



Alternative Energy Report

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8

Energy and Enthusiasm Obvious in Pennsylvania Primary

With less than two weeks left until the Pennsylvania primary, the state is seeing a huge investment of dollars and campaign activity that hasn't been seen since 1976. As the contest for the Democratic nomination comes down to the wire, Sen. Barack Obama, D-Ill., and Sen. Hillary Clinton, D-N.Y., remain in an all-out battle to sway Pennsylvania voters.

And with few key state or legislative races, the public eye as well is on the Clinton-Obama contest, which both camps recognize should be a major factor in finally deciding the Democratic standard bearer in the fall election. The campaigns have shown energy, but the candidates have been providing few details of their plans for renewable and alternative energy in their stump speeches. For information on where Sens. Clinton, McCain and Obama stand and what they support, ERG has provided an easy link to their positions on our [website](#).

Pennsylvania's primary could put the future aspirations of more than the presidential candidates on the line. Governor Ed Rendell has endorsed Sen. Clinton, and is pulling out all the stops to insure a Clinton victory. And Pennsylvania US Senator Bob Casey has endorsed Sen. Obama, joining Obama for a six-day bus trip through the state last week.

[MORE...](#)

Biodiesel Company Supports Infrastructure Development

Lake Erie Biofuels is the leading biodiesel producer in the Northeastern United States, producing more than 125,000 gallons of top quality B100 biodiesel daily, with a nameplate capacity of 45 million gallons per year. The company privately financed the state-of the art plant using continuous-flow Desmet Ballestra systems, and a world-class on-site testing laboratory guaranteeing that all product sold from the plant meets ASTM D-6751 standards.

As previously noted here, the Senate has passed biodiesel incentive legislation with good intentions, but which could cause irreparable harm to the Pennsylvania biodiesel industry. Similar legislation has been introduced in the House, and may be considered by that chamber in the near future.

The employees of Lake Erie Biofuels this week sent a letter to all members of the Pennsylvania House of Representatives, supporting initiatives that would encourage development of the state's biodiesel industry. Following is an excerpt from that letter:

In considering legislation to promote biodiesel in Pennsylvania, Lake Erie supports:

- **Fully funded production Incentive payments of no more than \$0.25 per gallon with payments pro-rated according to production totals;**

Lake Erie believes that government should encourage investment by private industry, and should provide temporary safety nets for individuals and investors who choose to support these solutions to our energy security. The state's biodiesel producers need a reasonable incentive program that enables them to transition into the marketplace.

Lake Erie is currently losing out on contracts to out of state biodiesel firms by 21-22 cents per gallon. However, no state east of the Rocky Mountains has a producer incentive greater than 30 cents per gallon. Pennsylvania should keep its incentive program realistic and competitive, and should provide equal compensation per gallon regardless of size of operation to avoid the state creating market advantages for any companies. We recommend funding of \$10 million for this program;

- **State funding for tax credits for education programs and research and development for industry and consumers;**

In order to support markets for environmentally friendly biodiesel, Lake Erie also believes that equipment, auto, and engine manufacturers should be encouraged and given incentives to build and modify their current product lines to use fuels made from Pennsylvania biofuels. Additionally, the wholesale and retail fuel industries and consumers should be educated on the benefits, and proper use/blending of biodiesel.

- **A requirement that all biodiesel sold in PA must be certified as meeting or exceeding ASTM D-6751 standards to qualify for state incentives;**

Quality should be the industry and Commonwealth's number one priority and must not be compromised. We urge the state to insure that all biodiesel sold in Pennsylvania be certified as meeting at least the ASTM D-6751 standard, which is the result of 15 years of research and regulatory review. Manufacturers and consumers can be assured of quality when the standard is enforced.

- **Tax Credits or other financial incentives to support development of biodiesel infrastructure in the state, now the major barrier to marketability.**

Lake Erie has found that the terminal infrastructure for biodiesel is the largest barrier to full availability of our product statewide. Programs to encourage development of storage and injection blending of fuels at the terminal level are greatly needed. Infrastructure conversion is needed to enhance quality and convenience for the efficient distribution of distillates.

We believe that U.S. dependence on foreign fossil fuels can be greatly reduced or eliminated by the refinement of renewable, and recyclable fuel products such as biodiesel, and that the refinery capacity of the United States can be greatly increased by new biofuels production facilities, rather than conversion of existing petroleum capacity to the co-processing and/or refinement of renewable fuels.

Lake Erie Biofuels is committed to helping the Commonwealth of Pennsylvania continue to meet their progressive goals toward energy independence with the use of environmentally friendly renewable biodiesel.

