

# Final Report

Pacific North West Economic Region (PNWER) Annual Summit  
Boise, Idaho  
July 12-16, 2009

# Government of Alberta ■

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## Overview:

Alberta's delegation to this year's PNWER annual summit in Boise, Idaho, included Minister Mel Knight, Minister Renner and eight government MLAs. The meeting was well-attended (460 participants) and allowed Alberta Ministers and MLAs the opportunity to network with legislators, institutions and companies from across the PNWER region. Delegates participated in 24 sessions with topics including energy, environment, border issues, collaboration in innovation, agriculture, homeland security/emergency management, health care, workforce mobility, transportation, water, telecommunications, and economic development. Nine policy tours were offered to facilities and centres of excellence that exemplified the region's achievements.

## Mission Objectives:

1. Represent Alberta's interests at the PNWER summit.
2. Ensure that Alberta has a strong voice in regional matters through PNWER.
3. Build contacts with U.S. decision makers, and promote Alberta's objectives on energy and environmental issues.
4. Convey the message that Alberta is a resourceful, responsible energy producer and a strong supporter of greater economic cooperation within the PNWER region.

## Results:

Alberta Ministers and MLAs addressed a variety of issues relevant to the province's interests including Carbon Capture and Storage (CCS), environment, U.S. Country of Origin Labeling (COOL), animal health, border security, the Alaska gas pipeline proposal, transportation, and workforce development.

Each working group session was co-chaired by a public and private sector representative. The summit allowed PNWER members to discuss the region's economy, and to recommend new policy directives to the PNWER Executive Committee for consideration.

### July 12

Alberta PNWER Chair, Len Mitzel, participated in the Executive Committee meeting on behalf of Alberta. Attendees were given an overview of PNWER initiatives and the objectives of the summit. The opening summit reception was held in the Basque Block of Boise, with remarks by Mayor David Bieter and U.S. Congressman Walt Minnick (D) citing the value of PNWER and its accomplishments.

## July 13-15

Members of the delegation attended working group sessions to discuss issues and develop action items for final resolutions. During these meetings, members of the delegation identified key areas where regional governments and the private sector could collaborate more effectively.

Highlights from the meetings:

### **Agriculture and Cross Border Livestock**

- COOL remains a major trade impediment. It will add approximately \$4 billion for recordkeeping alone, with an additional \$3.5 billion in annual costs to keep up the system, without any apparent benefits for the U.S. economy.
- Cross-border livestock traceability was discussed. It was suggested that the only way to make U.S. traceability work is through mandatory compliance.
- Treating a field infected by potato cyst nematode is a difficult and costly procedure. Agriculture agencies from both sides of the border have agreed on a protocol that does not shut down the border to trade in potatoes, but quarantines the infected field.

### **Border Issues**

- ID requirements for entry into the U.S. have been in effect since June 2009. Most travelers are complying with the requirements and no major problems have been noticed so far.
- Cargo security procedures at ports of entry remain an issue for shippers from both sides of the border, particularly in regard to documentation requirements. Goods that cross the border multiple times during the manufacturing process are subject to costly delays that are affecting competitiveness. U.S. security requirements remain the stumbling block.

### **Energy and Environment**

- Alberta profiled its role and contribution to North American energy security.
- Alaska gas will be a major player in the North American energy market if and when the pipeline is built and connected to the “Alberta hub”. The goal is a 2018 completion date; the approval dates for the project are expected by 2014. However, recent discoveries of gas throughout the continent, including shale gas, could potentially delay the pipeline.
- Alberta emphasized its commitment to sustainable oil sands development and production.
- All jurisdictions reported on their climate change policy initiatives to date, providing Alberta an opportunity to profile its *Climate Change and Emissions Management Act*, *Provincial Energy Strategy* and *Climate Change Strategy 2008*. Jurisdictions expressed interest in how Alberta baselines were developed for the climate change strategy and how carbon dioxide emissions are quantified.
- PNWER jurisdictions were also highly interested in the overall approach the province is taking to carbon management, including the Climate Change Emissions Management Fund. Attendees were informed that the Climate Change Emissions Management Fund now has \$122.4 million available to support the development of new emission reducing technologies.
- Various jurisdictions presented proposed carbon capture and storage initiatives. Alberta announced how the \$2-billion investment in carbon capture and storage projects had been awarded. In addition, the Western Canadian Sedimentary Basin was

- identified as one of the best sites in North America for permanent carbon capture and storage.
- Alberta outlined its focus on emissions reductions and its commitment to continued investment in research to support renewable and clean energy development. The province emphasized its work to advance clean energy production and wise energy management in support of economic prosperity. Examples noted included several gasification initiatives using coal, bitumen residues, solid waste and biomass.
  - Wind holds the most potential for renewable energy investment in the PNWER region. Growth in ocean, solar and geothermal is also being explored across the region.
  - Most jurisdictions agreed on the value and importance of developing renewable and integrated smart-grid electrical transmission technology strategies.
  - The future role of nuclear power in the region is unclear. Saskatchewan highlighted its \$246-million federal grant to further explore nuclear generation and to focus on clean energy solutions.
  - Alberta referenced its plans to develop and implement a Cumulative Effects Management System.

