	11.9	12.1	11.9	12.2	12.1	12.2	12.4	12.2
Processing Gain	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
	40.6	41.2	42.2	41.5	41.4	42.2	41.8	42.4	41.7	41.6	42.3	42.0
OPEC	24.7	25.0	25.0	24.7	25.3	26.9	25.5	25.7	25.4	26.0	27.7	26.2
OPEC NGLs	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
TOTAL PRODUCTION	67.5	68.5	69.5	68.5	69.0	71.4	69.6	70.4	69.3	69.9	72.4	70.5
INVENTORY CHANGE	0.8	0.4	(0.9)	0.6	0.5	0.9	0.3	(0.9)	0.6	0.5	0.9	0.3

*Commonwealth of Independent States (formerly the Soviet Union)

Short-Term Oil Price Scenarios

Base Case Scenario

SUMMARY: *The base case scenario assumes modest growth in global oil consumption over the next two years as the economy slows in the U.S. and picks up in Japan and Europe with continued decline in the economy of the Commonwealth of Independent States (CIS). Little growth in non-OPEC production results in a small increase in OPEC market share. This puts mild upward pressure on oil prices as long as the Iraqi oil embargo continues.*

Table 10, on the adjacent page, contains specific assumptions about the global fundamentals (barrels produced and barrels consumed) used to develop the base case scenario. The basis for these assumptions is as follows:

1. OECD oil consumption is assumed to grow by .6 million bbl/day as the Japanese and German economies begin to pick up. Non-OECD consumption also increases by .2 million bbl/day in 1995 and .5 million bbl/day in 1996, and would have been even greater but for the projected decline in consumption in the CIS from .6 million bbl/day in 1995 to .4 million bbl/day in 1996.
2. Non-OPEC oil production increases by .6 million bbl/day in 1995 and grows by .2 million bbl/day in 1996. Production outside the CIS grows by 1.0 million bbl/day in 1995 and .6 million bbl/day in 1996, but this is offset by the continued decline of production in the CIS of .4 million bbl/day in both 1995 and 1996.
3. Although there is considerable sentiment in the U.N. to lift the embargo on Iraq, the United States has made it very clear that it will resort to veto if necessary to see that the embargo remains in place.
4. The modestly growing OPEC market share will allow the cartel to accommodate slightly higher production by members rather than prevailing on membership to hold the line. The result is that oil prices for ANS quality oil should stay above \$15/bbl, but not move for long above \$17/bbl over the period.

Table 11	Unrestricted	ANS Lower 48	ANS Production
	General Fund Revenues (\$million)	Price (\$/bbl)	(million bbl/day)
FY 1995	1,885.2	16.45	1.574
FY 1996	1,774.7	16.52	1.503
FY 1997	1,828.6	16.62	1.457

The alternative price scenarios to the base case scenario are developed around a subjective assessment of the risks which would cause oil prices to be higher or lower. The risk factors that were identified in developing these alternatives are as follows: (1.) events pertaining to Iraq; (2.) global economic activity; (3.) impact of economic changes in the CIS; and (4.) political events in OPEC countries.

Also, no explicit attempt is made to account for the impact of weather; however, very short-term (weeks rather than months) impacts can be expected. Changes in weather will add to market volatility.

Low Price Alternative Scenario

SUMMARY: *The low price alternative scenario assumes that any one or all of the following events may occur which would cause oil prices to turn out to be lower than our base case.*

1. The embargo on Iraqi production is partially and then totally lifted by the end of 1996.
2. The U.S. economy begins to plunge rather rapidly as we enter 1996 which drags down global oil consumption growth.
3. Oil production levels in the CIS are arrested with the result that much more non-OPEC oil is moved into global markets.
4. Islamic upheaval in key OPEC countries increases the political pressure to produce beyond member quotas.

Table 12	Unrestricted	ANS Lower 48	ANS Production
	General Fund Revenues (\$million)	Price (\$/bbl)	(million bbl/day)
FY 1995	1,780.7	16.20	1.574
FY 1996	1,566.4	15.29	1.503
FY 1997	1,563.0	15.03	1.429

High Price Alternative Scenario

SUMMARY: *The high price alternative scenario assumes that any one or all of the following events may occur which would cause oil prices to turn out to be higher than our base case.*

1. The embargo on Iraqi oil stays in place.
2. Economic growth continues at a high pace in the U.S. and in the major world economies resulting in extremely rapid oil consumption growth.
3. Oil production in the CIS continues to slide through 1996.
4. Serious political unrest occurs in key OPEC countries which disrupts the flow of oil to world markets.

Table 13	Unrestricted	ANS Lower 48	ANS Production
	General Fund Revenues (\$million)	Price (\$/bbl)	(million bbl/day)
FY 1995	1,986.4	16.63	1.574
FY 1996	2,014.7	17.97	1.503
FY 1997	2,108.4	18.20	1.487

Table 14

Alaska State Revenue Matrix¹
Unrestricted General Fund
(Millions of Dollars)

FY 1995

Alaska North Slope Production
 Millions of barrels/day

Avg ANS ² Lower 48	1.30	1.35	1.40	1.45	1.50	1.55	1.60	1.65	1.70
\$10.00	1,415	1,427	1,439	1,452	1,464	1,476	1,489	1,501	1,513
\$11.00	1,415	1,428	1,440	1,452	1,464	1,476	1,489	1,501	1,513
\$12.00	1,418	1,431	1,443	1,456	1,469	1,481	1,494	1,506	1,519
\$13.00	1,449	1,465	1,481	1,498	1,514	1,531	1,547	1,564	1,580
\$14.00	1,485	1,505	1,526	1,547	1,567	1,588	1,609	1,630	1,650
\$15.00	1,553	1,582	1,612	1,642	1,671	1,701	1,730	1,760	1,789
\$16.00	1,623	1,662	1,700	1,739	1,777	1,816	1,855	1,893	1,932
\$17.00	1,693	1,741	1,788	1,836	1,884	1,931	1,979	2,027	2,074
\$18.00	1,763	1,820	1,877	1,933	1,990	2,047	2,104	2,160	2,217
\$19.00	1,833	1,899	1,965	2,031	2,096	2,162	2,228	2,294	2,360
\$20.00	1,903	1,978	2,053	2,128	2,203	2,278	2,353	2,427	2,502
\$21.00	1,973	2,057	2,141	2,225	2,309	2,393	2,477	2,561	2,645
\$22.00	2,043	2,136	2,229	2,322	2,415	2,509	2,602	2,695	2,788
\$23.00	2,113	2,215	2,318	2,420	2,522	2,624	2,726	2,828	2,930
\$24.00	2,183	2,295	2,406	2,517	2,628	2,739	2,851	2,962	3,073
\$25.00	2,253	2,374	2,494	2,614	2,735	2,855	2,975	3,095	3,216
\$26.00	2,323	2,453	2,582	2,712	2,841	2,970	3,100	3,229	3,358
\$27.00	2,394	2,532	2,670	2,809	2,947	3,086	3,224	3,363	3,501
\$28.00	2,464	2,611	2,759	2,906	3,054	3,201	3,349	3,496	3,644
\$29.00	2,534	2,690	2,847	3,003	3,160	3,317	3,473	3,630	3,786
\$30.00	2,604	2,769	2,935	3,101	3,266	3,432	3,598	3,763	3,929

¹ Assumptions other than price and production are based on the Department of Revenue's base case scenario spring 1995 forecast.

² The average ANS price for all Lower 48 sales is approximately \$0.38/barrel less than the U.S. Gulf price in FY 1995.

Table 15

Alaska State Revenue Matrix¹
Unrestricted General Fund
(Millions of Dollars)

FY 1996

Avg ANS Lower 48 ²	Alaska North Slope Production Millions of barrels/day								
	1.30	1.35	1.40	1.45	1.50	1.55	1.60	1.65	1.70
\$10.00	989	1,009	1,028	1,048	1,067	1,087	1,106	1,126	1,145
\$11.00	1,065	1,087	1,110	1,132	1,154	1,176	1,199	1,221	1,243
\$12.00	1,163	1,189	1,215	1,241	1,267	1,293	1,319	1,345	1,371
\$13.00	1,261	1,291	1,321	1,350	1,380	1,410	1,440	1,470	1,500
\$14.00	1,359	1,393	1,427	1,460	1,494	1,527	1,561	1,595	1,628
\$15.00	1,458	1,495	1,533	1,570	1,607	1,645	1,682	1,719	1,757
\$16.00	1,556	1,597	1,639	1,680	1,721	1,762	1,803	1,844	1,885
\$17.00	1,655	1,700	1,744	1,789	1,834	1,879	1,924	1,969	2,014
\$18.00	1,753	1,802	1,850	1,899	1,948	1,996	2,045	2,094	2,142
\$19.00	1,852	1,904	1,956	2,009	2,061	2,114	2,166	2,219	2,271
\$20.00	1,950	2,006	2,062	2,119	2,175	2,231	2,287	2,343	2,400
\$21.00	2,048	2,108	2,168	2,228	2,288	2,348	2,408	2,468	2,528
\$22.00	2,147	2,211	2,274	2,338	2,402	2,466	2,529	2,593	2,657
\$23.00	2,245	2,313	2,380	2,448	2,515	2,583	2,650	2,718	2,785
\$24.00	2,344	2,415	2,486	2,558	2,629	2,700	2,771	2,843	2,914
\$25.00	2,442	2,517	2,592	2,667	2,742	2,817	2,892	2,967	3,042
\$26.00	2,541	2,619	2,698	2,777	2,856	2,935	3,013	3,092	3,171
\$27.00	2,639	2,722	2,804	2,887	2,969	3,052	3,134	3,217	3,300
\$28.00	2,737	2,824	2,910	2,996	3,083	3,169	3,256	3,342	3,428
\$29.00	2,836	2,926	3,016	3,106	3,196	3,286	3,377	3,467	3,557
\$30.00	2,934	3,028	3,122	3,216	3,310	3,404	3,498	3,591	3,685

¹ Assumptions other than price and production are based on the Department of Revenue's base case scenario spring 1995 forecast.

