Fr an:	Chuck Wiegers < CWiegers@aaroofing.biz>
ar nc	Sunday, February 17, 2013 1:04 PM
To:	Sen.Mike.Dunleavy@akleg.gov
Ec:	Sen.Peter.Micciche@akleg.gov; Sen.Donald.Olson@akleg.gov;
	Sen.Bert.Stedman@akleg.gov; Sen.Johnny.Ellis@akleg.gov; Brakes, Heather K (GOV)
Subject:	Governor's Energy Relief Package

Chairman Dunleavy;

I am writing in support of the Governor's bill (SB 23) to facilitate the trucking of LNG to the Interior.

I am a long time Fairbanksan (30+ years) and my wife and children were all born in Fairbanks. My company has served the interior and the State of Alaska since 1965, employing an average of 30 workers during the construction season. It has always been a bit more challenging to live and work in Fairbanks, but in the last several years the high cost of energy has made it much more than challenging, many have found it impossible and have packed up and left. With electricity and heating costs higher than mortgages, people are left with little or no discretionary income. This puts a strain on businesses as well as families, a strain that is felt all the way to Anchorage, where all of the goods pass through and many of the Fairbanks businesses have a home base.

We have all hoped for a large diameter gas line and are willing to settle for a small diameter in state gas line, but with each passing legislature hope and opportunity fade. For such an energy rich state to leave its citizens starving for affordable energy is hard to fathom. I know that the answers are not easy, but the Governor's bill provides an opportunity for stakeholders to pursue a short term solution to get gas and propane from the North Slope to the Interior and beyond. And with each market opened up, more opportunities will emerge. As you know this is not a handout; the loan will be repaid to the State. It is a start down the road of getting Natural Gas from the North Slope to the citizens of the State and eventually to markets abroad.

I urge you to support the Governor's bill.

Respectfully Chuck Wiegers A & A Roofing Co. Inc. Fairbanks, Alaska

Cc Vice-Chair Micciche Senator Olson Senator Stedman Heather Brakes

CITY OF NORTH POLE

RESOLUTION 13-01

A RESOLUTION SUPPORTING LEGISLATIVE EFFORTS TO CONSTRUCT A NATURAL GAS PIPELINE FROM THE NORTH SLOPE TO SOUTH CENTRAL ALASKA.

WHEREAS, the development of an in-state gas pipeline would provide stable and affordable gas for Alaskans for many years; and

WHEREAS, known reserves in the Cook Inlet Basin are insufficient to supply the demand for natural gas in South Central Alaska in the future; and

WHEREAS, many Interior and Rural Alaskan communities are suffering from extremely high energy cost; and

WHEREAS, development of vibrant local and statewide economies are dependent on affordable energy; and

WHEREAS, Alaskans wish to leave a legacy of prosperity through development of our natural resources to the maximum benefit for the most Alaskans; and

WHEREAS, Alaska Gasline Development Corporation (AGDC) has created the Alaska Stand Alone Gas Pipeline (ASAP) and is seeking monies to bring a instate gas-line to open season; and ultimately to fruition; and

WHEREAS, House Bill 4 includes the necessary provisions to advance a successful Alaska natural gas pipeline project.

NOW, THEREFORE, BE IT RESOLVED that the North Pole City Council supports legislative efforts to fund AGDC as they move forward in developing and advancing a project to construct a natural gas pipeline from the North Slope to South Central Alaska.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this 4th day of February, 2013

Bryce J Ward, Mayor

ATTEST:

Typ Milleber

Kathryn M. Weber, MMC North Pole City Clerk

PASSED Yes: Nelson, McGhee, Holm, Smith, Sikma, Ward No: 0 Absent: Hunter



CITY OF NORTH POLE

RESOLUTION 13-02

A RESOLUTION SUPPORTING LEGISLATIVE ACTION WHICH WOULD ALLOW DEVELOPMENT OF PROJECT FINANCING BY THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY (AIDEA); AUTHORIZING AIDEA TO PROVIDE FINANCING AND **ISSUE BONDS FOR A LIQUIFIED NATURAL GAS PRODUCTION SYSTEM ON THE NORTH** SLOPE AND NATURAL GAS DISTRIBUTION SYSTEM IN INTERIOR ALASKA.

