

# **ALASKA'S ECONOMIC FUTURE: WHAT ROLE FOR A NORTH SLOPE NATURAL GAS PIPELINE?**

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Public Forum on the Alaska Natural Gas Pipeline  
Sponsored by the Federal Coordinator  
Anchorage, Alaska

# PETROLEUM DRIVES THE ECONOMY



# PETROLEUM

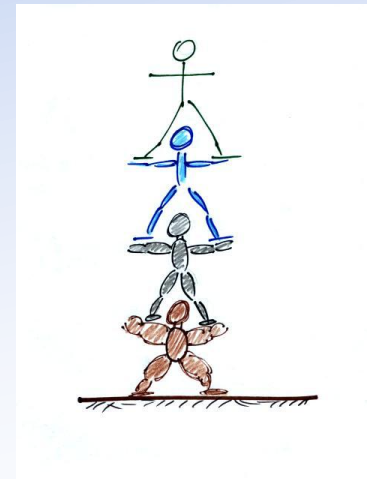


•Jobs

# TOURISM



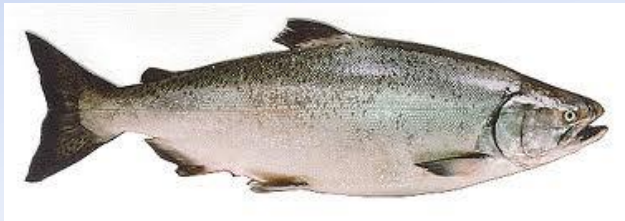
•Complexity



# HOW TO GET \$5 BILLION IN STATE REVENUE FROM OTHER SOURCES



**\$6,667 / OZ.  
GOLD**