² The average ANS price for all Lower 48 sales is approximately \$0.55/barrel less than the U. S. Gulf price in FY 1996.

REVENUE FORECAST: LONG-TERM OUTLOOK (FY 1998 - FY 2010)

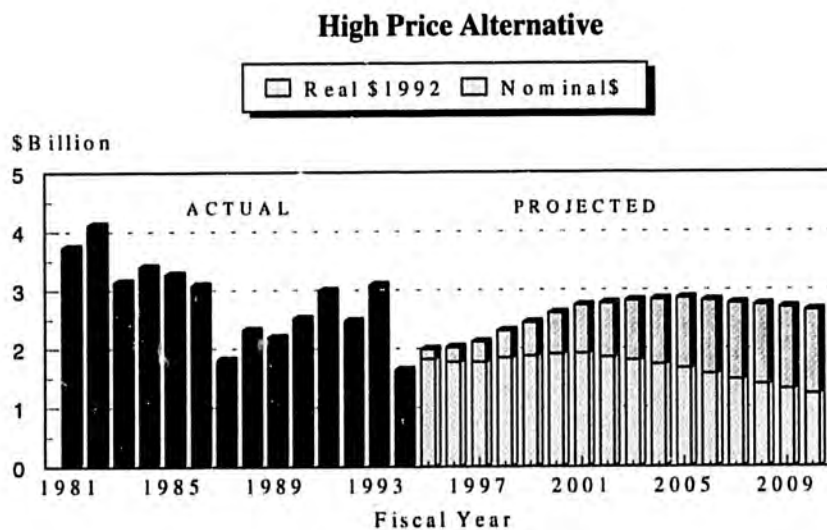
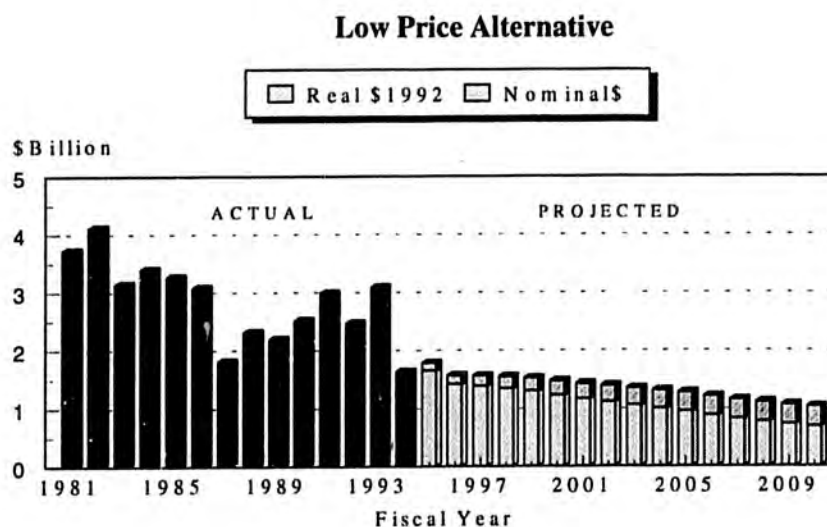
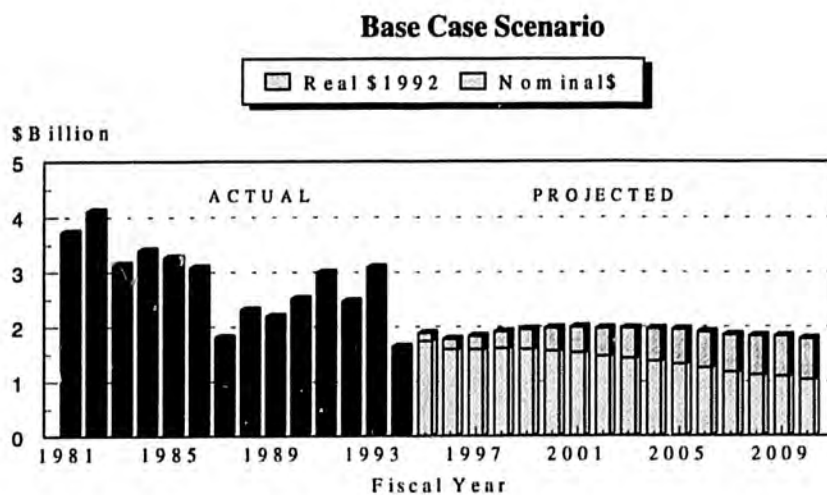
This section focuses on the long term from FY 1998 through FY 2010. It provides revenue projections for this period and also sets out the assumptions behind those projections for the base case scenario, and low and high price alternatives.

The graphs on the adjacent page show the actual General Fund unrestricted revenues from FY 1981 through FY 1994 and revenue projections from FY 1995 through 2010 for the three alternatives provided in this forecast. Projections are provided in both nominal and real dollars.

The assumptions used for the spring 1995 forecast for inflation rate, Alaska oil production, the TAPS tariff, and average ANS Lower 48 price are available on page 32. On subsequent pages, the following tables are provided for the base case scenario, and low and high price alternatives:

1. North Slope and Cook Inlet petroleum production revenues.
2. Detailed revenue projections for each category of revenues.
3. The historical and expected prices for West Texas Intermediate (WTI) and ANS Wellhead from FY 1982 - FY 2010 in 1992 constant dollars.
4. Simulated oil production by field.

Figure 14 General Fund Unrestricted Revenue Projections
FY 1981 - FY 2010



Spring 1995 Forecast Assumptions

The following tables are part of the output from the Department of Revenue's simulation model, the Long-Run Fiscal Model (LRFM). All pertinent assumptions and footnotes are presented below:

- 1) Investment earnings are a function of expenditures and the resulting general investment fund balance.
(Note: Permanent Fund earnings are excluded from the long-range revenue forecast.)
Expenditures were assumed to increase at the scenario-specific inflation rate from the FY 1995 base year.
The real rate of return for investment earnings was assumed at 3 percent for all cases.
- 2) Non-petroleum/non-interest revenues beyond FY 1995 were assumed to increase at the scenario-specific inflation rate.

Table 16

	INFLATION RATE (percent)			ANS PRODUCTION (Millions of Barrels/day)			TAPS TARIFF (\$/bbl)			AVERAGE LOWER 48 PRICE (\$/bbl)		
<u>FY</u>	<u>Base</u>	<u>Low</u>	<u>High</u>	<u>Base</u>	<u>Low</u>	<u>High</u>	<u>Base</u>	<u>Low</u>	<u>High</u>	<u>Base</u>	<u>Low</u>	<u>High</u>
1995	2.91	2.29	3.64	1.574	1.574	1.574	3.59	3.59	3.59	16.45	16.20	16.63
1996	2.99	2.14	4.43	1.503	1.503	1.503	3.41	3.41	3.41	16.52	15.29	17.97
1997	2.99	2.14	4.43	1.457	1.429	1.487	2.84	2.85	2.85	16.62	15.03	18.20
1998	3.18	2.07	4.64	1.418	1.363	1.491	2.37	2.35	2.40	17.42	15.06	19.61
1999	3.18	2.07	4.64	1.375	1.293	1.479	2.36	2.34	2.41	17.97	15.16	20.69
2000	3.18	2.07	4.64	1.342	1.224	1.513	2.35	2.33	2.40	18.64	15.31	21.89
2001	3.18	2.21	4.71	1.304	1.163	1.515	2.44	2.42	2.50	19.34	15.49	23.17
2002	3.18	2.21	4.71	1.246	1.110	1.459	2.54	2.50	2.63	20.06	15.66	24.54
2003	3.18	2.21	4.71	1.195	1.059	1.406	2.62	2.56	2.74	20.81	15.84	25.98
2004	3.18	2.21	4.71	1.146	1.011	1.349	2.72	2.64	2.88	21.59	16.02	27.51
2005	3.18	2.21	4.71	1.103	0.963	1.292	2.81	2.73	3.03	22.39	16.20	29.12
2006	3.18	2.21	4.71	1.037	0.889	1.211	2.94	2.86	3.21	23.23	16.38	30.83
2007	3.18	2.21	4.71	0.974	0.819	1.124	3.05	2.96	3.38	24.10	16.57	32.64
2008	3.18	2.21	4.71	0.965	0.755	1.040	3.10	3.08	3.57	25.00	16.76	34.56
2009	3.18	2.21	4.71	0.904	0.694	0.955	3.18	3.16	3.74	25.93	16.95	36.59
2010	3.18	2.21	4.71	0.843	0.642	0.884	3.26	3.23	3.90	26.82	17.23	38.53

