

Pacific



NorthWest

Economic

Region

2016 Annual Report

Message from the President



Dan Ashton, MLA
British Columbia
President, PNWER

I am honoured to have my colleagues select me to serve as the president of the Pacific NorthWest Economic Region. Our region is unique in its unparalleled quality of life and economic potential. The incredible natural beauty, vast energy and natural resources, robust agricultural production, world class cosmopolitan cities and efficient transportation corridors and gateway facilities here are second to none. Our skilled and innovative people are our most valued resource.

With our region strategically located midway between Asia and Europe and at the crossroads of trade between the Americas and Asia, the opportunities for economic growth are immense and I believe PNWER is the best organization to help us take full advantage of them. By seeking and sharing the perspectives of public, private, academic and non-profit stakeholders, PNWER allows us to pursue common goals and craft collaborative solutions to the pressing issues and unprecedented opportunities we face.

Please continue to contribute your participation, ideas, and support to take cooperation within our region to the next level. With this in mind, I invite you to come and share in PNWER's 2017 Annual Summit in Portland, Oregon, July 23-27. With more than 600

legislators, business, and local government leaders participating, the Summit is an excellent forum for establishing relationships and developing regional solutions to global challenges and opportunities.

As PNWER President, I look forward to collaborating with PNWER members to promote the organization and bring forward initiatives that allow us to work co-operatively with the private sector and all levels of government including First Nations. The efforts of PNWER will be guided in 2017 by priorities identified by delegates from our 10 jurisdictions at the Economic Leadership Forum, held November in Boise.

We should all be proud of the progress PNWER has made on important regional issues since the 2016 Annual Summit in Calgary. PNWER continues to offer critical leadership in the effort to prevent the spread of invasive freshwater mussels into our region's waterways. At the Economic Leadership Forum, invasive species coordinators from the U.S. and Western Canada shared best practices in testing, inspection and deterrence and began planning a response to Montana's findings of mussel larvae.

The Water Resources Development Act passed the U.S. Senate in December with revised language to better help states defend against these invaders. In partnership with the Invasive Species Council of British Columbia and the Alberta Invasive Species Council, PNWER hosted an emergency meeting of public and private-sector representatives to address the situation in Montana and develop an action plan to prevent the spread of invasive mussels into Western Canada.

In 2016, another impressive class of legislators and energy staff graduated from PNWER's Legislative Energy Horizon Institute in November. More than 180 legislators from across North America have now completed this course.

In September PNWER's Center for Regional Disaster Resilience continued to facilitate a series of successful cybersecurity workshops in Idaho as part of a three-year partnership with the Idaho Office of Emergency Management.

Please acknowledge and congratulate Curt McKenzie for the work accomplished as PNWER's immediate past president and for his exceptional leadership of PNWER in 2015-2016, including the Summit in Calgary.

Hopefully the activities and outcomes highlighted from this past year will encourage you to continue to be actively involved in PNWER and to explore the many opportunities to become involved. We live in a great future-oriented, outward-looking and economically vibrant region that encourages cooperation, collaboration and perseverance among our members to make a real difference for our families, our states and provinces, and our two great countries.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dan Ashton', written in a cursive style.

Dan Ashton, MLA
British Columbia
President, PNWER

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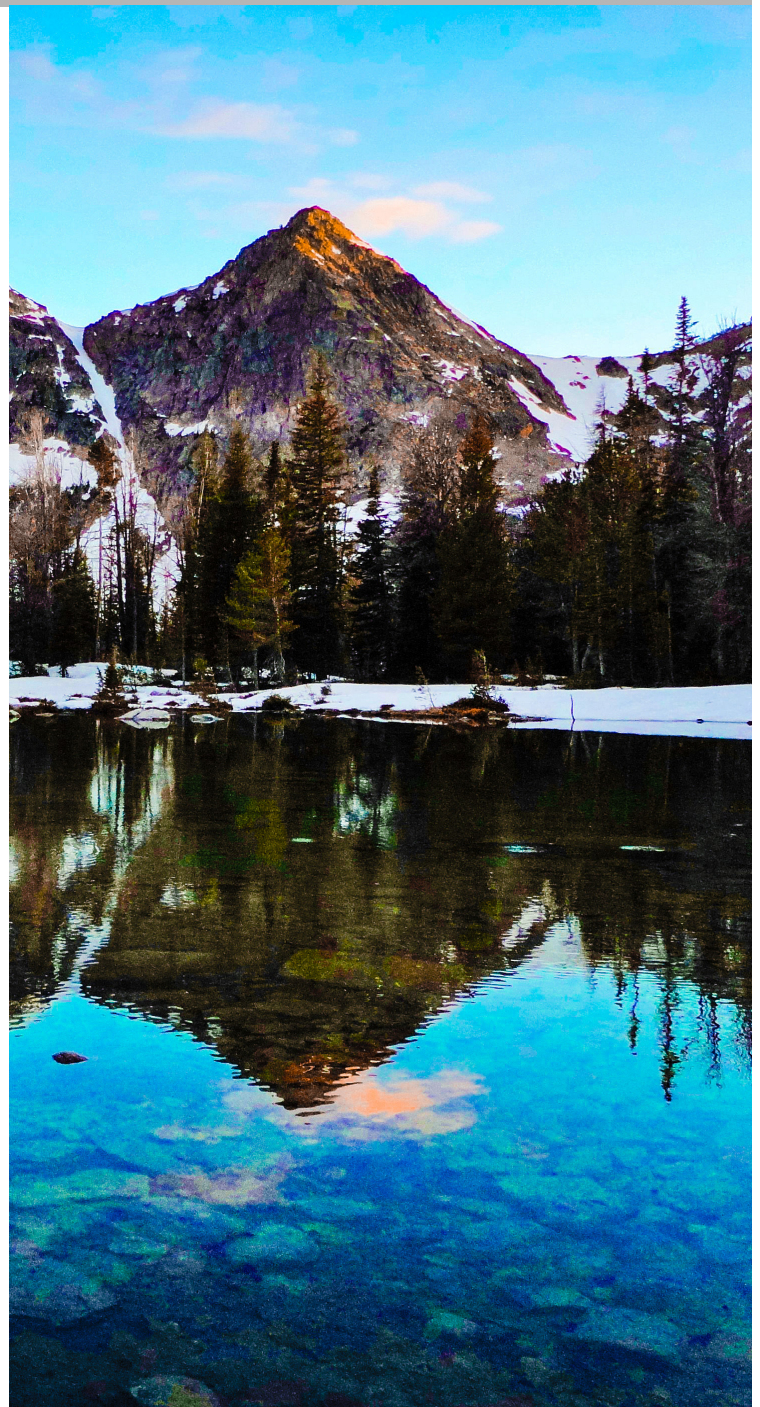
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Mission

To increase the economic well-being and quality of life for all citizens of the region, while maintaining and enhancing our world-class natural environment.



About PNWER

PNWER is the preeminent bi-national advocate for regional state, provincial, and territorial issues

The Pacific NorthWest Economic Region (PNWER) is a public-private partnership, founded in 1991 and chartered by the states of Alaska, Idaho, Montana, Oregon, and Washington; the western Canadian provinces of Alberta, British Columbia, and Saskatchewan; and Yukon and the Northwest Territories.

PNWER is dedicated to encouraging global economic competitiveness and preserving our world-class natural environment. PNWER is recognized by the federal governments of both the United States and Canada as the “model” for regional and bi-national cooperation because of its proven success. PNWER provides the public and private sectors a cross-border forum for unfiltered dialogue that capitalizes on synergies between business leaders and elected officials working to advance the region’s global competitiveness.

The Region’s Future

With over \$1.2 trillion (USD) in gross regional product, the U.S. Pacific Northwest (Alaska, Idaho, Montana, Oregon, and Washington) and Western Canada (Alberta, British Columbia, the Northwest Territories, Saskatchewan, and Yukon) is one of the fastest growing regions of North America.

This region is China and East Asia’s gateway to North America, and is home to several major infrastructure projects and business opportunities. Now, more than ever, the Pacific Northwest needs a bi-national, regional advocate that collaborates with both the public and private sectors.



PNWER Delegations visit up to six jurisdiction capitals and both national capitals each year to meet government and private-sector leaders, build relationships and key PNWER priorities. The PNWER Delegation visited Ottawa in June and met with Joyce Murray, MP from British Columbia, (in white) to discuss the PNWER programs to support and coordinate regional defenses against invasive freshwater mussels.

Public & Private Sector Leadership

PNWER delivers results on regional issues through action plans developed within working groups that correspond to the region’s key priorities. Each working group is co-chaired by an industry leader and a government representative.

PNWER is a forum for collaborative bi-national planning involving both the public and private sectors and offers leadership at the state, provincial and territorial level, as well as at the national level in Washington, D.C. and Ottawa.

