



Alternative Energy Report

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EPS Denies Renewable Fuels Standard Waiver Request

Earlier this month, U.S. Environmental Protection Agency (EPA) Administrator Stephen L. Johnson announced that EPA would deny a request submitted by the State of Texas to reduce the nationwide Renewable Fuels Standard (RFS) by 50 percent. Working with the Departments of Energy and Agriculture, EPA considered more than 15,000 public comments and determined that the RFS is not causing "severe harm" to the economy. The total volume of renewable fuels mandated for use in the US fuel supply will remain at 9 billion gallons in 2008 and increase to 11.1 billion gallons in 2009.

The Renewable Fuels Association, the National Biodiesel Board, the American Farm Bureau Federation and the National Farmers Union all hailed the EPA decision. AFBF president Bob Stallman said, "In addition to strengthening the first-generation biofuels industry, the RFS plays a crucial role in fostering the continued development of second- and third-generation biofuels including cellulosic ethanol, biomass-based biodiesel and other advanced biofuels." EPA's analysis confirmed what many universities and experts have been stating, which is that the RFS was NOT causing severe harm to the US or the Texas economy, and that ethanol production is not having a significant impact on food prices.

The renewable fuel program was adopted in the Energy Policy Act of 2005, and was recently expanded in the Energy and Independence Security Act (EISA) of 2007. This program requires gasoline to contain a specified volume of renewable fuel. As reported by ERG, EISA raised the RFS from 7.5 million gallons in 2012 to 36 billion gallons by 2022, requiring 21 billion new gallons of biofuels to be produced from "cellulosic" materials other than corn, including wood chips, grasses and agricultural waste. That Act includes provisions that enable the EPA Administrator to suspend part of the RFS if its implementation would severely harm the economy or environment of a state, region, or the entire country.

In a letter sent to EPA on April 25, 2008, Governor Rick Perry of Texas requested that the EPA cut the RFS mandate for ethanol production in half, citing recent economic impacts in Texas.

Click [here](#) to view a press release from EPA regarding the ruling.

Lake Erie Biofuels Earns BQ-9000 Certification

Lake Erie Biofuels, of Erie, has become the first and only Pennsylvania biodiesel producer to achieve a BQ-9000 quality designation. It is one of only 28 producers in the country to accomplish this certification. Lake Erie is Pennsylvania's largest producer, with annual production of 45 million gallons of biodiesel.

Lake Erie is also the only biodiesel producer in the Eastern United States which has received the BQ-9000 designation as both a producer and marketer. This category is for distribution companies who sell biodiesel and biodiesel blends. This is an important designation, because proper handling of biodiesel is as critical to fuel quality as proper production. Only 15 companies in the country have achieved this quality level.

The National Biodiesel Accreditation Program, a cooperative and voluntary program for the accreditation of producers and marketers of biodiesel fuel, runs BQ-9000. The program is a unique combination of the ASTM standard for biodiesel, ASTM D 6751, and a quality systems program that includes storage, sampling, testing, blending, shipping, distribution, and fuel management practices.

BQ-9000 is open to any biodiesel manufacturer, marketer or distributor of biodiesel and biodiesel blends in the United States and Canada.

ERG Partner Addresses Solar Scholars Conference

ERG partner John Nikoloff led a discussion on National Energy Policy at the recent Solar Scholars conference sponsored by The Sustainable Energy Fund at Dickinson College. The Solar Scholars Program is a first-in-the-nation solar education initiative that promotes the adoption and integration of renewable energy concepts and technologies into the curriculum of the Commonwealth's colleges, universities or other institutions of higher learning.

Representatives from 31 schools attended the weeklong, intensive training conference hosted by Dickinson College. Dickinson College is well known for its pro-active commitment to environmental stewardship and energy conservation. Attendees learned about various topics relating to renewable energy, including marketing and financing of current technologies, photovoltaic (PV) science and manufacturing, electric industry power production utilities and the grid, and education and solar/renewable energy curriculum.

On July 29th, the day's topic focused on government policy and regulation, Sen. Edwin "Ted" Erickson (R-Delaware) and Rep. Eugene DePasquale (D-York), addressed the conference. Erickson was prime sponsor of the state's climate change legislation in the Senate, and DePasquale was prime sponsor of Special Session Act 1, the state's new energy development act. The keynote speaker for the conference was DEP's Daniel Griffiths, recently appointed Deputy Secretary for Energy and Technology Deployment.