WHEREAS, many Interior and Rural Alaskan communities are suffering from extremely high energy cost; and

WHEREAS, the development of in-state gas processing facilities on the North Slope would provide a supply of gas for the developing gas market of Northern Alaska; and

WHEREAS, known reserves in the Cook Inlet Basin are insufficient to supply the demand for natural gas in South Central Alaska in the future; and

WHEREAS, LNG from the North Slope could potentially be a backup gas supply for Cook Inlet and

WHEREAS, an interior gas distribution network would need to be constructed to distribute the North Slope Gas to residents and businesses; and

WHEREAS, trucking LNG from the North Slope would be necessary to bring the product to market; and

WHEREAS, development of vibrant local and statewide economies are dependent on affordable and accessible energy; and

WHEREAS, House Bill 74 and Senate Bill 23 include the necessary provisions to incentivize the construction of a natural gas liquefaction facility on the North Slope, trucking LNG to market and a distribution network in the Interior.

NOW, THEREFORE, BE IT RESOLVED that the North Pole City Council supports legislative efforts to allow development of project financing relating to the dividends from AIDEA; authorizing AIDEA to provide financing and issue bonds for a liquefied natural gas production system on the North Slope and natural gas distribution system in Interior Alaska.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this 4th day of February, 2013

Bryce J Ward, Mayor

ATTEST Whip Millebu

Kathryn M. Weber, MMC North Pole City Clerk

PASSED Yes: Nelson, McGhee, Holm, Smith, Sikma, Ward No: 0 **Absent: Hunter**





Interior Alaska – The "Place" To Do Business

100 Cushman St., Suite 102 | Fairbanks, Alaska 99701-4665 ph (907) 452-1105 | fax (907) 456-6968 | www.FairbanksChamber.org

INVESTORS

February 15, 2013

Honorable Sean Parnell Governor of the State of Alaska Alaska State Capitol Building PO Box 110001 Juneau, AK 99811-0001

Dear Governor Parnell,

The Greater Fairbanks Chamber of Commerce (GFCC) thanks you for your leadership in introducing a comprehensive financial package that addresses the high cost of energy in Interior and Rural Alaska. Specifically, the GFCC is supportive of HB 74 and SB 23, bills that authorize the Alaska Industrial Development and Export Authority (AIDEA) to provide low interest loans and issue bonds for a liquefied natural gas production and distribution system. <u>The Chamber supports advancement and passage of HB74 and SB 23 and will actively take a role in communicating that message.</u>

We believe your three-pronged approach of providing 1) low interest, long term loans; 2) gas storage tax credits that passed last session; and 3) state general fund dollars are the right financial tools to build out and supply a natural gas infrastructure for Interior and Rural Alaska.

The GFCC agrees with your stated goals of natural gas at \$15/MMBTU to the greatest number of Interior residents and businesses as rapidly as possible. We do have concern that the level of state general fund money in the current version of the capital budget is not sufficient to make the project economical while also reaching the pricing and availability goals. The official GFCC position remains an appropriation of at least \$150 million in state general funds to underpin the economics of this project. As the 2013 legislative session progresses, and both the AIDEA financing bill and capital budget advance, we pledge to work with your administration and the legislature to ensure the amount and type of funds dedicated to this project are sufficient to meet the stated goals.

Lastly, and this cannot be stressed enough, the GFCC and the over 700 member businesses and organizations throughout the Interior we represent, believe it is absolutely necessary that both measures pass <u>THIS</u> legislative session. The Chamber's mission is to advocate a healthy economic environment by building partnerships that promote the greater Fairbanks area as an attractive place for business and community. As an economic hub for the rest of the Interior, we are also invested in solutions to the high cost of energy facing Rural Alaska. Our work is focused on creating a pro-business environment that encourages private sector investment and job creation. We believe the Interior remains the "Place to do

D I A M O N D BP Exploration ConocoPhillips ExxonMobil Fairbanks Daily News-Miner Fairbanks Memorial Hospital & Denali Center Flint Hills Resources Alaska Mt. McKinley Bank Santina's Flowers & Gifts

PLATINUM

Alyeska Pipeline Service Co. Doyon, Limited Fred Meyer Stores Golden Heart Utilities Wells Fargo Bank Alaska

