

them the language skills they will need to succeed in later life.

All three of these educators are a credit to the Navarro Independent School District. Teachers like them make our communities stronger and ensure a brighter future for our children. I am proud to have the chance to honor them here today.

HONORING COLLEEN CONWAY AS A ST. PAUL AREA ATHENA AWARD WINNER FOR 2005

HON. MARK R. KENNEDY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 28, 2005

Mr. KENNEDY of Minnesota. Mr. Speaker, I rise today to honor Colleen Conway, of Woodbury, Minnesota, as a St. Paul Area Athena Award winner for 2005. She is one of 33 female athletes to receive this award, which stands for character, longevity and durability. It is given for outstanding athletic achievement.

Colleen is a three-sport standout at Hill-Murray, a Catholic school she has attended since 7th grade. She plays soccer, hockey and softball, earning 14 varsity letters in total. She was an all-state shortstop as a junior softball player, has been named all-conference twice in softball and led the hockey team in scoring this past year. In soccer, she has played every position and once even played them all in the same game. She has earned a softball scholarship to the University of Minnesota for the fall.

A typical summer day would find her playing all three sports, morning until night. Even with all this activity, she maintains a 3.8 grade point average in school. In her spare time, she also helps out at her family-owned bakery in Woodbury.

Mr. Speaker, it is my honor to represent such a motivated and talented young woman. I join with her family, teachers, coaches and teammates in celebrating Colleen's outstanding accomplishments.

IN HONOR OF LA RED HEALTH CENTER

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 28, 2005

Mr. CASTLE. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to the La Red Health Center, located in Georgetown, Delaware. La Red is an important and effective health care provider for the residents of Sussex County. The center provides bilingual high-quality and cost-effective primary and preventive medical care to over 5,000 Sussex County residents who are uninsured, underinsured or face other barriers to medical care. La Red's importance is highlighted by the fact that the United States Census Bureau finds Sussex County to possess the fastest growing Latino and African American populations in Delaware. With such growth, there are limited medical resources to meet the unique needs of these populations. For this reason, La Red's recent attainment of federally qualified

health center status by the U.S. Department of Health and Human Services is so important and exciting.

The center will receive \$650,000 in federal funding each year for the next three years. La Red will also receive \$200,000 a year for the next three years through the Rural Health Outreach Program, to support La Red's Prenatal Program. La Red has faced many hurdles on the path to receiving this distinction, facing challenges to secure funding and reach out to underserved populations.

In addition to the Congressional Delegation of Delaware, the staff at La Red deserve our highest praise. Over the past few years, they have managed to improve and expand services, while simultaneously reaching out to the Sussex community. By qualifying for health center status, La Red will continue to improve its services with such federal privileges as: the 340 B Federal Discount Drug program, which allows La Red to get discount rates on prescription drugs; applying for federal tort claims, which provides insurance to the center; and receiving federally funded technical assistance.

This is a very exciting time for La Red, but even more so for the growing number of patients in Sussex County—they have a reliable and quality health center they can turn to in times of need.

HONORING THE ECLC SCHOOL OF NEW JERSEY

HON. RODNEY P. FRELINGHUYSEN
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Thursday, April 28, 2005

Mr. FRELINGHUYSEN. Mr. Speaker, I rise today to honor the ECLC School of New Jersey, in the Borough of Chatham, in Morris County, a vibrant community I am proud to represent! On May 5, 2005, the ECLC School is celebrating its Thirty-Fifth Anniversary.

For 35 years, the ECLC has been an accredited nonprofit school, providing special education for children. The children have severe learning and/or language disabilities, autism, or multiple disabilities. Students go to the ECLC School when their local public school determines that an out of district placement is needed. The school also serves an additional 110 young adults with Community Personnel Services (CPS), their supported employment program.

The ECLC School's mission is to help each child develop socially, emotionally, academically and physically. The program integrates academics with speech, language, physical and occupational therapies, counseling, social skills development, vocational preparation, activities of daily living and real job experiences. The goal is to prepare their students to face the world of work and to prepare them to integrate into the communities in which they live.

At the ECLC School, administrators, teachers and parents believe that maintaining student individuality is paramount to success. Because children's needs are always changing, the program is designed with flexibility in mind. Students work at their own pace, using a variety of creative and motivating materials. Students are measured by their own successes, of which there are many!

Mr. Speaker, I urge you and my colleagues to join me in congratulating the members of

the ECLC School of NJ on the celebration of its thirty-five years serving Morris County and Central New Jersey! And special praise is due to their dedicated administration, wonderful teachers, support staff, volunteers and active parents who work tirelessly on behalf of the disabled community.

CELEBRATING EL DIA DE LOS NIÑOS

HON. HENRY CUELLAR

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 28, 2005

Mr. CUELLAR. Mr. Speaker, I rise in recognition of El Dia De Los Niños. This event, held in Laredo every year on April 30, celebrates our children, the architects of our nation's future.