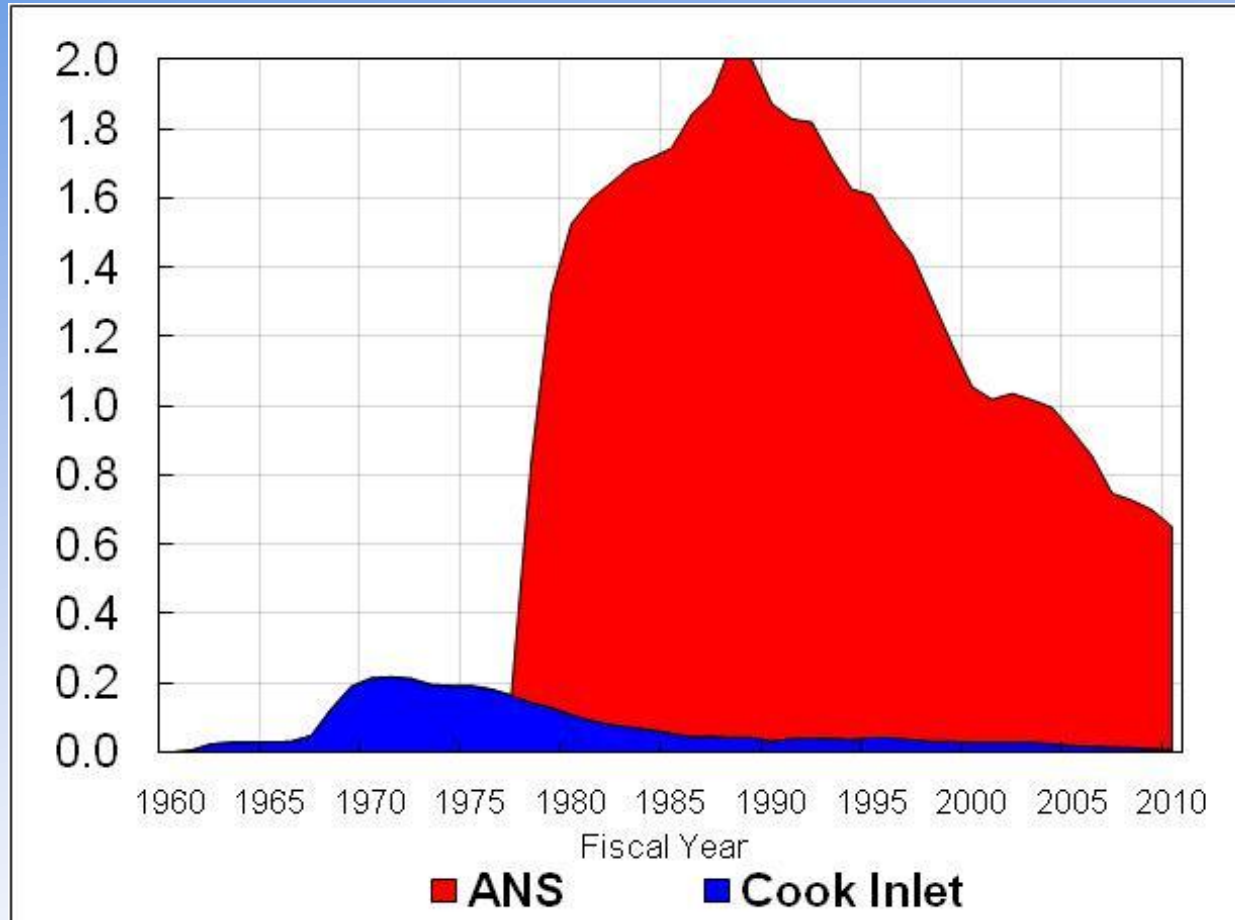


**\$33 / SALMON**



**\$3,333 /  
TOURIST**

# OUR ECONOMIC FORTUNES ARE TIED TO PETROLEUM (MMBPD)





# COULD THE FUTURE ALASKA ECONOMY LOOK LIKE THIS?



# **THE NON-PETROLEUM STRATEGIES FOR THE FUTURE**

- Natural Resource Development
- Value Added Processing
- Economic Diversification
- Infrastructure Investments in Power  
and Transportation
- Footloose Industry
- Renewable Energy

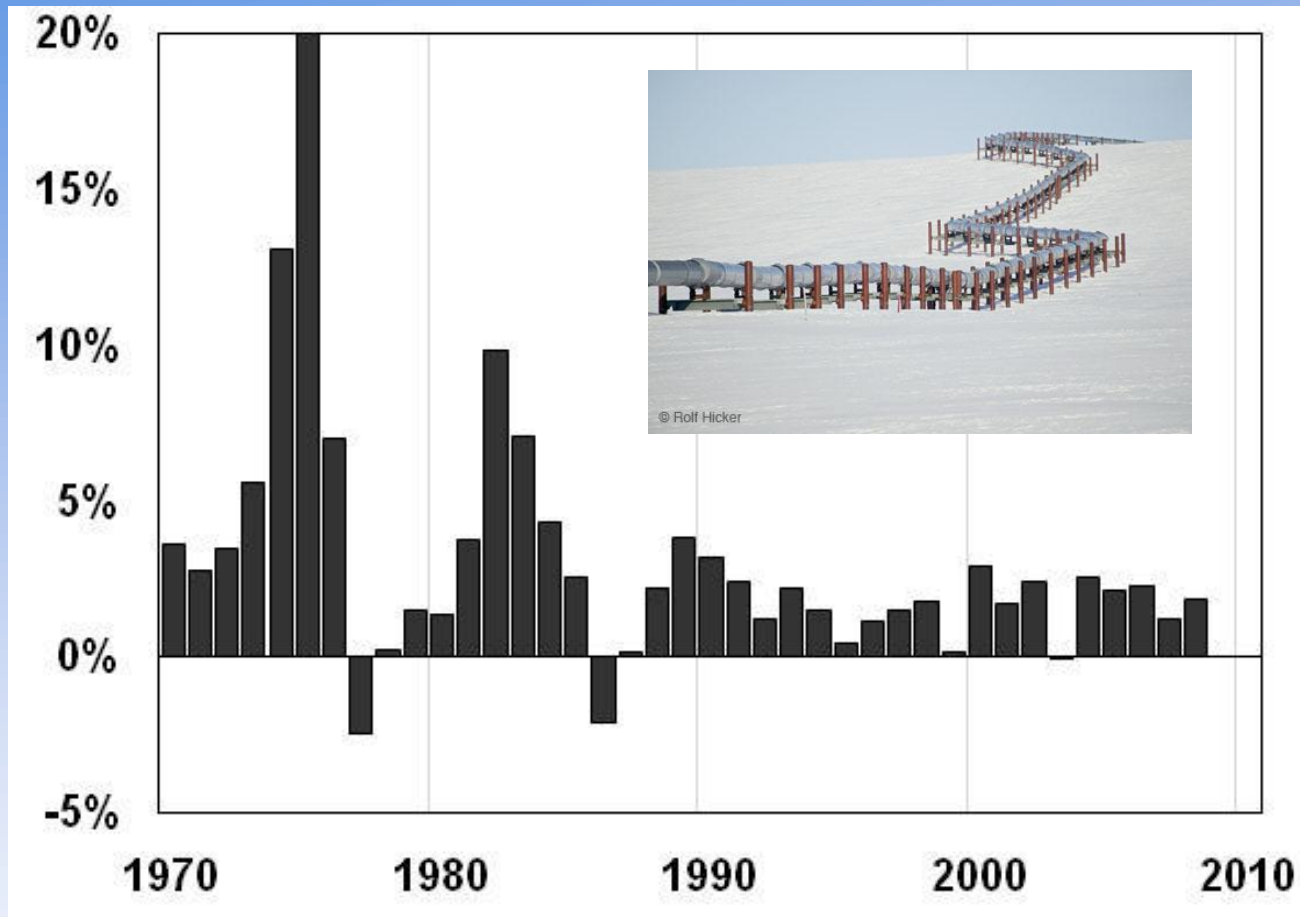
# DOES PETROLEUM HAVE A FUTURE IN ALASKA?



