

**PROFESSIONAL SERVICES CONTRACT BETWEEN**

**STATE OF ALASKA  
ALASKA STATE LEGISLATURE  
LEGISLATIVE BUDGET & AUDIT COMMITTEE  
120 4<sup>th</sup> Street, State Capitol, Room 3  
Juneau, AK 99801**

**AND**

**PALANTIR USA INC.  
2900 Wesleyan Street, Suite 550  
Houston, TX 77027**

**CONTRACT NOT TO EXCEED AMOUNT: \$150,000  
(amount includes reasonable travel expenses)**

The parties to this Contract are the State of Alaska, Alaska State Legislature, Legislative Budget and Audit Committee, whose address is 120 4<sup>th</sup> Street, State Capitol, Juneau, Alaska 99801-1182, hereinafter referred to as the "Committee", and Palantir USA Inc. whose address is 2900 Wesleyan Street, Suite 550, Houston, TX 77027, hereinafter referred to as the "Contractor".

**THE PURPOSE OF THIS CONTRACT** is to provide the Committee with oil and gas fiscal systems economic analysis and consulting services.

**IT IS THEREFORE MUTUALLY AGREED THAT:**

**CLAUSE I – GENERAL: STATEMENT OF SCOPE OF WORK; RELATED PROVISIONS**

This Contract is established as a result of Request for Proposals No. 17-33-01 ("Oil and Gas Fiscal Systems Economic Analysis and Expertise") (RFP). The RFP, including the amendments to the RFP, and the Contractor's Cost Proposal and Technical Proposal (both proposals jointly referred to as "Offer") are incorporated into and made a part of this Contract as Exhibits A and B. The Contractor shall provide the products and services requested by the RFP according to and as described in the RFP, the Offer, and the provisions in this Contract document. If there is a conflict between the RFP and the Offer, the RFP will govern. If there is a conflict between the RFP or the Offer and this Contract document, this Contract document will govern.

## **CLAUSE II - PERIOD AND DATES OF PERFORMANCE**

This Contract shall begin on the date the contract is signed by the Executive Director of the Legislative Affairs Agency or her designee and terminates June 30, 2019, unless terminated earlier as provided under the Contract.

## **CLAUSE III - COMPENSATION**

- (A) The Contractor shall be paid Thirty-Six thousand and No/100 Dollars (\$36,000.00) in professional fees for developing the Contractor's expertise and an economic model due by July 1, 2017.
- (B) In addition to the payment under (A) of this Clause III, beginning July 1, 2017, the Contractor shall be paid each calendar month a retainer of \$2,400. Under this retainer the Contractor shall provide the Committee 8 hours of service each calendar month for the duration of the Contract. If, during a calendar month, the services rendered are less than the 8 hours the retainer provides, the actual number of hours not rendered shall be rolled forward. Hours rolled forward shall be used in the order they are accrued, oldest first.
- (C) In addition to the retainer payments under (B) of this Clause, if the Contractor exceeds the retainer hours in a calendar month, the Contractor shall be paid Three Hundred and No/100 Dollars (\$300.00) per hour for providing additional continuing services.
- (D) The Committee will reimburse the Contractor for reasonable actual travel expenses, but not other expenses.
- (E) The Project Director must approve a monthly billing before it may be paid.
- (F) If a payment is not made within 90 days after the Committee has received a proper billing, the Committee shall pay interest on the unpaid balance of the billing at the rate of 1.5 percent per month from, and including, the 91<sup>st</sup> day through the date payment is made. A payment is considered made on the date it is mailed or personally delivered to the Contractor.
- (G) Total payments under this Contract, including reimbursements for travel expenses, may not exceed Two Hundred Thousand and No/100 Dollars (\$150,000.00).

## **CLAUSE VI - VENUE**

In the event that the parties to the Contract find it necessary to litigate the terms of the Contract, venue shall be State of Alaska, First Judicial District, at Juneau, and the Contract shall be interpreted according to the laws of Alaska.

**CLAUSE V - PROJECT DIRECTOR**

The Project Director is the person appointed by the Committee Chair. The Project Director shall be Katrina Matheny. The Project Director is authorized to oversee and direct the activities of the Contractor under this Contract. The Committee Chair may replace the Project Director at any time and shall provide notice of the replacement to the Contractor.

**CLAUSE VIII – TIME**

Time is of the essence for this Contract.

**CLAUSE IX - AUTHORIZATION: CERTIFICATION**

Execution of this Contract was authorized by a majority of the members of the Committee at a meeting on May 8, 2017.

Execution of this Contract by the Executive Director of the Legislative Affairs Agency or her designee hereby constitutes a certification that funds are available in an appropriation to pay for work performed under this Contract through June 30, 2017. Availability of funds to pay for work performed from July 1, 2017 through June 30, 2019 is contingent upon appropriation of funds for the next fiscal year. If, in the judgment of the Executive Director of the Legislative Affairs Agency, sufficient funds are not appropriated for the appropriate fiscal year, the Contract will be terminated under paragraph 3.11 of the RFP, or, if the Committee and Consultant agree in writing to amend the contract, the Contract may be amended in writing by the parties.

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# EXHIBIT A

# REQUEST FOR PROPOSALS



## RETURN THIS PROPOSAL TO:

### DIVISION OF LEGISLATIVE AUDIT

**Issuing Office Mailing Address: State Capitol, Room 3, Juneau, AK 99801-1182**

**Issuing Office Hand Delivery Address: Terry Miller Legislative Office Building, 129 6<sup>th</sup> Street, Room 222, Juneau, Alaska 99801**

## RFP NO. 17-33-01

### **OIL AND GAS FISCAL SYSTEMS ECONOMIC ANALYSIS AND EXPERTISE**

**SEALED PROPOSALS SHALL BE RECEIVED AT THE ABOVE ADDRESS UNTIL  
4:00PM ALASKA TIME ON APRIL 24, 2017.**

Offerors Are Not Required To Return This Form

Under AS 36.30.020, the Alaska Legislative Council adopted procurement procedures that were based on competitive principles consistent with AS 36.30 and adapted to the special needs of the Legislative Branch. Therefore, the Legislative Branch follows its own procurement procedures and is not subject to the procurement procedures of the Executive Branch. Copies of the Legislative Branch Procurement Procedures are available upon request.

**IMPORTANT NOTICE:** You must register with the supply officer listed in this document to receive subsequent amendments, whether you received this request for proposals from the State of Alaska's "Online Public Notice" web site or another source. Failure to register with the supply officer may result in the rejection of your proposal.

Tina Strong, Supply Officer  
PH: 907-465-6705  
FAX: 907-465-2918  
TDD: 907-465-4980  
Email: tina.strong@akleg.gov

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## SECTION ONE

### Introduction and Instructions

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#### 1.01 Purpose of the RFP

The Alaska State Legislature Legislative Budget and Audit Committee (LBAC) is seeking sealed proposals from persons or firms for oil and gas fiscal systems economic analysis and expertise.

#### 1.02 Return Mailing Address and Deadline for Receipt of Proposals

Offerors must submit their proposals to the supply officer in a sealed package. The cost proposal included with the package must be sealed separately from the rest of the proposal and must be clearly identified. The sealed proposal package must be addressed as follows:

Division of Legislative Audit  
Attention: Tina Strong  
Request for Proposal (RFP) Number 17-33-01  
State Capitol, Room 3  
Juneau, AK, 99801-1182

#### Hand delivery address:

Terry Miller Legislative Office Building  
129 6<sup>th</sup> Street, Room 222  
Juneau, AK, 99801

Proposals must be received no later than 4:00 PM Alaska Time on April 24, 2017. Faxed, emailed, or oral proposals will not be accepted.

It is the responsibility of the offeror to ensure that its proposal and any pertinent amendments are received by the LBAC prior to the scheduled deadline for receipt of proposals. An offeror's failure to submit its proposal by the deadline will cause the proposal to be disqualified. Late proposals or amendments will not be opened or accepted for evaluation.

#### 1.03 Photocopies

Photocopied proposals are allowed.

#### 1.04 Award Information

LBAC may select up to four offerors to be awarded contract(s).

#### 1.05 Contract Term and Schedule

The contract term and work schedule set out herein represents the LBAC Chair's best estimate of the schedule that will be followed. If a component of this schedule, such as the deadline for receipt of proposals, is delayed, the rest of the schedule may be shifted by the same number of days, at the discretion of the LBAC Chair. The project schedule may be adjusted by the LBAC project director with written notice to the contractor.

The length of the contract will be from the date the contract is signed by the LBAC Chair until June 30, 2019. The contract may be extended in one-year increments through amendment, with mutual agreement of the contracting parties.

The approximate contract schedule is as follows:

4/3/17	Issue RFP
4/13/17	Pre-Proposal Conference
4/24/17	Deadline for Receipt of Proposals
5/8/17	LBAC issues Notice of Intent to Award a Contract(s)
5/22/17	Contract(s) signed by LBAC
7/1/17	Model must be established

The date the contract is signed through 6/30/19: Respond to requests for analysis and information as needed.

Note: All dates are approximate and subject to change.

#### **1.06 Location of Work**

The location of work associated with section 5.01 (Scope of Work) of this RFP is predominantly at the contractor's office. If the contractor is asked to conduct verbal presentations in public committee meetings of the Legislature or to testify as an expert witness before legislative committees, this work will take place in Juneau or Anchorage, Alaska, or via teleconference as determined by the LBAC Chair. Additional work in Juneau or in Anchorage is subject to legislative need and may be a short (two to three days at a time) or a longer term (five to six days per week for two to three weeks at a time). The LBAC will reimburse the contractor for reasonable, actual travel expenses. The LBAC may provide workspace for the successful offeror, if available.

#### **1.07 Human Trafficking**

By signature on the proposal, the offeror certifies that the offeror is not headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report.

In addition, if the offeror conducts business in but is not headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report, a certified copy of the offeror's policy against human trafficking must be submitted to the LBAC prior to contract award.

The most recent United States Department of State's Trafficking in Persons Report can be found at the following web site: <http://www.state.gov/g/tip/rls/tiprpt>.

If an offeror fails to comply with this paragraph, the LBAC Chair may reject, without liability, the offeror's proposal as non-responsive, cancel the intent to award to the offeror, or cancel the resulting contract with the offeror.

#### **1.08 Americans with Disabilities Act**

The Alaska State Legislature complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, and/or special modifications

to submit a proposal should contact the supply officer no later than ten days prior to the deadline for receipt of proposals to make any necessary arrangements. If a request for special arrangements is received less than ten days prior to the deadline for receipt of proposals, the LBAC will attempt to accommodate the request.

#### **1.09 Review of RFP; Contact Limited**

Offerors should carefully review this solicitation, without delay, for defects and questionable or objectionable material. Comments concerning defects and objectionable material must be made in writing and received by the supply officer prior to the deadline for receipt of proposals. This will help prevent the opening of a defective solicitation and exposure of an offeror's proposal upon which award could not be made. Protests by an offeror based on any omission or error, or on the content of the solicitation, may be disallowed if the offeror has not brought these faults to the attention of the supply officer, in writing, prior to the deadline for receipt of proposals.

Offerors or their agents may not contact any member of the evaluation committee or their staff or any member of the legislature or their staff regarding this RFP. All questions concerning this RFP must be directed to the supply officer listed on the first page of this RFP.

#### **1.10 Questions Received Prior to Deadline for Receipt of Proposals**

Two types of questions generally arise. One may be answered by directing the questioner to a specific section of the RFP. These questions may be answered over the telephone or via email. The second type is a question that would require the supply officer to clarify or interpret part of the RFP or its intent. Response to the second type of question will not be given except in writing via amendment to the RFP. Offerors must put these questions in writing. These questions must be received by the supply officer prior to the deadline for receipt of proposals.

#### **1.11 Amendments**

If an amendment to this RFP is issued, it will be posted to the State of Alaska's Online Public Notice web site and will be provided to all who have registered with the supply officer after receiving the RFP from the State of Alaska's Online Public Notice web site, or some other source.

#### **1.12 Number of Proposals; Alternate Proposals**

Offerors may only submit one proposal for evaluation. Proposals that offer something different than what is asked for will be rejected.

#### **1.13 Right of Rejection**

Offerors must comply with all of the terms of this RFP, Alaska Legislative Procurement Procedures, and all applicable local, state, and federal laws, codes, and regulations. The supply officer may reject any proposal that does not comply with all of the material and substantial terms, conditions, and performance requirements of this RFP.

Offerors may not qualify the proposal or restrict the rights of the LBAC. If an offeror does so, the supply officer may determine the proposal to be a non-responsive counter-offer and the proposal may be rejected.

A proposal may be rejected if the proposal contains a material alteration or erasure that is not initialed by the signer of the proposal.

The supply officer may waive minor informalities that:

- a) do not affect responsiveness;
- b) are merely a matter of form or format;
- c) do not change the relative standing or otherwise prejudice other offers;
- d) do not change the meaning or scope of the RFP;
- e) are trivial, negligible, or immaterial in nature;
- f) do not reflect a material change in the work, services, or products requested; or
- g) do not constitute a substantial reservation against a requirement or provision.

Furthermore, a proposal may be rejected in whole or in part when in the best interest of the LBAC, as provided in sec. 130 of the Procurement Procedures of the Alaska State Legislature.

#### **1.14 State Not Responsible for Preparation Costs**

This RFP does not obligate the LBAC to award a contract or to pay any costs incurred in the preparation of a proposal when the LBAC does not award a contract as provided in sec. 125 of the Procurement Procedures of the Alaska State Legislature.

#### **1.15 Cancellation of Solicitation**

This RFP may be canceled as provided in sec. 120 of the Procurement Procedures of the Alaska State Legislature.

#### **1.16 Disclosure of Proposal Contents**

All proposals and other material submitted become the property of the LBAC and may be returned only at the LBAC's option. AS 40.25.110 requires public records to be open to reasonable inspection. All proposal information, including detailed price and cost information, will be held in confidence during the evaluation process and prior to the time a Notice of Intent to Award is issued. Thereafter, proposals will become public information.

Trade secrets and other proprietary data contained in proposals may be held confidential if the offeror requests, in writing, that the supply officer do so, and if the supply officer agrees, in writing, to do so. The offeror's request must be included with the proposal, must clearly identify the information the offeror wishes to be held confidential, and include a statement that sets out the reasons for confidentiality. Unless the supply officer agrees in writing to hold the requested information confidential, that information will also become public after the Notice of Intent to Award is issued.

#### **1.17 Subcontractors**

Subcontractors may be used to perform work under the contract. If an offeror intends to use subcontractors, the offeror must identify in the proposal:

- a) complete name of the subcontractor;
- b) complete address of the subcontractor;
- c) type of work the subcontractor will be performing;
- d) percentage of work the subcontractor will be providing; and
- e) evidence that the subcontractor holds a valid Alaska business license.

Subcontractors cannot be used to meet qualifications for this project as described in section 2.08 (Prior Experience) of this RFP, and cannot be used to support the application for purposes of section 6.02 (Technical Proposal Format) items b) (Relevant Firm Experience) and c) (Team Experience and Qualifications).

If a proposal with subcontractors is selected, the offeror must provide the following information concerning each prospective subcontractor within five working days from the date of the LBAC's request:

- a) a written statement, signed by each proposed subcontractor that clearly verifies that the subcontractor has agreed to render the services required by the contract.

An offeror's failure to provide this information, within the time set, may cause the LBAC to consider the offeror's proposal non-responsive and reject it. The substitution of one subcontractor for another may be made only at the discretion and with the prior written approval of the LBAC project director.

All subcontractors that perform work under the contract resulting from this RFP are subject to the requirements of paragraphs 3.05 (Applicable Law) and 3.06 (Insurance Requirements) of this RFP.

