



Alternative Energy Report

July 23, 2009
Volume 3, Issue 15

Power Politics
[Power Politics](#) is
the official blog of
ERG.

Budget Talks Moving - Conference Committee to be Named

This week, the state budget impasse appeared to move from press conferences and media sound bites to real discussions, as the Senate amended HB 1416, and sent it back to the House, which promptly voted against concurring, by a 150-49 vote. This sets the stage for more private discussions in a conference committee.

While conferees have not officially been named, leaders have begun talking informally about how to solve the budget crisis on Wednesday. The Governor and House Democratic leaders have been pushing for a \$29 billion budget that would require a 16 percent increase in the state's personal income tax, while Senate Republicans this week approved their version of the budget, a \$27.1 billion plan.

Meanwhile, Governor Rendell appeared to pull back from total insistence on a personal income tax hike, telling Pittsburgh's KDKA, "If they (Republicans) can substitute revenue producers that are sustainable, meaning they produce revenue not just this year, they're not one-timers but next year and the following year as well, then I would absolutely give up the PIT but until they do that I'm not taking the personal income tax off the table."

Rank and file members have not yet been forced to vote on new funding sources, and questions remain as to whether the House Democrats can get 102 votes necessary for any general increases in state taxes. Twenty-nine Senate Republicans have drawn a line in the sand, with 29 members signing a pledge to oppose general tax increases. They were joined this week by Democratic State Senator Lisa Boscola (D-Northampton.)

The two chambers are officially in recess until the call of the chair/president pro tempore, with a six-hour call, but the House and Senate are expected to formally name the conference committee next week. Leaders are meeting informally this week, trying to reach a compromise dollar figure for how much the state will spend. Decisions on programs, line items and revenues would then follow, to fit the "spend number."

[MORE...](#)

Climate Change Bill Moving Slowly in Senate

Last month, the US House virtually came to a standstill until the votes were found to meet a Speaker-imposed deadline to pass HR 2454, the Waxman-Markey American Clean Energy Security Act. The Senate was expected to do its part by quickly passing similar legislation so that the President could declare victory and move on to health care reform. But apparently, the upper chamber is not inclined to push through such a major course change on someone else's schedule, and to arbitrarily meet deadlines set by others.

In the Senate, the now front-page health care debate seems to have deflated part of the energy crisis balloon. The primary U.S. Senate committee responsible for writing climate change legislation has delayed its schedule until September, Senate Environment and Public Works Committee Chairman Barbara Boxer said.

The Senate nevertheless has begun to hold hearings by multiple committees on the subject while the fight over health care reform is front-and-center on the change agenda. This has only given

time for both sides to renew bombardment of the lawmakers with new "facts" on the subject.

This week, hearings were held by the Senate Environment and Public Works Committee, the Senate Foreign Relations Committee and the Senate Agriculture Committee. Lee F. Gunn, president of the American Security Project, told the Senate Foreign Relations Committee, "Climate change is a threat to our national security."

And the Agriculture Committee heard US Ag Secretary Tom Vilsack present a new USDA report titled "A Preliminary Analysis of the Effects of HR 2454 on U.S. Agriculture," which was done by the USDA. Vilsack told the committee that the report reveals that energy costs will increase, creating a short term decline in farm income. "The impact on net farm income is less than a 1% decrease" in the short term (2012-2018). Over the medium (2027-2033) and long term (2042-2048), costs to agriculture rise but remain modest (3.5% and 7.2% decreases in net farm income, respectively), he said.

[MORE...](#)

PA Receives Nearly \$40 Million in ARAA Funds for Energy Projects

Earlier this week the U.S. U.S. Department of Energy Secretary (DOE) announced that Pennsylvania was one of six states to receive a chunk of \$162 million in funding from the American Recovery and Reinvestment Act (ARRA) to support energy efficiency and renewable energy projects.

Under DOE's State Energy Program, states and territories have proposed statewide plans that prioritize energy savings, create or retain jobs, increase the use of renewable energy, and reduce greenhouse gas emissions.

With this announcement, these Pennsylvania, along with the other grant recipients, are receiving 40% of their total State Energy Program (SEP) funding authorized under the Recovery Act. They will now have received 50% of their total Recovery Act SEP funding. The initial 10% of total funding was previously available to states to support planning activities; the remaining 50% of funds will be released once states meet reporting, oversight, and accountability milestones required by the Recovery Act.