	Oil (Billion Barrels)	Gas (TCF)
<b>PRODUCTION TO DATE</b>	16	-
<b>KNOWN STATE: Colville-Canning</b>	4.5	37.5
<b>TECHNICALLY RECOVERABLE</b>	<b>33.6</b>	<b>148.8</b>
ANWR 1002	10.3	3.8
OCS Beaufort	6.9	32.1
OCS Chukchi	15.5	60.1
NPRA	.9	52.8
<b>OTHER</b>	?	?

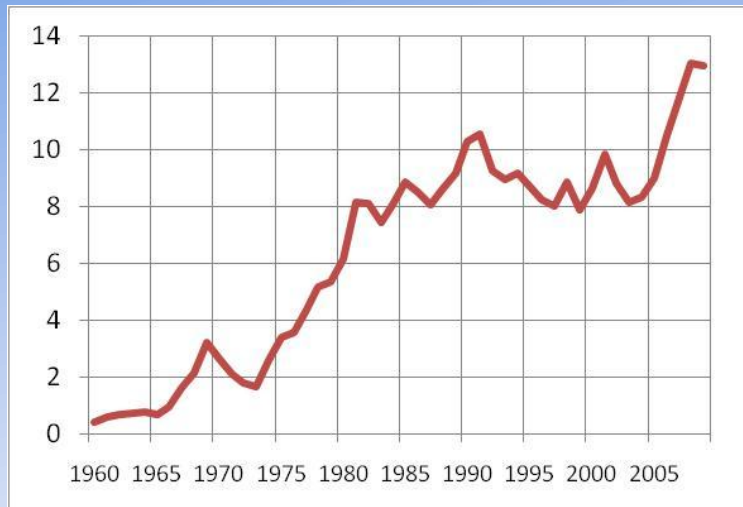


# PIPELINE CONSTRUCTION JOBS: BOOM AND BUST

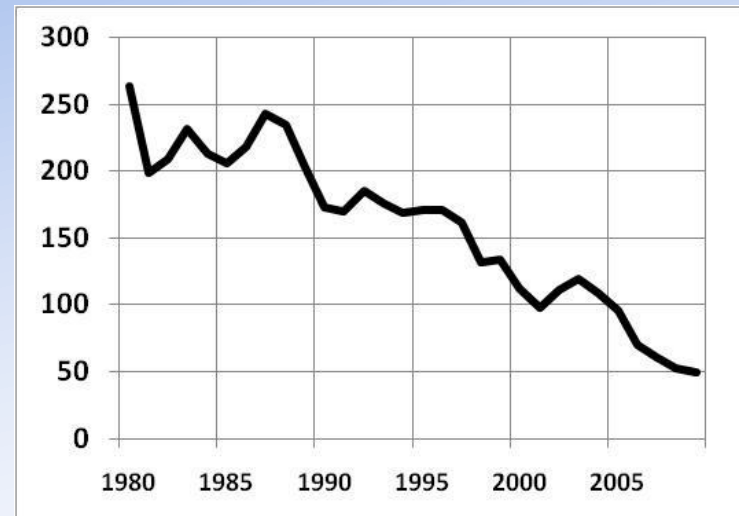


# EMPLOYMENT IN THE OIL PATCH

## TOTAL



## Barrels per Worker



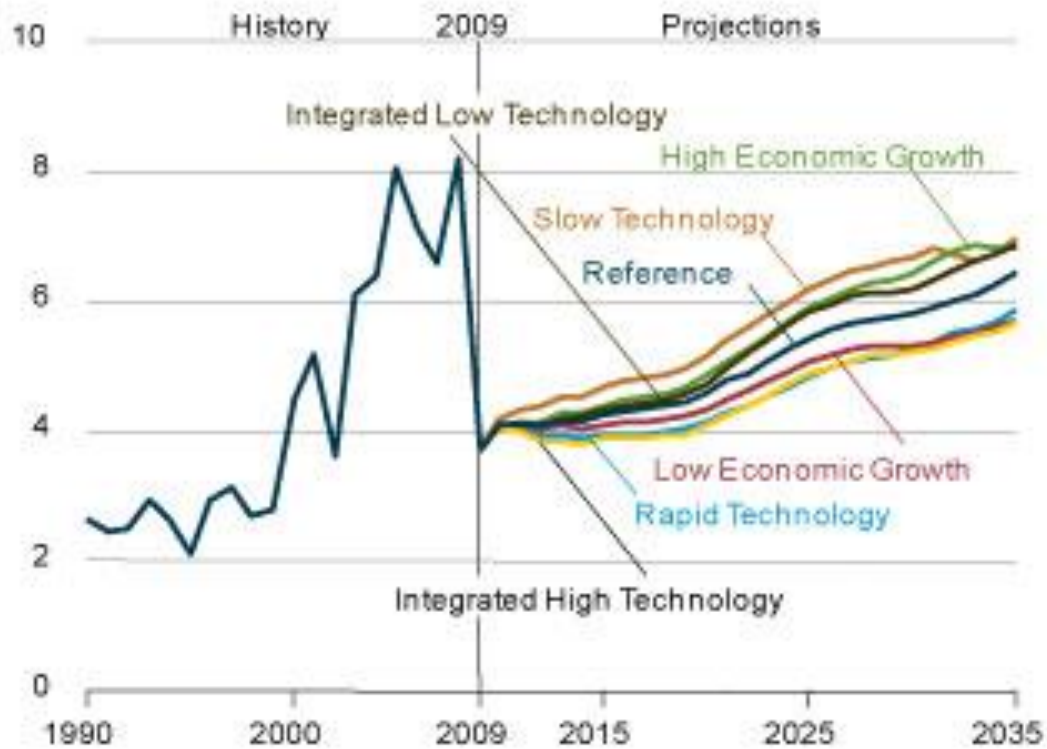
# **EMPLOYMENT IMPACT: BEYOND CONSTRUCTION**