Table 17

Base Case Scenario Petroleum Production Revenue Forecast
(Millions of Dollars)

Alaska North Slope								Cook Inlet							
Fiscal Year	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	ANS Total	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	Cook Inlet Total	State Total
1995	686.6	680.2	1.9	23.1	29.3	14.7	1435.7	25.5	0.0	0.1	0.4	26.1	14.6	66.7	1502.4
1996	729.2	673.3	1.8	22.8	30.7	15.6	1473.4	27.7	0.0	0.1	0.5	27.7	14.5	70.4	1543.8
1997	770.7	699.0	1.7	22.2	27.6	13.7	1535.0	26.5	0.0	0.1	0.4	26.5	15.2	68.6	1603.6
1998	834.5	737.3	1.7	21.7	29.8	14.7	1639.6	26.6	0.0	0.1	0.4	26.6	16.0	69.6	1709.2
1999	888.2	732.1	1.6	20.9	32.1	15.8	1690.7	25.6	0.0	0.0	0.4	25.6	16.8	68.4	1759.1
2000	904.6	738.8	1.5	20.5	33.4	16.4	1715.1	24.9	0.0	0.0	0.3	24.9	17.5	67.6	1782.7
2001	906.0	755.1	1.4	15.6	33.3	16.5	1727.8	23.5	0.0	0.0	0.3	23.5	18.4	65.7	1793.5
2002	895.9	747.5	1.3	11.4	32.7	16.3	1705.2	22.7	0.0	0.0	0.3	22.7	19.3	65.2	1770.4
2003	886.7	736.7	1.3	10.9	32.8	16.3	1684.7	22.1	0.0	0.0	0.3	22.1	20.3	64.8	1749.5
2004	880.9	728.3	1.2	10.5	33.0	16.3	1670.3	21.5	0.0	0.0	0.2	21.5	21.2	64.4	1734.7
2005	872.0	714.7	1.2	10.1	32.8	16.3	1647.1	20.0	0.0	0.0	0.2	20.0	22.2	62.5	1709.6
2006	844.6	676.6	1.1	9.5	32.1	15.9	1579.7	19.4	0.0	0.0	0.2	19.4	23.1	62.1	1641.8
2007	819.0	640.7	1.0	8.9	31.2	15.4	1516.2	18.7	0.0	0.0	0.2	18.7	24.1	61.8	1578.0
2008	856.3	621.3	0.9	8.9	30.7	15.2	1533.2	18.1	0.0	0.0	0.2	18.1	25.1	61.5	1594.7
2009	830.8	593.1	0.8	8.3	29.8	14.8	1477.7	17.5	0.0	0.0	0.2	17.5	26.1	61.3	1539.0
2010	802.9	564.4	0.8	7.7	29.1	14.4	1419.2	16.9	0.0	0.0	0.1	16.9	27.1	61.1	1480.3

Table 18

Low Price Alternative Petroleum Production Revenue Forecast (Millions of Dollars)

Alaska North Slope

Cook Inlet

Fiscal Year	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	ANS Total	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	Cook Inlet Total	State Total
1995	663.3	657.5	1.9	23.1	28.1	14.0	1387.8	25.5	0.0	0.1	0.4	26.1	14.6	66.7	1454.5
1996	650.0	603.3	1.8	22.8	26.7	13.4	1318.0	25.3	0.0	0.1	0.5	27.2	14.5	67.5	1385.5
1997	655.8	594.6	1.7	21.8	23.3	11.3	1308.5	23.6	0.0	0.1	0.4	28.4	15.0	67.5	1376.0
1998	654.1	580.4	1.7	20.8	23.8	11.3	1291.9	22.5	0.0	0.1	0.4	29.8	15.6	68.4	1360.3
1999	668.2	542.4	1.6	19.6	24.7	11.6	1268.2	21.1	0.0	0.1	0.4	31.0	16.2	68.6	1336.8
2000	638.8	512.2	1.5	18.6	24.8	11.4	1207.4	19.9	0.0	0.1	0.3	32.1	16.7	69.1	1276.5
2001	602.9	492.7	1.4	16.0	23.8	10.9	1147.6	18.2	0.0	0.1	0.3	34.4	17.4	70.4	1218.1
2002	575.1	472.7	1.3	10.1	22.5	10.4	1092.1	17.2	0.0	0.1	0.3	36.6	18.1	72.3	1164.4
2003	548.9	453.2	1.3	9.6	21.8	10.0	1044.8	16.3	0.0	0.0	0.3	38.8	18.9	74.2	1119.0
2004	524.2	435.8	1.2	9.2	21.1	9.6	1001.1	15.4	0.0	0.0	0.2	40.9	19.6	76.1	1077.2
2005	495.9	415.7	1.2	8.7	20.1	9.2	950.9	14.0	0.0	0.0	0.2	42.9	20.2	77.4	1028.3
2006	454.4	378.5	1.1	8.1	19.8	8.5	869.5	13.1	0.0	0.0	0.2	44.9	20.9	79.2	948.7
2007	416.3	344.3	1.0	7.4	17.6	7.9	794.5	12.4	0.0	0.0	0.2	46.8	21.6	81.0	875.5
2008	386.1	317.8	0.9	6.9	16.5	7.4	735.7	11.7	0.0	0.0	0.2	48.7	22.3	82.9	818.6
2009	354.6	289.6	0.8	6.3	15.5	6.9	673.7	11.0	0.0	0.0	0.2	50.6	23.0	84.8	758.5
2010	331.8	267.9	0.8	5.8	14.7	6.6	627.6	10.4	0.0	0.0	0.1	52.5	23.7	86.7	714.4

Table 19

High Price Alternative Petroleum Production Revenue Forecast

(Millions of Dollars)

Alaska North Slope								Cook Inlet							
Fiscal Year	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	ANS Total	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	Cook Inlet Total	State Total
1995	704.5	696.9	1.9	23.1	30.2	15.2	1471.8	25.5	0.0	0.1	0.4	26.1	14.6	66.7	1538.4
1996	826.9	760.0	1.8	22.8	35.6	18.3	1665.5	30.46	0.0	0.1	0.5	27.8	14.6	73.4	1738.9
1997	889.8	809.7	1.8	22.7	31.9	16.1	1772.0	29.35	0.0	0.1	0.4	29.7	15.5	75.1	1847.1
1998	1021.3	904.4	1.8	22.8	35.4	17.8	2003.4	30.38	0.0	0.1	0.4	32.1	16.6	79.6	2083.0
1999	1138.1	949.2	1.8	22.6	39.0	19.7	2170.4	30.00	0.0	0.1	0.4	34.2	17.6	82.3	2252.7
2000	1252.2	1016.2	1.9	23.2	41.6	21.1	2356.0	29.73	0.0	0.1	0.3	36.4	18.7	85.2	2441.2
2001	1325.4	1090.0	1.9	15.1	42.5	21.9	2496.8	28.63	0.0	0.1	0.3	39.9	19.9	88.9	2585.7
2002	1351.2	1104.2	1.8	13.4	42.7	22.1	2535.5	28.39	0.0	0.1	0.3	43.5	21.2	93.5	2629.0
2003	1378.0	1110.5	1.7	12.9	43.9	22.7	2569.7	28.16	0.0	0.0	0.3	47.2	22.6	98.3	2668.0
2004	1400.1	1113.2	1.7	12.4	45.1	23.3	2595.8	27.96	0.0	0.0	0.2	51.0	24.0	103.2	2699.0
2005	1411.8	1108.8	1.6	11.9	46.1	23.9	2604.0	26.62	0.0	0.0	0.2	54.8	25.4	107.1	2711.1
2006	1395.8	1072.9	1.5	11.1	46.0	23.8	2551.1	26.26	0.0	0.0	0.2	58.7	26.9	112.2	2663.2
2007	1368.4	1039.4	1.4	10.3	45.8	23.7	2489.0	25.91	0.0	0.0	0.2	62.8	28.5	117.4	2606.4
2008	1345.8	1016.5	1.3	9.6	45.8	23.7	2442.6	25.59	0.0	0.0	0.2	67.0	30.1	122.8	2565.5
2009	1307.6	987.8	1.2	8.8	45.5	23.6	2374.5	25.27	0.0	0.0	0.2	71.3	31.7	128.5	2502.9
2010	1273.9	960.0	1.1	8.1	45.2	23.3	2311.6	24.83	0.0	0.0	0.1	75.7	33.5	134.2	2445.7

