REVENUE SOURCES BOOK
FORECAST & HISTORICAL DATA

FALL 1992

STATE OF ALASKA
Walter J. Hickel, Governor

DEPARTMENT OF REVENUE
Darrel J. Rexwinkel, Commissioner

STATE OF ALASKA

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November 20, 1992

The Honorable Walter J. Hickel
Governor
P.O. Box 110001
Juneau, Alaska 99811-001

Dear Governor Hickel:

RE: Fall 1992 Revenue Sources Book

The State revenue picture for FY 1993 has brightened. A strong oil market so far this year has resulted in oil prices which have averaged close to those projected last Spring in our High Price Scenario. The continued outlook is positive. Therefore, the Fall forecast Mid Scenario for FY 1993 has been revised upward by $332 million.

The Mid Scenario for FY 1994 has also been revised upward by $264 million. This reflects the view that increasing world oil consumption will keep pressure on supply resulting in firm oil prices at levels around $18.00-$19.00/bbl for Alaska North Slope quality oil. World oil consumption should rise as the global economy comes out of the current doldrums. Supply pressure should persist due to a continuing embargo of Iraqi production and a further slide in production from the Commonwealth of Independent States.

Alaska continues to rely on petroleum related revenues for over 80 percent of its revenue stream. This high degree of dependency on oil means that our revenues are particularly vulnerable to swings in the market price of oil. This forecast continues to use a scenario approach to forecast oil prices since varying political and economic factors can easily result in significantly different future oil prices. The range between the High and Low Scenarios encompasses a realistic range of possible revenue outcomes. But, as both the crash of 1986 and the spike in 1990 illustrate, either shortfalls or windfalls are possible. Over the long-run, our forecast demonstrates that oil price increases cannot be counted on to offset the decline in production from the mammoth Prudhoe Bay oil field.

This forecast is realistic. It is based on conservative assumptions about future enhancements of petroleum reserves and development of oil or gas made possible by technological breakthroughs or unforeseeable events. Further, this forecast does not project any changes in our tax system which may be considered as oil revenues decline.

I believe the revenues forecasted in this report represent our best estimate of future revenues.

Sincerely,

Darrel J. Rexwinkel
Commissioner

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REVENUE FORECAST SUMMARY

Outlook for Short Term (FY 1993 - FY 1995)

Alaska's revenue outlook continues to rely heavily on petroleum revenues. The outlook for oil prices over the next two years depends primarily on how the Organization of Petroleum Exporting Countries (OPEC) responds to evolving market fundamentals. The strength of global economies, the speed with which Kuwait and Iraq come back into the market, the increase in Iran and Saudi Arabia production capacity and the declining level of production from the Commonwealth of Independent States, are major factors that will also determine the relative strength or weakness of the crude oil market.

The three oil price scenarios which underpin the revenue forecast are summarized as follows:

Low Scenario: A continuing global economic recession which dampens growth in oil consumption, the rapid return of production from both Kuwait and Iraq and increased production capacity in Iran result in downward pressure on oil prices.

Mid Scenario: An upturn in the global economy in 1993, a continued embargo of Iraqi crude and a further decline in the Commonwealth of Independent State's oil sector result in stronger oil prices by 1993 and beyond.

High Scenario: The global economy is vigorous by the end of 1993 with oil consumption putting pressure on available supply resulting in upward pressure on oil prices.

The following table illustrates the revenue outlook. Revenues considered to be program receipts in the state's budgeting process are not included. The scenarios presented in this forecast represent a probable range of outcomes. None of the scenarios will prove totally correct.

Table 1

General Fund Unrestricted Revenues (Millions $)

	Low	Mid	High
FY 1992 (Preliminary)	2,459.5	2,459.5	2,459.5
FY 1993	2,095.6	2,271.5	2,391.6
FY 1994	1,965.8	2,287.9	2,455.8
FY 1995	1,985.7	2,394.9	2,542.5

Outlook for Long-Term (FY 1996 - FY 2010)

The long-term revenue outlook is dominated by the depletion of petroleum reserves of the Prudhoe Bay oil field. Higher oil prices in the future may offset some of the negative revenue impact of lower oil production levels. However, even in the high price scenario, inflation adjusted general fund unrestricted revenues fall below $2.0 billion by FY 1998. That compares to FY 1992 estimated revenues of nearly $2.5 billion.

Long-term oil production scenarios show total Alaskan oil production falling to one-half of current levels by FY 2002 in all three scenarios. Oil prices are assumed to grow from current levels at roughly the rate of inflation in the Low Scenario, by 0.5 percent greater than the rate of inflation in the Mid Scenario and by 1.0 percent greater than the rate of inflation in the High Scenario.

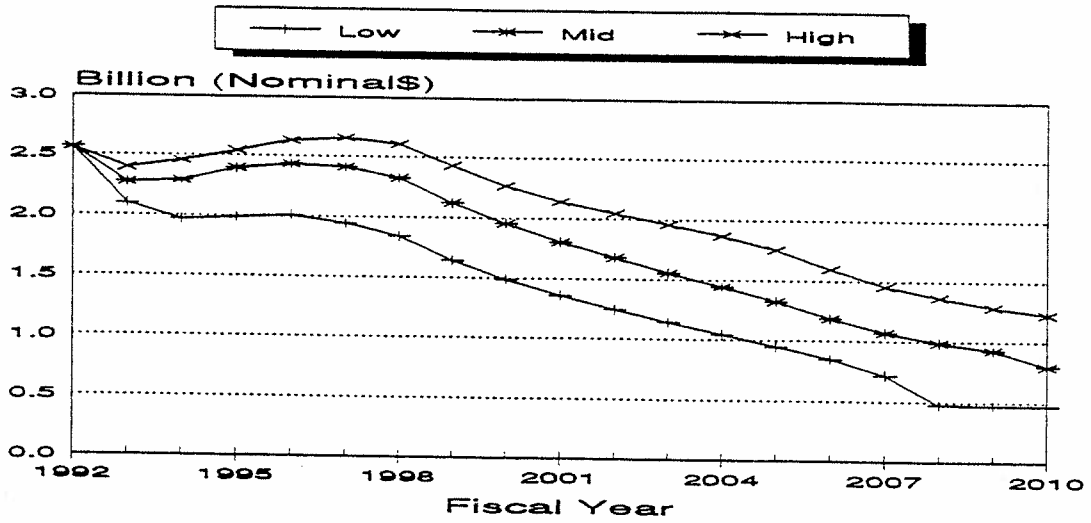
This relatively gloomy long-term revenue forecast is based on an extrapolation of what is happening currently. This forecast does not include any revenues from new oil fields which may be discovered and developed, such as the Arctic National Wildlife Refuge (ANWR), nor does it factor in any allowance for technological developments which will increase production from Alaska's older fields. Further, no major revenues are forecast for development of the Arctic natural gas resource nor is their any attempt to forecast changes in the State's fiscal system for generating public revenue.

Table 2 General Fund Unrestricted Revenues (Millions $)

	Low	Mid	High
FY 1996	2006.1	2430.2	2364.3
FY 1997	1941.9	2409.3	2659.7
FY 1998	1836.7	2320.6	2608.1
FY 2000	1490.2	1954.2	2265.2

Figure 1

General Fund Unrestricted Revenues
FY 1992 Preliminary and FY 1993 - 1995 Estimates



REVENUE FORECAST: SHORT-TERM OUTLOOK (FY 1993 - 1995)

General Fund Unrestricted and Restricted Revenues

This section analyzes unrestricted revenues over the next two and a half years through the rest of FY 1993 to the end of FY 1995. Both unrestricted and restricted revenues flow into the General Fund, the account which finances most of the budget. The difference between these two types of revenues is in how the legislature can use them. Unrestricted revenues have no restrictions on their use. Restricted revenues carry some restriction on their use. For most restricted revenues, the restriction comes from the Federal government.

Because restricted revenues are specific in their use, discussions of revenues in this publication focus on unrestricted revenues. Program receipt revenues and restricted revenues designated in the state's budgeting process are not included in this forecast.

The following table shows all sources of unrestricted General Fund revenues for FY 1992 through FY 1995.

Table 3

GENERAL FUND UNRESTRICTED REVENUES

(Millions of Dollars)

	FY 1992	FY 1993 ESTIMATES			FY 1994 ESTIMATES			FY 1995 ESTIMATES		
TAXES	**Preliminary**	**Low**	**Mid**	**High**	**Low**	**Mid**	**High**	**Low**	**Mid**	**High**
Income										
Corporate General	33.7	23.0	29.0	41.0	23.0	29.0	41.0	22.0	27.0	39.0
Corporate - Petroleum (1)	165.5	106.0	129.0	167.0	106.0	139.0	178.0	106.0	139.0	178.0
Total (2)	199.2	129.0	158.0	208.0	129.0	168.0	219.0	128.0	166.0	217.0
Severance										
Oil & Gas Production (1)	1022.2	902.7	973.7	1006.5	838.3	973.9	1028.8	842.8	1010.9	1056.6
Oil & Gas Conservation	2.3	2.1	2.2	2.2	2.1	2.1	2.1	2.1	2.1	2.1
Oil & Hazardous Release (3)	28.7	26.8	27.0	27.0	26.8	26.8	26.8	26.2	26.2	26.2
Total	1053.2	931.6	1002.9	1035.7	867.2	1002.8	1057.7	871.1	1039.2	1084.9
Property										
Oil & Gas (4)	69.0	62.8	62.8	62.8	59.6	59.6	59.6	56.6	56.6	56.6
Sale/Use										
Alcoholic Beverages	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Fuel Taxes - Aviation (5)	10.7	10.5	10.5	10.5	10.5	10.5	10.5	10.9	10.9	10.9
Fuel Taxes - Highway	23.1	22.0	22.0	22.0	21.5	21.5	21.5	21.5	21.5	21.5
Fuel Taxes - Marine	9.4	9.5	9.5	9.5	9.7	9.7	9.7	9.7	9.7	9.7
Tobacco Products (6)	14.3	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Total	69.5	68.0	68.0	68.0	67.7	67.7	67.7	68.1	68.1	68.1
Miscellaneous - Other Taxes										
Alaska Business License (7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fish (8)	30.1	21.0	27.0	36.0	21.0	27.0	36.0	21.0	27.0	36.0
Salmon Enhancement (9)	4.2	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Seafood Marketing (10)	2.8	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Insurance Companies	25.5	25.5	25.5	25.5	26.0	26.0	26.0	26.5	26.5	26.5
Electric & Telephone Coops (11)	2.1	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Gaming (12)	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Mining License Tax	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Estate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total	67.7	60.5	66.5	75.5	61.0	67.0	76.0	61.5	67.5	76.5
TOTAL TAXES	1458.6	1251.9	1358.2	1450.0	1184.5	1365.1	1480.0	1185.3	1397.4	1503.1

LICENSES & PERMITS										
Business (7)(13)	5.3	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Non-Business	27.1	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Total	32.4	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
INTERGOVERNMENTAL RECEIPTS										
Federal Shared Revenues (14)(15)	6.7	7.5	7.5	7.5	7.7	7.7	7.7	7.9	7.9	7.9
Section 8(g) Funds (14)(16)	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7
Total	11.4	12.2	12.2	12.2	12.4	12.4	12.4	12.6	12.6	12.6
STATE RESOURCE REVENUE										
Sale/Use										
Bonus Sales (14)(17)(18)	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rents (14)(18)	4.3	5.0	5.0	5.0	5.5	5.5	5.5	6.0	6.0	6.0
Royalties (14)	702.4	712.7	780.3	805.9	669.4	796.2	839.0	691.6	844.2	875.2
Sale of State Property (7)	1.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Gravel, Timber, etc. (7)	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Total	711.2	718.5	786.1	811.7	675.7	802.5	845.3	698.4	851.0	882.0
Investment Earnings	103.9	61.0	63.0	65.7	39.0	53.7	63.9	34.5	79.0	89.9
Facilities Related Charges										
Airports	3.4	2.0	2.0	2.0	2.5	2.5	2.5	3.0	3.0	3.0
Ferry System (19)	42.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	2.3	2.0	2.0	2.0	2.5	2.5	2.5	2.5	2.5	2.5
Total	48.1	4.0	4.0	4.0	5.0	5.0	5.0	5.5	5.5	5.5
Services Related Charges										
Court System	6.2	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Other (20)	32.1	2.5	2.5	2.5	3.7	3.7	3.7	3.9	3.9	3.9
Total	38.3	9.0	9.0	9.0	10.2	10.2	10.2	10.4	10.4	10.4
TOTAL RESOURCE REVENUE	901.5	792.5	862.1	890.4	729.9	871.4	924.4	748.8	945.9	987.8
MISCELLANEOUS REVENUE (21)	55.6	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
TOTAL UNRESRICTED REVENUE (22)	**2459.5**	**2095.6**	**2271.5**	**2391.6**	**1965.8**	**2287.9**	**2455.8**	**1985.7**	**2394.9**	**2542.5**
MENTAL HEALTH TRUST (23)	155.0	125.7	136.3	143.5	117.9	137.3	147.3	119.1	143.7	152.6

FOOTNOTES

(1) FY 92 figures include corporate petroleum and oil and gas production tax administrative settlements of $103.8 million. Administrative settlements represent collections of taxes receivable which are not for deposit to the constitutional Budget Reserve Fund.

(2) Figures include that portion ($46.648 million in FY 92) annually shared through the municipal assistance program (AS 29.60.350).

(3) Reflects enactment of the conservation surcharge on oil (Ch. 112, SLA 1989).

(4) Figures only reflect the State's share of the total. The projected total property tax and the municipalities' share are as follows (millions $): FY 93: $310.6 and $247.8; FY 94: $314.7 and $255.2; FY 95 $315.7 and $259.1, respectively.

(5) Includes that portion annually shared to qualified municipalities (AS 43.40.010).

(6) Figures reflect the increased millage rate for the General Fund portion from 5.5 to 12 mills per cigarette per AS 43.50.190.

(7) Figures reflect the trend of shifting fees by various agencies from General Fund Unrestricted Revenues to Restricted Program Receipts.

(8) The figure of $30.1 million is the remainder after tax credits have been applied. The amount of $30.1 million must be further reduced by $14.5 million in FY 92 for municipal revenue sharing (AS 43.75.130).

(9) Provides annual funding based on collections for qualified regional aquaculture associations (AS 43.76.025).

(10) Provides annual funding based on collections for the Alaska Seafood Marketing Institute (AS 16.51.160).

(11) Figures include that portion ($2.1 million for FY 92) annually refunded to local taxing authorities (AS 10.25.570).

(12) Reflects enactment of the Gaming Reform Act (Ch. 99, SLA 1988), effective September 2, 1988.

(13) Figures include that portion of amusement and gaming licenses (AS 43.35.050) and liquor licenses (AS 04.11.610) annually shared to qualified municipalities.

(14) Net of Permanent Fund and Public School Fund contributions.

(15) National forest receipts transferred to organized and unorganized boroughs per Chapter 37, SLA 1991.

(16) Reflects the OCS "8(g)" revenue sharing settlement of monies. The General Fund share represents 49.5 percent of the aforementioned total, whereas the Permanent Fund receives 50.0 percent. The remaining 0.5 percent is distributed to the Public School Fund.

(17) Figures for FY 92 reflect actual state lease sales: FY 91 (Sale 74, Cook Inlet, September 1991, $320,852—Sale 61, White Hills, January 1992, $2.4 million—Sale 68, Beaufort Sea, June, 1992, $0).

(18) The Department of Natural Resources projects the following FY 93, FY 94, and FY 95 state lease sales: FY 93 (Sale 75, Kuparuk Uplands, December, 1992—Sale 76, Cook Inlet, January, 1993—Sale 67AW, Cook Inlet, January, 1993—Sale 77, Nanushuk, May 1993—Sale 70AW, Kuparuk Uplands, May, 1993); FY 94 (Sale 57, North Slope Foothills, September, 1993—Sale 78, Cook Inlet, January, 1994—Sale 79, Yakataga, July, 1994—Sale 80, Shaviovik, November, 1994); FY 95 (Beaufort Sea, April, 1995). However, bonus bids are impossible to anticipate prior to sales; therefore, no estimates are provided.

(19) Chapter 193, SLA 1990, establishes the Alaska Marine Highway System Fund, and provides that gross revenue of the State ferry system be deposited in the fund which may then be appropriated for operating and capital expenditures.

(20) The figure for FY 92 contains reimbursement costs of $25.3 million to the general fund for legal services rendered per the EXXON VALDEZ oil spill settlement agreement.

(21) The state received $50.3 million in FY 92 from the EXXON VALDEZ oil spill case which was placed in a judgement settlement account within the general fund.

(22) The State, per AS 38.05.180, grants incentive credits against royalties, severance taxes, and rentals to the oil companies for drilling exploratory wells. The credits granted and applied for in FY 92 have not been subtracted from the aforementioned unrestricted revenues. Additional credits are anticipated in subsequent years.

