

Senator Giessel,

Please include this testimony regarding HB 111 into the record for this bill. I am opposed to this bill as written especially as it pertains to retroactive changes. Can you imagine making an investment in a home after visiting a bank and getting a certain interest rate only to have the bank independently change it after you signed! You wouldn't like it nor would you ever do business with that bank again. If we retroactively change our tax structure I imagine the oil companies will feel the same about our state.

Alaska's oil businesses need a stable and predictable regulatory and tax environment. This bill does not provide this. Oil production cannot be increased by increasing taxes. However, the state can tax away the industry's incentive to explore and produce oil and gas. While it is tempting to collect every dollar possible from the oil industry through increased taxation, doing so makes Alaskan projects less competitive with those elsewhere and robs the companies of the investment capital they require to expand existing fields and discover new ones. In the long run, increasing taxes on the industry will do more harm to Alaska's economy. Conversely, more investment means more production, more revenue for the state, and more jobs for Alaskans.

Alaska cannot control the price of oil, but it can control what kind of business climate we create here: one that encourages continued investment and more oil for TAPS. The current oil tax system is balanced, setting a higher minimum floor than the previous tax system, while setting a stable and predictable rate when oil prices rise again. At current prices, Alaska's oil tax policy has brought hundreds of millions of dollars more in tax revenue to the state than it would have under the previous system. Under the current oil tax system, Alaska's share is higher than the producers' at every price point. In fact, the state gets paid even when companies are operating at a loss because it still collects royalties, property tax, and a gross production tax.

New oil plays by ConocoPhillips, Caelus, and Armstrong could trigger a major reversal in TAPS throughput by adding up to 550,000 barrels per day of new oil into the pipeline with commensurate economic benefits across the state. Maintaining a stable tax policy with incentives to invest is key to seeing these projects come into production.

The new 2017 oil tax policy proposal (HB 111) represents the seventh major tax change in the last 12 years. Imposing significant tax increases and eliminating access to critical incentives will do nothing to increase production. It creates more harm to Alaska's largest industry and the state's economy as a whole.

Doug Vincent-Lang

4-17-17

Dear Senate Resources Committee members.

Thank you for the opportunity to testify. For the record, my name is Rada Khadjinova

As an engaged Alaskan, serving on boards of two municipal commissions and managing an engineering consulting company, I care most about the wellbeing of our state and people. For over 20 years, I have been fortunate to call Alaska home. My family includes my parents, their children and great children who love Alaska just like I do. I am a product of the University of Alaska system, most recently of its graduate program in Environmental Permitting. I come from Russia, which I left due to upheavals and unpredictable policies of the early 90s.

The fact that HB 111 passed the House, indicates there is a notable number of legislators convinced they are doing the right thing. All we have to do, they say, is strike the right balance, given the oil prices are different now than what they were before. It's a fact, Alaskans cannot control the oil price, but we can control what kind of business climate we create here. Hopefully the one that encourages continued investment into projects that increase production into TAPS, the lifeblood of our economy.

HB 111, if passed, could be compared with cutting open our golden goose, and grabbing those remaining eggs before they get a chance to mature and bring value in a form of projects that employ thousands of oilfield and support industry workers and in a form of taxes to the State.

What the legislators have been considering up to this point is a tax model. As far as I am aware, there is no systematic analyses that documents billions of dollars at risk of going to other regions where price of doing business is lower and policies are more stable.

Legislators and citizens alike should insist on knowing all the facts about what's to be gained and more importantly what's to be lost with passing of HB111.

Thank you.

Dear Chairperson Giessel and Senate Resource Committee Members:

I am providing my objection to House Bill 111. The new version of HB 111 would change the state's petroleum production tax for the third time since 2013 and the seventh time in 12 years. It will push Alaska to the bottom of the competitive rung and will drive away new investment dollars, forcing more job loss, decreasing oil production and deterring investment in Alaska's oil fields. The oil industry has traditionally accounted for 88 percent of Alaska's General Fund revenues and is the largest property tax payer in the North Slope Borough and Kenai Peninsula Borough. Even in these times of low oil prices, oil provides 67 percent of the state's unrestricted revenues and supports one-third of our economy. Alaska cannot control the price of oil, but it can control what kind of business climate we create here: one that encourages continued investment and more oil for TAPS. I have observed long-time Alaskan families lose their jobs in the oil industry and related contracting services and move out of State over the last year. These were smart hard working families that were good at their jobs and volunteered their time and money to non-profit organizations, local schools, and their local communities. We need a durable and competitive tax policy to fund Alaska projects and stop the loss of employment for Alaskans.

