Western Governors' Association 2010 Annual Report



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U.S. Flag Pacific Islands: Northern Mariana Islands

WGA Annual Meeting • Whitefish, Montana • June 27th-29th, 2010

Dear Friends,

During a 1910 conference of Western Governors in Salt Lake City, the front page headline of a local newspaper read "West Stands Together on Conservation Plan."

A century later, Western Governors continue this long history of working together on diverse and often tough issues. A special section of this report titled 100 Years of Common Ground provides a little history of how WGA came to be and highlights some of our past successes.

This past year, the Renewable Transmission Energy Project got underway with a major grant from the U.S. Department of Energy. A significant outcome will be the development of alternative energy futures that can be modeled into transmission plans, which will open up high-quality renewable resource areas. And for the first time, wildlife and water resources information will be incorporated into modeling analyses.

At this year's annual meeting, we will consider the challenges and opportunities of managing water, which will be critical over the next 50 years, given limited supplies, emerging demands and climate uncertainty. WGA has

produced two reports on water strategies in recent years, which some Washington officials have referenced in Congressional hearings, while holding up their own dog-eared copies.

Because states will be on the front line of responding to any impacts from climate change, we also want to lead any on-the-ground adaptation efforts. This past year, WGA's Climate Adaptation Work Group has been examining ways climate adaptation science and models could be used to create a roadmap for the West. We face unique threats, particularly around the interrelated issues of water supply, forest health and invasive species.

WGA is also breaking new ground in conserving key wildlife habitats. In May, eight pilot projects spanning 17 states were launched to develop sophisticated Decision Support Systems. These systems will provide a regional picture of sensitive wildlife habitats and corridors to help inform decisions regarding development and conservation across our landscape.

This has been a successful, busy year for the WGA, and we look forward to future successes, perhaps for another 100 years.

Sincerely,

Brian Schweitzer < Governor of Montana Chairman of the Western Governors' Association

2009-2010 Board of Directors

Gov. Brian Schweitzer, Chairman

Gov. C.L. "Butch" Otter, Vice Chairman

States

Alaska - Gov. Sean Parnell Arizona - Gov. Jan Brewer California - Gov. Arnold Schwarzenegger Colorado - Gov. Bill Ritter Hawaii - Gov. Linda Lingle Kansas - Gov. Mark Parkinson Nebraska - Gov. Dave Heineman Nevada - Gov. Jim Gibbons New Mexico - Gov. Bill Richardson North Dakota - Gov. John Hoeven Oklahoma – Gov. Brad Henry Oregon - Gov. Ted Kulongoski South Dakota - Gov. Michael Rounds Texas - Gov. Rick Perry Utah - Gov. Gary R. Herbert Washington - Gov. Christine Gregoire Wyoming - Gov. Dave Freudenthal

U.S. - Flag Pacífic Islands

American Samoa – Gov. Togiola T. A. Tulafono Guam – Gov. Felix Camacho Northern Mariana Islands – Gov. Benigno Fitial

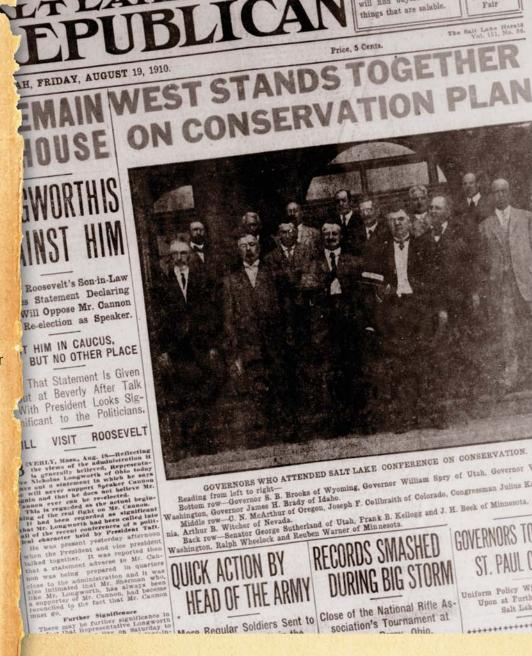
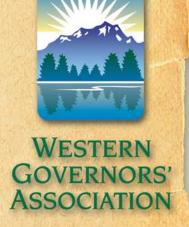


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About the Western Governors' Association

The Western Governors' Association is an independent, nonpartisan organization of Governors representing 19 Western states, and three U.S.-flag Pacific islands. Through their Association, Governors identify and address key policy and governance issues in natural resources, the environment, human services, economic development, international relations and public management.

