



Revenue Sources Book 2014 Spring



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of
Revenue

COMMISSIONER'S OFFICE
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April 7, 2014

The Honorable Sean Parnell, Governor of Alaska
P.O. Box 110001
Juneau, Alaska 99811-0001

Dear Governor Parnell:

I am pleased to present to you the Department of Revenue's spring 2014 forecast. The spring forecast is an annual update to the fall forecast of state revenues for you, the Alaska Legislature, and the Alaska public. This update is a collaborative effort among the Department of Revenue, the Alaska Permanent Fund Corporation, and the Office of Management and Budget. A more comprehensive forecast will occur in the fall, which should clarify many of the uncertainties surrounding recent company announcements.

In general, the forecast shows more Alaska oil production, especially in fiscal years 2016 and beyond. However, there are some short-term revisions in our production and revenue forecast that relate to increased drilling activity as well as revisions to planned summer 2014 maintenance on the North Slope. Based on actual production data, we have revised our expectations upward for fiscal year 2014 by 13,600 barrels per day.

The spring forecast for General Fund Unrestricted Revenue for FY 2014, is \$374 million (7.6%) higher and, for FY 2015, is \$9 million (-0.2%) lower than the previous forecast. The remainder of the ten-year forecast shows a modest increase in unrestricted revenue projections. I would like to note that, in both FY 2014 and FY 2015, unrestricted revenue from oil production is higher than the fall 2013 forecast and, importantly, that a slight reduction in the forecast of unrestricted revenue in FY 2015 is due to reductions in expected investment earnings.

The spring forecast for General Fund Unrestricted Revenue is \$5.3 billion for FY 2014 and \$4.5 billion for FY 2015. The actual FY 2013 GFUR totaled \$6.9 billion.

Our production forecast follows a consistent and prudent methodology, and we have incorporated some increase in production relative to the previous forecast. Please note that the spring 2014 forecast is an update of the previous fall 2013 forecast. The full forecast is done in the fall and this is where planned production information from companies is collected. This coming fall 2014 forecast will be the first forecast under the new tax system and the first budget cycle companies can evaluate projects with tax certainty. I expect to see many questions answered between now and then, hopefully resulting in high enough levels of certainty to begin incorporating new production into our revenue forecast.

In order to maintain stable or increasing unrestricted state revenue in the future, we will need to see higher oil prices and/or stable or increased production. I remain firm in my belief that with the More Alaska Production Act, we have a tax regime that can address the one factor we can influence – increased production.

I hope you find the information provided in the spring 2014 forecast to be interesting and useful. We look forward to providing you with a new forecast in the fall of 2014.

Sincerely,

A handwritten signature in blue ink that reads "Angela M. Rodell".

Angela Rodell,
Commissioner

Contents

| | |
|---|----|
| Executive Summary..... | 2 |
| Table 2-1: Total State Revenue, by restriction and type..... | 3 |
| Table 2-2: Unrestricted General Fund Revenue, by type and detail..... | 4 |
| Table 2-3: Restricted Revenue, by type and category | 6 |
| Table 4-4: ANS Oil & Gas Production Tax Data Summary..... | 8 |
| Table A-3b: Petroleum Revenue Forecast..... | 9 |
| Table A-4b: Unrestricted General Revenue Forecast | 10 |
| Table B-2: Price Difference from Spring 2013 Forecast..... | 11 |
| Table C-1: Production Differences from Fall 2013 Forecast..... | 12 |

Executive Summary

General Discussion

The spring forecast is an annual update of the fall forecast of state revenues for the Governor, the Alaska Legislature, and the Alaska public. This update is a collaborative effort among the Department of Revenue, the Alaska Permanent Fund Corporation, and the Office of Management and Budget.

State revenue comes from four major sources:

- oil revenue;
- income from sources other than oil, such as taxes, charges for services, licenses, permits, fines and forfeitures;
- federal revenue; and
- investment revenue, primarily from the Alaska Permanent Fund and the Constitutional Budget Reserve Fund.