### **1.18 Joint Ventures**

Joint ventures are acceptable. If submitting a proposal as a joint venture, the offeror must submit a copy of the joint venture agreement which identifies the principals involved and their rights and responsibilities regarding performance and payment.

### **1.19 Offeror's Certification**

By signature on the proposal, offerors certify that:

- a) the offeror will comply with the laws of the State of Alaska;
- b) the offeror will comply with the applicable portion of the Federal Civil Rights Act of 1964;
- c) the offeror will comply with the Equal Employment Opportunity Act and the regulations issued thereunder by the federal government;
- d) the offeror will comply with the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government;
- e) the offeror will comply with all terms and conditions set out in this RFP;
- f) the proposal submitted was independently arrived at, without collusion;

- g) the offer shall be good and firm for a period of at least 90 days from the date of deadline for receipt of proposals to the RFP; and
- h) programs, services, and activities provided to the general public under the resulting contract will conform to the Americans with Disabilities Act of 1990, and the regulations issued thereunder by the federal government.

If any offeror fails to comply with (a) through (h) of this paragraph, the LBAC reserves the right to disregard the proposal, terminate the contract, or consider the contractor in default under the contract.

### **1.20 Conflict of Interest**

Each proposal shall include a statement indicating whether or not the offeror or any individuals working on the contract has a possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past five years) and, if so, the nature of that conflict. For the purposes of this section 1.20, employment means either direct employment or as an independent contractor or subcontractor with the State of Alaska including all State governmental corporations.

Each proposal shall also include a statement indicating whether or not the offeror currently works for a firm that is engaged in oil or gas exploration, development or production in Alaska or has worked for such a firm over the past five years. The proposal must indicate, for each instance, the nature of the work performed; whether the relationship is ongoing or concluded; the name of the private company, when allowed by existing contractual agreements; and whether the offeror would require a waiver or other authorization from a company in order to contract with the LBAC. For actual or potential conflicts, describe actions the firm will take to alleviate those conflicts to maintain the firm's integrity as independent of the Alaska oil and gas industry in carrying out the work described in section 5.01 (Scope of Work).

Conflicts, potential conflicts, waiver requirements and mitigation means will be evaluated for degree of conflict and whether the conflict, potential conflict, waiver requirement or mitigation plan is of a nature that may impede the offeror's independence or appearance of independence before the Legislature and the public.

The offeror awarded a contract as a result of this RFP shall keep itself free from any potential conflict of interest and maintain its independence.

The LBAC Chair reserves the right to consider a proposal non-responsive and reject it or cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the offeror. The LBAC's determination regarding any questions of conflict of interest shall be final.

### **1.21 Project Director**

The administration of the contract issued as a result of this RFP is the responsibility of the individual assigned by the LBAC Chair to be the LBAC project director. The LBAC project director shall be named in the contract issued as a result of this RFP. The LBAC project director may be changed at the LBAC Chair's discretion and, if changed, the LBAC will provide written notice to the contractor.

**1.22 Assignment/Transfer**

Assignment or transfer of the contract entered into as a result of this RFP is subject to sec. 160 of the Procurement Procedures of the Alaska State Legislature.

**1.23 Binding on Successors**

Subject to paragraphs 1.22 (Assignment/Transfer) and 1.26 (Severability) of this RFP, the contract issued as a result of this RFP and all the covenants, provisions and conditions contained in the contract shall inure to the benefit of and be binding upon the successors and assigns of the contractor and the LBAC.

**1.24 Disputes**

A contract resulting from this RFP is governed by the laws of the State of Alaska. If the contractor has a claim arising in connection with the contract that it cannot resolve with the LBAC by mutual agreement, sec. 350 of the Procurement Procedures of the Alaska State Legislature governs contract controversies.

**1.25 Venue and Applicable Law**

In the event that the parties to the resulting contract find it necessary to litigate the terms of the contract, venue shall be State of Alaska, First Judicial District at Juneau, and the contract shall be interpreted according to the laws of Alaska.

**1.26 Severability**

If any provision of the contract is declared by a court to be illegal or in conflict with any law, the LBAC and the contractor shall negotiate the continuation of the contract without the provision.

**1.27 Procurement Procedures**

This RFP is subject to the Procurement Procedures of the Alaska State Legislature.

**1.28 Records; Audit**

The requirements in this sec. 1.28 are in addition to any other records required by this RFP. The contractor shall accurately maintain detailed time records that state the date of the work, describe in detail the work done, and identify what individual(s) did the work. The contractor shall also keep any other records that are required by the contract issued as a result of this RFP or the LBAC project director. The records required by this paragraph are subject to inspection by the LBAC at all reasonable times.

**1.29 Ownership and Reuse of Documents**

All data, documents, reports, material, and other items generated as a consequence of work done under the contract resulting from this RFP are the property of the LBAC. To the extent the offeror has any interest in the copyright for these items under the copyright laws of the United States, the offeror transfers any and all interest the offeror has in the copyright for these items to the LBAC, and the LBAC will be the owner of the copyright for these items. Upon completion of the work or termination of the contract resulting from this RFP, all items shall be delivered to the LBAC project director. Offeror acknowledges that all the items are the property of the LBAC. Notwithstanding the above provisions, the LBAC will not have proprietary rights to financial models, databases or

software developed under the contract solely for the purposes of the contract, nor will it prevent the contractor from making publicly available work performed under the contract where such work has already been made publicly available by the LBAC. The LBAC may use these financial models, databases or software items in its present or future legislative work.

**1.30 Materials and Processes Covered by Patents, Trademarks, or Copyrights**

If the offeror employs any design, device, material, or process covered by a patent, trademark, or copyright not held by the offeror, the offeror shall provide for the use by suitable legal agreement with the owner. The offeror shall indemnify, hold harmless, and defend the Legislature of the State of Alaska, the LBAC and their officers, agents, and employees, and any affected third party from any and all claims for infringement by reason of the use of patented design, device, material or process, or any trademark or copyright, and for any costs, expenses, and damages due to infringement at any time during the work or after the completion of the work.

**1.31 Coverage Under the Ethics Law**

Certain provisions of AS 24.60 (the Legislative Ethics Act) apply to legislative contractors. It is the responsibility of the offeror to review AS 24.60, determine whether the offeror is in compliance with AS 24.60, and remain compliant throughout the term of the contract.



## **SECTION TWO**

### **Standard Proposal Information**

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#### **2.01 Authorized Signature**

All proposals must be signed by an individual authorized to bind the offeror to the provisions of the RFP. Proposals must remain open and valid for at least 90 days from the date set as the deadline for receipt of proposals.

#### **2.02 Pre-proposal Conference**

A pre-proposal teleconference will be held at 10:00AM, Alaska Time, on April 13, 2017. Potential offerors are invited to participate in the teleconference by calling 1-844-586-9085. The purpose of the teleconference is to discuss the work to be performed with the prospective offerors and allow them to ask questions concerning the RFP. Attendance at the pre-proposal teleconference is not mandatory, but is highly encouraged. Participants should read the RFP and call in to the meeting prepared to discuss any concerns.

Offerors with a disability needing accommodation should contact the supply officer prior to the date set for the pre-proposal teleconference so that reasonable accommodation can be made.

#### **2.03 U.S. Funds**

Prices quoted shall be in U.S. funds.

#### **2.04 Taxes**

All proposals shall be submitted exclusive of federal, state, and local taxes.

#### **2.05 Amendments to Proposals**

Amendments to or withdrawals of proposals will only be allowed if requests are received prior to the deadline that is set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline unless they are in response to the LBAC's request.

#### **2.06 Supplemental Terms and Conditions**

Proposals must comply with Section 1.13 Right of Rejection. However, if the LBAC fails to identify or detect in a proposal a term or condition that conflicts with those contained in this RFP or that diminishes the LBAC's rights under any contract resulting from the RFP, the term(s) or condition(s) will be considered null and void. After award of contract, unless otherwise specified in the contract:

- a) if conflict arises between a term or condition included in the proposal and a term or condition of the RFP, the term or condition of the RFP will prevail;
- b) if there is a conflict between (1) the RFP or the proposal, and (2) the contract document, the contract document will govern; and
- c) if the LBAC's rights would be diminished as a result of application of a term or condition included in the proposal, the term or condition will be considered null and void.

### 2.07 Discussions with Offerors

The supply officer may conduct discussions with offerors for the purpose of clarification. The purpose of these discussions will be to ensure full understanding of the requirements of the RFP and proposal. Discussions will be limited to specific sections of the RFP or proposal identified by the supply officer. Discussions will only be held with offerors who have submitted a proposal deemed reasonably susceptible for award by the supply officer. Discussions, if held, will be after initial evaluation of proposals by the supply officer or the PEC. If modifications are made as a result of these discussions they will be put in writing. Following discussions, the supply officer may set a time for best and final proposal submissions from those offerors with whom discussions were held. Proposals may be reevaluated after receipt of best and final proposal submissions.

### 2.08 Prior Experience

In order for offers to be considered responsive, offerors must meet the following minimum experience requirements:

- a) Demonstrate high-level experience evaluating and advising on international oil and gas fiscal systems
- b) Performed work related to oil and gas fiscal systems for a government/sovereign
- c) Possess advanced modeling capability and experience for evaluating the effectiveness of oil and gas fiscal systems

An offeror's failure to meet this minimum prior experience requirement will cause the proposal to be considered non-responsive, resulting in rejection of the proposal.

### 2.09 Evaluation of Proposals

There will be two separate evaluation committees who will independently evaluate and rank all proposals. Each evaluation committee will be made up of at least three state employees or public officials who will evaluate proposals. The evaluation will be based solely on the evaluation factors set out in section Seven (Evaluation Criteria) of this RFP.

It will be at the discretion of each evaluation committee to make a recommendation to the LBAC to award a contract to a) only their number one ranked offeror, *or* b) their number one ranked offeror and their number two ranked offeror. The LBAC may choose to award a contract to one to four offerors based on each of the evaluation committee's recommendations. The LBAC may choose in the following order:

- **If the LBAC chooses to award only one contract:**
  - If each evaluation committee has ranked and recommended the same offeror as their number one ranked offeror, award will be made to this offeror.
  - If each evaluation committee has ranked and recommended different offerors as their number one ranked offeror, the LBAC may choose at its discretion between the two number one ranked offerors.

- **If the LBAC chooses to award two contracts:**
  - If each evaluation committee has ranked and recommended different offerors as their number one ranked offeror, the LBAC will award to each of the evaluation committee's number one ranked offerors.
  - If each evaluation committee has ranked and recommended the same offeror as their number one ranked offeror, the first award will be given to this offeror. If each evaluation committee has ranked and recommended the same offeror as their number two ranked offeror, the second award will be given to this offeror.
  - If each evaluation committee has ranked and recommended the same offeror as their number one ranked offeror, the first award will be given to this offeror. If each evaluation committee has ranked and recommended a different offeror their number two ranked offeror, the LBAC may choose at its discretion between the two number two ranked offerors for the second award.
  
- **If the LBAC chooses to award three contracts:**
  - If each evaluation committee has ranked and recommended different offerors as their number one ranked offeror, the first two awards will be given to these offerors. If each evaluation committee has ranked and recommended the same offeror as their number two ranked offeror, the third award will be given to this offeror.
  - If each evaluation committee has ranked and recommended different offerors as their number one ranked offeror, the first two awards will go to these offerors. If each evaluation committee has ranked and recommended a different offeror as their number two ranked offeror, the LBAC may choose at its discretion between the two number two ranked offerors for the third award.
  - If each evaluation committee has ranked and recommended the same offeror as their number one ranked offeror, the first award will made to this offeror. If each evaluation committee has ranked and recommended a different offeror as their number two ranked offeror, the second and third award will be given to these offerors.
  
- **If the LBAC chooses to award four contracts:**
  - The LBAC will award to each of the evaluation committees ranked and recommended number one and number two ranked offerors.

It will be at the LBAC's discretion to award one to four contracts based on each of the evaluation committee's recommendations.

After receipt of proposals, if the PEC has technical questions, the PEC may use additional sources to provide essential information to help the PEC complete their evaluations.

After receipt of proposals, if there is a need for any substantial clarification or material change in the RFP, an amendment will be issued. The amendment will incorporate the clarification or change, and a new date and time established for new or amended proposals. Evaluations may be adjusted as a result of receiving new or amended proposals.

### **2.10 Federal Tax ID**

A valid Federal Tax ID must be submitted to the LBAC within five working days from the date of the LBAC's request.

### **2.11 Alaska Business License and Other Required Licenses**

Prior to the award of a contract, an offeror must hold a valid Alaska business license. However, in order to receive the Alaska Bidder Preference and other related preferences, an offeror must hold a valid Alaska business license prior to the deadline for receipt of proposals. Offerors should contact the Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, website: [www.BusinessLicense.Alaska.Gov](http://www.BusinessLicense.Alaska.Gov); phone: (907) 465-2550; email: [businesslicense@alaska.gov](mailto:businesslicense@alaska.gov); mailing: P.O. Box 110806, Juneau, Alaska 99811-0806, for information on these licenses. Acceptable evidence that the offeror possesses a valid Alaska business license may consist of any one of the following:

- a) copy of an Alaska business license;
- b) certification on the proposal that the offeror has a valid Alaska business license, and inclusion of the license number in the proposal;
- c) a canceled check or other proof of payment of the Alaska business license fee;
- d) a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office; or
- e) a sworn and notarized affidavit that the offeror has applied and paid for the Alaska business license.

Prior to the deadline for receipt of proposals, all offerors must hold any other necessary applicable professional licenses required by Alaska Statute or regulations.

### **2.12 Alaska Bidder Preference**

If an offeror qualifies for the Alaska Bidder Preference, the offeror will receive a preference of five percent. The preference will be given to an offeror who:

- a) holds a current Alaska business license prior to the deadline for receipt of proposals;
- b) submits a proposal for the contract under the name appearing on the offeror's current Alaska business license;
- c) has maintained a place of business within the state staffed by the offeror, or an employee of the offeror, for a period of six months immediately preceding the date of the proposal;

- d) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company (LLC) organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and
- e) if a joint venture, is composed entirely of ventures that qualify under (a) – (d) of this subsection.

In order to receive the Alaska Bidder Preference, the proposal must include a statement certifying that the offeror is eligible to receive the Alaska Bidder Preference.

If the offeror is a LLC or partnership as identified in (d) of this subsection, the affidavit must also identify each member or partner and include a statement certifying that all members or partners are residents of the state.

If the offeror is a joint venture which includes a LLC or partnership as identified in (d) of this subsection, the affidavit must also identify each member or partner of each LLC or partnership that is included in the joint venture and include a statement certifying that all of those members or partners are residents of the state.

### **2.13 Contract Negotiation**

After issuing the Notice of Intent to Award, the LBAC Chair may elect to initiate contract negotiations. The option of whether or not to initiate contract negotiations rests solely with the LBAC Chair.

The LBAC Chair may terminate negotiations with a successful offeror who has been selected for award on the Notice of Intent to Award, and may commence negotiations with another offeror, if the successful offeror:

- a) fails to provide the information required to begin negotiations in a timely manner; or
- b) fails to negotiate in good faith; or
- c) indicates they cannot perform a contract within the budgeted funds available for the project;  
or
- d) simply cannot come to terms after a good faith effort to negotiate with the LBAC.

### **2.14 Notice of Intent to Award – Offeror Notification of Selection**

Upon selection of an apparent successful offeror(s), the supply officer will issue a written Notice of Intent to Award and send copies to all offerors. The Notice of Intent will set out the names of all offerors and identify the proposal(s) selected for award.