Governors select issues for further review based on regional interest and impact. WGA helps the Governors develop strategies both for complex, long-term issues facing the West and for the region's immediate needs. Governors use WGA to develop and advocate policies that reflect regional interests and relationships in debates at the national and state levels. WGA also acts as a center of innovation to find promising solutions for problems in the region.

The Governors serve as WGA's Board of Directors. The Board meets up to three times per year. Many Governors have one or more issues or policy areas for which they choose to serve as a lead Governor. With the concurrence of the chairman, lead Governors direct activities, develop proposed positions, chair related meetings, and provide testimony and comments to Congress, committees and federal agencies. WGA staff provides assistance for these activities.

During the Annual Meeting, the board elects a chairman, approves a work plan and budget for the upcoming year, and adopts policy resolutions that guide the work of the Association. Between gubernatorial meetings, the WGA Staff Council, which comprises the chief of staff or a top policy advisor for each Governor, reviews and guides WGA activities.

Acknowledgements

The Western Governors' Association wishes to thank the following federal agencies and organizations for their support over the past year:

American Petroleum Institute Doris Duke Charitable Foundation Georgetown State-Federal Climate Resource Center Nature Conservancy Southwest Partnership for Carbon Sequestration The Climate Registry The Energy Foundation The William and Flora Hewlett Foundation U.S. Department of Agriculture Forest Service

- Natural Resources Conservation Service
- U.S. Department of Commerce, National Oceanic and Atmospheric Administration
- U.S. Department of Defense, Office of the Assistant Deputy Undersecretary of Defense, Installation and Environment
- U.S. Department of Energy
 - National Energy Technology Laboratory
 - National Renewable Energy Laboratory
 - National Transportation Program, Office of Civilian Radioactive Waste Management
 - Office of Energy Efficiency and Renewable Energy, Office of the Biomass Program
 - Office of Electricity and Energy Reliability
 - Office of Environmental Management, Carlsbad Field Office
 - Office of Packaging and Transportation
 - Office of Fossil Energy
- U.S. Department of the Interior
 - Bureau of Reclamation
 - Bureau of Land Management
 - U.S. Fish and Wildlife Service
- U.S. Environmental Protection Agency,
 - Regional offices: VI, VIII, IX and X
 Office of Air Quality Planning and Standards
 - Office of International Activities
 - Office of Water

Wilburforce Foundation Wildlife Conservation Society

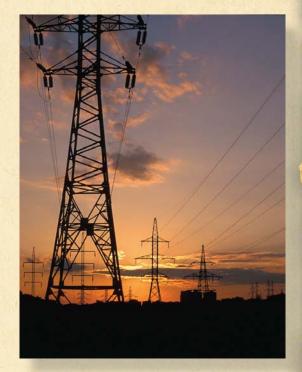
Year in Review July 2009 - June 2010

Energy

Renewable Transmission Energy Project

There is broad agreement that a significant increase in the use of renewable energy is dependent upon expansion of the existing transmission grid. The publication of the Western Renewable Energy Zones - Phase 1 report in June 2009 provided a view of where the richest, most commercially viable renewable resources are within the Western Interconnection. This was an important first step toward expanding renewable energy development. Since the publication of the report, WGA has turned its focus to some key next steps: determining which of the high-quality areas are of greatest interest to electric service providers, determining how their renewable resources can best be developed, and planning for a transmission network that will bring those resources to market.

In June 2009 the United States Department of Energy announced the availability of stimulus money to analyze transmission requirements under a broad range of alternative energy futures and to develop long-term, interconnection- wide transmission expansion plans. In December DOE announced a combined total of \$26.5 million would be given to the WGA and the Western Electricity Coordinating Council to complete this work. WGA and our affiliate, the Western Interstate Energy Board, are concentrating our efforts in two major areas: continuation of activities initiated under the WREZ project, and the development of alternative energy futures that can be modeled into transmission plans that will open up high-quality renewable resource areas.