General Fund Unrestricted Revenue is now forecast to be \$5.3 billion in fiscal year⁽¹⁾ (FY) 2014 and \$4.5 billion in FY 2015. This forecast represents an increase in expected General Fund Unrestricted Revenue for FY 2014 of \$374 million (+7.6%) compared to the projection in the fall 2013 forecast. FY 2015 is almost unchanged from the previous forecast and the remainder of the

ten-year forecast shows a modest increase in revenue.

The spring forecast for North Slope crude oil production revises expected production in FY 2014 from 508.2 thousand barrels per day to 521.8 thousand barrels per day; an increase of 13,600 barrels per day from the Fall 2013 forecast. This change reflects actual daily production levels that have consistently outperformed what was forecast in the fall of 2013.

The revenue forecast is based on a revised oil price forecast of \$106.61 per barrel versus \$105.68 for FY 2014, based on actual prices realized over the past several months and an overall better market outlook for oil prices. The forecast prices for the remaining years (FY 2015 – FY 2023) are unchanged, because there have been no structural changes or significant change in oil price triggers since the fall forecast. Forecast oil prices remain above \$105 per barrel throughout our forecast period to 2022.

A significant point of interest is that in the forecast period of FY 2014 through FY 2023, oil revenue is expected to contribute less than 90% of all unrestricted revenue, although revenues from oil production will continue to dominate as a major

contributor, forecast to be 82% to 89% of General Fund Unrestricted Revenue. State revenues will continue to be sensitive to oil price and oil production, as well as the cost of production. The state requires high oil prices (~\$100 per barrel) and/or stable or increasing production, in order to maintain stable or increasing state revenue.

In FY 2013, total state revenue from all sources amounted to \$15.8 billion. Prior to FY 2013, only FY 2011 total state revenue exceeded last year's revenue with a record \$19.5 billion, attributable to high oil prices and strong investment performance. Total state revenue for FY 2014 is also expected to be almost \$15 billion.

The totals of some tables in this publication may not equal the sum of components due to rounding.

⁽¹⁾ Alaska's fiscal year runs from July 1 through June 30.

Table 2-1: Total State Revenue, by restriction and type

| | (\$ millions) | | |
|---|-----------------|-----------------|-----------------|
| | History | Forecast | |
| | FY 2013 | FY 2014 | FY 2015 |
| Unrestricted Revenue Sources | | | |
| Unrestricted General Fund Revenue | | | |
| Petroleum Revenue | 6,352.0 | 4,697.9 | 3,945.9 |
| Non-petroleum Revenue | 551.6 | 485.0 | 511.5 |
| Investment Revenue | 28.1 | 121.1 | 65.5 |
| Federal Revenue | 0.0 | 0.0 | 0.0 |
| Unrestricted General Fund Revenue | 6,931.7 | 5,304.0 | 4,522.9 |
| Restricted Revenue Sources | | | |
| Designated General Fund Revenue | | | |
| Non-petroleum Revenue | 298.3 | 337.2 | 318.0 |
| Investment Revenue | 40.5 | 57.6 | 31.3 |
| Subtotal Designated General Fund Revenue | 338.8 | 394.8 | 349.3 |
| Other Restricted Revenue | | | |
| Petroleum Revenue | 1,032.5 | 761.7 | 726.6 |
| Non-petroleum Revenue | 185.2 | 214.0 | 213.6 |
| Investment Revenue | 4,937.3 | 5,288.4 | 3,638.7 |
| Subtotal Other Restricted Revenue | 6,155.0 | 6,264.1 | 4,578.9 |
| Federal Revenue | | | |
| Petroleum Revenue ⁽¹⁾ | 3.6 | 4.0 | 3.5 |
| Federal Receipts | 2,383.2 | 2,964.5 | 3,112.9 |
| Subtotal Federal Revenue | 2,386.8 | 2,968.5 | 3,116.4 |
| Total Restricted Revenue | 8,880.6 | 9,627.4 | 8,044.6 |
| Total State Revenue | 15,812.3 | 14,931.4 | 12,567.5 |

⁽¹⁾ Oil revenue shown in the Federal category includes the State share of rents, royalties, and bonuses received from the National Petroleum Reserve - Alaska, as provided by federal law.

