Alaska

BP's economic investment

BP believes Alaska is uniquely positioned to support the global energy transition, both by producing oil more efficiently and by supplying the world with liquefied natural gas (LNG).

The company began working in Alaska in 1959, started drilling at the massive Prudhoe Bay oil field in 1968, and helped build the Trans-Alaska Pipeline System in the mid-1970s.

Today, it operates the entire Prudhoe Bay field, which produced an average of more than 280,000 barrels of oil per day in 2017, accounting for more than half the state's total oil production.

"Prudhoe Bay and the Trans-Alaska Pipeline System laid the foundation for Alaska's oil and gas development," says BP Alaska President Janet Weiss. "Now we must continue to evolve and adapt, using new strategies and technologies to become even more efficient. The past few years demonstrate that, with the right mix of investment and innovation — encouraged by sound public policy — we can create a positive future."

Indeed, between 2015 and 2017, BP held Prudhoe Bay production levels consistent for three straight years, something that's virtually unheard of in a 40-year-old field.

Over the same period, BP Alaska improved its operating efficiency from 80 percent to upwards of 85 percent. That represents an additional 10,000 to 15,000 barrels of oil flowing through the Alaska pipeline every day — the equivalent of adding a whole new field within Prudhoe Bay.

In 2019, BP plans to complete a 3D seismic survey of the Prudhoe Bay operating area, using its proprietary, state- of-the-art technology. The survey will provide high seismic coverage to support new drilling and well work, which will help BP further prolong the life of the field.

Since Prudhoe Bay began production in 1977, it has generated 13 billion barrels of oil — far exceeding initial projections of 9.6 billion barrels — thanks in part to enhanced oil recovery technologies that BP pioneered. It remains the most prolific oil field in American history.

Prudhoe Bay also contains massive natural gas resources, and BP has worked with industry partners and the state government to advance the Alaska LNG project. If sanctioned, this project would move North Slope gas to overseas markets, allowing Alaska to play a key role in the global gas transition.

BP is doing its part to make that happen. In May 2018, the company announced a Gas Sales Precedent Agreement between BP Alaska and the Alaska Gasline Development Corporation — an important milestone in moving the project forward.

Through its investments and operations, BP makes huge contributions to Alaska's economic and fiscal health.

It supports more than 8,300 jobs across the state, and in 2017 alone it spent more than $855 million with vendors in Alaska, while paying $543 million in taxes, royalties and other government payments.

The company also donated more than $3 million to Alaska community organizations, with BP employees supporting more than 800 education and community groups, along with 230 youth teams.

Over the past 30 years, BP has awarded more than $3.5 million to 850 graduating high school seniors from across the state as part of the Principals' and Commissioner's Scholarship program.

Meanwhile, the BP Teacher of Excellence program receives more than 1,000 Alaska teacher nominations each year, and it has recognized 750 teachers since 1995.

By the numbers*

$855 million+
Spent with vendors

320+
Vendors supported

8,300+
Total jobs supported

1,600+
BP employees

$540 million+
Taxes and royalties paid

$22 million+
Community spend (2013-2017)

* Vendor and tax paid figures for the year ended December 31, 2017. BP employees and retail station figures as of June 30, 2018. Community spend includes BP Foundation.

Fast facts

BP operates the entire Prudhoe Bay field, which accounts for more than half of Alaska's total oil production.

In 2018, BP signed a milestone Gas Sales Precedent Agreement to help advance the Alaska LNG project.

In 2017, the company donated more than $3 million to Alaska community organizations.