

Canada - United States  
Inter-Parliamentary Group  
Canadian Section



Groupe interparlementaire  
Canada - États-Unis  
Section canadienne

**Report of the Canadian Parliamentary Delegation  
respecting its participation at the 2015 summer meeting of the  
Western Governors' Association (WGA)**

**Canada-United States Inter-Parliamentary Group**

**Lake Tahoe, Nevada, United-States of America  
24–26 June 2015**

# Report

## DELEGATION MEMBERS AND STAFF

From 24–26 June 2015, Senator Michael L. MacDonald, Vice-Chair led a delegation from the Canadian Section of the Canada–United States Inter-Parliamentary Group (IPG) to the 2015 summer meeting of the Western Governors' Association (WGA) in Lake Tahoe, Nevada. The other delegates were Senator Jane Cordy and Senator Percy Downe. The delegation was accompanied by Ms. June Dewetering, Senior Advisor to the Canadian Section of the IPG.

## THE EVENT

The WGA includes the governors from 19 U.S. western states (see the Appendix), 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; and
- build public understanding and support for regional issues and policy positions.

Each summer, the WGA holds a meeting. The 2015 summer meeting was chaired by Nevada Governor Brian Sandoval, and was also attended by Governors Steve Bullock (Montana), Jack Dalrymple (North Dakota), Doug Ducey (Arizona), Gary Herbert (Utah), John Hickenlooper (Colorado), Matthew Mead (Wyoming), Butch Otter (Idaho) and Bill Walker (Alaska). As well, Gary Doer, Canada's Ambassador to the United States and former Premier of Manitoba, attended the meeting.

In 2016, the WGA's summer and winter meetings will be chaired by Governor Mead; his focus will be the *Endangered Species Act*. The WGA's vice-chair for 2016 will be Governor Bullock.

## 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, in recent years, members of the Canadian Section of the IPG have attended national and regional

meetings of governors. At these events, Canadian delegates take the opportunity to engage in conversations that will help achieve the Canadian Section's objectives, and to communicate the nature and scope of the bilateral relationship.

The Canadian Section of the IPG intends to attend future meetings of the WGA and to continue its work in advocating Canadian interests.

## **ACTIVITIES DURING THE EVENT**

During the 2015 summer meeting, the WGA held the following keynote addresses and panel discussions:

- Managing Drought: Findings of the Western Governors' Drought Forum;
- Keynote: Secretary Sally Jewell, U.S. Department of the Interior;
- Keynote: Michael Leavitt, Leavitt Partners, Former Secretary of the U.S. Department of Health and Human Services, and Former Governor of Utah;
- Improving Western Transportation Networks;
- How Collaboration Drives Environmental and Economic Success at Tahoe; and
- Energy: New, Utility-Scale Energy Storage and Its Potential Impact on the Grid.

At the meeting, the WGA governors adopted five new policy resolutions that addressed the following areas:

- transportation infrastructure in the western United States;
- enhanced oil recovery;
- agriculture in the U.S. West;
- water resource management in the U.S. West; and
- national minerals policy.

This report summarizes the keynote addresses and panel discussions at the 2015 summer meeting.

## **MANAGING DROUGHT: FINDINGS OF THE WESTERN GOVERNORS' DROUGHT FORUM**

### **Manson Brown, *U.S. National Oceanic and Atmospheric Administration***

- Information about changes in the earth from sea to sun can be converted into "environmental intelligence."
- For the period until the end of September 2015, the U.S. National Oceanic and Atmospheric Administration is predicting the following:
  - Drought conditions will persist or intensify west of the Rockies.
  - Precipitation will be below normal in the U.S. Pacific Northwest.

- Precipitation will be above normal in the U.S. Southwest.
- In winter 2016, precipitation is expected to be below or near normal levels in states that are currently drought-stricken.
- The United States' western states are working collaboratively on drought issues, and these states are also working with relevant federal entities.

**Michael Teague, *State of Oklahoma Secretary of Energy and the Environment***

- As there is no “silver bullet” that would resolve drought issues, a comprehensive plan is needed; water conservation must be part of that plan.
- Those involved in agriculture and utilities, as well as other relevant stakeholders, should be involved in developing solutions to drought issues.
- The following areas should be among those receiving attention:
  - preventing water leakage;
  - fixing water leaks;
  - water reuse; and
  - water recycling.