An exciting element of the transmission planning process is that for the first time wildlife and water resources will be incorporated into the modeling analyses. Part of the DOE funding will go to states for the development of decision support systems that can be used to help assess the viability of new energy generation and transmission in certain areas. There also will be funding devoted to examining the regional impacts of new energy generation on water use, including a look at the potential impacts of long-term drought on energy production. The wildlife and water information will be critical to the transmission modeling and increase the potential viability of any transmission plan.

WGA leads for this initiative are Governors Freudenthal, Hoeven, Richardson, Rounds and Schweitzer.

Transportation Fuels for the Future

WGA's Transportation Fuels Council continued to make progress this past year in implementing recommendations from the 2008 Transportation Fuels for the Future report. Shortly after the Governors released that report, the council was

Energy Resolutions

- Energy Policy, Renewable Energy and Transmission for the West
- Distribution of Federal Royalty Payments for Renewable Energy Projects on Public Lands
- Transportation Fuels for the West: A Roadmap for Energy Security and Improving the Environment and the Economy
- Changes Needed in Electric Power System to Meet Clean Energy Goals
- Tax Exempt Status for Bonds for Transmission Line Authorities
- Advancing Deployment of Near-Zero Emission Coal
- Transitioning the West to Clean Energy and Energy Security

formed to oversee the implementation of many of its recommendations. The council meets at least quarterly to discuss state initiatives, federal policy



issues and opportunities for regional collaboration. In 2009, it published a report that documented the progress made by the Western states in encouraging alternative fuels, as well as advanced and

efficient vehicle technologies. The report also focused on identifying priority issues where Western states could collaborate and offer recommendations to Congress and the Administration.

Following up on those issues, the council held an informational webinar on policies to encourage low-carbon fuels in December 2009. The Council also hosted a workshop in Salt Lake City in early June to discuss concrete actions that could be taken to coordinate the development of alternative fuel infrastructure, encourage the development of advanced vehicle technologies, and leverage state funding and incentives through coordination.

WGA also continued its effort to develop a strategic Western bioenergy assessment through the development of a National Bioenergy Siting Model. The NBSM is expected to be released early in the summer of 2010 and will provide high quality biomass resource data, projections on biofuels conversion technology options and the capability to provide a robust analysis of the impacts of bioenergy development and policy. WGA also participates in the National Biomass Partnership to help inform state decision makers and ensure that inter-regional perspectives are communicated.

Early in 2010, the Governors sent a letter to Congress urging the adoption of provisions that would encourage the use and production of natural gas vehicles and the development of the infrastructure needed to support them. The letter noted that the use of natural gas as a transportation fuel has security, environmental and job-creating benefits.

Leads for this program are Governors Gregoire, Henry and Rounds. Financial Support is provided by The Energy Foundation and the U.S. Department of Energy.

Environment

Water

Two reports — "Water Needs and Strategies for a Sustainable Future" and a subsequent "Next Steps" report developed by WGA and its affiliate, the Western States Water Council, continue to guide WGA's water program activities. In addition, they've become an essential reference to federal agencies and water managers across the West and in the nation's capital. More than once, officials in Washington have held up dog-eared



copies of the reports to acknowledge their value and utility.

Drought remains an area of keen interest to the Western states. WGA and the Council are working to ensure that the newly formed National Integrated Drought Information System (NIDIS) serves the needs of water users in the West. Two stakeholder-focused workshops have been held to obtain end-user recommendations on NIDIS to ensure it is providing relevant information, opportunities for interaction with scientists and researchers, and guidance and resources for drought preparedness and response. The need to get NIDIS "right" is only amplified by the fact that drought services may provide one model for the development of a National Climate Service.

WGA continues to work on a range of targeted water policy issues that remain high priorities for the Western states. These include Good Samaritan mine cleanups, Indian water settlements, water supply and growth, discharge permits for inter-basin water transfers, and sustainable water management. Activities have included outreach and program development with agencies, letters expressing established WGA positions, and testimony before Congress. While incremental progress is being made on these issues, WGA will continue to promote smart water policies for the West.