PNWER Staff

Matt Morrison

Executive Director

Brandon Hardenbrook

Deputy Director

Eric Holdeman

Director, Center for Regional Disaster Resilience (CRDR)

Steve Myers

Senior Program Manager

Rachael Kopp

Events Manager

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Program Manager

Mark Stayton

Media and Communications Coordinator

Nate Weigel

Program Coordinator

Chris Chan, CPA

Accountant

Executive Committee Officers



DAN ASHTON, MLA
President
British Columbia



SEN. ARNIE ROBLAN
Vice President
Oregon



REP. MIKE CUFFE
Vice President
Montana



SEN. CURT MCKENZIE
Immediate Past President
Idaho

2016 Delegate Council

ALASKA

Gov. William Walker
Sen. Lesil McGuire
Sen. Berta Gardner
Sen. Cathy Giessel (Alt)
Sen. Bill Wielechowski (Alt)
Rep. Bob Herron
Rep. Charisse Millett
Rep. Dave Talerico (Alt)
Rep. Chris Tuck (Alt)

ALBERTA

Premier Rachel Notley
Robyn Luff, MLA
Nicole Goehring, MLA

BRITISH COLUMBIA

Premier Christy Clark
Dan Ashton, MLA
Simon Gibson, MLA
Laurie Throness, MLA

MONTANA

Gov. Steve Bullock
Rep. Mike Cuffe
Sen. Cliff Larsen
Sen. Chas Vincent
Sen. Dee Brown (Alt)
Sen. Jon Sesso (Alt)
Rep. Kathleen Williams
Rep. Mike Lang (Alt)
Rep. Tom Steenberg (Alt)

YUKON

Premier Darrell Pasloski
Hon. Stacey Hassard

IDAHO

Gov. C.L. Butch Otter
Sen. Curt McKenzie
Sen. Michelle Stennett
Sen. Chuck Winder (Alt)
Rep. Robert Anderst
Rep. Elaine Smith
Rep. Rick Youngblood (Alt)
Rep. Mat Erpelding (Alt)

OREGON

Gov. Kate Brown
Sen. Arnie Roblan
Sen. Bill Hansell
Sen. Rod Monroe (Alt)
Sen. Doug Whitsett (Alt)
Rep. Deborah Boone
Rep. Bill Kennemer
Rep. Caddy McKeown (Alt)
Rep. Greg Barreto (Alt)

SASKATCHEWAN

Premier Brad Wall
Larry Doke, MLA
Hon. Bill Boyd
Hon. Lyle Stewart
Dustin Duncan, MLA

WASHINGTON

Gov. Jay Inslee
Sen. Jim Honeyford
Sen. Kevin Ranker
Sen. Barbara Bailey (Alt)
Sen. Maralyn Chase (Alt)
Rep. Gael Tarleton
Rep. Bruce Chandler
Rep. Norm Johnson (Alt)
Rep. Cindy Ryu (Alt)

NORTHWEST TERRITORIES

Premier Bob McLeod

Private Sector Council

PRIVATE SECTOR REPRESENTATIVES

Colin Smith, Past President, *APEGBC*; Canada Co-Chair
Dan Kirschner, Executive Director, *NWGA*; U.S. Co-Chair

SASKATCHEWAN

Shawna L. Argue, *APEGS*
Scott Rudderham, *Canpotex*
Allan Migneault, *AJM*
Janice Tranberg, *Saskcanola*

OTHER

David Miller, *CN*
Amb. David Wilkins, *Nelson Mullins*
Ben McMakin, *Van Ness Feldman*
Michael McSweeney, *Cement Association of Canada*

ALBERTA

Steve Allen, *Calgary Economic Development*
Elizabeth Aquin, *PSAC*
Nadine Barber, *Devon Energy*
Jerry Belikka, *Capital Power*
Jim Campbell, *Cenovus*
Larry Delver, *Alberta Beef Producers*
Jim Donihee, *CEPA*
Dale Friesen, *ATCO*
Riley Georgson, *Transalta*
Tom Huffaker, *Imperial*
Pat Lobregt, *APEGA*
Jessica Martin, *Enmax*
Bob Miller, *Calgary Regional Partnership*
Scott Thon, *AltaLink*
Glen Vanstone, *Edmonton Economic Development*
Gary Weilinger, *Spectra*

ALASKA

Paul Quesnel, *BP*
Cam Toohey, *Shell*
Hans Neidig, *ExxonMobil*

IDAHO

Ken Dey, *J.R. Simplot*
Patrick Kole, *Idaho Potato Commission*
Norm Semanko, *Idaho Water Users Assn.*
Bob Naeurbout, *Idaho Dairymen's Assn.*
John Revere, *INL/Battelle*
Jesse Ronnow, *Zions Bank*
Luke Russell, *Hecla Mining*
Jennifer Visser, *Idaho Power*

BRITISH COLUMBIA

Colin Smith, APEGBC
David Bennett, *FortisBC*
Don Dalik, *Fasken Martineau*
Ken Davis, *Quad-Lock*
Marcia Smith, *Teck*
Glen Wonders, *AME BC*

MONTANA

Mike Halligan, *The Washington Companies*
Diane Smith, *American Rural*
Claudia Rapkoch, *Northwestern Energy*

NORTHWEST TERRITORIES

Darrell Beaulieu, *Denendeh Investments*
Pawan Chugh, *NWT BDIC*

OREGON

Dan Kirschner, NWGA
Sunny Radcliffe, *PGE*
David Cobb, *HDR*
Kent Yu, *Seft Consulting*
Ken Nichols, *EQL Energy*
Curt Abbott, *Oregon PUD Association*

WASHINGTON

Pam Brady, *BP*
Johan Hellman, *BNSF*
Nina Odell, *PSE*
DeLee Shoemaker, *Microsoft*
Megan Ouellette, *Alaska Airlines*
Bob Sailer, *PNWLG*

YUKON

Lynne Hutton, *Chief Isaac Group*

Year at a Glance

January 2016

PNWER Capital Visits to Salem, Olympia, and Boise focus on region-wide issues of invasive species, infrastructure and the Columbia River Treaty.



February

March

PNWER hosted the Fifth Annual North American Arctic Leaders Forum in Washington D.C. The event was an opportunity for stakeholders to discuss national priorities in the North American Arctic, sustainable development for Arctic people and global perspectives on this important region.



Dan Ashton, MLA assumes PNWER presidency from Sen. Curt McKenzie at the 26th Annual PNWER Summit in Calgary, Alberta.

PNWER's Legislative Energy Horizon Institute (LEHI) provides an extensive overview of the North American energy system for legislators, administrators and policy experts in Richland, Washington.

PNWER's Center for Regional Disaster Resilience (CRDR) continues to facilitate a series of successful cybersecurity workshops in Idaho as part of a three-year partnership with the Idaho Office of Emergency Management.

PNWER Summit brings together 547 delegates to discuss major regional challenges and opportunities.

CRDR collaborates with the Washington Military Department to review lessons from the Cascadia Rising earthquake exercise. Attendees are briefed on the fielding of FirstNet in Washington.

July

August

September

Year at a Glance

April

The Oil Train Safety Symposium, put on by PNWER’s Center for Regional Disaster Resilience, brought together 200 attendees from government and industry to review oil by rail transportation and build partnerships to help ensure oil transport safety is being addressed across the region.



May

A PNWER Capital Visit to Ottawa featured meetings with Ambassador Bruce Heyman, U.S. Ambassador to Canada, as well as members of parliament and federal officials, to discuss regional issues surrounding international trade and travel, regulatory compliance and aquatic invasive species.



June



PNWER held the Economic Leadership Forum in Boise, a productive meeting with advancements made on PNWER working group action items. Lead delegates from member jurisdictions helped clarify the organization’s priorities for the upcoming year and invasive species experts addressed mussels found in Montana.

21 state and provincial legislators and six non-legislative attendees graduate from the rigorous LEHI program in Washington D.C.



Port officials and legislators toured Vancouver, B.C. ports. The tour was presented by PNWER, the Northwest Seaport Alliance, Cascadia and the Canadian Consulate in Seattle.

PNWER co-hosts an emergency meeting of regional invasive species coordinators to prepare to protect the Columbia River Basin.

The CRDR holds AppFest 2016 to showcase new technology for first responders and emergency managers.

October

November

December

Annual Summit

PNWER holds 26th Annual Summit in Calgary, Alberta

The Pacific NorthWest Economic Region's 26th Annual Summit brought together 546 elected members of government and senior staff, leaders in private industry and visionaries from academia and the non-profit sector to discuss and work to solve regional challenges.

BY THE NUMBERS

- 61 state, provincial and territorial legislators
- 11 MPs and senators
- 8 provincial ministers
- 46 corporate CEOs or VPs
- 57 NGO executive directors
- 14 University Presidents or VPs
- 87 other governmental officials



Ambassador Bruce Heyman, U.S. Ambassador to Canada, and Ambassador David MacNaughton, Canada's Ambassador to the U.S., gave a joint address on the U.S-Canada relationship to open the Summit.

Summit delegates discussed pertinent topics throughout 19 working group sessions, touching on issues of energy development and environmental stewardship; transportation; infrastructure finance; regional defense against invasive species, border issues, and other economic concerns. Each Working Group developed action items at the Summit that will guide its efforts moving forward.