### **2.15 Protest**

If an offeror wishes to protest a solicitation, the award of a contract, or the proposed award of a contract, the protest must be filed as required by sec. 230 and 240 of the Procurement Procedures of the Alaska State Legislature.

## SECTION THREE

### Standard Contract Information

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#### 3.01 Format of Contract

The contract entered into as a result of this RFP will be in the contract format desired by the LBAC Chair.

#### 3.02 Contract Approval

The contract(s) to be entered into as a result of this RFP is subject to approval by the LBAC. The LBAC will not be responsible for any work done by the contractor, even work done in good faith, if it occurs prior to the signing of the contract.

#### 3.03 Proposal as a Part of the Contract

Part or all of this RFP and the successful proposal may be incorporated into the contract.

#### 3.04 Additional Terms and Conditions

The LBAC Chair reserves the right to include additional terms and conditions in the contract.

#### 3.05 Applicable Law

The contractor must comply with all applicable federal and state labor, wage/hour, safety, and any other laws which have a bearing on the contract, and must have all licenses and permits required by the LBAC, and any municipality that is applicable, for performance of the contract that is covered by this RFP.

#### 3.06 Insurance Requirements

Without limiting indemnification responsibilities under section 3.13 (Indemnification) and section 1.30 (Materials and Processes Covered by Patents, Trademarks, or Copyrights), the contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the LBAC shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the project director prior to beginning work and must provide for notice of cancellation, nonrenewal, or material change of conditions in accordance with policy provisions. Failure of the contractor to furnish the LBAC with satisfactory evidence of insurance, or to notify the LBAC of the lapse of, or material change in, the policy, is a material breach of the contract resulting from this RFP and shall be grounds for termination of the contractor's services. All insurance policies shall comply with, and be issued by insurers authorized in Alaska or another state to transact the business of insurance.

**Workers Compensation Insurance:** The contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and as required by any other applicable statute. The policy must waive subrogation against the state.

**Commercial General Liability Insurance:** covering all business premises and operations used by the contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

**Commercial Automobile Liability Insurance:** covering all vehicles used by the contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

**Professional Liability Insurance:** covering all errors, omissions or negligent acts in the performance of professional services under this agreement with minimum coverage limits of \$500,000 per occurrence/Annual Aggregate.

All insurance shall be considered to be primary and non-contributory to any other insurance carried by the LBAC through self-insurance or otherwise.

In addition to providing the above coverages, the contractor shall require that all indemnities obtained from any subcontractors be extended to include the LBAC as an additional named indemnitee. The contractor shall further require that the LBAC be named as an additional insured on all liability insurance policies maintained by all subcontractors under their contracts with the contractor, and that an appropriate waiver of subrogation in favor of the LBAC be obtained with respect to all other insurance policies.

The contractor shall provide evidence of continuous coverage by submitting, without reminder, annual renewal certificates for the required insurance to the LBAC project director.

### **3.07 Contract Funding**

Funds are contingent upon the approval of the LBAC to award a contract. Upon committee approval, funds will be available in an appropriation to pay for the LBAC's monetary obligations under the contract through June 30, 2017. The availability of funds to pay for the LBAC's monetary obligations under the contract after June 30, 2017 is contingent upon appropriation by the legislature of funds for the particular fiscal year involved. In addition to any other right of the LBAC Chair under the contract to terminate the contract, if, in the judgment of the LBAC Chair, sufficient funds are not appropriated, the contract will be terminated by the LBAC Chair without liability of the LBAC for the termination. To terminate under this section, the LBAC project director shall provide written notice of the termination to the contractor and the contract will be terminated under paragraph 3.11 (Termination of Contract) of this RFP.

### **3.08 Contract Payment**

No payment will be made until the billing is approved by the LBAC project director. If a payment is not made within 90 days after the LBAC has received a properly approved billing, the LBAC shall pay interest on the unpaid balance of the billing at the rate of 1.5 percent per month from, and including, the 91<sup>st</sup> day through the date payment is made. A payment is considered made on the date it is mailed or personally delivered to the contractor.

The LBAC is not responsible for and will not pay local, state, or federal taxes. All costs associated with the contract must be stated in U.S. currency.

### **3.09 Informal Debriefing**

When the contract is completed, an informal debriefing may be performed at the discretion of the LBAC project director. If performed, the scope of the debriefing will be limited to the work performed by the contractor.

### **3.10 Contract Personnel**

During the contract, any change of the project team members or subcontractors named in the proposal must be approved, in advance and in writing, by the LBAC project director. Personnel changes that are not approved by the LBAC project director may be grounds for the LBAC Chair to terminate the contract.

### **3.11 Termination of Contract**

Upon delivery of written notice to the contractor, the contract may be terminated by the LBAC Chair with or without cause. To terminate, the LBAC project director shall provide notice by email or delivery of a hard copy to the contractor, whichever method is selected in the sole discretion of the LBAC project director. If the contract is so terminated and the termination is not based on a breach by the contractor, the LBAC shall compensate the contractor for services provided under the terms of the contract up to the date the termination notice is delivered, provided the contractor provides the LBAC with a statement in writing containing a description, including, but not limited to, the detailed records required by section 1.28 (Records; Audit) of the services provided prior to contract termination.

### **3.12 Breach of Contract**

In case of a breach of the contract, for whatever reason, by the contractor, the LBAC Chair may procure the services from other sources and hold the contractor responsible for damages resulting from the breach.

### **3.13 Indemnification**

The contractor shall indemnify, hold harmless, and defend the Legislature of the State of Alaska and the LBAC, and their officers, agents, and employees (“contracting agency”) from and against any claim of, or liability for error, omission, or negligent act of the contractor under the contract resulting from this RFP, including, but not limited to, any costs, attorney fees, and other expenses relating to the contractor’s performance of its contract obligations. The contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the contractor and the contracting agency, the contractor’s indemnification and hold harmless obligation under this section 3.13 (Indemnification) shall be apportioned on a comparative fault basis. “Contractor” and “contracting agency”, as used within this section, include the employees, agents, and other contractors who are directly responsible, respectively, to each. The term “independent negligence” is negligence other than in the contracting agency’s selection, administration, monitoring, or controlling of the contractor and in approving or accepting the contractor’s work.



### **3.14 Contract Amendments**

In addition to any other amendment the parties may be allowed to make under the contract, the terms of the contract entered into as a result of this RFP may be amended by mutual agreement of the parties.

### **3.15 Contract Changes – Unanticipated Amendments**

During the course of the contract, the LBAC may request the contractor to perform additional work. That work will be within the general scope of the initial contract and may not amount to a material amendment of the contract. When additional work is requested and the contractor agrees to perform the additional work, the LBAC project director will provide the contractor a written description of the additional work and request the contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work. Cost and pricing data must be provided to justify the cost of such amendments.

The contractor may not commence the additional work until the LBAC project director has secured any required approvals necessary for the amendment and the LBAC Chair and the contractor have signed a written contract amendment, approved by the LBAC, or the committee's designee.

### **3.16 Nondisclosure and Confidentiality**

Contractor agrees that all confidential information shall be used only for purposes of providing the deliverables and performing the services specified herein and shall not disseminate or allow dissemination of confidential information except as provided for in this section. The contractor shall hold as confidential and will use reasonable care (including both facility physical security and electronic security) to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, the confidential information. "Reasonable care" means compliance by the contractor with all applicable federal and state law, including the Social Security Act and the Health Insurance Portability and Accountability Act (HIPAA). The contractor must promptly notify the LBAC in writing if it becomes aware of any improper storage, disclosure, loss, unauthorized access to, or unauthorized use of the confidential information.

Confidential information, as used herein, means any data, files, software, information or materials (whether prepared by the state, the LBAC, or their agents, advisors, or contractors) in oral, electronic, tangible or intangible form and however stored, compiled, or memorialized, that is classified confidential as defined by the State of Alaska Information Security Policies adopted by the Department of Administration and provided by the LBAC to the contractor or a contractor agent or otherwise made available to the contractor or a contractor agent in connection with the contract, or acquired, obtained, or learned by the contractor or a contractor agent in the performance of the contract. Examples of confidential information include, but are not limited to, personal information, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data (infrastructure, architecture, operating systems, security tools, IP addresses, etc.).

## **SECTION FOUR**

### **Background Information**

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#### **4.01 Background Information**

The Legislature has under consideration, proposals to modify Alaska's oil and gas production tax system. Proposals include modifications to royalty structures and rates on oil and/or gas, tax credits, and other changes to Alaska's oil and gas fiscal system. These proposals come in the form of legislation, which the Legislature is currently reviewing, analyzing, and deliberating. Due to these proposals, the Legislature requires a consultant to thoroughly understand Alaska's current oil and gas fiscal system as it applies to the oil and gas basins of the North Slope, Cook Inlet and Middle Earth, including but not limited to the most recent changes enacted during the 28<sup>th</sup> and 29<sup>th</sup> Legislatures; to develop and vet a quantitative model of the State's current fiscal system; to analyze proposed changes and inform the Legislature, in public forums, as to the effects of proposed changes on the State's finances, oil and gas industry investment, basin development and the State's relative competitiveness to other jurisdictions internationally in attracting oil and gas investment dollars. The Legislature may also request that the consultant provide information on improvements to the oil and gas fiscal system, and to provide education to the Legislature on various topics related to oil and gas fiscal systems.

## **SECTION FIVE**

### **Scope of Work**

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#### **5.01 Scope of Work**

The LBAC is soliciting proposals for one to four consultants to provide expert economic analysis and advice related to Alaska's oil and gas fiscal system, and to evaluate proposed changes to the fiscal system. The Contract work includes all work necessary to ensure that the consultant is immediately prepared to evaluate proposed changes to the system and their effects if implemented. This will require an in-depth understanding of Alaska's current fiscal system, as it applies to the oil and gas basins of the North Slope, Cook Inlet and Middle Earth, and recent changes made during the 28<sup>th</sup> and 29<sup>th</sup> Legislatures, as well as changes made over the last decade. This would include, but is not limited to: House Bill 3001 of 2006 (Petroleum Production Act, "PPT"), House Bill 2001 of 2007 "Alaska's Clear and Equitable Share "ACES"), HB 280 of 2010 (Cook Inlet Recovery Act), Senate Bill 21 of 2013 (More Alaska Production Act, "MAPA"), House Bill 247 of 2016, and any oil and gas fiscal legislation that passes the 2017 legislature. It will also require the consultant to develop an economic model with which to conduct evaluations of the fiscal system and may include a request for the consultant to provide information on improvements to the oil and gas fiscal system and the effects of proposed changes.

The Consultant is required to be available to the Legislature on an as-needed basis to review proposed changes; provide quantitative and qualitative analysis through written reports and visual and verbal presentations in public committee meetings of the Legislature; testify as an expert witness before legislative committees meeting in public; provide education on oil and gas fiscal systems; respond to questions from Legislators and requests for information; and potentially to conduct periodic reviews of the competitiveness of Alaska's fiscal system. The amount of work will be largely dependent upon the amount of legislation introduced proposing changes during the Legislative sessions, which begin in January each year and last for at least 90 days. In addition, one or more special sessions may be called to address specific matters and may be called at any time of the year.

#### **5.02 Deliverables**

The contractor will be required to develop an economic model on or before July 1, 2017, to evaluate Alaska's current oil and gas fiscal system and potential proposed changes. The consultant shall have project life cycle models that measure the impact of fiscal system changes on common investor metrics such as NPV (Net Present Value), IRR (Internal Rate of Return), and EMV (Estimated Monetary Value), which should be completed as soon as possible following the contract award.

Future deliverables are contingent on legislative need and LBAC request.

#### **5.03 Procedure for Assigning Work to the Contractor**

Offeror(s) selected by each evaluation committee and awarded a contract will be paid to develop an economic model to evaluate Alaska's current oil and gas fiscal system and potential proposed changes.

The project director must approve in writing to the contractor any additional work to be done by the contractor beyond the expertise development and the economic model.

When the legislature has a need for continuing services, the members and committees may request at their sole discretion, with the approval of the project director, from the contract(s) awarded, regardless of rank.

## **SECTION SIX**

### **Proposal Format and Content**

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#### **6.01 Proposal Format and Content**

The LBAC discourages overly lengthy and costly proposals. In order for the LBAC to evaluate proposals fairly and completely, offerors must follow the format set out in this RFP and provide all information requested.

Offerors must submit one original hard copy and a USB flash drive containing a print-ready electronic PDF version of their proposal to the Issuing Office address listed on Page 1 of this RFP.

The proposal must be split into two parts: 1) a technical proposal and 2) a cost proposal.

#### **6.02 Technical Proposal Format**

The offeror must provide sufficient information related to the following six areas. All qualified proposals will be evaluated and scored as described in Section Seven (Evaluation Criteria) of this RFP, with the final selection made by the LBAC. Offerors should include in their submissions all information as required below to allow for the evaluation using the criteria described in Section Seven (Evaluation Criteria) of this RFP. Information included may be used to evaluate the offeror as part of any criteria regardless of where that information is found within this proposal. Information obtained from the proposal and from any other relevant source may be used in the evaluation and selection process.

All proposals should include the following items in the order as shown below. Please be as concise and clear as possible. Each section should be titled with the corresponding section in the RFP, with all relevant information included.

Each page should be numbered consecutively.

The proposals received by the stated deadline will be ranked according to the following criteria:

##### **a) Cover Letter**

Provide a cover letter on the offeror's letterhead signed by a person with the authority, including fiscal authority, in the organization to bind the offeror, certifying the accuracy of all information in the proposal, that the proposal will remain valid for at least 90 days from the deadline for receipt of proposals, that the offeror meets all minimum requirements of the RFP, and that the offeror will comply with all provisions in this RFP.

The cover letter should have the offeror's complete legal name, type of entity, address, telephone number, fax number, and website address, and should state whether, and how, the offeror qualifies as an Alaska Bidder. If applicable, the offeror shall provide the offeror's Alaska business license number or other forms of evidence of the license allowed under section 2.11 (Alaska Business License and Other Required Licenses) with the cover letter. The cover letter must also include the name, title, mailing address, email address and telephone number of the person the LBAC should contact regarding the proposal.

**b) Relevant Firm Experience**

- 1) Applicant's overall reputation, service capabilities and quality as it relates to this project.
- 2) Demonstration that the offeror has both analytical expertise and global oil and gas fiscal systems and industry knowledge sufficient to supply analysis and advice to the LBAC.
- 3) Demonstration that the offeror meets the minimum experience requirements described in section 2.08 (a), (b) and (c) (Prior Experience) of this RFP.
- 4) Where applicable, provide previous addresses if the offeror's business has moved within the last ten years.
- 5) List and briefly describe three comparable projects completed by the firm, including key staff anticipated to work on this project or currently in progress over the last five years and how the projects demonstrate expertise and experience in projects similar to the scope of work described in section 5 of this RFP; include the staff's role, and discuss contract amendment history, if applicable. For each project, include: contract value (original value plus all contract amendments, if applicable), project owner, project location, contact name and title, address, current/accurate telephone number, fax number, and email address of the client (if available). The supply officer may contact the client to verify the nature of the work and degree the contract was fulfilled.
- 6) List all projects in the last five (5) years that were with the State of Alaska including all State governmental corporations, or provide a statement that there were no projects in the last five (5) years with the State of Alaska including all State governmental corporations.
- 7) List offeror capacity and intent to proceed without delay if selected for this work.
- 8) Provide photocopies (attached as a clearly marked Appendix to this response) of all relevant licenses, certifications, and professional memberships, etc.
- 9) Include the required statements and information as required by section 1.20 (Conflict of Interest) of this RFP. Conflicts, potential conflicts, waiver requirements and mitigation plans will be evaluated individually for degree of conflict and whether the conflict, potential conflict or waiver requirement is of a nature that may impede the offeror's independence or appearance of independence before the Legislature and the public.
- 10) Provide specific offeror experience in developing analytic models of oil and gas fiscal systems.