Table 20

Base Case Scenario Detailed Revenue Projections
(Millions of Dollars)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
FY	SEVERANCE TAX	PROPERTY TAX	OIL & GAS INCOME TAX	GROSS ROYALTIES	MINERAL RENTS	BONUS SALES	INCOME FROM PRIOR YEARS	TOTAL PETROLEUM REVENUES	NON-PETRO NON-INTEREST REVENUES	GEN FUND INTEREST REVENUES	TOTAL REVS W/ PERM FUND DEDICATION
1995	799.60	57.90	80.00	834.70	17.77	0.80	9.40	1800.17	273.55	38.60	2112.32
1996	719.40	53.90	80.00	814.90	16.88	0.00	9.40	1694.48	273.25	28.00	1995.73
1997	743.50	50.20	90.00	853.70	16.03	0.00	13.40	1766.83	264.80	28.00	2059.63
1998	783.20	47.10	86.00	921.50	15.23	0.00	13.40	1866.43	272.74	27.07	2166.25
1999	779.20	43.20	84.00	978.20	14.47	0.00	13.40	1912.47	280.93	28.43	2221.83
2000	786.90	39.90	81.00	996.60	13.75	0.00	13.40	1931.55	289.35	29.03	2249.93
2001	803.80	36.60	78.00	999.30	13.06	0.00	13.40	1944.16	298.03	29.38	2271.57
2002	798.50	33.80	75.00	990.70	12.41	0.00	0.00	1908.41	306.98	29.68	2245.07
2003	785.90	31.20	74.00	983.60	11.79	0.00	0.00	1886.49	316.19	29.52	2232.19
2004	778.00	28.60	72.00	980.00	11.20	0.00	0.00	1869.80	325.67	29.35	2224.82
2005	764.90	26.30	70.00	972.10	10.64	0.00	0.00	1843.94	335.44	29.26	2208.63
2006	726.60	24.10	68.00	945.90	10.10	0.00	0.00	1774.70	345.50	29.05	2149.25
2007	690.50	22.10	65.00	921.50	9.60	0.00	0.00	1708.70	355.87	28.26	2092.82
2008	671.80	20.40	62.00	960.40	9.12	0.00	0.00	1723.72	366.55	27.51	2117.78
2009	643.50	18.70	59.00	936.10	8.66	0.00	0.00	1665.96	377.54	27.75	2071.26
2010	614.80	17.00	58.00	909.50	8.23	0.00	0.00	1607.53	388.87	27.14	2023.54

	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
FY	TOTAL REVS W/ PERM FUND DEDICATION	PUBLIC SCHOOL FUND	NPR-A FUND	OTHER FUNDS	PERMANENT FUND DEDICATION	BUDGET RESERVE	NET GENERAL FUND UNRESTRICTED REVENUES		
							NOMINAL\$	REAL 1992\$	
1995	2112.32	4.27	0.30	0.00	222.55	0.00	1885.20	1735.30	
1996	1995.73	4.16	0.10	0.00	216.76	0.00	1774.71	1586.21	
1997	2059.63	4.35	0.00	0.00	226.65	0.00	1828.63	1586.99	
1998	2166.25	4.68	0.00	10.00	244.11	0.00	1907.46	1604.46	
1999	2221.83	4.96	0.00	10.00	258.69	0.00	1948.18	1538.29	
2000	2249.93	5.05	0.00	10.00	263.30	0.00	1971.58	1557.90	
2001	2271.57	5.06	0.00	10.00	263.82	0.00	1992.69	1526.13	
2002	2245.07	5.02	0.00	10.00	261.41	0.00	1998.64	1461.31	
2003	2232.19	4.98	0.00	0.00	259.40	0.00	1967.81	1415.74	
2004	2224.82	4.96	0.00	0.00	258.31	0.00	1961.55	1367.81	
2005	2208.63	4.91	0.00	0.00	256.10	0.00	1947.62	1316.31	
2006	2149.25	4.78	0.00	0.00	249.13	0.00	1895.34	1241.55	
2007	2092.82	4.66	0.00	0.00	242.64	0.00	1845.52	1171.72	
2008	2117.78	4.85	0.00	0.00	252.66	0.00	1860.27	1144.74	
2009	2071.26	4.72	0.00	0.00	246.21	0.00	1820.33	1085.69	
2010	2023.54	4.59	0.00	0.00	239.16	0.00	1779.79	1028.84	

Table 21

Low Price Alternative Detailed Revenue Projections
(Millions of Dollars)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
FY	SEVERANCE TAX	PROPERTY TAX	OIL & GAS INCOME TAX	GROSS ROYALTIES	MINERAL RENTS	BONUS SALES	INCOME FROM PRIOR YEARS	TOTAL PETROLEUM REVENUES	NON-PETRO NON-INTEREST REVENUES	GEN FUND INTEREST REVENUES	TOTAL REVS W/ PERM FUND DEDICATION
1995	776.20	57.90	40.00	810.10	17.77	0.80	9.40	1712.17	254.56	33.60	2000.33
1996	647.20	53.90	40.00	729.10	16.88	0.00	9.40	1496.48	249.30	18.00	1763.78
1997	636.20	50.20	50.00	731.00	16.03	0.00	13.40	1496.83	245.68	18.00	1760.51
1998	621.90	47.10	59.00	730.10	15.23	0.00	13.40	1486.73	253.05	15.46	1755.25
1999	583.80	43.20	57.00	745.00	14.47	0.00	13.40	1456.87	260.64	15.44	1732.95
2000	553.30	39.90	56.00	715.60	13.75	0.00	13.40	1391.95	268.46	15.18	1675.59
2001	533.40	36.60	54.00	679.30	13.06	0.00	13.40	1329.76	276.52	14.68	1620.95
2002	513.10	33.80	51.00	651.40	12.41	0.00	0.00	1261.71	284.81	14.23	1560.75
2003	493.30	31.20	49.00	625.70	11.79	0.00	0.00	1210.99	293.35	13.64	1518.18
2004	475.80	28.60	46.00	601.50	11.20	0.00	0.00	1163.10	302.16	13.48	1478.73
2005	455.30	26.30	42.00	572.90	10.64	0.00	0.00	1107.14	311.22	13.15	1431.51
2006	417.40	24.10	39.00	531.30	10.10	0.00	0.00	1021.90	320.56	12.75	1355.21
2007	382.40	22.10	37.00	493.10	9.60	0.00	0.00	944.20	330.17	12.10	1286.47
2008	355.40	20.40	36.00	463.10	6.12	0.00	0.00	884.02	340.08	11.51	1235.61
2009	326.80	18.70	33.00	431.70	8.66	0.00	0.00	818.86	350.28	11.08	1180.23
2010	305.00	17.00	31.00	409.40	8.23	0.00	0.00	770.63	360.79	10.61	1142.03

	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
FY	TOTAL REVS W/ PERM FUND DEDICATION	PUBLIC SCHOOL FUND	NPR-A FUND	OTHER FUNDS	PERMANENT FUND DEDICATION	BUDGET RESERVE	NET GENERAL FUND UNRESTRICTED REVENUES		
							NOMINAL\$	REAL 1992\$	
1995	2000.33	4.14	0.30	0.00	215.15	0.00	1780.74	1649.19	
1996	1763.78	3.73	0.10	0.00	193.51	0.00	1566.44	1420.29	
1997	1760.51	3.74	0.00	0.00	193.78	0.00	1562.99	1387.43	
1998	1755.25	3.73	0.00	10.00	193.34	0.00	1548.18	1346.39	
1999	1732.95	3.80	0.00	10.00	197.01	0.00	1522.14	1296.88	
2000	1675.59	3.65	0.00	10.00	189.19	0.00	1472.75	1229.34	
2001	1620.95	3.46	0.00	10.00	179.60	0.00	1427.89	1166.07	
2002	1560.75	3.32	0.00	10.00	172.19	0.00	1375.24	1098.75	
2003	1518.18	3.19	0.00	0.00	165.36	0.00	1349.63	1054.93	
2004	1478.73	3.06	0.00	0.00	158.93	0.00	1316.74	1006.92	
2005	1431.51	2.92	0.00	0.00	151.37	0.00	1277.22	955.54	
2006	1355.21	2.71	0.00	0.00	140.44	0.00	1212.06	887.15	
2007	1286.47	2.51	0.00	0.00	130.40	0.00	1153.56	826.04	
2008	1235.61	2.36	0.00	0.00	122.49	0.00	1110.76	778.16	
2009	1180.23	2.20	0.00	0.00	114.23	0.00	1063.80	729.12	
2010	1142.03	2.09	0.00	0.00	108.33	0.00	1031.61	691.74	