Pennsylvania will use its \$39,873,600 in Recovery Act SEP funding to provide grants and other support for energy efficiency and conservation efforts with the goal of reducing dependence on fossil fuels and stimulating growth in renewable sectors.

Pennsylvania Green Energy Works! will offer grants to businesses, non-profit organizations, universities, local governments, and utilities to deploy shovel-ready efficient, environmentally sustainable, and economically worthwhile energy projects across the state. Over a longer time horizon, Pennsylvania will continue to fund advanced energy projects, tailoring programs to specific economic sectors. For example, the Pennsylvania Energy Development Authority will continue to serve business needs, while the Pennsylvania Energy Harvest will support schools, nonprofits, and local governments across Pennsylvania.

Pennsylvania will also establish a Green Development Loan Program, a revolving loan fund that will provide clean-energy and energy-efficiency financing for facilities projects, resource efficiency measures, and advanced and renewable clean-energy technologies. In addition to originating loans and leveraging private capital, this fund will make outright awards to cover the costs of project feasibility studies, energy audits, or project design, which can often present significant barriers to sustainable development investments.

After demonstrating successful implementation of its plan, the state will receive nearly \$50 million in additional funding, for a total of almost \$100 million.

Ben Franklin Accepting Proposals for Energy Research

Ben Franklin Technology Partners of Central and Northern Pennsylvania is offering research institutions and other non-profit organizations engaged in research related to energy, alternative energy, or clean technology the opportunity to apply for a "matching grant." Government agencies, for-profit businesses, manufacturing companies, and individuals may participate in the program in partnership with a research institution. However, the primary recipient of the funding must be an organization that fits the term research institution and be located within the [32-county footprint served by the Center](#).

The purpose of this Translational Research in Energy Support Program (TRESP) is to fund and assist commercially applied research to develop technology that will impact the production, consumption, conservation, and environmental impact of energy use in the Commonwealth and the nation without creating harmful pollutants. Awards will be made on a competitive basis in accordance with the funds available and relative merits of the projects submitted for the funding round. Funding requests between \$10,000 and \$100,000 will be considered for most projects. Ben Franklin will also consider awards of up to \$250,000 for projects that can demonstrate extraordinary economic or technological impact.

Preliminary applications are due by August 3, 2009. Full Project Proposals must be completed by the close of business on September 1, 2009, to be considered for this round of funding. Grants will be awarded on October 1, 2009. Click [here](#) for more details.

CFA Announces First Solar Grant Recipients

Last week the Commonwealth Financing Authority approved nearly \$23 million in new grants and loans for eight companies through the state to use solar technology.

"These projects-which will also help consumers, businesses and local governments lower their energy costs and fossil fuel consumption-illustrate how Pennsylvania is becoming a leader in the renewable energy," said Governor Rendell.

The grants and loans that were approved are funded by the solar energy program, a key component of the \$650 million Alternative Energy Investment Fund that Governor Rendell signed into law in July.

Click [here](#) to view a full list of recipients.

DEP to Host 'Conservation Works' Grant Webinar

DEP will be hosting a free online webinar on July 27 to help local governments and nonprofit groups seeking to develop energy efficiency projects funded by the American Recovery and Reinvestment Act through the new PA Conservation Works! program.

Individual projects that increase energy efficiency, reduce consumption and reduce energy costs by at least 25 percent can receive \$250,000 in federal funding. Joint projects can receive up to \$500,000.

PA Conservation Works! is a competitive grant program open to Pennsylvania boroughs, townships and cities with fewer than 35,000 residents and counties with fewer than 200,000 residents. Sixty percent of the program's \$22.2 million is reserved for local governments not eligible for direct formula grants from the Energy Efficiency and Conservation Block Grant program. Renewable energy projects also will be eligible if they replace at least 25 percent of an applicant's energy use. All projects must create jobs, be able to start work within six months and be completed before Sept. 30, 2011.

To register for the webinar, visit www.icleiusa.org/news-events/event-folder/pennsylvania-conservation-works-webinar. Program guidelines and additional information are available at www.recovery.pa.gov. Applications must be submitted through the state's [Environmental eGrants system](#). The application deadline is Aug. 14. The webinar is being co-sponsored by Department

of Environmental Protection, in partnership with ICLEI - Local Governments for Sustainability.

Recovery Act Announcement: DOE Announces Nearly \$14 Million to go to 28 New Wind Energy Projects

U.S. Department of Energy has announced the selection of 28 new wind energy projects for up to \$13.8 million in funding – including one project in Pennsylvania. These projects are designed to help address market and deployment challenges including wind turbine research and testing and transmission analysis, planning, and assessments.

