

ACTION PLAN

on INNOVATION, THE ENVIRONMENT AND THE ECONOMY



PREAMBLE

THE GOVERNMENTS OF BRITISH COLUMBIA, CALIFORNIA, OREGON AND WASHINGTON,

Pursuant to the *Memorandum to Establish the Pacific Coast Collaborative* of June 2008 to which all are signatories, and as provided for in Article 6;

Sharing a common vision of Pacific North America as a model of innovation and sustainable living that creates new economic opportunities for all our citizens;

Committing to leading the world in sustainable environmental management, and to capturing the economic benefits for our citizens;

Recognizing the similar economic and environmental challenges that we all face ~ now and in the future;

Desiring therefore to expedite the new employment and investment opportunities ("green jobs") that realizing this vision will create in the areas of energy, transportation and ports, by maximizing the impact of our individual and joint actions;

Seeking to minimize overlap and duplication of effort to minimize resource demands in developing initiatives to achieve objectives that are shared;

Embracing a common commitment to maximizing and coordinating shipping traffic through our Pacific ports from around the Pacific Rim and at the same time reducing emissions of air pollutants that adversely impacts the health of residents in nearby communities and contributes to global climate change in order to improve quality of life and health of the Pacific coast environment;

Celebrating the cultural diversity and talents of our citizens, and their "west coast" values and outlook, as our greatest resources in meeting these challenges and opportunities;

NOW THEREFORE HEREBY AGREE AS FOLLOWS:

I. Action on Renewable and Low Carbon Energy

Direct our relevant agencies and officials to work together, and with our respective federal governments as necessary to:

- Promote development and delivery of renewable and low carbon energy**
Promote the environmentally responsible development and delivery of renewable and low carbon energy, including solar, wind, geothermal, biomass, hydropower, and tidal/wave energy, from renewable and low carbon resource areas within the member jurisdictions of the Pacific Coast Collaborative and the Western Interconnection, including remote communities that currently rely on diesel generation. Coordinate proposals to investigate new technology including identification of most suitable pilot project locations, choice of technology, and methods used to assess potential impacts.
- Support the Western Renewable Energy Zones (WREZ) Project**
British Columbia, California, Oregon and Washington will collaborate to ensure the cost-effective and environmentally sensitive development and transmission of renewable and low carbon energy through participation in the Western Governors' Association Western Renewable Energy Zones (WREZ) Project.¹
- Share data and best practices to mitigate potential environmental impacts**
Work together collaboratively, including as applicable in the WREZ process, to identify and share data on important wildlife habitats, sensitive ecosystems, and sensitive lands in order to reduce, avoid, and mitigate the potential impacts from renewable and low carbon energy development in these areas.
- Harmonize definitions of low impact renewable resources, starting with hydropower**
Common definitions for renewable resources will reinforce market certainty needed to advance renewable development and facilitate trading of renewable energy between jurisdictions ~ in particular to enhance the collective capability of British Columbia, California, Oregon and Washington to meet regional peak electricity demand with renewable resources. Pacific Northwest electricity demand peaks in the winter months while California has a summer peak. To the extent that eligibility criteria for renewable resources are harmonized, the resources can more easily meet peak demand.
- Seek collaborations on forest product innovation for renewable energy**
Research is critical to the economic vitality of our timber-based economies, and will aid in driving demand for renewable energy products such as through advances in wood densification, and in identifying efficient uses of bio-mass for clean energy purposes such as direct energy production and conversion for use in fuel cell applications.

