



121 W. Fireweed Lane, Suite 207
Anchorage, Alaska 99503-2035
Phone: (907) 272-1481 Fax: (907) 279-8114
Kara Moriarty, President/CEO

December 13, 2019

Regulatory Commission of Alaska
701 West 8th Avenue, Suite 300
Anchorage, Alaska 99501

Submitted via the Commission's website: www.rca.alaska.gov

Re: Docket Nos. P-19-015, P-19-016, and P-19-017

Dear Commissioners:

I write today as President and CEO of the Alaska Oil and Gas Association ("AOGA") and on behalf of its 14 members. For nearly half a century, AOGA has worked to foster the long-term viability of the oil and gas industry for the benefit of all Alaskans. AOGA represents the majority of companies that are exploring, developing, producing, refining, or marketing oil and gas on the North Slope, in the Cook Inlet, and in the offshore areas of Alaska.

AOGA appreciates the opportunity to provide comments on the three dockets referenced above and supports, without hesitation, the proposed transfer of BP Pipelines (Alaska) Inc.'s interests in the three RCA-regulated pipelines (the "Pipelines") to Harvest Alaska, LLC ("Harvest Alaska"), as well as the overall sale of BP Exploration (Alaska) Inc.'s ("BP Alaska") business to Hilcorp Alaska, LLC ("Hilcorp Alaska"). This sale will result in benefits to the State of Alaska and Alaskans in terms of investment, jobs, oil production, and state and local tax revenue and royalties.

The Commission should approve the proposed transfers to Harvest Alaska because Harvest Alaska is willing and able to own and operate the Pipelines, and because approving the transfers is in the public's best interest. The Pipelines provide essential services to Alaska, and there is a continuing need for the Pipelines' services now and in the future. Moreover, the Commission has previously recognized that it is in the public's best interest for a pipeline to be owned by a company "which is willing to do so." Other factors demonstrating that approval of the transfers is in the public interest are evident from an examination of Harvest Alaska, LLC's and its affiliates' activities in Alaska.

The general partner of Harvest Alaska's (indirect) parent, Hilcorp Energy Company, has demonstrated the ability and capability of increasing production in mature basins. With the fiscal challenges currently facing our state, this proposed sale provides Alaska an opportunity to grow its partnership with a company that has the resources, experience,

and desire to keep our pipelines operating and to increase oil and gas production throughout the state. Hilcorp Alaska has shown a commitment to long-term growth within Alaska by investing millions of dollars improving infrastructure, integrating newer, safer technologies, and extending the life of Alaska's oil and gas fields. More importantly, Hilcorp Alaska continues to be a great corporate partner to the people of Alaska. It has supported numerous non-profits and has donated substantial sums to charitable causes throughout the state. With a workforce comprised of nearly 90% Alaskans, Hilcorp Alaska has, in short order, become an integral part of our unique community.

Although AOGA is saddened to see BP Alaska cease business in Alaska, we believe that it has secured a strong buyer with a proven record of making the required investments to safely and responsibly develop oil and gas in mature basins and deliver oil and gas to market. Hilcorp Alaska will undoubtedly continue its commitment to Alaskans, to the men and women who work in Alaska's oil and gas industry, and to the continued safe and responsible operations of the Pipelines. As such, we urge the RCA to promptly review and approve the proposed transfers in Docket Nos. P-19-015, P-19-016, and P-19-017.

Sincerely,

ALASKA OIL AND GAS ASSOCIATION

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

Kara Moriarty
President/CEO