- **KNOWN GAS**
- **NEW EXPLORATION**
- **OIL PRODUCTION AND  
DISCOVERIES**
- **COST OF OPERATING IN OIL  
PATCH**
- **OUTSIDE THE OIL PATCH**



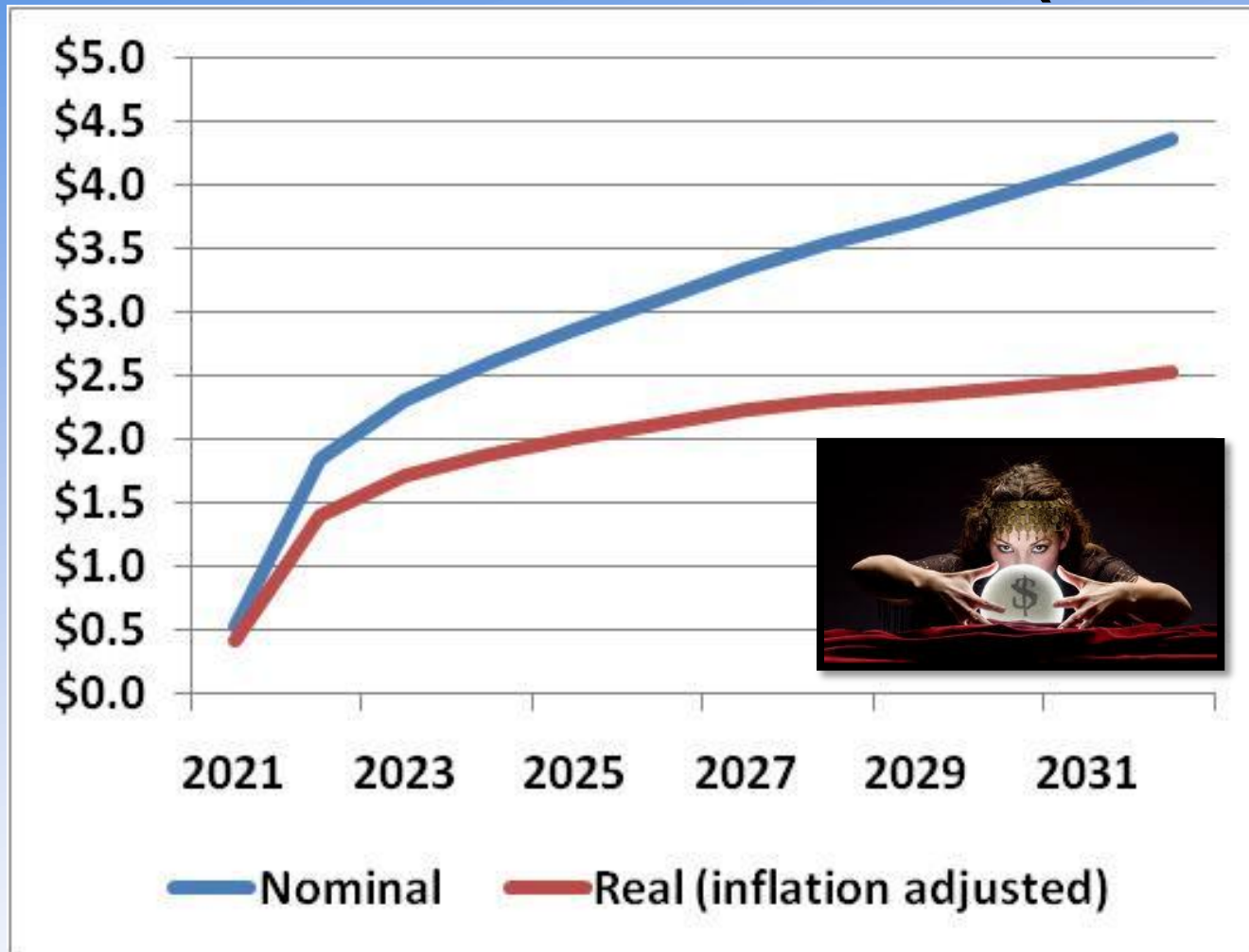
# GAS PRICE PROJECTION

Figure 88. Annual average lower 48 wellhead prices for natural gas in seven cases, 1990-2035  
(2009 dollars per thousand cubic feet)