Table 2-2: Unrestricted General Fund Revenue, by type and detail

| | (\$ millions) | | |
|---|----------------|----------------|----------------|
| | History | Forecast | |
| | FY 2013 | FY 2014 | FY 2015 |
| Unrestricted Petroleum Revenue | | | |
| Petroleum Taxes | | | |
| Petroleum Property Tax | 99.3 | 99.6 | 97.4 |
| Petroleum Corporate Income Tax | 434.6 | 463.8 | 463.7 |
| Oil & Gas Production Tax | 4,050.3 | 2,417.1 | 1,754.4 |
| Subtotal Petroleum Taxes | 4,584.2 | 2,980.5 | 2,315.5 |
| Royalties (including Bonuses, Rents, & Interest) | | | |
| Mineral Bonuses & Rents | 19.0 | 20.1 | 13.0 |
| Oil & Gas Royalties | 1,748.4 | 1,696.3 | 1,616.4 |
| Interest | 0.4 | 1.0 | 1.0 |
| Subtotal Royalties | 1,767.8 | 1,717.4 | 1,630.4 |
| Unrestricted Petroleum Revenue | 6,352.0 | 4,697.9 | 3,945.9 |
| Unrestricted Non-petroleum Revenue | | | |
| Non-petroleum Taxes | | | |
| Excise Tax | | | |
| Alcoholic Beverage | 19.8 | 20.0 | 20.3 |
| Tobacco Product – Cigarette | 32.2 | 30.4 | 28.9 |
| Tobacco Product – Other | 12.6 | 13.7 | 14.1 |
| Insurance Premium | 52.4 | 54.4 | 56.4 |
| Electric and Telephone Cooperative | 0.2 | 0.2 | 0.2 |
| Motor Fuel | 41.9 | 41.3 | 40.7 |
| Vehicle Rental | 8.4 | 8.3 | 8.4 |
| Tire Fee | 1.4 | 1.4 | 1.4 |
| Subtotal Excise Tax | 168.9 | 169.7 | 170.4 |
| Corporate Income Tax | 112.5 | 87.9 | 127.1 |
| Fisheries Tax | | | |
| Fisheries Business | 19.2 | 22.1 | 21.2 |
| Fishery Resource Landing | 5.5 | 5.3 | 4.8 |
| Subtotal Fisheries Tax | 24.7 | 27.4 | 26.0 |
| Other Tax | | | |
| Charitable Gaming | 2.5 | 2.4 | 2.4 |
| Estate | 0.0 | 0.0 | 0.0 |
| Large Passenger Vessel Gambling | 6.0 | 6.0 | 6.0 |
| Mining | 46.7 | 44.8 | 41.9 |
| Subtotal Other Tax | 55.2 | 53.2 | 50.3 |
| Subtotal Non-petroleum Taxes | 361.3 | 338.2 | 373.8 |

Table 2-2: Unrestricted General Fund, by type and detail (continued from previous page)

