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Analysis of Selected Provisions of Proposed Energy Legislation: 2003

Table 7. Alternative Fuel Prices in the Reference Case and Credit Case

	CNG (2001$/mcf)				LPG (2001$/gal)				E85 (2001$/gal)			
	2003	2004	2005	2006	2003	2004	2005	2006	2003	2004	2005	2006
Reference	6.72	6.90	6.99	7.07	1.24	1.25	1.24	1.25	1.74	1.80	1.76	1.79
Credit Case	4.39	3.88	3.32	3.53	1.04	0.99	0.94	0.94	1.53	1.53	1.48	1.55

Sources: Energy Information Administration, Office of Integrated Analysis and Forecasting, National Energy Modeling System runs taxbas.d081202a and taxalt.d081302d.

Table 8. Incremental Impact of House Version - Section 43005 (Selected Components)

Variable	Projections						
	2004	2005	2006	2007	2008	2009	2010
Nonconventional Prod. (tcf)							
Change Relative to Reference	0.1	0.2	0.2	0.3	0.3	0.2	0.2
%Change Relative to Reference	1.1%	2.6%	3.6%	4.4%	4.1%	3.6%	2.8%
Conventional Prod. (tcf)							
Change Relative to Reference	-0.1	-0.1	-0.2	-0.2	-0.2	-0.1	0.0
%Change Relative to Reference	-0.4%	-0.8%	-1.1%	-1.2%	-1.1%	-0.7%	-0.2%
Net Imports (tcf)							
Change Relative to Reference	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.2
%Change Relative to Reference	-0.1%	-0.6%	-1.2%	-1.8%	-2.1%	-2.6%	-3.1%
Wellhead Price (2001 $/mcf)							
Change Relative to Reference	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1
%Change Relative to Reference	-0.7%	-1.8%	-2.9%	-3.9%	-4.4%	-4.4%	-3.6%

Sources: Energy Information Administration, Office of Integrated Analysis and Forecasting, AEO2002 National Energy Modeling System runs AEO2002.D102001B and ENER_AEO.D081402A.

Table 9. Impact of Senate Section 2310 (Selected Components)

Variable	Projections						
	2004	2005	2006	2007	2008	2009	2010
Nonconventional Prod. (tcf)							
Change Relative to Reference	0.0	0.1	0.1	0.1	0.1	0.1	0.0
%Change Relative to Reference	0.8%	1.5%	1.6%	1.4%	1.0%	1.0%	0.7%
Conventional Prod. (tcf)							
Change Relative to Reference	0.0	-0.1	-0.1	0.0	0.0	0.0	0.0
%Change Relative to Reference	-0.3%	-0.5%	-0.4%	-0.3%	-0.2%	-0.1%	0.1%
Net Imports (tcf)							
Change Relative to Reference	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1
%Change Relative to Reference	-0.1%	-0.4%	-0.6%	-0.8%	-1.0%	-1.1%	-1.1%
Wellhead Price (2001 $/mcf)							
Change Relative to Reference	-0.01	-0.03	-0.04	-0.04	-0.04	-0.04	-0.02
%Change Relative to Reference	-0.5%	-1.1%	-1.4%	-1.6%	-1.5%	-1.3%	-0.8%

Sources: Energy Information Administration, Office of Integrated Analysis and Forecasting, AEO2002 National Energy Modeling System runs AEO2002.D102001B and ENER_SEN.D082002B.

Table 10. Earlier Introduction of Alaska Gas Pipeline Relative to the Reference Case (volumes in tcf, prices in 2001 dollars per thousand cubic feet, revenues in billions of 2001 dollars)

Reference Case

	2005	2010	2015	2020	2025	Cumulative 2010-2025
Total Dry Gas Production	19.53	21.54	23.11	24.86	26.37	384.08
Lower 48 Production	19.09	21.06	22.60	23.39	23.52	364.83
Conventional Production	12.94	13.90	13.98	13.78	13.91	222.62
Unconventional Production	6.15	7.16	8.62	9.61	9.60	142.20
Alaskan Production	0.44	0.48	0.51	1.47	2.85	19.25
Total Net Gas Imports	4.05	4.76	5.82	6.88	7.90	102.09
Net Imports from Canada	3.78	4.16	4.72	5.14	5.21	77.83
Net LNG Imports	0.52	0.80	1.23	1.76	2.40	24.74
Total Consumption	23.63	26.66	29.32	32.14	34.67	492.41
Average Gas Prices						
Lower-48 Wellhead	3.25	3.39	3.66	3.70	3.95	NA
Delivered to Consumers	5.40	5.28	5.51	5.55	5.80	NA

