



Alternative Energy Report

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Power Politics
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Rendell Not Ready to Sign Off on Latest Legislative Budget Plan

Yesterday, Governor Rendell said that he is not satisfied with the bipartisan budget proposal being pushed by the leaders of three legislative caucuses, and signaled that he does not see enough revenue in the latest budget plan to say 'yes' yet.

"There is not nearly enough recurring revenue in the (budget) plan they submitted last night... for me to accept."

Rendell has said he is concerned the \$27.9 billion spending plan agreed to by Senate Republicans and House Democrats last week will leave the state in danger of major mid-year budget deficits.

The leaders have spent most of this week trying to convince him that they can generate \$1.2 billion in recurring revenues to balance the plan, through sources ranging from business and cigarette tax hikes to permitting table games in the state's casinos.

The governor's latest rejection of the plan does not mean that the current string of talks will end.

The state budget is already 11 weeks late, and if the leaders determined they aren't likely to ever reach an agreement with Rendell on revenues, they could decide to force their plan into and through the General Assembly without the governor's support, and risking a veto battle. Three of the four legislative caucuses have been engaged in discussions, while the House Republicans have opposed the \$27.9 billion proposal as being unrealistic, raising taxes, and not controlling government spending.

Rendell and legislative representatives both indicated this afternoon they would first look to resume discussions. "I am still holding out for them to get real, to understand that we can't have a totally painless process... and put in the type of recurring revenue and the amount of recurring revenue that will balance this year's budget," Rendell said. "I'm still hopeful that will occur," the governor added. "But the plan that was submitted last night doesn't come close."

The plan is based in part on using hundreds of millions of dollars paid by doctors and hospitals into a state fund to pay assessments for medical malpractice insurance. By taking the \$722 million HCPRA balance, the \$128 million Mcare surplus and tens of millions more in hospital cuts, the PA Medical Society says the state is balancing the budget on the backs of health care providers.

Senate Bill 901 Heads to House Floor for Vote

During an off-the-floor House Agriculture Committee meeting yesterday, Senate Bill 901 was amended and unanimously voted out of committee with what Chairman Mike Hanna described as amendments that take care of 85-90 percent of original grievances with Act 78 of 2008.

The bill, originally intended to grant an exemption from the state's B2 mandate until January 1, 2011 for small PA refiners using only Pennsylvania Grade crude oil. But an omnibus amendment put into the bill gives the Department of Agriculture authority to enforce the provisions of the mandate.

To date, the House Agriculture Committees, industry stakeholders and the state Department of Agriculture have had several meeting on the bill to develop the omnibus amendment. Hannah said that the bill must be moved in the near future since the biofuels mandate has been triggered

and is set to take effect in May.

The bill is now before the House on first consideration. Click [here](#) to view the amended version of the bill.

HERO BX Biodiesel Plans to Lead Green Energy Revolution

Pennsylvania's largest biodiesel producer, Lake Erie Biofuels, announced a name change to HERO BX and a new technology pathway for the future of biofuels.

"HERO BX stands for high-quality biodiesel and that is what we produce everyday using multiple feedstocks," said HERO BX CEO Len Kosar. "In the future, we will utilize our proprietary blending technology to determine what the most efficient and cost competitive second and third generation feedstocks are and add them to our feedstock portfolio. We are not only a biodiesel company, we are a fuel technology company."

Kosar says their biodiesel production strategy involves using multiple feedstocks primarily from vegetable oils and waste oils. "What most second and third generation biofuels are not doing today is actually producing biodiesel," said Kosar. "HERO BX is producing superior biodiesel today using first generation feedstocks from waste oil to fish oil, to vegetable oil, and tomorrow we will add to our feedstock portfolio the most efficient and cost competitive second and third generation feedstocks such as camelina and algae." He stressed the need to control the feedstock supply, rather than have it control them.

HeroBX plans to promote production of camelina and small oilseeds on poor quality lands for use in biodiesel production, creating a good feedstock and a new source of revenue for Pennsylvania farmers.

Click [here](#) to view the full press release.

White House Forum Explores the Role of Green Energy in Revitalizing the U.S. Economy

Governor Rendell welcomed U.S. Department of Energy Secretary Steven Chu, White House Senior Counselor for Manufacturing Policy Ron Bloom, Deputy Assistant Secretary of Defense for Strategy Amanda Dory, and Delaware Governor Jack Markell to the third in this series of forums. The first two forums were held in Colorado and Michigan.