**c) Team Experience & Qualifications**

- 1) Describe the team which will be assigned to this contract, including the role of each team member within the firm. Provide resumes of each proposed team member, including education.
- 2) Briefly describe each team member's role on this project and experience on similar projects. Please note, once listed in your RFP submission, these members would not be able to be reassigned without the approval of LBAC and any reassignments would have to have equivalent qualifications. Please choose individuals with this in mind. In each member's experience, please include experience in providing expert witness testimony in public on oil and gas matters.
- 3) Identify proposed subcontractors, if any, as described in section 1.17 (Subcontractors).
- 4) Individually list any current employees who have previously been employed by the State of Alaska within the last five years. Include the government entity, position title, and dates of such employment.

**d) Project Understanding and Approach**

- 1) Describe your understanding of the project including purpose and scope including time schedule.
- 2) Provide ability to comply with the timeline detailed in section 1.05 (Contract Term and Schedule) of this RFP.
- 3) Describe the expertise that your firm possesses to develop the model required in the project and how you intend to gain any additional necessary expertise.
- 4) Identify and discuss any potential problems you foresee including relevant factors that impact the quality and value of work.
- 5) Identify and discuss methods you would recommend to mitigate those problems.
- 6) Describe and discuss applicant areas of strength, as they would apply to this project.
- 7) Describe applicant limitations, as they would apply to this project.

**e) Approach to Project Management**

- 1) Describe your firm's project management approach and team organization during all phases for similar projects, and how the management plan will accomplish the work and meet LBAC's schedule and needs.

**f) Other Factors & Required Information**

- 1) List any special contract terms and conditions the firm/team would like to be considered for inclusion in any contract it might execute with LBAC under this RFP.

**6.03 Cost Proposal**

Offerors must provide a cost proposal on Attachment 1 (“Cost Proposal Form”) that includes the below information. Only one (1) copy of the COST PROPOSAL FORM should be submitted in a **separate** sealed envelope marked COST PROPOSAL FORM with the RFP number on the outside of the envelope.

- 1) Total cost in professional fees to develop the contractor’s expertise and an economic model.
- 2) An hourly cost for continuing services as requested by the Legislature.
- 3) Cost of a monthly retainer, if applicable. No retainer is required. A maximum retainer the LBAC will allow is \$10,000 per month.

Monthly Retainer If Required (not to exceed \$10,000) (a) \_\_\_\_\_  
Retainer Number of Hours per month (b) \_\_\_\_\_  
Retainer Hourly Rate: (a) divided by (b) = (c) \_\_\_\_\_  
**(c) will be used for the evaluation of this section, if a retainer is proposed**

If, during a calendar month, services rendered is less than the number of hours the retainer provides, the actual number of hours not rendered shall be rolled forward. Hours rolled forward shall be used in the order they are accrued, oldest first.

**NOTE: THE LBAC DOES NOT GUARANTEE ANY MINIMUM OR MAXIMUM VOLUME OF WORK UNDER THIS CONTRACT.**



All proposals will be reviewed to determine if they are responsive. They will then be evaluated using the criteria set out in Section Seven.

## **SECTION SEVEN**

### **Evaluation Criteria**

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It is the LBAC Chair's intent to conduct a comprehensive, fair, and impartial evaluation of all proposals. All proposals will be reviewed to determine if they are responsive. They will then be evaluated using the criteria set out below. The total number of points used to score the responses is 100. A sample evaluation form is also included which lists the questions that will be used by the Proposal Evaluation Committee to evaluate the proposals.

**7.01 Firm experience and Qualification and Experience of Project Team– 40 Percent**  
(Maximum Point Value for this Section – 40 Points [100 Points x 40% = 40 Points])  
*Scale Rating 1:40 where 1=lowest and 40=highest; Median Score = 20*

- a) How well has the firm demonstrated expertise and experience in projects comparable to this?
- b) What is the degree of experience the firm has in working for governments/sovereigns?
- c) How well has the firm demonstrated an understanding of and experience with oil and gas fiscal systems of a variety of types (production sharing, concessions, mature basins, prospective basins, etc.) internationally?
- d) Does the offeror have both analytical expertise and global oil and gas fiscal systems and industry knowledge sufficient to supply analysis and advice to the LBAC?
- e) How much depth does the firm offer in its experience developing analytic models of oil and gas fiscal systems?
- f) How well has the firm demonstrated its ability to provide expert testimony before legislative committee meetings in public?
- g) How well has the firm identified a team that brings well-rounded depth in personal qualifications and experience to this project?
- h) Do the individuals assigned to the project have experience on similar projects? How sufficient is this experience in meeting the LBAC's needs?
- i) Are resumes complete and how well do they demonstrate backgrounds desirable for individuals engaged in the project work?
- j) Has the offeror supplied the required statements and information in section 1.20 (Conflict of Interest) in a manner sufficient to evaluate potential and actual conflicts? Are mitigation plans for actual or potential conflicts such that they should be reasonably sufficient to maintain the contractor's integrity before the Legislature and the Alaska public? Based on statements of conflicts and potential conflicts of interest, how well can the firm maintain its integrity as independent of oil and gas industry influence in carrying out the work under this RFP?

**7.02** Understanding of the Project and Management Plan for the Project– 10 Percent  
(Maximum Point Value for this Section – 10 Points [100 Points x 10% = 10 Points])  
*Scale Rating 1:10 where 1=lowest and 10=highest; Median Score = 5*

- a) How well does the offeror demonstrate an understanding of the purpose and scope of the project?
- b) How well has the offeror identified relevant issues and potential problems related to the project? Has the offeror presented well-developed plans to mitigate potential problems?
- c) How well does the offeror understand the deliverables LBAC requires?
- d) Does the offeror understand the LBAC’s time schedule, and is the offeror able to meet this schedule?
- e) Is the offeror able to commence work without delay?
- f) How well does the management plan support project requirements and result in the deliverables?
- g) To what extent does the offeror already possess or have access to a comprehensive set of oil and gas fiscal system terms for many, if not most, oil and gas jurisdictions worldwide, to use in carrying out comparisons of Alaska’s oil and gas fiscal system and gauging its competitiveness?
- h) Is the proposal practical and feasible?

**7.03** Contract Cost:

1) Contract Cost in professional fees to develop the contractor’s expertise and an economic model: 10 percent.  
(Maximum Point Value for this Section – 10 Points [100 Points x 10% = 10 Points])

2) Hourly rate for continuing services contingent upon the legislature’s needs: 30 percent  
(Maximum Point Value for this Section – 30 Points [100 Points x 30% = 30 Points])

3) Monthly Retainer Cost: 10 points

Monthly Retainer If Required (not to exceed \$10,000) (a) \_\_\_\_\_

Retainer Number of Hours per month (b) \_\_\_\_\_

Retainer Hourly Rate: (a) divided by (b) = (c) \_\_\_\_\_

**(c) will be used for the evaluation of this section, if a retainer is proposed**

**Scored as follows:**

- i. No Retainer: 10 points
- ii. Hourly rate \$1.00 to \$650.00: 5 points
- iii. Hourly rate over \$650.00: 0 points

Converting Cost to Points: For subsections 1-2 above, the lowest cost proposal will receive the maximum number of allocated points to each section. The point allocations for the other proposals will be determined through the formula listed below. All offerors that qualify as an Alaska Bidder will receive a five (5) percent bidder's preference. This preference will be given before converting the cost to points. The supply officer will be calculating this section of the evaluation criteria.

**Formula for Converting Cost to Points for each section 1 and 2 under 7.03 ("Contract Cost") listed above.**

([PRICE OF LOWEST COST PROPOSAL] X [MAXIMUM POINT FOR COST]) DIVIDED BY  
(COST OF EACH HIGHER PRICED PROPOSAL)

**COST PROPOSAL FORM**

RFP Number:	17-33-01
RFP Title and Description:	Oil and Gas Fiscal Systems Economic Analysis and Expertise

Company or Person(s) Submitting proposal: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

Email: \_\_\_\_\_ Alaska Business License No.: \_\_\_\_\_

Indicate if you qualify as an Alaskan Offeror.  Yes  No (See RFP for criteria to qualify.)

The Offeror hereby offers the price(s) listed below in accordance with the RFP Specifications:

Total Contract Price in professional fees for developing the Contractor's expertise and an economic model under RFP 17-33-01(10 percent):

(1) \$ \_\_\_\_\_

Hourly rate for continuing services contingent upon the legislature's needs (30 percent):

(2) \$ \_\_\_\_\_

(3) Monthly Retainer If Required (not to exceed \$10,000) (a) \_\_\_\_\_  
Number of Hours per month (b) \_\_\_\_\_  
Retainer Hourly Rate: (a) divided by (b) (c) \_\_\_\_\_  
**(c) will be used for the evaluation of this section, if a retainer is proposed** (see sec. 6.03 and 7.03 for criteria)

The LBAC does not guarantee any minimum or maximum volume of work under this contract.  
Travel Expenses will be paid separately from professional services. Do not include travel expenses in your Proposal.

**AUTHORIZED SIGNATURE:** \_\_\_\_\_

**PRINTED SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**DIVISION OF LEGISLATIVE AUDIT  
RFP NUMBER 17-33-01  
AMENDMENT NUMBER 1**



***RETURN THIS AMENDMENT TO THE ISSUING OFFICE AT:***

Division of Legislative Audit  
State Capitol, Room 3  
Juneau, AK 99801-1182  
Attn: Tina Strong

**DATE AMENDMENT ISSUED: April 6, 2017**

**RFP TITLE: Oil and Gas Fiscal Systems Economic Analysis and Expertise**

**RFP CLOSING DATE & TIME: 4:00PM Alaska Time on April 24, 2017**

The following changes/additions/clarifications are made:

1. Question: "In Section 5.02 (Deliverables) the RFP says that the contractor shall develop an economic model on or before July 1, 2017, and that the consultant "shall have project life cycle models that measure the impact of fiscal system changes ..."

"The Cost Proposal (Section 6.03) is required in the first cost breakdown to break out the "professional fees to develop the contractor's expertise and an economic model."

A: "Is the economic model due on July 1 the same or different than the project life cycle models?"

Answer: *The economic model shall include, but not be limited to, the project life cycle models. Please see the amended section 5.02 below.*

B: "Insofar as a myriad of different life cycle models are possible depending on different developmental situations, how many different life cycle models are required?"

Answer: *The RFP does not require a maximum or minimum number of project life cycle models as part of the proposal.*

C: "Are the life cycle models also due on July 1? Should that first cost breakdown include the life cycle models?"

Answer: *Yes. Please see the amended section 5.02 below.*

**DIVISION OF LEGISLATIVE AUDIT  
RFP NUMBER 17-33-01  
AMENDMENT NUMBER 1**

2. Question: Regarding the insurance requirements (Section 3.06), would it be acceptable to have the arrangements in place to acquire the insurance, but not actually purchase it until, pending contract award, a definitive notification to proceed on actual work is issued?

Answer: *No. Please see AS 23.30.045 (d).*

3. On Page 22, section 5.02 (Deliverables) has been amended to now read:

*The contractor will be required to develop an economic model on or before July 1, 2017, to evaluate Alaska's current oil and gas fiscal system and potential proposed changes. The economic model shall include, but not be limited to, project life cycle models that measure the impact of fiscal system changes on common investor metrics such as NPV (Net Present Value), IRR (Internal Rate of Return), and EMV (Estimated Monetary Value).*

4. All other terms and conditions of Request for Proposal 17-33-01 will remain as written.

**In order for your proposal to be considered responsive, a signed copy of this amendment, in addition to your proposal, must be received by the issuing office prior to the closing date and time.**

Tina Strong, Supply Officer  
PHONE: (907) 465-6705  
FAX: (907) 465-2918  
TDD: (907) 465-4980

\_\_\_\_\_  
NAME OF COMPANY

\_\_\_\_\_  
AUTHORIZED SIGNATURE

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TITLE

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PRINTED SIGNATURE

\_\_\_\_\_  
DATE

**DIVISION OF LEGISLATIVE AUDIT  
RFP NUMBER 17-33-01  
AMENDMENT NUMBER 2**



***RETURN THIS AMENDMENT TO THE ISSUING OFFICE AT:***

Division of Legislative Audit  
State Capitol, Room 3  
Juneau, AK 99801-1182  
Attn: Tina Strong

**DATE AMENDMENT ISSUED: April 12, 2017**

**RFP TITLE: Oil and Gas Fiscal Systems Economic Analysis and Expertise**

**RFP CLOSING DATE & TIME: 4:00PM Alaska Time on April 24, 2017**

The following changes/additions/clarifications are made:

1. Question: Does the company just need to understand the background associated with ELF, ACES, SB21 and HB247 or does the model delivered need to be able to run profiles under each of those systems?

***Answer:** The company only needs to understand the background associated with the prior tax systems, as questions often arise in committee that seek to understand proposed changes in terms/context of past practices. It is not necessary to develop a model to run profiles under these systems; except, the current system is SB 21, with changes per HB 247, so that current system is the one on which a model must be based – so that proposed changes can be compared to the status quo.*

2. Question: The world of petroleum fiscal systems has dozens of different structures in play. Does the model need to be able to handle any structure or are you mainly looking to be able to compare Alaska to a defined set of fiscal structures?

***Answer:** The model does not need to handle other structures in play in other parts of the world; however, the contractor must be able to compare Alaska's regime to other jurisdictions, in terms of total government take and other, similar metrics, including the interaction between a national government and a federated sovereign. Knowledge of other fiscal jurisdictions should be sufficient so that the contractor is able to discuss how various jurisdictions handle certain aspects – for example, how regimes treat new oil that is higher cost to develop, or how*

**DIVISION OF LEGISLATIVE AUDIT  
RFP NUMBER 17-33-01  
AMENDMENT NUMBER 2**

*regimes allow for cost recovery. It is possible proposals would contemplate a shift from a profits to a gross tax system.*

3. Question: Is it the intent of the government to run the model and cases? If so, should our price for building the model include the time it will take to train people how to use it properly?

Answer: *The government would not have possession of the model and is not expected to run scenarios. That is expected of the contractor, who has the background and subject matter expertise to not only 'run' the model but also to provide meaning and context to the results.*

4. Question: Do you need a breakdown anywhere in the proposal as to each person's hourly rate and how the blended hourly rate is derived?

Answer: *The RFP does not require a breakdown in the proposal as to each person's hourly rate and how the blended hourly rate is derived.*

5. Question: Once that blended rate is established, will that become the billable rate for all the continuing services regardless of what the task is and who does it?