-- The employees of Lake Erie Biofuels, LLC

For more information on biofuels incentives offered by other states, please visit ERG's web site at www.pa-erg.com and click on the "The Truth About Biofuel Incentives"

icon.

DEP Grant Updates

April marks the opening of several DEP grant programs, as the Alternative Fuels Incentive Grant Program (AFIG), Energy Harvest Grant Program and Pennsylvania Energy Development Authority Grants are all expected to open the week of April 21.

Program Summaries:

AFIG – The AFIG program’s mission is to help improve PA's air quality and reduce the use of imported oils through the use of alternative fuels.

Energy Harvest – program mission is to deploy cleaner energy sources that protect water or air quality, and have a positive economic benefit. Provides funding for renewable energy deployment; biomass energy projects; coal-mine methane, waste coal reclamation for energy; implementation of innovative energy efficiency technologies; or clean distributed generation infrastructure improvements.

PEDA – solicitations are varied and diverse. In general, PEDA provides grants, loan guarantees for alternative energy projects and related research referring to deployment projects, manufacturing or research involving the following types of fuels, technologies or measures: solar energy; wind; low-impact hydropower; geothermal; biologically derived methane gas, including landfill gas; biomass; fuel cells; coal-mine methane; waste coal; integrated gasification combined cycle, and; demand management measures, including recycled energy and energy recovery, energy efficiency and load management.

For more information on these programs, including eligibility requirements and applications, visit DEP’s web site at www.dep.state.pa.us and select “Grant Center.”

House Transportation Committee Holds Hearing on Diesel Idling Legislation

The House Transportation Committee today held a hearing on Senate Bill 295, the diesel-powered commercial motor vehicle idling act. The bill, sponsored by Senator Pat Browne (R-Lehigh), was unanimously voted from the Senate in February and provides for idling restrictions on diesel-powered commercial vehicles, and imposes penalties.

As written, the bill pertains only to on-road diesel vehicles, such as tractor-trailers and busses, and states that “no operator of a commercial motor vehicle subject to this act would cause or allow the engine of a diesel-powered commercial motor vehicle to idle for more than five minutes in any 60-minute period.”

Members of the trucking community that testified before the committee were very supportive of the bill as written. However, the DEP had suggestions that they feel would strengthen the bill including:

- Because the owners and operators of locations where diesel-powered vehicles load, unload and park often share responsibility with vehicle operators for excessive idling, they should also be accountable for causing delays.
- DEP should be given the flexibility to assess civil penalties or fines for idling restrictions under the existing framework of the Air Pollution Control Act,
- The summary offense fines for violation of SB 295 should be increased significantly to coincide with the penalties already in place in certain parts of Pennsylvania and neighboring states.

Many committee members still have unanswered questions about the enforcement of the bill, but overall seemed to agree with the bill's intent, which is to reduce particulate matter in the air.

DEP has been working on regulations similar to Browne's bill since October 2006, and earlier this year, DEP's Environmental Quality Board concluded a series of statewide hearings on proposed idling restrictions for heavy-duty, on-road diesel vehicles.

As many as 44 states and local jurisdictions, including the City of Philadelphia and Allegheny County, have enacted ordinances or adopted regulations that impose idling restrictions.

Bacterium From Bay Could Help to Develop Cellulosic Ethanol

Researchers at the University of Maryland in March said they had developed a new process to convert biomass material into ethanol using a bacteria discovered two decades ago that decomposes marsh grasses in the Bay.

The bacterium, *Saccharophagus degradans*, creates a mixture of enzymes that break down almost any source of biomass into sugars, which can then be converted into ethanol. Right now, almost all of the ethanol in the United States comes from corn, which has a high sugar content that is readily available for fermentation, and therefore readily transformed into ethanol.

Growing additional corn crops for ethanol has been a point of contention with the Bay because corn often leaves large amount of nitrogen in the soil where it can end up downstream in the Chesapeake where it fuels algae blooms. Because of such problems, many regional-and national-leaders have hoped that future ethanol demand could be met largely through cellulosic materials.

Saccharophagus degradans, which translates into "sugar eater," produces dozens of enzymes that can digest the cellulose plant material and turn it into sugars faster, more simply and at a lower cost than other techniques, according to researchers. The bacterium is difficult to find in nature, and has not been seen in the Bay since its discovery, but is easily reproduced in the lab.

The energy bill passed by Congress last year calls for 36 billion gallons of ethanol by 2022, with 21 billion gallons coming from cellulosic sources. The bill calls for 9 billion gallons of ethanol this year, up from 6.5 billion gallons in 2007. Almost all of that will come from corn, but the bill sets ever-increasing annual goals for cellulosic ethanol with the goal for it to be cost-competitive with corn ethanol by 2012.

