

IN SUPPORT OF THE DEVELOPMENT OF A

Introduced by the Energy Committee

CONTINENTAL ENERGY MARKET

BACKGROUND

The member states of the Council of State Governments-WEST face increasing demands for reliable sources of energy. While it is important that the price levels of these energy sources are relatively stable, it is equally important that this energy demand is met while protecting the environment. Given that North American has an incredible wealth of varied energy resources, it is imperative that a comprehensive continental energy strategy be devised to prevent over reliance on a single energy source. Over reliance on a single energy source has the potential to adversely affect the economy and the energy security of the continent. Hence, it is critical that a continental policy takes advantage of the continents' abundant, multiple energy sources heeding both environmental challenges and other constraints. Transportation of people and goods both to and from the states and provinces, in particular rely on one energy source, crude oil. The production decline of crude oil has resulted in a major reliance on foreign sources for the transportation energy needs in North America. Should the foreign supplies be cut off it would have a serious impact on our livelihood. Finally, it is important that this energy policy rely on the marketplace to ensure the diversity of energy supplies.

RECOMMENDATION

The Council of State Governments-**WEST** strongly recommends the enactment of a continental energy policy that encourages and ensures reliability, reasonableness and stability in electric supply pricing to meet the increasing demand for electricity; promotes the continental production of energy sources to depress dependence upon foreign external sources of energy; encourages more funding for research and environmental technology development associated with domestic energy production, such as clean coal technology, renewable energy and infrastructure, addresses the transportation energy needs of the states and provinces with increased crude production; initiate research of environmentally sound alternative technologies to provide the necessary horsepower needed to move the heavy materials in and out of North America should the energy from domestic crude production is not substantially increased; advocates additional funding or states and provinces to implement new technologies; requests that federal environmental standards be based on sound science and subjected to quality risk and cost benefit analysis; and urges the national governments to provide provinces, state, and local governments with greater flexibility to implement environmental regulations that impact energy sources.

Adopted By the CSG-WEST Executive Committee on July 28, 2001 Assembled in Annual Meeting in Whistler, British Columbia.