Alaska Gas Pipeline Starting in 2010 at 5.5 Bcf per day

	2005	2010	2015	2020	2025	Cumulative 2010-2025
Total Dry Gas Production	19.53	22.06	24.56	26.02	26.60	400.78
Lower 48 Production	19.09	20.44	21.77	23.20	23.75	357.12
Conventional Production	12.94	13.64	13.77	13.87	13.87	220.18
Unconventional Production	6.15	6.81	8.00	9.33	9.87	136.94
Alaskan Production	0.44	1.61	2.78	2.82	2.85	43.66
Total Net Gas Imports	4.05	4.43	4.99	6.15	7.81	91.96
Net Imports from Canada	3.78	3.97	4.11	4.88	5.34	72.32
Net LNG Imports	0.52	0.66	1.04	1.31	2.34	21.12
Total Consumption	23.63	26.85	29.94	32.56	34.81	499.05
Average Gas Prices						
Lower-48 Wellhead	3.25	3.25	3.47	3.71	3.95	NA
Delivered to Consumers	5.40	5.16	5.30	5.50	5.78	NA
Net Revenue Impact						
U.S. Consumer Savings	--	2.32	3.08	-0.93	-0.46	15.79
Lower 48 Producer Revenue Losses	--	4.99	7.22	0.38	-0.90	57.79
U.S. Treasury Impact (Senate bill)	--	-0.82	-1.14	-0.59	-0.04	-13.64

Table 11. Net Impact of 2013 Start of the Alaska Natural Gas Pipeline, Cumulative Difference from 2020 Start Case in 2013 through 2025 (billion 2001 dollars)

	Early Start
U.S. Consumer Savings	19.7
Lower-48 Producer Revenue Loss	48.3

Source: Energy Information Administration, Office of Integrated Analysis and Forecasting, National Energy Modeling System runs bsangts3.d100703b and angts3.d100603a.

Table 12. Net Impact of 2013 Start of the Alaska Natural Gas Pipeline, Net Present Value in the Year 2001 of Difference from 2020 Start Case in 2002 through 2025 (assuming a 7-percent rate of return) (billion 2001 dollars)

	Early Start
U.S. Consumer Savings	9.9
Lower-48 Producer Revenue Loss	23.4

Source: Energy Information Administration, Office of Integrated Analysis and Forecasting, National Energy Modeling System runs bsangts3.d100703b and angts3.d100603a.

Table 13. Production Tax Credit Under S.1149 (2001 dollars per mcf)

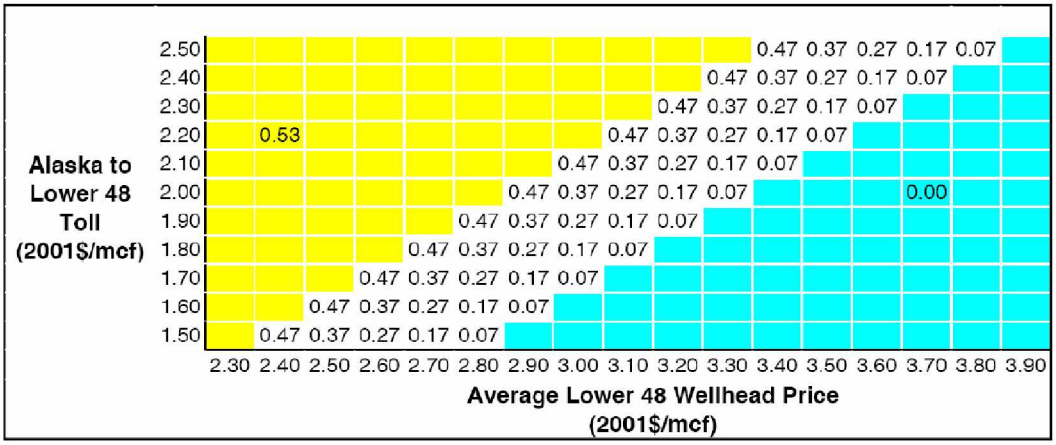
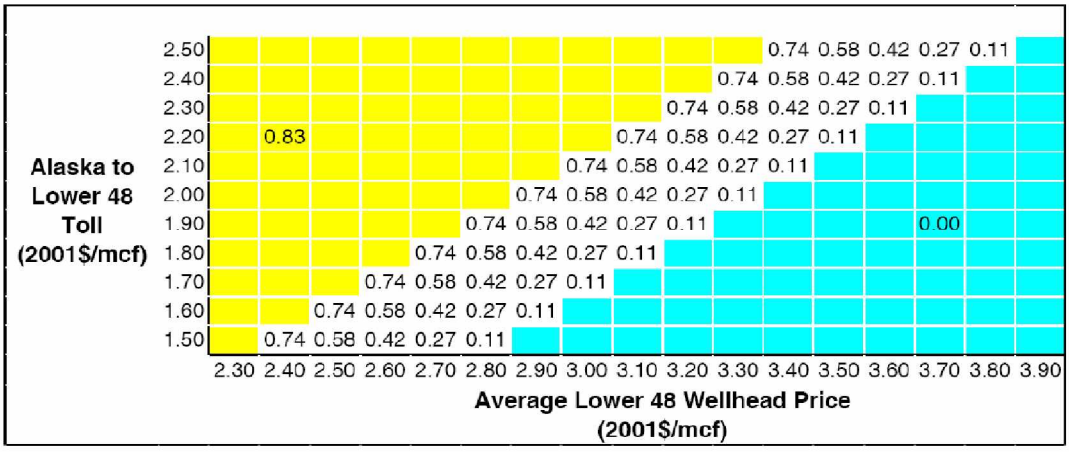


Table 14. Reduction in Federal Tax Receipts Under S.1149 for 4.3 Bcf/d Entering Alaska Pipeline Under S.1149 (billion 2001 dollars per year)



Source: Energy Information Administration, Office of Integrated Analysis and Forecasting