“Critical Infrastructure” Response Priorities:

• Safety of employees, contractors, and Alaskan communities
• Enacting health safety measures in accordance with guidance from WHO, CDC, state and local officials
• Keeping facilities safe and operational to deliver the energy resources Alaskans depend on
Industry COVID-19 Cases in Alaska to Date:

- (1) BP employee on North Slope (AK resident)
- (1) Contractor from Deadhorse
- None reported in Cook Inlet
Alaskans Supporting Alaskans

Hilcorp Partners with ACF to Inspire Employee Giving in Alaska

by Christina Fenner | January 31, 2020 | Comments Off

BP Donates Jet Fuel To FedEx And Alaska Airlines For Coronavirus Relief Efforts

AKOG

April 24 at 10:42 AM

ConocoPhillips is donating a generous $100,000 to #AKCanDO and will be matching all private donations dollar-for-dollar to the fund of up to $100,000!
COVID-19: A Drastic Drop in Demand

As of May 1, 2020:

• Global crude demand down 29 million bpd, out of 100 million bpd market

• Lowest U.S. petroleum consumption in decades; 31% below 2020 avg. before pandemic (Jan. 1 – March 13)

• U.S. demand for refined products down significantly compared to this time last year (April 2020 vs. April 2019):
  – Gasoline ▼ 39.6%
  – Jet fuel ▼ 66.6%
  – Diesel ▼ 20.2%

• U.S. electricity consumption has fallen to 16-year low

“The oil and gas industry is critical to our nation’s economy and supports more than 10 million jobs. With plummeting global demand wrought by the coronavirus pandemic and supply rising as a result of the Saudi-Russian price war, prices have fallen to their lowest levels in nearly 20 years.”

– Senator Lisa Murkowski, April 7, 2020
Demand Remains: Alaska Needs to Compete

Changes in the Global Energy Mix
2018 vs Stated Policies 2040

- OIL
- NATURAL GAS
- COAL
- OTHER RENEWABLES
- MODERN BIOENERGY
- NUCLEAR
- SOLID BIOMASS
- HYDRO

Energy production (AEO2020 Reference case)
quadtrillion British thermal units

Dry natural gas
Crude oil and lease condensate
Other renewable energy
Coal
Natural gas plant liquids
Nuclear
Hydro

2019
History
Projections

U.S. Energy Information Administration

Changes in the Global Energy Mix
2018 vs Stated Policies 2040

- Based on current and announced policy frameworks, oil will make up about 38% of the global energy mix in 2040.
- Gas use will increase nearly 30%, making it almost as important in the energy mix as oil.
- Despite coal use steadily dropping in Western countries, demand will be buoyed by Asia.
- Renewable use, including from solar and wind, will increase by over 300%.
- Modern bioenergy use will almost double, while traditional biomass (i.e. wood, charcoal, etc.) will fall out of favor.

*Estimated figures in Million Tonnes of Oil Equivalent (MTOE)

Source: IEA, World Energy Outlook 2018
Alaska’s Resource Potential Remains

Total (EST)
AT LEAST
14 BILLION BARRELS

CORE FIELDS
Alpine: Fiord West, Narwhal
Kuparuk: Nuna, Eastern NEWS
Prudhoe Bay: I Pad, M Pad, VLBX
Core Fields Development Drilling
Oil Tax Ballot Measure Sets Alaska Back

- Before Alaskan voters November 3, 2020
- Hurts jobs, Alaskan families, small businesses, and new discoveries on the horizon
- Viewed as short-term budget solution, but has immediate and long-term economic consequences
- Significant tax increase on a single industry, ranging from 150-300% depending on oil price
- Now is not the time to increase taxes on any industry – including the oil and gas industry