(23) Chapter 210, SLA 1990, allocates 6.0 percent of General Fund unrestricted revenues to the Mental Health Trust Income Account until such time as the original Mental Health Trust Lands are valued. The necessary expenses of Alaska's Mental Health Program must be met before funds in the Mental Health Trust Income Account may be expended for any other public purpose (AS 37.14.021). The amounts shown are included in the aforementioned Total Unrestricted Revenue figures. Currently, the Mental Health Lands Settlement per Chapter 66, SLA 1991 is pending before the courts.

The following table shows that petroleum revenues will dominate in the short-term under all three scenarios.

Table 4 General Fund Unrestricted Revenues: Petroleum Revenues as a Percentage of the Total

FY 1992 - 1995
(Millions of Dollars)

	Total G. F. Unrestricted from Petroleum	Total G. F. Unrestricted Revenues	Percent
FY 92 Preliminary	2007.4	2459.5	82
FY 93 Estimates			
Low	1827.9	2095.6	87
Mid	1989.8	2271.5	88
High	2086.2	2391.6	87
FY 94 Estimates			
Low	1717.0	1965.8	87
Mid	2012.4	2287.9	88
High	2149.1	2455.8	88
FY 95 Estimates			
Low	1740.1	1985.7	88
Mid	2093.8	2394.9	87
High	2209.5	2542.5	87

Petroleum Revenues

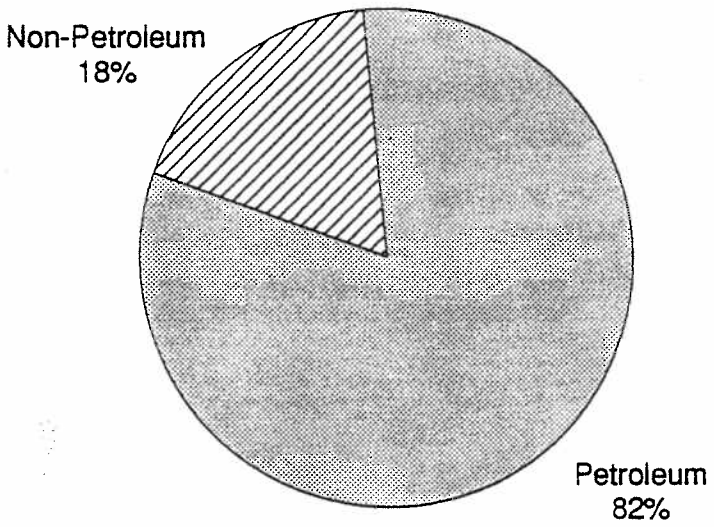
This section underlines the importance of petroleum revenues to Alaska's total revenues; discusses the current oil markets; sets out the petroleum forecast assumptions; describes the Low, Mid, and High Scenarios; and concludes with a note on methodology.

Importance of Petroleum Revenues

Petroleum revenues accounted for 82 percent of all unrestricted General Fund revenues in FY 1992, and will continue to account for close to 80 percent of those revenues each year well into the 1990's.

The figure below shows the relationship of petroleum revenues to all revenues for FY 1992.

Figure 2 FY 92 General Fund Unrestricted Revenues

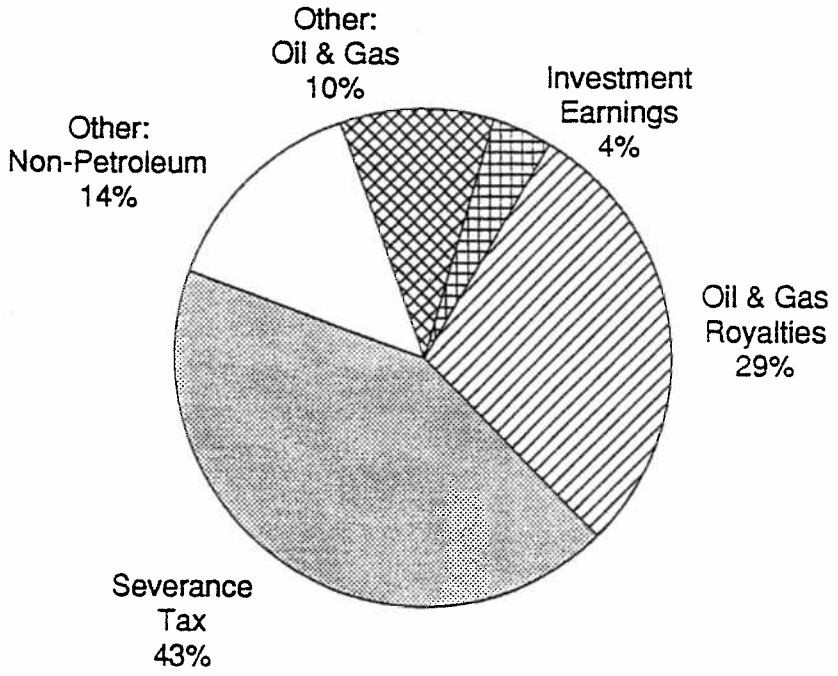


Petroleum revenues come from: (1) severance taxes (also called production taxes); (2) royalties on oil and gas the State owns; (3) corporate income taxes on corporations producing and transporting oil and gas; (4) oil and gas property taxes; and, (5) other oil and gas revenues (rents and bonuses).

Together, these petroleum revenues accounted for 82 percent of State revenues in FY 1992. The State also collects revenues in the form of interest earned on money invested in the State Treasury, which accounted for another four percent of the total General Fund unrestricted revenues. (Most of the earnings come from interest earned on petroleum revenues.) The following figure illustrates this.

Figure 3

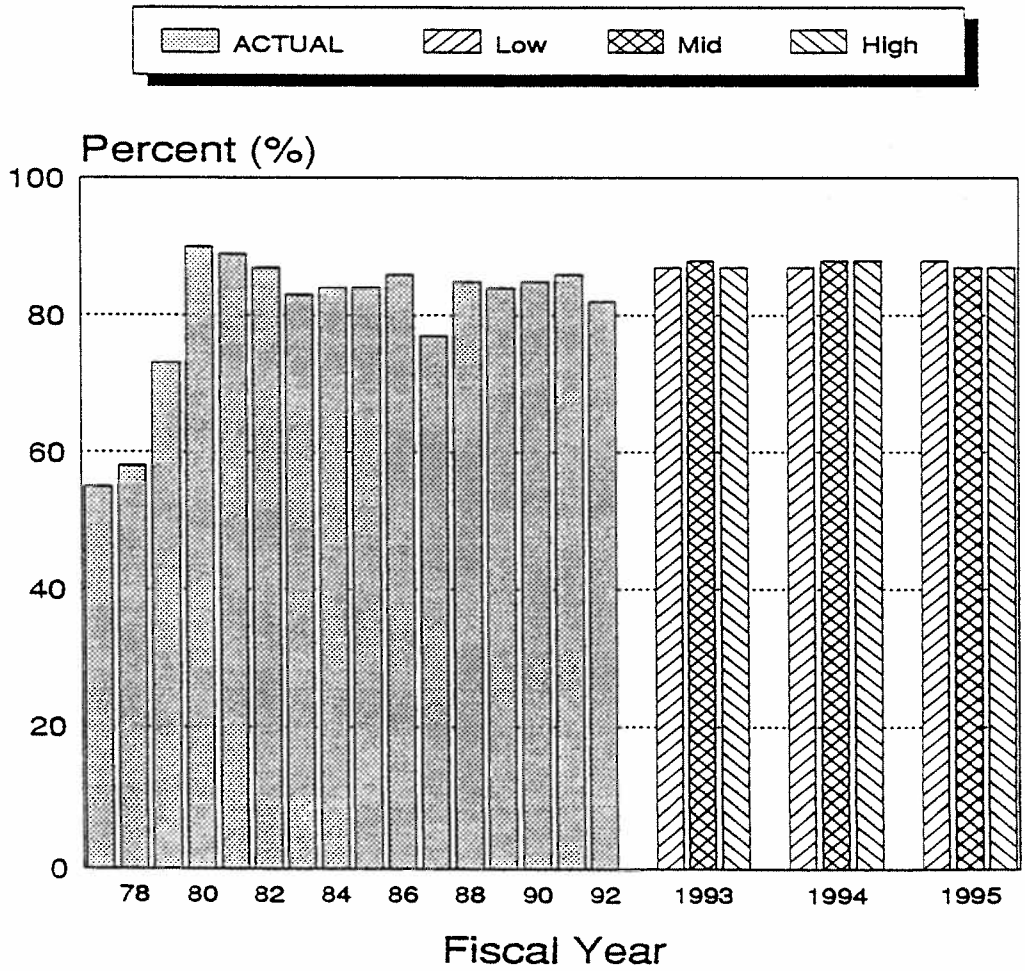
FY 92 General Fund Unrestricted Revenues



The following figure shows that the State of Alaska has received most of its revenues from petroleum for a substantial period. Petroleum revenues comprised more than 77 percent of General Fund unrestricted revenues in FY 1992 for the thirteenth year in a row.

Figure 4

Percentage of General Fund Unrestricted Revenues
Which Come From Petroleum
(FY 1977 - 95)



In this forecast we discuss only three of the many possible future price and production outcomes affecting Alaska oil revenues.

To assist in examining a greater number of possible future oil revenue outcomes, a revenue matrix has been developed for both FY 1993 and FY 1994. The Alaska State Revenue Matrices on the following two pages provide an estimate of State General Fund unrestricted revenues for various alternative ANS price and production levels.

Table 5

Alaska State Revenue Matrix[1]
Unrestricted General Fund
(Millions of Dollars)

FY 1993

Alaska North Slope Production
Millions of barrels/day

Avg ANS Lower 48[2]	1.60	1.65	1.70	1.75	1.80	1.85	1.90	1.95	2.00
$10.00	1,320	1,330	1,350	1,360	1,380	1,390	1,410	1,420	1,430
$11.00	1,380	1,390	1,410	1,430	1,440	1,460	1,470	1,490	1,510
$12.00	1,430	1,450	1,470	1,490	1,510	1,530	1,540	1,560	1,580
$13.00	1,490	1,520	1,540	1,560	1,580	1,600	1,620	1,650	1,670
$14.00	1,620	1,650	1,680	1,700	1,730	1,760	1,780	1,810	1,840
$15.00	1,750	1,780	1,810	1,850	1,880	1,910	1,940	1,970	2,010
$16.00	1,880	1,910	1,950	1,990	2,030	2,060	2,100	2,140	2,180
$17.00	2,000	2,050	2,090	2,130	2,170	2,220	2,260	2,300	2,350
$18.00	2,130	2,180	2,230	2,270	2,320	2,370	2,420	2,470	2,520
$19.00	2,260	2,310	2,360	2,420	2,470	2,520	2,580	2,630	2,690
$20.00	2,380	2,440	2,500	2,560	2,620	2,680	2,740	2,800	2,860
$21.00	2,510	2,580	2,640	2,700	2,770	2,830	2,900	2,960	3,030
$22.00	2,640	2,710	2,780	2,850	2,920	2,990	3,060	3,130	3,200
$23.00	2,770	2,840	2,920	2,990	3,070	3,140	3,210	3,290	3,360
$24.00	2,890	2,970	3,050	3,130	3,210	3,290	3,370	3,450	3,530
$25.00	3,020	3,110	3,190	3,280	3,360	3,450	3,530	3,620	3,700
$26.00	3,150	3,240	3,330	3,420	3,510	3,600	3,690	3,780	3,870
$27.00	3,270	3,370	3,470	3,560	3,660	3,750	3,850	3,950	4,040
$28.00	3,400	3,500	3,600	3,710	3,810	3,910	4,010	4,110	4,210
$29.00	3,530	3,630	3,740	3,850	3,960	4,060	4,170	4,280	4,380
$30.00	3,650	3,770	3,880	3,990	4,100	4,220	4,330	4,440	4,550

[1] Assumptions other than price and production are based on the Mid Scenario of the Department of Revenue Fall 1992 Forecast.

[2] The average ANS price for all lower 48 sales is approximately $0.50/barrel less than the U.S. Gulf price in FY 1992.

Table 6

Alaska State Revenue Matrix[1]
Unrestricted General Fund
(Millions of Dollars)

FY 1994

Avg ANS Lower 48[2]	Alaska North Slope Production Millions of barrels/day								
	1.60	1.65	1.70	1.75	1.80	1.85	1.90	1.95	2.00
$10.00	1,160	1,180	1,200	1,220	1,240	1,260	1,280	1,300	1,320
$11.00	1,230	1,260	1,280	1,300	1,320	1,340	1,370	1,390	1,410
$12.00	1,360	1,390	1,410	1,440	1,470	1,490	1,520	1,550	1,570
$13.00	1,490	1,520	1,550	1,580	1,610	1,640	1,670	1,700	1,730
$14.00	1,620	1,650	1,690	1,720	1,760	1,790	1,830	1,860	1,890
$15.00	1,750	1,790	1,830	1,860	1,900	1,940	1,980	2,020	2,060
$16.00	1,880	1,920	1,960	2,010	2,050	2,090	2,130	2,170	2,220
$17.00	2,010	2,050	2,100	2,150	2,190	2,240	2,290	2,330	2,380
$18.00	2,140	2,190	2,240	2,290	2,340	2,390	2,440	2,490	2,540
$19.00	2,270	2,320	2,370	2,430	2,480	2,540	2,590	2,650	2,700
$20.00	2,400	2,450	2,510	2,570	2,630	2,690	2,740	2,800	2,860
$21.00	2,520	2,590	2,650	2,710	2,770	2,840	2,900	2,960	3,020
$22.00	2,650	2,720	2,790	2,850	2,920	2,980	3,050	3,120	3,180
$23.00	2,780	2,850	2,920	2,990	3,060	3,130	3,200	3,270	3,340
$24.00	2,910	2,990	3,060	3,130	3,210	3,280	3,360	3,430	3,500
$25.00	3,040	3,120	3,200	3,280	3,350	3,430	3,510	3,590	3,670
$26.00	3,170	3,250	3,330	3,420	3,500	3,580	3,660	3,740	3,830
$27.00	3,300	3,390	3,470	3,560	3,640	3,730	3,820	3,900	3,990
$28.00	3,430	3,520	3,610	3,700	3,790	3,880	3,970	4,060	4,150
$29.00	3,560	3,650	3,750	3,840	3,930	4,030	4,120	4,220	4,310
$30.00	3,690	3,780	3,880	3,980	4,080	4,180	4,270	4,370	4,470

[1] Assumptions other than price and production are based on the Mid Scenario of the Department of Revenue Fall 1992 Forecast.

[2] The average ANS price for all lower 48 sales is approximately $0.65/barrel less than the U. S. Gulf price in FY 1993.

Current Oil Market Situation

World Market

At its September meeting, OPEC decided to hold fourth quarter production at a 24.2 million bbl/day ceiling—its third quarter level. This production strategy is an attempt to bring prices up to the $21.00/bbl OPEC target, however, there remains some divergent views on how to achieve this.

Equador announced that it planned to pull out of OPEC citing high membership fees and strict quotas as the reason. Since the Gulf War, Saudi Arabia has been the only member with significant spare capacity, however, Iran has stepped up efforts to increase its production and believes it can sustain capacity at 4 million bbl/day by year-end. Further, Kuwaiti production has almost returned to its pre-War level. Iraq remains out of the market but it is believed that its production could reach 2 million bbls/day were the United Nations embargo lifted. OPEC will meet in late November to assess the market situation and set its 1993 first quarter production quotas.

The continued worldwide economic slump has dampened the growth of demand for crude but, with the onset of a high demand fourth quarter and OPEC's decision to continue with quotas established last summer, it is anticipated that the increase in demand should prop up prices.

Figure 5 OPEC Production

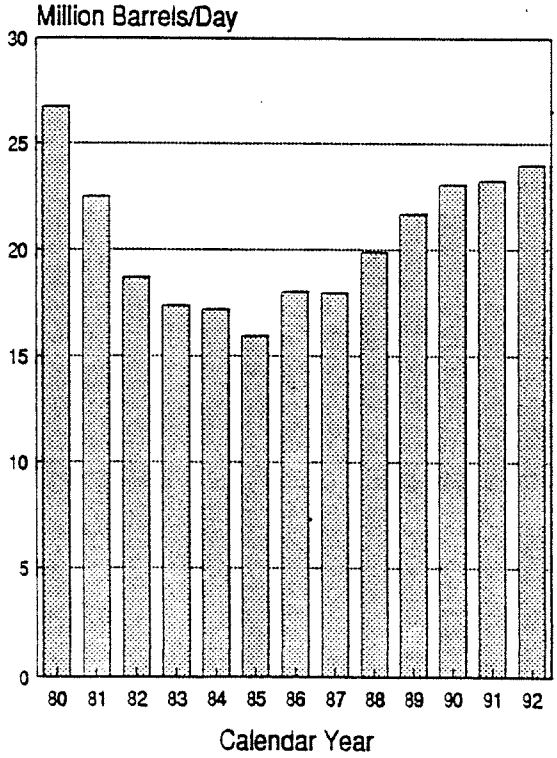


Table 7 OPEC Production[1]
(Thousands of bbls/day)

Country	Production Sep 92	Production 1991 Avg.
Algeria	800	800
Ecuador	315	291
Gabon	295	279
Indonesia	1,350	1,433
Iran	3,500	3,333
Iraq	450	296
Kuwait[2]	1,200	186
Libya	1,450	1,483
Nigeria	1,960	1,885
Qatar	400	378
Saudi Arabia[2]	8,400	8,180
UAE	2,300	2,388
Venezuela	2,360	2,325
TOTAL	24,780	23,259

1 Source: International Petroleum Statistics Report (Sep 1992).
2 Share Neutral Zone output 1980-Jul 1990 and beginning in Jun 1991; from Aug 1990-May 1991, output is included in Saudi Arabia due to Persian Gulf War.