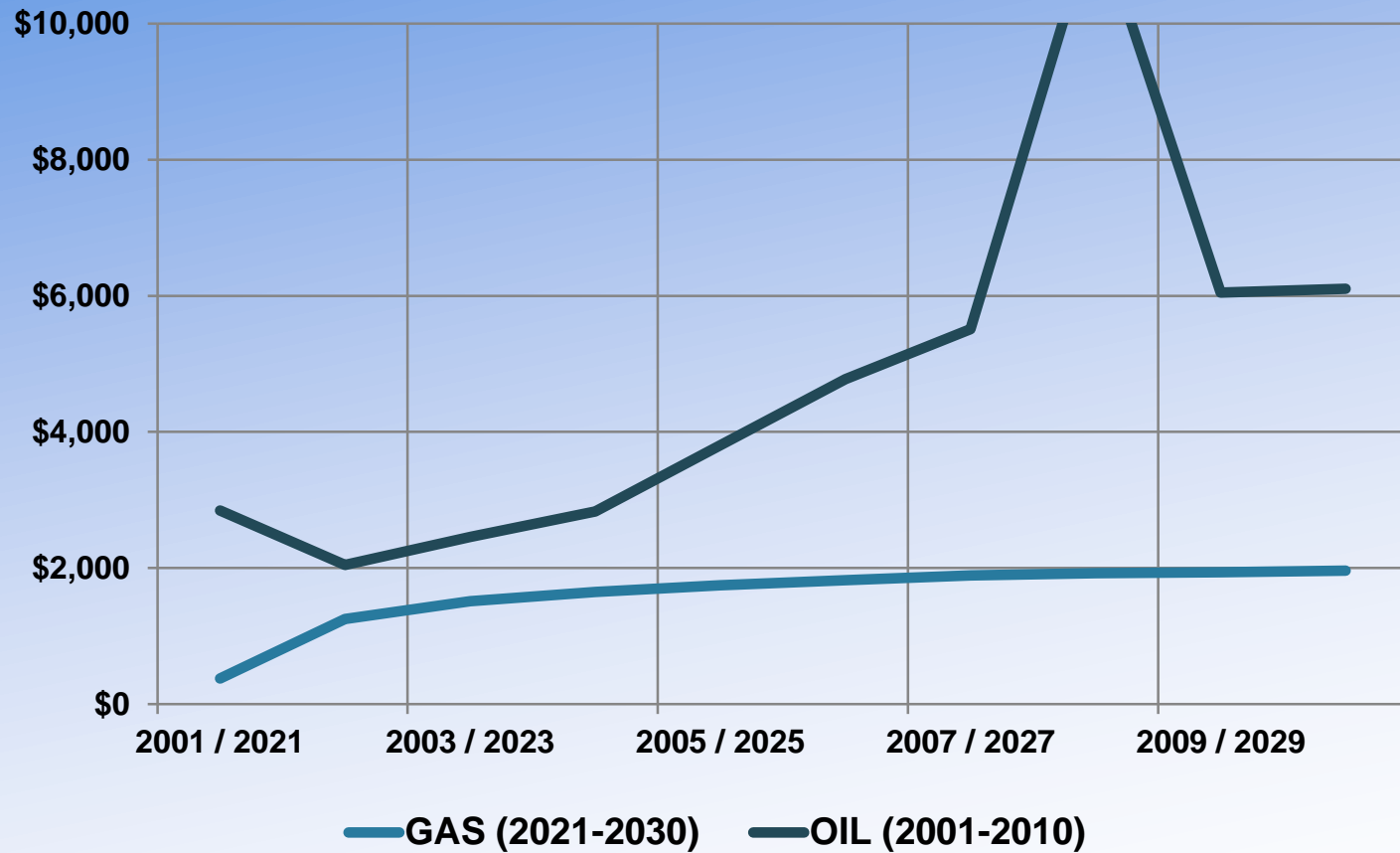
Source: IEA, AEO 2011.