Pittsburgh-based Bayer Material Science, LLC received a \$750,000 grant to support wind turbine research and testing. The company will be making carbon nanotube reinforced polyurethane composites for wind turbine blades.

Along with the new awards, DOE released its 2008 Wind Technologies Market Report, detailing \$16 billion in investment in wind projects made in the U.S. in 2008-making the United States the leader in annual wind energy capacity growth, as well as cumulative wind energy capacity.

DOE's new report, a comprehensive overview of developments in the U.S. wind power market released today, found that wind power capacity increased by 8,558 megawatts (MW) in 2008. This \$16 billion investment in wind projects made the United States the fastest-growing wind power market in the world for the fourth consecutive year. Wind power contributed 42% of all new U.S. electric generating capacity in 2008; for the fourth consecutive year, wind power was the second-largest new resource added to the U.S. electrical grid in nameplate capacity.

[MORE...](#)

Mid-Atlantic Region Receives \$16.1 million from EPA to Reduce Diesel Emissions and Create Jobs

The U.S. Environmental Protection Agency has awarded \$16.1 million to seven significant projects to reduce diesel pollution in the mid-Atlantic region, which includes Pennsylvania, Virginia and Maryland. These clean diesel projects will create jobs while protecting air quality.

"We are proud of the diverse scope of the projects and many partners that we are able to support with \$16.1 million in diesel grant funds to help reduce harmful diesel emissions. Each one of these projects is important because of its technology, geography, and the sector it addresses," said William C. Early, acting regional administrator for the mid-Atlantic region.

The funds are provided under the American Reinvestment and Recovery Act (ARRA) of 2009 National Clean Diesel Funding Assistance Program. Under this funding competition, EPA's mid-Atlantic region received 40 grant applications requesting \$159 million to help fund clean diesel emissions projects. The awards were chosen to both maximize economic impact and emissions reductions.

Projects approved in Pennsylvania include:

- Allegheny County Diesel Project - a \$3.49 million grant to Pennsylvania's Allegheny County Health Department will fund the replacement of transit buses with diesel hybrids and repowering others; retrofitting dump trucks with diesel particulate filters; repowering switch locomotive; repowering engines and upgrading engines and adding diesel particulate filters.
- Mother Slug Locomotive Repower - a \$1.5 million grant to Pennsylvania Department of Environmental Protection will fund re-powering pre-1973 locomotives with a four-axle locomotive powered with an engine approaching Tier 3 emission standards (Mother) and a four-axle platform consisting of four traction motors without an engine (Slug).

GRANTS

USDA Renewable Energy Systems and Energy Efficiency Improvement Grants

USDA Rural Development Energy Programs has applications available for Renewable Energy Systems and Energy Efficiency Improvements Grants and Guaranteed Loans and Renewable Energy Feasibility Studies Grants under the Rural Energy for America Program.

This notice announces that Rural Business-Cooperative Service is accepting applications for fiscal year (FY) 2009 to purchase renewable energy systems and make energy efficiency improvements and to conduct feasibility studies for renewable energy systems for agriculture producers and rural small businesses in eligible rural areas.

The deadline for applications is July 31. Click [here](#) for more information.

PA Conservation Works! Eligibility Guidelines Released

The PA Department of Environmental Protection (DEP) has released the final guidelines for its PA Conservation Works! (PACW) grant program. Applications will be accepted until August 14th.

Eligible applicants include local governments, bodies authorized to act on behalf of two or more local governments, municipal authorities, incorporated 501(c)(3) non-profit organizations, county conservation districts, colleges and universities.

Qualifying projects are required to be shovel ready, create or retain jobs and reduce energy consumption by a minimum of 25%. Click [here](#) to view detailed grant eligibility requirements and eligible projects.

DEP Accepting Applications for Clean Diesel / Alternative Fuels Grants for Airports

DEP is offering nearly \$500,000 in financial assistance to Pennsylvania airports and airlines wishing to undertake innovative, advanced fuel and vehicle technology projects for cleaner ground service equipment.

Airports and airlines may use the funding to replace or repower engines on dedicated ground service equipment such as baggage handlers and tow vehicles, apply the funds toward the purchase cost of alternative fuel or electric vehicles, or to install fleet refueling or recharging equipment. Projects may take as long as 12 months but must be completed no later than Sept. 30, 2010.

