

Canada – United States
Inter-Parliamentary Group
Canadian Section



Groupe interparlementaire
Canada – États-Unis
Section canadienne

Report of the Canada–United States Inter-Parliamentary Group

Western Governors' Association Annual Meeting

Boulder, Colorado, United States of America

From June 26 to 28, 2023

Report

DELEGATION

From 26-28 June 2023, the Canadian Section of the Canada–United States Inter-Parliamentary Group (IPG) was represented at the 2023 summer meeting of the Western Governors' Association (WGA) by MP Chandra Arya.

The meeting was held in Boulder, Colorado.

THE EVENT

The Western Governors' Association (WGA) includes the governors from 19 states in the Western United States, as well as from American Samoa, Guam and the Northern Mariana Islands. The Canadian premiers from British Columbia, Alberta, Saskatchewan and Manitoba also participate in the WGA's activities.

The WGA uses six basic strategies to achieve its goals:

- Develop and communicate regional policy.
- Serve as a leadership forum.
- Build regional capacity.
- Conduct research and disseminate findings.
- Form coalitions and partnerships in order to advance regional interests.
- Build public understanding and support for regional issues and policy positions.

The WGA holds a meeting each winter and summer. The June 2023 meeting was chaired by Colorado Governor Jared Polis. Other Governors who attended include Idaho Governor Brad Little Nevada Governor Joe Lombardo Hawaii Governor Josh Green Wyoming Governor Mark Gordon New Mexico Governor Michelle Lujan Grisham.

Governor Jared Polis chose Geothermal Energy aptly titled The Heat Beneath Our Feet with focus on barriers and how to deploy as his focus as WGA Chair. Other areas of interest to him include Rural Health Care Access, Water issues with focus on scarce water resources and potential economic opportunities in outdoor recreation.

DELEGATION OBJECTIVES FOR THE EVENT

The Canada–United States IPG aims to find points of convergence in respective national policies, to initiate dialogue on points of divergence, to encourage the exchange of information, and to promote better understanding among legislators on shared issues of concern. In addition to regular meetings with their federal counterparts, members of the Canadian Section of the IPG have attended national and regional meetings of governors in recent years.

At these events, Canadian delegates engage in conversations that help to achieve the Canadian Section's objectives, and to communicate various aspects of the bilateral relationship.

ACTIVITIES DURING THE EVENT

The WGA held the following keynote address, conversations and roundtable discussions during the 2023 summer meeting:

- Honorable Michael Regan, Administrator, Environmental Protection Agency (Keynote and conversation)
- Ashley Llorens, VP and Distinguished Scientist, Microsoft (Keynote and conversation)
- The Heat Beneath Our Feet (Roundtable)
- Rural Health Care Access (Roundtable)
- Jenny Johnson, President and CEO, Franklin Templeton (Conversation)
- Grassland for Growth and Greenspace (Roundtable)
- Kirsten Lynch, CEO, Vail Resorts (Keynote and conversation)
- Resilient Outdoor Recreation Economies (Roundtable)
- Water Data (Roundtable)
- AmeriCorps (Roundtable)
- Western Governors' Leadership Institute (Roundtable)

This report summarizes selected keynote addresses and roundtable discussions that took place during the meeting.

KEYNOTE ADDRESS

A. Keynote and Conversation with the Honorable Michael Regan, Administrator of the EPA

Hon. Regan spoke on the following points.

- Watershed moment for environment protection
- Treatment of water
- Importance of necessary state level partnership and collaboration
- Importance of striving to reach consensus.
- States are eyes and ears on the ground and importance of need of states' support.
- EPA's \$50 billion federal investment in water and related areas
- Inflation Reduction Act's \$40 billion new and existing programs related to environment.
- Emphasized EPA has resources and focuses building on partnerships.
- No one size fits all and each state is different on its needs and resources.
- Need to stop methane leaks.
- Promoting carbon capture technology.
- Clean school bus program - \$5 billion federal investment for electrifying school buses.

While answering questions from the Governors, Mr. Regan touched on:

- Not Compliance for compliance's sake but need for collaboration in achieving results.
- Agreed there are some issues with bureaucracy.

- Need to simplify and reduce bureaucratic process.
- Not conceding authority but work with state authorities on how dollars are administered.
- Lessons from Japan Fukushima accident and exporting cleanup energy technologies and the need to maintain global competitive edge.
- Open to all legislative possibilities with EPA offering technical support for any initiative.
- Innovative EPA regulations and not to codify technologies.
- Tough issues include protecting the public, understanding numerous technologies, drinking water standard, setting land cleanup levels.
- Cooperative federalism and the need for gubernatorial level interaction and understanding each state need is different.
- On plastics, providing guidelines, designing framework and understanding market has solutions.