GOLD

Alaska Railroad Birchwood Homes Carlson Center Denali State Bank Design Alaska Doyon Utilities LLC First National Bank Alaska Kinross Fort Knox Mine Lynden MAC Federal Credit Union Northrim Bank Sumitomo Metal Mining Pogo LLC Usibelli Coal Mine

SILVER

ACS Alaska Airlines Alaska USA Dr. Christopher Henry – Henry Orthodontics Everts Air Cargo, Everts Air AK Exclusive Paving/Univ. Redi-Mix Fairbanks Natural Gas Flowline Alaska GCI **General Teamsters Local 959 GVEA** Hale & Associates, Inc. JL Properties, Inc. Key Bank **Personnel Plus** Sam's Club Shell Exploration & Production Co. Spirit of Alaska FCU **Tanana Valley Clinic TDL** Staffing Totem Ocean Trailer Express, Inc. Tower Hill Mines-Livengood Gold Project University of Alaska Fairbanks Verizon Wireless WAL-MART Stores, Inc. Yukon Title Company

Business", but our mission is made more difficult every year that goes by without action towards a mid-tolong term energy solution that addresses the high cost of energy for our businesses and residents.

We thank you for your leadership on this critical issue facing our community. The Chamber looks forward to being your partner in this "persistent, unrelenting effort" to bring low cost energy to the Interior and Rural Alaska.

Sincerely,

Loa Heibert

Lisa Herbert Executive Director

A AM

Bob Shefchik Energy Committee, Chair

Temit From

Terri Froese Board of Directors, Chair

Anna Athison

Anna Atchison Government Relations Committee, Chair

cc: Lt. Gov. Mead Treadwell Governor's Chief of Staff, Mike Nizich U.S. Senator Lisa Murkowski U.S. Senator Mark Begich U.S. Representative Don Young Bryan Butcher, Commissioner of Revenue Dan Sullivan, Commissioner of Natural Resources Joe Balash, Deputy Commissioner of Natural Resources Gene Therriault, Deputy Director Statewide Energy Policy Development (AEA) Mark Davis, Deputy Director Infrastructure Development (AIDEA) Jim Strandberg, Energy Development Finance Officer (AIDEA) Interior Delegation Alaska State Legislature Alaska Chambers of Commerce **Associated General Contractors** National Federation of Independent Businesses Fairbanks Daily News-Miner Membership of the Greater Fairbanks Chamber of Commerce



Affiliated with the International Brotherhood of Teamsters Rick Boyles, Secretary-Treasurer 520 E. 34th Ave., Suite 102, Anchorage, Alaska 99503 Phone (907) 751-8501 • Fax (907) 751-8599

February 19, 2013

The Honorable Mike Dunleavy Alaska Senator Chair, Labor & Commerce Capitol Room 510 Juneau, AK 99801

Re: SB 23 LNG Project Fairbanks

Dear Senator Dunleavy:

On behalf of the Teamster members that we represent not only in the Fairbanks and outer area, but statewide, I ask that you and your committee members support and move forward SB 23, which authorizes AIDEA to provide financing and bonds for a much needed natural gas production and distribution system, within the Fairbanks North Star Borough. I personally have lived in Fairbanks for over twenty years and prior to that in Anchorage, so I am very familiar with the differences in cost and availability of gas or heating sources for interior Alaska.

I also am a member of the Fairbanks Chamber of Commerce and know well the challenged economic growth we continue to experience due in large part to the high cost of energy. I am also aware of the impact energy costs are having on our military bases in the interior. We represent members that could find themselves without employment as a direct result of the energy cost.

In addition to the above, the passage of SB 23 will create a much needed infrastructure and we believe, hundreds of jobs, directly and indirectly by bringing LNG to the Fairbanks community. While it may be only a temporary fix, it is a fix that is much needed for the second largest community in our state.

Help us help our community and the state by supporting and passing SB 23 from your committee.

Your time and effort regarding this very important matter is greatly appreciated.

