

Oil firms push for gas incentives

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FAIRANKS (AP) - ConocoPhillips and BP have hired another Washington, D.C., lobbying firm to work on proposed tax incentives for a natural gas pipeline from Alaska.

Both BP and ConocoPhillips have hired Goldwyn International Strategies to help smooth passage of the Alaska gas line incentives, according to filings made last month with the U.S. House Clerk's office. The firm is headed by David Goldwyn, formerly a top Energy Department official in the Clinton administration.

However, Don Duncan, vice president of federal affairs for ConocoPhillips in Washington, told the Fairbanks Daily News-Miner on Wednesday that the companies hired Goldwyn primarily for the expertise offered by its senior adviser, Shirley Neff. Neff worked as a staff economist for the Senate Energy and Natural Resources Committee from 1995 to 2003.

She knows how government agencies calculate the effects that tax incentives have on federal income, a process called "scoring," Duncan said. A high score, indicating significant losses to the federal treasury, would offer ammunition to opponents of the Alaska gas incentives, so it's potentially a key part of the debate.

Scoring to date has been mixed. A proposed tax credit that would kick in at low gas prices received a zero score, indicating it would not affect the federal budget, at least for the next decade. A proposed federal loan guarantee of a portion of up to \$18 billion in construction costs also was scored at zero.

However, Duncan said, some initial scoring work claimed that the proposed accelerated write-offs for pipeline construction expenses would cost the government hundreds of millions of dollars. ConocoPhillips disputed that, he said.

Neff has been able to work with agencies and congressional committees to ensure a fair score, Duncan said.

The decision to hire the firm comes as Congress approaches a potential window for passage of a national energy bill.

The House has passed an energy bill without tax incentives. The Senate version, with incentives, has been pushed off the floor schedule for more than a month by Medicare and other issues.

Congress will take a weeklong break starting Saturday and the energy bill may be back on the schedule when it returns.

Both BP Exploration (Alaska) Inc. and ConocoPhillips have also recently employed Akin, Gump, Strauss, Hauer and Feld, a large Washington firm, for gas line advocacy, according to filings.

In 2002, the firm sought "enabling legislation providing for expedited federal review and approval of natural gas pipeline project from Alaska to the Lower 48 states," according to its disclosure forms on the BP and Phillips work.

The firm earned \$160,000 each from BP and ConocoPhillips in 2002, the records indicate.

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