Thank you for your service and consideration.

Julie Lina

Anchorage Alaska, 99516

Dear Senator,

I am writing in support of HB 111, the oil and gas production tax payments and reform bill. I support this bill because it moves Alaska closer to a fair deal on our oil. As our state faces another year of budget crisis, and you and your colleagues face hard decisions on how to get our state back on track, making sure we aren't paying out more money to oil companies than we are getting back just makes sense.

I urge you to support this bill, to support Alaskans and make the hard decisions required to help our state get out of debt.

Thank you,

Jason Vukovich

My name is Maynard Tapp and testifying for the health of the state of Alaska.

Senator Giessel represents me via our district N in south Anchorage. She is a strong supporter of the State of Alaska and does an amazing job in keeping us within our spending limits in a fair and responsible way.

Please defeat any proposed taxes against the oil and gas industry which challenges increasing production.

I am sure you have seen the State of New York advertising for companies to invest in New York by offering a tax credit.

Alaska should do the same by protecting what we have.

A couple years back Senate Bill One devised a new tax structure that has slowed if not stopped the reduction in production of oil going through the pipeline. Alaskan's should not break their word when encouraging people/companies to invest in new production.

The best solution seems to be in defeating HB111 and supporting SB26. We cannot afford to create a new unending administrative bureaucracy to collect taxes.

Please do what is necessary to increase revenues to the State of Alaska by creating the environment that increases production of oil & gas in the pipeline.

Thank-you for your time.

Dear Senator Giessel,

I am writing to all members of the Senate Resources Committee to express my opposition to House Bill 111. Alaska cannot afford to lose any oil & gas investment and increasing taxes on an already struggling industry will do just that. If anything, Alaska should be looking for ways to encourage more investment.

As manager of an engineering consulting firm, I've been experiencing the effects of low oil prices on our industry. Oil & gas companies are not completing projects and we in turn are not being hired. Our Alaska staff has been reduced from 85 to 55 staff in the past year, a 35% cut because we don't have oil & gas work that traditionally sustained our operation.

Think long term and for our future. Oil and the TAPS pipeline is the lifeblood of Alaska. Yes, we need to change that, but it will take decades to realistically not rely on oil. For our future we need to encourage more oil & gas investment and that won't happen by raising taxes on a struggling industry.

Thank you,

Jeff Baker

Anchorage

Jeff Baker, PE

omment

Senator,

I have attached AGC's letter of comment on HB111. I support not revisiting taxation of the oil companies to solve our budget gap. An incremental fine tuning of the credits would be less onerous.

Personally I feel that Alaskan's have gone without paying an income tax long enough. I was surprised this year when the Senate came out against it.

- I feel an income tax would be appropriate.
- Limiting the PFD to \$1,000.00 .
- Keep the pressure on the University system and State Government to justify their programs.
- Increase the numerous taxes that already exist. (gas, hunting and fishing for example) Your studded tire tax did seem rather steep. How about \$25.00 a tire?

Anyway, I know you're busy and are already looking into all the above. Keep up the good work.

Thanks-

Richard Green

Richard Green

Fairbanks, Alaska 99712

Senator Giessel

As a business owner that relies heavily on Alaska Oil and Gas in the State of Alaska, I ask you to not pass HB 111. I feel that we cannot continually change the tax structure for the Oil and Gas industry in our state. I am probably one of the few that supports an income tax as well as looking at other sources of revenue for our state. I am willing to pay my fair share as others should as well, but I am very concerned that loading up Oil and Gas at this time is not the answer. I appreciate the work you do in these challenging times.

Respectfully Kenny Gerondale

President/Construction Machinery Ind. LLC

Ken Gerondale

Senator Giessel,

I would like to voice my concerns about HB 111. I think messing with the oil taxes now is just not a sane act when we are so dependent on the revenue we still do realize from the oil production. We have seen the impressive results of the tax reform in 2013, even an increase in oil production in 2016 versus a sure loss year after year prior to reform.

To increase taxes now while the oil companies are facing tough times will send the absolute wrong message. The years ahead are going to be difficult enough for the state, let alone the act of oil companies pulling back investment dollars due to an unstable, rising tax trend.

I understand the total government take from the oil production is about 70% currently, the State taking the most now. Seems like we are getting more than our "fair share".