The one-hour National Energy Policy program extended to almost two hours as college faculty and students posed questions to Nikoloff and Bill Routson, program manager for the Sustainable Energy Fund. The participants discussed the energy policies of Sens. John McCain and Barack Obama, Congressional responses to energy security issues, and the role of lobbyists in the legislative process. Much of the give and take revolved around political realities of energy policy: the impact of seniority on control of committees and agendas; political posturing in election years; and priorities for biofuels and wind energy funding from Congressmen whose districts are dependent on agriculture and forestry products.

St. Francis University to Offer Renewable Energy Business Education Certificate

Saint Francis University Graduate School of Business in Loretto, Pa. announced that it is offering a renewable energy business development certificate program. There will be four courses as part of the program, beginning with Wind Energy Business in mid-September. The courses will be offered online, with no on-campus requirements and is tailored for professionals interested in this exciting new field.

Click [here](#) for more details regarding new program. Questions should be directed to rhogue@francis.edu.

Governor Appoints Climate Change Advisory Committee

Governor Rendell has appointed six members to the new Climate Change Advisory Committee, created by the Pennsylvania Climate Change Act (Act 70) he signed July 9.

The committee will advise the DEP on implementing the act and creating a report on potential climate change impacts and economic opportunities for the commonwealth. It will also provide a means by which businesses and industries can voluntarily track their greenhouse gas emissions reductions and requires an annual inventory of the sources and amounts of global-warming pollution from business, agriculture and residences in the state.

The Climate Change Advisory Committee will meet for the first time from 10 a.m. to 3 p.m., Sept. 5, in the Rachel Carson State Office Building, 400 Market St., Harrisburg.

The committee will consist of 21 members: six appointed by the Governor, six by the Senate, six by the House. The secretaries of the departments of Conservation and Natural Resources, and Community and Economic Development and the chair of the Pennsylvania Public Utility Commission are ex officio voting members of the committee. Daniel Desmond, former Deputy Secretary of DEP's Office of Energy and Technology Deployment, was among the Governor's appointees.

Click [here](#) to view a full list of Rendell's appointees:

Ongoing Federal Debate on Offshore Drilling

As Sens. John McCain and Barack Obama spar over the need for additional drilling to reduce the price of oil and gasoline, a bipartisan group of ten senators has proposed a compromise energy plan they say would develop more domestic oil through offshore drilling and bring down energy costs. The proposal would open new areas in the Eastern Gulf of Mexico and Atlantic to oil and gas drilling while raising taxes on the major oil companies.

The \$84 billion New Energy Reform Act would fund an effort to transform the nation's cars and trucks, with a goal of having 85 percent of new vehicles on the road run on nonpetroleum-based fuels: the plan requires 85 percent of automobiles to run on non-petroleum-based fuel in twenty years.

Meanwhile, the House GOP has continued its protests on Capitol Hill. Ever since House Speaker Nancy Pelosi (D-CA) recessed the House for the summer break without a vote on domestic drilling, these House GOP leaders have stayed in Washington and demanded action on drilling. Their efforts may be starting to pay off.

Speaker Pelosi is now signaling that she may be open to a vote on drilling.

[MORE...](#)

PUC Releases Model Comparing Current Market Prices with Capped Electric Rates

This week the Pennsylvania Public Utility Commission (PUC) released a comparison of current market prices for electricity with capped rates paid by consumers now. The PUC said the data validates the importance of current and future steps to mitigate potentially significant electricity rate increases. Click [here](#) to view a copy of the Electric Price Estimates chart.

The charts show differences between capped rates and estimated market prices at three recent points in time: as of Aug. 8, 2008, the end of July 2008 and the end of June 2008. The Commission intends to post quarterly updates its Web site with the next update planned for January 2009. Select "Electric" from the pull-down menu and select "Electric Price Estimates."

A majority of electricity customers currently pay rates under caps, which are set to expire over the next couple of years consistent with the implementation of the state's electric competition law. Customers in service territories where rate caps have already expired have had varying experiences, with some experiencing increases.