Applications are available electronically at www.depweb.state.pa.us, keyword, "Alternative Fuels." Completed applications must be mailed to Kelley Matty, Division of Air Resource Management, Bureau of Air Quality, Department of Environmental Protection, 12th Floor, Rachel Carson State Office Building, 400 Market Street, P.O. Box 8468, Harrisburg, PA 17105-8468. Applications must be postmarked or received by 4 p.m. on Aug. 14.

EVENTS

DOE Webcast July 29 for State and Local Officials: "How to Estimate the Economic Impacts from Renewable Energy"

The U.S. Department of Energy's (DOE) Technical Assistance Project (TAP) for state and local officials is offering a webcast on how to use a DOE-developed tool to estimate the economic impacts from electric power projects, including renewable energy generation. The presentation will take place Wednesday, July 29, from 3:00 to 4:15 p.m. The presenters will be Gail Mosey and Eric Lantz from the DOE National Renewable Energy Laboratory.

Attendees will learn how to use an online economic model-called Jobs and Economic Development Impacts (JEDI)-to predict the economic development impacts of renewable energy in your state. Specifically, participants will learn how to use JEDI to design and run an economic impacts analysis and interpret the results. Finally, attendees will see an example of an analysis that the presenters recently carried out using the JEDI Wind Model.

The webcast is free of charge, but participants must register in advance to obtain a URL for the presentation and call-in phone number. Participants can register online, find information about the presenters, and read background materials and reports on the TAP Webcast section of the DOE Weatherization and Intergovernmental Program Web site.

[Doing Business in a Carbon-Constrained World](#), August 7, Lewisburg, PA

Now is the time for you to assess not only your future energy use, but also the amount of carbon embedded in your energy sources, as Congress develops federal climate change legislation and Pennsylvania considers making adjustments to its clean energy law. Certain industries, sectors, and companies will be more heavily impacted than others, but the operations of all firms will be affected by these pending changes.

[Ag Progress Days](#), August 18-20, Rock Springs

Ag Progress Days is the state's largest outdoor agricultural exposition and is sponsored by Penn State's College of Agricultural Sciences.

[ARIPPA's 19th Annual Technical Symposium](#), August 25-27, Hershey

ARIPPA is a not-for-profit trade association comprising fourteen independent power producers in Pennsylvania that generate approximately 1400 megawatts of electricity by using environmentally-friendly Circulating Fluidized Bed (CFB) boiler technology to burn coal mining refuse. They will be hosting their 19th Annual Technical Symposium. Click [here](#) to view a list of presenters.

[World Green Energy Symposium and Exposition](#), September 13-15, Wilkes-Barre

The 2009 World Green Energy Symposium will showcase new, alternative, sustainable and innovative product development and green energy opportunities for businesses and the consumer at large. The Symposium's focus will include current policy information, new policy ideas and world policy views. It will focus on green technology options available and already succeeding as well as opportunities for networking, learning, exchanging, exhibiting and investing in the future of the new energy and green technology.

[Pennsylvania Renewable Energy Festival](#), Sept. 18-20, Kempton

Annual three-day September festival for renewable energy, green building, sustainable agriculture.

[The Pennsylvania Natural Gas Summit: Planning for Progress -- Infrastructure and Water in the Marcellus Shale](#), November 16-18, State College, PA

This summit will provide a forum to discuss and identify water, infrastructure, local government, legal and business issues, and impacts related to Marcellus Shale development in communities and regions.

This event is specifically for attorneys, legislators, legal authorities, county and municipal elected officials, planning officials, and members of county or community task forces, chambers of commerce, industry representatives, and community groups. To register, or for more information, visit www.program.psu.edu/natural-gas or call 800-PSU-TODAY (778-8632).

NEWS CLIPS

[PA Wind Farm Project Underway](#)

[Ford Seeks DOE Funding For Electric-Vehicle Infrastructure](#)

[Exxon to Invest Millions to Make Fuel From Algae](#)

[House climate bill was flooded with last-minute changes](#)

[Midst Senate Rebuttles, USDA Reports benefits of climate change legislation](#)

We're on the Web!

See us at :
www.pa-erg.com

Energy Resources Group
200 North Third St. | Suite 1100 | Harrisburg, PA 17101
Phone: 717-233-8606 | Fax: 717-233-8665
E-Mail: info@pa-erg.com

[Click Here](#) to be removed from this list