| | (\$ millions) | | |
|--|--------------------|----------------------------------|----------------|
| | History FY 2013 | Forecast FY 2014 FY 2015 | |
| Charges for Services | | | |
| General Government | 13.2 | 14.6 | 14.6 |
| Natural Resources | 5.6 | 7.6 | 7.6 |
| Other | 9.6 | 7.6 | 7.6 |
| Subtotal Charges for Services | 28.4 | 29.8 | 29.8 |
| Fines & Forfeitures | 15.8 | 10.4 | 10.4 |
| Licenses & Permits | | | |
| Alcoholic Beverage Licenses | 0.9 | 0.9 | 0.9 |
| Motor Vehicle | 38.2 | 40.2 | 40.2 |
| Other | 2.8 | 2.6 | 2.6 |
| Subtotal Licenses & Permits | 41.9 | 43.7 | 43.7 |
| Rents & Royalties | | | |
| Mining Rents & Royalties | 14.1 | 13.3 | 13.4 |
| Other Non-petroleum Rents & Royalties | 10.6 | 8.8 | 8.8 |
| Subtotal Rents & Royalties | 24.7 | 22.1 | 22.2 |
| Miscellaneous Revenues and Transfers | | | |
| Miscellaneous | 63.6 | 15.2 | 15.2 |
| Alaska Housing Finance Corporation | 9.5 | 0.0 | 0.3 |
| Alaska Industrial Development & Export Authority | 0.0 | 20.7 | 10.7 |
| Alaska Municipal Bond Bank Authority | 0.0 | 0.9 | 0.9 |
| Alaska Student Loan Corporation | 1.2 | 0.0 | 0.0 |
| Alaska Energy Authority | 0.1 | 0.0 | 0.0 |
| Alaska Natural Gas Development Authority | 0.1 | 0.0 | 0.0 |
| Mental Health Trust | 0.0 | 0.0 | 0.0 |
| Unclaimed Property | 5.0 | 4.0 | 4.5 |
| Subtotal Transfers | 79.5 | 40.8 | 31.6 |
| Unrestricted Non-petroleum Revenue, except federal and investment | 551.6 | 485.0 | 511.5 |
| Investment Revenue | | | |
| Investments | 26.7 | 119.6 | 64.0 |
| Interest Paid by Others | 1.4 | 1.5 | 1.5 |
| Unrestricted Investment Revenue | 28.1 | 121.1 | 65.5 |
| Total Unrestricted Revenue | 6,931.7 | 5,304.0 | 4,522.9 |

Table 2-3: Restricted Revenue, by type and category

| | (\$ millions) | | |
|---|----------------|----------------|----------------|
| | History | Forecast | |
| | FY 2013 | FY 2014 | FY 2015 |
| Designated General Fund Revenue | | | |
| Non-petroleum Revenue | | | |
| Taxes | 52.3 | 47.9 | 47.1 |
| Charges for Services | 202.9 | 247.1 | 234.1 |
| Fines and Forfeitures | 17.6 | 14.5 | 9.1 |
| Licenses and Permits | 0.2 | 0.2 | 0.2 |
| Rents and Royalties | 3.7 | 4.6 | 4.6 |
| Other | 21.6 | 22.9 | 22.9 |
| Subtotal | 298.3 | 337.2 | 318.0 |
| Investment Revenue | | | |
| Investments - Designated GF | 2.6 | 3.4 | 2.5 |
| Other Treasury Managed Funds | 37.9 | 54.2 | 28.8 |
| Subtotal | 40.5 | 57.6 | 31.3 |
| Restricted Designated General Fund Revenue | 338.8 | 394.8 | 349.3 |
| Other Restricted Revenue | | | |
| Oil Revenue | | | |
| Royalties to Alaska Permanent Fund & School Fund (includes Bonuses & Rents) | 855.9 | 741.7 | 706.6 |
| Tax and Royalty Settlements to CBRF | 176.6 | 20.0 | 20.0 |
| Subtotal | 1,032.5 | 761.7 | 726.6 |
| Non-petroleum Revenue | | | |
| Taxes | 76.5 | 74.7 | 74.4 |
| Charges for Services | 40.8 | 70.9 | 70.9 |
| Fines and Forfeitures | 24.5 | 24.3 | 24.1 |
| Licenses and Permits | 29.2 | 29.8 | 29.8 |
| Rents and Royalties | 8.0 | 7.5 | 7.6 |
| Other | 6.2 | 6.8 | 6.8 |
| Subtotal | 185.2 | 214.0 | 213.6 |
| Investment Revenue | | | |
| Investments - Other Restricted | 5.2 | 6.9 | 5.1 |
| Constitutional Budget Reserve Fund | 618.2 | 888.1 | 471.9 |
| Alaska Permanent Fund (GASB) ⁽¹⁾ | 4,313.9 | 4,393.4 | 3,161.7 |
| Subtotal | 4,937.3 | 5,288.4 | 3,638.7 |
| Other Restricted Revenue | 6,155.0 | 6,264.1 | 4,578.9 |

⁽¹⁾ Both realized and unrealized gains and losses are included per GASB 34 as interpreted by the Finance Division of the Department of Administration in its *Comprehensive Annual Financial Report*.