Answer: *Yes.*

6. On Page 4, section 1.02 (Return Mailing Address and Deadline for Receipt of Proposals), the fourth paragraph has been amended to now read:

*Proposals must be received no later than 4:00 PM Alaska Time on April 24, 2017. Faxed or oral proposals will not be accepted. Proposals may be emailed to [tina.strong@akleg.gov](mailto:tina.strong@akleg.gov), no later than the date and time listed on page one of this RFP as the deadline for receipt of proposals, and must contain the RFP number in the subject line of the email. Emailed proposals must be submitted as an attachment in PDF format. The technical proposal and the cost proposal must be separate attachments in PDF format. Please note that the maximum size of a single email (including all text and attachments) that can be received by the Division of Legislative Audit is 20mb (megabytes). If the email containing the proposal exceeds this size, the proposal must be sent in multiple emails that are each less than 20 megabytes and each email must comply with the requirements described above in this section 1.02. The Division of Legislative Audit is not responsible for unreadable, corrupt, or missing attachments. It is the offeror's responsibility to contact the issuing office at (907) 465-6705 to confirm that the proposal has been received. Failure to follow the above instructions may result in the proposal being found non-responsive and rejected.*



**DIVISION OF LEGISLATIVE AUDIT  
RFP NUMBER 17-33-01  
AMENDMENT NUMBER 2**

7. On Page 24, section 6.01 (Proposal Format and Content), the second paragraph has been amended to now read:

*Offerors who do not wish to email their proposal per the instructions in amended section 1.02 (Return Mailing Address and Deadline for Receipt of Proposals) must submit one original hard copy and a USB flash drive containing a print-ready electronic PDF version of their proposal to the Issuing Office address listed on Page 1 of this RFP.*

8. All other terms and conditions of Request for Proposal 17-33-01, as subsequently amended, will remain as written.

**In order for your proposal to be considered responsive, a signed copy of this amendment, in addition to your proposal, must be received by the issuing office prior to the closing date and time.**

Tina Strong, Supply Officer  
PHONE: (907) 465-6705  
FAX: (907) 465-2918  
TDD: (907) 465-4980

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NAME OF COMPANY

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AUTHORIZED SIGNATURE

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TITLE

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PRINTED SIGNATURE

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DATE

**DIVISION OF LEGISLATIVE AUDIT  
RFP NUMBER 17-33-01  
AMENDMENT NUMBER 3**



***RETURN THIS AMENDMENT TO THE ISSUING OFFICE AT:***

Division of Legislative Audit  
State Capitol, Room 3  
Juneau, AK 99801-1182  
Attn: Tina Strong

**DATE AMENDMENT ISSUED: April 14, 2017**

**RFP TITLE: Oil and Gas Fiscal Systems Economic Analysis and Expertise**

**RFP CLOSING DATE & TIME: 4:00PM Alaska Time on April 24, 2017**

The following changes/additions/clarifications are made:

1. Question: I would like you to describe in greater detail the expected granularity, for lack of a better way of describing it, of the fiscal analysis model. How much detail do we expect in terms of various credits, the changes in tax policy over time, deductions, whether distributions or property tax issues are a part of this fiscal model, just generally how much granularity do you anticipate is to be provided by the work. Requests that we do it in the context of the components of the analysis as that will impact a proposer's cost proposal. More detail has cost implications.

***Answer: Changes in tax policy over time are not necessary in a model; however, credits, deductions, property tax, etc. need to be fully incorporated.***

***A model does not need to show how ELF, PPT, ACES worked; but the current regime in place today (SB21) should be the basis of comparison for future changes – so the current system (amended per any legislation passed this session) will need to be very granular. As the system has a number of complex features that interact with each other in extreme ways, the model needs to be calibrated to that and there will be opportunities to prove up assumptions in models with Revenue, others.***

***It may be helpful to go to the LBA website, <http://lba.akleg.gov/>, where you can look at specific presentations for the type of analysis that the legislature requires.***

**DIVISION OF LEGISLATIVE AUDIT  
RFP NUMBER 17-33-01  
AMENDMENT NUMBER 3**

2. Question: Please indicate what type of time constraints will be placed on the different models that participants that are the successful bidders, based on what happens with the legislature. The tax regime that is under debate right now in our legislature is not finalized and Sunday is the last day of session. If we go into Special Session, or if this is delayed over the course of the summer, will that be a trigger for an automatic delay in order to incorporate the most recent tax information into the model.

*Answer: There is a possibility that we would need to allow latitude with the due date depending on the final adjournment of the Legislature; however, that decision will most likely be made after a contract is awarded, so we would amend the contract for that purpose, if needed.*

3. Question: I would be interested in a description as to the availability of detailed tax and royalty data, whether there will be any confidentiality issues in terms of releases of source data, the time series over which detailed data would be available, and any other data issues such as format or changes in your information systems that would affect the availability of detailed data.

*Answer: A consultant may or may not have access to confidential data kept by the administration or by individual companies. Assume publicly available information is all that will be available. This data is available through the Alaska Department of Revenue, the Alaska Department of Natural Resources, and the Alaska Oil and Gas Conservation Commission. If you go to their websites, you will see the depth of data immediately available. The Legislature does not keep this data and so format and other changes are questions that you may want to ask of the state departments.*

*As a note, in Alaska, DOR may release data only in a manner that does not compromise taxpayer confidentiality; so, data released is aggregated. Occasionally data is not available because too few companies comprise that data set to be able to aggregate.*

4. Question: Provide a description of your expectations as to required interviews and contact with State personnel in order to explore the tax and royalty policy issues to be addressed. Mostly focused on some ability to estimate some costs and requirements for those type of interviews. This is in the course of developing the understanding described by the RFP of the proposals at existing tax policies specifically as related to preparing this initial fiscal analysis model.

**DIVISION OF LEGISLATIVE AUDIT  
RFP NUMBER 17-33-01  
AMENDMENT NUMBER 3**

*Answer: This is entirely contingent on the offeror's baseline knowledge and needs. Interviews with administration personnel, and in some cases industry companies themselves, can be critical in understanding how a system in statute plays out in application. Interviews should be based on an applicant's need. We are not requiring these interviews, but recommend that a consultant conduct them to develop and confirm their understanding of the system.*

5. Question: Under 2.08 to be able to qualify. It says work performed for government or sovereign related to fiscal systems does that mean one has had to actually worked for a foreign government or other sovereign directly on fiscal work or if someone just modeled for example Norwegian fiscal system would that qualify.

*Answer: 2.08 does NOT mean that you have to have consulted for a foreign government. The Legislature seeks a consultant with experience consulting on behalf of a sovereign (government) – and not just for an oil and gas company. Ideally, the Consultant should have an understanding of government's needs, motivations, priorities, concerns, from a government's perspective, and not solely from an industry perspective.*

6. Question: The ongoing part of this contract, if someone is awarded a contract through 2019 or even through fiscal year 2018 how would that award affect the potential that that firm engages in other contract work with other oil and gas entities in the State. Would that be seen as a conflict of interest automatically or would it be on a case by case basis.

*Answer: The LBAC Chair will evaluate potential conflicts, on a case by case basis. There are no absolutes. Generally speaking, the Legislature expects its consultants to avoid potential conflicts while under contract with the Legislature. Conducting work for an oil and gas company operating in Alaska would be a potential conflict; especially if the work relates to Alaska. If the work conducted is unrelated to Alaska, it is a potential conflict, but the nature of the work will be looked at in greater detail to determine the likelihood of a conflict.*

**DIVISION OF LEGISLATIVE AUDIT  
RFP NUMBER 17-33-01  
AMENDMENT NUMBER 3**

7. All other terms and conditions of Request for Proposal 17-33-01, as subsequently amended, will remain as written.

**In order for your proposal to be considered responsive, a signed copy of this amendment, in addition to your proposal, must be received by the issuing office prior to the closing date and time.**

Tina Strong, Supply Officer  
PHONE: (907) 465-6705  
FAX: (907) 465-2918  
TDD: (907) 465-4980

\_\_\_\_\_  
NAME OF COMPANY

\_\_\_\_\_  
AUTHORIZED SIGNATURE

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TITLE

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PRINTED SIGNATURE

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DATE

**DIVISION OF LEGISLATIVE AUDIT  
RFP NUMBER 17-33-01  
AMENDMENT NUMBER 4**



***RETURN THIS AMENDMENT TO THE ISSUING OFFICE AT:***

Division of Legislative Audit  
State Capitol, Room 3  
Juneau, AK 99801-1182  
Attn: Tina Strong

**DATE AMENDMENT ISSUED: April 20, 2017**

**RFP TITLE: Oil and Gas Fiscal Systems Economic Analysis and Expertise**

**RFP CLOSING DATE & TIME: 4:00PM Alaska Time on April 24, 2017**

The following changes/additions/clarifications are made:

1. Question: As I understand it, a sole proprietorship with no employees (other than the owner) is not required to have workers compensation insurance. Is this correct?

Answer: *Yes.*

2. Question: Would a joint venture participant with one owner and one employee located outside the United States be required to have workers compensation insurance?

Answer: *Yes, because there is an owner and an employee.*

3. Clarification: All insurance coverage required by the RFP must be met and the contractor must maintain in force at all times during the length of the contract.

**DIVISION OF LEGISLATIVE AUDIT  
RFP NUMBER 17-33-01  
AMENDMENT NUMBER 4**

4. All other terms and conditions of Request for Proposal 17-33-01, as subsequently amended, will remain as written.

**In order for your proposal to be considered responsive, a signed copy of this amendment, in addition to your proposal, must be received by the issuing office prior to the closing date and time.**

Tina Strong, Supply Officer  
PHONE: (907) 465-6705  
FAX: (907) 465-2918  
TDD: (907) 465-4980

\_\_\_\_\_  
NAME OF COMPANY

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AUTHORIZED SIGNATURE

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TITLE

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PRINTED SIGNATURE

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DATE

# EXHIBIT B



April 20<sup>th</sup>, 2017

Division of Legislative Audit  
Request for Proposal (RFP) Number 17-33-01  
State Capitol, Room 3  
Juneau, AK 99801-1182 USA

Attn: Tina Strong

Thank you for the opportunity to provide a response to RFP NO. 17-33-01. This proposal will allow the Legislative Budget and Audit Committee to effectively evaluate economic impacts to various changes in the Alaskan Fiscal Regime Model in a timely manner.

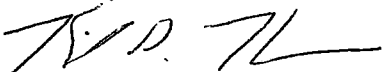
For over 15 years Palantir USA Inc. (Palantir) has helped mid to super major E&P companies in all aspects of oil and gas planning and investment decision making. This includes providing companies with local fiscal models, allowing them to evaluate their assets quickly and accurately. Our large and experienced Palantir Regime Library (PRL) team, maintains regimes for over 100 countries, and offers monthly releases. Palantir meets or exceeds all minimum requirements of the RFP and is currently in the application process to obtain an Alaska Business License. Palantir does not participate in this RFP as a qualified Alaska Bidder.

All correspondence should be addressed to:

Palantir USA Inc.  
Attn: Kirk Hanes  
2900 Wesleyan Street Suite 550  
Houston, TX 77027 USA  
Email: [khanes@palantirsolutions.com](mailto:khanes@palantirsolutions.com)  
Phone: +1 281 254 7611  
Fax: +1 281 254 7649  
URL: [www.PalantirSolutions.com](http://www.PalantirSolutions.com)

Assuming Palantir is selected and the Contract is signed by May 22, 2017 the Economic Model will be delivered to the LBAC on or before July 1, 2017. This proposal is valid for 90 days from April 24, 2017.

Sincerely,



Kirk D. Hanes  
SVP Global Business Development  
Palantir USA Inc.

## Technical Proposal

### 1. Relevant Firm Experience

#### **1.1 Applicant's overall reputation, service capabilities and quality as it relates to this project.**

With over 175 employees worldwide, Palantir Solutions is a leading provider of integrated economic and fiscal modeling solutions. Clients internationally have recognized this and chosen Palantir's strategic modeling services and solutions. Our fiscal modeling and economic evaluation solution is a proven system which is used daily in over seventy companies worldwide supporting economic evaluation, fiscal modeling, investment management, and strategic decision making.

Our highly skilled global consulting team are trained to a world class standard to provide guidance to clients in a clear and concise manner. With over 80 consultants worldwide, we have a global network of experience and expertise available to work with our clients wherever they are based. They will be able to advise State of Alaska on industry best practices and design fiscal models to meet your requirements.

**Testimonial** -"In past economic roles I've used various other modeling tools but none have had the ability and flexibility like PalantirCASH to model all the commercial / fiscal complexities a UK North Sea Field / Area can have. In addition, the Palantir team are very competent and friendly and whenever I have any queries / modeling questions, I find that they get a solution to you as fast as possible and that they are constantly looking to better their software by incorporating clients' suggestions."

**Senior Economist, Maersk Oil**

Palantir develops partnerships with our clients that go beyond the traditional vendor-client relationship. We have a proven approach to building robust economic models which embraces key quality management principles to provide structure and a full audit trail. Once the project is complete, we continue to work with our clients to address any queries and onsite consultants can provide supplementary services as required. Our consulting teams refine and improve the workflow to ensure it continues to meet requirements and we capture feedback on our solutions to inform our product development. We seek to deliver excellence at every touch point from product design to user support. Our clients are our highest priority.

#### **1.2 Demonstration that the offeror has both analytical expertise and global oil and gas fiscal systems and industry knowledge sufficient to supply analysis and advice to the LBAC.**

Palantir Solutions is a leading, global provider of economic evaluation, hub modeling and financial forecasting to the upstream. With Palantir, these key processes are transformed. Our dynamic, iterative solution empowers users to generate insightful, informed analysis based on trusted, assured models.

Palantir has been providing services to the oil and gas industry for fourteen years. Our software has been in active use for over ten years. It is a proven solution in use in over seventy companies worldwide ranging in size

and scale of operations from the majors to smaller independent operators with oil and gas assets at every stage of the upstream lifecycle.

### **1.3 Demonstration that the offeror meets the minimum experience requirements described in section 2.08 (a), (b) and (c) (Prior Experience) of this RFP.**

#### **2.08(a). Demonstrate high-level experience evaluating and advising on international oil and gas fiscal systems**

Economic and fiscal modeling is at the core of Palantir's services. Our consultants are experienced economists with a wealth of industry knowledge. Whether a short-term project or a long-term role, our consultants work with our clients modeling complex fiscal agreements, valuating assets, analyzing capital allocation and assisting with corporate planning. Our Consultants specialize in short or long term economics resourcing, cash flow analysis for prospects and fields, asset valuation, exploration license round economics, and project scheduling and optimization.

#### **2.08(b). Performed work related to oil and gas fiscal systems for a government/sovereign**

**Alberta Energy** - Alberta Energy is responsible for ensuring the development of Alberta's resources to the benefit of all Albertans. One of their core mandates is maintaining a competitive royalty and regulatory framework necessary to attract capital investment from world markets.

**Oil & Gas Authority** - The Oil and Gas Authority (OGA) was established to regulate, influence and promote the UK oil and gas industry, in conjunction with other regulatory authorities, and has a range of powers to deliver this remit.

**Oil & Gas UK** - the leading representative body for the UK offshore oil and gas industry. It is a not-for-profit organisation, established in April 2007 but with a pedigree stretching back over 40 years.

#### **2.08(c). Possess advanced modeling capability and experience for evaluating the effectiveness of oil and gas fiscal systems.**

Developing oil and gas fiscal regimes is core to our business. Palantir has developed a comprehensive set of over 160 detailed and independently researched oil and gas fiscal regimes. Our library of models covers nearly the entire globe: from mature areas like the United Kingdom's Continental Shelf (UKCS) and the Gulf of Mexico (GoM), to the more prospective areas like East Africa and New Zealand. As result we have experience modeling nearly all of the different types of fiscal systems including production sharing contracts (PSC), royalty tax systems(RT), and service agreements. Our models are available and in use by our global client list of over seventy upstream oil & gas companies around the world.