Throughout the Summit, keynote speakers provided background and insight into important regional issues. Ambassador Bruce Heyman, U.S. Ambassador to Canada, and Ambassador David MacNaughton, Canada's Ambassador to the U.S., discussed the U.S. and Canada's important trade relationship and Mayor Naheed Nenshi spoke on the intersection of forward thinking climate policy and energy production.

PNWER thanks the Alberta host committee, co-chaired by Robyn Luff, MLA and Steve Allan, chair of the board of directors at Calgary Economic Development, for their hard work in planning and executing this successful event.

Thanks to the efforts of the host committee and generous sponsors, Summit delegates were able to experience a sample of Alberta's culture and productive industries. Policy tours and receptions brought delegates to see agricultural and manufacturing operations; innovative energy and municipal facilities; to the world famous Calgary Stampede; to Head-Smashed-In Buffalo Jump, a World Heritage Site; to stunning performances at Mount Royal University and much more.

WORKING GROUP SESSIONS

- Agriculture
- Arctic Caucus
- Border Issues
- Cross-Border Livestock Health
- Disaster Resilience
- Energy & Environment
- Energy
- Natural Gas
- Forestry
- Infrastructure
- Invasive Species
- Mining
- Municipal & Economic Development
- Tourism
- Trade & Regulatory Cooperation
- Transportation
- University Presidents Roundtable
- Water Policy
- Workforce and Innovation

For more information, including presentations, proceedings and the complete agenda, please visit: www.pnwer.org/2016-summit



David Lametti, Parliamentary Secretary to the Minister of International Trade spoke on US-Canada trade and opportunities.



K-9 Handler Heather McCubbin and Diesel with Alberta Environment and Parks Watercraft Inspection and Conservation gave a demonstration to show how trained working dogs are helping detect invasive mussels on watercraft.



Laura Dawson, Director of the Canada Institute at the Wilson Center and Chris Sands, G. Robert Ross Distinguished Visiting Professor at Western Washington University, discuss the impact the 2016 U.S. election might have on trade.

“ The Canada-U.S. relationship is as strong as it has ever been. We need to continue to work together and communicate our successes, including the importance of trade as key to growing economic prosperity in the PNWER Region and across both of our countries. ”



Aris Papadopoulos, Founder and Chair of the Resilience Action Fund spoke on the role buildings can play in protecting communities from disaster.

Ambassador
David MacNaughton



Scott Thon, president and CEO of AltaLink, discusses Alberta's energy economy and its contributions to the region.



Alan Bersin, Assistant Secretary for International Affairs and Chief Diplomatic Officer, U.S. Department of Homeland Security office of Policy.

Annual Summit

PNWER Leadership Elected



Dan Ashton, MLA, British Columbia (right) accepts the PNWER presidency from 2014-2015 PNWER President, Sen. Curt McKenzie, Idaho. Ashton has been Premier Christy Clark's representative at PNWER since 2014.

“ I would like to thank Sen. Curt McKenzie for his exceptional leadership as president over the past year. I look forward to building on his successes, and moving forward on key initiatives that will strengthen our state and provincial partners in the Pacific Northwest,” ”

- Dan Ashton, MLA

Receptions



Chicken Dancer Yancy Eaglespeaker and Fancy Dancer Lennon First Rider were part of a Flag Dance introduction to the Mount Royal University reception.

Cowen wins award



Dave Cowen, general manager of the Butchart Gardens and PNWER Tourism co-chair, left, accepts the PNWER Robert Day Memorial Award from PNWER President Sen. Curt McKenzie, Idaho.



Calgary Mayor Naheed Nenshi spoke on innovation and the economic impact of advanced energy producers during a Cenovus event in the Bow Centre.



Delegates had the opportunity to enjoy the world-famous Calgary Stampede at a special TransAlta reception. Image courtesy of Visit Calgary.

Working Groups



Stephen Buffalo, CEO, Indian Resource Council, speaks on the role indigenous groups have in resource development during the Mining Session.



Best practices in collaborative forest management were shared by, from right, Diane Nicholls, chief forester, British Columbia, Robyn King, executive director, Yaak Valley Forest Council and Lindsay Warness, Forest Policy Liason, Boise Cascade.



Regulators discuss policy during a Energy Session panel.

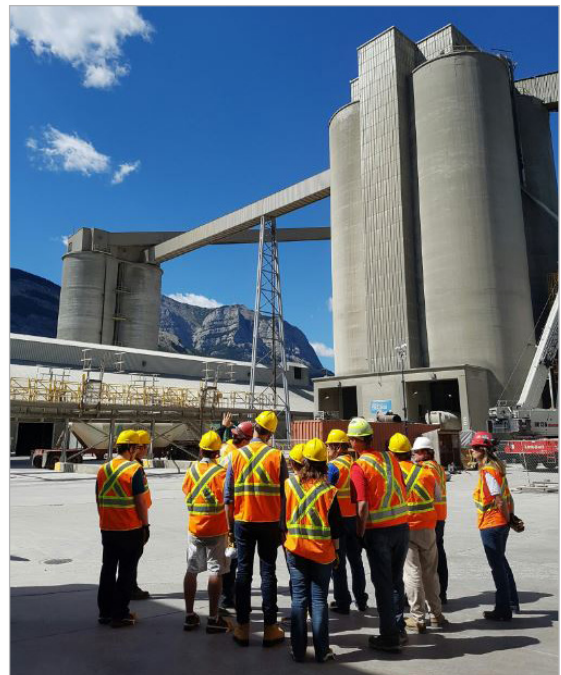


Ambassador David Wilkins, former U.S. Ambassador to Canada, and Hon. Rob Merrifield, Senior Council, Canadian Strategy Group, gave background on the 2006 Softwood Lumber Agreement.

Policy Tours

Policy tours at the Summit included:

- Enmax District Energy Centre
- Calgary Emergency Operations Centre
- Growsafe Systems Ltd.
- Pine Creek Wastewater Treatment Plant
- GE Customer Innovation Centre & District Ventures
- Calfrac Laboratory
- Shepard Energy Centre
- Calgary International Airport (YYC)
- Bow River Valley & LaFarge Cement Plant
- Head-Smashed-In Buffalo Jump & Piikani Nation



Guests toured the LaFarge Cement Plant on the Bow River (above). Legislators saw Head-Smashed-In Buffalo Jump (left), a World Heritage Site, explored the customs and learned traditions of the Piikani Nation. Above photo courtesy of Michael McSweeney.

Economic Leadership Forum

Boise, Idaho – November 16-19

The Pacific NorthWest Economic Region’s Economic Leadership Forum in Boise was highly productive, with advancements made on PNWER working group action items and fantastic presentations from speakers.

A meeting of the region's invasive species coordinators responded to findings of invasive mussels in Montana, leading to substantial media coverage on PNWER prevention efforts underway to reduce the risk of a regional mussel infestation.



(From left) Sen. Chuck Winder, Idaho, Gloria Totoricaguena, and Sen. Michelle Stennett, Idaho, indicate their priorities for PNWER in 2017.

On Wednesday night, PNWER delegates from every jurisdiction and the Executive Committee gathered to define their priorities for PNWER in 2016. The workshop was designed to help delegates indicate their jurisdictions' priorities for PNWER in 2017.



Rep. Mike Cuffe, Montana, (right) and Sen. Lee Heider, Idaho, discuss the threat of invasive mussels during the Invasive Species session. The session featured an update on positive mussel tests in Montana. Invasive species coordinators for Idaho, Alberta, Oregon, Washington, British Columbia and Saskatchewan briefed the group on their jurisdictions' efforts and best practices in 2016 to prevent a mussel infestation.



Idaho Lt. Gov. Brad Little gave a keynote address on economic development in Idaho, including manufacturing and tourism as major parts of the state economy.

WORKING GROUP SESSIONS

- Cybersecurity
- Energy
- Economic Development
- Forestry
- Infrastructure
- Invasive Species
- Tourism
- Transportation
- Technology, Agriculture & Water
- Workforce and Innovation



Brig. Gen. Brad Richy, director of the Idaho Office of Emergency Management, addressed the work his office has done in partnership with PNWER over the last three years to improve cybersecurity in Idaho.

Economic Leadership Forum



Journalist Betsy Russell from the Spokesman-Review (left) moderated an enlightening discussion on impacts of the 2016 election with, from right, Sen. Maralyn Chase of Washington; Rep. Mike Cuffe of Montana; and Sen. Chuck Winder of Idaho.

“ The ideas that come out of PNWER, they affect the whole region, including Canada. It’s not just one little state or one little province. We can take ideas, like mussel sniffing dogs being used in Alberta, and they have been very effective. We’re all foolish if we don’t pay attention. ” - Sen. Chuck Winder, Idaho



Matt Borud, Chief Business Development and Marketing Officer for the Idaho Department of Commerce, explains how tourism positively impacts Idaho’s economy.



Cascadia Director Bruce Agnew discusses PNWER’s Oil Train Safety Symposium during the Transportation session.



A legislative panel consisting of, from left, Robyn Luff, MLA, Alberta, Sen. Steve Vick, Idaho, PNWER President Dan Ashton, MLA, British Columbia, and Rep. Deb Boone, Oregon, discusses energy legislation.