[MORE...](#)

CCAP Adopts Resolution on Oil and Gas Exploration

During a three-and-a-half-day conference in Valley Forge last week, the County Commissioners Association of Pennsylvania (CCAP) adopted a resolution that calls for action to address the potential negative impacts oil and gas exploration may have on local municipalities.

According to the resolution, the association supports action by the Governor and General Assembly that will minimize the impact oil and gas development will have on local water supplies, pipelines, roads and bridges. The resolution also calls for an

examination of the issue as it relates to permitting, planning and taxation.

Lycoming County Commissioner Ernie Larson said Wednesday that he was particularly interested in the resolution because of the interest companies have in developing natural gas resources in the county.

Currently, municipalities who are impacted most by natural gas exploration have no way of raising revenue from natural gas windfalls, he said. Natural gas income is not subject to real estate taxes, which is a primary source of revenue for municipalities, he added.

GRANTS / AWARDS

DEP Closes Small Business Advantage Grant Program Early

The Department of Environmental Protection has closed the application period early for a program designed to help small businesses reduce energy consumption and promote pollution prevention technologies.

DEP said the 2008-09 Small Business Advantage Grant exhausted the available resources within 10 business days, which would shatter the previous year's record. Last year, the grant round was open for only 22 days and more than 170 grants were awarded to small businesses within Pennsylvania.

The Small Business Advantage Grant Program provides a 50 percent matching grant of up to \$7,500 for businesses with 100 or fewer full-time employees to purchase equipment or institute processes that reduce energy consumption and prevent pollution while helping to increase profitability. The program is open to small business owners whose business or facility is located in Pennsylvania. The variety of projects illustrates how small businesses are attempting to cope with escalating energy costs.

DOE, DEP Energy Use-Reduction Grant Workshops Announced

Pennsylvania's Energy Use-Reduction Grants provide a financial incentive to learn and apply the best operating practices that improve the efficiency of primary energy-using systems. The grant program requires participation in a U.S. Department of Energy Industrial Technology Program workshop co-sponsored by the Pennsylvania Department of Environmental Protection's Office of Energy & Technology Deployment (OETD).

The DOE workshops address compressed air, steam, motor, fan, pumping, and process heating systems. Organizations eligible to apply for a grant include industrial and commercial businesses, institutions, and municipal drinking water and wastewater treatment operations located within Pennsylvania. Plant managers, engineers, equipment operators, and maintenance staff often benefit most from workshop participation.

Annually, the OETD co-sponsors several "Best Practices" workshops at locations throughout the state with support from a variety of commonwealth organizations. Up to 10 grants of \$1,000 each will be awarded to eligible applicants that participate in a workshop, apply best operating practices presented during the workshop, and report achieved energy savings to OETD within a four-month application window following each workshop. Project applications judged "best in class" following review by OETD staff will receive a grant. Applications are evaluated on multiple criteria including: sustainable energy and economic benefits, technical merit, the application of workshop "Best Practices," and completeness.

Click [here](#) for more information, including contacts and applications for each program.

EPA Seeks Applications for Clean Air Excellence Awards

EPA and the Clean Air Act Advisory Committee are accepting applications for the Ninth Annual Clean Air Excellence Awards Program. Winners are honored for outstanding accomplishments in programs, projects or technologies that reduce air

pollution emissions.

Applicants are judged in five awards categories: (1) clean air technology; (2) community development/redevelopment; (3) education/outreach (4) regulatory/policy innovations; and (5) transportation efficiency innovations.

In addition, winners will be recognized in two special award categories. The Gregg Cooke Visionary Program Award is given to the air quality project or program that successfully blends two or more of the five existing awards categories. The Thomas W. Zosel Outstanding Individual Achievement Award recognizes one individual for his or her outstanding achievement, leadership, and commitment to promote clean air and achieve better air quality.

All applications for the awards should be postmarked on or before Sept. 19. The awards will be announced in spring 2009. Click [here](#) for more information.

Clean Diesel Emerging Technology Grant Funding Now Available

The U.S. Environmental Protection Agency is now accepting applications for approximately \$3.4 million in grants to establish projects using emerging technologies to reduce emissions from the nation's existing fleet of diesel engines. Proposals are due September 21.