Sincerely,

TEAMSTERS LOCAL 959

Rick Boyles Secretary-Treasurer

RB:mk 021913 to Sen Dunleavy SB 23 LNG Project Fairbanks



P.O. Box 9, Glennallen, AK 99588 * 907-822-5001 phone * 888-256-5569 fax www.coppervalley.org * info@coppervalley.org

February 19, 2013

Senator Mike Dunleavy, Chair Senate Labor and Commerce Committee State Capitol, Room 510 Juneau, Alaska 99801

RE: SB 23 Support

Senator Dunleavy,

I would like to offer support from Copper Valley Development Association, the regional ARDOR with Department of Commerce, Community and Economic Development for Senate Bill 23. This bill that authorizes the Alaska Industrial Development and Export Authority (AIDEA) to provide financing for a natural gas liquefaction plant and affiliated infrastructure on the North Slope and a natural gas distribution system and affiliated infrastructure within the Fairbanks North Star Borough. These facilities will make it feasible to truck liquefied natural gas from the North Slope to the Interior, and will allow for a wider distribution of gas and propane elsewhere in the state. The distribution system will then be in place for a large diameter gas line. Senate Bill 23 will help reduce the high cost of energy, bring gas to the interior by 2015, raise the number and quality of economic development projects in the state, and increase the number of jobs available to Alaskans. The establishment of this is the first step in a series of incremental steps necessary to alleviate the high cost of energy in rural Alaska, and broaden the possibilities for this region. In order for our great state to move forward, we need measures such as SB 23 to occur.

Thank you very much for your attention to this Senator, and please feel free to contact me for additional information.

Sincerely,

Jason Hoke, Executive Director



Growing, sustaining, and diversifying Alaska's economy.

February 25, 2013

A RESOLUTION OF THE ALASKA PARTNERSHIP FOR ECONOMIC DEVELOPMENT BOARD OF DIRECTORS SUPPORTING SENATE BILL 23: Authorizing the Alaska Industrial Development and Export Authority to provide financing and issue bonds for a liquefied natural gas production system and natural gas distribution system; and providing for an effective date.

Resolution #13-1

Whereas; the Alaska Regional Development Organizations (ARDOR) was established by the Alaska Legislature in 1988; and

Whereas; the ARDOR's statutory mandate is to encourage the formation of regions development organizations to prepare and implement regional development strategies; and

Whereas; the ARDOR's represent a diverse network of public, private and economic development groups that drive local initiatives and advance economic diversification through partnerships with state and local governments; and

Whereas; the ARDOR's established the Alaska Partnership for Economic Development, (APED), in 2009, to advance economic development and address initiatives affecting development and to help develop a state-wide comprehensive strategic plan; and

Whereas; the ARDOR/APED programs have established partnerships with more than 300 local, regional, private, municipal and public organizations to pool resources, decrease duplication and foster new businesses; and

Whereas; the APED now comes in support of the following legislation being considered by the Alaska State Legislature:

NOW THEREFORE BE IT RESOLVED; the Alaska Partnership for Economic Development supports SENATE BILL 23; : "An Act relating to development project financing by the Alaska Industrial Development and Export Authority; relating to the dividends from the Alaska Industrial and Export Authority; authorizing the Alaska Industrial Development and Export Authority to provide financing and issue bonds for a liquefied natural gas production system and natural gas distribution system; and providing for an effective date."

APPROVED THIS 25th OF February 2013

Jason Hok President

ATTEST:

Eric Downey Secretary

2-25-13

Date

2/25/2013

From:	Jeff Alling <jeffa@alcanbuilders.com></jeffa@alcanbuilders.com>
Sent:	Wednesday, February 13, 2013 3:42 PM
To:	Sen.Mike.Dunleavy@akleg.gov
Cc:	Sen.Peter.Micciche@akleg.gov; Sen.Donald.Olson@akleg.gov;
Subject:	Sen.Bert.Stedman@akleg.gov; Sen.Johnny.Ellis@akleg.gov; Brakes, Heather K (GOV) SB 23 Letter of Support

Chairman Dunleavy;

I am writing in support of the Governor's bill (SB 23) to facilitate the trucking of LNG to the Interior.

I have lived, worked and raised my family in Fairbanks over the last 32 years. I have been the owner of a large Commercial General Contracting Company that employees between 10 and 50 people each year.

The high cost of energy is inhibiting economic growth in this fine community for the following reasons.