Simplot CEO Bill Whitacre (above) talks about the future of agriculture during a Friday plenary meal.

A policy tour on Wednesday, Nov. 16 (left), brought attendees to the National Interagency Fire Center. The center helps national agencies coordinate wildfire response and is home to the Boise BLM Smokejumpers.



Working Groups & Action Items

What are Action Items?

Action Items are developed by working groups at PNWER's two annual meetings. They represent concrete actions the working group will take to advance the priorities of the group. These Action Items are approved by the Executive Board. Action Items constitute the working groups' and PNWER's action plans throughout the year.



What are Working Groups?

Working Groups focus on key regional issues throughout the year. They are led by a public sector and private sector co-chair, along with one lead PNWER staff member, and include public, private, academic and non-profit stakeholders. At the 2016 Summit in Calgary, Alberta, 19 Working Groups met to develop action items.



Working groups met at the PNWER Annual Summit in Calgary, Alberta and at the PNWER Economic Leadership Forum in Boise, Idaho to discuss challenges to their industries and opportunities for progress and collaboration. Action Items are determined by working groups and constitute their action plans for the coming year.

Visit www.pnwer.org/working-groups to see action item progress, recent news and contact information.

Agriculture

- 2016 Co-Chairs:**
- Larry Doke, MLA, Saskatchewan
 - Patrick J. Kole, Vice President, Legal & Government Affairs, Idaho Potato Commission
 - PNWER staff lead: Brandon Hardenbrook

Purpose and accomplishments:

Over the past several years, the Agriculture Working Group has focused on the Canada-U.S. Regulatory Cooperation Council Action Plan (RCC) and continues to provide input on agricultural topics, such as Canada's grain grading system, harmonization of antimicrobial legislation and import rules of small ruminants to the U.S. and Country of Origin Labeling.

In 2016, the group focused on agricultural advancements and consumer behavior; examining the interplay between science and society in agriculture. The group also looked at potential impacts of climate change on agricultural systems and food security in the PNWER region and beyond. Discussions centered on the region's role in delivering solutions to climate and food security challenges through coordinated efforts in agricultural research, technology transfer and trade.

Action Items

The working group commits to:

- Advocate to resolve regulatory barriers to Canada-U.S. agri-food trade, such as U.S. grain exports to Canada.
- Identify the RCC anti-microbial working group leads and schedule a conference call with our Agriculture and livestock health members to share information and ask questions.
- Provide members with the link to the federal registrar to comment on the newly announced USDA rules related to the import of small ruminants to the US and through to Mexico and Latin America.
- Supporting the communication and advancement of sustainable agriculture initiatives and will present specific best practices and recommendations on this for delegates to consider at the 2017 PNWER conference.

Border Issues

- 2016 Co-Chairs:**
- Sen. John Brenden, Montana
 - Dr. Laurie Trautman, director, Border Policy Research Institute at Western Washington University
 - PNWER staff lead: Brandon Hardenbrook

Purpose and accomplishments:

PNWER continues to serve as a top forum for U.S.-Canada border coordination and collaboration by providing input on the Beyond the Border Action Plan and other potential pilots. For the past two years PNWER has facilitated monthly calls to coordinate implementation of the US-Canada Preclearance agreement and provide input on technical design standards for facilities. The group includes U.S. and Canadian border officials, government representatives and private stakeholders, including NW Cruise ships, Amtrak, Rocky Mountaineer, Victoria Clipper and Black Ball Ferry.

PNWER played a major role in progressing preclearance by pushing for a congressional bill to finalize the agreement. The bill passed in the US House and Senate in December 2016 and a Canadian version is pending as of late 2016.

PNWER will continue to work with stakeholders and government officials on both sides of the border on the implementation of this significant agreement in 2017 and beyond.

Action Items

The working group commits to:

- Compile recommendations from stakeholders regarding improvements to the Beyond the Border Action Plan and provide these recommendations to the next US administration.
- Work with DHS and other border partners to develop a proposal for a US—Canada border Center of Excellence.
- Link strategically with other cross-border organizations to support border improvements in both Ottawa and D.C. and present specific ideas from the region for the Trudeau government and next US administration to expand RCC.

Cross-Border Livestock Health

- 2016 Co-Chairs:**
- Dr. Martin Zaluski, Montana State Veterinarian; Co-chair
 - Dr. Larry Delver, Alberta Beef Producers; Co-chair
 - Ron Barker, Canadian Animal Health Coalition
 - PNWER staff lead: Brandon Hardenbrook

Purpose and accomplishments:

The Cross-Border Livestock Health Working Group consists of state, provincial and federal veterinarians and industry representatives. It serves as a model to enhance relationships and network-building between U.S. and Canadian jurisdictions, exchanging information on animal health issues/concerns, developing a common understanding of disease policies, exchanging information on emergency response to emerging and foreign animal diseases.

Over the past few years the group has focused on several initiatives including:

- Supporting livestock-based Regulatory Cooperation Council (RCC) initiatives.
- Providing a forum for communication for stakeholder engagement.
- Tracking pilot project on e-certification in live cattle. Request specific criteria for system needs to fulfill data and security requirements from USDA and CFIA.
- Supporting animal welfare initiatives for the development of science-based guidelines/requirements. Promoting consistency of requirements for animals crossing international, state and provincial borders.
- Re-evaluating past action item to include aspects of disease-prevention and detection as part of emerging animal disease.

Working Groups & Action Items

Cross-Border Livestock Health continued

Action Items

The Working Group commits to:

- The provincial CVOs will research and address the individual state requirements for CAN branding of cattle and determine if options to reduce or eliminate this requirement or check with State Veterinarians to consider acceptance of tattoos rather than brands.
- Carry forward the most relevant emergency management topics and initiatives that would expand future US-CAN collaborations and simulation testing to the 2017 CBLHC. Convene a collaborative symposium between the environmental community and energy distributors to facilitate discussion.
- CBLHC working group discuss / try to resolve current trade issues with CFIA via upcoming CFIA – USDA meetings.

Energy

- 2016 Co-Chairs:**
- Sen. Cliff Larsen, Montana
 - Gary Weiling, Spectra
 - PNWER staff lead: Brandon Hardenbrook

Purpose and accomplishments:

The Energy Working Group in Calgary brought energy ministers, legislative chairmen, regulators, and industry together to discuss how to balance climate targets with energy development at the Annual Summit. Legislators and regulators from the federal, state and provincial level, as well as energy developers, shared how each jurisdiction is approaching this critical topic.

The working group strives to find ways to provide sustainable energy for North America that is clean, safe, affordable, and reliable, while meeting low carbon targets and lowering the overall carbon footprint of the region. The group has also addressed the challenges of changing utility pricing for electricity, transmission siting and permitting across multiple jurisdictions.

PNWER's Legislative Energy Horizon Institute (see page 24) came out of an action item from the Energy Working Group in 2008.



PNWER delegates toured the Cenovus Christina Lake in-situ oil sands production facility in Alberta following the PNWER 2016 Summit.

Energy & Environment

- 2016 Co-Chairs:**
- Rep. Deborah Boone, Oregon
 - Paul Manson, CEO, DC Grid Development Corporation
 - Energy Efficiency Lead: Andrew Pape-Salmon, P.ENG., MRM, FCAE, Associate, Senior Energy and Sustainability Specialist, RDH Building Science Inc.
 - PNWER staff lead: Jennifer Grosman

Purpose and accomplishments:

The Energy & Environment Working Group addresses the convergence of environmental sustainability and economic development. The working group promotes the Pacific Northwest's competitiveness in addressing environmental challenges with innovative solutions. Major focus areas include energy efficiency, carbon pricing, renewable energy, distributed generation, climate change resiliency and microgrid development.

Energy & Environment Continued

Major Program: Roadmap to Resilient, Ultra-Low Energy Buildings in the Pacific Northwest

PNWER is advancing the development of a “Roadmap” to improve resilience and energy efficiency for new and existing buildings through “net zero” emissions construction targets and deep energy retrofits of existing buildings by 2030. The Roadmap will focus on market-driven, collaborative measures.

PNWER has completed a case study report showcasing common technical and policy aspects of 23 high-performing buildings. PNWER will examine the economic and environmental benefits of high-performing buildings for the region.

Action Items

The Working Group commits to:

- Seek data sources, insights and interests in the research phase of the Roadmap to Resilient, Ultra-low Energy Buildings. Conduct an online survey of PNWER stakeholder networks.
- Seek additional private sector support (\$20,000 USD) to finish Roadmap research and white paper development.
- Develop a white paper that will include fact sheets on consumer demand, case studies, regional benefits and impacts and PNWER Cleantech Solutions, and seek funding to encourage cross border collaboration.
- Develop “Roadmap to Resilient, Ultra-low Energy Buildings” by June 2017 that recommends policy solutions and market mechanisms that move the middle of the “market transformation curve” and respond to diversity of carbon pricing regimes (flexible caps, carbon pricing, cap-and-trade).
- Continue to secure legislative support in each PNWER jurisdiction for Roadmap process and goals.
- Facilitate an intersessional dialogue on carbon pricing and aim to reconvene a full session on this topic at the 2017 Summit in Portland.