Alaska North Slope Market

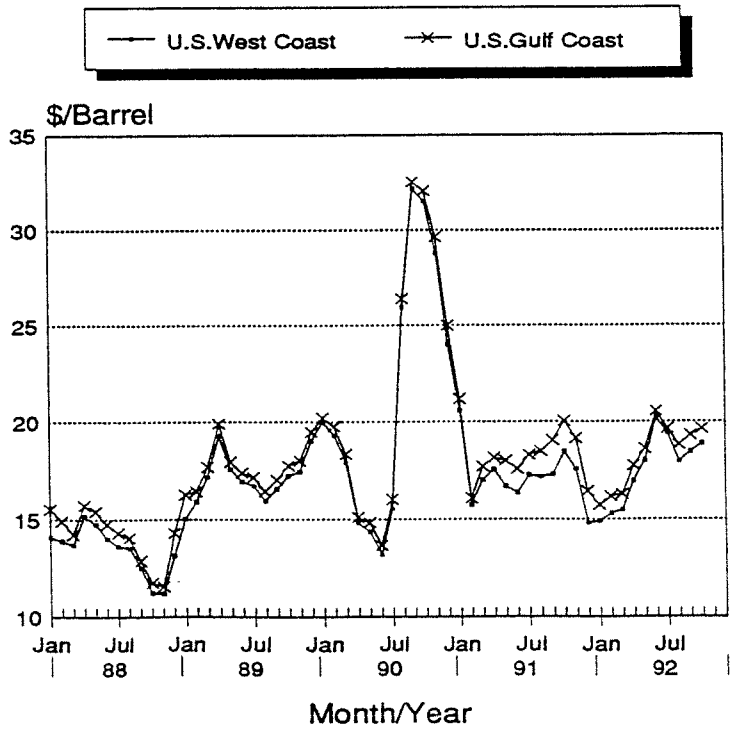
Alaska North Slope (ANS) prices have ranged between $17.00 and $20.00/bbl since last Spring. For the past six months, concern over the health of the global economy, plus uncertainty as to when Iraqi exports will return to the world market, have led to the price fluctuations of ANS. The price increase this year has been driven mainly by OPEC's decision to maintain fourth quarter production at its summer quota. ANS Lower 48 price has averaged just under $19.00/bbl so far for FY 1993.

BP Exploration announced its official selling prices for November 1992 as $18.80/bbl on the West Coast and $19.40/bbl on the Gulf Coast. Recent spot prices have been running $0.10/bbl lower than the official price.

Roughly 85 percent of ANS production is sold on the West Coast while 15 percent is marketed in the Eastern half of the United States and the Caribbean. As ANS production declines, it is expected that shipments to Eastern U.S. destinations will cease after 1996. Greater transportation costs to the more distant markets result in a Gulf Coast derived wellhead price which is lower than the West Coast price. ANS spot prices are graphed below in Figure 6.

Figure 6

ANS Spot Price
January 1988 - October 1992



Forecast Assumptions

ANS Lower 48 Prices

Beginning with this forecast, the oil price assumptions start with the price of ANS at the U.S. Gulf Coast. ANS Gulf is now used as a benchmark instead of West Texas Intermediate (WTI) for the following practical and theoretical reasons:

1. Saudi Light is marketed in the U.S. based on the Gulf ANS spot price. This provides a link to worldwide markets.

2. WTI is a lighter gravity, lower sulfur crude than ANS, and is thus valued higher. By using ANS itself as a marker, any price variations that occur due to quality differentials are eliminated and forecasting error can be attributed solely to incorrect assumptions about ANS price.

We do continue to forecast a WTI price based on the historical relationship between WTI and ANS.

The discussion of price forecast assumptions starts with the Gulf Coast ANS price and outlines the other variables which translate this price into the wellhead price for ANS crude oil. The wellhead price determines the value of production and thus the state's severance tax and royalty income.

The price of West Coast ANS is forecasted based on its historical relationship to Gulf Coast ANS. West Coast ANS sells at a discount to the Gulf because the presence of ANS on the West Coast creates a crude oil glut there. It is this glut that necessitates the shipment of ANS to the Gulf. The short term forecast for ANS is illustrated below.

Figure 7 ANS at the U. S. Gulf

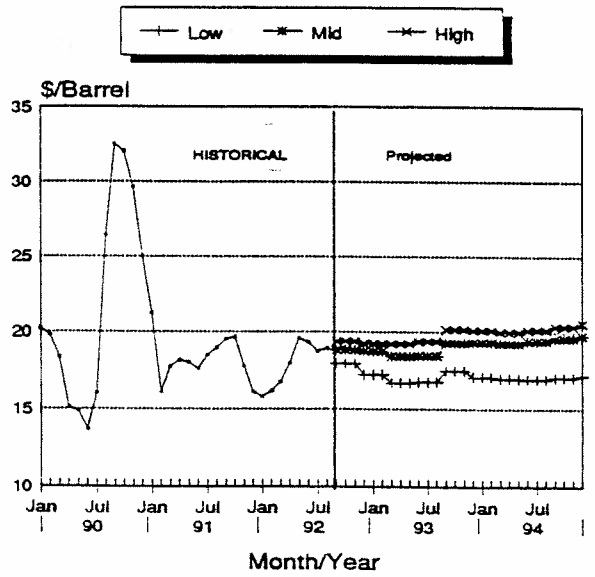
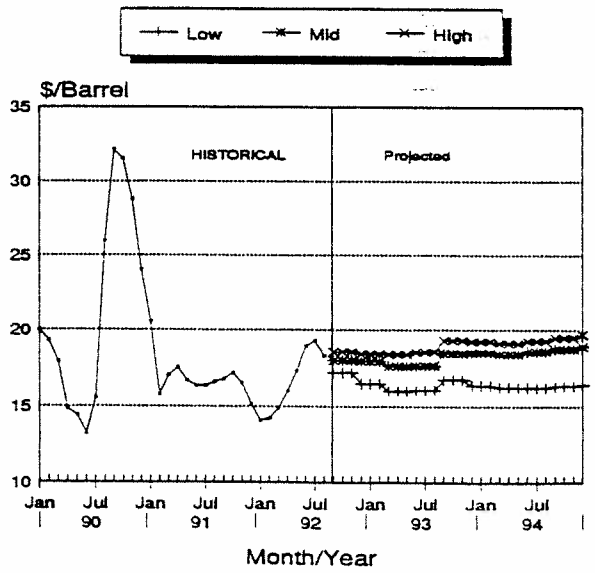


Figure 8 ANS at the U. S. West Coast



Over the longer term, as demand on the West Coast grows and ANS production declines, the West Coast oil glut will disappear. In this forecast West Coast and Gulf Coast oil prices are assumed to converge when the West Coast surplus disappears. The long term forecast for ANS is illustrated below.

Table 8 Scenarios for ANS Oil Price Gulf Coast and West Coast ($/bbl)

Fiscal	Low		Mid		High	
Year	West	Gulf	West	Gulf	West	Gulf
1993	17.13	17.71	18.11	18.73	18.56	19.21
1994	16.35	17.07	18.26	19.07	19.06	19.90
1995	16.43	17.15	18.91	19.74	19.67	20.52
2000	19.48	19.48	24.67	24.67	27.02	27.02
2005	22.65	22.65	30.68	30.68	37.14	37.14

Table 9 Marine Transportation Costs Valdez to Lower 48 ($/bbl)

Fiscal Year	Low	Mid	High
1993	1.83	1.83	1.83
1994	1.95	1.95	1.95
1995	1.90	1.90	1.94
2000	1.68	1.71	1.73
2005	1.46	1.50	1.59

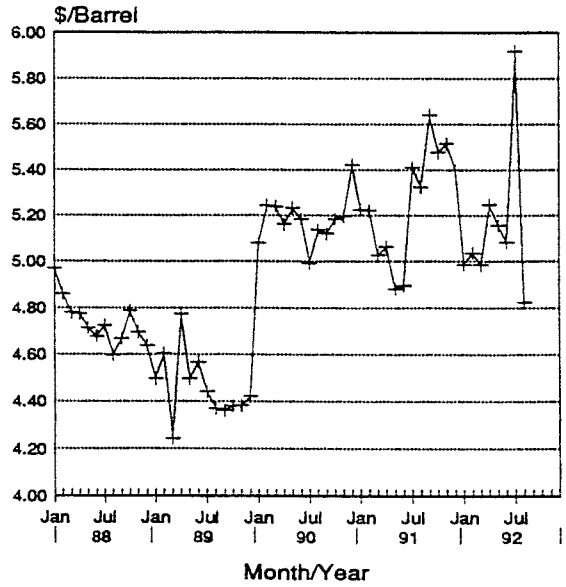
Transportation Costs to Lower 48 Markets

The weighted average Lower 48 shipping cost averaged $1.75/bbl in FY 1992, $0.40/bbl higher than in the prior year. This increase was mostly attributable to tight markets in the higher cost Gulf trade, where there is significant chartering, and results of the Oilspill Pollution Act of 1990 (OPA90).

As ANS production declines and West Coast petroleum demand increases, shipments to the Gulf will diminish. This will free up excess tonnage. Consequently, average shipping costs are expected to stay fairly constant over the next few years. In the long term the double hulling requirements of OPA90 will result in increased shipping costs.

Figure 9

Total Transportation Costs to Lower 48 Pipeline and Tanker



Trans Alaska Pipeline System Tariffs

Table 10

Scenarios for TAPS Tariffs
($/bbl)

Fiscal Year	Low	Mid	High
1992	3.60	3.60	3.60
1993	3.34	3.35	3.36
1994	3.15	3.19	3.22
1995	3.05	3.11	3.17
1996	2.98	3.06	3.13

The TAPS tariff is determined according to the TAPS Settlement Method, a ratemaking method agreed upon by the Pipeline owners and the State of Alaska. This agreement dropped the tariff from $6.00/bbl in 1985 to $4.00/bbl in 1987, $3.18/bbl in 1988 and $3.05/bbl in 1989. The 1990 tariff increased to an average of $3.90/bbl due to corrosion repairs, lower than expected throughput in 1989 and additional oil spill mitigation expenditures.

The TAPS tariff over the next five years should decrease as the production decline stabilizes and the rate base depreciates. The average filed tariff in calendar year 1992 was $3.64/bbl.

Wellhead Price for ANS

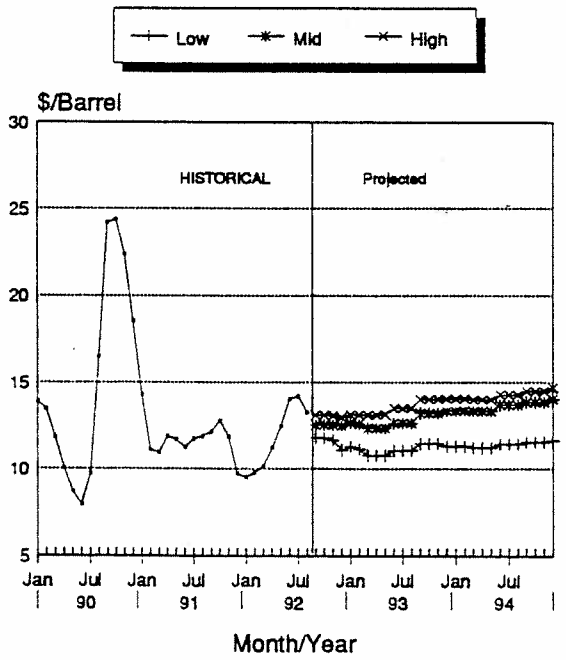
Table 11

Scenarios for ANS Wellhead Price
($/bbl)

Fiscal Year	Low	Mid	High
1993	11.87	12.81	13.28
1994	11.26	13.13	13.89
1995	11.65	14.00	14.65
2000	14.76	19.63	21.60
2005	15.49	22.92	28.42

The wellhead value of ANS, along with production, is the basis for both State severance tax and royalty. The wellhead value is calculated by subtracting the pipeline and marine transportation costs from the sales price (or transfer price at the refinery gate in the case of oil run through a producer's own refinery.)

Figure 10 ANS at the Wellhead



Oil Production Outlook

Information on existing production comes from in-house engineering models, the operating companies, trade journals, technical reports and news releases. Annual production estimates are shown below.

Over the most recent quarter, North Slope daily oil production is at 96 percent of the rate seen during the same period a year ago. The seven percent decline in Prudhoe Bay liquid hydrocarbons continues to shape the production outlook for the entire state of Alaska. The Point McIntyre field is scheduled to commence production in the summer of 1993 and is expected to later peak at approximately 100,000 bbls/day. The Niakuk field is expected to start up a year later. Insofar as the Point McIntyre and Lisburne oil will be commingled at the latter's limited production facilities, the onset of Point McIntyre will cause a deferment of some Lisburne production. Cook Inlet production continues to decline at a slow two percent annual rate. Recent discoveries at the West McArthur River field and the Sunfish prospect may stem that rate further.

Despite the decline at the Prudhoe Bay field, continued success in reservoir management in all fields will hold statewide production decline in the near term to less than five percent per year.

Figure 11

Simulated Oil Production
Total Alaska

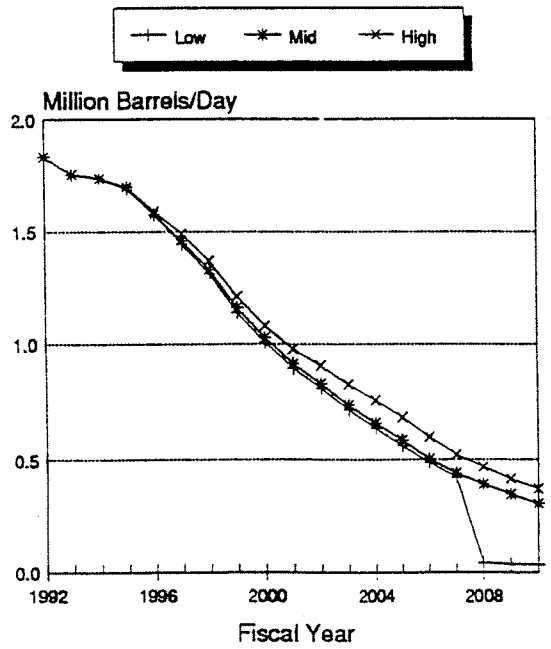
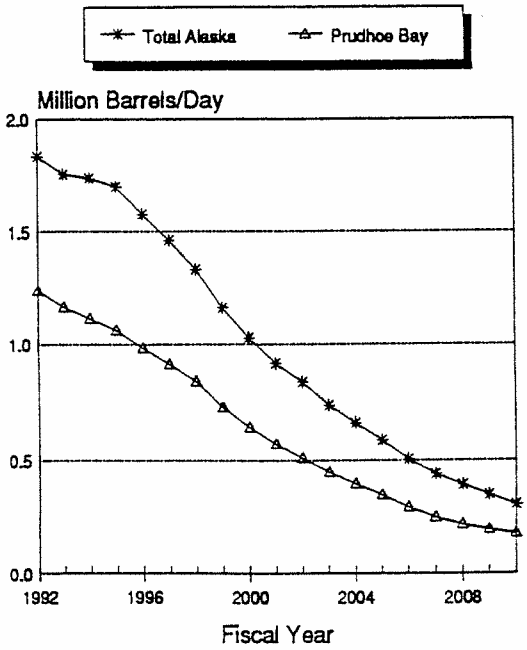


Figure 12

Simulated Oil Production
Mid Scenario



*Includes NGLs

Other Non-Oil Revenue Sources Assumptions

Oil Corporate Taxes

Oil corporate taxes for FY 1992 generated $165.5 million compared to $185.1 million collected in FY 1991. In FY 1993, the revenue outlook in this area is greater than FY 1992 due to corporate restructuring to promote more efficient operations and higher oil prices.

Non-Oil Corporate Taxes

Non-petroleum corporate taxes generated $33.7 million in FY 1992 compared to $37.9 million in FY 1991. The drop in non-petroleum corporate tax revenue was due to the general slow down in business activity.