Table 22

High Price Alternative Detailed Revenue Projections (Millions of Dollars)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
FY	SEVERANCE TAX	PROPERTY TAX	OIL & GAS INCOME TAX	GROSS ROYALTIES	MINERAL RENTS	BONUS SALES	INCOME FROM PRIOR YEARS	TOTAL PETROLEUM REVENUES	NON-PETRO NON-INTEREST REVENUES	GEN FUND INTEREST REVENUES	TOTAL REVS W/ PERM FUND DEDICATION
1995	816.80	57.90	130.00	853.40	17.77	0.80	9.40	1886.07	291.41	40.90	2218.38
1996	808.90	53.90	130.00	920.80	16.88	0.00	9.40	1939.88	291.30	32.60	2263.78
1997	857.20	50.20	140.00	980.80	16.03	0.00	13.40	2057.63	282.80	32.60	2373.03
1998	954.80	47.10	136.00	1119.10	15.23	0.00	13.40	2285.63	291.28	31.23	2608.14
1999	1002.30	43.20	131.00	1241.30	14.47	0.00	13.40	2445.67	300.02	34.26	2779.95
2000	1072.00	39.90	129.00	1359.90	13.75	0.00	13.40	2627.95	309.02	36.33	2973.30
2001	1147.90	36.60	125.00	1436.50	13.06	0.00	13.40	2772.46	318.29	38.75	3129.51
2002	1163.10	33.80	124.00	1465.80	12.41	0.00	0.00	2799.11	327.84	40.77	3167.72
2003	1170.80	31.20	121.00	1497.20	11.79	0.00	0.00	2831.99	337.68	41.41	3211.07
2004	1174.90	28.60	119.00	1524.20	11.20	0.00	0.00	2857.90	347.81	41.93	3247.64
2005	1171.80	26.30	115.00	1539.30	10.64	0.00	0.00	2863.04	358.24	42.37	3263.65
2006	1136.40	24.10	111.00	1526.80	10.10	0.00	0.00	2808.40	368.99	42.55	3219.94
2007	1103.50	22.10	108.00	1502.90	9.60	0.00	0.00	2746.10	380.06	41.94	3168.09
2008	1081.20	20.40	105.00	1484.20	9.12	0.00	0.00	2699.92	391.46	41.26	3132.64
2009	1053.20	18.70	103.00	1449.70	8.66	0.00	0.00	2633.26	403.21	40.80	3077.27
2010	1026.20	17.00	99.00	1419.60	8.23	0.00	0.00	2570.03	415.30	40.11	3025.44

	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
FY	TOTAL REVS W/ PERM FUND DEDICATION	PUBLIC SCHOOL FUND	NPR-A FUND	OTHER FUNDS	PERMANENT FUND DEDICATION	BUDGET RESERVE	NET GENERAL FUND UNRESTRICTED REVENUES		
							NOMINAL\$	REAL 1992\$	
1995	2218.38	4.36	0.30	0.00	227.34	0.00	1986.38	1815.55	
1996	2263.78	4.69	0.10	0.00	244.26	0.00	2014.73	1763.37	
1997	2373.03	4.98	0.00	0.00	259.67	0.00	2108.38	1767.08	
1998	2608.14	5.67	0.00	10.00	295.49	0.00	2296.98	1839.73	
1999	2779.95	6.28	0.00	10.00	327.13	0.00	2436.54	1864.93	
2000	2973.30	6.87	0.00	10.00	357.83	0.00	2598.60	1900.72	
2001	3129.51	7.25	0.00	10.00	377.61	0.00	2734.65	1910.18	
2002	3167.72	7.39	0.00	10.00	385.07	0.00	2765.26	1844.60	
2003	3211.07	7.54	0.00	0.00	393.09	0.00	2810.44	1790.34	
2004	3247.64	7.68	0.00	0.00	399.97	0.00	2839.99	1727.71	
2005	3263.65	7.75	0.00	0.00	403.76	0.00	2852.14	1656.99	
2006	3219.94	7.68	0.00	0.00	400.36	0.00	2811.90	1560.06	
2007	3168.09	7.56	0.00	0.00	394.01	0.00	2766.52	1465.78	
2008	3132.64	7.47	0.00	0.00	389.01	0.00	2736.16	1384.43	
2009	3077.27	7.29	0.00	0.00	379.90	0.00	2690.08	1299.84	
2010	3025.44	7.14	0.00	0.00	371.95	0.00	2646.35	1221.14	

Table 23

Projected and Historical Crude Oil Prices
Alaska North Slope Crude and Domestic Marker
In 1992 Constant \$/Barrel

	Base Case		Low Price Alternative		High Price Alternative	
Fiscal Year	WTI	ANS at Wellhead	WTI	ANS at Wellhead	WTI	ANS at Wellhead
1982	32.98	19.82	32.98	19.82	32.98	19.82
1983	35.52	17.60	35.52	17.60	35.52	17.60
1984	30.59	17.79	30.59	17.79	30.59	17.79
1985	28.15	17.37	28.15	17.37	28.15	17.37
1986	23.11	12.41	23.11	12.41	23.11	12.41
1987	16.14	7.84	16.14	7.84	16.14	7.84
1988	18.53	10.68	18.53	10.68	18.53	10.68
1989	16.93	9.55	16.93	9.55	16.93	9.55
1990	20.06	11.89	20.06	11.89	20.06	11.89
1991	24.95	15.38	24.95	15.38	24.95	15.38
1992	20.69	11.20	20.69	11.20	20.69	11.20
1993	20.69	12.80	20.69	12.80	20.69	12.80
1994	15.81	9.07	15.81	9.07	15.81	9.07
1995	16.74	10.28	16.61	9.96	16.78	10.46
1996	16.29	10.29	15.41	9.34	17.23	11.39
1997	15.91	10.71	14.85	9.53	16.69	11.66
1998	16.09	11.40	14.58	9.76	17.08	12.56
1999	16.04	11.47	14.37	9.63	17.14	12.78
2000	16.08	11.60	14.21	9.53	17.26	12.95
2001	16.12	11.66	14.05	9.35	17.38	13.11
2002	16.16	11.71	13.88	9.18	17.51	13.27
2003	16.20	11.77	13.72	9.02	17.64	13.43
2004	16.25	11.80	13.56	8.84	17.78	13.59
2005	16.29	11.81	13.40	8.62	17.91	13.72
2006	16.34	11.80	13.24	8.38	18.05	13.84
2007	16.39	11.80	13.09	8.15	18.20	13.98
2008	16.44	11.82	12.94	8.07	18.35	14.22
2009	16.48	11.89	12.79	7.94	18.51	14.44
2010	16.49	11.95	12.70	7.90	18.57	14.57

Table 24

Base Case Scenario Simulated Oil Production
(Millions of bbls/day)

Fiscal Year	NGL's	Prudhoe	Kuparuk	Milne Point	Endicott	Lisburne	West Sak	Cascade	North Star	Niakuk	Point McIntyre	Sag Delta	Schrader Bluff	West Beach	North Prudhoe	ANS Total	Cook Inlet	STATE TOTAL
1995	0.073	0.934	0.304	0.017	0.094	0.018	0.000	0.000	0.000	0.014	0.112	0.001	0.003	0.001	0.002	1.5736	0.044	1.618
1996	0.073	0.836	0.293	0.048	0.091	0.015	0.000	0.000	0.000	0.027	0.111	0.000	0.005	0.001	0.003	1.5028	0.047	1.550
1997	0.060	0.817	0.290	0.047	0.090	0.013	0.000	0.000	0.000	0.024	0.106	0.000	0.005	0.001	0.002	1.4567	0.044	1.500
1998	0.058	0.796	0.290	0.040	0.083	0.012	0.000	0.007	0.000	0.021	0.103	0.000	0.005	0.001	0.002	1.4178	0.041	1.459
1999	0.060	0.772	0.289	0.035	0.076	0.010	0.000	0.014	0.000	0.020	0.092	0.000	0.005	0.001	0.002	1.3747	0.038	1.413
2000	0.059	0.746	0.288	0.035	0.070	0.009	0.012	0.014	0.000	0.018	0.083	0.000	0.005	0.001	0.002	1.3420	0.035	1.377
2001	0.057	0.736	0.283	0.030	0.064	0.008	0.012	0.015	0.000	0.016	0.075	0.000	0.005	0.001	0.002	1.3040	0.032	1.336
2002	0.054	0.712	0.275	0.026	0.058	0.007	0.012	0.012	0.000	0.014	0.068	0.000	0.004	0.001	0.002	1.2464	0.029	1.276
2003	0.052	0.686	0.267	0.023	0.052	0.006	0.019	0.010	0.000	0.012	0.060	0.000	0.004	0.001	0.001	1.1950	0.027	1.222
2004	0.050	0.661	0.258	0.020	0.047	0.006	0.025	0.010	0.000	0.011	0.053	0.000	0.004	0.001	0.001	1.1464	0.025	1.172
2005	0.048	0.635	0.249	0.017	0.043	0.005	0.037	0.009	0.000	0.009	0.047	0.000	0.004	0.001	0.001	1.1033	0.023	1.126
2006	0.046	0.598	0.223	0.014	0.038	0.004	0.050	0.009	0.000	0.008	0.041	0.000	0.004	0.001	0.001	1.0365	0.021	1.057
2007	0.043	0.563	0.198	0.012	0.035	0.004	0.062	0.009	0.000	0.007	0.037	0.000	0.004	0.000	0.001	0.9737	0.019	0.993
2008	0.040	0.529	0.177	0.010	0.031	0.003	0.074	0.009	0.049	0.006	0.032	0.000	0.003	0.000	0.001	0.9652	0.018	0.983
2009	0.038	0.496	0.157	0.009	0.028	0.003	0.074	0.007	0.054	0.005	0.028	0.000	0.003	0.000	0.001	0.9036	0.017	0.920
2010	0.035	0.468	0.141	0.008	0.026	0.003	0.070	0.006	0.054	0.004	0.025	0.000	0.003	0.000	0.001	0.8431	0.015	0.859