Table 2-3: Restricted Revenue, by type and category (continued from previous page)

| | (\$ millions) | | |
|------------------------------------|----------------|----------------|----------------|
| | History | Forecast | |
| | FY 2013 | FY 2014 | FY 2015 |
| Federal Revenue | | | |
| Federal Receipts | 2,383.2 | 2,964.5 | 3,112.9 |
| Oil Revenue | | | |
| NPR-A Royalties, Rents and Bonuses | 3.6 | 4.0 | 3.5 |
| Restricted Federal Revenue | 2,386.8 | 2,968.5 | 3,116.4 |
| Total Restricted Revenue | 8,880.6 | 9,627.4 | 8,044.6 |

Table 4-4: ANS Oil & Gas Production Tax Data Summary

| | History | Forecast | |
|--|---------|----------|---------|
| | FY 2013 | FY 2014 | FY 2015 |
| North Slope Price and Production | | | |
| Price of ANS WC (in \$/barrel) | 107.57 | 106.61 | 105.06 |
| Transit Costs & Other (in \$/barrel) | 9.76 | 9.90 | 9.82 |
| ANS Wellhead (in \$/barrel) | 97.81 | 96.71 | 95.24 |
| North Slope Production | | | |
| Total ANS Production (in mbbbls/day) | 531.6 | 521.5 | 495.9 |
| Royalty and federal (in mbbbls/day) ⁽¹⁾ | 82.7 | 67.6 | 63.5 |
| Taxable Barrels (in mbbbls/day) | 448.9 | 453.9 | 432.4 |
| North Slope Lease Expenditures⁽²⁾⁽³⁾ | | | |
| Total North Slope Lease Expenditures (in \$ millions) | | | |
| Operating Expenditures [OPEX] | 3,109.5 | 3,305.8 | 2,901.2 |
| Capital Expenditures [CAPEX] | 2,947.6 | 3,657.6 | 4,847.2 |
| Total North Slope Expenditures | 6,057.1 | 6,963.4 | 7,748.3 |
| Deductible North Slope Lease Expenditures (in \$ millions) | | | |
| Operating Expenditures [OPEX] | 2,849.4 | 3,254.6 | 2,849.4 |
| Capital Expenditures [CAPEX] | 2,074.7 | 3,368.9 | 4,416.8 |
| Deductible North Slope Expenditures | 4,924.1 | 6,623.5 | 7,266.2 |
| State Production Tax Revenue⁽⁴⁾ | | | |
| Tax Revenue (in \$ millions) | 4,050.3 | 2,417.1 | 1,754.4 |
| Production Tax Collected per Taxable Barrel | 24.7 | 14.6 | 11.1 |
| Statewide Production Tax Credits⁽²⁾⁽⁵⁾ | | | |
| Credits Used against Tax Liability (in \$ millions) | 469.0 | 970.0 | 940.0 |
| Credits for Potential Purchase (in \$ millions) | 359.0 | 650.0 | 600.0 |

⁽¹⁾ Royalty and Federal barrels represent our best estimate of barrels that are not taxed. This estimate includes both state and federal royalty barrels, and barrels produced from federal offshore property.

⁽²⁾ Lease expenditures and credits used against tax liability for FY 2013 were prepared using unaudited company-reported estimates.

⁽³⁾ Expenditure data for FY 2014 and FY 2015 are compiled from company submitted expenditure forecast estimates and other documentation as provided to the the department. Expenditures shown here are shown in two ways: (1) total estimated expenditures including for those companies with no tax liability; and (2) estimated deductible expenditures for only those companies with a tax liability.

⁽⁴⁾ Production tax is calculated on a company specific basis, therefore the aggregated data reported here will not generate the total tax revenue shown. For an illustration of the tax calculation, see Appendix D in the 2013 Fall Revenue Sources Book.

⁽⁵⁾ Production tax credits shown include all production tax credits and all areas of the State. North Slope CAPEX credits are spread out over two years as specified in the ACES production tax. Assumptions for the \$12 million credits for small Alaska producers are included in the table.