Forestry

- 2016 Co-Chairs:**
- Sen. Chas Vincent, Montana
 - Travis Joseph, President, American Forest Resource Council
 - PNWER staff lead: Mark Stayton

Purpose and accomplishments:

PNWER’s Forestry Working Group includes private forest managers and landholders, legislators and agency staff dedicated to healthy and sustainable forest management, non-profit partners in conservancy and academics in forestry and wood product research. PNWER’s Forestry Working Group is supportive of efforts that promote healthy forests, effective fire suppression funding, resilient watersheds, and socioeconomic sustainability in communities that depend on forestry.

The group has encouraged research and innovation in mass timber by asking congressional leaders to support the Timber Innovation Act of 2016 and is working to advance state building codes in regard to mass timber. At both the 2016 Summit and Economic Development Forums, the working group shared best practices used by collaborative forest management groups.

Action Items

The working group commits to:

- Empower collaborative in a manner in which they have outcome based solutions and insulate them in the process to incentivize participation.
- Write a bulleted, one page Issue paper on proactive solutions.
- Discuss with the executive committee the importance of focusing on the real solutions.



Guests of the 2016 Economic Leadership Forum toured the National Interagency Fire Center in Boise.

Working Groups & Action Items

Invasive Species

- 2016 Co-Chairs:**
- Robyn Luff, MLA, Alberta
 - Mark Sytsma, Professor of Environmental Sciences and Associate Vice-president for Research at Portland State University
 - PNWER staff lead: Nate Weigel

Purpose and accomplishments:

The PNWER Invasive Species working group strives to build collaborative partnerships throughout the region to prevent the spread of invasive species into and throughout the region.

In 2016, the group has worked most actively to help coordinate a perimeter defense strategy and procure funds to support state efforts to fend off an infestation of invasive quagga and zebra mussels. If these mussels were to establish themselves across the PNWER region, the estimated cost to the region would be half a billion dollars annually.

In 2015, \$4 million in federal funds were appropriated through the Water Resources Development Act (WRDA) to match what Oregon, Washington, Idaho and Montana spends on watercraft inspection stations. However, states have not received those funds in 2016.

PNWER helped lay the groundwork for the Invasive Mussel Prevention Framework for Western Canada, released in April, 2016.

A new WRDA bill passed the Senate in December, 2016. Wording pushed by PNWER effectively doubles the amount of federal funds available to the states and expands the reach of federal aid to stations located outside the Columbia River Basin, on highways coming into the region.

The bill also adds a new requirement for the Army Corps to assist with rapid response and early detection efforts. This requirement is important considering mussel larvae have recently been found in Montana's Tiber Reservoir, the first time invasive mussels have been confirmed in a Pacific Northwest waterway.

State and provincial invasive species coordinators met at the Economic Leadership Forum in Boise to address findings of mussel larvae in Montana. In December of 2016, PNWER co-hosted an emergency meeting of regional invasive species coordinators to begin planning a response to the Montana findings and protect the Columbia River Basin.

Action Items

The working group commits to:

- Encourage the states and provinces to pre-approve materials that can be used for early detection and rapid response.
- Each state to write a letter to Congress and the US Army Corps of Engineers to support allowing WRDA watercraft inspection money to also be used for rapid response in case of detection of quagga or zebra mussels in a water body in Montana, Idaho, Oregon or Washington.
- British Columbia and Saskatchewan to talk to agricultural ministers about the Federal Growing Forward grant program. Use language that includes all invasive species. Determine what could be Canadian federal sources of matching funds for provinces and territories in their efforts at prevention.
- Write a letter to US Fish and Wildlife, Region 1 to prioritize filling the wildlife position for aquatic invasive species.
- Compile and seek funding for additional salmon habitat research, showing the impact of aquatic invasive species and quagga and zebra mussels in particular on salmon spawning grounds and habitat, which could positively impact available resources for prevention.
- Each state and province should compile a contact list of lead persons in the tribes and First Nations who should be interested in AIS prevention. Seek individual meetings, develop champions in the aboriginal community, work toward a small meeting with tribes about the impacts of quagga and zebra mussels and enlist their support in raising additional funding for prevention.



Sen. Lee Heider, Idaho, speaks during the 2016 Economic Leadership Forum in Boise on the necessity for regional coordination to defend against invasive mussels.

Invasive Species Continued

Action Items

The working group commits to:

- States should work with PNWER to design materials for Customs and Border Patrol officers along the Northern border about high risk boats, aquatic invasive species and the Clean, Drain, Dry program.
- PNWER should write letter to US Secretary Sally Jewell urging containment at the source, federal responsibility in infected water bodies. Demand process for boats leaving federal water bodies to be certified and inspected.
- PNWER should work with legislative leads and Governor's offices to develop an MOU between the four states creating an Advisory Council within PNWER for a Regional Prevention Strategy

Mining

- 2016 Co-Chairs:**
- Hon. Bill Bennett, Minister of Energy and Mines, British Columbia
 - David Ramsay, director, Fortune Minerals Limited
 - PNWER staff lead: Steve Myers

Purpose and accomplishments:

The Mining Working Group identifies best practices for environmental sustainability and engaging indigenous groups to improve the quality of life in the region while fostering economic development. PNWER played a role in the 2015 Memorandum of Understanding between the governments of British Columbia and Alaska regarding transboundary water issues.

Action Items

- Encourage governments to have discussion on competitive pricing on carbon by getting executive staff and stakeholders to work together on a North American strategy.
- Organize an initial conference call to help develop a North American strategy for competitive carbon pricing.
- Mapping of the natural resources project update and follow up on past action items.

Natural Gas

- 2016 Co-Chairs:**
- Rep. Caddy McKeown, Oregon
 - Ian Burkheimer, Director of Business Development, Plum Energy
 - PNWER staff lead: Mark Stayton

Purpose and accomplishments:

The competitive landscape of the global economy, coupled with worldwide environmental challenges, is creating unprecedented demand for scientific discovery and application. The Pacific Northwest must channel the strengths of its many separate resources into a collaborative, comprehensive effort that maximizes the economic benefits of regional innovation. Through expanding the use of natural gas in new applications such as vehicles, mining operations and exporting the vast supply to new markets, we can shrink our regional carbon footprint while increasing North American energy independence.

Action Items

The Working Group commits to:

- Northwest Gas Association (NWGA) will reach out to industry associations to identify existing methane emissions research for distribution to PNWER.
- Explore a session on methane emissions regulations at next year's Summit including a: Science panel, Regulatory panel, Industry panel.
- Organize a twice annual call with industry to identify issues in for the RCC on cross border transport of CNG and LNG
- Convene a work group around value added opportunities for natural gas.
- Seek funding to develop a study on methane leaks in the system and share best practices with regional stakeholders.

Working Groups & Action Items

Trade and Economic Development

- 2016 Co-Chairs:**
- Rep. Rick Youngblood, Idaho
 - Rollin Stanley, General Manager, Urban Strategy, City of Calgary
 - PNWER staff lead: Rachael Kopp

Purpose and accomplishments:

PNWER met for the first time with key municipal economic development directors to share how they are addressing the challenges of disruptive technologies, and the sharing economy such as Uber and AirBnB. Discussion focused on sharing best practices between the municipal economic drivers of the region, state and provincial legislators, and connecting them to the mega-region that PNWER represents. The session this year showcased technologies and sectors which are interconnected between our jurisdictions. PNWER seeks to connect emerging new technologies across the region (virtual reality, autonomous vehicles, drones) and address the policies that are required to allow these technologies to foster growth in the region.

Action Items

The working group commits to:

- Collaborate with Workforce & Innovation Working Group on action items.
- Develop a template that municipal jurisdictions can contribute information regarding their asset inventory; identify metrics to include on template.
- Identify key stakeholders to engage in working group session moving forward.
- Develop State of the Region report- a snapshot of economic development of the PNWER mega-region.

Tourism

- 2016 Co-Chairs:**
- Rep. Gael Tarleton, Washington
 - Dave Cowen, General Manager, Butchart Gardens
 - PNWER staff lead: Mark Stayton

Purpose and accomplishments:

The Tourism Working Group helps address best practices and solutions to challenges in growing regional tourism. The group is working to develop tools that show tourism's economic impact on the region and improve transportation between destinations in the region. The passage of preclearance in the U.S. will expedite cross-border travel and tourism.

Action Items

The working group commits to:

- Calling on every member state and province to appoint a policy maker and industry representative to the Tourism Working Group for a two year term.
- Once populated with PNWER-wide membership, the PNWER Tourism Working Group will develop a sustainable governance structure including a Charter (Vision) and Terms of Reference.
- Explore visa synchronization pilots under the principle of 'checked once/cleared twice'
- Support the principle of developing a Trilateral Trusted Traveler program for North America.
- Work to restore visa processing to the Canadian Consulate in Seattle.
- Address impediments to Border entry such as misdemeanor convictions.
- Support for VRFID on Canadian travel documents.
- Develop a "How To Cross the Border" information packet for the tourism industry. Emphasis on NEXUS benefits and VRFID technology. Ensure consistent information for dissemination.
- Investigate interest in dedicated project: Increased tourism rail access from Vancouver and Seattle to Montana, Yellowstone and Boise.
- Find job and economic impact data on local, state, provincial and national levels.
- Collaborate with University of Victoria and Western Washington University to prepare for preclearance.
- Work toward developing data "portal" on the PNWER website that industry, government and legislators can access.