B. Keynote and conversation with Ashley Llorens, VP and Distinguished Scientist, Microsoft

Mr. Ashley spoke on advancing science & technology to benefit humanity.

He explained how technology drives GDP growth and how the pace of change is accelerating. The technologies from printing press few hundred years back which provided GDP multiplier of 1x to 2x over several centuries. Advent of steam engines, telegraph, electrification, mass steel production, assembly lines, internal combustion engines all these led to GDP multiplier of about 4x between 1800 and 1900.

Flight, synthetic fertilizer, transistors, PCs, internet, smartphone provided GDP multiplier of about 20x between 1900 and 2000.

Now there is AI.

With pre-trained, large language models using multiple inputs and creating multiple outputs have already started providing intelligent solutions which would typically require huge number of expert manpower and considerable amount of time.

Mr. Ashley mentioned Microsoft's AI principles of Fairness, Reliability & Safety, Privacy & Security, Inclusiveness, Transparency and Accountability.

On governing AI, a blueprint for the future includes:

1. Implement an build upon new government-led AI safety framework.
2. Require safety brakes AI systems that control critical infrastructure
3. Develop a broad legal and regulatory framework based on technology architecture for AI
4. Promote transparency and ensure academic and nonprofit access to AI
5. Pursue new public-private partnerships to use AI as an effective tool to address societal challenges that come with the technology.

C. Conversation with Jenny Johnson, President and CEO of Franklin Templeton

Ms. Johnson is the President and CEO of Franklin Templeton, a \$1.4 trillion global asset manager, whose mission is to help people all over the world achieve the most important financial milestones of their lives.

She offered her views on private markets and how providing access to this asset class for individual investors may allow them the same opportunity to generate and build wealth as institutions like private equity and high net worth individuals.

She also shared her views on digital assets and blockchain (beyond crypto currencies) as part of the investable universe.

Some points noted:

- Geopolitics is creating new economic risks.
- Greater access to economic opportunity for all is required.
- States can leverage local strength for economic development.
- Technological advancement provide economic access to underserved people - flexible work, 3D printing.
- Shortage of talent and need to modernize vocational education.
- Innovation brings opportunities.
- Federal government accounts for only 25% infrastructure spending. US ranked 13th worldwide on infrastructure quality.
- \$1 investment in infrastructure generates \$3 in economic activity.
- Mobilizing public private partnership essential for infrastructure.
- Collaboration and dialogue with all stakeholders required for states to succeed.
- Companies are going public (IPO) only later in business cycle. Hence retail investors miss the investment growth opportunities which is limited to institutions like private equity which enjoy great returns.
- Looking beyond cryptocurrencies Blockchain technologies offers investment opportunities. Bitcoin is the greatest distraction for understanding the potential for Blockchain. If innovation is not done in the US and support not provided to technological growth here in the US, it will happen elsewhere in the world and US will be left behind.

D. Keynote and Conversation with Kirsten Lynch, CEO of Vail Resorts

Vail Resorts has a long history in the ski industry, beginning with the opening of Vail Mountain in 1962. Today, the publicly-traded company is the leading global mountain resort operator with 37 resorts in 15 states and three countries. Kirsten Lynch, joined the company in 2011 and helped shape the Epic Pass as chief marketing officer before being appointed CEO in 2021.

Ms. Lynch talked about her company and its operations. She also spoke about the US Ski industry and its impact.

- Over 450 Ski resorts in the US
- More than 500,000 industry jobs in the US
- Over \$800 million capital invested in 2022-23 in the US
- 64.7 million US Skier visits in 2022-23

ROUNDTABLE

A. Roundtable I: The Heat Beneath Our Feet

- David Turk, Deputy Secretary of Energy
- Claudio Berti, Director and State Geologist, Idaho Geological Survey
- Sarah Jewett, VP of Strategy, Fervo Energy.

Mr. Turk said with the aim of all governments aiming for net zero, clean zero carbon geothermal energy source is least leveraged. Though the US had its first geothermal power plant 1906, there has been little progress so far. From installed capacity of 1GW in 1980 today it is 3.7 GW which is still very low. US has 25% of world's installed geothermal energy capacity. The US has the potential/reserve of 5000 GW.

