



Alternative Energy Report

Powelson Unanimously Confirmed as PUC Commissioner for 2nd Full Term

On Wednesday the state Senate unanimously confirmed the re-nomination of Chairman Robert Powelson to his second five-year term as a Commissioner at the state Public Utility Commission (PUC).

During his hearing yesterday before the Senate Consumer Protection & Professional Licensure Committee, Chairman Powelson noted that the PUC is on the forefront addressing issues that impact Pennsylvanians every day, noting the successful implementation of laws to address aging utility infrastructure; to collect and distribute the Marcellus Shale Impact Fee; to reduce electric consumption and peak demand statewide over five years; and to enforce pipeline safety.

Powelson first was nominated to the PUC in 2008 by Gov. Rendell to fill the remainder of an unexpired term. He was re-nominated by Rendell to serve a full five-year term in 2009, and again by Gov. Corbett in 2014.

Scott Wagner Wins Special Election in York County

Republican Scott Wagner made history on Tuesday when he became the first person to win a state Senate seat as a write-in candidate. Wagner bested Republican lawmaker Ron Miller and Democrat Linda Small. The campaign's advertising was extremely negative, but apparently effective for Wagner.

Energy Events

[International](#)

[Biomass](#)

[Conference](#)

March 24-26,

Orlando, FL

Senate District 28 in York County was vacated by Mike Waugh who resigned in January to become executive director of the Pennsylvania Farm Show Complex. Wagner will serve as Senator through November 30.

Miller and Wagner are both on the ballot for the primary in May, along with Republican Zachary Hearn, with the winner facing Small in the fall for a full term in the Senate.

The owner of York-based Penn Waste and KBS Trucking, Wagner said he will not accept a taxpayer-funded pension or health insurance, will limit himself to two terms, work to downsize state government, and limit his contact with special interests. He supports eliminating school property taxes by imposing sales tax in additional goods, supports job training for welfare recipients, and the legalization of marijuana.

With the win, the Senate remains 27-23 in Republican control

House Committee Approves Minimum Royalty Legislation

Legislation that would clarify a minimum royalty payment in state law was reported out of the House Environmental Resources & Energy Committee this week. House Bill 1684 is sponsored by four Republican legislators in the heart of drilling country: Reps. Garth Everett (Lycoming), Tina Pickett (Bradford), Matt Baker (Tioga) and Sandra Major (Susquehanna).

Some energy companies have, or have attempted to, decrease royalties below the statutory minimum by passing on post-production costs to landowners. This practice has caused due concern among the states thousands of landowners involved in natural gas drilling leases.

While a 1979 state law guarantees a minimum royalty to landowners of one-eighth, or 12.5 percent, the law was

[PSU Webinar:](#)
[Land and Property Valuations with Shale Development](#)

March 27, 1-2pm

[LIHEAP Action Day](#)

March 26,
Washington DC

[ACORE National Renewable Energy Policy Forum](#)

March 27-28,
Washington,
D.C

[AgSTAR 2014 National Workshop](#)

April 7, San Diego, CA

[Northeast Biomass Heating Expo](#)

April 9-11,
Portland, Maine

[Urban Wood Utilization Webcast](#)

April 15, 2014
10am-12pm

written before unconventional wells and does not specify certain terms that lawmakers feel are being used as loopholes for reduced payments.

“In my mind this is simply a matter of fairness to the lease holders in my district and in other parts of the Commonwealth as well,” said Everett.

The bill, which had previously received hours of scrutiny from the committee, now advances to the full House for its consideration.

Related News:

[Drilling impact fees OK'd in agreement on Pennsylvania oil and gas law](#)

[What's still at stake in the Act 13 court battle?](#)

Presidential Actions Could Jumpstart Clean Energy

By Tony M. Guerrieri, Research Analyst, Joint Legislative Conservation Committee

Because of the federal gridlock around energy and climate change, a report by the Center for the New Energy Economy (CNEE) urges the president to advance key measures of a clean energy policy, chiefly by using executive powers that are not dependent on action by a divided Congress. The CNEE report, “Powering Forward: Presidential and Executive Agency Actions to Drive Clean Energy in America”, outlines an array of executive actions the administration could implement to advance climate policy.