II. Action on Energy Conservation

Recognizing that the cleanest and most renewable energy is energy saved through energy conservation and by enhancing efficiency, direct our relevant agencies and officials to work together to:

- Participate in a Pacific Coast symposium on energy equipment**
Participate in a Pacific Coast videoconference symposium in 2010 to pursue a common "market transformation" strategy for energy using equipment. This symposium will bring together energy utilities, industry associations and provincial, federal and state governments to share information on efficiency standards, market stimulus programs, industry capacity building, consumer outreach efforts and harmonized regulations. Jurisdictions in the region will aim to encourage production and/or marketing of energy efficient space heating and cooling, water heating and lighting equipment, household appliances, electronics and windows and doors. This will include efforts to minimize "standby losses" (i.e., phantom power) of equipment when turned off.
- Encourage a "Conservation First" Utility Framework**
Encourage electricity and natural gas utilities to undertake comprehensive conservation potential studies and set goals for implementing demand-side management (DSM) programs. Utilities will be encouraged to prioritize DSM measures to address energy demand growth. Pacific North American jurisdictions will share information on DSM program performance and will cooperate on the development of harmonized approaches for measurement and evaluation.
- Collaborate on pilot projects for industrial energy efficiency**
Collaborate on pilot projects for industrial energy efficiency that will improve competitiveness and lower costs for industries, such as pulp and paper, and small- and medium-sized enterprises, including agricultural industries. This could include the adoption of "lean manufacturing" practices, new financing tools and the use of an energy management standard for large industries, including the designation of a "certified plant" for energy efficiency.
- Energy efficiency standards in the building code**
Share information on energy performance standards in building codes. Discuss strategies to maintain Pacific North American jurisdictions as leaders on energy efficiency requirements.
- Leverage energy efficiency standards for public buildings**
Review energy efficiency standards for public buildings under existing green building certification systems. Enhance Pacific North America's position as a global leader in green building design and the "recommissioning" of existing public buildings. Promote professional collaboration.
- Promote a wood building culture for climate action**
Recognize that a sustainable forest management strategy aimed at both increasing forest stocks and producing an annual sustained yield of timber for wood construction will generate the largest sustained carbon mitigation and economic benefits, enable enhanced building technologies in structural wood designs for residential and industrial construction and wood products in interior and exterior finishing by amending building codes and encouraging the use of wood in public leasing and public building projects.
- Partner to promote green and living communities**
Recognize collaborative work done by communities, research institutions and non-governmental organizations to develop green community standards and encourage them to build on the idea of a Pacific Coast Living communities network based on existing initiatives (e.g., British Columbia Community Action on Energy and Emissions Program, Cascadia Communities Coalition, California Green Communities network, Smart Growth BC). Pilot projects with communities will set targets, benchmark improvements and showcase financing models.
- Collaborate on "net-zero community energy" homes and buildings**
Establish a "net-zero community energy" vision for Pacific North America. Encourage information sharing between our builders and developers that support innovation in design of both low-rise and high-rise buildings.

III. Action on Transportation

A. High-Speed Rail from California to British Columbia

Recognizing the recent and substantial federal investment by the *American Recovery and Reinvestment Act (ARRA)* for high-speed intercity passenger rail planning and infrastructure, in rail corridors between San Diego and Vancouver, B.C., together with historical investments in the rail corridor by state and provincial governments, direct our relevant agencies and officials to work together and with foundations and private sector partners, as necessary, to undertake a joint feasibility study regarding methods to supplement and leverage existing and planned high-speed rail investments from San Diego through Portland and Seattle to Vancouver, B.C., for consideration at the next Leaders' Forum.

B. Green Highway

Direct our relevant agencies and officials in California, British Columbia, Oregon and Washington to work together to:

1) Build a Pacific "Green Highway"

Support redevelopment of the Interstate 5 / Highway 99 corridor to establish infrastructure for alternative fuels, using local businesses and feedstock sources, and including hydrogen, bio-fuels, natural gas, solar-power and other renewable and low carbon energy options, charging stations for electric vehicles and other emerging technology that are not based on fossil fuel.

2) Promote public-private partnerships

Work to coordinate efforts to attract public and private infrastructure investment in a mix of products and services that are distinctive, recognizable, and effective in furthering the shared vision of energy independence and environmental stewardship in the transportation of people and goods along the Interstate 5 / Highway 99 Corridor.