Table A-3b: Petroleum Revenue Forecast

(\$ millions)

| FY | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Unrestricted Petroleum Revenue | | | | | | | | | | |
| Petroleum Property Tax | 99.6 | 97.4 | 99.2 | 101.1 | 102.5 | 103.4 | 103.9 | 103.9 | 103.6 | 103.1 |
| Petroleum Corporate Income Tax | 463.8 | 463.7 | 460.8 | 465.4 | 456.1 | 441.9 | 424.2 | 400.0 | 382.1 | 361.0 |
| Oil and Gas Production Tax | 2,408.5 | 1,746.3 | 1,914.9 | 2,245.9 | 2,413.6 | 2,421.0 | 2,212.1 | 1,971.9 | 2,111.4 | 1,743.2 |
| Oil and Gas Hazardous Release | 8.6 | 8.1 | 8.1 | 8.0 | 7.6 | 7.1 | 6.6 | 6.1 | 5.6 | 5.1 |
| Oil and Gas Conservation | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Oil and Gas Royalties-Net ⁽¹⁾ | 1,696.3 | 1,616.4 | 1,647.2 | 1,649.5 | 1,635.2 | 1,604.0 | 1,488.3 | 1,386.9 | 1,373.4 | 1,250.1 |
| Bonuses, Rents & Interest-Net ⁽¹⁾⁽²⁾ | 21.1 | 14.0 | 14.0 | 14.0 | 14.0 | 14.0 | 14.0 | 14.0 | 14.0 | 14.0 |
| Petroleum Special Settlements | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Unrestricted Petroleum Revenue | 4,697.9 | 3,945.9 | 4,144.3 | 4,483.9 | 4,629.0 | 4,591.4 | 4,249.1 | 3,882.8 | 3,990.1 | 3,476.5 |
| Cumulative Unrestricted Petroleum Revenue⁽³⁾ | 113,297 | 117,243 | 121,387 | 125,871 | 130,500 | 135,092 | 139,341 | 143,223 | 147,213 | 150,690 |
| Restricted Petroleum Revenue | | | | | | | | | | |
| NPR-A Rents, Royalties, Bonuses | 4.0 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 |
| Royalties to AK Permanent Fund | 729.5 | 694.9 | 703.5 | 704.7 | 703.2 | 689.2 | 633.8 | 582.9 | 583.5 | 530.4 |
| Royalties to Public School Fund | 12.2 | 11.7 | 11.9 | 11.9 | 11.8 | 11.6 | 10.7 | 9.9 | 9.9 | 9.0 |
| CBRF Deposits | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Restricted Petroleum Revenue | 765.7 | 730.1 | 738.8 | 740.1 | 738.5 | 724.3 | 668.0 | 616.4 | 616.9 | 562.9 |
| Total Petroleum Revenue | 5,463.6 | 4,676.0 | 4,883.1 | 5,224.0 | 5,367.5 | 5,315.6 | 4,917.1 | 4,499.1 | 4,607.0 | 4,039.4 |

⁽¹⁾ Royalties, bonuses, rents and interest rate are net of Permanent Fund Contribution and (CBRF) deposits.⁽²⁾ This category is primarily composed of petroleum revenue.⁽³⁾ The cumulative Unrestricted General Fund petroleum revenue is based on revenue beginning in FY 1959.

Table A-4b: Unrestricted General Revenue Forecast

| | (\$ millions) | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| FY | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Total Unrestricted Petroleum Revenue | 4697.9 | 3945.9 | 4144.3 | 4483.9 | 4629.0 | 4591.4 | 4249.1 | 3882.8 | 3990.1 | 3476.5 |
| General Fund Unrestricted Non-petroleum Revenue | 606.1 | 577.0 | 599.9 | 613.9 | 629.1 | 651.0 | 676.6 | 703.3 | 725.2 | 754.0 |
| Total Unrestricted General Fund Revenue | 5304.0 | 4522.9 | 4744.2 | 5097.8 | 5258.1 | 5242.4 | 4925.7 | 4586.1 | 4715.3 | 4230.5 |
| Total Unrestricted General Fund Revenue from Petroleum | 89% | 87% | 87% | 88% | 88% | 88% | 86% | 85% | 85% | 82% |