Property Taxes

The current oil and gas property tax, which is levied at 20 mills on the full and true value of oil and gas property, is expected to continue to decline. The decrease for FY 1992 and FY 1993, as compared to previous forecasts, is greater due in part to investment delays and increased mill levies by the North Slope Borough, the Kenai Peninsula Borough and the City of Valdez. The municipalities in which taxable oil and gas property exists continue to receive the bulk of the property tax assessment.

Alcoholic Beverage Taxes

The trends in alcohol consumption have been fairly steady over the last five years in all categories. The only notable exception has been a drop in wine consumption compared to the earlier period: FY 1984 through FY 1987. Current consumption trends for liquor, wine and beer, given population growth, demographics and income levels, are expected to continue generating revenues of between $12 and $13 million per year.

Intergovernmental Receipts

Federal Shared Revenues, which consist of several categories, totaled $12.8 million in FY 1991 but dropped to $6.7 million in FY 1992 as anticipated. This is due primarily to the fact that the U.S. Forest Service (USFS) monies for timber sales were formerly allocated to only organized boroughs. The USFS has since notified the State that additional monies will be set aside for unorganized boroughs as well (Chapter 37, SLA 1991). The monies are intended to support roads and schools affected by national forest activities. The amount of Federal Shared Revenues which will go into the General Fund in FY 1993 should be about $7 million.

Section 8(g) funds are the result of a negotiated settlement between the State and federal government several years ago with a specific payment schedule. The revenue figure increased from $2 million in FY 1991 and will be $4.7 million annually for the period FY 1992 through FY 1996 when the numbers will again be adjusted upward.

Investment Earnings

The projections are based on projected out-going expenditures and incoming revenues with an assessment of yield on instruments and the length of maturity for the funds invested by the Treasury Division. FY 1992 investment earnings were $103.9 million.

Facilities and Related Charges

The main revenue item in this category is ferry system receipts which amounted to $42.4 million in FY 1992. The legislature established the Alaska Marine Highway System Fund (Chapter 193, SLA 1990) which provides that the gross revenue of the state ferry system be deposited into the fund and then may be appropriated for operating and capital expenditures. This is the reason why dollar amounts are not recorded in future years of this publication.

Methodology

The Department of Revenue uses a wide variety of models and techniques to forecast petroleum severance taxes and royalties and the other non-petroleum sources. The main petroleum forecasting model is a marketing and production simulation model which projects severance tax and royalties on a company-by-company, field-by-field basis through the year 2050. This model can be run on either a scenario or iterative basis and was initially developed in 1978.

Scenarios Over the Short-Term

Low Scenario

SUMMARY: The Low Scenario assumes a very sluggish global economy. As a result, oil consumption growth is assumed to grow slowly even with low oil prices. Steady increasing production from Saudi Arabia, Iran and Kuwait keeps downward pressure on oil prices in a stagnant market.

Table 12	General Fund Unrestricted Revenues	ANS Gulf Price ($/bbl)	Average Lower 48 ANS Price ($/bbl)	ANS Production (MM bbls/day)
FY 1993	2095.6	17.71	17.24	1.755
FY 1994	1965.8	17.07	16.49	1.737
FY 1995	1985.7	17.15	16.55	1.689

Low Scenario assumptions:

1. Global economic growth averages 1.0 percent in 1993 as economic doldrums continue in the United States, Japan and West Germany and the painful transition of the previously centrally planned economies into the global market continues to occur. The growth rate picks up to 1.5 percent in 1994 as the world economy begins to rebound.

2. Oil consumption grows slowly as the economic recession dampens the positive effect of low oil prices.

3. Non-OPEC production in both 1993 and 1994 holds steady as increases in such areas as the North Sea and newer frontier areas offset the continued decline from the Commonwealth of Independent States.

4. OPEC's market share under this scenario is 24.7 million bbl/day in 1993 and 25.1 million bbl/day in 1994.

5. Key OPEC producers Saudi Arabia, Iran and Kuwait continue to increase their capacity. Increased production from these three producers, as well as the possibility of the resumption of exports from Iraq, keep the market well supplied with continued downward pressure on oil prices.

Table 13

Low Scenario

Global Oil Market Assumptions

	TOTAL GLOBAL OIL CONSUMPTION	OPEC CRUDE OIL PRODUCTION	OPEC NGL/COND. PRODUCTION	TOTAL NON-OPEC PRODUCTION	GLOBAL STOCK CHANGE
1992					
Q1	67.9	24.0	2.0	40.6	-1.3
Q2	64.7	23.7	2.0	39.9	0.9
Q3	65.7	24.5	2.0	39.8	0.6
Q4	68.2	25.8	2.0	40.2	-0.2
YEAR	66.6	24.5	2.0	40.1	0.0
1993					
Q1	69.2	24.6	2.0	40.1	-2.5
Q2	65.0	24.2	2.0	39.9	1.1
Q3	65.1	24.7	2.0	39.9	1.6
Q4	66.8	25.3	2.0	40.5	-0.2
YEAR	69.5	24.7	2.0	40.1	0.0
1994					
Q1	65.4	25.0	2.0	40.0	-2.5
Q2	65.4	24.7	2.0	39.8	1.1
Q3	68.3	25.1	2.0	39.8	1.6
Q4	68.3	25.7	2.0	40.4	-0.2
YEAR	67.2	25.1	2.0	40.0	0.0

Mid Scenario

SUMMARY: The Mid Scenario assumes that the global economy begins to pick up in 1993 and 1994 with the result that oil consumption grows in response to both relatively low oil prices and increased demand for oil. Oil prices begin to slowly drift upward as OPEC capacity expansion is required to meet growing demand, particularly with Iraq out of the market.

Table 14

	General Fund Unrestricted Revenues	ANS Gulf Price ($/bbl)	Lower 48 ANS Price ($/bbl)	ANS Prod. (MM bbls/day)
FY 1993	2271.5	18.73	18.23	1.755
FY 1994	2287.9	19.07	18.42	1.737
FY 1995	2394.9	19.74	19.02	1.699

Mid Scenario assumptions:

1. Global economic growth averages 2.5 percent in 1993 and 3.0 percent in 1994.

2. Oil consumption grows by 0.5 million bbl/day in 1993 and 0.8 million bbl/day in 1994.

3. Non-OPEC production continues to decline, as a result of a further decline from the Commonwealth of Independent States.

4. OPEC market share under this scenario amounts to 25.5 million bbl/day in 1993 and 26.6 million bbl/day in 1994.

5. This growing market share for OPEC will be accomodated by increased production from most member countries, in particular from Saudi Arabia, Iran and Kuwait. Iraq will remain embargoed. Pressure on capacity in OPEC will keep mild upward pressure on oil prices.

Table 15

Mid Scenario

Global Oil Market Assumptions

	TOTAL GLOBAL OIL CONSUMPTION	OPEC CRUDE OIL PRODUCTION	OPEC NGL/COND. PRODUCTION	TOTAL NON-OPEC PRODUCTION	GLOBAL STOCK CHANGE
1992					
Q1	67.9	24.0	2.0	40.6	-1.3
Q2	64.7	23.7	2.0	39.9	0.9
Q3	65.7	24.5	2.0	39.8	0.6
Q4	68.2	25.8	2.0	40.2	-0.2
YEAR	66.6	24.5	2.0	40.1	0.0
1993					
Q1	69.5	25.4	2.0	39.6	-2.5
Q2	65.3	25.0	2.0	39.4	1.1
Q3	65.4	25.5	2.0	39.4	1.6
Q4	68.3	26.1	2.0	40.0	-0.2
YEAR	67.1	25.5	2.0	39.6	0.0
1994					
Q1	70.3	26.5	2.0	39.3	-2.5
Q2	66.1	26.1	2.0	39.1	1.1
Q3	66.2	26.6	2.0	39.1	1.6
Q4	69.1	27.2	2.0	39.7	-0.2
YEAR	67.9	26.6	2.0	39.3	0.0

High Scenario

SUMMARY: Global economic growth picks up rapidly in 1993 and 1994. This economic recovery spurs oil consumption increases which creates oil supply pressures leading to higher oil prices.

Table 16	General Fund Unrestricted Revenues	ANS Gulf Price ($/bbl)	Average Lower 48 ANS Price ($/bbl)	ANS Production (MM bbls/day)
FY 1993	2391.6	19.21	18.69	1.755
FY 1994	2455.8	19.90	19.22	1.737
FY 1995	2542.5	20.52	19.81	1.699

High Scenario assumptions:

1. World-wide economic growth averages 3.5 percent in both 1993 and 1994.

2. Oil consumption increases by 1.6 million bbl/day in 1993 and 1.2 million bbl/day in 1994 in response to vigorous economic growth.

3. Non-OPEC production continues to slide primarily due to further major declines in output from the Commonwealth of Independent States.

4. OPEC market share amounts to 27.1 million bbl/day in 1993 and 28.6 million bbl/day in 1994.

5. The 1993 and 1994 OPEC production levels assumed in this scenario are very close to current estimates of capacity. This causes significant upward pressure on oil prices.

Table 17

High Scenario

Global Oil Market Assumptions

	TOTAL GLOBAL OIL CONSUMPTION	OPEC CRUDE OIL PRODUCTION	OPEC NGL/COND. PRODUCTION	TOTAL NON-OPEC PRODUCTION	GLOBAL STOCK CHANGE
1992					
Q1	67.9	24.0	2.0	40.6	-1.3
Q2	64.7	23.7	2.0	39.9	0.9
Q3	65.7	24.5	2.0	39.8	0.6
Q4	68.2	25.8	2.0	40.2	-0.2
YEAR	66.6	24.5	2.0	40.1	0.0
1993					
Q1	70.6	27.0	2.0	39.0	-2.5
Q2	66.3	26.6	2.0	38.8	1.1
Q3	66.4	27.1	2.0	38.8	1.6
Q4	69.3	27.7	2.0	39.4	-0.2
YEAR	68.2	27.1	2.0	39.0	0.0
1994					
Q1	71.8	28.5	2.0	38.8	-2.5
Q2	67.5	28.0	2.0	38.6	1.1
Q3	67.6	28.5	2.0	38.6	1.6
Q4	70.6	29.2	2.0	39.2	-0.2
YEAR	69.4	28.6	2.0	38.8	0.0

Table 18

Expected and Historical Crude Oil Prices For Alaska North Slope Crude and Domestic Marker

($/barrel)

Low Scenario

	Production Mon/YR		ANS at Wellhead	ANS at West Coast	ANS at Gulf Coast	WTI
Actuals	JUN	91	11.23	16.12	17.58	19.32
	JUL		11.72	16.35	18.47	21.41
	AUG		11.89	16.60	18.95	21.70
	SEP		12.14	16.78	19.52	21.87
	OCT		12.79	17.19	19.67	23.24
	NOV		11.86	16.51	17.75	22.51
	DEC		9.72	15.17	16.10	19.49
	JAN	92	9.51	14.04	15.80	18.80
	FEB		9.81	14.22	16.18	18.98
	MAR		10.17	14.89	16.77	18.91
	APR		11.21	16.00	17.98	20.23
	MAY		12.46	17.32	19.61	20.97
	JUN		14.01	18.93	19.30	22.37
	JUL		14.20	19.32	18.72	21.74
	AUG		13.26	18.31	18.94	21.33
Projected	SEP		11.79	17.20	17.95	20.17
	OCT		11.79	17.20	17.95	21.17
	NOV		11.66	17.20	17.95	21.17
	DEC		11.08	16.49	17.21	21.29
	JAN	93	11.27	16.49	17.21	21.29
	FEB		11.13	16.49	17.21	21.29
	MAR		10.77	15.99	16.69	19.68
	APR		10.77	15.99	16.69	19.68
	MAY		10.79	15.99	16.69	19.68
	QTR1	FY94	11.07	16.07	16.77	19.78
	QTR2	FY94	11.45	16.75	17.49	20.62
	QTR3	FY94	11.30	16.36	17.07	20.13
	QTR4	FY94	11.21	16.24	16.95	19.99
	QTR1	FY95	11.42	16.23	16.94	19.97
	QTR2	FY95	11.53	16.33	17.05	20.10
	QTR3	FY95	11.65	16.44	17.16	20.23
	QTR4	FY95	12.00	16.73	17.44	20.57

Table 19

Expected and Historical Crude Oil Prices For Alaska North Slope Crude and Domestic Marker

($/barrel)

Mid Scenario

	Production Mon/YR		ANS at Wellhead	ANS at West Coast	ANS at Gulf Coast	WTI
Actuals	JUN	91	11.23	16.12	17.58	19.32
	JUL		11.72	16.35	18.47	21.41
	AUG		11.89	16.60	18.95	21.70
	SEP		12.14	16.78	19.52	21.87
	OCT		12.79	17.19	19.67	23.24
	NOV		11.86	16.51	17.75	22.51
	DEC		9.72	15.17	16.10	19.49
	JAN	92	9.51	14.04	15.80	18.80
	FEB		9.81	14.22	16.18	18.98
	MAR		10.17	14.89	16.77	18.91
	APR		11.21	16.00	17.98	20.23
	MAY		12.46	17.32	19.61	20.97
	JUN		14.01	18.93	19.30	22.37
	JUL		14.20	19.32	18.72	21.74
	AUG		13.26	18.31	18.94	21.33
Projected	SEP		12.53	18.01	18.80	22.17
	OCT		12.54	18.01	18.80	22.17
	NOV		12.53	18.01	18.80	22.17
	DEC		12.48	17.95	18.74	22.10
	JAN	93	12.66	17.95	18.74	22.10
	FEB		12.57	17.95	18.74	22.10
	MAR		12.34	17.63	18.41	21.70
	APR		12.33	17.63	18.41	21.70
	MAY		12.35	17.63	18.41	21.70
	QTR1	FY94	12.64	17.67	18.45	21.76
	QTR2	FY94	13.20	18.46	19.27	22.73
	QTR3	FY94	13.35	18.51	19.33	22.80
	QTR4	FY94	13.32	18.41	19.23	22.67
	QTR1	FY95	13.69	18.60	19.42	22.90
	QTR2	FY95	13.85	18.77	19.60	23.11
	QTR3	FY95	14.02	18.94	19.77	23.32
	QTR4	FY95	14.45	19.32	20.15	23.76

Table 20

Expected and Historical Crude Oil Prices For Alaska North Slope Crude and Domestic Marker

($/barrel)

High Scenario

	Production Mon/YR		ANS at Wellhead	ANS at West Coast	ANS at Gulf Coast	WTI
Actuals	JUN	91	11.23	16.12	17.58	19.32
	JUL		11.72	16.35	18.47	21.41
	AUG		11.89	16.60	18.95	21.70
	SEP		12.14	16.78	19.52	21.87
	OCT		12.79	17.19	19.67	23.24
	NOV		11.86	16.51	17.75	22.51
	DEC		9.72	15.17	16.10	19.49
	JAN	92	9.51	14.04	15.80	18.80
	FEB		9.81	14.22	16.18	18.98
	MAR		10.17	14.89	16.77	18.91
	APR		11.21	16.00	17.98	20.23
	MAY		12.46	17.32	19.61	20.97
	JUN		14.01	18.93	19.30	22.37
	JUL		14.20	19.32	18.72	21.74
	AUG		13.26	18.31	18.94	21.33
Projected	SEP		13.11	18.57	19.38	22.85
	OCT		13.11	18.57	19.38	22.85
	NOV		13.07	18.57	19.38	22.85
	DEC		12.97	18.43	19.24	22.68
	JAN	93	13.13	18.43	19.24	22.68
	FEB		13.12	18.43	19.24	22.68
	MAR		13.11	18.41	19.22	22.66
	APR		13.10	18.41	19.22	22.66
	MAY		13.15	18.41	19.22	22.66
	QTR1	FY94	13.49	18.56	19.38	22.85
	QTR2	FY94	14.02	19.32	20.17	23.79
	QTR3	FY94	14.04	19.25	20.09	23.70
	QTR4	FY94	13.99	19.12	19.97	23.55
	QTR1	FY95	14.28	19.29	20.13	23.74
	QTR2	FY95	14.49	19.50	20.36	24.01
	QTR3	FY95	14.68	19.72	20.58	24.28
	QTR4	FY95	15.17	20.17	21.02	24.80

REVENUE FORECAST: LONG-TERM OUTLOOK (FY 1996-2010)

This section focuses on the long term from FY 1996 through FY 2010. It provides revenue projections for this period and also sets out the assumptions behind those projections for the Low, Mid, and High Scenarios.

The assumptions for inflation rate, Alaska oil production, the TAPS tariff, and the average Lower 48 price for Alaska North Slope (ANS) crude oil follow. The graphs on page 33 show the revenue projections for the three scenarios from FY 1981 through FY 2010 in both nominal and real dollar terms.