Transportation & Infrastructure

- 2016 Co-Chairs:**
- Sen. Chuck Winder, Idaho
 - Bruce Agnew, Director, Cascadia Center
 - PNWER staff lead: Jennifer Grosman

Purpose and accomplishments:

The Transportation and Infrastructure Working Group focuses on the infrastructure of our major corridors and gateways, with a special interest on border infrastructure. Economic development and quality of life throughout the region is reliant on dependable transportation corridors and shared standards across the region. Major focus areas include innovative infrastructure finance, infrastructure resilience and climate change adaptation, market access and rail capacity, and oil train safety.



The Oil Train safety Symposium brought together legislators, industry and government personnel to work to improve safety for oil-by-rail shipments.

The Transportation and Agriculture working groups collaborated with Western Association of Highways and Transportation Officials (WASHTO) to provide input on harmonization of trucking size and weight standards and for agriculture. Recently a Western Regional Permit was implemented which enables commercial vehicle customers to purchase one permit for travel through 12 states. Each state has designated routes for use with this regional permit. This harmonization of permits greatly streamlines interstate transportation of cargo.

Major Program: Oil Train Safety

Crude oil by rail transportation remains an important issue for the Transportation Working Group. In April, the Oil Train Safety Symposium in Lakewood, Washington provided a comprehensive overview of the current and future status of oil by rail transportation and emphasized the need for partnerships to help ensure oil transport safety is being addressed. PNWER will continue to foster dialogue between public and private sector entities from all parts of the supply chain both in the U.S. and Canada.

Action Items

The working group commits to:

- Continue convening key stakeholders - local elected leadership, state regulators, energy producers, railways, federal government and rural communities to share information on oil train safety and best practices. Organize a full day rail safety/rail capacity session at Boise Economic Leadership Forum and Portland Annual Summit.
- Develop PNWER Innovative Finance Task Force into Center of Excellence for performance-based innovative finance infrastructure. Secure federal funding through Northwest congressional delegation and PNWER state legislative support to match private sector underwriting.
- Build upon previous successful transportation/border policy tours by organizing a tour to the Port of Vancouver in October 2016.
- Follow-up work on the Great Northern Corridor by supporting FAST Corridor NW. Coordinate support from state/federal/local and private rail industry for capacity improvements from Midwest to Pacific Northwest ports.
- Promote harmonization of oversized truck permits, size & weights in the PNWER region. Idaho DOT will share best practices with the goal of leading harmonization initiatives among NW states. Utilize lessons learned from New West Partnership between Saskatchewan, Alberta and B.C. Topic to be discussed at Boise Economic Leadership Forum.

Working Groups & Action Items

University Presidents

- 2016 Co-Chairs:**
- Michael Mahon, President and Vice Chancellor, University of Lethbridge
 - David Docherty, president, Mount Royal University
 - PNWER staff lead: Steve Myers

Purpose and accomplishments:

The University Presidents Roundtable has been a significant part of the PNWER Annual Summit. This cross-border regional forum for university presidents is the only one of its kind in North America.

The PNWER University Presidents Working Group discuss issues impacting both sides of the border, as well as meet state, provincial, and territorial government and business leaders. The Presidents explore opportunities for cross-border research, exchange, study and collaboration.

Presidents are able to promote the role universities play in economic development and regional growth to other summit delegates as well as explore opportunities for participation and partnership with PNWER and its working groups.



Dr. David Docherty, president of Mount Royal University, discussed changing needs in workforce and how universities are working to meet them.

Water Policy

- 2016 Co-Chairs:**
- Sen. Jim Honeyford, Washington
 - David Hill, director, Centres and Institutes and Research Advocacy (CIRA) University of Lethbridge
 - PNWER staff lead: Rachael Kopp

Purpose and accomplishments:

Through its Water Policy Working Group, PNWER provides an important dialogue to address water policy issues throughout the Pacific Northwest region. By connecting with legislators, private-sector and universities, we work to identify best practices to improve water security, adaptation of climate change, and storage options. We also provide updates to the region on the Columbia River Treaty and explore linkages with other working groups, including Invasive Species.



The Pine Creek Waste Water Treatment Facility was a featured policy tour during PNWER's 2016 Annual Summit in Calgary.

Action Items

The working group commits to:

- PNWER to inventory common water themes, between the jurisdictions (e.g. hydropower and water management, that are emerging issues in member jurisdictions).
- Continue to address past action items. See www.pnwer.org/working-groups for more information

Workforce Development & Innovation

- 2016 Co-Chairs:**
- Sen. Maralyn Chase, Washington
 - Shawna L. Argue, MBA, P.Eng., Director of Education and Compliance, APEGS
 - Nirav Desai, Chief Technologist, Booz Allen Hamilton
 - PNWER staff lead: Steve Myers

Purpose and accomplishments:

The Workforce Development Working Group is identifying ways to enhance the region's world class workforce through sharing and promoting best practices in development and mobility. The working group focuses on how we train and retrain the skilled workforce that will be needed to fuel the growth of tomorrow and how can we ensure greater professional mobility in terms of licensing requirements, as many projects cross multiple jurisdictions

Action Items

The working group commits to:

- Innovation Metrics: PNW State of the region study - put together individual jurisdiction data on economic modeling
- Identify areas for highest demand in jobs and develop a gap analysis.
- Set an education attainment rate for the region and develop a list of attainment rates across PNWER.
- Showcase innovation best practices of remote and rural communities for economic development - i.e. Arctic energy.
- Develop easy way to share workforce needs and match the jobs with the workers within the current regulations of each jurisdiction - Scoping Exercise on matchmaking.
- Professional Credential Recognition: Suggested Actions:
 - Develop mobility objects to present to the jurisdictions
 - Pursue mobility at higher levels - more national level (perhaps discuss with Regulatory Cooperation Council or Beyond the Border?)
 - Engage ACEC in the various jurisdictions to promote mobility and obtain buy-in.
 - Push for implementation of cross border emergency protocols for engineers to respond to emergencies on both sides of the border.



Michael Mahon, President and Vice Chancellor, University of Lethbridge, discusses workforce education initiatives at PNWER's 2016 Annual Summit.



Hon. Lois E. Mitchell, Lieutenant Governor of Alberta, speaks during a Summit reception at Mount Royal University.

Capital Visits

CAPITALS VISITED IN 2016

**BOISE | OLYMPIA | VICTORIA | SALEM
REGINA | OTTAWA | WASHINGTON, D.C.**

The PNWER Board makes annual visits to state, provincial, territorial and federal capitals to advocate for regional issues and assess state, provincial and territorial priorities that PNWER should focus on in the coming year.

A PNWER Delegation traveled to Ottawa in June to meet with U.S. Ambassador to Canada Bruce Heyman, several Canadian federal ministers, government representatives and private-sector leaders to build relationships and discuss issues of regional concern.

A major topic of meetings with state and federal legislators was the threat of invasive mussels to the region. During capital visits, PNWER delegates stressed the importance of continued federal funding for the effort within the 2017 budget and provided draft resolutions supporting federal funding requests to state legislatures.

Delegates also spread the word to state and provincial legislative leadership and energy committees about PNWER's Legislative Energy Horizon Institute, as well as recapped our exercises in Washington and Idaho to improve regional cybersecurity.



PNWER's delegation to Salem visited Oregon Gov. Kate Brown, (center) and included, from left, PNWER Executive Director Matt Morrison, Private Sector Council Representative Colin Smith, PNWER President Sen. Curt McKenzie, Idaho, PNWER Vice President Sen. Arnie Roblan, Rep. Deborah Boone, PNWER Program Manager Megan Levy and Private Sector Co-Chair Dan Kirschner, executive director of the Northwest Gas Association.



From left, PNWER Executive Director Matt Morrison and PNWER Idaho Delegate Sen. Chuck Winder meet with the Idaho PNWER Council, chaired by Lieutenant Governor Brad Little, to discuss PNWER's achievements and initiatives in Idaho.



Members of the PNWER delegation and representatives of PNWER provinces met with Ambassador Bruce Heyman, US Ambassador to Canada, during a visit to Ottawa in June. Delegates discussed a broad range of issues including the Trans Pacific Partnership and the Joint Statement on Climate, Energy and Arctic Leadership.



Rep. Luis Moscoso, (left) and Sen. Maralyn Chase, (not pictured) co-chairs of the Washington Rail Caucus, met with the PNWER Delegation in Olympia, including Executive Director Matt Morrison, Rep. Mike Cuffe, Montana, and Rob Eaton, Senior Manager of Government Affairs, Amtrak, to discuss PNWER's preclearance task force, infrastructure finance and the Oil Train Safety Symposium.