Please understand we rarely get work from the oil companies. We aren't stumping for work with this email. I think we have had 2 oil company jobs since 1998, and not big jobs at that. But I do know indirectly the oil companies have put food on our tables, our employees' and I'm sure 90% of those working in the state, if not 100%. Their generosity has helped hundreds of nonprofits as well, serving the unemployed. Without the jobs direct and indirect that the oil companies provide, there would be such a loss of population, the remaining folks would pay much more for food, gas, electricity, transportation, etc. Housing will of course be much cheaper for many years as there will be almost no buyers on the market.

I would like to see the current fields reworked to their maximum capabilities, new fields developed in a streamlined fashion, people working. Don't apply the brakes by passing HB 111.

Thank you,

Bryce Erickson

I know that you as a member of the legislature share the same aim as all of us to grow and prosper our economy for present and future generations. In order to accomplish this, we need to make our State attractive to both invest in and develop our natural resources.

Unfortunately, I don't think CSHB 111 is the right way to accomplish our goal. We desperately need a long term stable and affordable tax structure that will attract investment capital and resource development firms and make us competitive in the national and international market place. Repeated changes or attempts to change or complicate the tax environment send a negative message

We need to remember that incentivizing development will ultimately grow our tax base and economy whereas disincentives will have the opposite effect.

I urge you to cease further action on CSHB 111.

Thank you for your time and dedication to our State's affairs.

Howard Grey

Senator Giessel

I am astonished that the Alaska Legislature is again considering yet another change to the state's oil taxation.

Alaska's oil is not in competition with Alaska. Alaska's oil is in competition with other projects elsewhere in the world.

Our job is to figure out how to make Alaska's oil more attractive to investors than other options available to them, irrespective of the state's other revenue streams and expenditures. Changing tax laws every few years is not the way to get our oil produced and sold.

This isn't about oil companies. It's about producing and selling our most lucrative natural resource. Plans for oil taxation need to be made for the long term, much longer than a state election cycle.

I used to work in the oil industry. I've been out of work for a year and a half. I would really like to go back to work. I would really like for the State of Alaska to stop creating this tax ambiguity so that oil projects can come on line. The oil industry has a substantial multiplier effect. The engineering company my husband works for has decreased its workforce by 30% due to the lack of oil and gas projects.

We are not feeling at all confident about Alaska's future.

Our oldest daughter is in college and cannot find a single internship in Alaska. She won't be returning this summer. Several of her friends are in similar situations.

Can you tell us for certain this is temporary?

Are we on the right path?

It doesn't feel like it.

Sincerely,

Trish Baker

Senators,

The current version of HB111 needs work. I have lived and worked in the Alaska oil industry since 2000. Over the last 8 years I have worked for independent oil companies- Pioneer Natural Resources and Caelus Energy Alaska. These companies were attracted to Alaska because of a favorable fiscal environment. This allowed the development of the Oooguruk field as well as the discoveries at Nuna and Smith Bay.

I believe current version of HB111 is bad for the oil industry and needs to be modified if Alaska wants to attract and retain independent oil explorers and producers.

- Taxes the legacy fields, but creates additional on new producers which puts them at a disadvantage
- The move from credits to deductions is admirable, but the loss in value is substantial and will hurt new players
- If you go to a deduction – please don't time limit the NOL = permanent loss of deduction
- And, provide an uplift (10-15%) to the NOL to allow for time value of money. Dollar invested today should be worth that same dollar tomorrow.
- Do not harden the floor against the \$5 per barrel credit, major tax increase for small players

- Policy goal should be encourage investment from players big and small
- HB 111 will chill future investments and hamper timely development of new fields
- More production is the answer – more oil, more jobs and more revenue for alaska (PFD and essential services)

Vern Johnson

Senator Giessel,

I have lived in Alaska and worked in Alaska's oil and gas industry since graduating from college in 1990. I have worked for Caelus Energy Alaska and its predecessor Pioneer Natural Resource Alaska for 12 years, the last 7 of which as Operations and Production Manager for Alaska. I have seen first-hand the success possible from state incentives provided to smaller producers like Caelus and Pioneer. Unfortunately, more recently I have experienced the challenges our industry faces in acquiring funding for our new developments such as Nuna and Smith Bay when the state Legislature too often changes tax policy and fails to incentivize smaller independent producers.

