

Report of the Canadian Parliamentary Delegation to the 32nd Conference of New England Governors and Eastern Canadian Premiers

Canada-United States Inter-Parliamentary Group

Bar Harbor, Maine, United States of America September 15-17, 2008

Report

From September 15-17, 2008, the Honourable Janis G. Johnson, Senator, Vice-Chair of the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG) and the Honourable Terry M. Mercer, Senator, represented the IPG at the 32nd Conference of the New England Governors and Eastern Canadian Premiers (NEG-ECP) held in Bar Harbor, Maine.

The interaction with governors enabled members of the IPG to better achieve the aim of finding points of convergence in respective national policies, initiating dialogue on points of divergence, encouraging exchanges of information and promoting better understanding on shared issues of concern. Moreover, the meeting provided the members of the IPG with an important means to provide input to, and gather information about, state-level issues that affect Canada. This report summarizes the major points made during the conference.

The Conference focused on transportation solutions for the 21st century; regional economic competitiveness and the innovation economy; as well as on regional approaches to energy policy; the electricity system; and energy initiatives.

Governors and Premiers were present at the all-day roundtable sessions and heard presentations from experts in the given fields. Presenters and delegates came from Britain, New England and the Eastern Canadian provinces. Guests from other states and provinces included business people involved in the transportation, energy and environmental sectors.

In discussing transportation issues, the effect of transportation on air quality was a topic of conversation, including the need for emission reduction, especially regarding trucks. This is a major concern of the governors along with roads and the development of inland ports. Climate action plans, green house gas emissions, the Quebec "Continental Gateway Initiative" and applying "California standards" were also key topics of discussion.

A member of the regional innovation economy panel elaborated on cluster programs (linked computers form a single computer), which are connected through local area networks. The ocean technology cluster model was suggested as a good example. It was noted that each state and province needs to decide what is important in cluster activity. Clustering can provide significant performance benefits and reduce costs while playing a role in regional collaboration. A good example is the folding clone project, a very large grid, analyzing data used by researchers to find cures for disease.

InNOVAcorp's presentation on "Innovative Industries" led to a discussion of the "new: workplace and Premier Charest spoke forcefully about women in the labor market". There will be an acute shortage of workers in the next decade. Indeed, a recent Sachs study pointed to the need to keep women in the labor force on a full-time basis by providing more attention to their needs, for instance more assistance for child care.

The primary focus of the energy portion of the conference was on the importance of a shared energy future and working together regionally. Energy efficiency, renewables,

natural gas and petroleum products were addressed. All the participants agreed that new markets were needed and Maine has to find new hydropower. "Climate change is global, said one Governor but "solutions are local". Windpower, for instance, is being developed in Quebec (Gaspé), Newfoundland and Labrador (St. Lawrence). It is also gaining a foothold in Nova Scotia, where wind farms are in service, and in New Brunswick, which has a proposal to convert. Nuclear power was also discussed.

In closing, conference Chair, Governor Baldacci, summarized the session and described what was needed next. He said,

- 1. We will work together as a New England group and reach out to the provinces to put "meat on the bones".
- 2. There are overall benefits in the relationship between us regarding energy.
- 3. The New England governors will analyze the material from the conference and review what next, e.g. own wind energy. We need a plan for this. Promises are ahead.

Premier Charest responded that what the conference demonstrated to him is that there is "an alignment of the planets". The capacity is being developed for the first time ever in Quebec to export clean, renewable energy. One obstacle to that, he pointed out, is that many states exclude large scale hydro from their list of renewable resources. This in turn prevents the development of long term contracts. Redefining large scale hydro as a renewable resource will go a long way toward removing that obstacle. But if the supply is not there, what do you do? And what do you do regarding the global slowdown? The cost of transmission and energy today will be market driven but we have come far from the days when fossil fuels ruled the world.

Premier Graham closed the Conference agreeing that cooperation between the Northeastern States and Eastern provinces is positive for all and we can work together to build our energy future.

In the press conference that followed, attention focused on energy transmission (locally generated and the availability for purchase from the provinces by the states) the Western Climate Initiative and the Western Hemisphere Travel Initiative.

Premier Graham pointed out that security of energy was issue number one. The missing link was transmission capacity, though he was encouraged that operators are beginning to address this. Getting the pricing right, so that the purchase of excess capacity makes economic sense, was also an issue.

Regarding the Western Climate Initiative, most premiers and governors admitted that they are committed to the California Standard (on emissions), but that for it to be effective, everyone would have to participate. Indeed, that is a condition for joining. In the United States, it was pointed out, one obstacle to the California Standard is the Federal Environmental Protection Agency, which won't provide the waiver necessary for full implementation of the updated standards.

The Western Hemisphere Travel Initiative seemed troublesome to all participants, with most cautiously hoping for, though not banking on, a change of tack by the incoming

administration. Most agreed, however, that some form of enhanced driver's license was worth considering as one way to address the concerns of the current US administration.

Additional information on the Resolutions can be found at: http://www.negc.org/index3.htm

Respectfully submitted,

Hon. Jerahmiel Grafstein, Senator Co-Chair, Canada-United States Inter-Parliamentary Group Dean Del Mastro, M.P. Acting Co-Chair, Canada-United States Inter-Parliamentary Group

TRAVEL COSTS

ASSOCIATION	Canada-United States Inter-Parliamentary Group
ACTIVITY	32nd Conference of New England Governors and Eastern Canadian Premiers
DESTINATION	Bar Harbor, Maine, United States of America
DATES	September 15-17, 2008
DELEGATION	
SENATE	Hon. Janis G. Johnson, Senator Hon. Terry M. Mercer, Senator
HOUSE OF COMMONS	Ø
STAFF	Ø
TRANSPORTATION	\$2,608.95
ACCOMMODATION	\$702.08
HOSPITALITY	\$ Ø
PER DIEMS	\$393.35
OFFICIAL GIFTS	\$ Ø
MISCELLANEOUS/REGISTRATION FEES	\$Ø
TOTAL	\$3,704.38