



Alternative Energy Report

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Infrastructure Needed to Put Biodiesel on Track and at the Pump

PA Energy Resources Group and the biofuels industry have been working with the General Assembly and the Rendell Administration to provide incentives for the infrastructure needed to make these fuels available to the public. In a recent Opinion piece carried in the Harrisburg Patriot News (August 24) ERG partner John Nikoloff noted that a portion of the funding in the state energy package should help start the process.

Nikoloff said a program of tax credits for the agribusinesses, railroads, terminals, blending facilities and retailers will move that process forward much more quickly. The state House came within a few votes of doing that in early July, and hopefully the concept will be revisited in 2009.

State government needs to help provide the industry the tools it needs to deliver on these promises. Because without this support we are actually undercutting biodiesel producers, prospective biofuels companies considering starting operations here in the commonwealth and ultimately the consumers of the state.

To achieve the ultimate results of weaning Pennsylvania off of foreign oil, while providing efficient, environmentally improved fuels for vehicles and home heating, we must begin investing now. That can happen if the industry and the state work together to provide incentives for the key investments necessary to remove this roadblock to consumer access.

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Rendell Makes PUC and DEP Nominations

Last week Governor Edward G. Rendell nominated John Hanger to be secretary of the Department of Environmental Protection and James Cawley to be chairman of the Public Utility Commission.

Cawley has served as a member of the PUC from 1979 to 1985 and from 2005 until the present. He was made vice-chairman in 2005. The Governor also announced that Cawley will ask his fellow PUC commissioners to support Tyrone Christy as vice-chairman of the commission.

Hanger has served as the president and chief executive officer of Citizens for Pennsylvania's Future, or PennFuture, for the past 10 years.

Hanger's nomination must be confirmed by the state Senate. Immediate reaction from Senate Republican leaders and business was not especially favorable. In response to public comments about his nomination, Hanger, who will step down as head of Citizens for Pennsylvania's Future to take the DEP post, said, "My views (are) not simply black and white, they're not highly ideological, they don't neatly fall into the left-right categories that some people in this town try to pigeonhole." He noted his support for electric competition as an example his flexibility in the regulation vs. market issue.

Business leaders acknowledged that Hanger has been pro-competition when it comes to the electric industry, but some said as an environmental advocate, he has very strongly advocated for policies that are bad for business and agriculture. Some cited instances where Hanger attacked the motivations and morals of senators who opposed policies and programs he supported in interviews and television appearances.

But Hanger has taken on a measured tone in approaching the nomination as Secretary, pointing to cooperation and partnering with the General Assembly in many of the energy and environmental successes he's championed. While the cabinet position puts him in a position to be an advocate for the Governor's agenda, Hanger said, "I know exactly the difference between being an advocate in the private sector and having a public responsibility. And I look forward again to serving all of the people of the state."

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PUC to Hold Special Hearing on Energy Prices

The Pennsylvania Public Utility Commission (PUC) will hold a public hearing on Thursday, Sept. 11, to increase consumer awareness on rising energy prices, explore ways to reduce energy usage and discuss potential policies and strategies, consistent with the commission's "Prepare Now" campaign, to help consumers prepare for rising energy prices.

The hearing will be held at 12:30 p.m. in Hearing Room 1 of the Commonwealth Keystone Building in Harrisburg. It is open to the public. Click [here](#) for more information on the meeting.

The PUC will discuss ways for consumers to prepare for higher energy costs this winter, learn about changes in the law related to utility shut-offs and know your rights, and save money by learning how to conserve energy.

Congress to Return, Debate Energy Price Legislation

Congress is currently in the midst of a five week recess, with both the U.S. Senate and House of Representatives scheduled to return on Monday, September 8, for an additional three to four weeks before the fall elections. When the Congress recessed on August 1, most legislation under consideration, including appropriations bills and several pieces of legislation affecting energy policy and pricing were postponed. Although Congress will return to continue to work on many of these items, it is uncertain whether it will be able to successfully enact any of the outstanding measures before next year.

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Democratic Platform Cites Efficiency, Renewable Energy, Rejects Drilling

The energy plank of the Democratic Party's policy platform formally approved at the Democratic National Convention in Denver this week emphasizes energy efficiency and the development of alternative energy technologies. The plank also proposes a U.S. leadership role in global efforts to combat climate change.

The platform rejects increased fossil fuel production as a long-term response to high energy prices and as a means of providing energy security. "We know that we can't drill our way to energy independence and so we must summon all of our ingenuity and legendary hard work and we must invest in research, development, and deployment of forms of renewable energy such as solar, wind, geothermal, as well as technologies to store energy through advanced batteries and clean up our coal plants," the platform says.

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US Leaders Meet at Summit to Discuss Clean Energy

Earlier this month, Senate Majority Leader Harry Reid (D-NV) and other public and business leaders met at the National Clean Energy Summit in Las Vegas to discuss how the federal government needs to take a leadership role in clean energy. Through renewable energy technology, the United States can reduce greenhouse gas emissions, protect the environment, create jobs and reduce dependence on foreign oil.