I oppose the current version of HB111, as I believe it will deter the additional investment our state so dearly needs to increase production. My concerns over HB111 include:

- Taxes the legacy fields, but creates additional on new producers which puts them at a disadvantage
- The move from credits to deductions is admirable, but the loss in value is substantial and will hurt new players
- If you go to a deduction – please don't time limit the NOL = permanent loss of deduction
- And, provide an uplift (10-15%) to the NOL to allow for time value of money. Dollar invested today should be worth that same dollar tomorrow.
- Do not harden the floor against the \$5 per barrel credit, major tax increase for small players
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- More production is the answer – more oil, more jobs and more revenue for Alaska (PFD and essential services)

Thank you for your consideration, and I urge you to support a tax policy that will balance incentives for new developments with fair and equitable taxes

Thank you,

David Hart

Anchorage, Alaska

Hello,

My name is Roy O. Walluk jr.

Live in Nome Alaska.

I oppose HB111

Thank you

If the State of Alaska wants to remain competitive with the Lower 48, then adding new oil & gas taxes is not the right answer. I am an engineer for Caelus Energy and have been working in the Alaska oil industry for 30 years since I came to work for Arco after graduating from college. I have raised my family here and have called Alaska home. I am concerned that I will be not be able to continue to call Alaska home. We are fighting to get investment dollars to fund our Alaska projects and the competition is the unconventional shale in the Lower 48. The economics of our Alaska projects are challenged compared to the projects in the Lower 48 not only due to the high cost of operating in Alaska, but because of the potential tax increases that are being considered. Just the fact that portions of the legislature are considering changing oil taxes again in a negative way chills the potential for investment dollars to come to Alaska projects.

I would like my children to have an opportunity to work in the Alaska oil industry for the next 30 years. But the only way that is going to happen is for new projects to be developed. The best way for new projects to occur is to maintain appropriate tax credits for new investment and to maintain current tax rates. Tax credits counter Alaska's high cost environment and allow the state to compete with other Lower 48 or international oil investments. I am very concerned that Caelus Energy's new North Slope projects will be shelved or delayed because they can't compete with the economic returns of low-risk Lower 48 projects. Higher taxes will discourage future investment. Companies also are very nervous about another change to the tax structure. Tax policy stability is a key factor for many companies. Another change will cause them to look elsewhere to make investments. We need tax stability to encourage continued investment and to get more oil into the pipeline.

New technology and huge shale developments are driving investment dollars into places like Texas and North Dakota. If that continues, I'll be forced to move to Texas where the work is being done. I don't want that to happen.

So again, I am strongly in opposition to HB111. The state needs to become competitive with the Lower 48 where the oil boom is taking off again. It is critical for Alaska's long term future and viability.

Andy Bond

HB 111 is flawed

Here's why:

- Taxes the legacy fields, but creates additional on new producers which puts them at a disadvantage
- The move from credits to deductions is admirable, but the loss in value is substantial and will hurt new players
- If you go to a deduction – please don't time limit the NOL = permanent loss of deduction
- And, provide an uplift (10-15%) to the NOL to allow for time value of money. Dollar invested today should be worth that same dollar tomorrow.
- Do not harden the floor against the \$5 per barrel credit, major tax increase for small players
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- HB 111 will chill future investments and hamper timely development of new fields
- More production is the answer – more oil, more jobs and more revenue for Alaska (PFD and essential services)

Robert Tirpack

Dear Esteemed Members of the Senate Resource Committee,

I am a lifelong Alaskan, 2nd generation, testifying now on behalf of my 3rd Generation Alaskan daughters and my 4th Generation Alaskan grand-children. Your actions on Oil & Gas taxes may well make the difference about whether they will be able to live in Alaska and whether there will be a 5th Generation of my family calling Alaska home. Much of my family has already left the State to seek better fortunes elsewhere.

My testimony is simple and I while I'm certain you've all heard it before, I am determined to say it again in the hope that these Fundamental Principles will carry the day.

#1 - We simply must stop changing taxes on the Industry. Stability attracts investment capital. Volatility chases it away. Without investment capital, the Petroleum Industry declines and we have long-term budgetary issues that will eventually become insurmountable. With investment capital, our Petroleum Industry can flourish and the State can and will prosper for generations to come.

#2 - There is so much darned Alaskan oil underground that we won't be able to capture it in my daughter's lifetime or my grand-daughters lifetime. In order to use that resource for the good of our State, we need to turn it into cash money, and, hopefully, into hard asset infrastructure from there. Incentives that help monetize the resource are good. Tax credits are good. We need more of them.

This bill contemplates fewer incentives. Offering fewer incentives guarantees that the State will enjoy lower royalty payments. Adding incentives will guarantee the State will enjoy higher royalty payments. Simple stuff. It matters not how often we all hear that tax credits are giveaways and that we don't have the money to pay them. We most certainly do. We collected the royalties. They may be encumbered differently or accounted for differently, but we still collect the royalties.