**William Sarni, *Deloitte Consulting***

- Often, companies are engaged in water stewardship; in part, a focus on water stewardship addresses the reputational risks arising from public views about how a company “manages” water.
- Water scarcity is currently a risk for some businesses; in the business environment, risks lead to action.
- As “water risk” is a business risk, leadership begins with an organization’s chief executive officer; it is important to align the organization’s water strategy with its business growth strategy, and to invest in infrastructure and partnerships.
- The private sector is anxious to engage better with the public sector on water solutions; as such, there are great opportunities for public-private partnerships regarding water.
- Investments can be made to address the gap between water supply and water demand, as well as water quality issues.
- Data collection and analytics regarding water are important; there is a need to visualize new and available water-related information differently.

## KEYNOTE

### Secretary Sally Jewell, *U.S. Department of the Interior*

- The changing weather patterns across the United States are very concerning.
- Stakeholders at the local, state, regional and federal levels need to focus collectively on such issues as drought, wildfires, floods, etc.
- The U.S. Department of the Interior owns much of the land in many of the United States' western states; tourism and recreation, energy and mineral development, and grazing, among other activities, occur on these lands.
- The U.S. Department of the Interior needs funding to meet its native treaty obligations and to undertake needed research, among other purposes.
- Longer wildfire "seasons" are occurring coincident with rising temperatures and declining water resources.
- Sage grouse habitat is improving, with: proactive measures being implemented to reduce range land fires; conservation on both state and private lands; and federal protection of sage grouse habitat.
- There is now a real possibility that the sage grouse will not become listed under the *Endangered Species Act*.
- In a range of areas, actions must be taken now; "kicking the can down the road" creates uncertainty, which can have negative consequences.
- Droughts, wildfires and urbanization will continue, and they will continue to put pressure on land and water.

## KEYNOTE

### Michael Leavitt, *Leavitt Partners*

- Actions need to be taken according to what is coming in the future, rather than according to what is happening now.
- There is a need to "make sense" of "weak signals" regarding what is happening; although there are lots of "weak signals" and it is easy to miss them, making sense of them will enable "bad things" to be averted and/or "good things" to be optimized.
- Within the next decade, one third of the U.S. population is likely to be recipients of Medicaid, and one half of the population is likely to be receiving Medicaid or Medicare.
- The United States' governors have greater control over Medicaid than does the U.S. Congress.
- State health insurance exchanges are preferred to a federal health insurance exchange.

## **IMPROVING WESTERN TRANSPORTATION NETWORKS**

### **Pat Thomas, *American Trucking Association***

- In the United States, one in 16 workers is involved in the trucking sector; these 7 million individuals include 3 million people who drive a truck.
- The U.S. trucking sector's current shortage of between 35,000 and 40,000 truck drivers is expected to rise to between 350,000 and 400,000 drivers.
- About 80% of all U.S. freight revenue is related to trucking, and 70% of goods are delivered by trucks; in 2013, trucks travelled 275 billion miles.
- The U.S. trucking sector is close to returning to the capacity that existed in 2008.
- The highway system is incredibly important to U.S. prosperity.
- For the trucking sector, congestion cost an estimated \$9.2 billion in 2013, which is equivalent to 51,000 drivers sitting idle for a year; congestion affects U.S. competitiveness.
- The trucking sector is working hard to reduce emissions, but any resulting gains are diminished by the negative effects of congestion.
- The U.S. Highway Trust Fund has been in financial difficulty for a number of years, and a short-term Congressional "fix" is expected at the end of July 2015; instead, the focus should be a long-term, "robust" highway bill so that states have some certainty regarding funding and, thereby, can plan.
- One solution to the highway funding problem is to raise the fuel tax rate, although other solutions also exist.

### **Steve Hill, *Office of Economic Development of the Governor of Nevada***

- There is an interaction between transportation and economic development; one focus of economic development is job creation and, as exports support the creation of jobs, it is important that companies are able to export their goods.
- The ability to move goods out of a region or a country is facilitated by the transportation system that is available, and an ability to export leads to – and facilitates – economic growth.
- The tourism sector is an export sector.
- There is a movement toward autonomous vehicles, and this technology should be developed in the U.S. West; these vehicles will have significant implications for transportation.