The following tables are then provided:

1. Detailed revenue projections for each category of revenues.

2. Petroleum production revenues by type and area of the state.

3. The expected and historical prices from FY 1992 - 2010 for ANS Wellhead and WTI.

4. Simulated production by field.

Fall 1992 Forecast Assumptions

The following tables are part of the output from the Department of Revenue's simulation model, the Long-Run Fiscal Model (LRFM). All pertinent assumptions and footnotes are presented below:

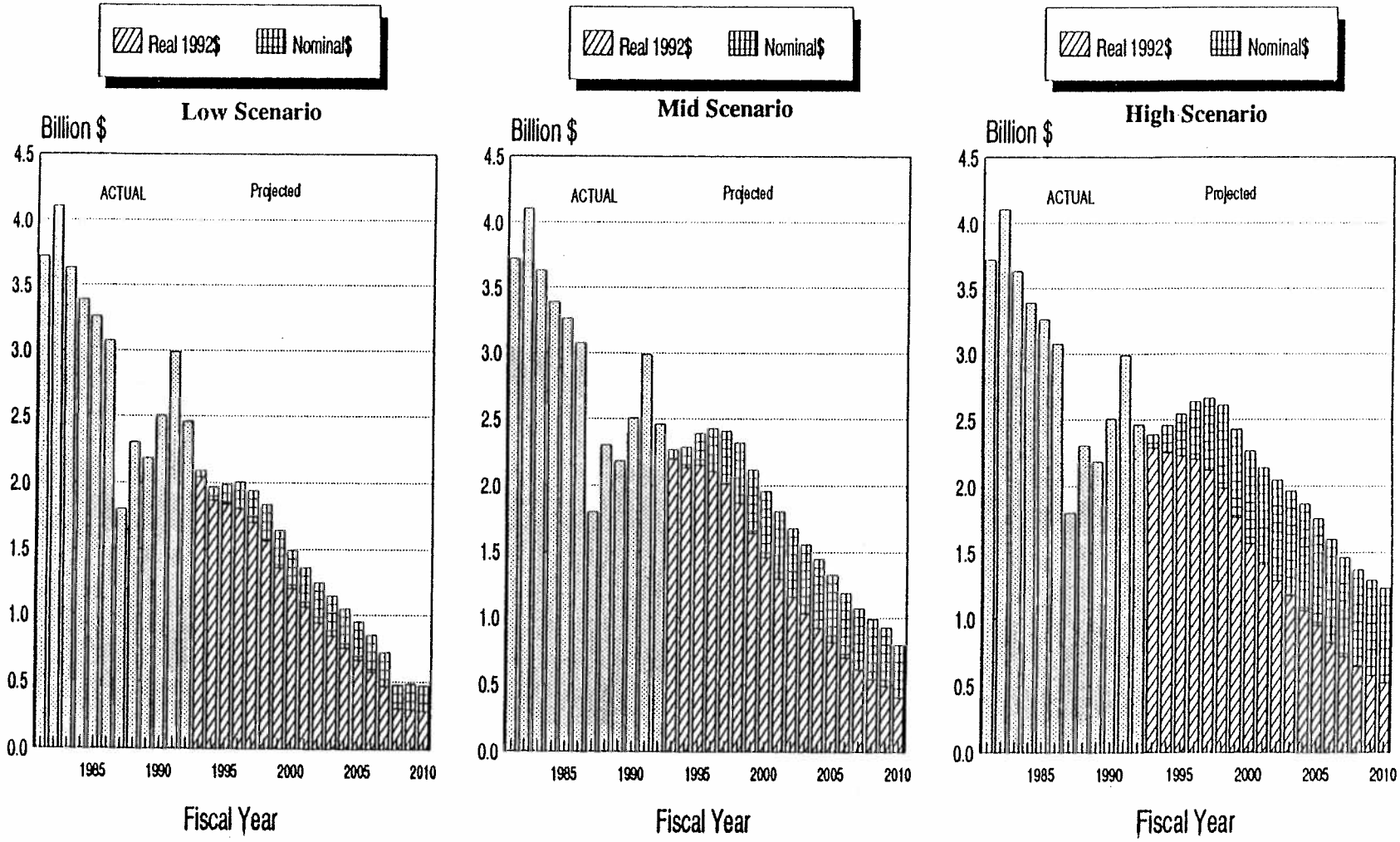
1) Investment earnings are a function of expenditures and the resulting general investment fund balance. (Note: Permanent Fund earnings are excluded from the long-range revenue forecast.) Expenditures were assumed to increase at the scenario-specific inflation rate from the FY 92 base year. The real rate of return for investment earnings was assumed at 3.00% for all cases.
2) Non-petroleum/non-interest revenues beyond FY 93 were assumed to increase at the scenario-specific inflation rate.

Table 21

	INFLATION RATE (%)			ALASKA PRODUCTION (Millions of Barrels/day)			TAPS TARIFF ($/bbl)			AVERAGE LOWER 48 ($/bbl)		
FY	Low	Mid	High	Low	Mid	High	Low	Mid	High	Low	Mid	High
1992	3.09	3.09	3.09	1.833	1.833	1.833	3.602	3.602	3.602	16.35	16.35	16.35
1993	2.56	3.39	4.33	1.755	1.755	1.755	3.345	3.352	3.360	17.24	18.23	18.69
1994	2.62	3.67	4.56	1.737	1.737	1.737	3.154	3.186	3.218	16.49	18.42	19.22
1995	2.62	3.67	4.56	1.689	1.699	1.699	3.047	3.108	3.167	16.55	19.02	19.81
1996	2.85	3.81	4.84	1.574	1.578	1.592	2.975	3.061	3.129	17.41	20.40	21.50
1997	2.85	3.81	4.84	1.444	1.460	1.492	2.832	2.928	3.004	17.90	21.39	22.76
1998	2.85	3.81	4.84	1.312	1.332	1.370	2.742	2.854	2.939	18.41	22.25	24.10
1999	2.85	3.81	4.84	1.139	1.163	1.213	3.018	3.160	3.264	18.94	23.51	24.52
2000	2.85	3.81	4.84	1.007	1.029	1.082	3.357	3.544	3.661	19.48	24.66	27.02
2001	3.04	3.94	5.01	0.897	0.917	0.979	3.683	3.917	4.034	20.07	25.76	28.80
2002	3.04	3.94	5.01	0.810	0.830	0.907	4.042	4.325	4.427	20.69	26.91	30.69
2003	3.04	3.94	5.01	0.718	0.738	0.827	4.432	4.762	4.830	21.32	27.11	32.70
2004	3.04	3.94	5.01	0.637	0.661	0.760	4.935	5.300	5.335	21.97	29.37	34.85
2005	3.04	3.94	5.01	0.561	0.587	0.686	5.531	5.985	5.988	22.65	30.68	37.14
2006	3.04	3.94	5.01	0.487	0.504	0.600	6.292	6.871	6.860	23.35	32.07	39.60
2007	3.04	3.94	5.01	0.421	0.439	0.522	9.421	7.695	7.713	24.07	33.51	42.22
2008	3.04	3.94	5.01	0.042	0.392	0.468	19.483	8.601	8.658	24.77	35.02	45.02
2009	3.04	3.94	5.01	0.037	0.347	0.416	20.000	9.557	9.599	25.52	36.59	47.99
2010	3.04	3.94	5.01	0.034	0.305	0.371	20.000	17.303	10.674	25.99	38.22	51.16

Figure 13

General Fund Unrestricted Revenue Projections
FY 1981 - 2010



Low Scenario Detailed Revenue Projections

(Millions of Dollars)

Table 22

(1) FY	(2) SEVERANCE TAX	(3) PROPERTY TAX	(4) OIL&GAS INC TAX	(5) GROSS ROYALTIES	(6) MINERAL RENTS	(7) BONUS SALES	(8) SPECIAL PETRO SETTLEMENTS	(9) TOTAL PETROLEUM REVENUES	(10) NON-PETR NON-INTR REVENUES	(11) GEN FUND INTEREST REVENUES	(12) TOTAL REVS W/ PERM FND DEDICATION
81	1170.20	143.00	860.10	1501.60	7.90	14.10	0.00	3696.90	186.10	227.80	4110.80
82	1581.70	142.70	668.90	1553.20	26.40	10.30	0.00	3983.20	209.00	324.70	4516.90
83	1493.70	152.60	236.00	1447.40	54.20	73.10	0.00	3457.00	228.60	375.80	4061.40
84	1393.10	131.00	265.10	1409.00	21.90	16.70	0.00	3236.80	245.80	282.70	3765.30
85	1389.40	128.40	168.60	1390.30	23.70	23.60	0.00	3124.00	283.00	233.50	3640.50
86	1107.90	113.50	133.90	1098.20	44.50	70.10	460.70	3028.80	222.40	195.20	3446.40
87	648.50	102.50	120.40	591.60	29.10	1.00	85.20	1578.30	243.00	161.90	1983.20
88	818.70	96.20	158.00	953.50	24.20	11.30	329.00	2390.90	223.60	132.60	2747.10
89	698.80	89.70	166.00	818.70	18.00	23.00	259.70	2073.90	245.10	100.70	2419.70
90	1001.60	89.80	117.20	1004.43	21.00	0.00	156.80	2390.83	271.33	117.90	2780.06
91	1284.80	85.00	185.10	1292.83	21.30	38.30	398.59	3305.92	291.04	125.00	3721.96
92	1053.20	69.00	165.50	935.78	19.10	5.25	374.65	2622.48	348.30	103.90	3074.68
93	931.60	62.80	106.00	967.10	19.30	0.00	9.40	2096.20	248.27	61.00	2405.47
94	867.20	59.60	106.00	908.20	21.85	0.00	9.40	1972.25	200.86	39.00	2212.11
95	871.10	56.60	106.00	937.30	20.76	0.00	9.40	2002.16	209.92	34.50	2246.58
96	867.70	52.70	104.00	964.30	19.72	0.00	9.40	2017.82	216.22	39.36	2273.40
97	827.10	49.00	94.00	937.00	18.74	0.00	13.40	1939.24	222.70	39.67	2201.61
98	761.70	45.10	91.00	890.00	17.80	0.00	13.40	1819.00	229.39	38.29	2086.67
99	645.60	41.60	86.00	789.10	16.91	0.00	13.40	1592.61	236.27	36.25	1865.13
00	555.90	38.20	81.00	712.60	16.06	0.00	13.40	1417.16	243.35	32.36	1692.88
01	479.30	34.80	75.00	646.00	15.26	0.00	13.40	1263.76	250.66	29.38	1543.80
02	420.20	31.70	70.00	595.00	14.50	0.00	0.00	1131.40	258.18	26.79	1416.36
03	355.70	28.60	64.00	537.00	13.77	0.00	0.00	999.07	265.92	24.82	1289.81
04	300.90	26.00	58.00	484.40	13.08	0.00	0.00	882.38	273.90	22.61	1178.90
05	246.30	23.40	52.00	432.20	12.43	0.00	0.00	766.33	282.11	20.70	1069.15
06	185.60	21.30	46.00	380.70	11.81	0.00	0.00	645.41	290.58	18.81	954.79
07	114.50	19.20	44.00	292.80	11.22	0.00	0.00	481.72	299.30	16.82	797.83
08	25.30	17.30	41.00	84.40	10.66	0.00	0.00	178.66	308.27	14.16	501.09
09	25.40	15.70	37.00	85.20	10.12	0.00	0.00	173.42	317.52	9.32	500.26
10	24.40	14.20	35.00	76.20	9.62	0.00	0.00	159.42	327.05	9.39	495.86

(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
	TOTAL REVS W/ PERM FND	PUB SCH	NPR-A	OTHER	PERM FUND	CONSTITUTIONAL BUDGET RESERVE	NET GEN FUND UNRESTRD REVENUES	
FY	DEDICATION	FUND	FUND	FUNDS	DEDICATN	FUND	NOM $	REAL 1992$
81	4110.80	7.50	0.00	74.30	385.10	0.00	3718.20	
82	4516.90	8.00	0.00	0.00	400.50	0.00	4108.40	
83	4061.40	9.40	0.00	0.00	421.00	0.00	3631.00	
84	3765.30	9.00	0.00	0.00	366.20	0.00	3390.10	
85	3640.50	7.10	5.40	0.00	368.00	0.00	3260.00	
86	3446.40	6.50	41.00	0.00	323.40	0.00	3075.50	
87	1983.20	3.30	9.90	0.00	170.60	0.00	1799.40	
88	2747.10	6.60	1.00	15.80	417.90	0.00	2305.80	
89	2419.70	4.30	0.80	0.00	228.40	0.00	2186.20	
90	2780.06	5.13	0.60	0.00	267.10	0.00	2507.23	
91	3721.96	8.83	0.37	0.00	435.00	291.20	2986.56	
92	3074.68	15.04	1.99	0.00	337.80	260.35	2459.50	2459.50
93	2405.47	4.93	0.40	0.00	255.87	48.67	2095.60	2043.30
94	2212.11	4.65	0.40	0.00	241.25	0.00	1965.81	1867.86
95	2246.58	4.80	0.30	7.00	248.78	0.00	1985.70	1838.64
96	2273.40	4.92	0.10	7.00	255.26	0.00	2006.12	1806.07
97	2201.61	4.78	0.00	7.00	247.92	0.00	1941.91	1699.82
98	2086.67	4.54	0.00	10.00	235.48	0.00	1836.65	1563.13
99	1865.13	4.03	0.00	10.00	209.08	0.00	1642.02	1358.76
00	1692.88	3.64	0.00	10.00	189.02	0.00	1490.22	1198.98
01	1543.80	3.31	0.00	10.00	171.53	0.00	1358.96	1061.13
02	1416.36	3.05	0.00	10.00	158.10	0.00	1245.21	943.65
03	1289.81	2.75	0.00	0.00	142.87	0.00	1144.19	841.53
04	1178.90	2.49	0.00	0.00	129.05	0.00	1047.36	747.60
05	1069.15	2.22	0.00	0.00	115.34	0.00	951.59	659.21
06	954.79	1.96	0.00	0.00	101.82	0.00	851.01	572.15
07	797.83	1.52	0.00	0.00	78.86	0.00	717.45	468.13
08	501.09	0.48	0.00	0.00	24.66	0.00	475.95	301.40
09	500.26	0.48	0.00	0.00	24.73	0.00	475.05	291.96
10	495.86	0.43	0.00	0.00	22.26	0.00	473.17	282.23

Table 23

Mid Scenario Detailed Revenue Projections
(Millions on Dollars)

(1) FY	(2) SEVERANCE TAX	(3) PROPERTY TAX	(4) OIL&GAS INC TAX	(5) GROSS ROYALTIES	(6) MINERAL RENTS	(7) BONUS SALES	(8) SPECIAL PETRO SETTLEMENTS	(9) TOTAL PETROLEUM REVENUES	(10) NON-PETR NON-INTR REVENUES	(11) GEN FUND INTEREST REVENUES	(12) TOTAL REVS W/ PERM FND DEDICATION
81	1170.20	143.00	860.10	1501.60	7.90	14.10	0.00	3696.90	186.10	227.80	4110.80
82	1581.70	142.70	668.90	1553.20	26.40	10.30	0.00	3983.20	209.00	324.70	4516.90
83	1493.70	152.60	236.00	1447.40	54.20	73.10	0.00	3457.00	228.60	375.80	4061.40
84	1393.10	131.00	265.10	1409.00	21.90	16.70	0.00	3236.80	245.80	282.70	3765.30
85	1389.40	128.40	168.60	1390.30	23.70	23.60	0.00	3124.00	283.00	233.50	3640.50
86	1107.90	113.50	133.90	1098.20	44.50	70.10	460.70	3028.80	222.40	195.20	3446.40
87	648.50	102.50	120.40	591.60	29.10	1.00	85.20	1578.30	243.00	161.90	1983.20
88	818.70	96.20	158.00	953.50	24.20	11.30	329.00	2390.90	223.60	132.60	2747.10
89	698.80	89.70	166.00	818.70	18.00	23.00	259.70	2073.90	245.10	100.70	2419.70
90	1001.60	89.80	117.20	1004.43	21.00	0.00	156.80	2390.83	271.33	117.90	2780.06
91	1284.80	85.00	185.10	1292.83	21.30	38.30	398.59	3305.92	291.04	125.00	3721.96
92	1053.20	69.00	165.50	935.78	19.10	5.25	374.65	2622.48	348.30	103.90	3074.68
93	1002.90	62.80	129.00	1059.60	19.30	0.00	9.40	2283.00	261.13	63.00	2607.13
94	1002.80	59.60	139.00	1081.40	21.85	0.00	9.40	2314.05	213.57	53.70	2581.32
95	1039.20	56.60	139.00	1146.50	20.76	0.00	9.40	2411.46	221.77	79.00	2712.23
96	1053.10	52.70	131.00	1195.60	19.72	0.00	9.40	2416.52	228.42	70.12	2760.06
97	1030.70	49.00	128.00	1191.10	18.73	0.00	13.40	2430.93	235.28	71.45	2737.66
98	974.00	45.10	120.00	1160.20	17.80	0.00	13.40	2330.5	242.33	70.65	2643.48
99	851.20	41.60	114.00	1060.00	16.91	0.00	13.40	2097.11	249.60	68.08	2414.79
00	750.00	38.20	111.00	981.30	16.06	0.00	13.40	1909.96	257.09	62.05	2229.10
01	657.40	34.80	108.00	906.80	15.26	0.00	13.40	1735.66	264.80	57.25	2057.71
02	590.60	31.70	103.00	853.90	14.50	0.00	0.00	1593.70	272.75	52.81	1919.26
03	511.10	28.60	94.00	791.40	13.77	0.00	0.00	1438.87	280.93	49.59	1769.39
04	442.50	26.00	91.00	736.30	13.08	0.00	0.00	1308.88	289.86	45.66	1643.90
05	370.80	23.40	89.00	671.50	12.43	0.00	0.00	1167.13	298.04	42.43	1507.59
06	287.90	21.30	84.00	597.60	11.81	0.00	0.00	1002.61	306.98	38.92	1348.51
07	214.10	19.20	79.00	543.60	11.22	0.00	0.00	867.12	316.19	34.81	1218.11
08	161.70	17.30	74.00	507.70	10.66	0.00	0.00	771.36	325.68	31.42	1128.45
09	128.10	15.70	69.00	470.60	10.12	0.00	0.00	693.52	335.45	29.10	1058.07
10	87.00	14.20	65.00	344.00	9.62	0.00	0.00	519.82	345.51	27.34	892.67