El Dia De Los Niños celebrates family values, and encourages children to develop the skills and habits that will help them in later life. This holiday is celebrated in over 75 cities throughout the United States and Latin America. The Laredo celebration has grown explosively, from a few hundred in 1999 to 14,000 adults and children in 2004.

This year's celebration will be organized by Mary Capello and the Texas Migrant Council, and will include an essay contest which asks: "How is honoring books the key to my future?" In addition, El Dia De Los Niños in Laredo will include workshops in book appreciation, classical music, and art, to help spark the imaginations of the city's children and to inspire them to explore their potential.

I encourage you to join me in celebrating all of our children on this April 30th. Our children genuinely are the architects of our future, and we should all work together to do what we can do to support strong families, better education, and a brighter future for the next generation.

HONORING DR. JOYCE GIFFORD, RHODE ISLAND SMALL BUSINESS PERSON OF THE YEAR

HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 28, 2005

Mr. LANGEVIN. Mr. Speaker, today I rise to congratulate Dr. Joyce Gifford, a veterinarian from Cumberland, RI, who was recently named 2005 Rhode Island Small Business Person of the Year by the Small Business Administration (SBA). Dr. Gifford is the owner of Abbot Valley Veterinary Center, a successful practice that employs a number of Rhode Islanders and provides extraordinary care for family pets.

Dr. Gifford possessed remarkable professional qualifications, having graduating at the top of her class from the Tufts University School of Veterinary Medicine and worked in some of the nation's most renowned veterinary hospitals. Dr. Gifford had always dreamed of starting her own veterinary practice, but her aspirations were put on hold when she had trouble securing the initial financing. Seeking advice, Dr. Gifford turned to the SBA and SCORE for assistance. These agencies helped Dr. Gifford improve her business plan and provided the loan assistance

she needed to open her own veterinary center in 1995.

The Abbot Valley Veterinary Center quickly garnered widespread popularity. Dr. Gifford earned a reputation as a compassionate, dedicated, and experienced professional. Today her business has grown to serve more than 2,000 patients.

As her business began to take off, Dr. Gifford was diagnosed with cancer. Drawing on the courage and resolve that had come to define her professional career, and with the help of family, friends, and clients, Dr. Gifford successfully overcame the disease and today is cancer-free.

Over the years, Dr. Gifford has made many significant technological additions to her business to better serve her patients, and her clientele and staff continue to grow. In addition to being an accomplished entrepreneur, Dr. Gifford is also a philanthropist, and she supports a variety of local animal shelters and community organizations, such as the Cumberland Boys and Girls Club.

Dr. Gifford embodies the professional and personal character necessary to operate a successful business, and she now joins the list of distinguished Rhode Islanders who have been named Small Business Person of the Year.

I congratulate Dr. Gifford for her successful practice and dedication to her community. Small businesses are key to economic growth in my home state, and I wish Dr. Gifford and the 32,000 other small business owners in Rhode Island great success in the future.

INTRODUCTION OF QUALITY BANK VALUATION ACT

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 28, 2005

Mr. YOUNG of Alaska. Mr. Speaker, I rise today to introduce legislation to eliminate endless litigation—and the associated economic hazard to Alaska—over the valuation of oil that is shipped through the Trans-Alaska Oil Pipeline System, TAPS.

The current litigation over this issue concerns valuations used in connection with the “TAPS Quality Bank,” which shippers make payments into or receive payments from depending on the quality of the crude oil they inject into the pipeline. This litigation has been ongoing since 1989, and there is no end in sight. Unfortunately, the incentive of parties to litigate is compounded because the Federal Energy Regulatory Commission, FERC, apparently has authority in these cases to impose changes in oil valuations on a retroactive basis.

My bill provides that, after December 31, 2005, the FERC will no longer have authority to apply changes to Quality Bank valuations on a retroactive basis. In other words, if FERC makes changes in the method by which oil shipped through the pipeline is valued, they must do so only on a prospective basis. This will impose a strong incentive for parties to the existing litigation to settle before the end of this year, and ensure, with respect to any future changes to valuations, that no TAPS shipper is exposed to the kind of retroactive liability that could accrue in the existing dispute.

Since its opening in June 1977, the Trans-Alaska Pipeline System, TAPS, has carried crude oil from Alaska's North Slope to Valdez where the oil is shipped to market. The pipeline carries crude oil from various sources and of varying quality. The oil is injected into the line before the pipeline's Pump Station One near Deadhorse, Alaska and commingled as the blended stream of oil travels south to Valdez. The TAPS Quality Bank was established to compensate producers of higher quality crude oil for the difference in the value of the crude injected at the North Slope and that of the lower-quality commingled stream received in Valdez, since each shipper receives a quantity of the blended stream in Valdez equivalent to the amount it injected into the line.