**1.4 Where applicable, provide previous addresses if the offeror's business has moved within the last ten years.**

Palantir USA Inc was previously located at:

1601 W Webster St STE 13  
Houston, TX 77019

and

2210 W Dallas St  
Houston, TX 77019

**1.5 List and briefly describe three comparable projects completed by the firm, including key staff anticipated to work on this project or currently in progress over the last five years and how the projects demonstrate expertise and experience in projects similar to the scope of work described in section 5 of this RFP; include the staff's role, and discuss contract amendment history, if applicable. For each project, include: contract value, (original value plus all contract amendment, if applicable), project owner, project location, contract name and title, address, current/accurate telephone number, fax number, and email address of the client (if available). The supply officer may contact the client to verify the nature of the work and degree the contract was fulfilled.**

**Oil & Gas UK**

Contract Value: Under the terms of the contract, these details are confidential

Project Owner: Oil & Gas UK

Project Location: London, England

Contract Name and Title:

Address:

Current Phone Number/fax number

Email address of client:

Description:

The Infrastructure Access Group (IAG) was set up as part of PILOT, a partnership between the oil and gas industry and government to provide recommendations to address current and future issues related to access to UKCS infrastructure. The IAG was split into three work streams to: A) address how to re-energise and accelerate work currently being progressed - focusing primarily on the industry code of practice and associated guidance notes governing infrastructure access; B) identify critical infrastructure and ensure robust stewardship of same; and C) review and test transformational options. Palantir was engaged on a project within Work stream C.

Deliverables:

- Examine benefits of new models for infrastructure ownership
- Consider alternative risk management models
- Propose revisions to fiscal terms to ensure optimal use of infrastructure
- Document lessons learned and consider application of best practices from other regions
- Review of licensing terms with respect to development approvals

Palantir was commissioned by Workstream C to evaluate several scenarios designed to cover the different lines of enquiry being investigated by the group.

#### Our Solution:

A comprehensive hub model was developed of a NNS hub using data provided by one of the operators. The hub was specially chosen as it was identified by Workstream B to be a critical hub and provided a good example of a late life hub with existing "sub-hubs", existing tie-backs, future tie-back and exploration potential, significant decommissioning exposure and incorporated all current fiscal elements thereby providing Palantir with the opportunity to examine the complexity of the UK fiscal regime and the intricacies of hub economics.

#### Key Findings:

- Government is aligned with industry. Billions of pounds of tax revenue stand to be generated if the remaining potential of existing hubs is effectively captured.
- Delivering incremental volumes across such hubs adds value through various mechanisms. However, the value is generated from equity ownership in production and not in owning hubs or getting tariff revenue.
- Fiscal incentives should therefore be considered to encourage the delivery of incremental volumes within the hub area.
- The benefit of fiscal changes (such as removing SCT liability on infrastructure business or "unbundling") will not materially extend existing hub lives although economics of tie-back opportunities do improve to a limited extent.
- For hubs already in "cost share mode", more widespread use of the guaranteed fixed term low tariff business model should be promoted to facilitate tie-in of incremental volumes.
- Even on full cost share, with no uplift applied, fragmented ownership in late life erodes value beneficial to "UK plc". The final commercial end-game for an area, a "Commercial Coda", will likely see the "defragmentation" of the equity ownership across the area through the existing or emergent "dominant owner" taking control of all fields or through "full unitization" between the JVs.

#### **Oil and Gas Authority (OGA)**

Project Owner: Oil and Gas Authority UK

Project Location: London, England

Contract Name and Title:

Address:

Current Phone Number/fax number

Email address of client

Description:

Palantir was able to create a detailed model of the infrastructure hubs in the basin. These integrated "hub models" were able to help our client understand the interactions between multiple platforms and fields. The result was the ability to scale and extend the model to cover the infrastructure of an entire geological basin

in a way that was flexible, standardized and sustainable. Previous attempts to solve this problem with spreadsheet models had failed, where the Palantir Solution succeeded.

#### Deliverables:

Palantir was chosen because we are subject matter experts with extensive experience modeling complex asset interactions, commercial realities, tariff and cost sharing agreements. We have "out of the box" solutions that model the complete life-cycle of an oil and gas asset, in addition to allowing each asset to be consolidated into a corporate or country level perspective as production in existing user fields decline and new fields join. We also have a HUB model solution which has proven to help our other clients in the following areas:

- Understand the full impact of fiscal and regulatory changes as well as the impact of changing participants.
- Dynamically model tariff and cost sharing arrangements.
- Completely and accurately reflect commercial interactions between infrastructure and user fields.
- Forecast field abandonment and infrastructure decommissioning using Palantir's unique "Domino Logic" algorithm.

#### Our Solution

At Palantir, we have worked extensively with our clients modeling shared infrastructure systems. Building on this experience, our "HUB Model" solution streamlines the process of analyzing even the most complex hubs. For this particular solution, we used our HUB Model in conjunction with PalantirCASH™ which is an enterprise level application for economic evaluation and fiscal modeling of oil and gas assets. Through this solution, we were able to deliver a model capable of not just incorporating the fields, but also the infrastructure and commercial agreements between the fields and infrastructure. Our client is now able to run economics at various levels including: field, hub, regional area and the basin in order to see the impact of all elements - so the full domino effect. The model we developed for our client also allows them to determine the value of each asset from a government, and company, perspective.

#### Benefits

##### Key Outcomes

Prior to the implementation of Palantir, our client was not able to understand the complete picture of the interactions between different assets or hubs. With Palantir, they can now easily model each individual hub and the infrastructure across the entire basin. In short, our client now has a fully comprehensive model of an entire oil and gas basin. They are able to make fully informed policy decisions based on current, accurate data and assumptions.

#### **Alberta Energy**

Contract Value: Under the terms of the contract, these details are confidential

Project Owner: Alberta Energy

Project Location: Edmonton, Alberta

Contract Name and Title: Agreement Number 060PA-9; Energy Economic Evaluation Solution

Address: 9th Floor, 10030 - 107 Street, Edmonton, Alberta, Canada, T5J 3E3

Current Phone Number/fax number (790)427-3217

Email address of client [april.brunelle@gov.ab.ca](mailto:april.brunelle@gov.ab.ca)

#### Description

Alberta Energy is responsible for ensuring the development of Alberta's resources to the benefit of all Albertans. One of their core mandates is maintaining a competitive royalty and regulatory framework necessary to attract capital investment from world markets.

#### Deliverables

- Ability to understand Alberta's competitiveness in varying marketing conditions.
- Evaluate and test royalties' sensitivities to price and production
- Ability to modify and compare changes to royalty and tax rates
- Assess cash flows of oil and gas projects of varying size and type under different scenarios, including existing fiscal regimes in Alberta and elsewhere. Through its flexible approach to regime modeling, the solution allows users to change or manipulate fiscal regime settings enabling users to determine the impact of a set of fiscal conditions on investment competitiveness, profitability and Government Take as well as providing the opportunity to compare with other jurisdictions.

#### Our Solution

The solution contains a reporting and scenario driven platform, with capacity to provide full economic analysis to key stakeholders; pre to post-investment analysis, including metrics on past performance. The solution provides a workflow that is efficient, effective, repeatable, and flexible. Alberta Energy has the ability to compare current or prospective Alberta Fiscal Regimes with other national or international regimes for competitive analysis.

#### Key Outcomes

Using PalantirCASH, Alberta Energy was able to use the solution for Alberta's 2015 royalty review. Recommendations from the review panel could be evaluated and compared. Using our tools, Alberta Energy had the ability to compare Alberta's historical, current and prospective fiscal changes to other regimes around the world.

**1.6 List all projects in the last five (5) years that were with the State of Alaska including all State governmental corporations, or provide a statement that there were no projects in the last five (5) years with the State of Alaska including all State governmental corporations.**

Palantir has never worked for the State of Alaska.

**1.7 List offeror capacity and intent to proceed without delay if selected for this work.**

If selected for this work, Palantir has the intent and capacity to proceed immediately without delay.

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**1.8 Provide photocopies (attached as clearly marked Appendix to this response) of all relevant licenses, certifications, and professional memberships, etc**

See Appendix

**1.9 Include the required statements and information as required by section 1.20 (Conflict of Interest) of this RFP. Conflicts, potential conflicts, waiver requirements, and mitigation plans will be evaluated individually for degree of conflict and whether the conflict, potential conflict or waiver requirement is of a nature that may impede the offeror's independence or appearance of independence before the Legislature and the public.**

Palantir is currently not working for a firm engaged in oil or gas exploration, development or production in Alaska.

**Alaska Work History**

2012 - 2013 - Pioneer Natural Resources

In 2012 Pioneer Natural Resources acquired licenses of our economic modeling tool, PalantirCASH, and hired our consulting staff to model the Alaska ACES fiscal regime for the North Slope. Our firm provided maintenance, support and consulting services through October 2013, at which point they sold their Alaskan assets to Caelus Energy Alaska.

10/2013 - 3/2017 - Caelus Energy Alaska

Caelus used the licenses of PalantirCASH acquired from Pioneer for their economic scenario analysis and hired our consulting team for ongoing fiscal model modifications. Effective March 2017, Caelus elected not to renew software licenses or retain consulting services with Palantir.

**Potential Conflicts**

Palantir is a software company offering a variety of planning tools from field development, economic modeling, portfolio optimization and reserves booking. PalantirCASH, our economic modeling tool, is a world class engine designed to calculate complex royalty/tax and international production sharing contracts from all over the world. Our consulting team are experts at economic modeling.

Palantir may realize some small monetary gain in consulting time as a result of a more complex tax structure.

**Mitigation Means**

After personally spending numerous hours buried in the Alaska Statutes section 43.55, I can assure you that I, or anyone else at my firm, looks forward to modeling and maintaining complex fiscal regimes. It's time consuming for us and our potential customers. If our firm wins this contract we will provide unbiased, accurate calculations of Key Performance Indicators you require as described in the RFP, as well as any other data upon request.



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***1.10 Provide specific offeror experience in developing analytic models of oil and gas fiscal systems.***

Developing oil and gas fiscal regimes is core to our business. Palantir has developed a comprehensive set of over 160 detailed and independently researched oil and gas fiscal regimes. Our library of models covers nearly the entire globe: from mature areas like the United Kingdom's Continental Shelf (UKCS) and the Gulf of Mexico (GOM), to the more prospective areas like East Africa and New Zealand. As result we have experience modeling nearly all of the different types of fiscal systems including production sharing contracts (PSC), royalty tax systems(RT), and service agreements. Our models are available and in use by our global client list of over seventy upstream oil & gas companies around the world.

## 2. Team Experience & Qualifications

### **2.1 Describe the team which will be assigned to this contract, including the role of each team member within the firm. Provide resumes of each proposed team member, including education.**

Palantir's fiscal modeling team is drawn from our highly experienced global consulting pool who are experts in their field(s), and who will be supported by our 80+ industry experts. This consulting group has a wealth of knowledge, and is frequently asked to share their knowledge of best practices in economic analysis, asset valuation, financial modeling, and portfolio management in the press and industry conferences.

The following individuals lead our fiscal and economic modeling projects:

- Henry Hawkins - Director and Partner - Europe & Middle East
- Joe Murray - Principal Consultant - North America
- Robert Hansen - Principal Consultant - North America
- Hao Yu - Senior Consultant - North America

### **2.2 Briefly describe each team member's role on this project and experience on similar projects. Please note, once listed in your RFP submission, these members would not be able to be reassigned without the approval of LBAC and any reassignments would have to have equivalent qualifications. Please choose individuals with this in mind. In each member's experience, please include experience in providing expert witness testimony in public on oil and gas matters.**

#### **Henry Hawkins - Director and Partner - Project Subject Matter Expert**

Henry will be involved in the project as our subject matter expert. Henry is a sought out industry expert and is very familiar with global fiscal systems, and how to evaluate them. Henry recently published "Practical Petroleum Economics and Fiscal Regimes".

Henry is a highly experienced engineer and economist with 20 years in the industry. He has an extremely broad experience of the oil & gas industry from well logging all the way through to economic evaluation and portfolio optimization. He is a founding partner in Palantir and currently manages Palantir's fiscal regime library along with guiding the development of Palantir's economic evaluation software.

His experience includes management of Palantir's fiscal regime library, overseeing research and maintaining a high level of knowledge of global fiscal systems. In addition he is responsible for directing the development of Palantir's economic evaluation software, along with designing the next generation of the software. In addition he is responsible for theoretical training and thought leadership in the economics domain.

Henry holds a B.A. Hons. in Engineering from Cambridge University, UK, and a MSc. in Petroleum Engineering from Imperial College, London, UK.

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**Robert Hansen - Principal Consultant - Project Technical Lead**

Robert is a principal consultant with Palantir with broad experience in fiscal and economic modeling. Since joining Palantir, Robert has focused on providing leading edge economic and planning consulting services to the international energy sector.

Over his years with Palantir, Robert has led or been an integral part of many major implementations of Palantir's economics systems at many clients, such as Talisman, Anadarko, Husky Energy, Nexen, Murphy Oil, etc. Robert has also been heavily involved in building Palantir's fiscal regime model library, and is considered one of our fiscal experts. Note that many of his implementations included the integration of upstream and downstream operations and analysis.

Robert has been a key contributor to Palantir's knowledge base with articles published on varied topics such as: shale gas economics, portfolio analysis, commercial agreements and exploration inventory analysis.

Robert holds a B.Sc. in Physics & Maths from the University of Sydney (2002 - 2007).

**Hao Yu - Senior Technical Consultant - Project Technical Consultant**

Hao Yu is a consultant with Palantir, and has experience in business analysis and economics modeling in Palantir software. Since joining Palantir, Hao Yu has had extensive experience in using the PalantirSuite of tools, especially our economics tools.

Hao Yu is an expert in the Alaskan fiscal regime, and was responsible for creating the model for the Palantir Regime Library, for use in our Economics tools.

He has worked on fiscal modeling at Talisman, CNOOC, Husky, and Nexen, providing consulting services on Palantir CASH and FINANCIALS regime modeling, PalantirSuite software upgrades, economic plan submission support and day to day sustainment activities. Hao Yu also had research experiences involving various fiscal regime around the world, with a strong focus on the North American fiscal regimes.

Hao Yu has a Bachelor in Industrial Engineering from the University of Toronto.

**Joseph Murray - Principal Consultant - Project Manager**

Joseph is a highly experienced consultant with 18 years of experience. He has been with Palantir Solutions for over 10 years specializing in the deployment of economics tools, as well as project management. He has experience utilizing many petroleum economic tools, database technologies and programming languages. He is currently a Principal Consultant working out of the Palantir USA office in Houston. Joe will act as the project manager, and will draw on his extensive experience from managing projects at companies like Royal Dutch Shell.

He has worked on fiscal modeling at Pioneer Natural Resources, modeling Alaska's unique fiscal terms in Palantir tools, and analyzing possible legislation changes and its potential economic impact on Pioneer's assets. He has similar experience with clients such as, Royal Dutch Shell, Anadarko Petroleum, Talisman Energy, Newfield Exploration, among many others.

Joe has a Bachelor of Science in Computer Science from University of Massachusetts - Amherst

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**2.3 Identify proposed subcontractors, if any, as described in section 1.17  
(Subcontractors)**

There will be no subcontractors.

**2.4 Individually list any current employees who have previously been employed  
by the State of Alaska within the last five years. Include the government  
entity, position title, and dates of such employment.**

We have no employees who have previously been employed by the state of Alaska.

### **3. Project Understanding and Approach**

#### ***3.1 Describe your understanding of the project including purpose and scope including time schedule.***

The purpose for the project is to provide the LBAC the ability to explore and understand any proposed changes to the Alaskan oil and gas fiscal system during the Legislative session. This will be done through solicitation of 1 or more contractors to procure the required knowledge and analytical ability to comprehend, compute, compare and communicate the effects the proposed changes introduced in Legislative sessions. LBAC intends to have contracts in place by May 22, 2017 and an established Alaska fiscal model by July 1, 2017. In doing so, the LBAC will have the ability to review any changes that were proposed in the Legislative assembly during the 2017 sessions, in preparation for 2018.