(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
	TOTAL REVS W/ PERM FND	PUB SCH	NPR-A	OTHER	PERM FUND	CONSTITUTIONAL BUDGET RESERVE	NET GEN FUND UNRESTRD REVENUES	
FY	DEDICATION	FUND	FUND	FUNDS	DEDICATN	FUND	NOM $	REAL 1992$
81	4110.80	7.50	0.00	74.30	385.10	0.00	3718.20	
82	4516.90	8.00	0.00	0.00	400.50	0.00	4108.40	
83	4061.40	9.40	0.00	0.00	421.00	0.00	3631.00	
84	3765.30	9.00	0.00	0.00	366.20	0.00	3390.10	
85	3640.50	7.10	5.40	0.00	368.00	0.00	3260.00	
86	3446.40	6.50	41.00	0.00	323.40	0.00	3075.50	
87	1983.20	3.30	9.90	0.00	170.60	0.00	1799.40	
88	2747.10	6.60	1.00	15.80	417.90	0.00	2305.80	
89	2419.70	4.30	0.80	0.00	228.40	0.00	2186.20	
90	2780.06	5.13	0.60	0.00	267.10	0.00	2507.23	
91	3721.96	8.83	0.37	0.00	435.00	291.20	2986.56	
92	3074.68	15.04	1.99	0.00	337.80	260.35	2459.50	2459.50
93	2607.13	5.39	0.40	0.00	281.16	48.67	2271.51	2197.09
94	2581.32	5.52	0.40	0.00	287.51	0.00	2287.89	2134.52
95	2712.23	5.84	0.30	7.00	304.19	0.00	2394.90	2155.18
96	2760.06	6.08	0.10	7.00	316.71	0.00	2430.17	2106.60
97	2737.66	6.05	0.00	7.00	315.28	0.00	2409.33	2011.82
98	2643.48	5.89	0.00	10.00	306.99	0.00	2320.60	1866.56
99	2414.79	5.38	0.00	10.00	280.64	0.00	2118.77	1641.62
00	2229.10	4.99	0.00	10.00	259.91	0.00	1954.20	1458.50
01	2057.71	4.61	0.00	10.00	240.29	0.00	1802.81	1294.53
02	1919.26	4.34	0.00	10.00	226.30	0.00	1678.62	1159.69
03	1769.39	4.03	0.00	0.00	209.83	0.00	1555.53	1033.94
04	1643.90	3.75	0.00	0.00	195.29	0.00	1444.86	923.99
05	1507.59	3.42	0.00	0.00	178.23	0.00	1325.94	815.81
06	1348.51	3.05	0.00	0.00	158.81	0.00	1186.65	702.45
07	1218.11	2.77	0.00	0.00	144.59	0.00	1070.75	609.83
08	1128.45	2.59	0.00	0.00	135.08	0.00	990.78	542.90
09	1058.07	2.40	0.00	0.00	125.28	0.00	930.39	490.49
10	892.67	1.77	0.00	0.00	92.15	0.00	798.75	405.14

Table 24

High Scenario Detailed Revenue Projections
(Millions on Dollars)

(1) FY	(2) SEVERANCE TAX	(3) PROPERTY TAX	(4) OIL&GAS INC TAX	(5) GROSS ROYALTIES	(6) MINERAL RENTS	(7) BONUS SALES	(8) SPECIAL PETRO SETTLEMENTS	(9) TOTAL PETROLEUM REVENUES	(10) NON-PETR NON-INTR REVENUES	(11) GEN FUND INTEREST REVENUES	(12) TOTAL REVS W/ PERM FND DEDICATION
81	1170.20	143.00	860.10	1501.60	7.90	14.10	0.00	3696.90	186.10	227.80	4110.80
82	1581.70	142.70	668.90	1553.20	26.40	10.30	0.00	3983.20	209.00	324.70	4516.90
83	1493.70	152.60	236.00	1447.40	54.20	73.10	0.00	3457.00	228.60	375.80	4061.40
84	1393.10	131.00	265.10	1409.00	21.90	16.70	0.00	3236.80	245.80	282.70	3765.30
85	1389.40	128.40	168.60	1390.30	23.70	23.60	0.00	3124.00	283.00	233.50	3640.50
86	1107.90	113.50	133.90	1098.20	44.50	70.10	460.70	3028.80	222.40	195.20	3446.40
87	648.50	102.50	120.40	591.60	29.10	1.00	85.20	1578.30	243.00	161.90	1983.20
88	818.70	96.20	158.00	953.50	24.20	11.30	329.00	2390.90	223.60	132.60	2747.10
89	698.80	89.70	166.00	818.70	18.00	23.00	259.70	2073.90	245.10	100.70	2419.70
90	1001.60	89.80	117.20	1004.43	21.00	0.00	156.80	2390.83	271.33	117.90	2780.06
91	1284.80	85.00	185.10	1292.83	21.30	38.30	398.59	3305.92	291.04	125.00	3721.96
92	1053.20	69.00	165.50	935.78	19.10	5.62	374.65	2622.48	348.30	103.20	3074.68
93	1035.70	62.80	167.00	1094.50	19.30	0.00	9.40	2388.70	281.99	65.70	2736.39
94	1057.70	59.60	178.00	1139.70	21.85	0.00	9.40	2466.25	234.44	63.90	2764.59
95	1084.90	56.60	178.00	1189.00	20.76	0.00	9.40	2538.66	242.43	89.90	2870.99
96	1115.20	52.70	173.00	1263.40	19.72	0.00	9.40	2633.42	249.70	98.98	2982.10
97	1118.60	49.00	169.00	1284.50	18.73	0.00	13.40	2653.23	257.19	102.31	3012.74
98	1077.40	45.10	167.00	1271.80	17.80	0.00	13.40	2592.50	264.91	103.04	2960.44
99	962.10	41.60	161.00	1188.60	16.91	0.00	13.40	2383.61	272.86	101.04	2757.51
00	860.10	38.20	154.00	1120.20	16.06	0.00	13.40	2201.96	281.04	93.84	2576.84
01	774.70	34.80	148.00	1073.40	15.26	0.00	13.40	2059.56	289.47	87.58	2436.61
02	717.70	31.70	141.00	1053.00	14.50	0.00	0.00	1957.90	298.16	82.69	2338.75
03	644.90	28.60	138.00	1020.30	13.77	0.00	0.00	1845.57	307.10	79.71	2232.39
04	575.90	26.00	132.00	994.70	13.08	0.00	0.00	1741.68	316.32	75.90	2133.90
05	499.60	23.40	129.00	945.80	12.43	0.00	0.00	1610.23	325.81	72.37	2008.41
06	399.30	21.30	126.00	870.60	11.81	0.00	0.00	1429.01	335.58	67.98	1832.57
07	308.70	19.20	121.00	806.50	11.22	0.00	0.00	1266.62	345.65	61.88	1674.14
08	243.70	17.30	119.00	769.60	10.66	0.00	0.00	1160.26	356.02	56.43	1572.70
09	199.40	15.70	111.00	729.20	10.12	0.00	0.00	1065.42	366.70	52.95	1485.07
10	170.60	14.20	101.00	692.60	9.62	0.00	0.00	988.02	377.70	49.99	1415.71

(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
	TOTAL REVS W/ PERM FND	PUB SCH	NPR-A	OTHER	PERM FUND	CONSTITUTIONAL BUDGET RESERVE	NET GEN FUND UNRESTRD REVENUES	
FY	DEDICATION	FUND	FUND	FUNDS	DEDICATN	FUND	NOM $	REAL 1992$
81	4110.80	7.50	0.00	74.30	385.10	0.00	3718.20	
82	4516.90	8.00	0.00	0.00	400.50	0.00	4108.40	
83	4061.40	9.40	0.00	0.00	421.00	0.00	3631.00	
84	3765.30	9.00	0.00	0.00	366.20	0.00	3390.10	
85	3640.50	7.10	5.40	0.00	368.00	0.00	3260.00	
86	3446.40	6.50	41.00	0.00	323.40	0.00	3075.50	
87	1983.20	3.30	9.90	0.00	170.60	0.00	1799.40	
88	2747.10	6.60	1.00	15.80	417.90	0.00	2305.80	
89	2419.70	4.30	0.80	0.00	228.40	0.00	2186.20	
90	2780.06	5.13	0.60	0.00	267.10	0.00	2507.23	
91	3721.96	8.83	0.37	0.00	435.00	291.20	2986.56	
92	3074.68	15.04	1.99	0.00	337.80	260.35	2459.50	2459.50
93	2736.39	5.57	0.40	0.00	290.14	48.67	2391.61	2292.28
94	2764.59	5.81	0.40	0.00	302.58	0.00	2455.80	2251.07
95	2870.99	6.05	0.30	7.00	315.14	0.00	2542.50	2228.81
96	2982.10	6.42	0.10	7.00	334.25	0.00	2634.33	2202.62
97	3012.74	6.52	0.00	7.00	339.49	0.00	2659.73	2121.11
98	2960.44	6.45	0.00	10.00	335.94	0.00	2608.05	1983.80
99	2757.51	6.03	0.00	10.00	314.03	0.00	2427.45	1761.12
00	2576.84	5.68	0.00	10.00	296.00	0.00	2265.16	1567.45
01	2436.61	5.44	0.00	10.00	283.60	0.00	2137.57	1408.55
02	2338.75	5.34	0.00	10.00	278.08	0.00	2045.33	1283.43
03	2232.39	5.17	0.00	0.00	269.38	0.00	1957.84	1169.88
04	2133.90	5.04	0.00	0.00	262.53	0.00	1866.33	1061.97
05	2008.41	4.79	0.00	0.00	249.62	0.00	1754.00	950.41
06	1832.57	4.41	0.00	0.00	229.87	0.00	1598.29	824.69
07	1674.14	4.09	0.00	0.00	213.02	0.00	1457.03	715.92
08	1572.70	3.90	0.00	0.00	203.26	0.00	1365.54	638.93
09	1485.07	3.70	0.00	0.00	192.59	0.00	1288.78	574.23
10	1415.71	3.51	0.00	0.00	182.93	0.00	1229.27	521.57

Table 25

Low Scenario Petroleum Production Revenue Forecast
(Millions of $)

	Alaska North Slope							Cook Inlet							
Fiscal Year	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	ANS Total	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	Cook Inlet Total	State Total
1992	836.4	852.3	2.2	27.6	21.9	16.1	1756.4	22.3	0.0	0.1	0.7	26.8	16.0	65.9	1822.3
1993	880.5	873.1	2.1	26.2	30.1	17.5	1829.5	25.3	0.0	0.1	0.7	28.5	12.1	66.6	1896.1
1994	827.3	807.3	2.1	26.0	28.1	15.3	1706.2	24.2	0.0	0.1	0.8	28.6	15.8	69.4	1775.6
1995	857.1	811.8	2.0	25.5	29.4	15.1	1740.8	22.5	0.0	0.1	0.7	29.3	16.0	68.6	1809.4
1996	882.5	810.6	1.9	23.6	30.0	14.9	1763.4	23.2	0.0	0.1	0.7	31.5	17.1	72.5	1835.9
1997	853.2	772.1	1.7	21.6	29.1	13.8	1691.5	23.4	0.0	0.1	0.7	32.9	17.7	74.7	1766.2
1998	806.1	709.3	1.6	19.6	27.7	12.9	1577.1	22.7	0.0	0.1	0.7	34.2	18.3	75.9	1653.0
1999	707.6	597.6	1.4	16.9	24.6	10.8	1358.9	22.7	0.0	0.1	0.6	35.5	18.9	77.8	1436.7
2000	632.1	510.9	1.2	15.0	22.2	9.3	1190.7	22.0	0.0	0.0	0.6	36.8	19.5	78.9	1269.7
2001	567.1	437.0	1.1	13.3	20.2	7.9	1046.5	22.0	0.0	0.0	0.6	38.3	19.8	80.8	1127.3
2002	516.1	380.1	1.0	12.0	18.6	6.9	934.5	22.0	0.0	0.0	0.6	39.9	20.2	82.7	1017.2
2003	458.2	317.7	0.8	10.6	16.9	5.8	810.0	21.1	0.0	0.0	0.5	41.5	20.6	83.7	893.8
2004	406.5	264.7	0.8	9.4	15.3	4.9	701.5	21.0	0.0	0.0	0.5	43.1	21.1	85.6	787.2
2005	354.5	211.9	0.7	8.2	13.7	4.0	592.9	20.9	0.0	0.0	0.5	44.7	21.5	87.6	680.5
2006	303.2	153.0	0.6	7.1	12.0	2.9	478.7	19.8	0.0	0.0	0.5	43.4	22.0	85.7	564.4
2007	217.8	83.7	0.5	6.1	8.9	1.6	318.6	19.6	0.0	0.0	0.4	48.1	22.5	90.6	409.2
2008	14.0	0.3	0.2	1.9	2.8	0.0	19.1	19.3	0.0	0.0	0.4	49.7	23.1	92.5	111.6
2009	13.5	0.0	0.1	1.7	2.8	0.0	18.1	18.0	0.0	0.0	0.4	51.4	23.6	93.5	111.6
2010	4.0	0.0	0.0	0.3	2.8	0.0	7.1	17.4	0.0	0.0	0.4	52.6	23.9	94.3	101.4

Table 26

Mid Scenario Petroleum Production Revenue Forecast
(Millions of $)

	Alaska North Slope							Cook Inlet							
Fiscal Year	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	ANS Total	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	Cook Inlet Total	State Total
1992	836.4	852.3	2.2	27.6	21.9	16.1	1756.4	22.3	0.0	0.1	0.7	26.8	16.0	65.9	1822.3
1993	964.6	940.9	2.1	26.2	33.1	19.1	1986.0	27.7	0.0	0.1	0.7	29.3	12.6	68.7	2054.7
1994	988.8	938.2	2.1	26.0	34.0	18.3	2007.4	26.9	0.0	0.1	0.8	31.7	17.6	77.0	2084.3
1995	1049.5	973.5	2.0	25.5	36.4	18.7	2105.6	26.3	0.0	0.1	0.7	34.2	18.8	80.1	2185.7
1996	1096.8	989.1	1.9	23.7	38.2	19.0	2168.5	26.3	0.0	0.1	0.7	37.6	20.4	86.6	2255.1
1997	1087.9	967.9	1.7	21.8	37.8	18.1	2135.3	27.8	0.0	0.1	0.7	40.7	21.9	92.2	2227.5
1998	1053.7	912.7	1.6	19.9	36.9	17.3	2042.1	28.9	0.0	0.1	0.7	43.2	23.1	95.7	2137.8
1999	954.2	793.7	1.4	17.3	33.9	15.1	1815.6	28.7	0.0	0.1	0.6	45.7	24.3	100.0	1915.6
2000	874.7	695.2	1.2	15.3	31.6	13.4	1631.4	29.3	0.0	0.0	0.6	48.3	25.6	103.4	1734.8
2001	800.1	604.8	1.1	13.6	29.6	11.8	1461.0	28.9	0.0	0.0	0.6	51.0	26.4	107.2	1568.2
2002	745.3	539.9	1.0	12.3	28.3	10.7	1337.4	29.3	0.0	0.0	0.6	53.8	27.3	111.3	1448.6
2003	681.2	462.1	0.9	10.9	26.8	9.4	1191.3	29.6	0.0	0.0	0.5	56.7	28.2	114.3	1305.6
2004	625.4	394.9	0.8	9.7	25.4	8.4	1064.6	28.8	0.0	0.0	0.5	59.7	29.2	118.5	1183.1
2005	559.3	324.9	0.7	8.6	23.5	7.1	924.0	29.1	0.0	0.0	0.5	62.8	30.2	122.8	1046.8
2006	484.4	243.8	0.6	7.4	21.1	5.4	762.7	29.3	0.0	0.0	0.5	66.0	31.4	126.1	888.8
2007	430.4	171.5	0.5	6.4	18.9	3.9	631.6	28.2	0.0	0.0	0.4	69.4	32.6	130.7	762.3
2008	392.6	119.7	0.5	5.7	17.5	2.9	538.8	28.3	0.0	0.0	0.4	72.9	33.8	135.4	674.2
2009	353.5	86.1	0.4	5.0	16.0	2.4	463.4	28.3	0.0	0.0	0.4	76.5	35.1	138.7	602.2
2010	230.1	45.3	0.3	4.4	10.7	1.4	292.2	26.8	0.0	0.0	0.4	80.2	36.5	143.7	435.9