Even when or if production credits bring the production taxes to zero, the royalty payments make it worth doing. And, I've heard that there are some very rare cases where production taxes went negative. Who cares? If these are small anomalies, then the "cure" is worse than the "ailment". Fiscal certainty is more important than maximizing our take on a single circumstance, especially since that circumstance was likely very marginal to begin with and wouldn't have been developed at all without these very incentives. And then we'd have nothing. This is the exact point of incentives. To call them give-a-ways is patently false no matter how often folks repeat it. Please don't get caught in the weeds. Stick with the basic premise. Incentives are good. Change of tax structure is bad.

#3 - If it ain't broke, don't fix it! Production is increasing for the first time in a long time... . Not fast enough for my liking, but still increasing. If the price comes up a bit, maybe the increase to production could rise faster. This is a very good situation. Tinkering with tax structure now would be irresponsible.

It IS NOT WISE strategy to be trying to suck a few extra bucks out of the margin and/or stick it to the Oil Companies just a tiny bit more for whatever moral reason folks might think they have.

It IS WISE to have prosperous Oil Companies making tons of money, scrambling to invest more in Alaska, hiring Alaskans to do the exploration and development work and then paying more royalties to the State.

#4 - We do not have a revenue problem in this State. We have a spending problem in this State. We must not reward the spenders and penalize the producers. It is simply not sustainable to do so.

Thank you.

Sincerely, Jim Scholz, Lifelong Alaskan from Sitka, looking out for my 4th generation Lifelong Alaskan Grand-daughter and all of the other youngsters.

Dear Senator Giessel,

My name is Aaron Helmericks, I've lived in Alaska my whole life and I'm a third generation Alaskan. My family and my wife's, she is from Hoonah, have lived here before it became a state. We are tied to the land and we need to find a balance for what the State of Alaska needs now but also for our future.

For this reason, I'm contacting you in reference to HB 111 which you are currently reviewing. We need a tax policy that will incentive more production not increase tax on a currently declining resource. HB 111 would change the state's petroleum production tax for the third time since 2013 and the seventh time in 12 years. We are a resource state and need to stop scaring away the needed external investment to turn our economy around in the future. The State of Alaska cannot control the price of oil, but it can control what kind of business climate we create here; one that encourages continued investment and more oil for TAPS. There have been new oil fields discovered by ConocoPhillips, Caelus Energy, and Armstrong that could trigger a major reversal in TAPS throughput by adding up to 550K barrels per day of new oil into the pipeline. Finding ways to show external financial sectors that Alaska is a place to invest will have corresponding economic benefits across the state. One of the key steps to do this is maintaining a stable tax policy with incentives to invest, which will allow more jobs and more revenue for Alaska.

Because of the current oil market, we have hard economic times both for the state as well as for the people living here. Nevertheless, let us not make decisions for a quick dollar that harm our economy in the long run far greater than the few millions we stand to gain in the short term.

Thank you for your time,

Aaron

Senator Giessel,

My name is Faith Martineau, and I respectfully request that you oppose HB 111.

I grew up in Eagle River, graduated from UAA, and hope to raise my family here in Alaska because I love this state. I currently work for Caelus Energy, a little oil and gas company that made big news with our est. 2 billion barrel Smith Bay discovery. Caelus' presence in Alaska and on the North Slope is evidence that the tax regime established SB 21 successfully attracted investment in remote exploration. With the major modifications to that system under HB 247 last year and discussion of further detrimental changes in the form of HB 111, that attraction is vanishing.

I've previously testified to members of the Legislature on similar occasions in an attempt to articulate the real harm that additional oil and gas taxes have on a company like my own, Caelus. If I worked for a larger company, like ConocoPhillips, Exxon, or BP, I would probably not be privy to the difficult conversations that our managers and executives are having with potential investors. As it is, even as a staff-level employee, I know exactly how awful Alaska's situation looks to our backers, who see lower cost, lower risk-of-return opportunities in the Lower 48 and elsewhere as obvious alternatives to continuing to pursue exploration and future development on the North Slope.

At risk of repeating what I sure has been described by many, more expert than I, HB 111 will absolutely stifle investment in Alaska and especially in new fields that are essential to extending the life of TAPS. Contrary to what some may believe, the testimony provided by an expert like Pat Foley, our Senior VP of Alaska Operations, is not conjecture by an executive trying to protect his bottom line, it's the

truth:

- Time-limiting net operating losses will negatively impact our business.
- Hardening the floor against the \$5/barrel credit will negatively impact our business.
- Changing the existing tax regime - for the seventh time in 12 years
- will absolutely, negatively impact our business.