Center for Regional Disaster Resilience

The Center for Regional Disaster Resilience (CRDR) focuses on emergency preparedness and disaster resilience projects across the Pacific Northwest. The CRDR operates under the umbrella of the Pacific Northwest Economic Region (PNWER), and is committed to working with states, provinces, territories and communities to create public-private partnerships, develop action plans, and undertake pilot projects to improve regional disaster resilience.



Oil Train Safety Symposium

PNWER's CRDR held the Oil Train Safety Symposium in April at the Clover Park Technical College in Lakewood, Washington on April 27.

Nearly 200 participants from both public and private sectors, and from across the Pacific Northwest, took part in the day-long event that provided a comprehensive look at safety in the transport of oil by rail from the Midwest to the ports and refineries on the West Coast.

Presentations from 17 speakers gave the audience an overview of oil-by-rail in the region, explained current and proposed oil train safety regulations, reviewed public safety planning for incidents, examined local capabilities for ecological spill response, and gave legislators and public officials a chance to respond.

The symposium provided an opportunity for emergency management personnel and industry leaders to meet with more than 20 elected officials and federal regulators.

FirstNet program

In Washington, the CRDR continued to support the Washington OneNet office, the state coordinator of the federal FirstNet program. The intent of FirstNet is to provide a nationwide wireless broadband network with priority service for first responders and organizations - such as critical infrastructure owners and operators - which provide services during emergencies and disasters.



From left, Rep. Hans Zieger, Washington, Rep. Luis Moscoso, Washington, Port of Tacoma Commissioner Clare Petrich and Rep. Matt Manweller, Washington, offer legislative response to questions at the Oil Train Safety Symposium.

“ We began an important dialogue of relationship building, understanding each other's needs, and sharing our experiences to improve safety for the general public. ”

- Sen. Chuck Winder, Idaho

CRDR cybersecurity initiatives

The Idaho Office of Emergency Management and the CRDR hosted free cybersecurity workshops across Idaho to share best practices to prepare for and respond to cyber threats.

One of the outcomes of these meetings was the creation of a stakeholder-prioritized action plan for the State of Idaho that is a culmination of recommendations from workshops, projects and activities over the past three years. Stakeholders identified these recommendations as high priorities for the state. Recommendations include:

- Develop training materials and a cyber resource website for the state of Idaho
- Continue to host annual statewide Cyber Interdependencies Workshop
- Develop a public-private information sharing platform to send alerts, warnings and share updates with vetted trusted stakeholders across the state.

In December, the CRDR held the AppFest in Seattle to provide an overview of current and emerging applications and programs used by emergency and first responders.



Participants at free cybersecurity workshops in Idaho heard from experts in the fields of cybersecurity, legal, insurance, and emergency management to gain a better idea of cyber risks and learned how they can best protect their business and employees.

Major Program Areas

Legislative Energy Horizon Institute

The Legislative Energy Horizon Institute (LEHI) is a certificate program in energy policy designed specifically for state and provincial legislators. It provides an extensive overview of the North American energy system, from operating energy systems to building and financing infrastructure to regulation methods and market impacts.

Legislators and energy policy leaders across the U.S. and from Canada graduated from LEHI on November 10 at the Canadian Embassy in Washington D.C., signifying their completion of a rigorous course in energy policy. The graduating class includes 27 policy makers from the U.S. and Canada.

The four-day course included instruction and hands-on exercises on topics including but not limited to:

- Carbon markets
- Aging natural gas infrastructure
- Best practices in developing solar energy
- The present and future of nuclear energy
- Outlooks for state and provincial energy regulation

The certificate program is accredited through the University of Idaho and is designed specifically for state and provincial legislators. Many of the graduates have gone on to be committee chairs in state assemblies across the United States

Jeff Morris, director of the LEHI program, said high turnover in state legislative bodies decreases the institutional knowledge concerning energy issues in states and provincial legislatures.

"Legislators must understand multifaceted issues associated with electricity, natural gas and petroleum infrastructure — as well as regulation governing this infrastructure — in order to make responsible and informed policy decisions," Morris said.

The Pacific NorthWest Economic Region (PNWER) partnered with the University of Idaho and the U.S.

Next year's class will again have two sessions, one in Richland, Washington, July 7-11, and one in Washington, D.C. October 10-14, 2017.

For more information, including the curriculum and list of graduates, visit www.pnwer.org/energyhorizon.



From left, Rep. Patty Kuderer, Washington, Rep. Larry Scott, New Mexico, Sen. Arnie Roblan, Oregon and Ghislain Bolduc, MNA, Quebec, participate in a Duke University Interactive Simulation.

“Having learned about the many broad facets of the energy industry, I have gained the necessary confidence to strongly represent my state in regional and national energy developments.”

- Representative Paulette Jordan, Idaho

Department of Energy to found the initiative in 2009. The first pilot class graduated in 2010 and the National Conference of State Legislatures (NCSL) joined the effort in 2012.

Graduating legislators have completed 60 credit hours of classroom instruction in Richland, Washington and Washington D.C. Since the program's inception in 2009, 181 legislators from the U.S. and Canada, along with 13 non-legislative attendees, have graduated.

LEHI is sponsored by the U.S. Department of Energy and operated in partnership with the University of Idaho, the National Conference of State Legislatures, the Government of Canada, the Western Governors Association and the Pacific Northwest National Laboratory.

Invasive Species

PNWER and its partners have coordinated mussel prevention efforts and helped secure funding for the Pacific Northwest states and Western Canada for the past six years.

Working with state and provincial invasive species coordinators, private stakeholders, non-profit conservation organizations and state and federal legislators, PNWER has helped organize a regional defense and procure federal funds to prevent the spread of invasive quagga and zebra mussels in the Pacific Northwest and Western Canada.

\$500 million

Expected annual cost of a regional mussel infestation

\$4 million

Federal cost-share funds appropriated in 2015 WRDA

\$5 million

Passed in Senate and House Appropriations in 2016 for the Pacific Northwest

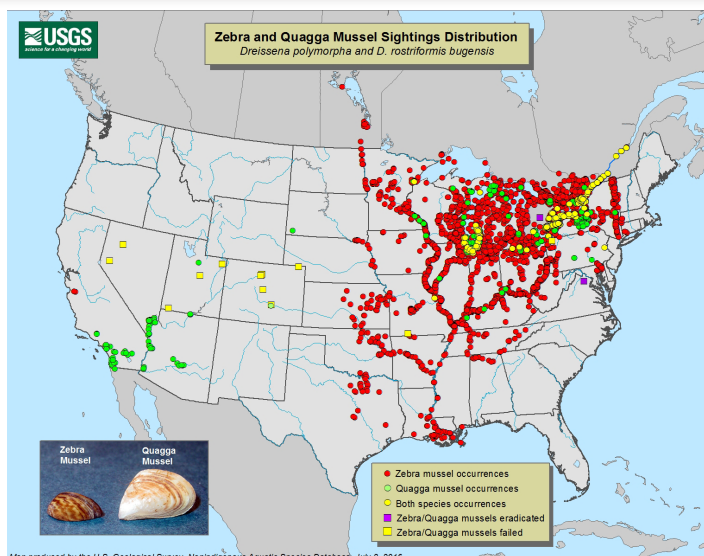
In 2016, the group worked most actively to help coordinate a perimeter defense strategy and procure funds to support state efforts to fend off an infestation of invasive quagga and zebra mussels. If these mussels were to establish themselves across the PNWER region, the estimated cost to the region would be half a billion dollars annually.

A new Water Resources Development Act (WRDA) passed the House and Senate on December, 10th, 2016.

Wording pushed by PNWER effectively doubles the amount of federal funds available to the states and expands the reach of federal aid to stations located outside the Columbia River Basin, on highways coming into the region.



A boat is searched for quagga and zebra mussels at a watercraft inspection station in Idaho. Invasive mussels can be transported on and inside watercraft. Photo by the Government of Idaho



Map produced by the U.S. Geological Survey, Nonindigenous Aquatic Species Database, July 8, 2016.

Quagga and zebra mussels have spread rapidly from the Great Lakes and Mississippi River watershed throughout the country and into Canada since the mid-1980s. Larvae were found in Montana in November. Photo by the U.S. Geological Survey.

The bill also adds a new requirement for the Army Corps to assist with rapid response and early detection efforts. This requirement is important considering mussel larvae were found in Montana's Tiber Reservoir, the first time invasive mussels have been confirmed in a Pacific Northwest waterway.

PNWER helped lay the groundwork for the Invasive Mussel Prevention Framework for Western Canada, released in April, 2016.

State and provincial invasive species coordinators met at the Economic Leadership Forum in Boise to address findings of mussel larvae in Montana, and on December 9th, 2016, PNWER co-hosted an emergency meeting of regional invasive species coordinators in Western Canada to begin planning a response to the Montana findings and protect the Columbia River Basin.

In 2015, PNWER and the Pacific States Marine Fisheries produced a Regional Framework for Perimeter Defense, which outlined the best ways that states, provinces and federal border agents could prevent the spread of mussels.

Thanks in large part to efforts of PNWER and partner organizations, \$4 million in federal funds were appropriated in 2015 through WRDA for the states of Oregon, Washington, Idaho and Montana for watercraft inspection stations, to be allocated on a one to one match with state funding. However, states had not yet received those funds by the end of 2016.