He spoke on how to realize the potential and the strategies required including:

- Goal setting and roadmap. The goal of generating 90 GW by 2035. Though it appears to be modest compared to the potential of 5000 GW, it is a realistic (and ambitious) compared to just 3.7 GW current installed capacity.
- Cost share programs and grants to states.
- Tax incentives which would last for decades.
- Building transmission. Currently it is just 1% increase in capacity per year which needs to go up to at least 3% per year.
- Clear cut programs.

Mr. Berti spoke on challenges and opportunities for western states of this phenomenal clean energy source which is available 24/7.

He mentioned western USA has vast geothermal potential with distributed shear associated with San Andrea fault and plate boundary motions. While there is abundant heat, permeability is limiting factor. Most geothermal resources are hidden beneath surface. EGS or unconventional geothermal resources offer great promise.

Mr. Berti emphasized that systematic data collection, workflow/modelling are critical for development of this sector.

The current installed capacity of 3700 MW, with 1 MW powering 750 to 1000 homes or about 3000 people, shows more needs to be done to scaleup installed capacity.

He touched on a project INGENIOUS - Innovative Geothermal Exploration through Novel Investigations Of Undiscovered Systems whose goal is to accelerate discoveries of new, commercially viable hidden geothermal systems in Great Basin region.

He talked about future initiatives – federal and state partnerships. Proposed national geothermal data acquisition program and a national geothermal academy for workforce training.

Ms Jewett spoke about the shifts in energy markets – affordability, reliability and sustainability that create strong tailwinds for geothermal development. She mentioned geothermal can unlock full grid decarbonization.

She explained how traditional geothermal development works which has been limited to a small set of geographies with specific subsurface conditions, leading to a small resource

pool. She elaborated on her company's next generation technology that massively expands geothermal's potential. It relies on many of the same technologies that enabled North American shale revolution including: horizontal drilling, multistage complications and distributed fiber optics.

All of them talked about:

- States have different mandates including cost mandates and the need for alignments of mandates is required.
- Data collection is needed. Data preserving and in a format that industry can use.
- Support the awareness thru campaign to educate public.
- Policies should not be top down. Federal partnership with states and private sector should be - intensive, enduring and complementary as each are good at different things.
- Financial modelling and amortization upfront incentives required due to huge upfront cost/investment - all for reducing cost of capital.

B. Roundtable II: Rural Health Care Access

- Brock Slabach, Chief Operations Officer, National Rural Health Association
- Gerald Ackerman, Director, Nevada Office of Rural Health and Assistant Dean of Rural Health, University of Nevada School of Medicine
- Jenny Niblock, Chief Clinical Officer, Citizens Health.

Many rural and underserved communities across the West lack access to critical health care infrastructure and services, making them more susceptible to poor health and mortality. The panel touched on approaches to providing care in these communities and ensuring the health and wellbeing of all Americans.

Some of the points made include:

- 80% landmass is rural and 18 to 20% population
- Low population leads to higher unit healthcare costs and per capita costs makes it challenging
- Hospitals, nursing homes, pharmacies are closing in rural areas
- Challenges in staffing and workforce
- Complex environment
- Medicare 100% payments are value based which is a problem for rural healthcare. Example is maternity care is low volume but high-cost care
- No speciality medical services available in rural areas
- Fighting with insurance when having to go across state lines to get treatment
- Many programs bypass rural healthcare system
- Telemedicine difficult to provide - both an urban and rural issue due to workload issues
- Public health - pandemic taught - all healthcare is local
- Most rural hospitals are local economic drivers
- Some big rural hospitals support smaller hospitals
- Success is being achieved through partnership

- Problem with paying to those who teach medicine
- Broadband issue is critical and needs fixing
- Cybersecurity is also an issue with lack of financial power and expertise
- Nursing shortage is because lack of faculty
- Workforce is a huge issue
- Policies required (federal): Paying for financial sustainability. Making sure access to speciality care. Increase in grants. Focus has to be on internal medicine. Family medicine needs growth.

C. Roundtable III: Grassland for Growth and Greenspace

- Robert Bonnie, Under Secretary for Farm Production and Conservation, U.S. Department of Agriculture
- Blayne Arthur, Secretary, Oklahoma Department of Agriculture
- James Cummins, President, Boone and Crockett Club

This panel discussed the importance of protecting and restoring grassland ecosystems, the benefits of maintaining native seed stocks, and opportunities to strengthen grassland conservation in the upcoming 2023 Farm Bill.

D. Roundtable IV: Resilient Outdoor Recreation Economies

- Barbara Bynum, Mayor, City of Montrose
- Tim Fry, President and CEO, Mountain Racing Products
- Elizabeth Sodja, GNAR Coordinator, Utah State University

Panelists discussed how communities in the West are harnessing the outdoor recreation industry to bolster and diversity local economies.