It contains more than 200 policy recommendations on how the president can use executive authority on a broad range of energy topics. In addition to presidential initiatives, the report also offers recommendations to a number of federal agencies, such as the U.S. Department of Energy, the U.S. Environmental Protection Agency and the U.S. Office of Management and Budget (OMB).

The recommendations focus on clean energy solutions in

EST

[Advanced](#)

[Energy 2014](#)

April 28-29,

Albany, NY

[Heating the](#)

[Midwest](#)

[Conference &](#)

[Expo](#)

April 29-May 1,

Green Bay, WI

[North Country](#)

[Clean Energy](#)

[Conference](#)

[2014](#)

June 4-6, Lake

Placid, NY

[International](#)

[Fuel Ethanol](#)

[Workshop](#)

June 9-12,

Indianapolis, IN

[HydroVision](#)

[International](#)

July 22-25,

Nashville, TN

[National](#)

[Advanced](#)

[Biofuels](#)

[Conference](#)

October 13-15,

Minneapolis,

MN

six areas including:

- doubling the nation's energy productivity;
- developing renewable energy markets;
- financing renewable energy;
- producing natural gas responsibly;
- enabling electric and gas utilities to adapt to the country's changed energy landscape; and
- developing alternative fuels and vehicles.

Among its many recommendations, the report points out that the president has jurisdiction over energy-saving performance contracts (ESPC), arrangements in which private companies make energy efficiency improvements to federal buildings. There is no cost to taxpayers. The companies are repaid by sharing the government's savings on energy bills. In 2011, the administration ordered agencies to execute \$2 billion in ESPCs over two years, but it could go further. The report suggests that the president amend the 2011 directive "to require that agencies execute \$1 billion in energy saving contracts in each of the next five years." [More...](#)

BlueGreen Caucus Promotes Environmental Jobs

This week legislators held a press conference on the BlueGreen Caucus for Environmental Jobs. Reps. Scott Conklin (D-Centre), Pat Harkins (D-Erie), Tina Davis (D-Bucks), Mike O'Brien (D-Philadelphia) and Gene DiGirolamo (R-Bucks) were joined by interested parties and members of the BlueGreen Alliance, discussing their efforts to create a diverse coalition of bipartisan legislators, business leaders, and union leaders to create green jobs.

"Pennsylvania used to be a leader in green energy and it is time for us to become number one again," said Conklin. Legislators went on to say that they are concerned about the legacy the state is leaving for future generations, and government and the business community need to come together to foster a healthy environment while providing family-sustaining jobs.

Email info@pa-erg.com to submit an event.

News Clips

[Vt., Pa., Calif. friendliest states for renewable energy](#)

[DEP chief says he's tried to change the tone at the agency](#)

[Nat'l Biodiesel Day celebrates America's advanced biofuel growth](#)

[Chesapeake Energy's \\$5 Billion Shuffle](#)

[Clean Energy is Cutting Carbon. But Pennsylvania Lags](#)

“Our nation stands to gain from these kinds of strategic investments in more areas than an enhanced infrastructure,” said Abraham Amoros, Pa Legislative Director at the Laborers’ International Union of North America. “Everyone wants clean air and clean water; there does not need to be friction between environmental groups, labor groups, and the rest of society.”

Wind Energy's Viability Trumpeted in Volatile Market

Pennsylvania's 700 commercial wind turbines loom large along ridges, but their number and size belie their contribution to electricity generation. Despite government subsidies, technological advancements that improved the turbines' efficiency, and environmental advantages over burning fossil fuels, wind energy provided just 1.5 percent of the state's electricity last year and less than 4 percent of the nation's. [More...](#)

State’s First Gas-to-Liquids Plant gets Preliminary Approval

As previously reported, EmberClear is seeking to build a gas-to-liquids plant in South Heidelberg Township, Berks County. This week, the township supervisors gave preliminary approval for the plant that will turn natural gas into liquid motor fuel.

