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November 20, 2015

#### NEWS CLIPS

[New Report: Renewable Power Economic Potential has More than Tripled](#)

[West Virginia Lawmakers Again Likely to Consider Forced Pooling Legislation](#)

[Plan to Close Nuclear Plant in Upstate New York Rattles Its Neighbors, NYT](#)

[Philadelphia "energy hub" opponents lash out at community meeting](#)

[Renewables Accounted for Half of All New Power Plants Installed Globally Last Year](#)

[PUC Proposes Expansion of Public Steam Utilities](#)

[Sen. Baker calls for safety standards for gas pipelines in rural PA](#)

[Marcellus Frack Chemical Plant Near Pittsburgh Goes Up in Flames](#)

[DEP Announces Redesigned Web Site, Social Media Accounts](#)

#### EVENTS

PA House

### **Budget Framework ...Time to Build?**

WARNING - EXTENDED ANALOGY: An architect wants to build a house in a new development, but is told two contractors must be hired to complete the job. The architect designs a five bedroom contemporary, all-electric with solar panels, carpet throughout, and wants enough money left over to buy the lot next door for future expansion. All three agree on the size and composition of the foundation, and manage to get that laid.

But after seven months, the contractors and architect are changing plans, one working on a ranch house, another a bi-level, the third still working on that contemporary. The contractors order hardwood floors and gas heat. They start trenches for a pipeline through the back field, debate over using union labor, try to level the yard, and park their trucks in the driveway, unintentionally preventing supply deliveries. Meanwhile, the contractors' employees are arguing that they shouldn't have to listen to the contractors. Sound familiar?

[\(MORE\)](#)

#### Regional News

#### Federal News

### **More State News**

#### **Draft Recommendations for Pipeline Infrastructure Released for Public Comment**

The DEP last week released the 355-page first draft of the Pipeline Infrastructure Task Force report and opened a 30-day public comment period that ends December 14. The draft report is the first product of Governor Wolf's Pipeline Infrastructure Task Force (PITF), chaired by DEP Secretary John Quigley.

The workgroups provided 184 recommendations that can be found in the draft report. The task force and DEP will accept public comments on the recommendations in the report, which can be [found here](#). [\(MORE\)](#)

Environmental and Energy Committee Information Meeting on DEP Chapter 78, 78A Drilling Regulations  
7-8 p.m.

November 26, 2015  
Room 140 Main Capitol,  
Harrisburg  
9 a.m.

PA Association for Sustainable Agriculture Webinar: Renewable Energy for PA Farms  
December 1, 2015  
7-8 p.m.  
Register [HERE](#).

Climate Change Advisory Committee  
December 4, 2015  
CANCELED

Leadership Conference for Women In Energy  
December 7-8, 2015  
Newport Beach, CA  
More Information Available [HERE](#).

Central PA Green Building Council: Sustainable Material Management for Interior Finishes  
December 9, 2015  
Armstrong World Industries, Lancaster  
8:30-10:30 a.m.

Solar Development on Landfills and Brownfields  
January 20-21, 2016  
Philadelphia PA  
More Information Available [HERE](#).

Clean Energy Megatrends and Innovations  
April 5-6, 2016  
New York, NY

### Coal Caucus Holds its own Hearing on Clean Power Plan

Last week, the DEP concluded its series of public hearings for reactions and comments on the EPA's Clean Power Plan. Secretary Quigley said the state is close to writing a first draft of its proposal to meet the requirements of the Clean Power Plan. He promised that Pennsylvania's plan will be better than the model federal plan EPA presented in Pittsburgh last week, one that takes away state flexibility.

On Tuesday, the state's House and Senate bipartisan coal caucuses held their own hearing to get testimony about the impacts of EPA's Clean Power plan on the coal industry. Sen. Gene Yaw (R, Lycoming) called the situation for the coal industry in Pennsylvania "a tragedy," a position voiced by members of both parties. [\(MORE\)](#)

### Quigley's Environmental Briefing Available Online

Updates to Chapter 78 regulations, the ongoing work of the Pipeline Infrastructure Task Force, the changes required by the federal Clean Power Plan, and efforts to improve Pennsylvania's Chesapeake Bay Watershed were discussed during his briefing last week.

To watch the briefing, [click here](#).

### HERO BX Purchases Alabama Biodiesel Refinery

Erie biodiesel producer Lake Erie Biofuels LLC d/b/a HERO BX announced this week that it has acquired the assets of the former Veros Energy biodiesel refinery in Moundville, Ala.. The plant will be operated under the name HERO BX Alabama LLC.

HERO BX Chairman and CEO Samuel Black III said, "We are excited to be expanding into Alabama. This acquisition allows us to serve a new market outside the reach of our Erie facility, and will enable our company to follow through on its growth mission." Black added, "The preliminary renewable fuel standard volumes are growing and as they do, the Moundville facilities will, too."

HERO BX says it will capitalize on its technical and operational expertise to upgrade and expand the 15 MGPY facility, which is slated to come on line in the first quarter of 2016.