# GAS REVENUE PROJECTION (Billion)





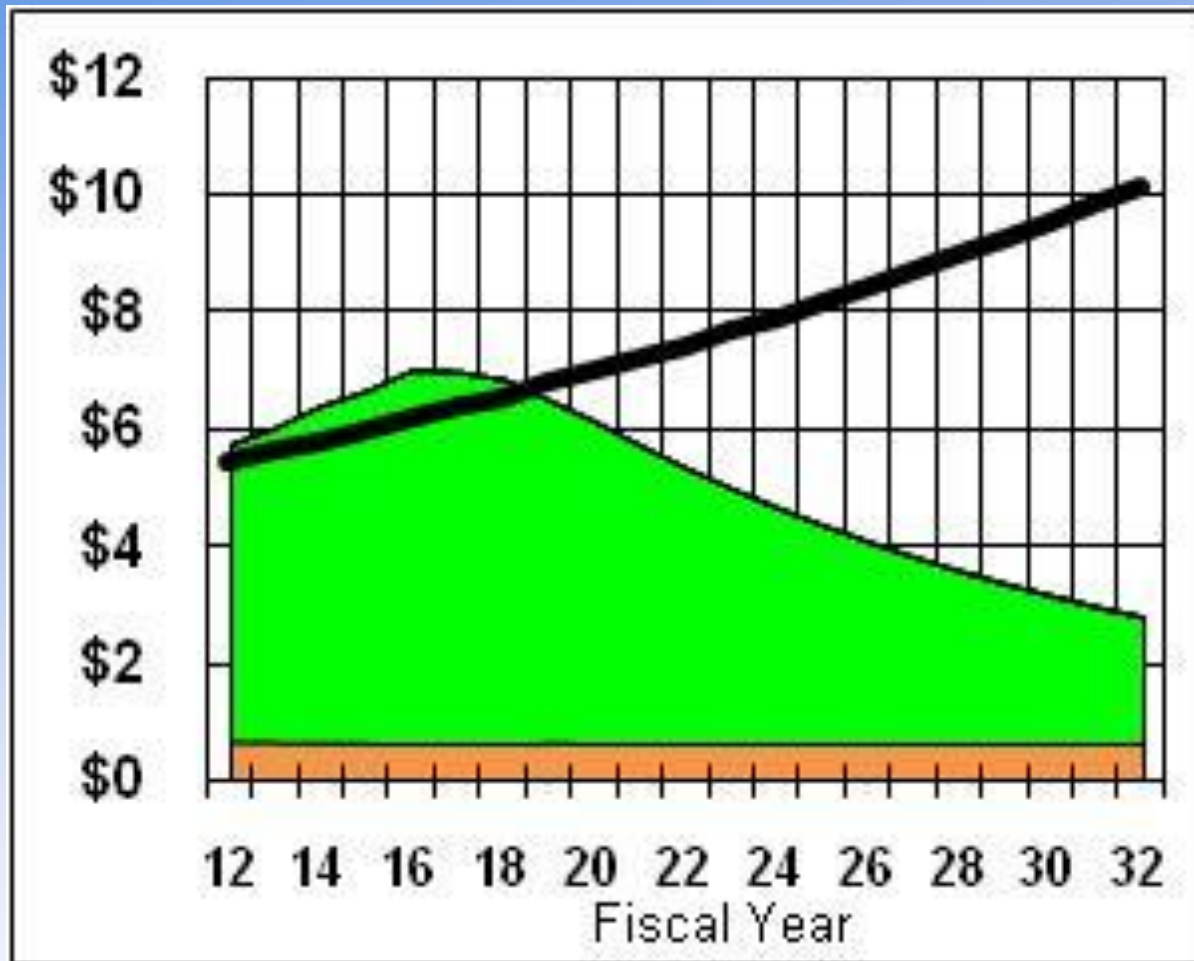
# GAS VS OIL REVENUES (Million)