- 1) What little discretionary income people used to have is currently being paid to heat or provide electricity for their homes. Because of this Interior businesses are feeling the crunch.
- 2) Many people are considering or are in fact moving to the Lower 48 to escape the extremely high energy costs.
- 3) Eielson AFB is potentially on the chopping block due to the high cost of energy. If this move is approved it could affect about 20% of our local economy to say nothing of what it will due to the North Pole community.
- 4) Some large stores who were looking to expand to Fairbanks have unofficially signaled that they will not come to this town until LNG becomes a solid reliable option as a fuel source.

We in the Fairbanks business community recognize the trucking option as a temporary fix to a serious problem. We need the trucking option implemented now. We cannot afford to wait one more year as the pipeline option continues to get kicked down the road.

Please support SB 23

Thank you, Jeff Alling President, Alcan Builders Inc

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Vice-Chair Micciche Senator Olson Senator Stedman Heather Brakes

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Get gas solution now

Lisa Herbert | Posted: Saturday, February 16, 2013 12:00 am

FAIRBANKS — Last week, more than 20 Fairbanks members, directors and staff advocated for the Greater Fairbanks Chamber of Commerce's top priorities in the halls of Juneau and around the capital city during the annual legislative fly-in. The goal — to ensure that Interior and rural Alaska's high cost of energy remains at the forefront of our state legislators' conversations this session.

This past fall, the chamber's board deemed "reducing the high cost of energy" to be its top critical legislative priority for 2013. It's no secret in our community — rising energy costs are crippling the Interior's economic development opportunities and are driving away businesses and residents across the state. Disposable income continues to dwindle more and more each year, as residents struggle to pay staggering prices for space heating and electric needs.

While in Juneau, our group was well-received in just about every legislative office when we talked about the Interior's energy situation. We met with more than 50 legislators and three commissioners.

The conversations were different this year. It was clear to me that gas to Fairbanks is something that is being talked about in all of the offices and halls in Juneau, because, as Fairbanks continues to suffer, the negative impacts are felt statewide.

What can you do about it? Support the governor's energy package and encourage the Legislature to take action this legislative session. The consensus for a near-term, immediate solution has become trucking liquefied natural gas from the North Slope as a bridge to the long-term solution of piped natural gas. Gov. Parnell's proposed energy package will provide relief to Alaska residents and businesses. The bills, House Bill 74 and Senate Bill 23, are a great start to providing gas to the Interior, and the trucking of natural gas from the North Slope is broader than just Fairbanks. As the governor said Tuesday in his presentation to the chamber membership, this energy package would leverage natural gas for smaller communities and other regions of the state, it would create a backbone for economic expansion, it would fit in with a gas pipeline plan and it would be a catalyst for private-sector participation.

How can do we get there? We must continue to have discussions with our elected officials and we must not lose sight of the goal to get the lowest cost gas to as many Fairbanks and Interior residents and businesses as soon as possible — most importantly, this legislative session. The governor stressed during his presentation Tuesday that getting gas to Fairbanks is going to require "persistent, unrelenting effort and community support." Let's make sure we provide that support

by sending letters, testifying before the Legislature and encouraging our friends, families, neighbors, customers and co-workers to be a part of the process.

Other talking points to consider when communicating with our elected officials include:

• Diesel fuel for heating homes and businesses, at \$4 per gallon, equates to approximately \$30 per million Btu.

The target of \$15 per MMBtu for delivered natural gas will effectively, after conversion, cut space heating bills in half — freeing up approximately an additional \$200 million annually to circulate throughout our economy.

• Support for a solution does not require support for a specific entity or contractor to do the work. Support for and insistence on a solution that meets the economic objectives — \$15 per MMBtu gas, available widely throughout the community as quickly as possible and achieved this session — is more important.

• A North Slope project will also generate propane that can be used as part of a solution to the rural energy crisis.

No matter what line of work we are in — whether we are laborers or school teachers, accountants or lawyers, students or stay-at-home moms or dads — we are all feeling the effects of the high energy costs. I encourage and implore the members of our community to get involved and help make a difference. Contact the members of our Interior delegation and make sure that they know they have your support for bringing home energy relief before this session concludes.

