



Chair's Letter

As I have said before, 2006 holds tremendous promise for the Great Lakes. But, we must re-double our efforts in order to turn this promise into progress.



Wisconsin Governor Jim Doyle

The Great Lakes Governors have developed nine priorities to guide Great Lakes protection and restoration. The first of these priorities is ensuring the sustainable use of our water resources.

We took a big step toward realizing this priority on December 13, 2005 when the Governors and Premiers signed agreements to implement the Great Lakes Charter Annex. These agreements promise to provide strong protections against diversions, encourage conservation and stimulate cooperation among our region's governments. Now, we must work together to urge each State legislature to ratify the agreements into law and encourage Congress to provide its consent.

We must also partner with one another to communicate the urgency of resource needs to Congress and the Administration. The Great Lakes Regional Collaboration's Strategy that was unveiled on December 12, 2005 outlined nearly \$20 billion in needed investments to protect and restore the Great Lakes. These needs include protection against the Asian Carp, more aggressive clean-up of toxic sediment and improvements to our region's wastewater infrastructure.

On March 3, the Great Lakes Governors and Mayors called on Congress to support a series of high-priority actions needed in the FY2007 budget. We must not defer these critical investments.

The Great Lakes Governors are committed to playing a lead role in these and other initiatives. We look forward to working with each of you to continue building on our momentum.

—Jim Doyle

*Chair, Council of Great Lakes Governors
Governor, State of Wisconsin*



Duluth, Minnesota

Governors press forward on Great Lakes restoration

“The time for planning has ended and the time for action has begun,” Council Co-Chair Governor Jim Doyle said with the release of the Great Lakes Regional Collaboration (GLRC)'s “Strategy to Restore and Protect the Great Lakes” on December 12, 2005.

Former Council Chair Ohio Governor Bob Taft will join Great Lakes and St. Lawrence Cities Initiative Chair Chicago Mayor Richard M. Daley on March 16 in testifying before the Senate Committee on Environment and Public Works regarding the importance of long-term, large-scale funding for Great Lakes restoration and the need to begin with near-term actions. He will also represent the Great Lakes Governors at the Great Lakes Commission's Great Lakes Day event.

Governor Taft will emphasize the requests made by the Great Lakes Governors and Mayors in their March 10 letter to Congress, which include the following:

*Authorize and appropriate \$6 million to the U.S. Army Corps of Engineers to complete and operate a permanent dispersal barrier system in

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Canada Trade Office Yields Results

The U.S.-Canada trade relationship continues to be the world's largest, generating well over a billion dollars daily in the trade of products and services. Thirty-seven U.S. States count Canada as their top trade partner. The Ambassador Bridge between Detroit and Windsor continues to be the highest volume border crossing in the world, with more commerce passing over the bridge than the total trade between the U.S. and Japan.

Canada's diverse population, strong traditional resource base and sophisticated economy result in a market teeming with opportunities both in traditional industries and specialized niche markets.

In particular, the oil and gas sector has seen tremendous growth over the past five years. Alberta,

which sits atop what could be the world's largest crude reserves, is the hub of activity. Canada has also become the world's second-largest diamond producer with two



National Trade Centre, Toronto, Ontario.
Photo courtesy of Tourism Toronto.

mines online in the Northwest Territories and another soon to be online in Nunavut.

The Canadian Trade Office of the Council of Great Lakes

Governors, located in Toronto, has assisted hundreds of companies over the last 15 years from the member States of Indiana, Pennsylvania and Wisconsin.

The Canadian Trade Office staff matches innovative and proactive companies from the Great Lakes region with opportunities in the Canadian market. For example, the office had significant success in recently assisting a Pennsylvania company which produces sophisticated cardiac equipment. The company was matched with a key medical distributor and last year this relationship generated \$900,000 in sales.

Most recently, the following sectors have shown good potential for Great Lakes exporters: oil and gas related products and equipment, medical technologies and organic and specialty foods.

Trade Success Stories

Tighe Industries, Inc., a Pennsylvania manufacturer of gymnastics apparel, sought to develop key relationships world-wide in order to expand brand awareness and market penetration for its two brands, Alpha Factor and Curtain Call. With the cooperation of the World Trade Center of Pennsylvania and the Canadian Trade Office, they have developed an improved understanding of the Canadian market and how to identify key business contacts.

Tighe Industries, Inc. worked with key contacts identified by the Canadian Trade Office to create synergistic business opportunities. As a result, Alpha Factor is set to become the Official Apparel Sponsor of Gymnastics Canada.

Super Spring Orthodontics, Inc., a Wisconsin company specializing in a proprietary dental appliance, contacted the Canadian Trade Office to express interest in attending a national dental conference and exhibition in Montreal. The Canadian Trade Office staff identified and contacted appropriate dental labs and distributors that would have an interest in carrying its unique dental appliance.

As a result, the company identified a key orthodontic laboratory/distributor in Ontario that has been granted exclusive distribution rights to the Province. The company predicts strong sales will be forthcoming from the arrangement.

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the Chicago Sanitary and Ship Canal to prevent the Asian carp and other invasive species from entering the Great Lakes.

*Pass the National Aquatic Invasive Species Act as reflected in SB 770 and HR 1591 and HR 1592.