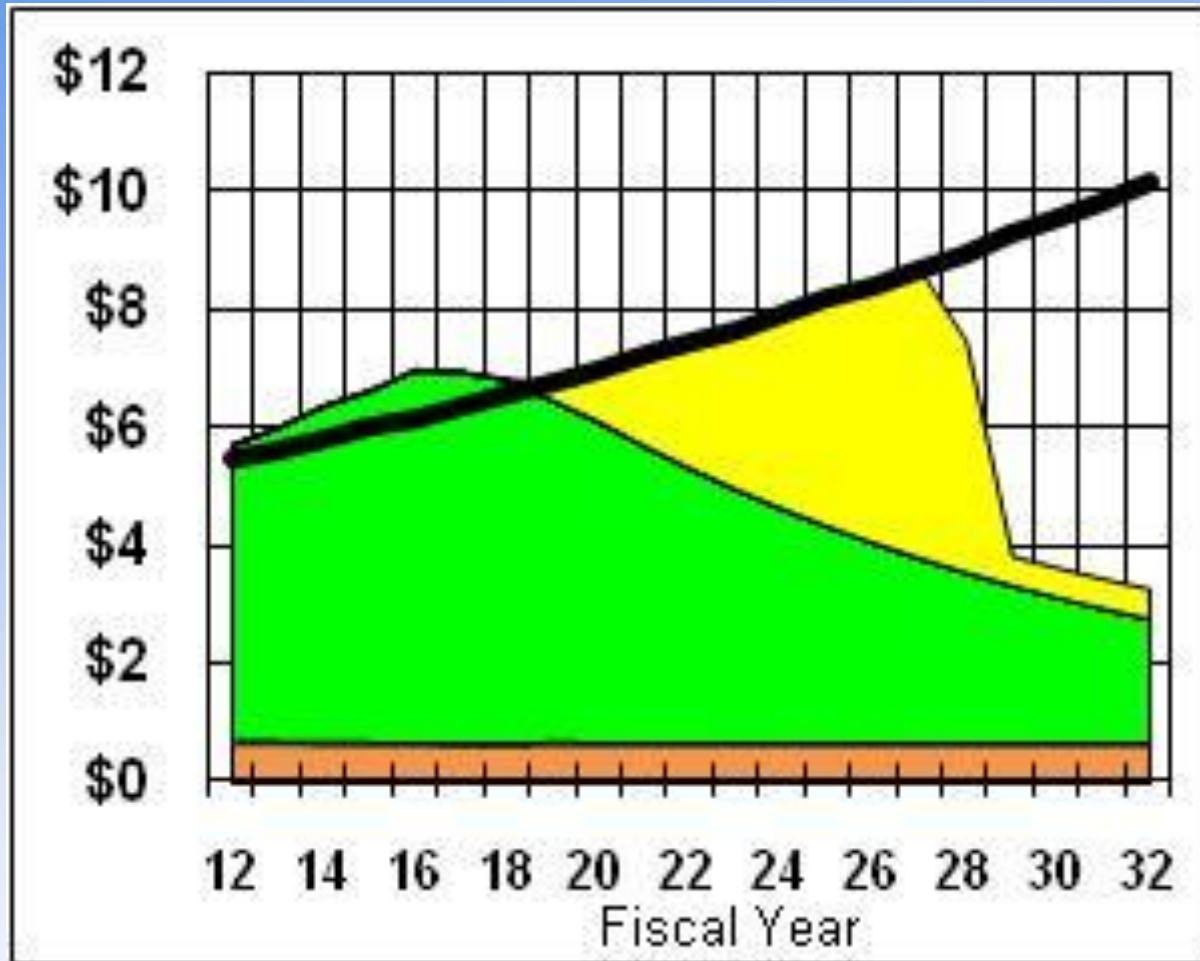
# REVENUE FROM OTHER OIL

- ANWR
- OCS
- NPRA
- Unconventional Oil

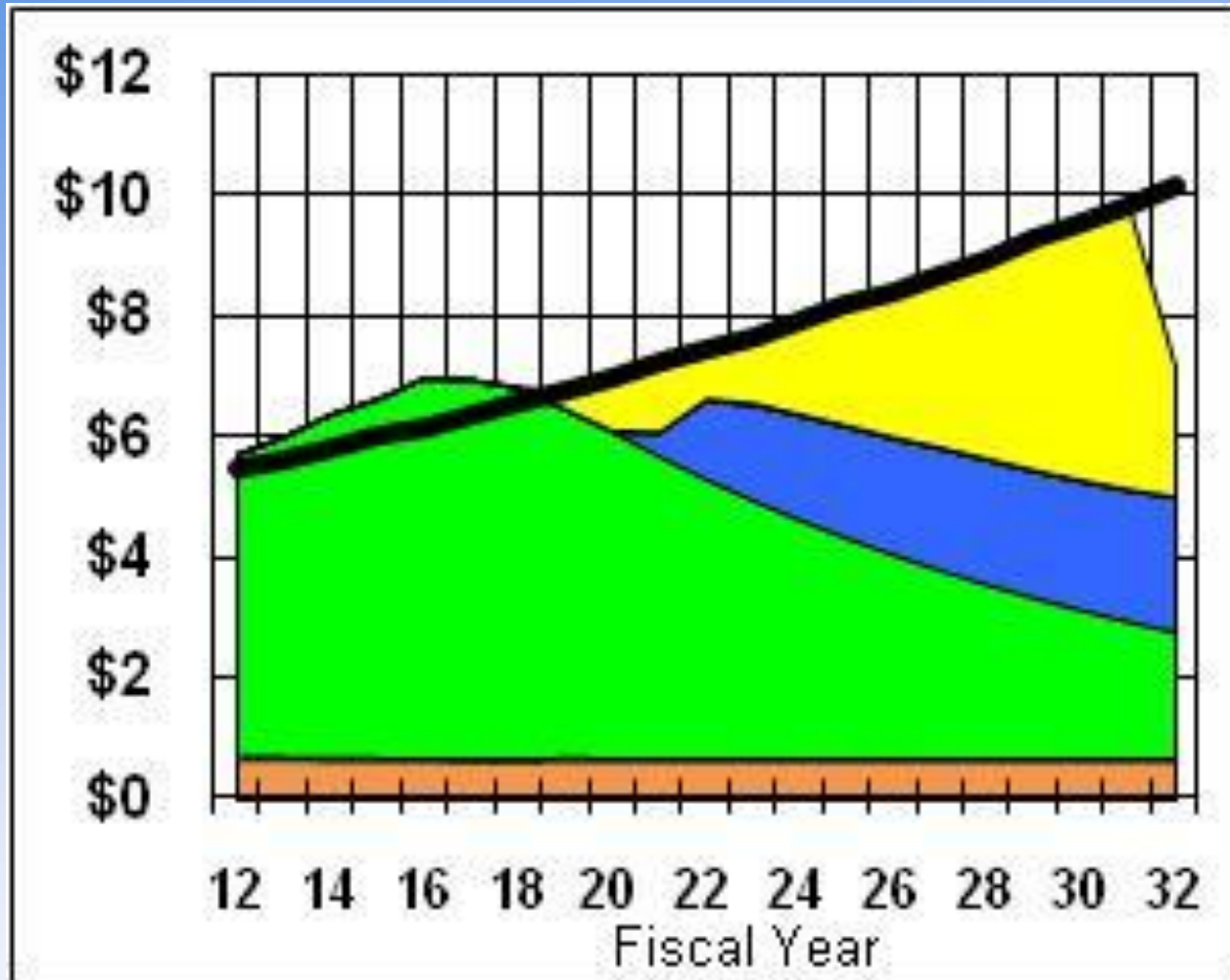
# STATE GF REVENUE PROJECTION



# STATE GF: USE OF SAVINGS

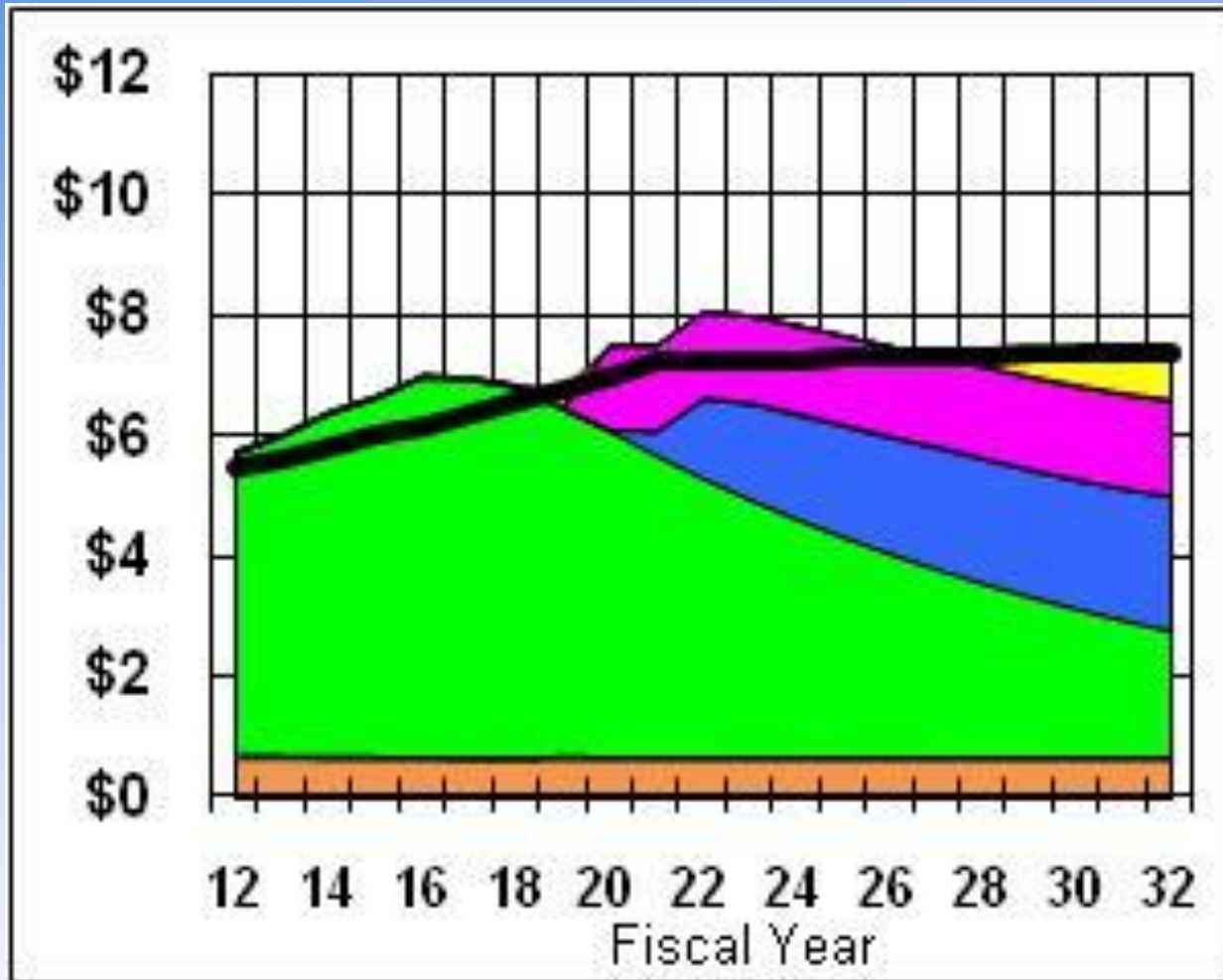


# STATE GF WITH GAS REVENUE





# STATE GF: BALANCED SOLUTION



# PERMANENT FUND



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