## AOGA APPLAUDS GOVERNOR WALKER'S DECISION TO DROP RISKY GAS RESERVES TAX PROPOSAL

**ANCHORAGE**- Oct. 24, 2015- Today, Alaska Oil and Gas Association (AOGA) leadership applauded Governor Walker's decision not to include a gas reserves tax as part of the Legislature's special session. The move keeps Alaska's "open for business" sign on, and increases Alaska's chances of finally realizing a massive natural gas project.

"This is a step in the right direction," said AOGA President and CEO Kara Moriarty. "Punitive new taxes do not inspire confidence among private sector investors, but serve instead to jeopardize the good faith effort put forth by the Alaska LNG Project partners so far," said AOGA President and CEO Kara Moriarty. "We are pleased such an unbalanced approach was abandoned."

The State of Alaska entered an agreement with BP, ConocoPhillips, ExxonMobil, and TransCanada. Since then, the companies have worked together to move the Alaska LNG Project forward according to the plan. More than $243 million has already been spent on finalizing design plans, purchasing land, and putting hundreds of Alaskans to work. In AOGA's view, levying a new tax creates unnecessary uncertainty in ongoing negotiations to move the Alaska LNG Project forward.

"It is not just the Alaska LNG partners who become nervous when government begins talking about forcing companies via a punitive tax to pursue projects," said Moriarty. "Private investors often view such moves as anti-business, not grounded in fiscal reality, and extremely risky, no matter which industry you work in."

AOGA is a professional trade association whose mission is to foster the long-term viability of the oil and gas industry in Alaska for the benefit of all Alaskans. Its 14 members represent the majority of oil and gas producers, explorers, refiners, transporters and marketers in Alaska. More information can be found at www.aoga.org.

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