

Canada - United States
Inter-Parliamentary Group
Canadian Section



Groupe interparlementaire
Canada - États-Unis
Section canadienne

**Report of the Canadian Parliamentary Delegation
to the National Governors' Association:
2008 Annual Meeting**

Canada-United States Inter-Parliamentary Group

**Philadelphia, Pennsylvania, United States of America
July 11 - 14, 2008**

Report

INTRODUCTION

From 11-14 July 2008, Senator Jerry Grafstein and Mr. Dean Del Mastro, M.P. represented the Canadian section of the Canada-United States Inter-Parliamentary Group at the Annual Meeting of the National Governors' Association in Philadelphia, Pennsylvania. The meeting marked the 100th anniversary of the association.

In 1908, President Theodore Roosevelt hosted the first meeting of the nation's governors at the White House to discuss conserving America's natural resources. Following that inaugural meeting, the governors decided to form the National Governors' Association through which they could come together to discuss mutual concerns and act collectively.

While this year's meetings dealt with a number of topics including education and health care, the primary focus of the discussions centered on energy, and in particular, how the United States could ensure that it would have secure, safe and clean energy in the future in light of the growing demand for more oil and the high cost of producing it.

The discussions included the following roundtable sessions:

- Securing a Clean Energy Future
- Options to Secure a Clean Energy Future
- Clean Energy Technology

SECURING A CLEAN ENERGY FUTURE

During the opening session, delegates were addressed by Robert A. Malone, Chairman and President of BP America and Vijay Vaitheeswaran, award – winning correspondent for *The Economist* magazine.

Mr. Malone stressed that there are opportunities for businesses and states to moderate the growing demand for energy, advance a diverse portfolio of resources and create long-term opportunities for research and development. In order to promote diverse energy sources, he told delegates that the establishment of a national energy policy is required. He noted this was not a new idea and that it had first been proposed during the energy crisis in 1973, and that 30 years later, nothing had been done to achieve this goal. The result has been that the United States imports 60% of its oil and will likely continue to rely heavily on imports in the future unless a drastic change comes about through an innovative federal energy strategy.

Mr. Malone outlined five elements that he believes should be included in a new energy policy:

1. energy conservation must be a priority;
2. the United States must increase energy production;

3. there needs to be a financial infrastructure to facilitate the development of alternative energy, which could include financial incentives for the development of wind and solar power;
4. increased use of nuclear power; and
5. climate change must be addressed by all levels of government.

Mr. Vaitheeswaran told the governors that the solution to the energy crisis lies in economies weaning themselves off fossil fuels, and that conservation was a key component in achieving this goal. He also argued that the answer to the problem would likely come from young innovators who had the ingenuity and vision to develop new technologies.

Discussions among the governors following these presentations focused on the fact that the United States must become energy self-sufficient. They believe that significant investment by the public and private sectors must take place to finance research and development in order to develop new forms of energy. They also stressed that there needed to be large investments in developing new technologies for clean power generation from existing sources such as coal.

With regard to new energy technologies, it was stressed by the delegates that there must be sustained investment in developing new energy sources such as wind and solar power and other biomass sources if the United States was to become less dependent on oil in the future. Delegates also showed a renewed interest in the development of nuclear energy plants as a means to attain more energy self-sufficiency. However, it was also noted that while new sources of energy could help to alleviate oil dependence, the United States would still have to rely on foreign oil for the foreseeable future. Much concern was expressed by participants that this foreign dependence is concentrated in countries where there is political instability, which could threaten future oil supplies.

OPTIONS TO SECURE A CLEAN ENERGY FUTURE

This session focussed on what the United States can do to secure a clean energy future. The presenters stressed that there is no one solution for achieving this goal. Rather, a "bundle" of renewable energy sources will have to be developed. Five key "messages" were highlighted in the discussions on renewable resources:

1. renewables are energy efficient;
2. there is no one renewable energy solution that fits all states;
3. the development of renewables will have a positive effect on the economy;
4. the federal government is not doing enough (e.g., no tax incentives) to stimulate the development of renewable energy sources; and
5. the need for a national energy policy that recognizes renewable energy as a key component of a national energy strategy.

In the discussions, delegates stated that there needed to be strong, bi-partisan national leadership to push forward a renewable energy agenda. They also noted, that while renewables will not be able to totally replace conventional energy sources, they could help to reduce the United States' dependence on foreign energy.

CLEAN ENERGY TECHNOLOGY

Discussions on this topic recognized that the conventional energy sources of coal, oil and natural gas will be dominant for the foreseeable future. Given this reality, the delegates believed that energy efficiency could be enhanced through conservation, improved energy infrastructure and the use of technology and new strategies to bring about cleaner energy use with traditional energy sources.

They noted that the development of technologies such as carbon sequestration could make the burning of coal as a power source much cleaner than is presently the case. In addition, many participants thought that nuclear power could provide some relief from the United States' dependence on oil if the disposal of nuclear waste could be dealt with in a safe and secure manner.

Finally, delegates called for the establishment of a fund to support energy innovation. It was suggested that one way to do this would be to impose a tax on energy that would be used to support such a fund.

CONCLUSION

The conference concluded that there was no "silver bullet" to solve America's energy challenges. Strong national and state leadership on this issue will be required to bring forth new technologies and a renewed commitment to energy conservation and clean energy use.

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
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Travel Costs

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| ASSOCIATION | Canada-United States Inter-Parliamentary Group |
| ACTIVITY | National Governors' Association: 2008 Annual Meeting |
| DESTINATION | Philadelphia, Pennsylvania, United States of America |
| DATES | July 11-14, 2008 |
| DELEGATION | |
| SENATE | Hon. Jerry Grafstein, Q.C., Senator, Co-Chair |
| HOUSE OF COMMONS | Mr. Dean Del Mastro, M.P. |
| STAFF | Mr. John Christopher, Analyst |
| TRANSPORTATION | \$1,325.63 |
| ACCOMMODATION | \$2,098.51 |
| HOSPITALITY | \$Ø |
| PER DIEMS | \$670.68 |
| OFFICIAL GIFTS | \$Ø |
| MISCELLANEOUS/REGISTRATION FEES | \$1,609.33 |
| TOTAL | \$5,704.15 |