Eventually the combination of a stifling tax system and unstable commodity prices make it impossible to continue operating at current levels. With HB 111 looming, I fear for my job, and I fear for my family.

Please consider the real people who will be hurt by this damaging legislation. I again ask that you please oppose HB 111.

Thank you,

Faith Martineau

Dear Chairperson Giessel and Senate Resource Committee Members:

I write to express my objections to House Bill 111. While it is tempting to collect every dollar possible from the oil industry through increased taxation, doing so makes Alaskan projects less competitive with those elsewhere and robs the companies of the investment capital they require to expand existing fields and discover new ones. In the long run, increasing taxes on the industry will do more harm to Alaska's economy. Conversely, more investment means more production, more revenue for the state, and more jobs for Alaskans. The oil industry has traditionally accounted for 88 percent of Alaska's General Fund revenues and is the largest property tax payer in the North Slope Borough and Kenai Peninsula Borough. Even in these times of low oil prices, oil provides 67 percent of the state's unrestricted revenues and supports one-third of our economy.

As you are aware, the new version of HB 111 would change Alaska's petroleum production tax for the seventh time in 12 years and represents a significant increase in taxes that was worse than the previous version from the House Resources Committee. It is a re-write of the current voter-approved tax regime, which has attracted major industry investment and resulted in the first year-over-year increase in North Slope production in 14 years. As a Caelus employee I am very well aware of the positive effects of the recently changed tax policies.

HB 111 will weaken Alaska's competitive position for attracting the investment, both monetary and labor, required to develop major new prospects and increase production. HB 111 is a marked increase in taxes at low prices, which will surely lead to a diminished Alaskan economy.

New oil plays by Caelus, and others, could trigger a major reversal in TAPS throughput by adding up to 550,000 barrels per day of new oil into the pipeline with commensurate economic benefits across the state. Maintaining a stable tax policy with incentives to invest is key to seeing these projects come into production.

Alaska cannot control the price of oil, but can control the business climate created here, one that encourages continued investment and more oil for all Alaskans. Please don't support HB 111.

Thank you for your consideration.

Respectfully submitted,

Dale Hoffman, CPL

I oppose HB 111 and I urge the Senate Resources Committee to stop HB 111.

HB 111 will weaken Alaska's competitive position for attracting the investment required to develop major new prospects and increase production. The bill is a sharp increase in taxes at low prices, which is a sure recipe for more economic contraction.

The new version of HB 111 will push Alaska to the bottom of the competitive rung and will drive away new investment dollars, forcing more job loss, decreasing oil production and deterring investment in Alaska's oil fields.

Alaska cannot control the price of oil, but it can control what kind of business climate we create here: one that encourages continued investment and more oil for TAPS.

Please stop HB 111. Thank you for your attention, and your service to Alaska.

Stephen T. (Steve) Grabacki, FP-C

Dear Senators,

I am the SVP Energy & Resources for the Chugach Alaska Corporation, and a constituent of Senator Cathy Giessel from South Anchorage. Our company businesses and employees depend on a healthy and vibrant oil & gas industry and stable regulatory climate to remain viable and competitive in attracting industry development and long term investment.

I am writing to oppose HB 111 as it is currently written. Yet another change and significant increase in taxes on the oil & gas industry will only serve to drive away investment from the industry that is the largest contributor to the state economy. I urge you to not be short sighted, increased taxes will make Alaska less competitive and result in lower investment, lower production and will deteriorate long term growth and potential in our all important oil & gas industry.

Sincerely,

Josie Hickel

Dear Senator Giessel

I am opposed to HB111 and for very good reason.

This is a broken record. What makes you think increasing taxes on the Producers will do us anything but harm? You and I along with the entire State is the in oil business and it appears our legislature is doing its level best to run them out of the State.

Do you guys ever think about anything besides new taxes? We passed SB 21 and that should have been that period.

As a reminder - We are down to 295 employees from almost 900. Explain to me how punitive taxes on an already overtaxed industry is going to help?

How about focusing on more oil in the pipeline????

I am sorry this email sounds a bit direct - but this is so frustrating. I have personally testified many times and emailed. Frankly one of the house members emailed me back and said the State has never changed tax policy - only at the request of the Producers and that Caelus is not being truthful about Smith Bay - Really?

Cathy Duxbury