Finally, WGA and the Council are building programmatic connections outside of the traditional water bucket. For example, WGA was awarded funding from DOE to assess the "energy-water nexus," or how energy development may affect water supplies, and vice-versa, in the American West. The Governors are pursuing opportunities to connect healthy forests to clean water supplies. And they are examining how climate change may affect water availability and water management in the West, as part of a broader effort to improve climate adaptation practices. The theme of climate adaptation underscores the connections and interdependence of resource areas, including water, forests, wildlife and air.

Leads for this issue are Governors Otter, Richardson, Ritter and Rounds.

Support for this program comes from the National Oceanic and Atmospheric Administration and the U.S. Department of Energy.

Climate Adaptation

At their annual meeting in June 2009, the Governors established Policy Resolution 09-2, Supporting the Integration of Climate Change Adaptation Science in the West. This resolution recognizes the need to understand and respond to the impacts of climate change. The West faces unique threats, particularly around the interrelated issues of water supply, forest health and invasive species. The states are the ones on the front line of climate change response and will lead on-the-ground adaptation efforts.

As directed by the resolution, the WGA formed a Climate Adaptation Work Group to determine appropriate uses of climate adaptation science and models in natural resource and infrastructure planning. The work group consists of state representatives from a range of resource areas, including forestry, wildlife, water supply and air quality. The group has prepared for the Governors' consideration a scoping report that would give states an opportunity to establish a roadmap for climate adaptation in the West.

Several clear messages have emerged in the early stages of this effort: Resource managers in every state *continued on page 8*



According to the Colorado Department of Emergency Management, the drought of 2000-2003 led to many agencies working together on water conservation. Pictured above is the reservoir at Ridgeway State Park in 2003.

Water Resolutions

- Future Management of Drought in the West
- Water Quality Issues in the West
- The Safe Drinking Water Act
- State Authority Regarding the Federal Hydropower Licensing
- Watershed Restoration through Partnerships
- Federal Non-Tribal Fees in General Water Adjudications
- Negotiated Indian Water Rights Settlements

Western Governors 100 Years of Common Ground

A Century of Governors Working Together

In 1910, *The Evening Standard* in Ogden City, Utah noted that a group of Western Governors would gather in Salt Lake City to discuss the position Pacific Coast and Rocky Mountain states should take at the upcoming national Conservation Congress in St. Paul, Minn. A year later, based on other common issues and interests identified at that meeting, they barnstormed by train through the East Coast showcasing Western products and touting the West as a special place to live.

In 1947 they created the first official organization dedicated to serving their collective interests – the Western Governors' Conference. The Federation of Rocky Mountain States was then formed in 1966 as a vehicle for mountain-state governors, legislators, educators and private business leaders to work together.

Governors left the federation in 1977 and created the Western Governors' Policy Office to address the "fast track" development of coal, synfuel and other energy projects and the proposed deployment of the MX missile along the Utah-Nevada border. In 1984, the Western Governors Conference and the Policy Office merged, giving birth to the Western Governors' Association and creating a more seamless process for Governors to oversee regional efforts, including those related to transmission and water.

Because the federal government owns more than 40 percent of the land in the West, the Governors' often have focused their collective efforts on natural resource issues and related federal policies. But they have also been advocates for many diverse issues, including education, healthcare and economic development.

With the advent of the Internet in the 1990s, improved access to healthcare in rural communities and management of healthcare information were addressed. Access to higher education also dramatically changed with the launch of the Western Governors University, just one of many examples where Western Governors have found common ground and worked together to benefit the West.

Internet and Competency-based Higher Education

In 1996 Western Governors recognized that Internet based distance-learning technologies had the power to tackle one of the region's most pressing problems: vast distances, rapid population growth and limited public funds for educational services. They also wanted a university that would offer degrees based on



Governors sign an MOU in 1996 agreeing to move forward in creating the Western Governors University.

each student's demonstrated knowledge, rather than the number of class hours taken. With those goals, the ground-breaking Western Governors University was launched.

Since its inception in 1997, WGU has flourished into a national university, today serving more than 19,000 students from all 50 states and is growing at a rate of approximately 30 percent a year. It is the only competency-based university in the U.S. and offers more than 50 fully accredited degrees. TIME magazine once referred to WGU as "the best relatively cheap university you've never heard of."