Tens of Millions Turned Off Lights for Earth Hour

At 8pm on March 29, lights were turned off around the world in celebration of Earth Hour, a symbolic hour of darkness to remind people of the need to combat global warming. This year more than 370 cities in 10 countries participated in the event orchestrated by the World Wildlife Fund (WWF).

The event was the highlight of a major campaign to encourage businesses, communities and individuals to take the simple steps needed to cut their emissions on an ongoing basis. It is about simple changes that will collectively make a difference – from businesses turning off their lights when their offices are empty, to households turning off appliances rather than leaving them on standby.

Earth Hour began in 2007 in Sydney, Australia when over 2.2 million residents and 2,100 businesses switched off for one hour, leading to a 10.2 percent energy reduction across the city. What began as one city taking a stand against global warming caught the attention of the world, and it is estimated that about 100 million people participated this year.

PUC Announces AEPS Program Website

The Pennsylvania Public Utility Commission (PUC) recently announced the development of a Pennsylvania Alternative Energy Portfolio Standards Program website as part of an ongoing effort to implement and enforce requirements outlined in the Alternative Energy Portfolio Standards (AEPS) Act of 2004.

Click [here](#) to learn more.

FEDERAL NEWS

DOE Selects 12 Solar America Cities to Receive up to \$2.4 Million

DOE recently announced its selection of 12 cities across the country, including Philadelphia, as Solar America Cities. Each city will receive \$200,000 (a total of \$2.4 million) to integrate a variety of solar technologies, such as solar water heating, solar photovoltaic electric systems, and large-scale solar thermal electric systems, which are also known as concentrating solar power. Combined with industry cost sharing and funding from each city, the total amount invested will be approximately \$12.1 million.

In addition to the funding, DOE will also provide hands-on assistance from technical experts to help cities integrate solar technologies into their energy planning, zoning, and facilities; streamline local regulations and practices that affect solar adoption; provide solar financing options; and promote solar technology among residents and local businesses through outreach, curriculum development, and incentive programs. DOE selected 13 Solar America Cities in 2007, so the latest selection brings the total number of Solar America Cities to 25.

Farm Bill Talks Continue as April 18th Deadline Looms

Staffers from the House Agriculture and Ways and Means Committees, and the Senate Agriculture and Finance panels are working virtually around the clock trying to sort out the details to a farm bill that, as of press time, still hovered around \$10 billion above baseline. Much of the back and forth between farm bill conferees and staff revolve around how the funding will be broken out (the latest reports indicate energy title spending at around \$900 million above the baseline).

Dozens of lobbyists and USDA staff are on call to offer input to negotiators as conferees push against a deadline of April 18, when the latest extension of current farm law will expire. Many lawmakers, along with the White House, have called for a one-year extension of the 2002 Farm Bill if no agreement on a new farm measure can be reached by the 18th.

A "framework" document devised by the leaders of both the Senate and House Agriculture Committees last month laid out a plan suggesting how the money might be allocated among various titles. But the "framework" has reportedly undergone various changes as divisions crop up between the House and Senate, and between Democrats

and Republicans.

ERG supports the continuation of Commodity Credit Corporation (CCC) Bioenergy Program that had been left out of the House version last year. The 2002 Farm Bill continued the program through Fiscal Year 2006, providing \$150 million annually to eligible bioenergy producers to encourage increased purchases of agricultural commodities for the purpose of expanding production of bioenergy, such as ethanol and biodiesel, and to encourage the construction of new production capacity.

EPA Seeks Public Comment on Water and Climate Change

The US Environmental Protection Agency (EPA) is seeking public comment on a draft strategy that describes the potential effects of climate change on clean water, drinking water, and ocean protection programs and outlines EPA actions to respond to these effects. The National Water Program Strategy: Response to Climate Change focuses on actions designed to help managers adapt their water programs in response to a changing climate. Public comments must be received by May 27, 2008.

Click [here](#) for more information.

GRANTS

Growing Greener Watershed Applications

The application period for Growing Greener Watershed Applications is now open. The application submittal deadline is May 16, 2008. The program's purpose is to make funds available to restore watersheds and streams, reclaim mined lands, and remediate AMD.

Click [here](#) for more information.

Renewable Energy and Energy Efficiency Grants and Loans

The U.S. Department of Agriculture requests proposals for Renewable Energy Systems and Energy Efficiency Improvements Grants and Guaranteed Loans. This initiative supports the purchase of renewable energy systems and energy efficiency improvements for agriculture producers and rural small businesses in eligible rural areas. \$15 million expected to be available, 250 awards anticipated. Grant-only proposals due 4/15/08 and 6/16/08. Guaranteed loan applications due 6/16/08. Combination grant-loan packages due 6/16/08.