The plant would cost between \$800 million and \$1 billion and produce about 500,000 gallons per day of gasoline and liquid petroleum. The plant will be located next to Sunoco Logistics’ Sinking Springs facility. EmberClear said the plan is for Sunoco to buy and store the fuels produced at the plant. This is one of several similarly proposed plants across the state, and according to EmberClear, the project will create about 150 permanent jobs.

While the site is zoned for industrial use, it is adjacent to several residential developments. Nearly 100 residents attended the township meeting to voice concerns for

safety. The supervisors told residents that this was only a preliminary hearing. The plant still needs to go through further township approvals, as well as state and federal approval before breaking ground.

Federal News

Energy Tax Extender Package Coming in April?

ERG has learned that the Senate Finance Committee will begin work on a tax extenders package at the beginning of April. "We are planning for early April, but no final date has been set," spokesperson Lindsey Held said. The package of several dozen tax breaks - including the wind production tax credit and other energy tax breaks - expired on Dec. 31. Any extension is expected to retroactively patch the breaks so companies can take advantage of the benefits this year. The package costs about \$50 billion and at this time, it is not clear how Congress will fund it.

EESI Issue Brief: Obama Administration FY 2015 Budget Proposal: Sustainable Energy, Buildings, Transportation and Climate

President Obama released his \$3.9 trillion fiscal year (FY) 2015 budget proposal for the federal government on March 4, 2014. The budget reflects the administration's "all of the above" energy strategy as well as its reinvigorated focus on addressing climate change, following the unveiling of the President's Climate Action Plan in June 2013. The proposed 2015 budget increases the Department of Energy's (DOE) funding by 2.6 percent over 2014 enacted levels, but reduces the Environmental Protection Agency's (EPA) by 3.8 percent.

Highlights include a \$1 billion Climate Fund to help local communities adapt to and recover from the extreme weather – droughts, hurricanes and floods – that climate change is already making more prevalent. The budget also calls for a \$56 billion infrastructure package developing a "resilient infrastructure that would help our communities prepare for the effects of climate change."

Related initiatives seek to make the electricity grid more resilient, not only to disasters but to attacks as well. Also of note is a requested increase of 26 percent over 2014 appropriations for the Department of Transportation. The increase would go some ways to address the \$86 billion maintenance backlog that bedevils the country's transportation infrastructure, and help fund more energy efficient modes of transportation.

The budget once again repeats the President's call for the elimination of \$4 billion in fossil fuel subsidies, while proposing to make tax credits for renewable energy production permanent. The administration has requested additional funds for natural gas research which it views as assisting its goal of transitioning the United States to a low-carbon economy, as the additional funds will finance the development of carbon capture and storage technology for use in coal and natural gas power plants.

This fact sheet outlines the Obama administration's FY 2015 budget request for several clean energy and infrastructure programs within key agencies. [More...](#)

White House Unveils Climate Data Initiative

The Obama administration launched a new initiative Wednesday aimed at providing easier access to federal data that can help communities and businesses prepare for the effects of climate change. The Climate Data Initiative is part of President Obama's broader climate change agenda, which in addition to high-profile regulations for power plants, includes a focus on protecting states, towns and cities from the extreme weather and rising sea-levels that scientists say will occur as the planet warms. As part of the initiative, the administration will launch a new website, www.data.gov/climate, which will collect the federal government's climate-change-related statistics and information. The website will initially focus on coastal flooding and sea-level rise, but the White House said it will expand to other areas including health, energy

infrastructure and the country's food supply.