Improving Visibility in National Parks

Twenty years ago, visibility in 16 national parks and wilderness areas on the Colorado Plateau Western was so poor Congress established the Grand Canyon Visibility Transport Commission to evaluate what actions should be taken to protect and restore these areas' spectacular views. The commission included representatives of states, tribes and federal agencies, who then convened hundreds of stakeholders over a five year period to develop a comprehensive set of recommendations.

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State, federal and tribal officials meeting at the Grand Canyon in 1996 agree to recommendations for reducing emissions that impair vistas in 16 national parks and wilderness areas.

The WGA and National Tribal Environmental Council formed the Western Regional Air Partnership in 1997 to implement recommendations adopted by the Commission. The WRAP continues to serve policymakers by coordinating regional analysis of regional haze; air quality issues related to ozone, particulate matter, nitrogen deposition and critical loads, mercury, and other pollutants; emissions sources from all sectors, both domestic and international; effects of air pollution transport; and effects of climate change on regional air quality. Read more about the WRAP's current work on page 8.

Energy and Transmission

In 2003 skyrocketing electricity prices and rolling power outages crystallized the need for pro-active energy and transmission development throughout the Western Interconnection. The following year, WGA held the North American Energy Summit in Albuquerque, during which three important goals were set:

- develop an additional 30,000 megawatts of clean energy by 2015 from both traditional and renewable sources;
- achieve a 20% increase in energy efficiency by 2020;
- and ensure a reliable and secure transmission grid for the next 25 years.

That effort continues today. Western Governors have issued reports on residential energy efficiency and clean coal technology, and have been working on finding ways for companies to develop the high quality renewable resources available throughout the West. Over the next three to five years, they will undertake a major effort to identify the much needed, new transmission lines that will unlock these renewable resources. More information can be found on page 3.

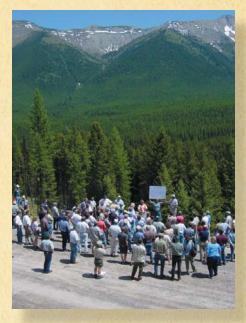
Forest and Rangeland Health

Toward the end of a devastating summer of wildfires in 2000, Western Governors called a meeting with the Secretaries of Agriculture and the Interior, and all parties agreed the current system for preventing and responding to wildfires was not working.

They decided that a comprehensive strategy, developed through a collaborative approach, was needed to:

- respond to an increasing number and severity of wildland fires;
- reduce fire impacts on rural communities; and
- create a plan that would ensure effective firefighting capacity in the future.

In August 2001, a 10-year strategy following those guidelines was developed by WGA in concert with the U. S. Forest Service; the Department of Interior's bureaus of Fish and Wildlife, National Parks, Indian Affairs, and Land Management; and affected states,



More than 200 people participated in a field trip during the 2003 Forest Health Summit in Missoula. Photo: Kevin Hyde

tribes, counties and interested stakeholders. Work continues today through collaborative activities and the diverse membership of the WGA Forest Health Advisory Committee.

More information can be found on page 10.

Climate Change Resolutions

- Supporting the Integration of Climate Adaptation Science in the West
- Regional and National Policies Regarding Global Climate Change

already are working to manage resources in a dynamic environment; the challenge for the future will be to determine how to incorporate the potential variability, extremes and trends associated with climate change into ongoing state activities.

- Improving the ability to adapt to future climate variability can produce co-benefits towards meeting regional goals for economic development and resource management.
- Now is a critical time for states to engage in climate adaptation, as a number of national and local initiatives and activities are ramping up to meet the challenge.

As directed by the Governors, WGA will help states implement recommendations from the work group's scoping report. Potential recommendations include work to develop regional models, efforts to disseminate smart practices for climate adaptation, coordination with federal agencies and initiatives (including a National Climate Service), and tracking federal legislation on climate adaptation. This effort will require close collaboration among state, federal and local governments, the research community, nongovernmental organizations and the private sector.

Leads for this initiative are Governors Richardson and Schwarzenegger.

Air Quality

The member states and tribes of the Western Regional Air Partnership (WRAP) continue to work with federal agencies and stakeholders to reduce regional haze in our national parks and wilderness areas. Under this program, emissions from industrial and mobile sources across the West have been significantly reduced over the last ten years, leading to measurable improvements in air quality across the West. The WRAP is now using its expertise to help Western states meet EPA health standards for ozone and fine particulate matter.