Table 25

Low Price Alternative Simulated Oil Production
(Millions of bbls/day)

Fiscal Year	NGL's	Prudhoe	Kuparuk	Milne Point	Endicott	Lisburne	West Sak	Cascade	North Star	Niakuk	Point McIntyre	Sag Delta	Schrader Bluff	West Beach	North Prudhoe	ANS Total	Cook Inlet	STATE TOTAL
1995	0.073	0.934	0.304	0.017	0.094	0.018	0.000	0.000	0.000	0.014	0.112	0.001	0.003	0.001	0.002	1.574	0.044	1.618
1996	0.073	0.836	0.293	0.048	0.091	0.015	0.000	0.000	0.000	0.027	0.111	0.000	0.005	0.001	0.003	1.503	0.047	1.550
1997	0.060	0.794	0.287	0.047	0.089	0.013	0.000	0.000	0.000	0.024	0.106	0.000	0.005	0.001	0.002	1.429	0.044	1.473
1998	0.058	0.750	0.285	0.040	0.080	0.012	0.000	0.007	0.000	0.021	0.101	0.000	0.005	0.001	0.002	1.363	0.041	1.404
1999	0.060	0.705	0.282	0.034	0.072	0.010	0.000	0.014	0.000	0.019	0.089	0.000	0.005	0.001	0.002	1.293	0.038	1.331
2000	0.059	0.661	0.279	0.034	0.065	0.009	0.000	0.014	0.000	0.017	0.078	0.000	0.005	0.001	0.002	1.224	0.035	1.259
2001	0.057	0.632	0.273	0.029	0.058	0.008	0.000	0.015	0.000	0.016	0.069	0.000	0.004	0.001	0.001	1.163	0.032	1.194
2002	0.054	0.614	0.266	0.025	0.053	0.007	0.000	0.012	0.000	0.013	0.060	0.000	0.004	0.001	0.001	1.110	0.029	1.140
2003	0.052	0.594	0.257	0.021	0.047	0.006	0.000	0.010	0.000	0.011	0.053	0.000	0.004	0.001	0.001	1.059	0.027	1.086
2004	0.050	0.574	0.250	0.018	0.043	0.006	0.000	0.009	0.000	0.010	0.047	0.000	0.004	0.001	0.001	1.011	0.025	1.036
2005	0.048	0.553	0.241	0.015	0.038	0.005	0.000	0.008	0.000	0.008	0.041	0.000	0.004	0.001	0.001	0.963	0.023	0.985
2006	0.046	0.521	0.215	0.013	0.034	0.004	0.000	0.007	0.000	0.007	0.036	0.000	0.003	0.001	0.001	0.889	0.021	0.909
2007	0.043	0.490	0.191	0.011	0.031	0.004	0.000	0.006	0.000	0.006	0.032	0.000	0.003	0.000	0.001	0.819	0.019	0.838
2008	0.040	0.461	0.170	0.009	0.028	0.003	0.000	0.006	0.000	0.005	0.028	0.000	0.003	0.000	0.001	0.755	0.018	0.773
2009	0.038	0.432	0.151	0.008	0.025	0.003	0.000	0.005	0.000	0.004	0.025	0.000	0.003	0.000	0.001	0.694	0.017	0.711
2010	0.035	0.407	0.135	0.007	0.023	0.003	0.000	0.004	0.000	0.004	0.022	0.000	0.003	0.000	0.001	0.642	0.015	0.658

Table 26

High Price Alternative Simulated Oil Production

(Millions of bbls/day)

Fiscal Year	NGL's	Prudhoe	Kuparuk	Milne Point	Endicott	Lisburne	West Sak	Cascade	North Star	Niakuk	Point McIntyre	Sag Delta	Schrader Bluff	West Beach	North Prudhoe	ANS Total	Cook Inlet	STATE TOTAL
1995	0.073	0.934	0.304	0.017	0.094	0.018	0.000	0.000	0.000	0.014	0.112	0.001	0.003	0.001	0.002	1.574	0.044	1.618
1996	0.073	0.836	0.293	0.048	0.091	0.015	0.000	0.000	0.000	0.027	0.111	0.000	0.005	0.001	0.003	1.503	0.047	1.550
1997	0.060	0.834	0.301	0.047	0.092	0.013	0.000	0.000	0.000	0.024	0.106	0.000	0.005	0.001	0.002	1.487	0.044	1.530
1998	0.058	0.829	0.312	0.040	0.086	0.012	0.012	0.007	0.000	0.021	0.105	0.000	0.005	0.001	0.002	1.491	0.041	1.532
1999	0.060	0.820	0.321	0.037	0.081	0.010	0.012	0.014	0.000	0.020	0.096	0.000	0.005	0.001	0.002	1.479	0.038	1.517
2000	0.059	0.809	0.329	0.040	0.076	0.009	0.012	0.014	0.049	0.019	0.089	0.000	0.005	0.001	0.002	1.513	0.035	1.549
2001	0.057	0.811	0.333	0.037	0.072	0.008	0.019	0.015	0.054	0.018	0.082	0.000	0.005	0.001	0.002	1.515	0.032	1.547
2002	0.054	0.783	0.322	0.035	0.065	0.007	0.025	0.012	0.054	0.016	0.077	0.000	0.005	0.001	0.002	1.459	0.029	1.489
2003	0.052	0.754	0.310	0.034	0.059	0.006	0.037	0.010	0.054	0.015	0.068	0.000	0.005	0.001	0.002	1.406	0.027	1.434
2004	0.050	0.724	0.298	0.029	0.053	0.006	0.050	0.010	0.048	0.013	0.061	0.000	0.005	0.001	0.002	1.349	0.025	1.374
2005	0.048	0.694	0.286	0.025	0.048	0.005	0.062	0.010	0.042	0.011	0.054	0.000	0.005	0.001	0.001	1.292	0.023	1.314
2006	0.046	0.654	0.257	0.022	0.044	0.004	0.074	0.010	0.037	0.009	0.048	0.000	0.004	0.001	0.001	1.211	0.021	1.232
2007	0.043	0.615	0.231	0.019	0.039	0.004	0.074	0.010	0.033	0.008	0.042	0.000	0.004	0.001	0.001	1.124	0.019	1.143
2008	0.040	0.579	0.207	0.016	0.036	0.003	0.070	0.010	0.029	0.007	0.037	0.000	0.004	0.000	0.001	1.040	0.018	1.058
2009	0.038	0.543	0.185	0.014	0.032	0.003	0.063	0.008	0.025	0.006	0.033	0.000	0.004	0.000	0.001	0.955	0.017	0.972
2010	0.035	0.512	0.167	0.012	0.029	0.003	0.057	0.007	0.022	0.005	0.029	0.000	0.004	0.000	0.001	0.884	0.015	0.899

HISTORICAL REVENUES, PRICES, AND PRODUCTION

This section contains historical revenues, prices, and production. Table 27 on the next page shows historical petroleum revenues by type from statehood to the present (FY 1959 - FY 1994). Table 28 on pages 48 and 49 shows General Fund unrestricted revenues by type from FY 1980 - FY 1994. Historical crude oil prices (FY 1981 - FY 94) are depicted in Table 29, and finally, historical crude oil production for the North Slope and Cook Inlet (FY 1978 - FY 1994) is shown in Table 30.