3) Share standards and best practices for alternative fuels

Share information on standards and best practices for biofuels, hydrogen as a fuel, all electric vehicle, and plug-in hybrid vehicle technology and collaborate on studies and analyses related to supply, demand and use of biofuels, hydrogen as a fuel and electric vehicle technology.

4) Collaborate on all electric and plug-in electric hybrid vehicles

Collaborate on information regarding plug-in hybrid electric vehicles and battery electric vehicles including appropriate and consistent technology and infrastructure.²

5) Collaborate on hydrogen vehicles

Share information on permitting, codes and standards, first responder training, hydrogen fuel quality standards for fuel cell vehicles, hydrogen storage, dispensing protocols, and anticipated station spacing, as well as vehicle certification and performance requirements.

6) Collaborate on next generation biofuels

Building on existing research collaborations, focus efforts on next generation biofuels, including cellulosic ethanol, biodiesel blends, standards development, testing results, and emissions modeling.

7) Maximize impact of public fleets policies

Collaborate on timing and specifications of planned Public Fleet vehicle purchases to maximize purchase leverage with potential vendors, and share environmental and fleet purchasing requirements and policy.

8) Maximize results from research and commercialization efforts

- a) Encourage our universities and research institutions, business and philanthropic foundations to maximize results and minimize duplication of effort by developing a strategic regional research plan that addresses clean energy and technology, coordinating work and sharing information on biomass conversion for fuel cell applications, hydrogen, electric and alternative fuel and vehicles, and encouraging graduate student – industry partnership models to enhance industry problem-solving and quicker idea-to-market opportunities.
- b) Encourage a "Clean Tech CEO" event adjacent to the March 2010 Globe Conference on Business and the Environment to facilitate action and progress.

9) Create consistent roadside signage for alternative fuel stations

- a) Collaborate on adoption of consistent signage denoting location of alternative refueling stations for electricity, hydrogen and biofuels.
- b) Develop and implement public education tools to raise awareness of alternative fuel station availability and recognition of signage.

C. Green Ports

Direct our relevant agencies and officials to work together, and with our respective federal governments, port authorities and industry to:

1) Cooperate on air quality at our ports

- a) Work to synchronize environmental policy and environmental standards for the ports system throughout Pacific Coast jurisdictions while recognizing there are operational differences among ports.
- b) Leverage, using a collaborative approach, our economic influence to further reduce air pollutants such as greenhouse gases and particulate matter, while preserving competitive trade markets.
- c) Set consistent expectations for ocean-going ships:
 - i. Work to implement lower sulfur fuel requirements pursuant to International Maritime Organization MARPOL Annex VI regulations and establish a North American Emission Control Area.
 - ii. Encourage ports to develop consistent connection standards for shore-based electrical power and the use of shore power by cruise, container, and refrigerated cargo ships.

- d) Collaborate with ports to cut air pollutants such as greenhouse gases and particulate matter from rail and truck emissions, such as by sharing incentives and technology to develop cleaner, more fuel-efficient trucks and locomotives.

2) Promote best port practices

Encourage our respective ports to share best practice guidelines, toolkits and assessment tools, with a view to common reporting and monitoring methodology for the development and implementation of air quality programs and initiatives, and assessment tools to model and track goods movement life cycle impacts on fuel efficiency and greenhouse gases.

3) Facilitate research, development and innovation

Facilitate research, development, deployment and innovation of clean energy resources, technologies and services for a green Pacific ports system by:

- a) information sharing and support of joint pilot projects, such as low carbon power generation projects at ports.³
- b) sharing best practices on technology advancement programs in order to develop consistency in research, development and innovation initiatives and common metrics for tracking effectiveness of such initiatives and pilot projects throughout Pacific coast jurisdictions.