### **Homeland Security/Emergency Management**

- A tour of the National Interagency Fire Center in Boise showcased best practices at this facility.
- Alberta Emergency Management Agency presented how Alberta responds to emergency situations and compared best practices approach to managing fires.
- A demonstration on detecting, responding to and thwarting cyber attacks was provided. This was identified as an area with sufficient vulnerabilities that need to be further addressed in terms of action plans and education.

### **Health care**

- The session focused on using evidence-based medicine to make better policy decisions in health care and to improve best practices.
- Alberta is pursuing the application of software technology to enhance decision-making processes and reduce health-care costs. B.C. and Saskatchewan have enlisted the services of an Idaho firm, Healthwise, to reduce their health-care costs – progress to date has been promising. They estimate a saving of \$3.50 for every \$1 spent. An update on their progress with this will be provided at the PNWER winter meeting.

### **Workforce Development**

- A review of the situation in Alberta during and after the recent boom was provided. If and when the Alaska gas pipeline development proceeds, lessons learned will prove valuable in terms of managing competition for limited workforce resources.
- Human Resources and Skills Development Canada has commissioned a survey to examine the lessons of the past boom and to apply these to labour and related issues in terms of managing the development of the Alaska gas pipeline and the workforce demands that will ensue.

### **Water**

- Energy and water were identified as vital and integral to economic success.
- The sessions provided an overview of the water management practices in the PNWER jurisdictions. These were highly relevant for Alberta given our renewal of the province's *Water for Life Strategy*.
- A number of PNWER jurisdictions have significant challenges with water shortages, allocation and management. Current challenges and potential solutions and options

were discussed, recognizing that conservation and good water management are vital to maintaining the vibrant economies we presently have.

- Alberta is well-placed to become a leader in water management planning and best practices.

### **Innovation**

- The world is catching up to North America, and a renewed push in research and innovation is required if North America is to remain competitive, especially vis-à-vis China and India, which have a much greater pool of people involved in R & D.

### **Transportation**

- Rail transportation was the focus of this session. The sector is capital intensive from the point of view that 20 per cent of revenues are invested back into network operations.
- Rail shipment was cited as six times more efficient in moving freight on long-haul compared to truck haul.
- Rail shippers see the new U.S. Animal and Plant Health Inspection Service fee as having nothing to do with moving freight because it makes no contribution to security – rather they see it as a cash grab.

### **Forestry**

- North American forestry is not doing well due to the recession and the drastic downturn in housing starts. The U.S. went from two million housing starts prior to the recession, to approximately 500,000 now.
- The U.S. burns a considerable amount of wood for energy purposes, with significant implications for GHG emissions.

### **Energy Horizons Institute Course**

- This course for legislators from both sides of the border ran concurrent with the PNWER program. Its goal was to build an understanding of how the energy system works in terms of infrastructure, costs and timelines as well as the political and regulatory processes that are involved. The course provided an overview of energy operations and issues, with a focus into how energy is delivered to consumers in its various forms.

### **Pacific Northwest Economic Development Council (PNEDC)**

- During the conference, three Alberta MLAs participated as guest speakers. The PNEDC is an organization made up of members from the Pacific Northwest with the purpose of forging stronger economic development relations in the region. Minister Rob Renner provided opening remarks at the conference. MLAs Len Webber and Len Mitzel participated in a session discussing energy, entrepreneurship and economic development from Alberta's perspective, and how it impacted the region.

### **July 16**

PNWER legislators, government officials and invited guests were hosted by the Idaho National Laboratory (INL) on a tour of the organization's facilities in Idaho Falls. INL is the U.S. Department of Energy's lead laboratory for nuclear energy research.

The summit closed with an Executive Committee meeting. The next PNWER summit will be held in Calgary, July 16-20, 2010.

**Delegation:**

Honourable Mel Knight, Minister of Energy  
Honourable Rob Renner, Minister of Environment  
Len Mitzel, MLA, Chair, Alberta PNWER Delegation  
Alana DeLong, MLA Calgary-Bow  
Kyle Fawcett, MLA Calgary-NorthHill  
Doug Griffiths, Parliamentary Assistant, Agriculture and Rural Development  
Richard Marz, MLA Olds-Didsbury-Three Hills  
Diana McQueen, Parliamentary Assistant, Environment  
Ray Prins, MLA Lacombe-Ponoka  
Len Webber, Parliamentary Assistant, Energy  
Jeff Kasbrick, Executive Assistant to Honourable Rob Renner