Table 27

Historical Petroleum Revenues (Millions of Dollars)

FY	Corporate Non-Petroleum	Corporate Petroleum	Severance Tax	Oil/Gas Property Tax	Reserve Tax	Fed. Min. Rents & Royalties (1)	Bonus Sales	Rents (1)	Royalties (1)	Oil/Gas ⁽²⁾ Special Settlements	Total Petroleum Revenues	Total G.F. Unrestricted Revenues	% of Total Unrestricted Revenues
59	1.4	.	.	.	.	3.1	.	.	.	.	3.1	25.4	12
60	1.7	.	.	.	.	5.8	4.0	0.1	.	.	9.9	48.0	21
61	1.4	.	.	.	.	2.4	1.6	0.2	.	.	4.2	40.5	10
62	1.8	.	0.2	.	.	4.5	20.3	1.0	.	.	26.0	68.9	38
63	2.2	.	0.3	.	.	8.6	17.9	1.0	.	.	27.8	71.6	39
64	1.8	.	0.3	.	.	8.7	4.7	1.2	.	.	14.9	67.0	22
65	1.9	.	0.3	.	.	8.3	5.9	1.9	0.1	.	16.5	83.0	20
66	4.1	.	0.3	.	.	7.7	10.8	2.5	0.3	.	21.6	86.5	25
67	3.5	.	0.5	.	.	7.7	8.6	2.8	1.9	.	21.5	86.6	25
68	3.8	0.1	10.2	.	.	7.5	21.8	2.9	9.5	.	43.0	112.7	38
69	4.2	0.1	5.6	.	.	7.8	0.8	3.3	16.9	.	34.5	112.4	31
70	4.9	0.4	7.9	.	.	8.2	900.0	3.1	19.3	.	938.9	1067.3	88
71	5.2	0.9	10.5	.	.	8.6	0.2	2.9	23.9	.	47.0	220.4	21
72	5.3	1.2	11.4	.	.	7.9	0.3	3.0	24.6	.	48.4	219.2	22
73	5.9	0.9	12.0	.	.	6.7	3.8	3.4	23.5	.	50.3	208.2	24
74	7.0	1.2	14.8	.	.	7.1	24.8	3.6	28.7	.	80.2	254.9	31
75	14.8	2.5	26.6	6.6	.	9.8	1.0	3.9	40.0	.	90.4	333.4	27
76	26.2	4.9	28.0	83.4	223.1	5.1	.	3.7	43.3	.	391.5	709.8	55
77	30.8	5.0	23.8	139.1	270.6	2.0*	.	2.8*	34.3*	.	477.6*	874.3	55
78	25.1	8.4	107.7	173.0	.	1.0*	.	1.8*	149.6*	.	441.5*	764.9	58
79	24.8	232.6	173.8	163.4	.	1.0*	.	1.6*	249.2*	.	821.6*	1133.0	73
80	17.9	547.5	506.5	168.9	.	1.2*	342.4*	1.8*	688.2*	.	2256.5*	2501.2	90
81	34.8	860.1	1170.2	143.0	.	1.2*	7.6*	3.7*	1118.5*	.	3304.3*	3718.2	89
82	34.8	668.9	1581.7	142.7	.	17.1*	5.0*	2.1*	1157.3*	.	3574.8*	4108.4	87
83	30.1	236.0	1493.7	152.6	.	27.2*	36.2*	2.5*	1078.4*	.	3026.6*	3631.0	83
84	39.5	265.1	1393.1	131.0	.	11.0*	10.1*	3.8*	1047.5*	.	2861.6*	3390.1	84
85	36.0	168.6	1389.4	128.4	.	8.2*	11.5*	3.4*	1034.0*	.	2743.5*	3260.0	84
86	11.2	133.9	1108.4	113.5	.	14.3*	34.7*	4.2*	830.7*	418.2*	2657.9*	3075.5	86
87	20.5	120.4	648.5	102.5	.	9.0*	0.5*	3.8*	439.3*	70.5*	1394.5*	1799.4	77
88	23.4	158.0	818.7	96.2	.	6.7*	5.6*	5.7*	694.8*	163.9*	1949.6*	2305.8	85
89	38.0	166.0	698.8	89.7	.	5.6*	11.4*	5.3*	605.9*	257.7*	1840.4*	2186.2	84
90	45.3	117.2	1001.6	89.8	0.0	6.3*	0.0*	4.2*	747.4*	154.8*	2121.4*	2507.2	85
91	37.9	185.1	1284.8	85.0	0.0	7.1*	18.9*	5.8*	951.6*	33.5*	2571.8*	2986.6	86
92	33.7	165.5	1053.2	69.0	0.0	5.8*	2.6*	4.2*	702.4*	4.7*	2007.4*	2462.6	82
93	37.6	834.7	1017.6	66.9	0.0	5.4*	38.3*	6.0*	711.3*	4.7*	2684.9*	3081.6	87
94	44.3	17.8	692.1	61.5	0.0	4.0*	0.6*	4.5*	512.1*	0.1*	1292.7*	1652.5	78

* Net of Permanent Fund contribution and Constitutional Budget Reserve Fund deposits.

(1) These categories are primarily composed of oil/gas revenues; however, they include some additional revenues from other minerals (mostly coal).

(2) Not subject to budget reserve fund.

Table 28

Historical General Fund Unrestricted Revenues -Tax Portion-

(\$ millions)	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90	FY91	FY92	FY93	FY94
Corporate - General	17.9	34.8	34.8	30.3	39.5	36.0	11.2	20.5	23.4	38.0	45.3	37.9	33.7	37.6	44.3
Corporate - Petroleum	547.5	860.1	668.9	236.0	265.1	168.6	133.9	120.4	158.0	166.0	117.2	185.1	165.5	834.7	17.8
Fiduciary	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Individual	<u>100.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Income	666.0	894.9	703.7	266.3	304.6	204.6	145.1	140.9	181.4	204.0	162.5	223.0	199.2	872.3	62.1
Alaska Business License	4.2	5.4	5.5	6.9	19.9	38.8	2.1	1.5	1.4	1.0	0.1	0.0	0.0	0.1	0.2
Fish	14.6	20.7	22.8	20.5	19.0	18.7	21.1	26.5	22.5	26.7	25.1	31.1	30.1	42.2	33.9
Salmon Enhancement	0.0	0.0	2.4	2.6	2.2	2.6	4.3	4.4	5.8	9.5	6.5	6.2	4.2	6.8	5.0
Seafood Marketing	0.0	0.0	0.0	0.9	1.1	1.0	1.1	1.4	2.7	3.3	3.3	3.3	2.8	3.6	2.1
Salmon Marketing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.7
Fish Landing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Insurance Companies	10.4	10.6	12.5	13.8	16.2	17.5	21.1	23.7	23.7	19.4	22.7	24.4	25.5	26.3	26.1
Other	<u>2.1</u>	<u>1.2</u>	<u>1.4</u>	<u>1.6</u>	<u>2.0</u>	<u>2.1</u>	<u>2.2</u>	<u>2.3</u>	<u>2.4</u>	<u>3.2</u>	<u>4.6</u>	<u>4.1</u>	<u>4.1</u>	<u>4.0</u>	<u>4.5</u>
Total Gross Receipts	31.3	37.9	44.6	46.3	60.4	80.7	51.9	59.8	58.5	62.1	62.3	69.1	66.7	83.0	75.6
Gravel, Timber, etc.	1.6	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oil & Gas Production	506.2	1169.9	1581.1	1493.0	1392.4	1388.7	1107.4	647.3	816.4	696.4	972.3	1253.8	1022.2	989.4	662.8
Oil & Hazardous Release	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	26.9	28.0	28.7	26.1	27.0
Oil & Gas Conservation	<u>0.3</u>	<u>0.3</u>	<u>0.6</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	<u>0.5</u>	<u>1.2</u>	<u>2.3</u>	<u>2.4</u>	<u>2.4</u>	<u>2.3</u>	<u>2.3</u>	<u>2.1</u>	<u>2.3</u>
Total Severance	508.1	1172.9	1581.7	1493.7	1393.1	1389.4	1107.9	648.5	818.7	698.8	1001.6	1284.1	1053.2	1017.6	692.1
Oil & Gas Property	168.9	143.0	142.7	152.6	131.0	128.4	113.5	102.5	96.2	89.7	89.8	85.0	69.0	66.9	61.5
Vehicle Registration	<u>0.1</u>	<u>0.2</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Property	169.0	143.2	142.7	152.6	131.0	128.4	113.5	102.5	96.2	89.7	89.8	85.0	69.0	66.9	61.5
Alcoholic Beverages	7.4	8.3	9.0	10.4	13.0	13.9	13.3	12.6	12.1	11.8	12.0	12.2	12.0	11.9	12.0
Fuel Taxes - Aviation	4.0	4.1	6.3	8.7	8.1	8.0	8.1	8.5	9.0	10.1	9.4	10.7	10.7	6.4	6.9
Fuel Taxes - Highway	18.9	15.6	20.3	23.7	20.2	23.7	22.7	18.3	19.3	20.0	22.9	19.1	23.2	25.6	25.5
Fuel Taxes - Marine	3.2	3.5	3.7	4.3	3.9	4.3	5.3	5.4	5.3	7.2	9.2	10.0	9.4	8.8	8.1
Tobacco Products	<u>1.6</u>	<u>1.7</u>	<u>1.9</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>4.9</u>	<u>6.6</u>	<u>6.1</u>	<u>6.4</u>	<u>11.0</u>	<u>14.0</u>	<u>14.3</u>	<u>14.0</u>	<u>14.1</u>
Total Sale/Use	35.1	33.2	41.2	49.1	47.2	51.9	54.3	51.4	51.8	55.5	64.5	66.0	69.6	66.7	66.6
Estate	0.2	0.5	0.3	0.7	0.7	0.5	0.7	1.1	0.3	0.7	1.1	3.3	1.0	0.9	1.6
School	<u>2.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Other	2.8	0.5	0.3	0.7	0.7	0.5	0.7	1.1	0.3	0.7	1.1	3.3	1.0	0.9	1.6
Total Taxes	1412.3	2282.6	2514.2	2008.7	1937.0	1855.5	1473.4	1004.2	1206.9	1111.8	1381.8	1730.5	1458.7	2107.4	959.5