E. Roundtable V: Water Data

- Richard Spinrad, Under Secretary of Commerce for Oceans and Atmosphere and Administrator, National Oceanic and Atmospheric Administration
- Everette Joseph, Director, National Center for Atmospheric Research
- Yvonne Stone, California Energy, Environment, and Governance Practice Leader, Deloitte

Accurate, real-time water data is an essential tool for water managers to navigate drought in the West. Boulder, Colorado, has become a hotspot for programs focused on improving weather forecasting, water data collection, and dissemination of this critical information throughout the nation.

Panelists discussed how this work is benefiting western states and opportunities for further advancements.

Some of the points discussed include:

- New drought & public health roadmap that provides key opportunities for advancing preparedness
- Technology transformation for decision making

- Water rights is operating as 19th century statute, 20th century infrastructure and 21st century water needs
- Advances in technology are enabling a broad transformation in the way water data is collected, analyzed, integrated and used in decision-making
- Water decision-making loop includes:
 - Analysis - occupational analytics and machine learning
 - Policy decisions – flexibility and integration
 - Outcomes – real time telemetry
 - Data – new data source, business rules and validation

F. Roundtable VI: AmeriCorps

- Michael Smith, CEO of AmeriCorps
- John Kelly, Executive Director of Serve Colorado
- Narya Jacobson, Mile High Youth Corps member

Mr. Smith explained what AmeriCorps is. It is a small independent federal agency 30 years ago with a budget of \$1 billion a year.

Today AmeriCorps is serving in about 40,000 locations. The services it provides is a like Swiss knife where local communities decide what is required whether it is disaster management or public education or things related to environment or health related.

There are about 200,000 individuals currently serving making a difference in communities across the US. During pandemic AmeriCorps served 12.5 million individuals during pandemic.

Mr. Smith suggested there are several ways states can help AmeriCorps

- Reduce barriers to service
- Building pipeline for service lead into jobs
- Recognition and awareness
- Making service as part of meaningful agenda

Mr. Kelly explained how AmeriCorps is growing in Colorado and surpassing the goals they have set.

Ms. Jacobson provided her background and explained how AmeriCorps helped her to become wildland firefighter.

G. Roundtable VII: Western Governors' Leadership Institute

- Julie Thomas, Confederated Tribes of Warm Springs (Wasco)
- Brock Brown, South Dakota
- Sofia Takhtadjian, Nevada
- Cameron Deptula, Hawaii

The leadership forum of the Western Governors' Foundation is being conducted in conjunction with the 2023 WGA Annual Meeting.

This panel featured a conversation between select delegates and the Governors regarding the future of leadership in the West.

Delegates explained how and why joined and their experience. They also touched upon the issues that are affecting young Americans and also on issues that are important to them.

BREAKOUT DISCUSSIONS

A. The Heat Beneath Our Feet

Governor Polis led a breakout discussion with private sector companies involved in geothermal industry. Some of the points mentioned by industry representatives include:

- Need for updated maps
- Need for data collection and sharing
- With all sectors decarbonizing, demand for electrification is growing multifold and geothermal energy is emerging as an option.
- States should and can do include clear regulation and provide tax credits.
- Surface impact - solar and windmills have bigger surface area requirement and geothermal lowest
- Oil and gas fields can coexist with geothermal sources
- US Department of Energy is planning net zero commercial zones and there geothermal energy is being considered as a top option
- Subsurface is a factor/constraint
- Geothermal resources (rigs for drilling) are very much in demand now
- Commission approved utility companies backing is required for companies to make the investment for projects like a 250 MW plant

Respectfully submitted,

Hon. Michael L. MacDonald,
Senator
Co-Chair
Canada-United States Inter-
Parliamentary Group

Hon. John McKay, P.C., M.P.,
Co-Chair
Canada-United States Inter-
Parliamentary Group

Travel Costs

ASSOCIATION Canada-United States Inter-Parliamentary Group
ACTIVITY Western Governors' Association Annual Meeting
DESTINATION Boulder, Colorado, United States of America
DATES June 26 to 28, 2023

DELEGATION

SENATE

HOUSE OF COMMONS Chandra Arya, M.P.

STAFF

TRANSPORTATION	\$2,154.35
ACCOMMODATION	\$1,828.91
HOSPITALITY	\$0.00
PER DIEMS	\$409.74
MISCELLANEOUS	\$1,910.41
TOTAL	\$6,303.41