### **Eric Keen, *HDR Inc.***

- The United States is experiencing a national infrastructure crisis.
- U.S. transportation networks are congested, and are deteriorating at a rate that compromises the safety of citizens and the prosperity of the nation.

- The states with the highest growth in gross domestic product (GDP) are the states that have made significant investments in infrastructure, especially in relation to transportation; many states in the U.S. West have above-average GDP growth rates.
- Infrastructure funding is a critical issue, and innovative financing solutions are needed; private-public partnerships are a possible solution.
- Faster, safer and more reliable travel is needed.
- Autonomous vehicles are likely to have radical effects.

## **HOW COLLABORATION DRIVES ENVIRONMENTAL AND ECONOMIC SUCCESS AT TAHOE**

### **John Laird, *State of California Secretary for Natural Resources***

- Collaboration among key stakeholders is important in bringing about success.
- Ecotourism and recreation are growing in the U.S. West.
- Governors are key leaders in making changes happen.

### **Joanne Marchetta, *Tahoe Regional Planning Agency***

- Challenging issues can be resolved when relevant parties work together collaboratively and cooperatively.
- As challenges are becoming increasingly complex, more collaboration is required to identify solutions.
- It is important to build effective networks for collective impact.
- The environment should be restored and protected in concert with the economy.

### **Pete Sonntag, *Heavenly Mountain Resort***

- The environment is precious, and everyone must work together to preserve and improve it.
- Anything is possible if the right people and groups are partners.

## **ENERGY: NEW, UTILITY-SCALE ENERGY STORAGE AND ITS POTENTIAL IMPACT ON THE GRID**

### **Steve Berberich, *California Independent System Operator***

- The electricity grid is changing, and new technologies are emerging.
- The “energy nexus” is changing, with more wind and solar power, and more variability.
- There are opportunities for regional collaboration regarding energy.

**Tony Sanchez, *NV Energy***

- The ability to store energy is important.
- Stored energy can be used at peak periods, and can help to address power issues that exist in some areas.

**Henry Price, *Abengoa Solar***

- The intermittency of renewable power sources creates challenges.
- The collection of solar energy should be separated from the use of solar energy.

**Ted Geisler, *Arizona Public Service***

- Solar energy has intermittency and reliability challenges.
- There is value in utility-scale storage; this scale should lead to efficiencies.

**Diarmuid O'Connell, *Tesla Motors***

- Electric vehicles contribute to sustainable transportation.
- Electric vehicles offer the promise of a clean transportation future.

Respectfully submitted,

Hon. Janis G. Johnson, Senator  
Co-Chair  
Canada-United States  
Inter-Parliamentary Group

Gord Brown, M.P.  
Co-Chair  
Canada-United States  
Inter-Parliamentary Group



# APPENDIX

## U.S. STATES REPRESENTED IN THE WESTERN GOVERNORS' ASSOCIATION

Alaska	New Mexico
Arizona	North Dakota
California	Oklahoma
Colorado	Oregon
Hawaii	South Dakota
Idaho	Texas
Kansas	Utah
Montana	Washington
Nebraska	Wyoming
Nevada	

## Travel Costs

<b>ASSOCIATION</b>	Canada-United States Inter-Parliamentary Group
<b>ACTIVITY</b>	2015 summer meeting of the Western Governors' Association (WGA)
<b>DESTINATION</b>	Lake Tahoe, Nevada, United-States of America
<b>DATES</b>	24-26 June, 2015
<b>DELEGATION</b>	
SENATE	The Hon. Jane Cordy, Senator The Hon. Percy Downe, Senator The Hon. Michael L. MacDonald, Senator
HOUSE OF COMMONS	
STAFF	Ms. June Dewetering. Senior Advisor
<b>TRANSPORTATION</b>	<b>\$12,016.01</b>
<b>ACCOMMODATION</b>	<b>\$ 4,483.46</b>
<b>HOSPITALITY</b>	<b>\$ 0.00</b>
<b>PER DIEMS</b>	<b>\$ 1,242.01</b>
<b>OFFICIAL GIFTS</b>	<b>\$ 0.00</b>
<b>MISCELLANEOUS / REGISTRATION FEES</b>	<b>\$ 5,003.04</b>
<b>TOTAL</b>	<b>\$22,744.52</b>