Among those invited to provide examples of the value of green jobs was Glenn Green of HeroBX. Green, who had previously worked at an auto dealership, took a job as a lab technician at Lake Erie Biofuels, which opened in 2007. Today, he's a quality control manager at the nation's largest operating biodiesel plant.

"This event is an opportunity to showcase how Pennsylvania and the nation can help promote manufacturing, build a green economy with green-collar jobs, and encourage energy conservation," said Governor Rendell. "Pennsylvania has led the nation in energy and fuel production from the very earliest days of our nation's history. The coal, oil and natural gas produced in our state has heated homes, fired furnaces and generated electricity, providing good jobs and building an industrial economy that made America a global leader.

"Now, through a combination of federal, state and private investment dollars, Pennsylvania again leads the way in alternative forms of energy such as solar and wind, which are cutting our reliance on imported fuels, increasing our energy security and generating tremendous new economic opportunities," he said.

The forum was held at Accu-Weld, a manufacturer of high-efficiency, vinyl replacement windows for the residential home market. The 28-year-old company has experienced an increase in demand because of the American Recovery and Reinvestment Act, because the company's

products meet the energy efficiency standards in the legislation.

ARRA has sparked additional investment in Pennsylvania's green energy economy. Overall, Pennsylvania anticipated \$455 million in Recovery Act funding for energy efficiency and conservation projects for homes and small businesses and to leverage millions of dollars in private investments.

Pennsylvania has already invested more than \$19 million of its Recovery funding in 29 projects that hold the promise to create nearly 1,000 (352 permanent/602 temporary) new jobs and retain more than 200 jobs in communities throughout the commonwealth.

CFA Approves \$18M in Latest Round of Energy Grants & Loans

Last week the Commonwealth Financing Authority approved over \$18 million for 31 projects throughout the state that will help keep Pennsylvania at the forefront of the new green economy while creating jobs, spurring private economic development, and supporting local school districts that are struggling with energy costs. The investments were made possible through the \$650 million Alternative Energy Investment Fund, which he signed in July 2008.

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

DOE Awards Up to \$14.6 Million to Support Development of Advanced Water Power Technologies

U.S. Department of Energy Secretary Steven Chu this week announced that 22 advanced water power projects will receive up to \$14.6 million in funding to advance the commercial viability, market acceptance, and environmental performance for new marine and hydrokinetic technologies as well as conventional hydropower plants. The projects selected today will further the nation's supply of domestic clean hydroelectricity through technological innovation to capitalize on new sources of energy, and will advance markets and research to maximize the nation's largest renewable energy source.

Out of the 22 recipients, Pennsylvania State University received a grant that will support at least eight individual Master of Science (MS) or Doctoral (PhD) level research projects to identify and investigate topics in the hydropower industry for which academic research is of benefit to the industry, and thus generate new knowledge and technologies that will enhance the competitiveness of the U.S. hydropower industry in the global market.

Click [here](#) to see a full list of grant recipients from across the country.

DOE to Fund up to \$454 Million for Retrofit Ramp-Ups in Energy Efficiency

A new \$450 million program designed to catalyze a nationwide energy upgrade that experts estimate could save \$100 million annually in utility bills for households and businesses has been unveiled. The Recovery Act's "Retrofit Ramp-Up" program will pioneer innovative models for rolling out energy efficiency to hundreds of thousands of homes and businesses in a variety of communities. Much like past roll-outs for cable TV or the Internet, DOE intends to create models that, when undertaken nationally, will save consumers billions of dollars on their utility bills and make the huge savings of energy efficiency available to everyone.

Click [here](#) for more information on the EECBG program.

GRANTS

SEF Grant Opportunity for Small Businesses

Small businesses have only 2 weeks left to apply for up to \$20,000 in grants to reduce their energy costs. The deadline for applications is September 30th.

Sustainable Energy Fund (SEF), with funding from PPL Electric Utilities, is offering a one-time competitive grant program to small businesses within PPL's territory that are pursuing energy efficiency projects. Projects must yield an increase in energy efficiency of 15% or greater, and must have a total cost of at least \$5,000. A business may receive up to \$20,000 for projects with quantifiable energy savings. Eligible projects include, but are not limited to, retrofits of existing buildings, ventilation systems, windows, automated control systems, lighting, and deployment of renewable energy technologies.

For more information about this program and for an application, click [here](#).