"Our technical staff is among the world's finest. We will take everything that we have learned in almost a decade of producing great biodiesel in Erie and apply it to the Moundville plant" said HERO BX President Mike Noble. "Our quality standards will remain the same. Customers who are familiar with our high quality can again count on biodiesel produced in Moundville to be BQ 9000 certified ASTM D-6751 and Q-RIN approved."

The Moundville facility currently employs 17 full-time staff who will remain on as HERO BX Alabama LLC employees. HERO BX expects to hire and train an additional 10-12 employees as it gears up for recommissioning the Alabama facility.

Founded in 2005 and headquartered in Erie, Lake Erie Biofuels LLC d/b/a HERO BX is the largest biodiesel production facility east of the Mississippi. With an annual capacity of 50 million gallons at its Erie plant, the

More Information  
Available [HERE](#)

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Pennsylvania company is a national leader in biodiesel refining, serving customers along the Eastern seaboard.

### **Sen. Vance to Retire in 2016**

State Sen. Pat Vance, R-Cumberland, announced Wednesday that she plans to retire at the end of her current term, which expires in November 2016. "My time as an elected official has been extremely rewarding," Vance said in a statement. "Not only have I been given the opportunity to impact a community for which I care deeply, but I've also been given the opportunity to work with a number of very bright and capable individuals who I now call friends. Vance, a registered nurse and majority chair of the Senate Public Health and Welfare Committee, has represented Cumberland and York Counties since 2005. Between 1991 and 2004, she served as a member of the House of Representatives.

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## **Regional News**

### **New Jersey Awards Contract to Oversee Clean Energy Program**

After years of delay and litigation, the state has awarded a contract to a company to administer a program that helps residents and businesses reduce bills by cutting energy use and switching to renewable sources of energy.

The New Jersey Board of Public Utilities selected Applied Energy Group to manage the state's Clean Energy Program at its monthly meeting on Monday. Applied Energy will operate under a three-year contract, worth approximately \$25 million. [More...](#)

### **Feds Grant Leases for Offshore Wind Development**

Two wind developers, RES America Developments and U.S. Wind Inc., were awarded leases by the Department of Interior's Bureau of Ocean Energy Management (BOEM), and can now start developing 344,000 acres of federal waters off **New Jersey's Coast** [More...](#)

### **AEP, FirstEnergy Proposals Spark Criticism**

A battle in Ohio between two utilities and electricity consumers is the latest chapter in a U.S. debate about [who should pay for plants](#) that could provide extra power during periods of extreme weather, Cassandra Sweet reports. American Electric Power Co. and FirstEnergy Corp. have set off a firestorm of criticism by proposing that consumers and businesses cover the cost of operating seven plants the utilities say don't make enough money selling power.

The conflict also illustrates how newer plants that burn cheap natural gas are reshaping the economics of producing electricity in many markets and putting the squeeze on aging coal and nuclear plants.

The power companies say they need to keep the surplus production capacity to make sure there is enough electricity when consumption spikes, like during

heat waves and Arctic cold. But consumer advocates and some of Ohio's big electricity users say the proposal could add as much as \$600 million a year to customers' utility bills over 15 years. Ohio regulators are expected to make a decision by March.

The U.S. National Oceanic and Atmospheric Administration said heating demand is down by 27%, Reuters reports. That has added to an [oversupply of natural gas and heating oil](#).

### **West Virginia Governor Taking Steps to Submit Carbon Plan**

West Virginia Gov. Earl Ray Tomblin said Tuesday he is taking steps to submit a plan to comply with federal carbon emission standards on coal-fired power plants, echoing guidance from the nation's largest miners' union earlier in the day, even while challenging the federal emissions requirements in court.

The Democratic governor said until a legal decision is made, the state can't afford to ignore the EPA rule. The requirement has drawn bipartisan opposition from many West Virginia politicians and companies. Any state plan that Tomblin's administration crafts still must get the approval of the Republican-led Legislature. "If we can demonstrate that we put a lot of time and effort into developing a plan for West Virginia, we may have a better chance of lessening the harmful impacts these regulations could have on our miners, their families and communities," Tomblin said.

Coal Workers' Union President Cecil Roberts added that the state should ask for a two-year extension to September 2018 to send in its plan.

### **More Get Up, Stand Up, Speak Up:**

D.C. utility regulators are facing their second long day of comments from both critics and supporters of the Exelon-Pepco merger proposal. Regulators at the D.C. Public Service Commission allocated time to hear from 90 people each day and there were 79 people on the overflow list of possible speakers.

Both merger supporters and opponents were included in comments at the hearing, which was held to evaluate the merits of the settlement deal between Exelon and DC Mayor Muriel Bowser in August. The Public Service Commission is the only remaining regulatory body that has not approved the merger, which would create the largest utility in the US. [More...](#)

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## **Federal News**

### **Congress takes on CPP**

The US Senate has voted 52-46 for a measure that would block President Barack Obama's highest-profile climate regulation, a symbolic rebuke less than two weeks before he is due to travel to Paris for negotiations on a major global warming deal.