The WRAP adopted a new charter in December 2009 that calls for a "oneatmosphere" approach to regional air quality planning. This approach emphasizes regional and multi-pollutant assessment of air pollution sources and control options, including regional transport of pollution across state lines. In the West, sources contributing to regional air pollution range from industrial and mobile sources to energy production, wildland fire, windblown dust and off-shore shipping.



In order to increase the effectiveness of regional air quality planning in the West, the WRAP's new charter extends membership to local air agencies and additional federal agencies.

WGA's air quality program continues to assist Mexican environmental agencies as they build the institutional capacity needed to manage emissions that cross the border into the U.S. Currently this project is focused on updating and improving Mexico's emissions inventory.

Support for the WGA's air quality program is provided by the U.S. Environmental Protection Agency and WGA member states.

Air Quality Resolution

Western Air Quality

Nuclear Waste Transportation

WGA's Radioactive Waste Transportation Program is dedicated to the safe and uneventful transportation of nuclear waste and has overseen thousands of shipments while maintaining an extraordinary safety record over the past 20 years.

Several thousand rail and highway shipments of transuranic and lowlevel waste originate, pass through or terminate in Western states each year. During the past 11 years, nearly 9,000 shipments have



Waste Isolation Pilot Plant

passed through Western states on their way to permanent underground disposal at the Waste Isolation Pilot Plant in New Mexico. These shipments have contributed to the U.S. Department of Energy's significant cleanup of several Western facilities: Rocky Flats in Colorado, the main site at Lawrence Livermore National Laboratory in California, and the Kansas City Plant.

The continued success of the WGA Radioactive Waste Transportation Program can be traced to the collaborative efforts of 12 Western states and the U.S. Department of Energy Carlsbad Field Office and Office of Environmental Management. At their 2009 Annual Meeting, the Governors and Secretary of Energy signed a memorandum of agreement reaffirming their shared commitment to continuing this collaboration. Following up on that commitment, WGA has worked with DOE and its colleagues in the Midwest, Northeast, and South to organize the first National Transportation Stakeholders Forum as an opportunity for state and federal officials to coordinate on actions that will lead to the Governors' goal of safe and uneventful transportation.

In May WGA urged Secretary of

and storage of nuclear waste. They said to neglect the states' role in the process could undermine the effectiveness and public acceptability of the commission's future

recommendations.

Energy Steven Chu to include state

representation on the department's new

Blue Ribbon Commission on America's

Nuclear Future, citing WGA's successful

track record related to the transportation

WGA's affiliate, the Western Interstate Energy Board (WIEB), implements the Governors' policies related to

the shipment of spent nuclear fuel and high-level radioactive waste under the Nuclear Waste Policy Act. The WIEB High Level Waste Committee will continue to engage with Congress and the Administration as the future of the nation's highlevel nuclear waste policy is determined.

Governors Otter and Richardson serve as leads for these programs, which are supported with funding from the U.S. Department of Energy.

Lands

Western Governors' Wildlife Council

In the last year the Western Governors' Wildlife Council has made significant strides in implementing recommendations included in the Governors' 2008 Wildlife Corridors Initiative Report. Its primary focus has

been developing in each state publically accessible and geographically data-driven



Nuclear Waste

- DOE Waste Isolation Pilot Plant and Transportation of TRU Waste
- Interim Storage and Transportation of Commercial Spent Nuclear Fuel
- Enhancing Security During Transport of Radioactive Materials in Quantities of Concern
- Department of Energy Facilities Cleanup Program
- Transportation of Spent Nuclear Fuel and High-Level Radioactive Waste

Wildlife Resolutions

- Sage Grouse and Sagebrush Conservation
- Protecting Wildlife Migration Corridors and Crucial Wildlife Habitat in the West
- Reauthorization and Amendment of the Endangered Species Act of 1973

Forest Health

- Improving the Health of Western Forests and Rangelands
- Restoring and Maintaining a Sustainable Road System on Federal Lands
- Achieving Sustainable Forests

Fish & Wildlife Decision Support Systems that are compatible across the region. Building partnerships between states, federal agencies, non-governmental organizations and industry has been a key element of this effort.