During an opening speech, Reid said, "We are taking the results and recommendations of this energy summit to the Democratic and Republican National Conventions. Everyone knows the famous slogan about Las Vegas – 'What happens here, stays here.' But for this summit, what happens here must be the exact opposite. What happens here will be taken to Capitol Hill and every city, county and state in America."

The leaders suggested renewing tax credits, establishing caps on carbon emissions, funding research, and called for bipartisan support of clean energy policies. Many agreed that clean energy can only take off if it is cheaper. Dan Reicher, director for climate change and energy initiatives at Google.org, said that renewable energy technologies will remain "boutique" industries unless their costs are low enough to compete with coal and other common power sources. "There's a whole set of factors that go into the ultimate cost of energy," Reicher said after announcing a plan for Google to invest more than \$10 million to develop 'enhanced geothermal systems.' "These are all high capital costs projects."

Speakers said other important initiatives include setting a national standard for the amount of electricity utilities must generate from renewable resources, updating and nationalizing building code and appliance efficiency standards and modernizing the nation's electric grid to accommodate more renewable energy.

NE Renewable Energy Conference Focuses on Economics and Development

ERG joined more than 300 industry, academic and government representatives from across the Northeast and Great Lakes region this week in State College at the Northeast Renewable Energy Conference. The conference, sponsored by Penn State, Cornell and the Northeast Sun Grant Initiative, was aimed at exploring options and possibilities for public/private and community development of energy solutions for the region.

The conference program showcased renewable energy and energy efficiency research, demonstrations, and university-industry-government partnerships for sustainable economic development. Presentations by experts and practitioners from around the region focused on five areas: 1. Biomass Conversion; Bioenergy Production; Wind, Hydro, and Bioproducts; Solar and Energy Efficiency; and Economic Development.

During the conference a series of mini-courses on "Energy Basics" provided in-depth introductions to topics which included wind power, thermochemical biomass conversion, solar power and energy efficiency.

Among the featured speakers were Gale Buchanan, USDA Undersecretary for Research Education and Economics, DCED Deputy Secretary Rebecca Bagley, and John Ferrell of the DOE Office of Biomass Programs.

Smart Fuel Owner Among Winners of Agriculture Awards

A Lycoming County company that promotes sustainable farming of canola seed for biodiesel is being honored by the Pennsylvania Department of Agriculture as a pioneer in agricultural entrepreneurship and transition. Josh Leidhecker of Susquehanna Smart Fuel was among four winners honored during Penn State's Ag Progress Days in Rock Springs.

Susquehanna Smart Fuel received the PAgrows and Center for Farm Transitions Value-Added Excellence Award for providing Pennsylvania farmers an opportunity to diversify their operations with a value-added crop. The company remains diverse itself through multiple uses of the final processed product.

Part of the economic development team at the Department of Agriculture, the Center for Farm Transitions provides resources, including consultations, information and referrals to knowledgeable and experienced professionals, that will serve farmers as they look to transition into agriculture, new agricultural enterprises and to the next generation of farmers.

Solar Mirror Production Facility To Locate In Allegheny County

Flabeg, a global leader in high-tech glass and mirror applications, recently announced it will locate a facility to manufacture parabolic solar mirrors in Allegheny County.

State investments of \$9 million helped a Germany-based company choose Pennsylvania for its first solar mirror production facility in the United States, creating 300 manufacturing jobs. It will be the company's first U.S. facility of this type.

Flabeg plans to lease a 20-acre site in the Clinton Commerce Park in Findlay, and build a 209,000-square-foot manufacturing facility. The building will be constructed in two phases, with the first phase starting this fall. The total investment in both phases of the project is expected to be \$30 million.

Pennsylvania provided a \$9 million funding offer that included a \$1.2 million opportunity grant, \$3 million from the machinery and equipment loan fund, a \$2 million loan from the Pennsylvania Industrial Development Authority, \$1.5 million in Infrastructure and Facilities Improvement Program grants, \$900,000 in job creation tax credits, and \$400,000 in job training assistance.

GRANTS

DOE to Invest up to \$24 Million for Breakthrough Solar Energy Products

A dozen industry projects have been selected by the U. S. Department of Energy as candidates for a government investment of up to \$24 million in Fiscal Year 2008 and beyond - subject to the availability of funds - to develop solar energy products to significantly accelerate penetration of solar photovoltaic (PV) systems in the United States.

DOE has selected the 12 industry teams to participate in cost-shared cooperative agreements focusing on conceptual design of hardware components, and market analysis. For these 12 winning projects, \$2.9 million total in DOE funding is leveraging \$1.7 million in industry cost-share. The plan is to award additional contracts in Fiscal Year 2009 and in the out years for projects demonstrating the most promising technology advancements exhibiting a high likelihood of commercial success. When the projects are combined with the overall industry cost-share of up to \$16 million, more than \$40 million in total could be invested in these SEGIS projects. The Department's Sandia National Laboratories in Albuquerque, NM will provide project management support to these projects.

Click [here](#) for a list of the selected projects and additional information.

EVENTS

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

[Survey shows consumer support for soybean farmers and biodiesel](#)

[Utility company closing two coal plants, going to solar](#)

[Shareholders' climate concerns having big impact on businesses](#)

[Field hearings prompt defense of ethanol, promote use of national forest waste](#)

[August crop report boosts supply confidence](#)

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