Major Program Areas

Arctic Caucus

The Arctic Caucus of the Pacific NorthWest Economic Region (PNWER) is a partnership between Alaska, Yukon, and the Northwest Territories. The partnership aims to provide a forum to share information, discuss issues of mutual concern, identify areas for collaboration and provide Arctic-relevant input to PNWER working groups and the region.

Meetings attended and held on behalf of the Arctic Caucus in 2016 include:

- March 4-6: The PNWER Arctic Caucus hosted the 5th Annual North American Arctic Leaders Forum in Washington, D.C. The forum featured briefings from the Alaska Congressional delegation and the U.S. and Canadian federal representatives and other interested stakeholders. The event was an opportunity for stakeholders to discuss priorities in the Arctic, sustainable development for Arctic people and global perspectives on this important region.
- The PNWER Arctic Caucus participated on an "Arctic Council at 20 years" panel at the University of Washington. As a result of the session, PNWER provided commentary on "*Opportunities for the North American Arctic*," which was published in the April 2016 *Arctic and International Relations Series* Spring Edition, Issue 2.
- April 28: PNWER presented during a conference at the Wilson Center in Washington, D.C. with Arctic academics and stakeholders. This session provided an opportunity to promote the need for more collaboration in the Arctic.
- June 21-22, PNWER presented to the Borders in Globalization Conference in Whitehorse, Yukon. This session showcased the work Alaska is doing to build on connections with Yukon and Northwest Territories in the Arctic.
- July 18: The PNWER Arctic Caucus held a meeting at the PNWER Annual Summit. The Caucus approved action items that led to the submission of the "Arctic Resolution: More funding needed for Arctic economic analysis." PNWER called for additional funding for economic research in the Arctic, including community economic modeling to determine local workforce needs, to research the high cost of living, and to understand the impact that climate change will have on economic growth in Arctic communities, along with other priorities listed in the resolution.



REP. BOB HERRON
Chair
Alaska



HON. STACEY HASSARD
Co-Chair
Yukon



HON. WALLY SCHUMANN
Co-Chair
Northwest Territories

Preclearance and Border Solutions

Preclearance Taskforce

The Promoting Travel, Commerce and National Security Act passed congress on Saturday, December 10 and was signed into law by the president. The act improves border security by preclearing passengers before they enter the United States from Canada and will expedite cross-border travel in the Pacific Northwest by eliminating double inspections that currently occur for ferries and rail.

Preclearance will strengthen the region's \$55 billion travel and tourism sector by making cross-border transit more efficient for business travelers, tour operators, and independent leisure travelers. Some of the expected benefits of preclearance to the Pacific Northwest include reduced wait times for passengers on rail carriers, including Amtrak Cascades and Rocky Mountaineer; ferries such as the Victoria Clipper, Black Ball and Washington State Ferries, and for cruise lines operating out of Seattle and Vancouver, according to a white paper developed in 2015 by PNWER's Preclearance Implementation Taskforce.

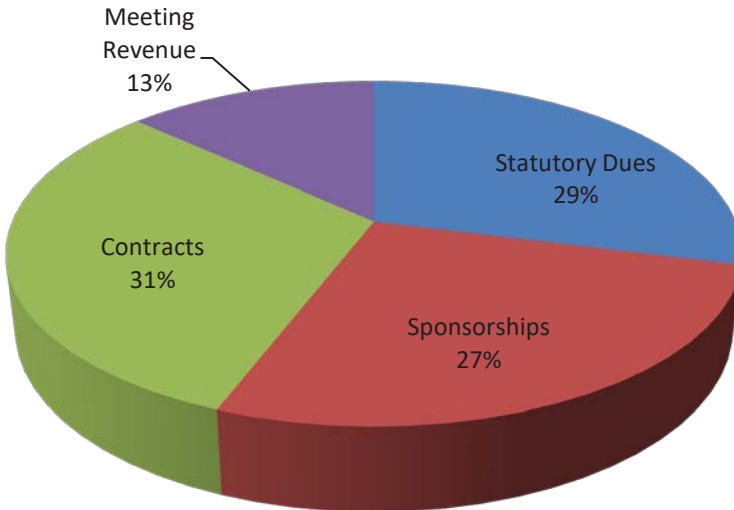
PNWER has played a major role in pushing for this legislation over the last two years. The taskforce has held monthly calls to coordinate implementation of the agreement and provide input on technical design standards for facilities. The group includes U.S. and Canadian border officials, government representatives and private stakeholders, including Amtrak, Rocky Mountaineer and Clipper Vacations.



The Victoria Clipper, a high-speed passenger ferry running from Victoria to Seattle, is expected to see reduced passenger boarding times due to preclearance. Photo courtesy of Joe Mabel on Flickr.

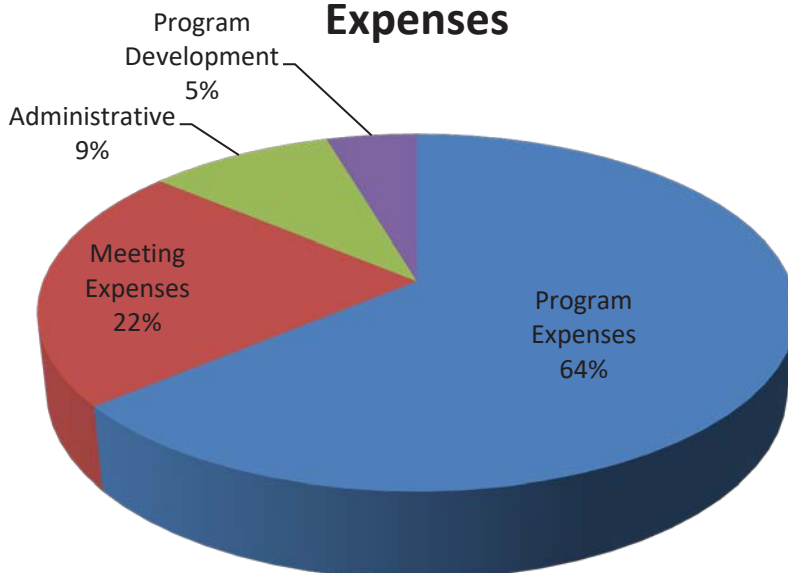
The Pacific Northwest Economic Region Foundation operates as a U.S. 501(c)6 nonprofit organization. PNWER's income is derived from statutory dues from member jurisdictions as well as state/province and federal grants and contracts and private sector contributions. Private sector sponsorships vary by company and amount and help fund projects, meetings and conferences.

Revenue



| | |
|----------------------|-----------------------|
| Statutory Dues | \$412,000.00 |
| Sponsorships | \$380,974.49 |
| Contracts | \$440,001.25 |
| Meeting Revenue | \$187,428.73 |
| Total Revenue | \$1,420,404.47 |

Expenses



| | |
|-----------------------|--------------------|
| Program Expenses | \$942,887 |
| Meeting Expenses | \$328,220 |
| Administrative | \$137,747 |
| Program Development | \$67,406 |
| Total Expenses | \$1,476,260 |

Supporters and Partners

Statutory Members

Alaska
Alberta
British Columbia
Idaho

Montana
The Northwest Territories
Oregon
Saskatchewan

Washington
Yukon

Private Sector Members

4D5A Security
Alaska Airlines
Alberta Beef Producers
ALMA
AltaLink
APEGA
APEGBC
APEGS
Association of Mineral Exploration BC
ATCO
Berk Consulting
BNSF
Booz Allen Hamilton
BP
Calgary Airport Authority
Calgary Economic Development
Calgary Regional Partnership
Capital Power Corporation
Canpotex Ltd.
Cement Association of Canada
Cenovus Energy
CenturyLink

Canadian Energy Pipeline Association
CN
Construction Center of Excellence
Denbury
Devon Canada
EID
Edmonton Economic Development Corporation
Enbridge
Enmax
ExxonMobil
Fasken Martineau
FortisBC
GHD Group
HDR
Hecla Mining
Idaho Potato Commission
Idaho Power
Imperial
Insulating Concrete Forms Manufacturers Association
Jacobs

Microsoft
MNP
Mount Royal University
Nelson Mullins
NorthWestern Energy
Pacific Northwest Law Group
PCA
Petroleum Services Association of Canada
Puget Sound Energy
Saskcanola
Simplot
Shell
Spectra Energy
St. Luke's Health System
Talgo
Teck
The Butchart Gardens
Van Ness Feldmen
Veresen
Weyerhaeuser
Zions Bank

Project Partners

Canadian Consulate General - Seattle
Homeland Security Emergency Management Center of Excellence
Idaho National Laboratory
Idaho Office of Emergency Management
King County Office of Emergency Management
NASCO
National Conference of State Legislators (NCSL)
Natural Resources Canada
North Star Group
Northwest Healthcare Response Network

Northwest Warning, Alert and Response Network
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The Energy Council
University of Idaho
U.S. Coast Guard, Sector Puget Sound
U.S. Department of Energy, Office of Electricity Delivery and Energy Reliability

U.S. Consulate General - Vancouver
U.S. Department of Homeland Security, National Protection and Programs Directorate
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