This initiative significantly advanced in June 2009 when Western Governors signed a Memorandum of Understanding with the Secretaries of Agriculture, Energy and the Interior to coordinate their respective efforts to assist in the development of state-based Decision Support Systems. Subsequently, the Department of Energy awarded WGA nearly \$3 million to support multi-state and multi-jurisdictional wildlife pilot projects in each state. The aim of the pilots is to begin developing systems that will help inform decisions regarding development, conservation of key wildlife habitats, and land use planning. These systems will ultimately be utilized to help direct development into areas that pose less risk to wildlife by proactively providing information through transparent, easily accessible online tools.

In May 2010, eight pilot projects, spanning all 17 states participating on the council, were launched. These pilot projects will test several different aspects of developing regionally compatible Decision Support Systems, including integration of multi-jurisdictional wildlife data and the application of common crucial habitat definitions. The common definitions, outlined in a white paper developed by the Wildlife Council, are a necessary first step to achieving compatibility and consistency of mapped species across state boundaries.

The Council seeks to ensure that other state and federal agencies, local governments, non-governmental organizations, and industry fully utilize these systems once they are developed. It has formed a State-Federal Implementation Group and a Stakeholder Advisory Group to assist with these efforts. The Council also met in person several times with many of its partners this past year.

Leads for this initiative are Gov. Freudenthal and Gov. Schweitzer, who hosted a meeting of the Council in Helena in September 2009. Financial support for this initiative is provided by the Doris Duke Charitable Foundation, U.S. Department of Energy, U.S. Fish and Wildlife Service, Wilburforce Foundation, Wildlife Conservation Society, William and Flora Hewlett Foundation and The Nature Conservancy.

Forest and Rangeland Health

Wildland Fire Leadership Council Governor Ted Kulongoski of Oregon was appointed this year by the Adminis-



tration to represent WGA on the national Wildland Fire Leadership Council. The Council provides strategic oversight to ensure policy coordination, accountability and effective implementation of Federal Wildland Fire Management Policy and related long-term strategies to address wildfire suppression, assistance to communities, hazardous fuels reduction, habitat restoration and rehabilitation of the nation's forests and rangelands.

The main focus of the council — an

intergovernmental committee of federal, state, tribal, county and municipal officials — will be the development of a cohesive wildfire management strategy. This strategy is required under the Federal Land Assistance, Management, and Enhancement Act (FLAME) provision within the Interior appropriations bill.

The council recognizes the need for states and stakeholders to be partners in developing and implementing a new cohesive wildfire management strategy. Key elements of the new strategy will include improved coordination and communication in preventing wildfires, creating fire-adapted communities, suppressing wildfires, and restoring lands for the future, including managing public and private lands at a landscape scale.

Forest Health Advisory Committee

The WGA Forest Health Advisory Committee this year identified key priorities and action items related to wildfire and community protection; biomass utilization and bioenergy production; and large-scale treatments on public and private lands.

The committee also surveyed several collaborative groups involved in large scale forest treatments. Many have a history of successful projects behind them, others are moving forward with project planning. A workshop is being planned to further identify and begin to address the need for greater collaborative federal



engagement and funding for large scale projects to address unhealthy forest conditions on public and private lands.

Leads for the Forest and Rangeland Health program are Govs. Kulongoski and Otter. Financial support is provided by the U.S. Department of Agriculture, U.S. Forest Service and the U.S. Department of Interior.

Secure Rural Schools and Communities Act

The Governors have been working with the federal government on reauthorizing the Secure Rural Schools and

Communities Act, which provides support to rural communities in 17 Western states based on an historical contract between the federal government and states. This support is integral to the states and rural counties' ability to provide public services.



П

The funding

supports wildfire mitigation, habitat improvement, watershed restoration, search and rescue operations on federal lands, road maintenance and recreational improvement activities. Significant improvements to the health of public and private forestlands have been achieved with the assistance of citizen-involved Resource Advisory Committees that are supported by the funding.