*Support the President's request for the Great Lakes Legacy Act to be funded at \$49.6 million.

*Appropriate \$28.5 million to begin to restore and protect 200,000 acres of wetlands.

Encourage the Great Lakes Federal Interagency Task Force to review all federal agencies' wetland

management programs to develop a consolidated wetlands restoration and protection approach.

*Direct the U.S. Environmental Protection Agency to apportion \$50 million in their brownfield grant program to remediate waterfront brownfields.

These requests build upon the release of the GLRC Strategy last December. Over 1,500 representatives of governmental and non-governmental stakeholder groups worked together to create the Strategy, resulting in its broad-based support.

Now that a comprehensive

restoration and protection strategy is in place, the Great Lakes Governors stand ready to partner with the Administration, Congress, the Mayors, Tribes and others in moving forward near-term action items.

The Governors and Mayors, in consultation with members of the Great Lakes Congressional Task Force and representatives of Great Lakes Tribes, outlined a series of these action items in a December 12 letter to the President.

More information, including copies of the letters, can be found at www.cglg.org/projects/priorities.

Biomass program future in danger

In his 2006 State of the Union address, President Bush stressed the importance of reducing the country's dependency on foreign sources of energy and the need to increase clean energy research efforts. Unfortunately, funding for the Great Lakes Biomass State and Regional Partnership (GLBSRP) was not included in the President's FY2007 budget proposal.

The Great Lakes States depend on GLBSRP funds to help operate their bioenergy programs. These programs encourage increased production and use of biomass (organic material) for energy generation. Without federal funding, the workshops, studies and State grants that GLBSRP provides could soon end.

Please contact your Senators, Representative and the Administration to encourage continuation of this important program. The Great Lakes States strive to stay at the forefront of renewable energy.

Workshop highlights ethanol industry changes

The Great Lakes Biomass State and Regional Partnership

(GLBSRP) recently sponsored a meeting for State air and water regulators to review the environmental impact of the growing ethanol industry.

Meeting participants from around the country learned about the latest technologies used in ethanol facilities to increase yield, improve energy efficiency and reduce emissions. Presentations looked at future industry changes

such as the production of ethanol from cellulose and the use of gasification technology to reduce emissions and provide energy.

Meeting participants also discussed how to streamline the construction of new ethanol plants while reducing environmental concerns. Copies of the presentations from the workshop will be available on the Governors' Ethanol Coalition Web site at www.ethanol-gec.org.

For more information, please contact GLBSRP Director Fred Kuzel at fkuzel@cglg.org.

Please visit the GLBSRP's newly revamped Web site!

<http://cglg.org/biomass/index.asp>



The new ethanol research facility on the Southern Illinois University at Edwardsville campus. Photo courtesy of Illinois EPA.

Great Lakes threatened: Feds fail to fund carp barrier

In 2004, the federal government fell short on funding a critical barrier in the Chicago Sanitary and Ship Canal to protect the Great Lakes from the Asian carp due to cost overruns and construction delays. The project was slated for completion only after the Council of Great Lakes Governors and member States stepped forward with an additional \$575,000 to finish the project.

Now, additional construction delays and a shortage of funding again threaten the completion and operation of the barrier. The U.S. Army Corps of Engineers has indicated that construction on the permanent barrier is not expected to be completed until this spring and may incur additional cost overruns.

Regardless, Corps funding for the barrier system, including the existing “temporary barrier,” is scheduled to run out in May 2006 and no further federal

funds have been committed to date.

In January, Governor Doyle wrote a letter to the Great Lakes Congressional Delegation on behalf of the Council. He

urged quick passage of authorization and funding for construction completion, upgrading the temporary barrier and maintaining and operating both barriers at federal cost.

Governor Doyle said, “Clearly, the barrier system

is a federal responsibility, as the barrier is intended to protect not only the Illinois portion of Lake Michigan, but the rest of the Great Lakes and their tributaries as well. It is the responsibility of Congress and the Administration to ensure that sufficient funds exist to finish barrier construction and to keep the barrier system operating in order to protect not just one State, but the entire region and the nationally important economy and unique ecosystem that the Great Lakes support.”

Carp barrier needs at a glance:
*\$5 million to upgrade the existing temporary barrier to permanent status.
*\$1 million annually to maintain and operate the barrier system at federal cost.

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Great Lakes-St. Lawrence River Basin Compact Implementation Moves Forward

Before an audience of hundreds, on December 13, 2005 the Great Lakes Governors and Premiers signed the Great Lakes—St. Lawrence River Basin Sustainable Water Resources Agreement and urged the quick passage of the Great Lakes—St. Lawrence River Basin Water Resources Compact.

Since then, several States have taken action to implement the Compact. Illinois legislators have already introduced implementing legislation, SB3077 and HB4644.

In his January 25 State of the State

address, Ohio Governor Bob Taft encouraged the State legislature to be the first to pass Compact legislation.

Michigan has also taken steps toward implementation, having recently passed the most significant groundwater regulations in their State history. The regulations include: a permitting system; a requirement that major users demonstrate in advance that the use will not cause harm; and, a prohibition on bulk diversions out of the Great Lakes.

For more information, please visit <http://www.cglg.org/projects/water/annex2001Implementing.asp>