Given that the contractor will be used on an as needed basis, the project has a wide and diverse scope. The primary focus of the contractor will be to support the LBAC in an advisory role by providing context to any proposed changes in terms of Alaska's current and historical fiscal system, as well as with respect to other fiscal systems from around the world. The contractor should have the ability and capacity to educate the LBAC and Legislature on global fiscal systems. As a result, the consultant will need to have a strong understanding of global fiscal regimes in addition to Alaska's. Subsequently, the contractor will need to have the analytical capability to understand, model and calculate the proposed changes, and provide comparative results on investment indicators such as NPV and IRR with respect to the current and legacy Alaskan regimes and other global jurisdictions. Depending on the circumstances, the LBAC will require the results from this analysis either in written, visual or verbal report. The aim being to answer questions to LBAC or Legislature, or to provide testimony as to the effects of the proposed changes.

Ultimately the analysis being conducted should be trying to provide the maximum value to the mineral rights owners of Alaska while fairly rewarding the E&P companies who bear the risks in the exploration, development and production of the hydrocarbons.

#### ***3.2 Provide ability to comply with the timeline detailed in section 1.05 (Contract Term and Schedule) of this RFP.***

LBAC's timeline provides a total of 40 days from contract signature to model delivery. Our standard timeline to build a new economic model ranges from 1-4 weeks depending on the complexity of the fiscal regime. Palantir currently has a working model of the current Alaska oil and gas tax terms for North Slope with the option of calculating net profit share lease (NPSL) payments. Terms for Middle Earth and the Cook Inlet will need to be added. We estimate three weeks of consultant time to complete the terms, which falls well before the July 1<sup>st</sup> deadline.

#### ***3.3 Describe the expertise that your firm possesses to develop the model required in the project and how you intend to gain any additional necessary expertise.***

Developing oil and gas fiscal regimes is core to our business. Palantir has developed a comprehensive set of over 160 detailed and independently researched oil and gas fiscal regimes, including Alaska. Palantir has enjoyed

clients operating in Alaska and both Pioneer resources and Caelus Energy were users of our Alaskan regime.

### ***3.4 Identify and discuss any potential problems you foresee including relevant factors that impact the quality and value of work.***

From our experience, one of the major risks that can impact the quality and value of our work is the availability or access to the key stakeholders. A project that is run without proper structure from the vendor and adoption from the client is at risk of not meeting expectations and desired outcomes. Misalignment between the client and vendor can lead to a misuse of time, lack of clarity, disappointing outcomes, and cost overruns.

Another common risk that we encounter is no clear change management structure. Scope creep and scope changes can have adverse on our analysis should and should be managed using a formalized process.

### ***3.5 Identify and discuss methods you would recommend to mitigate those problems.***

Strong client adoption of Palantir's Strategic Change Management process helps to mitigate the stated problems. Palantir's approach to Project Management is based on the industry standard created by the Project Management Institute. We work with clients to ensure we meet their requirements to provide successful and timely and accurate modeling and analysis. We have extensive experience in oil and gas planning and project management, which general project management teams may not be able to offer. Palantir applies the best industry practices to ensure smooth delivery of projects and the ongoing success of planning and reserves teams. Lessons learned and domain specific expertise are immediately transferable, relatable and repeatable between our projects.

### ***3.6 Describe and discuss applicant areas of strengths, as they would apply to this project.***

Palantir has over 15 years of experience in upstream oil and gas planning and petroleum economics. Our experience, fiscal regime library, and market leading software give us a distinct advantage over our competitors. Our combined offering of highly qualified consultants and world class tool sets provide the LBAC the ability to evaluate and compare proposed changes at a rate that is unparalleled by any other competitor.

Our consultants are experienced economists with a wealth of industry knowledge. Having worked with a long list of energy companies, our consultants have extensive experience building and interpreting economic models and fiscal regimes from around the world. Our breadth of experience is well aligned with LBAC's objectives and includes asset valuations, capital allocation and planning, short and long term economics resourcing, cash flow analysis, exploration license round economics, and fiscal term modeling.

Our fiscal regime library, also known as the Palantir Regime Library (PRL), contains over 160 detailed and independently researched oil and gas fiscal regimes. Our library of models covers nearly the entire globe and is comprised of virtually every different type of fiscal system including production sharing contracts (PSC), royalty tax systems (RT), and production service agreements (PSA). Our PRL team updates these models every quarter to ensure that it stays current with the latest changes globally. Leveraging this library, the LBAC will be able to quickly and accurately evaluate the competitiveness Alaska's fiscal system in global sense, as well as against regional or geological competitors.

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Our industry tools are best in class and provide a distinct advantage over Excel based solutions. PalantirCASH has advanced abilities that allow results to be simultaneously calculated using multiple different input assumptions. For example, we can simultaneously generate results using multiple different prices decks, royalty rates and tax assumptions. Our reporting engine allows to us effortlessly plot and compare these calculations. This means that any changes proposed by the LBAC can be easily and efficiently displayed and communicated so that trade-offs and limitations can be well understood.

***3.7 Describe applicant limitations, as they would apply to this project.***

Although Palantir has a large global foot print, we do not have offices in Alaska. Therefore, a limitation to our offering as compared to a local Alaskan firm would be any expenses associated with travel requirements. That being said, we have modern video and teleconferencing technology that can help mitigate this limitation.

## 4. Approach to Project Management

### 4.1 Describe your firm's project management approach and team organization during all phases for similar projects, and how the management plan will accomplish the work and meet LBAC's schedule and needs.

Palantir has an experienced global team with expertise in delivering large and small scale advisory projects. Project management is critical and stringent processes are used to ensure progress is tracked and monitored, risk items identified, registered and mitigated. Any project change requests are processed through a defined change management process and change requests are managed.

Palantir's project management will provide a clear plan along with strong project control, and good project status communication to the project stakeholders. Palantir generally follows the Project Management Institutes' Book of Knowledge principles. Project Management Documents will only be created where they will increase both Palantir's and the LBACs understanding and control of the project. A typical project delivery pathway is shown in figure 2 below.



Figure 2: Typical Project Pathway

Risk and Issue Registers will be setup during the Initiate phase upon project commencement. The Risk register is setup to **IDENTIFY** any risks that may jeopardize the project at a later stage. Once any risks have been identified and **ASSESSED**, appropriate mitigation strategies can be developed and documented to **MANAGE** and **MONITOR** them. The Issue register can have input from anyone associated with the project either from State of Alaska or Palantir. Issues are then assessed, ranked and actioned upon by the appointed Project Manager. If the issues raised are classed as risks by the project manager these shall be marked as risk in the issue register and moved to the risk register.

When identified, new risks and issues are categorized and addressed daily by the project managers. New risks and issues are also recorded and discussed in the weekly status reports/meetings.

Risks are evaluated and prioritized on the following criteria:

Impact	Probability
High	High
Medium	Medium
Low	Low



Issues are evaluated and prioritized as follows:

Severity	Priority
<b>Critical</b>	<b>High</b>
Major	Medium
<b>Minor</b>	<b>Low</b>

Palantir's project manager (Joe Murray) and the team of consultants will fulfil all requirements set out the RFP. CVs, responsibilities, and team introductions, were provided in the "Team Experience and Qualifications" section. Palantir does not anticipate there being any significant challenges but recognizes the strong project management will only help the project succeed.

## 5. Other Factors & Required Information

### 5.1 *List any special contract terms and conditions the firm/team would like to be considered for inclusion in any contract it might execute with LBAC under this RFP.*

No special contract terms or conditions.

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## Appendix

The following pages contain the signed RFP Amendment, relevant certificates, professional memberships and resumes for the team members.

## **Robert Hansen, BSc., Principal Consultant**

**Tel: +1 587 390 0049**

**Email: rhansen@palantirsolutions.com**

### **Qualifications & Skills**

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- Proven Project Manager with strong problem solving skills
- Excellent understanding of the Petroleum Industry, Business Processes, Portfolio Analysis, Decision Analysis, Fiscal Regimes, Financial Modelling and Economic evaluation.
- Excellent knowledge of global petroleum fiscal regimes including specific expertise on US and Canadian fiscal systems and tax calculations.
- Expert in the PalantirSUITE of tools including; PalantirCASH, PalantirCASH Lite, PalantirPLAN, PalantirFINANCIALS, PalantirDATAFLOW, PalantirRESOURCE.
- Specialist computer skills VBA, VB.net, SQL
- Expert Microsoft Excel user

### **Palantir Solutions**

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Rob is a principal consultant with Palantir with broad experience in project management, solution design, solution implementation, programming, testing and auditing. Since joining Palantir, Rob has focused on providing leading edge economic and planning consulting services to the international energy sector. Rob has led or been an integral part of many major implementations of Palantir's solutions. He has been responsible for the development of workflow solutions for clients by integrating Palantir's suite of products with other software solutions. Rob has been heavily involved in building Palantir's fiscal regime model library. Rob has been a key contributor to Palantir's knowledge base with articles published on varied topics such as: shale gas economics, portfolio analysis, commercial agreements and exploration inventory analysis.

### **Project Experience**

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#### **Principal Consultant, Calgary, Aug2012 – Present**

Rob's role as Principal consultant has put him in charge of the consulting activities for Palantir Canada. This includes active management of the Palantir Canada consulting team as well as liaising with clients to assure that the consulting team adheres to the high standards that Palantir expects of its consultants. His role involves analyzing, designing and implementing business planning processes with clients; as well as coordinating all consultants involved with client activities.

#### **Husky Energy Inc, Calgary, Oct 2011 – April 2013**

Rob acted as project manager for the Palantir team implementing an integrated portfolio management system for Husky. His roles involved modeling Husky's existing planning processes, designing new processes to fit the Husky requirements for their planning system, communicating concepts relating to the solution to the Husky management and project team, as well as coordinating all parties involved in the project.

### **Nexen Inc, Calgary, Dec 2010 – Sept 2011**

Rob worked closely with the corporate planning group to implement planning processes to allow Nexen to build a complete view of their assets. He worked with all of Nexen's assets and their teams to build and validate their data and models. Rob also provided Canadian corporate tax models to the corporate planning team and analysis of their portfolio under different macro-economic environments.

### **Gran Tierra Energy Inc, Calgary, Oct 2010 – Dec 2010**

Rob led the pilot of PalantirCASH and PalantirPLAN at Gran Tierra. By integrating data from existing systems, he provided portfolio analysis and recommendations for the senior executive. This pilot evolved into a full implementation of PalantirCASH and PalantirPLAN.

### **Talisman Corporate, Calgary, Jan 2010 – Sept 2010**

Rob worked with the Talisman financial planning team to design their reforecast process. This required an intimate knowledge of the financial calculations and involved the monthly layering of actuals on top of their plan to provide up to date analysis of their market position.

### **Tullow Energy Inc, London England, July 2009 – Dec 2009**

Rob led the implementation of PalantirCASH and PalantirPLAN for Tullow energy. This project involved modeling and benchmarking of Tullow's global assets as well as production of an operating model for the Jubilee field.

### **Various projects, Palantir, May 2009 – July 2009**

Rob worked with the team of Palantir consultants in the development of Palantir's Rapid Portfolio Valuation (RPV) consulting tool and also the Palantir Regime Library. He researched, built and documented various regimes including production sharing contracts and royalty/tax. He also was heavily involved in the testing and development of v3.5 of PalantirCASH.

### **BG Group, Redding, England, April 2009**

Rob worked on building an integrated LNG model in PalantirCASH. This model incorporated multiple upstream assets, pipelines and LNG trains. The model also included tolling, netback pricing and FOB price calculations.

### **Talisman Energy Inc., Feb 2008 – April 2009**

Rob worked with the Palantir team on the software implementation at Talisman headquarters in Calgary. The project involved the implementation of the Palantir's suite of software products and the creation and customization of financial models in order to match Talisman's economic calculations. Rob was also responsible for the implementation of the Palantir software suite in Talisman South East Asia. This involved creating projects in PalantirCASH and benchmarking these against the client's existing excel spreadsheets.

### **Anadarko Petroleum Company, Nov 2007 – Feb 2008**

Rob worked on updating and remodeling Anadarko's suite of international Peep Fiscal Models. A key role here was to interpret data from the contract level and transfer it accurately and succinctly to the Peep model level.

**Talisman Energy, Aberdeen, Consultant, Sept 2007**

Working as part of a team Rob was involved in implementing the Palantir software at Talisman in Aberdeen. Duties included matching economic results to those generated by their old software system.

**Various projects, Palantir, Aug 2007- Dec 2007**

As part of a team, Rob was involved in building a new risk analysis tool for calculating Real Options Valuations. In this capacity Rob was responsible for the generation of stochastic models. He also worked closely with several Palantir senior consultants on creating and updating fiscal models in PalantirCASH and creating user documentation for the PalantirCASH software system.

**Professional Experience**

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**Sydney University Department of Pharmacy Research, Research Assistant, Mar 2006–Oct 2006**

Furthering research into intelligent drug design. Writing computer programs for the faculty.

**Sydney University Centre For Ultra High Bandwidth Optical Devices and Systems (CUDOS), Honours Student, Jan 2005–Dec 2006**

Modelling the coupling of wave modes in between multiple waveguides in photonic crystal structures.

**Joe Murray, Senior Consultant**

**Tel: (832) 656-6997**

**Email: [jmurray@palantirsolutions.com](mailto:jmurray@palantirsolutions.com)**

**SUMMARY**

Over 17 years designing and developing software for use in large-scale mission critical environments. Have demonstrated excellent interpersonal skills in resolving customer issues and working with peers. Have shown the ability to meet deadlines and manage multiple ongoing projects.

**Education**

Bachelor of Science in Computer Science from University of Massachusetts, Amherst, MA

**Qualifications & Skills**

Joe is a highly experienced consultant with 14 years of experience. He has been with Palantir Solutions for over 6 years specializing in data integration and workflow optimization through custom software solutions. He has experience utilizing many petroleum economic tools, database technologies and programming languages. He is currently a Senior Consultant working out of the Palantir USA office in Houston.

**Experience**

***Palantir Economic Solutions    Houston, TX***

***2006 - Present***

Over 10 years providing customer focused solutions to the Oil & Gas industry in the areas of business planning, portfolio risk analysis, economic modeling, financial reporting, unconventional field development optimization and reserves reporting. Grew office from just myself to a 20-person team consisting of software developers, consultants and support staff. Grew revenue from

Current Title: VP Operations – Houston Office

- Management of office business operations (DOL compliance, budgeting, finances, office lease, payroll & benefits)
- Coordination of consulting resources for client projects
- Technical Sales lead

*Client Highlights*

Royal Dutch Shell – New Orleans, LA

- Managed consulting team implementing Palantir PlanningSpace for SEPCO Deep Water business planning process
- Programmed custom US Fiscal regime in PalantirCASH

- Designed and implemented custom data entry workflows complete with user guides.
- Built custom .NET SQL tools to import data from excel workbooks.

#### Murphy Oil – Houston, TX

- Implemented corporate business planning system PalantirCASH, PalantirFINANCIALS, and PalantirPLAN.
- Migrated GoM business unit from PHDWin to PalantirCASH for day-to-day economics.

#### Anadarko Petroleum Company – The Woodlands, TX

- Built custom ARIES to PEEP conversion utility for Reserves group.
- Wrote Mozambique PSC fiscal terms in PalantirCASH for Anadarko Contract group and INP (Mozambique national oil company)
- Wrote custom PEEP add-in library and fiscal regimes for international business units using PEEP.

#### Pioneer Natural Resources – Anchorage, AK

- Programmed custom Alaska ACES & MAPA tax fiscal regimes for North Slope assets in PalantirCASH.

#### Newfield Exploration – Houston, TX

- Converted PEEP economic data to ARIES as part of a corporate application switch.