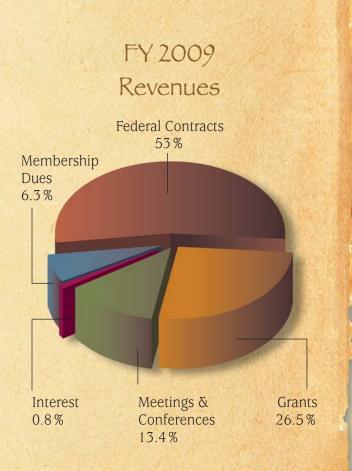
The WGA will continue to play a strong strategic role identifying sustainable natural resource management and support the stability and well being of forest counties and communities.

Leads for this initiative are Govs. Gregoire, Kulongoski and Otter.

FY 2009 Functional Expenses

Environment & Natural Resources 67.2% Public Lands 2.1%

AdministrationWashington, D.C.Regional& DevelopmentOperations 3.7%Development8.9%1.1%



12

Finances

WGA's income is derived from dues from member states, grants and contracts, contributions, interest and other miscellaneous income. Member dues for the fiscal year 2009 were \$36,000 per state and \$6,000 per territory/commonwealth. During the fiscal year ended June 30, 2009 WGA's Income totaled \$8,661,719. Approximately 60% of this amount was received from federal agencies for various projects.

Statement of Activities for the Year Ended June 30, 2009

Functional Expenses

Energy Policy	\$1,389,304
Environment & Natural Resources	5,481,616
Public Lands	167,391
Regional Development	88,757
Washington D.C. Operations	303,913
Administration & Development	726,397
	The state of
TOTAL	\$8,157,378

Revenues

Membership Dues	\$ 546,000
Federal Contracts	4,628,574
Grants	2,293,631
Meetings and Conferences	1,125,714
Interest Income	67,800
TOTAL	\$ 8,661,719

Excerpted from the audit report of JDS Professional Group, Certified Public Accountants, Consultants and Advisors.

WGA Staff Council 2009 - 2010

The WGA Staff Council comprises the chief of staff or top policy advisor for each Governor and meets between the Governors' annual and winter meetings to review and guide WGA activities. The council reviews proposed work plans, budgets, and policy resolutions; works out interstate differences on regional issues; and provides guidance to WGA staff. Council recommendations are conveyed to the individual Governors, as well, to keep members abreast of WGA activities. Representing each Governor's office are:

ALASKA Mark Robbins

AMERICAN SAMOA Mr. Motu La'au Seui, Jr.

ARIZONA Kevin Kinsall

CALIFORNIA Brian Turner

COLORADO Ken Weil Rebecca Swanson

GUAM George Bamba

HAWAII Linda Smith

IDAHO John Chatburn SAC Vice Chair

KANSAS Andrea White

MONTANA Mike Volesky SAC Chair

NEBRASKA Lauren Kintner NEVADA Ryan McGinness

NEW MEXICO Sarah Cottrell

NORTH DAKOTA Lance Gaebe Jason Nisbet

N. MARIANA ISLANDS Charles P. Reyes, Jr.

OKLAHOMA Robert Wegener Cassie Gilman

OREGON Michael Carrier

SOUTH DAKOTA Kevin Forsch

TEXAS Terry Zrubek

UTAH Dianne R. Nielson Robert Spendlove

WASHINGTON Mark Rupp

WYOMING Chris Boswell

Western Governors' Association Staff

Pam O. Inmann, Executive Director

Shanna Brown, Director, Washington, D.C. Office

Patrick Cummins, Program Director - Western Regional Air Partnership, Air Quality Initiative

Linda Davis, Financial Manager

Karen Deike, Communications Director

Rich Halvey, Program Director - Energy

Thomas M. Iseman, *Program Director - Water, Drought* and Climate Adaptation

Deborah Kinsley, Administrative Assistant

Margo Ling, Accounting and Administration

Toni McCammon, Office Manager/Executive Assistant

Christopher McKinnon, Program Director -Information Technology, Education, Health Care, International Affairs and Transportation

Doug Miyamoto, Natural Resources Consultant, Loaned Executive USDA-NRCS - Sage Grouse, Sagebrush Conservation Council

Tom Moore, Program Manager - Air Quality

Alex Schroeder, Program Director - Radioactive Waste Transportation and Transportation Fuels

Ann Walker, Program Director - Forest Health, Biomass, Invasive Species

Madeleine West, Program Manager - Wildlife Corridors and Crucial Habitat, Climate Adaptation and Energy

Alison Foster - 2010 Internship

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