Table 27

High Scenario Petroleum Production Revenue Forecast
(Millions of $)

	Alaska North Slope							Cook Inlet							
Fiscal Year	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	ANS Total	Oil Royalty	Oil Severance	Cons. Tax	Hazardous Rel. Fund	Gas Royalty	Gas Severance	Cook Inlet Total	State Total
1992	836.4	852.3	2.2	27.6	21.9	16.1	1756.4	22.3	0.0	0.1	0.7	26.8	16.0	65.9	1822.3
1993	1001.9	974.4	2.1	26.2	34.5	19.5	2058.5	26.8	0.0	0.1	0.7	30.3	13.1	71.0	2129.5
1994	1045.1	991.9	2.1	26.0	36.0	19.4	2120.6	28.2	0.0	0.1	0.8	33.3	18.4	80.8	2201.3
1995	1090.7	1018.4	2.0	25.5	37.7	19.5	2193.8	27.0	0.0	0.1	0.7	35.1	19.2	82.0	2275.8
1996	1162.5	1049.6	1.9	23.9	40.3	20.3	2298.5	28.7	0.0	0.1	0.7	38.8	21.1	89.3	2387.8
1997	1178.7	1053.7	1.8	22.3	40.5	19.7	2316.6	29.7	0.0	0.1	0.7	41.8	22.5	94.7	2411.3
1998	1162.1	1013.4	1.6	20.5	40.1	19.2	2256.9	29.7	0.0	0.1	0.7	44.8	24.0	99.1	2356.1
1999	1079.2	901.8	1.4	18.1	37.5	17.1	2055.2	30.6	0.0	0.1	0.6	47.8	25.5	104.6	2159.8
2000	1009.9	802.4	1.3	16.1	35.4	15.4	1880.5	30.5	0.0	0.0	0.6	51.0	27.0	109.2	1989.7
2001	962.2	718.8	1.2	14.5	34.0	14.1	1744.8	31.6	0.0	0.0	0.6	55.0	28.5	115.7	1860.4
2002	939.3	663.2	1.1	13.4	33.5	13.1	1663.6	32.6	0.0	0.0	0.6	59.2	30.0	122.3	1786.0
2003	904.4	591.8	1.0	12.2	32.5	12.0	1554.0	32.4	0.0	0.0	0.5	63.6	31.6	128.1	1682.1
2004	877.4	524.0	0.9	11.3	31.8	11.1	1456.4	33.3	0.0	0.0	0.5	68.3	33.4	135.5	1591.9
2005	826.8	449.3	0.8	10.1	30.3	9.7	1326.9	34.2	0.0	0.0	0.5	73.3	35.3	143.3	1470.3
2006	750.5	351.3	0.7	8.8	28.1	7.8	1147.1	33.6	0.0	0.0	0.5	78.6	37.3	150.0	1297.2
2007	686.3	263.8	0.6	7.7	25.9	6.0	990.3	34.3	0.0	0.0	0.4	84.3	39.5	158.6	1148.9
2008	647.5	199.5	0.5	6.9	24.5	4.8	883.6	35.0	0.0	0.0	0.4	90.3	41.9	167.7	1051.4
2009	605.1	155.5	0.5	6.1	23.0	4.1	794.2	33.9	0.0	0.0	0.4	96.7	44.4	175.4	969.6
2010	567.6	126.3	0.4	5.4	21.8	3.7	725.2	34.3	0.0	0.0	0.4	103.5	47.1	185.3	910.4

Table 28

Expected and Historical Crude Oil Prices
Alaska North Slope Crude and Domestic Marker
In 1992 Constant $/barrel

Fiscal Year	Low Scenario WTI	Low Scenario ANS at Wellhead	Mid Scenario WTI	Mid Scenario ANS at Wellhead	High Scenario WTI	High Scenario ANS at Wellhead
1992	20.62	11.21	20.62	11.21	20.62	11.21
1993	20.31	11.58	21.15	12.40	21.41	12.73
1994	19.13	10.70	20.98	12.25	21.52	12.73
1995	18.72	10.79	20.94	12.60	21.22	12.85
1996	19.14	11.43	21.60	13.57	21.96	13.85
1997	19.14	12.03	21.81	14.21	22.17	14.49
1998	19.14	12.20	22.03	14.59	22.39	14.90
1999	19.14	12.06	22.25	14.64	22.62	14.94
2000	19.14	11.88	22.47	14.65	22.84	14.95
2001	19.14	11.72	22.59	14.60	23.19	15.06
2002	19.14	11.53	22.70	14.52	23.54	15.17
2003	19.14	11.33	22.81	14.44	23.89	15.29
2004	19.14	11.08	22.93	14.31	24.25	15.33
2005	19.14	10.73	23.04	14.10	24.61	15.40
2006	19.14	10.31	23.16	13.81	24.98	15.41
2007	19.14	8.46	23.28	13.66	25.35	15.53
2008	19.14	3.61	23.39	13.47	25.73	15.63
2009	19.14	3.66	23.51	13.32	26.12	15.80
2010	19.14	4.01	23.63	9.78	26.51	15.95

Table 29

Low Scenario Simulated Oil Production
(Millions of barrels/day)

Fiscal Year	NGL's	Prudhoe	Kuparuk	Milne Point	Endicott	Lisburne	West Sak	North Star	Niakuk	Point McIntyre	Sag Delta	Schrader Bluff	Total ANS	Cook Inlet	State Total
1992	0.069	1.239	0.316	0.017	0.107	0.037	0.000	0.000	0.000	0.000	0.004	0.003	1.792	0.042	1.833
1993	0.068	1.166	0.312	0.016	0.110	0.036	0.000	0.000	0.000	0.000	0.003	0.004	1.714	0.041	1.755
1994	0.065	1.115	0.310	0.017	0.102	0.027	0.000	0.000	0.000	0.054	0.002	0.005	1.697	0.040	1.737
1995	0.064	1.063	0.310	0.015	0.091	0.019	0.000	0.000	0.000	0.083	0.001	0.005	1.651	0.038	1.689
1996	0.059	0.984	0.273	0.015	0.078	0.016	0.000	0.000	0.020	0.090	0.000	0.000	1.536	0.038	1.574
1997	0.054	0.905	0.247	0.011	0.064	0.016	0.000	0.000	0.021	0.090	0.000	0.000	1.407	0.037	1.444
1998	0.049	0.829	0.219	0.009	0.056	0.015	0.000	0.000	0.019	0.081	0.000	0.000	1.277	0.035	1.312
1999	0.042	0.715	0.189	0.007	0.049	0.014	0.000	0.000	0.016	0.073	0.000	0.000	1.105	0.034	1.139
2000	0.037	0.629	0.170	0.006	0.042	0.012	0.000	0.000	0.013	0.066	0.000	0.000	0.975	0.032	1.007
2001	0.033	0.558	0.153	0.005	0.036	0.010	0.000	0.000	0.011	0.059	0.000	0.000	0.866	0.031	0.897
2002	0.030	0.497	0.145	0.004	0.033	0.008	0.000	0.000	0.009	0.053	0.000	0.000	0.780	0.030	0.810
2003	0.026	0.437	0.134	0.004	0.029	0.007	0.000	0.000	0.008	0.045	0.000	0.000	0.690	0.028	0.718
2004	0.024	0.387	0.123	0.000	0.025	0.005	0.000	0.000	0.008	0.039	0.000	0.000	0.610	0.027	0.637
2005	0.021	0.337	0.115	0.000	0.022	0.000	0.000	0.000	0.007	0.033	0.000	0.000	0.535	0.026	0.561
2006	0.018	0.285	0.107	0.000	0.019	0.000	0.000	0.000	0.007	0.028	0.000	0.000	0.463	0.024	0.487
2007	0.015	0.238	0.099	0.000	0.016	0.000	0.000	0.000	0.006	0.024	0.000	0.000	0.398	0.023	0.421
2008	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.020	0.000	0.000	0.020	0.022	0.042
2009	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.017	0.000	0.000	0.017	0.020	0.037
2010	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.015	0.000	0.000	0.015	0.019	0.034

Table 30

Mid Scenario Simulated Oil Production
(Millions of barrels/day)

Fiscal Year	NGL's	Prudhoe	Kuparuk	Milne Point	Endicott	Lisburne	West Sak	North Star	Niakuk	Point McIntyre	Sag Delta	Schrader Bluff	Total ANS	Cook Inlet	State Total
1992	0.069	1.239	0.316	0.017	0.107	0.037	0.000	0.000	0.000	0.000	0.004	0.003	1.792	0.042	1.833
1993	0.068	1.166	0.312	0.016	0.110	0.036	0.000	0.000	0.000	0.000	0.003	0.004	1.714	0.041	1.755
1994	0.065	1.115	0.310	0.017	0.102	0.027	0.000	0.000	0.000	0.054	0.002	0.005	1.697	0.040	1.737
1995	0.064	1.063	0.310	0.015	0.091	0.019	0.000	0.000	0.010	0.083	0.001	0.005	1.661	0.039	1.699
1996	0.060	0.984	0.273	0.015	0.082	0.016	0.000	0.000	0.020	0.090	0.000	0.000	1.541	0.038	1.578
1997	0.055	0.913	0.248	0.011	0.070	0.016	0.000	0.000	0.021	0.090	0.000	0.000	1.424	0.037	1.460
1998	0.050	0.840	0.221	0.009	0.063	0.015	0.000	0.000	0.019	0.081	0.000	0.000	1.298	0.035	1.332
1999	0.044	0.728	0.191	0.007	0.056	0.014	0.000	0.000	0.016	0.073	0.000	0.000	1.129	0.034	1.163
2000	0.039	0.642	0.172	0.006	0.048	0.012	0.000	0.000	0.013	0.066	0.000	0.000	0.997	0.032	1.029
2001	0.035	0.569	0.155	0.005	0.041	0.010	0.000	0.000	0.011	0.059	0.000	0.000	0.886	0.031	0.917
2002	0.033	0.508	0.147	0.004	0.037	0.008	0.000	0.000	0.009	0.055	0.000	0.000	0.801	0.030	0.830
2003	0.030	0.446	0.136	0.004	0.032	0.007	0.000	0.000	0.009	0.048	0.000	0.000	0.711	0.028	0.738
2004	0.027	0.396	0.125	0.003	0.028	0.006	0.000	0.000	0.008	0.041	0.000	0.000	0.634	0.027	0.661
2005	0.025	0.346	0.116	0.003	0.024	0.005	0.000	0.000	0.008	0.036	0.000	0.000	0.561	0.026	0.587
2006	0.021	0.293	0.108	0.000	0.021	0.000	0.000	0.000	0.007	0.031	0.000	0.000	0.480	0.024	0.504
2007	0.019	0.248	0.100	0.000	0.018	0.000	0.000	0.000	0.006	0.026	0.000	0.000	0.416	0.023	0.439
2008	0.017	0.217	0.094	0.000	0.016	0.000	0.000	0.000	0.005	0.022	0.000	0.000	0.371	0.022	0.392
2009	0.015	0.195	0.086	0.000	0.009	0.000	0.000	0.000	0.005	0.019	0.000	0.000	0.328	0.020	0.347
2010	0.013	0.176	0.077	0.000	0.000	0.000	0.000	0.000	0.004	0.017	0.000	0.000	0.287	0.019	0.305

Table 31

High Scenario Simulated Oil Production
(Millions of barrels/day)

Fiscal Year	NGL's	Prudhoe	Kuparuk	Milne Point	Endicott	Lisburne	West Sak	North Star	Niakuk	Point McIntyre	Sag Delta	Schrader Bluff	Total ANS	Cook Inlet	State Total
1992	0.069	1.239	0.316	0.017	0.107	0.037	0.000	0.000	0.000	0.000	0.004	0.003	1.792	0.042	1.833
1993	0.068	1.166	0.312	0.016	0.110	0.036	0.000	0.000	0.000	0.000	0.003	0.004	1.714	0.041	1.755
1994	0.065	1.115	0.310	0.017	0.102	0.027	0.000	0.000	0.000	0.054	0.002	0.005	1.697	0.040	1.737
1995	0.064	1.063	0.310	0.015	0.091	0.019	0.000	0.000	0.010	0.083	0.001	0.005	1.661	0.038	1.699
1996	0.061	0.984	0.273	0.015	0.083	0.016	0.012	0.000	0.020	0.090	0.000	0.000	1.554	0.038	1.592
1997	0.056	0.928	0.251	0.011	0.071	0.016	0.012	0.000	0.021	0.090	0.000	0.000	1.455	0.037	1.492
1998	0.051	0.859	0.224	0.009	0.064	0.015	0.012	0.000	0.019	0.081	0.000	0.000	1.335	0.035	1.370
1999	0.045	0.751	0.195	0.008	0.058	0.014	0.019	0.000	0.016	0.073	0.000	0.000	1.179	0.034	1.213
2000	0.040	0.663	0.175	0.007	0.049	0.011	0.025	0.000	0.013	0.066	0.000	0.000	1.050	0.032	1.082
2001	0.036	0.589	0.158	0.006	0.042	0.010	0.037	0.000	0.011	0.059	0.000	0.000	0.948	0.031	0.979
2002	0.034	0.526	0.150	0.005	0.038	0.008	0.050	0.000	0.009	0.058	0.000	0.000	0.877	0.030	0.907
2003	0.031	0.463	0.138	0.004	0.033	0.007	0.063	0.000	0.009	0.051	0.000	0.000	0.799	0.028	0.827
2004	0.028	0.411	0.127	0.004	0.028	0.006	0.075	0.000	0.008	0.046	0.000	0.000	0.733	0.027	0.760
2005	0.025	0.360	0.118	0.003	0.024	0.005	0.075	0.000	0.008	0.042	0.000	0.000	0.660	0.026	0.686
2006	0.022	0.306	0.110	0.000	0.021	0.004	0.071	0.000	0.007	0.036	0.000	0.000	0.576	0.024	0.600
2007	0.019	0.260	0.101	0.000	0.018	0.000	0.064	0.000	0.006	0.030	0.000	0.000	0.499	0.023	0.522
2008	0.017	0.228	0.096	0.000	0.016	0.000	0.058	0.000	0.005	0.026	0.000	0.000	0.446	0.022	0.468
2009	0.015	0.205	0.087	0.000	0.010	0.000	0.052	0.000	0.005	0.022	0.000	0.000	0.396	0.020	0.416
2010	0.014	0.187	0.079	0.000	0.004	0.000	0.047	0.000	0.004	0.019	0.000	0.000	0.352	0.019	0.371

HISTORICAL REVENUES, PRICES AND PRODUCTION

This section reports on historical revenues, prices and production. The first two tables show General Fund revenues by type from FY 1978 - 91, and breaks them into unrestricted and restricted categories. Table 34 shows petroleum revenues by type from statehood to the present (FY 1959 - 91). And finally, historical prices and production (FY 1978-92) are shown in Table 35.