Table B-2: Price Difference from Spring 2013 Forecast

(\$/bbl)

| FY | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Spring 2014 Forecast | | | | | | | | | | |
| ANS West Coast | 106.61 | 105.06 | 107.69 | 110.38 | 115.40 | 121.19 | 122.43 | 123.67 | 133.00 | 131.85 |
| Sum of Netback Costs | 9.91 | 9.82 | 9.62 | 9.85 | 10.11 | 10.54 | 11.16 | 11.86 | 12.62 | 13.40 |
| ANS Wellhead Wtd Average All Destinations | 96.71 | 95.24 | 98.07 | 100.53 | 105.29 | 110.65 | 111.27 | 111.81 | 120.38 | 118.45 |
| Fall 2013 Forecast | | | | | | | | | | |
| ANS West Coast | 105.68 | 105.06 | 107.69 | 110.38 | 115.40 | 121.19 | 122.43 | 123.67 | 133.00 | 131.85 |
| Sum of Netback Costs | 10.11 | 10.03 | 9.82 | 10.06 | 10.34 | 10.78 | 11.41 | 12.11 | 12.87 | 13.66 |
| ANS Wellhead Wtd Average All Destinations | 95.57 | 95.03 | 97.87 | 100.32 | 105.06 | 110.41 | 111.02 | 111.56 | 120.13 | 118.19 |
| Price change from prior forecast | | | | | | | | | | |
| ANS West Coast | 0.93 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Sum of Netback Costs | -0.21 | -0.22 | -0.20 | -0.21 | -0.23 | -0.24 | -0.25 | -0.25 | -0.25 | -0.26 |
| ANS Wellhead Wtd Average All Destinations | 1.14 | 0.22 | 0.20 | 0.21 | 0.23 | 0.24 | 0.25 | 0.25 | 0.25 | 0.26 |
| Percent change from prior forecast | | | | | | | | | | |
| ANS West Coast | 0.9% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Sum of Netback Costs | -2.0% | -2.1% | -2.0% | -2.1% | -2.3% | -2.2% | -2.2% | -2.1% | -2.0% | -1.9% |
| ANS Wellhead Wtd Average All Destinations | 1.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% |

Table C-1: Production Differences from Fall 2013 Forecast

| | (mbbls/day) | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| FY | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Spring 2014 Forecast | | | | | | | | | | |
| Alaska North Slope | 521.8 | 495.9 | 493.5 | 488.4 | 464.6 | 433.3 | 403.1 | 371.9 | 342.8 | 315.2 |
| Non-North Slope | 14.5 | 11.6 | 10.4 | 9.5 | 8.8 | 8.1 | 7.6 | 7.1 | 6.6 | 6.2 |
| Total | 536.3 | 507.5 | 503.9 | 497.9 | 473.4 | 441.4 | 410.7 | 378.9 | 349.4 | 321.4 |
| Fall 2013 Forecast | | | | | | | | | | |
| Alaska North Slope | 508.2 | 498.4 | 487.6 | 482.7 | 459.5 | 429.1 | 399.6 | 368.8 | 340.1 | 312.9 |
| Non-North Slope | 13.5 | 11.6 | 10.4 | 9.5 | 8.8 | 8.1 | 7.6 | 7.1 | 6.6 | 6.2 |
| Total | 521.7 | 510.0 | 498.1 | 492.2 | 468.3 | 437.2 | 407.2 | 375.9 | 346.8 | 319.1 |
| Volume change from prior forecast | | | | | | | | | | |
| Alaska North Slope | 13.6 | -2.5 | 5.8 | 5.7 | 5.1 | 4.2 | 3.5 | 3.1 | 2.7 | 2.3 |
| Non-North Slope | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 14.6 | -2.5 | 5.8 | 5.7 | 5.1 | 4.2 | 3.5 | 3.1 | 2.7 | 2.3 |
| Percent change from prior forecast | | | | | | | | | | |
| Alaska North Slope | 2.7% | -0.5% | 1.2% | 1.2% | 1.1% | 1.0% | 0.9% | 0.8% | 0.8% | 0.7% |
| Non-North Slope | 7.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Total | 2.8% | -0.5% | 1.2% | 1.2% | 1.1% | 1.0% | 0.9% | 0.8% | 0.8% | 0.7% |