- Non-Tax Portion-

(\$ millions)	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>	<u>FY 90</u>	<u>FY91</u>	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>
Business	8.1	9.1	10.8	10.8	10.8	11.9	11.3	10.0	8.6	8.1	6.7	5.8	5.3	6.9	5.6
Non-Business	<u>10.7</u>	<u>12.2</u>	<u>13.0</u>	<u>14.9</u>	<u>15.9</u>	<u>17.0</u>	<u>18.0</u>	<u>19.2</u>	<u>19.7</u>	<u>20.2</u>	<u>21.1</u>	<u>23.3</u>	<u>27.1</u>	<u>25.8</u>	<u>30.1</u>
Total Licenses & Permits	18.8	21.3	23.8	25.7	26.7	28.9	29.3	29.2	28.3	28.3	27.8	29.1	32.4	32.7	35.7
<u>Intergovernmental Receipts</u>															
Federal Shared Revenues	4.8	8.5	21.7	33.3	14.0	10.5	14.5	9.7	6.9	6.1	10.0	14.8	11.4	10.3	4.3
<u>State Resource Revenue</u>															
Bonus Sales	342.4	7.6	5.0	36.2	10.1	11.5	34.7	0.5	5.6	11.4	0.0	18.9	2.6	38.3	0.6
Investment Earnings	119.9	227.8	324.7	375.8	282.7	233.5	195.2	161.9	132.6	100.7	117.9	125.0	101.8	70.9	31.7
Rents	3.0	5.4	3.5	4.3	6.0	5.1	6.2	6.0	6.0	5.3	5.3	5.9	3.9	6.0	4.6
Royalties	688.2	1118.5	1157.3	1078.4	1047.5	1034.0	830.7	439.3	694.8	605.9	747.4	951.6	702.4	711.3	512.1
Sale of State Property	5.7	4.8	5.2	6.3	7.0	8.5	8.7	7.0	3.8	4.9	4.3	4.7	1.0	4.0	9.0
Gravel, Timber, etc.	<u>0.0</u>	<u>0.0</u>	<u>1.2</u>	<u>4.0</u>	<u>2.9</u>	<u>3.1</u>	<u>2.9</u>	<u>7.2</u>	<u>1.1</u>	<u>0.5</u>	<u>0.8</u>	<u>0.4</u>	<u>0.6</u>	<u>0.6</u>	<u>0.4</u>
Total Sale/Use	1159.2	1364.1	1496.9	1505.0	1356.2	1295.7	1078.4	621.9	843.9	728.7	875.7	1106.5	812.3	831.1	558.4
Airports	0.8	1.1	1.6	1.4	1.5	1.6	1.5	1.5	1.8	1.2	1.5	1.3	3.4	1.2	0.5
Ferry System	21.1	24.4	29.2	30.4	32.0	33.4	32.3	31.3	29.8	33.1	34.0	40.7	42.3	40.8	40.4
Other	<u>4.1</u>	<u>3.7</u>	<u>3.6</u>	<u>5.5</u>	<u>4.3</u>	<u>7.9</u>	<u>5.2</u>	<u>4.1</u>	<u>0.7</u>	<u>1.4</u>	<u>1.7</u>	<u>1.5</u>	<u>2.3</u>	<u>1.4</u>	<u>6.1</u>
Total Facilities Charges	26.0	29.2	34.4	37.3	37.8	42.9	39.0	36.9	32.3	35.7	37.2	43.5	48.0	43.4	47.0
Court System	2.8	2.9	3.5	4.2	4.1	4.5	5.1	5.3	5.5	6.0	5.8	6.4	6.2	6.8	6.6
Other	<u>2.0</u>	<u>4.1</u>	<u>6.1</u>	<u>5.9</u>	<u>4.8</u>	<u>5.2</u>	<u>4.1</u>	<u>4.8</u>	<u>2.0</u>	<u>1.9</u>	<u>3.2</u>	<u>7.3</u>	<u>32.2</u>	<u>4.9</u>	<u>4.8</u>
Total Services Charges	4.8	7.0	9.6	10.1	8.9	9.7	9.2	10.1	7.5	7.9	9.0	13.7	38.4	11.7	11.4
Total State Resource Revenue	1190.0	1400.3	1540.9	1552.4	1402.9	1348.3	1126.6	668.9	883.7	772.3	921.9	1163.7	898.7	886.2	616.8
Miscellaneous Revenue	6.7	5.5	7.8	10.9	9.5	16.8	13.0	16.9	16.1	10.0	10.9	14.9	61.4	45.0	36.2
Sub-Total Non-Tax Revenue	1220.3	1435.6	1594.2	1622.3	1453.1	1404.5	1183.4	724.7	935.0	816.7	970.6	1222.5	1003.9	974.2	693.0
Less: Native Claims	131.4														
Plus: Income from prior years							418.7	70.5	163.9	257.7	154.8	33.6			
Total Non-Tax Revenue	1088.9	1435.6	1594.2	1622.3	1453.1	1404.5	1602.1	795.2	1098.9	1074.4	1125.4	1256.1	1003.9	974.2	693.0
Total Tax Revenue	1412.3	2282.6	2514.2	2008.7	1937.0	1855.5	1473.4	1004.2	1206.9	1111.8	1381.8	1730.5	1458.7	2107.4	959.5
Total General Fund															
Unrestricted Revenue	2501.2	3718.2	4108.4	3631.0	3390.1	3260.0	3075.5	1799.4	2305.8	2186.2	2507.2	2986.6	2462.6	3081.6	1652.5

Table 29

**Historical Crude Oil Spot Prices
For Alaska North Slope Crude and Domestic Marker
(\$/Barrel)**

<u>FY</u>	<u>ANS at West Coast</u>	<u>ANS at Gulf Coast</u>	<u>ANS at Lower 48</u>	<u>WTI</u>
1981	.	34.92	34.92	.
1982	.	32.04	32.04	32.98
1983	.	30.31	30.31	32.52
1984	.	29.23	29.23	30.59
1985	.	27.89	27.89	28.15
1986	.	22.03	22.03	23.11
1987	.	15.05	14.98	16.14
1988	16.12	16.97	16.45	18.53
1989	14.61	15.21	14.80	16.93
1990	17.22	17.66	17.34	20.06
1991	21.57	22.21	21.72	24.95
1992	16.64	17.81	16.88	20.69
1993	17.83	18.53	17.93	20.69
1994	14.05	15.03	14.22	16.69

Source: Platt's Oilgram Price Report

Table 30

**Historical Crude Oil Production
For Alaska North Slope Crude and Cook Inlet
(Million bbl/day)**

<u>FY</u>	<u>ANS</u>	<u>Cook Inlet</u>	<u>TOTAL</u>
1978	0.702	0.144	0.846
1979	1.197	0.131	1.328
1980	1.422	0.109	1.531
1981	1.511	0.093	1.604
1982	1.570	0.080	1.650
1983	1.627	0.073	1.700
1984	1.657	0.065	1.722
1985	1.694	0.055	1.749
1986	1.802	0.045	1.847
1987	1.849	0.047	1.896
1988	2.005	0.043	2.048
1989	1.960	0.043	2.003
1990	1.853	0.033	1.886
1991	1.799	0.040	1.839
1992	1.791	0.042	1.833
1993	1.687	0.041	1.728
1994	1.602	0.038	1.639

In accordance with AS 37.07.060(b)(4), the Revenue Sources Book is compiled biannually by the Department of Revenue to assist the Governor in formulating a proposed comprehensive financial plan for presentation to the State Legislature. Within the publication are shown prior year actuals, revised current year estimates, and future year projections.

Anticipated State income is projected through the use of a number of data sources: 1) econometric models developed by the Department of Revenue to forecast unrestricted non-petroleum revenues, 2) a petroleum revenue model created by the Department's Oil and Gas Audit Division, and 3) estimates from individual State agencies.

The Department of Revenue thanks the various State agencies for their cooperation in computing anticipated revenues for publication in this document.

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