Table 32

Historical General Fund Unrestricted Revenues
-Tax Portion-

($ millions)	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90	FY91
Corporate - General	24.8	17.9	34.8	34.8	30.3	39.5	36.0	11.2	20.5	23.4	38.0	45.3	37.9
Corporate - Petroleum	232.6	547.5	860.1	668.9	236.0	265.1	168.6	133.9	120.4	158.0	166.0	117.2	185.1
Fiduciary	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Individual	117.2	100.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Income	374.7	666.0	894.9	703.7	266.3	304.6	204.6	145.1	140.9	181.4	204.0	162.5	223.0
Alaska Business License	28.2	4.2	5.4	5.5	6.9	19.9	38.8	2.1	1.5	1.4	1.0	0.1	0.0
Fish	11.9	14.6	20.7	22.8	20.5	19.0	18.7	21.1	26.5	22.5	26.7	25.1	31.1
Salmon Enhancement	0.0	0.0	0.0	2.4	2.6	2.2	2.6	4.3	4.4	5.8	9.5	6.5	6.2
Seafood Marketing	0.0	0.0	0.0	0.0	0.9	1.1	1.0	1.1	1.4	2.7	3.3	3.3	3.3
Insurance Companies	10.8	10.4	10.6	12.5	13.8	16.2	17.5	21.1	23.7	23.7	19.4	22.7	24.4
Other	1.9	2.1	1.2	1.4	1.6	2.0	2.1	2.2	2.3	2.4	3.2	4.6	4.1
Total Gross Receipts	52.8	31.3	37.9	44.6	46.3	60.4	80.7	51.9	59.8	58.5	62.1	62.3	69.1
Gravel, Timber, Etc.	1.7	1.6	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oil & Gas Production	173.6	506.2	1169.9	1581.1	1493.0	1392.4	1388.7	1107.4	647.3	816.4	696.4	972.3	1253.8
Oil & Hazardous Release	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	26.9	28.0
Oil & Gas Conservation	0.2	0.3	0.3	0.6	0.7	0.7	0.7	0.5	1.2	2.3	2.4	2.4	2.3
Total Severance	175.5	508.1	1172.9	1581.7	1493.7	1393.1	1389.4	1107.9	648.5	818.7	698.8	1001.6	1284.1
Oil & Gas Property	163.4	168.9	143.0	142.7	152.6	131.0	128.4	113.5	102.5	96.2	89.7	89.8	85.0
Vehicle Registration	0.2	0.1	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Property	163.6	169.0	143.2	142.7	152.6	131.0	128.4	113.5	102.5	96.2	89.7	89.8	85.0
Alcoholic Beverages	7.4	7.4	8.3	9.0	10.4	13.0	13.9	13.3	12.6	12.1	11.8	12.0	12.2
Fuel Taxes - Aviation	3.4	4.0	4.1	6.3	8.7	8.1	8.0	8.1	8.5	9.0	10.1	9.4	10.7
Fuel Taxes - Highway	16.3	18.9	15.6	20.3	23.7	20.2	23.7	22.7	18.3	19.3	20.0	22.9	19.1
Fuel Taxes - Marine	2.6	3.2	3.5	3.7	4.3	3.9	4.3	5.3	5.4	5.3	7.2	9.2	10.0
Tobacco Products	1.7	1.6	1.7	1.9	2.0	2.0	2.0	4.9	6.6	6.1	6.4	11.0	14.0
Total Sale/Use	31.4	35.1	33.2	41.2	49.1	47.2	51.9	54.3	51.4	51.8	55.5	64.5	66.0
Estate	0.1	0.2	0.5	0.3	0.7	0.7	0.5	0.7	1.1	0.3	0.7	1.1	3.3
School	2.5	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Other	2.6	2.8	0.5	0.3	0.7	0.7	0.5	0.7	1.1	0.3	0.7	1.1	3.3
Total Taxes	**800.6**	**1412.3**	**2282.6**	**2514.2**	**2008.7**	**1937.0**	**1855.5**	**1473.4**	**1004.2**	**1206.9**	**1111.8**	**1381.8**	**1730.5**

- Non-Tax Portion-

($ millions)	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90	FY91
Business	7.5	8.1	9.1	10.8	10.8	10.8	11.9	11.3	10.0	8.6	8.1	6.7	5.8
Non-Business	12.3	10.7	12.2	13.0	14.9	15.9	17.0	18.0	19.2	19.7	20.2	21.1	23.3
Total Licenses & Permits	19.8	18.8	21.3	23.8	25.7	26.7	28.9	29.3	29.2	28.3	28.3	27.8	29.1
Intergovernmental Receipts													
Federal Shared Revenues	4.1	4.8	8.5	21.7	33.3	14.0	10.5	14.5	9.7	6.9	6.1	10.0	14.8
State Resource Revenue													
Bonus Sales	0.0	342.4	7.6	5.0	36.2	10.1	11.5	34.7	0.5	5.6	11.4	0.0	18.9
Investment Earnings	59.2	119.9	227.8	324.7	375.8	282.7	233.5	195.2	161.9	132.6	100.7	117.9	125.0
Rents	2.1	3.0	5.4	3.5	4.3	6.0	5.1	6.2	6.0	6.0	5.3	5.3	5.9
Royalties	249.2	688.2	1118.5	1157.3	1078.4	1047.5	1034.0	830.7	439.3	694.8	605.9	747.4	951.6
Sale of State Property	8.4	5.7	4.8	5.2	6.3	7.0	8.5	8.7	7.0	3.8	4.9	4.3	4.7
Gravel, Timber, etc.	0.0	0.0	0.0	1.2	4.0	2.9	3.1	2.9	7.2	1.1	0.5	0.8	0.4
Total Sale/Use	318.9	1159.2	1364.1	1496.9	1505.0	1356.2	1295.7	1078.4	621.9	843.9	728.7	875.7	1106.5
Airports	0.9	0.8	1.1	1.6	1.4	1.5	1.6	1.5	1.5	1.8	1.2	1.5	1.3
Ferry System	18.9	21.1	24.4	29.2	30.4	32.0	33.4	32.3	31.3	29.8	33.1	34.0	40.7
Other	3.1	4.1	3.7	3.6	5.5	4.3	7.9	5.2	4.1	0.7	1.4	1.7	1.5
Total Facilities Charges	22.9	26.0	29.2	34.4	37.3	37.8	42.9	39.0	36.9	32.3	35.7	37.2	43.5
Court System	2.8	2.8	2.9	3.5	4.2	4.1	4.5	5.1	5.3	5.5	6.0	5.8	6.4
Other	2.3	2.0	4.1	6.1	5.9	4.8	5.2	4.1	4.8	2.0	1.9	3.2	7.3
Total Services Charges	5.1	4.8	7.0	9.6	10.1	8.9	9.7	9.2	10.1	7.5	7.9	9.0	13.7
Total State Resource Revenue	346.9	1190.0	1400.3	1540.9	1552.4	1402.9	1348.3	1126.6	668.9	883.7	772.3	921.9	1163.7
Miscellaneous Revenue	7.2	6.7	5.5	7.8	10.9	9.5	16.8	13.0	16.9	16.1	10.0	10.9	14.9
Sub-Total Non-Tax Revenue	378.0	1220.3	1435.6	1594.2	1622.3	1453.1	1404.5	1183.4	724.7	935.0	816.7	970.6	1222.5
Less: Native Claims	45.6	131.4											
Plus: Income from prior years								418.7	70.5	163.9	257.7	154.8	33.6
Total Non-Tax Revenue	**332.4**	**1088.9**	**1435.6**	**1594.2**	**1622.3**	**1453.1**	**1404.5**	**1602.1**	**795.2**	**1098.9**	**1074.4**	**1125.4**	**1256.1**
Total Tax Revenue	**800.6**	**1412.3**	**2282.6**	**2514.2**	**2008.7**	**1937.0**	**1855.5**	**1473.4**	**1004.2**	**1206.9**	**1111.8**	**1381.8**	**1730.5**
Total General Fund Unrestricted Revenue	**1133.0**	**2501.2**	**3718.2**	**4108.4**	**3631.0**	**3390.1**	**3260.0**	**3075.5**	**1799.4**	**2305.8**	**2186.2**	**2507.2**	**2986.6**

Table 33

Historical Restricted Revenues And Total General Fund Revenues

($ millions)	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90	FY91
Federal Grants-In-Aid														
Education	27.3	27.8	30.7	33.0	25.7	33.8	44.8	76.2	42.0	78.0	54.2	73.3	100.4	77.1
Social Services	57.7	57.8	60.0	68.7	60.4	80.7	91.2	100.7	125.2	156.4	154.2	167.4	194.7	211.8
Health	15.6	15.4	21.4	26.5	27.1	11.9	10.0	12.5	3.2	3.6	3.4	3.9	4.3	6.0
Natural Resources	7.9	10.1	6.5	8.3	12.4	15.0	14.2	18.1	17.9	27.8	28.4	30.0	35.8	54.6
Public Protection/Admin. of Justice	7.1	8.4	7.4	7.1	5.5	5.7	6.6	7.5	7.7	15.0	10.3	12.4	16.1	13.7
Development/Gen.Government	1.4	2.3	2.8	7.9	4.9	8.6	8.1	6.6	9.3	5.0	7.6	7.8	10.6	16.0
Transportation	121.6	84.6	69.5	39.9	22.5	11.0	67.7	110.9	88.5	169.8	185.3	195.8	148.9	170.5
Total	238.6	206.4	198.3	191.4	158.5	166.7	242.6	332.5	293.8	455.6	443.4	490.6	510.8	549.7
Other Grants-In-Aid														
Education	.3	.5	1.6	.8	.9	1.0	1.1	1.3	1.4	1.3	2.0	2.3	2.0	2.1
Health/Social Services	2.6	1.2	.5	.2	.3	.4	.4	3.8	4.3	8.5	9.1	6.5	6.4	5.5
Natural Resources	1.4	1.2	.6	2.4	1.4	1.0	.9	.9	1.4	2.3	6.0	6.2	5.7	7.5
Public Protection/Admin. of Justice	1.7	1.9	1.8	1.9	1.9	2.4	3.1	.9	2.0	5.7	5.1	5.3	10.3	9.5
Development/Gen. Government	1.3	1.6	4.1	2.6	3.3	5.3	15.6	6.5	3.6	3.8	5.2	14.0	21.1	1.2
Transportation	1.0	1.1	1.0	1.6	2.5	.9	1.2	3.5	.8	1.1	.7	1.0	0.1	3.2
Oil Overcharge Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.1
Total	8.3	7.5	9.6	9.5	10.3	11.0	22.3	16.9	13.5	22.7	28.1	35.3	45.6	30.1
Miscellaneous Restricted Revenue	0.9	3.2	5.7	8.1	7.0	15.7	9.8	16.9	16.4	15.8	3.7	20.8	24.2	21.3
Total Restricted Revenue	**247.8**	**217.1**	**213.6**	**209.0**	**175.8**	**193.4**	**274.7**	**366.3**	**323.7**	**494.1**	**475.2**	**546.7**	**580.6**	**601.1**
Total Unrestricted Revenue	**764.9**	**1133.0**	**2501.2**	**3718.2**	**4108.4**	**3631.0**	**3390.1**	**3260.0**	**3075.5**	**1799.4**	**2305.8**	**2186.2**	**2507.2**	**2986.6**
Total General Fund Revenue	**1012.7**	**1350.1**	**2714.8**	**3927.2**	**4284.2**	**3824.4**	**3664.8**	**3626.3**	**3399.2**	**2293.5**	**2781.0**	**2732.9**	**3087.8**	**3587.7**

Source: Department of Revenue, Revenue Sources FY 1978 - FY 1991. Updated November 1992.

Table 34

Historical Petroleum Revenues
(Millions of Dollars)

FY	Corporate Non-Petroleum	Corporate Petroleum	Oil/Gas Severance Tax	Property Tax	Reserve Tax	Fed. Min. Rents & Royalties (1)	Bonus Sales	Rents (1)	Royalties (1)	Oil/Gas[2] Special Settlements	Total Petroleum Revenues	Total G.F. Unrestricted Revenues	% of Total Unrestricted Revenues
59	1.4					3.1					3.1	25.4	12
60	1.7					5.8	4.0	.1			9.9	48.0	21
61	1.4					2.4	1.6	.2			4.2	40.5	10
62	1.8		.2			4.5	20.3	1.0			26.0	68.9	38
63	2.2		.3			8.6	17.9	1.0			27.8	71.6	39
64	1.8		.3			8.7	4.7	1.2			14.9	67.0	22
65	1.9		.3			8.3	5.9	1.9	.1		16.5	83.0	20
66	4.1		.3			7.7	10.8	2.5	.3		21.6	86.5	25
67	3.5		.5			7.7	8.6	2.8	1.9		21.5	86.6	25
68	3.8	.1	1.2			7.5	21.8	2.9	9.5		43.0	112.7	38
69	4.2	.1	5.6			7.8	.8	3.3	16.9		34.5	112.4	31
70	4.9	.4	7.9			8.2	900.0	3.1	19.3		938.9	1067.3	88
71	5.2	.9	10.5			8.6	.2	2.9	23.9		47.0	220.4	21
72	5.3	1.2	11.4			7.9	.3	3.0	24.6		48.4	219.2	22
73	5.9	.9	12.0			6.7	3.8	3.4	23.5		50.3	208.2	24
74	7.0	1.2	14.8			7.1	24.8	3.6	28.7		80.2	254.9	31
75	14.8	2.5	26.6	6.6		9.8	1.0	3.9	40.0		90.4	333.4	27
76	26.2	4.9	28.0	83.4	223.1	5.1		3.7	43.3		391.5	709.8	55
77	30.8	5.0	23.8	139.1	270.6	2.0*		2.8*	34.3*		477.6*	874.3	55
78	25.1	8.4	107.7	173.0		1.0*		1.8*	149.6*		441.5*	764.9	58
79	24.8	232.6	173.8	163.4		1.0*		1.6*	249.2*		821.6*	1133.0	73
80	17.9	547.5	506.5	168.9		1.2*	342.4*	1.8*	688.2*		2256.5*	2501.2	90
81	34.8	860.1	1170.2	143.0		1.2*	7.6*	3.7*	1118.5*		3304.3*	3718.2	89
82	34.8	668.9	1581.7	142.7		17.1*	5.0*	2.1*	1157.3*		3574.8*	4108.4	87
83	30.1	236.0	1493.7	152.6		27.2*	36.2*	2.5*	1078.4*		3026.6*	3631.0	83
84	39.5	265.1	1393.1	131.0		11.0*	10.1*	3.8*	1047.5*		2861.6*	3390.1	84
85	36.0	168.6	1389.4	128.4		8.2*	11.5*	3.4*	1034.0*		2743.5*	3260.0	84
86	11.2	133.9	1108.4	113.5		14.3*	34.7*	4.2*	830.7*	418.2*	2657.9*	3075.5	86
87	20.5	120.4	648.5	102.5		9.0*	.5*	3.8*	439.3*	70.5*	1394.5*	1799.4	77
88	23.4	158.0	818.7	96.2		6.7*	5.6*	5.7*	694.8*	163.9*	1949.6*	2305.8	85
89	38.0	166.0	698.8	89.7		5.6*	11.4*	5.3*	605.9*	257.7*	1840.4*	2186.2	84
90	45.3	117.2	1001.6	89.8	0.0	6.3*	0.0*	4.2*	747.4*	154.8*	2121.4*	2507.2	85
91	37.9	185.1	1284.8	85.0	0.0	7.1*	18.9*	5.8*	951.6*	33.5*	2571.8*	2986.6	86
92 Prelim.	33.7	165.5	1053.2	69.0	0.0	5.8*	2.6*	4.2*	702.4*	4.7*	2007.4*	2459.5	82

* Net of Permanent Fund contribution and constitutional Budget Reserve Fund deposits.

(1) These categories are primarily composed of oil/gas revenues; however, includes some additional revenues from other minerals (mostly coal).

(2) Not subject to budget reserve fund.

Table 35

Historical Prices and Production

	Reported Alaska North Slope ($/bbl)			Production (Millions of barrels/day)		
FY	ANS West	ANS Gulf	ANS Lower 48	ANS	Cook	Total
78	12.30	14.60	13.12	0.702	0.144	0.846
79	13.70	15.50	14.35	1.197	0.131	1.328
80	26.50	27.68	26.92	1.422	0.109	1.531
81	31.71	35.24	34.10	1.510	0.093	1.603
82	29.55	31.11	30.28	1.570	0.080	1.650
83	26.88	29.09	28.04	1.627	0.073	1.700
84	25.61	27.85	26.77	1.657	0.065	1.722
85	25.11	27.50	26.27	1.694	0.055	1.749
86	20.48	22.54	21.52	1.802	0.045	1.847
87	12.89	14.17	13.43	1.849	0.047	1.896
88	15.65	16.92	16.15	2.005	0.043	2.048
89	14.03	15.09	14.36	1.960	0.043	2.003
90	16.88	17.45	17.03	1.853	0.033	1.886
91	20.66	22.10	20.93	1.799	0.040	1.839
92	15.93	17.86	16.33	1.791	0.042	1.833

In accordance with 37.07.060(b)(4), Revenue Sources is compiled biannually by the Department of Revenue to assist the Governor in formulating a proposed comprehensive financial plan for presentation to the State Legislature. Within the publication are shown prior year actuals, revised current year estimates, and future year projections.

Anticipated State income is projected through the use of a number of data sources: 1) econometric models developed by the Department of Revenue to forecast unrestricted non-petroleum revenues, 2) a petroleum revenue model created by the Department's Oil and Gas Audit Division, and 3) estimates from individual State agencies.

The Department of Revenue thanks the various State agencies for their cooperation in computing anticipated revenues for publication in this document.

This publication was released by the Department of Revenue, produced at a cost of $2.41 per copy to assist the Governor in formulating a proposed comprehensive financial plan for presentation to the State Legislature and printed in Anchorage, Alaska. This publication is required by AS 37.07.060.