The Senate passed a pair of resolutions disapproving the EPA's carbon rules,

putting the onus on the House to advance the resolutions to the president's desk - where it will promptly be vetoed.

Senate Majority Leader Mitch McConnell (R-KY) and Sen. Shelley Moore Capito (R-WV) led the charge against the CPP in the Senate. Both are from states whose coal sectors have suffered under declining demand and have warned about the further impact of the EPA's rulemaking.

The Energy and Commerce Committee ([See below](#)) reconvened its own markup to advance companion resolutions, but a final vote in the House will come after Thanksgiving, once the climate talks in Paris begin. ([MORE](#))

### **Wind, Solar Will be Promoted as Solutions by U.S. Negotiators**

Land-based wind energy, distributed solar power and utility-scale solar power are three of five technologies Energy Secretary Ernest Moniz says U.S. negotiators will promote as solutions for reducing carbon when representatives from more than 150 nations convene in Paris for climate change talks Nov. 30.

Moniz laid out the proposals the United States would present in Paris during a briefing at the Carnegie Endowment for International Peace late last week. He said he expects the U.S. electricity sector will be decarbonized by 2050, but the process could be better facilitated if Congress would work with the White House to promote changes across the economy, and not just by sector as happens now.

LEDs and electric vehicles were the other two technologies. All five, he said, have lower costs and would have better success given a broader acceptance in countries around the world for the need to reduce carbon. The cost to produce wind energy has dropped two-thirds over the past six years, according to the American Wind Energy Association. The per-watt cost of installing solar has fallen from \$8 to as low as \$3, with a number of analysts projecting the costs to drop another 40 percent over the next two years.

He said lower carbon commitments have been submitted by more than 160 countries, but said more nations need to step forward. Yet he said he expected technological advancements and other innovative measures will result in even greater carbon reductions.

Moniz insisted that the United States continue with an "all of the above" energy policy, noting, for example, the need to develop practical and affordable carbon-capture technology that will be used on coal plants and, eventually, the natural gas power plants that will replace them.

### **EPA Head Vows to Defend Climate Rules to Congress**

After the vote, EPA Administrator Gina McCarthy said the Senate's vote to kill the climate change rule means she and the Obama administration need to do a better job explaining their vision for the energy sector and their goal of reducing greenhouse gas emissions from it.

McCarthy acknowledged that many lawmakers are skittish about the long-term impact of the Clean Power Plan. "The Senate vote is certainly something I'm going to pay attention to. Nothing Congress does is meaningless," she said. "We have to do a better job of explaining to them that everything EPA is doing with this rule and everything else is protecting their kids' future."

McCarthy said the agency will push forward with its climate change work between now and the end of Obama's presidency, a regulatory agenda that touches on everything from the power sector to emissions from cars.

"Actions work; they do not destroy the economy. We just have to focus on the science," McCarthy said of debates over climate change science in Congress.

The Clean Power Plan, a rule designed to cut carbon emissions from the power sector by 32 percent by 2030, has drawn scorn from Republicans and some Democrats, who worry about its impact on energy prices, grid reliability and jobs in the coal sector, which stands to be hit particularly hard by the rule.

McCarthy acknowledged that a transition to clean energy - like the one envisaged in the Clean Power Plan - will end up hurting coal-producing communities around the United States, and she said lawmakers should look to craft policies to help the economies in those areas.

### **[E&C Advances Two Resolutions to Disapprove CPP](#)**

The House Energy and Commerce Committee passed two resolutions, [H.J. Res 71](#) and [H.J. Res 72](#), to "keep electricity affordable and reliable for ratepayers across the country." The resolutions, introduced by Energy and Power Subcommittee Chairman Ed Whitfield (R-KY), would provide Congressional disapproval on two final rules issued by the EPA for new and existing fossil fuel-fired power plants, and that the rules shall have no force or effect.

Chairman Whitfield said, "Over the past 24 months in hearings and letters, this committee has developed an extensive record documenting the unprecedented reach and strong potential for harmful, costly impacts of EPA's regulations. In my view, the discrepancy between what EPA is trying to do and what the Clean Air Act actually allows is so wide that these resolutions are necessary. These resolutions are necessary to protect ratepayers, the reliability of our electricity supplies, and our nation's global competitiveness."

Energy and Commerce Committee Chairman Fred Upton (R-MI) added, "These resolutions are ultimately about protecting hard-working people from higher electricity prices, threats to grid reliability, and EPA's economy wide energy tax. A Democratically controlled Congress wisely rejected cap-and-trade in 2010 and those rules are just as ill-advised today as they were then."

*For a fact sheet on the resolutions, click [here](#).*

### **Moniz Says Clean Energy Technologies Accelerating in the U.S.**

Just before the International Energy Agency's Ministerial in Paris, which serves as a lead-up to the COP21 UN Climate Negotiations, the U.S. Department of Energy (DOE) this week released the [2015 Revolution...Now](#) report, which details the state of several clean energy technologies in the U.S. that provide technology solutions to climate change. [\(MORE\)](#)