While I am the executive director of the Fairbanks chamber, I'm also a mother to three beautiful children. I desire for them to have the opportunity to live the life that many of us had been afforded before staggering energy costs began to cripple our community. I'm not an energy expert, but I know that something has to happen this legislative session, and I am committed to remaining engaged in the discussions.

Lisa Herbert is the executive director of the Greater Fairbanks Chamber of Commerce and was recently named 2013 "Top Forty Under 40" by the Alaska Journal of Commerce. Letters of support for HBI 74 and SB 23 were sent to the governor's office by the chamber's board and energy and government relations committees. They can be viewed online at fairbankschamber.org/boardpositions.



City of Emmonak

P.O. Box 9, Emmonak, Alaska 99581 (907) 949-1227 • (907) 949-1249 • Fax (907) 949-1926 email: emkcity@ GMail.Com

February 22, 2013

The Honorable Bill Stoltze, Co-Chair The Honorable Alan Austerman, Co-Chair Members of the HFIN Committee Alaska State Capitol Juneau, AK 99801-1182

RE: HB74 – LNG Production & Transportation & Port of Emmonak Project

Greetings and Best Regards:

On behalf of the City of Emmonak, I wish to express support for your efforts to address the extreme cost of energy for Alaskan residents. HB74 offers an exciting opportunity to provide abundant natural gas reserves on the North Slope to Interior and rural Alaskans.

Especially of interest to residents in our region is the possibility that transported energy product could be routed by barge down the Yukon River to non-road connected river communities and Bering Sea coastal communities. We very much want to be included in this discussion and offer the following suggestion as you review HB74 and capital budgets this session.

To accommodate the steadily increasing vessel traffic at the Yukon River Delta region, a safe and efficient transshipment port facility is essential. The City of Emmonak has completed design & engineering studies for such a port. *The project is permitted <u>and</u> job ready!*

In 2012 (2nd Session of the 27th Legislature), Governor Parnell included \$10,000,000 for Phase I of the Port of Emmonak project in the original version of the general obligation transportation bill (HB286 - page 2, line 20). The project was designed such that it could be built in phases: Total Project = \$16,000,000 --- Phase 1 - \$10,000,000, Phase II \$6,000,000. The final version of the general obligation bond legislation *did* include the Emmonak Project, unfortunately for \$3,000,000 (Chapter 18, SLA 12, page 2, line 20) leaving the community short \$7,000,000 to complete Phase I.

As the legislature considers energy legislation such as HB74 to provide LNG to Interior Alaska, and coupled with Senate Finance Co-Chairman Meyers suggestion that the legislature consider 'completing projects already undertaken', we respectfully urge members to consider funding this particular port project thereby accomplishing fiscal control, energy distribution through enhanced transportation infrastructure and focusing limited funding on 'job-ready' projects.

Page 2 of 2 - Emmonak Port

Emmonak is the hub for the Lower Yukon region and is the home for the major salmon buying operations on the river. Port improvements are needed for the fishing industry. Fishing is the mainstay for our regional economy. Improvements to port facilities would greatly assist the industry by streamlining operations thereby reducing risk, cost and directly benefiting the local fishing fleet.

Building and civil contractors operating in the Lower Yukon delta region require safe port facilities for material, petroleum and gravel transfers. The current port is woefully inadequate yet this is all we have to offer them. Inefficient and inadequate facilities add risk and risk adds cost to projects.

Funding Phase I results in a win-win for urban and rural Alaska. If LNG and propane products are available along the Dalton Corridor, it's logical to extend that opportunity to downriver and coastal communities. In order to accomplish this vision, a safe and efficient port infrastructure will be essential at the mouth of the river. The Emmonak Port Project fits intricately into that mosaic and Alaskans win! We stand ready to work with you and appreciate all your public service.

Thank you most kindly and please call upon our offices for any additional information.

Sincerely Wilbur Hootch

Mayor of Emmonak & M.B.

Man

Emmonak City Manager

cc: Governor Parnell

Commissioner Pat Kemp, AK DOT Mike Chenault, Speaker of the House, Alaska Legislature Thomas Ostebo, Commander 17th District, USCG Luke Hopkins, Mayor North Star Borough Lisa Herbert, Fairbanks Chamber of Commerce Michael Foster, Design Engineer Lisa Murkowski, US Senate Mark Begich, US Senate Don Young, US House of Representatives