PA Green Energy Works! Open to Applications for Large-Scale Combined Heat and Power and Biogas Projects

The PADEP Green Energy Works! Program is now accepting applications for \$11 million in federal American Recovery and Reinvestment Act funds to finance large-scale combined heat and power projects. The program will open to applications on September 21st for \$5 million in funding for projects using biogas from animal manures, septage, food processing wastes and yard waste to generate electricity. All projects must create jobs, be shovel-ready within six months, and be completed within 24 months and before April 30, 2012. Eligible applicants are businesses, non-profit organizations, colleges or universities, local governments, and economic development organizations.

The application deadline for combined heat and power projects is October 9, 2009. For more information and application guidelines, click [here](#).

PADEP is expected to accept applications in the near future for the remaining \$27 million in PA Green Energy Works! to finance solar and wind projects.

EVENTS

Pittsburgh Energy and Environment Week

Of the 16 billion US dollars allocated to renewables and energy efficiency by the American Recovery and Reinvestment Act some 450 million dollars will be spent on projects in the Keystone State. Pennsylvania hosts the "Energy and Environment Week" (EEW), held on April 12 - 16, 2010 in Pittsburgh. EEW will bring together stakeholders from North American and Europe to talk business and new ventures.

EEW means five days of site tours, conference sessions, interactive workshops and exhibits. The focus is on energy and materials recovery from waste and biomass, the commercialization of hydrogen and fuel cells, and the potential of energy efficiency technologies for climate protection and cost cutting. One highlight of the event is the alternative fuel vehicle ride and drive. EEW co-locates with two established events, "Energy from Biomass and Waste" and "Hydrogen Expo", both of which have become leading industry gatherings. Organizer Freesen & Partner GmbH is a specialist in connecting people in growth markets.

More than 150 exhibitors and 2,000 delegates are expected to attend EEW 2010. Exhibiting companies can contribute to the conference program with a presentation on their technologies and projects.

Click [here](#) for more information on the Energy and Environment Week.

PA Renewable Energy and Sustainable Living Festival

The "Kempton Festival" sponsored by the Mid-Atlantic Renewable Energy Association will be held again this year Friday, September 18th through Sunday, September 20th. More than 11,000 persons attended the event last year to learn about renewable energy, energy efficiency, natural building construction, sustainable agriculture, land-use planning, forestry and healthy living practices in general. Experts from across the country will provide a wide variety of information to

attendees through presentations, exhibits, workshops, hands-on demonstrations, vendor fairs and more.

The festival will be open to the public Friday and Saturday from 9am-10pm (exhibits open until 6:30pm) and Sunday from 9am-5pm. Admission for adults is \$12; most lectures, exhibits, and demonstrations are included with this fee. For more information, click [here](#).

LEED Implementation Training

The GBA of Central PA will host a LEED Implementation Training in Harrisburg on October 22nd at the National Civil War Museum. A USGBC LEED Faculty member will describe the phases of a typical LEED project, providing guidance on LEED project team decision making processes. Participants will receive hands-on instruction with the LEED Rating Systems by working with several case examples throughout the day.

This workshop is intended for professionals who have an understanding of LEED for New Construction or LEED for Core & Shell Rating System that would like to increase their knowledge of implementation best practices. Individuals pursuing GBCI's LEED AP Building Design & Construction credential should also consider attending. Early registration (by October 14th) is \$345 for employees of USGBC national member firms and \$445 for nonmembers.

For more information and to register, click [here](#).

Financing Renewable Energy in the Mid-Atlantic Region

At the Financing Renewable Energy symposium on September 22nd from 9am-4:30pm at the University of Maryland, College Park, experts from across the country will highlight the resources available for creating sustainable financing for alternative energy and energy conservation projects. Success stories featuring agriculture waste to energy, solar, wind, and energy conservation projects will also be shared with attendees.

This full-day event will focus on the financial needs and opportunities related to renewable energy and energy conservation, and will assist attendees in determining what steps can be taken to sustainably pay for these efforts in their communities.

The \$60 registration fee includes lunch and seminar materials. For more information, an agenda, and to register, click [here](#).

Nuclear Energy Symposium

Penn State University will host a conference on October 15th-16th on the future of nuclear power in Pennsylvania and the Mid-Atlantic region. The conference targets federal, state, and local government and agency officials, nuclear-related industries, researchers and academics. Economic and environmental opportunities and incentives for nuclear power will be featured, as well as current research and development. The conference will be held at the Penn State Conference Center Hotel in State College.

Registration can be completed online or by mailing the printable registration form. To register and for more information, click [here](#).

NEWS CLIPS

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[Water, land use issues among those facing carbon capture developers](#)

[A mad dash for smart-grid cash](#)

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