Related News:

[Scientists: Global warming risks 'irreversible changes'](#)
[Kerry Makes Addressing Climate Change a Top Priority for U.S. Diplomats](#)

Most Think Reports of Global Warming Exaggerated or Underestimated

Most Americans think reports about the seriousness of global warming is off, although there's a big split between those who think the news underestimates its seriousness and those who think the news exaggerates it, according to a new Gallup poll. 42 percent of respondents said the news generally exaggerates the seriousness of global warming, while 33 percent say it is underestimated and 23 percent think it's generally correct. The poll was conducted March 6-9. [More...](#)

White House Advisor Answers Reporters' Questions

White House adviser John Podesta took aim Wednesday at environmentalists who have criticized the Obama administration's support for natural gas, according to news reports. "If you oppose all fossil fuels and you want to turn that switch off tomorrow, that is a completely impractical way of moving toward a clean-energy future," Podesta told reporters during a roundtable discussion at the White House.

"With all due respect to my friends in the environmental community, if they expect us to turn off the lights and go home, that's sort of an impractical suggestion," he added. Podesta's comments were in line with the administration's long-running talking points, but they're likely to anger many in the liberal wing of the environmental movement, which has launched increasingly aggressive attacks against fracking and liquefied natural gas exports.

Podesta's comments come one day after the Sierra Club, Friends of the Earth, 350.org and a slew other green

groups called on President Barack Obama to reject calls to speed up permits to export U.S. liquefied natural gas, arguing that the policy would violate the administration's pledge to tackle climate change. "I think we remain committed to developing the resource and using it, and we think there's an advantage, particularly in the electricity generation sector, to move it forward," he said.

Podesta also disagreed with calls for Obama to step back from LNG exports, saying that the Energy Department was in charge of reviewing the export applications. The department is considering applications on a plant-by-plant basis.

John Holdren, director of the White House Office of Science and Technology Policy, also defended natural gas. "The basic story on methane, including from the LNG sector, is that the emissions are definitely big enough to be worth reducing, but they're not big enough to imperil the advantage that natural gas has over coal as a way to generate electricity," Holdren told reporters at the meeting.

Podesta said the Obama administration is "in the throes" of finalizing an administration-wide strategy for tackling methane leaks from oil and natural gas development and that the plan should be issued "in the not-too-distant future."

The environmental community is far from unified on natural gas. While groups like the Sierra Club have been critical of natural gas development, the Environmental Defense Fund is working closely with industry groups to come up with solutions to the methane problem.

In discussing international problems with meeting climate change emission reductions, Holdren said, "the longer the world delays in taking aggressive action to reduce emissions, the more challenging it becomes to meet that target. And I would say it is now very challenging indeed. But what is perfectly clear is we know the direction in

which we need to go. We need to reduce emissions and have a variety of tools for doing that, and we are using as many of them as we can.”

Podesta said the administration is developing its post-2020 climate plan as part of international climate change talks that will culminate in a meeting in Paris in 2015.

“We’re at work on putting forward the commitment that the United States will make, and we have a commitment to do that by the first quarter of 2015,” he said.

House Panel Sets Hearing on Natural Gas Bill

A panel of the House Energy and Commerce Committee will hear testimony next week of a bill that would speed approvals for natural gas export facilities.

Rep. Cory Gardner (R-Colo.) introduced the Domestic Prosperity and Global Freedom Act on earlier this month as an attempt to lay the groundwork for selling natural gas to allies, including nations that rely on Russian for fuel, such as Ukraine.

Gardner’s bill would mandate that the Energy Department immediately grant all applications to build liquefied natural gas export facilities that had been filed by March 6.

Many environmental and other groups have urged Congress not to act on this or similar legislation, stating that they are confident the push to expand U.S. natural gas exports will fade as attention moves the Russian/Ukraine conflict.

ERG Partners

223 State Street, Harrisburg PA 17101

(717) 233-8606 | info@pa-erg.com |

www.pa-erg.com