Companies injecting low-quality crude oil into the Quality Bank, while companies injecting high quality crude receive a payment from the Quality Bank. In addition, between the North Slope and Valdez, two refineries, Flint Hills and Petro Star, withdraw a portion of the common stream from TAPS, partially refine the crude oil into products such as gasoline, diesel and jet fuel, and reinject into TAPS the other components of crude left over after their refinery processes. Each fuel extracted from the crude is called a “cut.” To compensate other shippers for the lower relative value of the oil the refineries return to TAPS, refiners also pay into the Quality Bank. The objective of the Quality Bank is to make monetary adjustments so that each shipper is in the same economic position it would enjoy if it received the same oil in Valdez that it delivered to TAPS on the state's North Slope.

The methodology used to determine Quality Bank payments has been a subject of controversy since the Quality Bank's creation. The problem arises because there is no independent market for the crude injected on the North Slope and thus no way to objectively determine its value. The methodology is set by the Federal Energy Regulatory Commission. Since the early 1980s, FERC-approved methodologies have been challenged in court and revised multiple times. In 1993, the majority of North Slope shippers proposed and FERC approved a settlement calling for the use of a “distillation” methodology, which would value crude oil based on the market price of various cuts created when the components are separated based on different boiling points—the distillation process. This methodology replaced the former “gravity” methodology where oil was valued based on its relative gravity.

Since 1993, disputes have focused largely on the valuation of cuts at the highest boiling points—the “Heavy Distillate” cut that evaporates at temperatures between 450 and 650 degrees F. And the “Resid” (residual) cut, which includes the portion remaining after distillation of all other cuts at boiling points up to 1050 degrees F. Two additional cuts are also at issue, the VGO and Naphtha cuts.

In 1997, responding to a DC Circuit Court of Appeals ruling, FERC approved a settlement with a revised valuation methodology for Distillate and Resid. Under the FERC order, the new valuation methodologies were to be applied on a prospective basis only. Later, the DC Circuit in 1999 told FERC to revise some particular details of the Resid valuation and also held that FERC had “failed to provide an adequate explanation” as to why the new methodology should not be made retroactive to 1993.

Responding to the ruling, the Administrative Law Judge, who in 1997 had decided that all changes should only apply prospectively, reversed his position and released a decision in August 2004 calling for changes in the Resid and Heavy Distillate cuts to be applied retroactively, in the case of Resid to as far back as 1993. In addition, the administrative law judge decided to apply new valuations for VGO and Naphtha, prospectively. Currently, the judge's decision is awaiting a final decision by the FERC on whether to impose the Initial Decision or alter it.

There are clearly major public policy implications resulting from this Quality Bank issue. While the bank is a “zero sum” game as far as money paid in and out of the bank is concerned, the impacts on the parties and thus on the citizens of Alaska are anything but equal.

For decades Alaskans suffered from the effects of having to import all refined fuel products into the state from West Coast refineries. Besides higher prices caused by transportation, that left the state wholly dependent on fuel supplies that needed to travel at least 2,000 miles on average to reach Alaska consumers—sometimes through bad weather and difficult sea conditions. With the construction of in-state refineries, Alaskans finally saw greater security of supply, less dependence upon weather for shipment arrivals, and the possibility of lower fuel prices because of potentially reduced transportation costs. The greater dependability of fuel supplies improved aviation freight shipments at the Anchorage and Fairbanks international airports, helping create jobs in air freight and related industries.

The recent decision of the FERC Administrative Law Judge to apply new Quality Bank methodology assessments retroactively, however, places the economics of in-state refineries at risk. That in turn not only impacts the job security for the roughly 400 Alaskans who work at the refineries, but also threatens the state's energy and economic security.

The problem is that both of the refineries must make long- and short-term business decisions based on crude costs when they process crude oil into product. Refineries optimize their production slates based on current market realities. It is difficult for them to operate, given low profit margins, if oil values can change years later as a result of Quality Bank decisions. They simply have no way to make rational business decisions when the cost of their products can be determined retroactively long after they can protect themselves for perceived mistakes in FERC-approved valuation methodologies. This certainly threatens the ability of the refineries to attract capital, money needed for them to modernize and meet new ultra-low sulfur diesel “clean fuel” requirements soon to go into effect.

My Delegation last fall in report language added to the federal budget expressed its concern with the equity of long retroactive Quality Bank valuation adjustments. Last autumn we urged FERC to look carefully at the justice of the Initial Decision of the Administrative Law Judge in this case and we encouraged all of the eight parties—including the State of Alaska—to reach an out-of-court settlement of the 1993 case to bring finality to this complex case before it harms in-state refinery capabilities. We wanted to avoid a legislative solution to this purely Alaskan case. We renewed our pleas for action in a letter sent to FERC on April 5th.