Addressing the existing fleet is important because it pre-dates EPA's stringent new particulate and nitrogen oxide standards and diesels remain in use for decades. This sum was authorized by the Energy Policy Act of 2005 and funded for the first time this fiscal year.

State, local, regional and tribal governments may apply for the grants, as well as non-profits and institutions with transportation, educational service, and air quality responsibilities. Emerging technology manufacturers must partner with an eligible applicant to receive this funding.

The grants are targeting school or transit buses, medium and heavy-duty trucks, marine engines, locomotives and non-road engines.

The grants will be administered by EPA's National Clean Diesel Campaign under the Emerging Technology Program. ETP supports the development and commercialization of new, cutting-edge technologies. The program gives manufacturers the opportunity to capture real world data and gain valuable operating experience on their technology while it is used by fleet partners.

For [here](#) for more information about this grant.

EVENTS

[International Society of Chemical Ecology](#), 25th Anniversary Meeting, August 17-22, State College, PA

This meeting is in celebration of the Silver Anniversary (25th year) of the society, which was started in 1983. The meeting will be hosted by Jim Tumlinson, Director of the Penn State Center for Chemical Ecology, and other program committee members. The four plenary symposia feature presentations on chemical deception/mimicry, phylogenetic analyses of plant defense and insect host range, chemical ecology of disease transmission, and chemical ecology of plant-plant interactions.

[Ag Progress Days](#), August 19-21, near State College, PA

Ag Progress Days, Pennsylvania's largest outdoor agricultural exposition, is sponsored by Penn State's College of Agricultural Sciences, the event is held at the Russell E. Larson Agricultural Research Center in Pennsylvania Furnace, PA, nine miles southwest of State College.

More than 400 commercial exhibitors will display the latest goods and services. Interactive educational exhibits, guided tours and workshops will show how agricultural researchers and educators are addressing important issues, safeguarding and

improving our food supply and the environment, and helping to enhance the efficiency and profitability of agriculture and related industries.

[Northeast Renewable Energy Conference](#), August 26-28, State College, PA
Sponsored by the Penn State Institutes of Energy and the Environment, the conference will feature six breakout sessions: biomass conversion; biomass production; wind, hydro, and bioproducts; economic opportunities; efficiency; and energy basics. The conference is open to industry and universities. Other participating universities include Cornell, Michigan State, and Ohio State.

DEP Solar Work Group, September 4, Harrisburg, PA
Meeting will be held at DEP offices, Second Floor Auditorium, Rachel Carson Building, Harrisburg at 10:00 am. To register, contact Libby Dodson at 717-772-8907 or ldodson@state.pa.us.

Show Me The Money Grant Workshop, September 8-12, Lewisburg, PA
Sponsored by the Community Partnerships RC&D at the Union County Government Center, Lewisburg, PA. For more information, call (717) 248-4901 or email midstatercd@yahoo.com.

[Pennsylvania Green Growth Partnership Forum](#), September 15-16, State College, PA
The PA Green Growth Partnership Forum is a unique networking event designed to connect industries, investors, universities and non-profits interested in capitalizing on the growing market demand for green products, energy efficient technologies and research/education opportunities. Companies with specific design/technical challenges can interact with university research team, and universities can connect to potential corporate sponsors for existing research projects that are nearing commercialization. The forum will also educate attendees on funding opportunities available through the PAGGP and other government or foundation sources for green product and project development.

[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

[Energy Innovation Forum](#), October 23, State College, PA
The Energy Innovation Forum will allow Pennsylvania companies to present their energy technologies, products, and core competencies to national and international corporate leaders. The forum will present opportunities for one-on-one discussions between corporate leaders and PA companies, table-top exhibits, and a poster session featuring Penn State energy research and technologies. Call Garry Miller, Program Manager, at 570-722-5854 for more information.

NEWS CLIPS

[PUC approves PPL's rate stabilization plan](#)

[Government looks for energy crisis solutions](#)

[Crayola may use solar power at eastern Pa. plant](#)

[Allegheny Energy's PA wind energy program approved](#)

[Power grid in better shape five years after blackout](#)

[Clean energy and the transmission hurdle](#)

Chemical Breakthrough Turns Sawdust into Biofuel

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