Click [here](#) for more information.

Community Wind Project is Open for Applications

Saint Francis University Renewable Energy Center is excited to announce that applications are being accepted for its Community Wind Project. With this project you have the possibility of having a meteorological tower installed on your property to assess your wind resource.

"Community wind" is a new kind of wind development featuring large-scale wind power typically owned by private or public entities for on-site usage or sale to the grid. Most importantly, community wind is about local ownership, which maximizes benefits to the local community. Community wind keeps energy investment dollars local, creates jobs, catalyzes new industry, and increases public acceptance of wind

energy and other renewable energy projects.

Since 2005, the Community Wind Project has received over 450 applications from 40 counties across the state and has assessed the wind resource on 8 sites in four counties. The Project now seeks additional entities interested in local ownership of large-scale wind power.

If you would like to receive an application and you are a private or public entity and meet the following requirements listed below please contact the Renewable Energy Center at 814-472-2872 or at renewable@francis.edu.

EVENTS

[The Future of Coal in Pennsylvania](#), April 23-24, Harrisburg, Pa.

The Clean Air Council is holding a two-day conference titled, "The Future of Coal in Pennsylvania." The conference will feature a frank dialogue on the issues surrounding coal, including coal's role in the national energy portfolio and the environmental problems associated with coal use.

The conference's opening session, "A Realistic Assessment of the World Energy System," features speaker Jennifer Layke of the World Resources Institute who will give a presentation of energy sources in Pennsylvania, the United States, and the world, together with a projection of future energy needs, and an analysis of trends in the global energy economy

Other panels include such topics as:

- Carbon Capture and Storage, The Future of Coal in Transportation and Other Non-Electricity Uses;
- State Action, Investment Perspectives on Coal and a Carbon-Constrained World;
- Other Social and Environmental Impacts of Coal;
- What is the State of the Art in Coal Combustion; and
- Political Realities and National Coal Policy.

For more information contact Michael Leone at 717-230-8806 or mleone@cleanair.org.

[Fueling Our Future](#), Biomass 2008, April 17-18, Alexandria, VA.

The US Department of Energy Efficiency and Renewable Energy is hosting the Fueling our Future event to bring together experts from the biomass industry, academia, and government to participate in a dialogue on the role of biofuels in reducing our nations oil addiction.

[2008 International Biomass Conference & Trade Show](#), April 15-17, Minnesota.

The first International Biomass Conference & Trade Show aims to facilitate the advancement of near-term and commercial-scale manufacturing of biomass-based power, fuels, and chemicals. Plan to learn and share information on biorefining technologies for the production and advancement of biopower, bioproducts, biochemicals, biofuels, intermediate products, and coproducts –through general sessions, technical workshops, and an industry trade show.

[10th Small Fuel Cells Conference](#), April 30-May 2, Atlanta, GA.

The U.S. Department of Energy will discuss how portable fuel cells offer the earliest market opportunities, in addition to citing the ready market for small fuel cells and their less stringent technical requirements.

[Great Green America Fest](#), May 3-4, Lancaster PA

Everyone can make a difference in saving the environment and improving energy efficiency. Discover what steps you can take during this family-oriented, fun-filled eco-event with timely and relevant displays, workshops and films.

[National Solar Energy Conference](#), May 2-8, San Diego, CA

Solar 2008 is the premier technical conference for solar energy and energy efficiency professionals.

[National Alternative Fuels & Vehicles Conference](#) May 11-14. Las Vegas, Nevada

The event will offer a wealth of information to advocates for clean transportation, with a variety of conference sessions organized around the following categories: fuels & fueling, electric drive, money, policy, and vehicles. The Expo, which features more than 125 exhibitors from around the globe, will showcase alternative-fueled light-, medium-, and heavy-duty vehicles.

[Energy from Biomass and Waste](#), October 14-16, Pittsburgh, PA.

Energy from biomass and waste can make a significant contribution to oil-independence and climate protection. The technology opens up new earning potentials and markets for the waste management and power generation industry as well as for the agriculture sector.

NEWS CLIPS

[Declare an energy emergency, and get going on likely solutions](#)

[Small businesses choking on fuel prices](#)

[PA is good local for energy-saving development](#)

[Wind-powered turbine company alleges bias](#)

[Americans prefer energy fix to cancer cure: poll](#)

[EPA says it won't rush on emissions](#)

[County will strive to keep ethanol jobs local](#)

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