4) Promote innovative air emission reduction initiatives

Work with our federal governments and port authorities to identify and develop:

- a) funding sources or other mechanisms to assist ports and transportation sectors to retrofit, buy new, or invest in innovative technologies to reduce air pollutants.
- b) policies and regulations that provide incentives for and encourage development of innovative and sustainable technologies to reduce fine particulates, hazardous air pollutants, and greenhouse gas emissions; and reduce energy consumption.

5) Build on existing collaborative efforts

Support existing collaborative efforts between ports and key stakeholders on the West Coast such as the Pacific Ports Association, the Pacific Ballast Water Group, West Coast Governor's Agreement on Ocean Health, the Pacific Northwest Waterways Association, the Oregon Public Ports Association, the America Association of Port Authorities, the West Coast Collaborative, the Climate Registry, the Bi-State Diesel Collaborative and others, including by providing a one-stop "Green Ports" portal link on the Pacific Coast Collaborative website.

IV. Economic Stimulus and Infrastructure

In light of our common interests as outlined in this Action Plan, and recognizing the extent generally that critical energy and transportation infrastructure run north and south in Pacific North America, work together to align our approaches and speak with a common voice as appropriate to maximize results for each of jurisdictions and region from the infrastructure expenditures to be undertaken by our respective federal governments.

V. Results

Implement a joint mechanism to track the implementation of these commitments and report results achieved at the next annual Leaders Forum of the Pacific Coast Collaborative.

VI. Interpretation

This Action Plan is intended to spur finding new, smart ways for our governments, agencies and staff to work together, and with other governments and non-government partners, as appropriate, to add value, efficiency and effectiveness to existing and future initiatives, and to reduce overlap and duplication of effort, with the objective of reducing, not increasing, resource demands to achieve objectives that are shared.

VII. Limitations

This Action Plan shall have no legal effect; impose no legally binding obligation enforceable in any court of law or other tribunal of any sort, nor create any funding expectation; nor shall our jurisdictions be responsible for the actions of third parties or associates who may participate in activities outlined in this Action Plan.

¹ The goals of the WREZ project are to: a) Develop a framework for consensus on how best to develop and deliver energy from renewable resource areas to load centers within the Western Interconnection; b) Generate reliable information for use by decision makers that supports the cost-effective and environmentally sensitive development of renewable energy in identified renewable resource zones as well as conceptual transmission plans needed to deliver renewable energy to load centers; c) Provide a foundation for interstate collaboration on development of coordinated procurement and siting of interstate transmission necessary to deliver renewable energy to meet growing demand throughout the Western Interconnection; and d) Provide for the development of cost-effective renewable resources in order to promote the clean and diversified energy goals of the Western Governors.

² This would include a) helping to determine appropriate certification, warranty and on-road performance and test procedures for OEM vehicles and potentially aftermarket plug-in hybrid electric vehicle conversions; b) sharing information on SAE-compliant stations and chargers for at-home, at-work and "opportunity" charging connectors and infrastructure; c) sharing information on regulatory treatment of electricity subscription services for vehicle charging; d) developing a how-to manual for charger installations including codes, safety considerations and other requirements; and e) advocating for establishment of medium speed vehicle standards by federal governments.

³ For example, feasibility of biofuel production from halophyte feedstocks (i.e., algae, seaweed, glasswort, saltbrush) and advancement of fuel cell technology for the goods movement sector.

SIGNED AT VANCOUVER, BRITISH COLUMBIA, ON THE OCCASION OF THE FIRST ANNUAL LEADERS FORUM OF THE PACIFIC COAST COLLABORATIVE AND THE XXIST OLYMPIC AND PARALYMPIC WINTER GAMES, THIS 12TH DAY OF FEBRUARY, 2010.

Original signed by

GORDON CAMPBELL
Premier of British Columbia

Original signed by

THEODORE R. KULONGOSKI
Governor of Oregon

Original signed by

ARNOLD SCHWARZENEGGER
Governor of California

Original signed by

CHRISTINE O. GREGOIRE
Governor of Washington