#### Talisman Energy – Calgary, AB

- Implemented PalantirCASH and PalantirPLAN for Corporate and NAO business unit business planning activities.
- Wrote a .NET custom database loader plug-in for PalantirCASH.
- Programmed custom Canadian fiscal regimes for PalantirCASH.

**Enigma Technology****Houston, TX****2005-2006**

Senior Consultant

Developed various .NET/SQL Server based data management and back-end applications for clients. Work included implementing custom .NET application implementing Cisco's Tidal Enterprise Scheduler, an ASP.NET web based loan servicing system and custom bulk loading tool to migrate Unidata to SQL Server.

**Software Architects****Houston, TX****2004**

Senior Consultant

Architected and developed Microsoft .NET applications for various clients.

Schlumberger – Houston, TX

- Architected two corporate intranet websites for document submissions (C#, Oracle, LDAP)

Cardinal Healthcare – Houston, TX

- Maintained and added functionality to a hospital billing application (C#, SQL Server)

**Severn Trent Systems****Houston, TX****2000 - 2002**

Software Developer – FieldIT Development Team

Programmer on FieldIT suite development team. Java based software suite consisting of asset tracking and GIS mobile apps designed for Palm pilots and Pocket PC mobile devices. Technology Implemented: Java, Oracle, JDBC, CVS

**Compaq Computer Corp.****Houston, TX****1999-2000**

Software Developer – Industry Standard Server Group (ISSG)

Responsible for developing custom software tools for development and quality assurance teams to the ISSG group. (Java, HTML, XML, SQL Server)



**Henry Hawkins**

**Director & Partner**

**MSc, BA Cantab**

**Tel: +44 207 901 3700**

**Email: [hhawkins@palantirsolutions.com](mailto:hhawkins@palantirsolutions.com)**

**Friday, 29 April 2016**



## Qualifications and Skills

- MSc. in Petroleum Engineering from Imperial College, London, UK
- B.A. Hons. in Engineering from Cambridge University, UK
- Expert in petroleum economics with a strong focus on international fiscal regimes
- Proven project manager with strong analytical skills
- Broad experience of the petroleum industry including petroleum engineering, decision analysis, economics, portfolio planning and fiscal regimes.
- Computer skills include VBA and VB.Net programming; a strong Excel user

## Palantir Solutions

Henry is a highly experienced engineer and economist with 20 years in the industry. He has an extremely broad experience of the oil & gas industry from well logging all the way through to economic evaluation and portfolio optimization. He is a founding partner in Palantir and currently manages Palantir's fiscal regime library along with guiding the development of Palantir's economic evaluation software.

### **Director, Palantir, 2002 - Present**

Henry manages Palantir's fiscal regime library, overseeing research and maintaining a high level of knowledge of global fiscal systems. In addition he is responsible for directing the development of Palantir's economic evaluation software, along with designing the next generation of the software. In addition he is responsible for theoretical training and thought leadership in the economics domain.

## Project Highlights

### **OMV, Portfolio Management Design, Nov 2015 – Feb 2016**

Henry led a team designing a new portfolio management system for OMV's upstream business.

### **Petroceltic, Algeria Economist, Jul 2011 – Aug 2012**

Henry worked as the head economist for the Ain Tsila gas field. The role involved extensive negotiation with the National Oil Company, Sonatrach and with partners in order to successfully obtain a declaration of commerciality.

### **Palantir, Consulting Manager, Jun 2007 – Jun 2010**

In this role Henry managed Palantir's team of international consultants. He was responsible for ensuring Palantir's consultants perform at the high level expected by clients and that projects were delivered on time and on budget.

### **BG Group, Nigeria Asset Economist, Feb 2006 – Jun 2007**

Henry worked as an economist building a complex fiscal model in Excel to evaluate wide-ranging scenarios and outcomes including uncertainty over future fiscal regimes. He supported negotiations with the Nigerian National Petroleum Company (NNPC) on-site in Nigeria and assisted in the drafting of contracts.

#### **Palantir, Fiscal Model Development, London England, Apr 2005 – Feb 2006**

In this role, Henry was responsible for developing a global library of fiscal models for the PalantirCASH software. This included the completion of a full UK PRT model along with a wide variety of complex production sharing contracts and concessions tax regime models.

#### **Burlington Resources Inc, London England, Feb 2003 – Apr 2005**

Henry worked with BR in a centralized economic support role for BR's London office. This involved the maintenance of BR economic cases and models in both Peep and Excel format. He acted as the main economist supporting various asset teams in preparing cases for commercial, budget, reserves and strategic planning. In addition he supported commercial groups in the A&D domain, performing company and asset valuations, farm-in/out analysis, contract interpretation and fiscal model generation.

#### **Premier Oil and Gas, London England, Various projects, Nov 2002 – Feb 2004**

In this assignment, Henry provided support to Premier's economics and commercial teams. In addition to creating and maintaining complex Peep models and add-ins, he created various Excel based tools to simplify the management of Peep price files, the building of PEEP cases and preparation of financial statements.

#### **Shell International E&P, The Hague, The Netherlands, Shell Global Account Manager, May 2002–Nov 2002**

Henry was a Global Account Manager for Schlumberger Merak. This role involved project management of major technical projects with Shell in The Hague such as:

- A central data store for their global economic assets
- Implementation of a capital allocation / portfolio optimization system for global assets
- Creation of a set of tools and standards for world-wide Peep users to assist with corporate reporting, reserves movements and standardization.

#### **BG Group, Reading England, Feb 2001–Apr 2002, Peep Downstream**

Henry worked as project manager on a major project with BG. This project was to enable the evaluation of Downstream assets using Merak Peep. BG's long-term goal was to move the entire downstream evaluation process from Excel into a more robust, standardized application. Key to the project was the creation of fiscal models for downstream businesses such as Distribution, Transmission, Power Generation, LNG Export & Import, CNG Vehicles and Telecommunications. The creation of an "Integrated Gas Chains" module allowed for a linked chain of Upstream and Downstream businesses to be evaluated collectively in order to optimize the group return.

#### **Shell International E&P, The Hague, The Netherlands, Sep 2000–Jan 2001, Portfolio Optimization**

Henry worked with Shell International in The Netherlands to implement a Capital Allocation / Portfolio Optimization system. The principal challenges related to the sheer magnitude of the process within a company with global operations and very large numbers of candidate projects (1000+) for exploration / development capital. The project

involved the implementation of the pertinent corporate analyses and indicators to build a screening process that accurately reflected their business model.

## **Merak Project Highlights**

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**Amerada Hess, London England:** Major project to implement Merak software in Amerada Hess. This involved moving all their North Sea assets from Excel to Peep, building reporting tools and a Financial Depreciation module.

**Premier Oil, London England:** Fiscal modeling of complex assets in challenging fiscal regimes such as Indonesia Block A and Myanmar. In addition Henry was responsible for long-term support of Premier in all countries in which they operated.

**Exxon Mobil, Celle Germany:** Application implementation, training and fiscal modeling of oil and gas assets in Germany for Exxon Mobil.

**RWE, Hamburg Germany:** Development of a corporate reporting tool based in Excel and creating fiscal models for Libya, Kazakhstan and Iran.

**Exxon Mobil, Oslo Norway:** Application implementation and user training of Peep and Decision Tree for Exxon-Mobil in Norway.

**Shell Nigeria, Lagos Nigeria:** Development and testing of a tool to enable complex cross-charging, cost allocation and cost recovery for offshore fields in Nigeria.

**Sonatrach, Algiers Algeria:** Training and fiscal modeling of the multitude of Algerian production sharing contracts for the Algerian National Oil Company, Sonatrach in Algiers.

## **Professional Experience**

Henry had 5 years of petroleum industry experience prior to joining Merak in 2000. As a well logging engineer with Schlumberger Wireline Services in the North Sea and the Peruvian Amazon, he worked on evaluation and production services in highly remote and challenging locations.

Before starting with Merak he gained a Master's Degree in Petroleum Engineering from Imperial College. Core course components included Reservoir Engineering, Well Testing, Petrophysics, Drilling, Simulation and Oil & Gas Economics. A Petrophysics thesis was conducted with Enterprise Oil and titled, "The Gamma Ray Log as a Shale Indicator in the Thinly Bedded Vikulov Formation of Western Siberia".

## **Publications**

"An imperfect formula", Petroleum Economist, March 2005

## **Hao Yu Ji, BAsC., Senior Consultant**

Tel: +1-587-899-0805

Email: [hji@palantirsolutions.com](mailto:hji@palantirsolutions.com)

### **Qualifications & Skills**

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- Advanced user of the PalantirSUITE of tools, including PalantirCASH, PalantirFINANCIALS, PalantirPLAN and Palantir DFX
- Proficient coding skills in VBA, VB.Net and SQL Server
- Proven consulting work experience in the Oil and Gas industry with regards to Corporate Planning
- Strong experience in developing and implementing Palantir Regime Library regimes in PalantirCASH
- Solid background in math modeling and optimization methods such as LP and genetic algorithms

### **Palantir Solutions**

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Hao Yu is a consultant with Palantir Solutions who had previous experience in software implementation, testing, business analysis and database administration. Since joining Palantir, Hao Yu has had extensive experience in using the PalantirSuite of tools, especially CASH and FINANCIALS. He has been doing ongoing client work mainly at Talisman, Husky and Nexen, providing consulting services on Palantir CASH and FINANCIALS regime modelling, PalantirSuite software upgrades, economic plan submission support and day to day sustainment activities. Hao Yu also had research experiences involving various fiscal regime around the world, with a strong focus on the North American fiscal regimes.

### **Project Experience**

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#### **Nexen Energy, September 2014 – Present**

Hao Yu has worked on various projects at Nexen. Most noticeably is the PalantirSUITE upgrade project, the LNG modelling project, the PalantirCASH regime updating project and providing support for their annual strategy plan submissions. The work involved analyzing and updating the Nexen specific PalantirCASH regimes according to business user requirements, and also benchmarking between Palantir and Nexen economists' Excel model. Hao Yu has also implemented new Palantir Regime Library regimes for Nexen's new venture and global exploration projects.

#### **Husky Energy, June 2014 – January 2015**

Hao Yu has implemented the China and Indonesia PSC regimes in PalantirCASH for Husky's Asia Pacific business unit. He has also updated Husky's Canadian regimes in PalantirCASH to match their economists' latest model. Hao Yu has also supported Husky's Western Canada business unit during their 2014 long range plan submission process, more specifically he streamlined their data loading process into PalantirCASH by creating Excel macro templates and Palantir loader templates. Furthermore, Hao Yu has also provided training to Husky's Palantir users on the PalantirSUITE products.

#### **Talisman Corporate, February 2013 – July 2014**

Hao Yu has worked on changing the PalantirFINANCIALS regimes at Talisman to enable the clients to more accurately calculate their shares issuance and dividends payout. He has also done work on the clients' royalty tax reports, segmented financial reports, third party software to Palantir loading templates, and providing support to the clients' ongoing economic planning processes within both PalantirCASH and PalantirFINANCIALS. Hao Yu has coordinated Talisman's project to upgrade their PalantirSuite to version 3.8. During that project he has taken up various responsibilities including environment

setup, testing, database administration, creating documentation and coordinating any Palantir support activities that the clients require. Ongoingly, Hao Yu is supporting each of Talisman's plan submission cycle through out the year.

#### **Fiscal Regime Research and Development, March 2014 - Present**

Hao Yu is a member of the Palantir Regime Library (PRL) team. His responsibilities there include the research and development of global fiscal regimes in various Palantir tools. He has done regime development works in PalantirCASH, PalantirCASH AX and Palantir PlanningSpace (DFX). Particularly, Hao Yu has gained strong expertise in the North American fiscal regimes.

#### **Professional Experience**

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Prior to joining Palantir, Hao Yu has had experience in implementing revenue management software for Ontario Ministry of Finance as a consultant. His previous work experience involved utilizing and developing skills in VB.Net, SQL Server, and software configuration. He has also developed valuable consulting skills such as gathering user requirements and performing business process analysis, and providing product demos and trainings to the clients.

Hao Yu graduated with a Bachelor in Industrial Engineering from the University of Toronto, he specialized in Operations Research which focused on practical math modeling and optimization methods.

# Project Management Institute

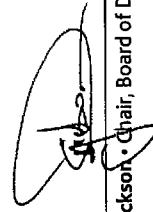
THIS IS TO CERTIFY THAT

**Joseph Murray**

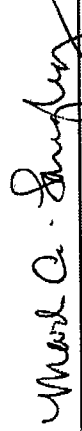
HAS BEEN FORMALLY EVALUATED FOR DEMONSTRATED EXPERIENCE, KNOWLEDGE AND PERFORMANCE  
IN ACHIEVING AN ORGANIZATIONAL OBJECTIVE THROUGH DEFINING AND OVERSEEING PROJECTS AND  
RESOURCES AND IS HEREBY BESTOWED THE GLOBAL CREDENTIAL

## Project Management Professional (PMP)<sup>®</sup>

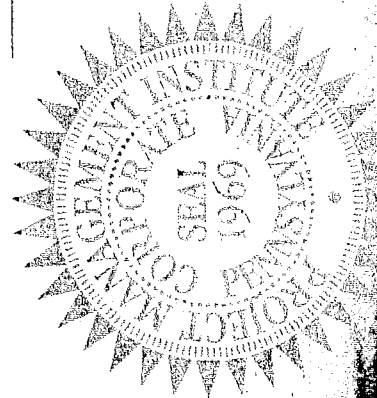
IN TESTIMONY WHEREOF, WE HAVE SUBSCRIBED OUR SIGNATURES UNDER THE SEAL OF THE INSTITUTE



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Society of Petroleum Engineers



**Mr. Joe Murray**  
**3300517**  
**Member**

Renewal February 2013

Expiration 12/31/2017

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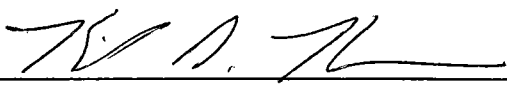


**COST PROPOSAL FORM**

RFP Number:	17-33-01
RFP Title and Description:	Oil and Gas Fiscal Systems Economic Analysis and Expertise

Company or Person(s) Submitting proposal:	<u>Palantir USA Inc.</u>		
Address:	<u>2900 Wesleyan St STE 555</u>		
City, State, Zip Code:	<u>Houston, TX 77027</u>		
Telephone No.:	<u>281-254-7611</u>	Fax No.:	<u>281-254-7649</u>
Email:	<u>khanes@palantirsolutions.com</u>	Alaska Business License No.:	_____
Indicate if you qualify as an Alaskan Offeror.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	(See RFP for criteria to qualify.)

The Offeror hereby offers the price(s) listed below in accordance with the RFP Specifications:			
Total Contract Price in professional fees for developing the Contractor's expertise and an economic model under RFP 17-33-01(10 percent):			
(1)	\$	<u>36,000</u>	_____
Hourly rate for continuing services contingent upon the legislature's needs (30 percent):			
(2)	\$	<u>300</u>	_____
(3)	Monthly Retainer If Required (not to exceed \$10,000)	(a)	<u>2,400</u>
	Number of Hours per month	(b)	<u>8</u>
	Retainer Hourly Rate: (a) divided by (b)	(c)	<u>300</u>
(c) will be used for the evaluation of this section, if a retainer is proposed (see sec. 6.03 and 7.03 for criteria)			
The LBAC does not guarantee any minimum or maximum volume of work under this contract. Travel Expenses will be paid separately from professional services. Do not include travel expenses in your Proposal.			

AUTHORIZED SIGNATURE: 

PRINTED SIGNATURE: Kirk Hanes

DATE: 4/20/2017