

ENERGY SECURITY: The Pennsylvania Story

Governor Edward G. Rendell inherited a state with no energy office and no energy policy when he took office in 2003. Today, because of Governor Rendell's clean energy initiatives, Pennsylvania is leading the way to decrease the nation's already dangerous dependence on foreign oil, ramping up efforts to build a diversified energy base that ensures greater security at home and investing in new technologies that create jobs and improve the environment. Among the achievements:

- Leading the nation to modernize energy infrastructure to provide affordable, reliable, cleaner fuel through **PENNSYLVANIA EDGE** --- Energy Deployment for a Growing Economy. This initiative provides regulatory and financial incentives to shut down older, dirtier, inefficient power plants and re-power with advanced coal gasification technology that produces synthetic gas for manufacturing feedstocks, synthetic natural gas to heat homes, transportation fuels or electricity.
- Supporting the nation's first-ever **WASTE-COAL-TO-DIESEL PLANT** and creating a fuel consortium that will purchase nearly all of the cheaper, cleaner, diesel fuel that will be produced at the Schuylkill County facility. Waste Management and Processors Inc.'s plant will use waste coal to produce 40 million gallons of clean-burning diesel annually. Construction will create as many as 1,000 jobs. Operating the plant will produce another 600 permanent, high-paying positions.
- Launching the East Coast's first commercially viable **BIOFUELS STORAGE AND BLENDING SYSTEM** to replace 3.2 million gallons of foreign oil with domestically produced biodiesel, keeping \$6 million worth of energy dollars here by reducing the state's need to purchase imported fuels.
- Establishing the nation's most progressive alternative energy **PORTFOLIO STANDARD**, ensuring that 18 percent of all energy generated comes from clean, efficient sources by the year 2020. Benefits include \$10 billion in increased output, \$3 billion in additional earnings and as many as 4,000 new jobs for residents over the next 20 years.
- Leading states east of the Mississippi in **WIND ENERGY**, producing 129 megawatts of electricity, enough to power more than 50,000 homes, with as many as 65 megawatts scheduled to come on line within the next year. The state has 87 utility-scale wind turbines with another 12 being built. There are more than 5,000 megawatts of untapped wind power in Pennsylvania able to generate 45 billion kilowatt-hours annually, enough to power 5 million homes.
- Beating out many vying states to land the Spanish wind-energy company **GAMESA CORP.**, the second largest wind energy company in the world. With its U.S. headquarters and two manufacturing facilities based here, Gamesa represents a \$40 million investment in the state that will create as many as 1,000 jobs over five years, luring high-paying manufacturing jobs from overseas.
- Ensuring wide distribution and use of zero-pollution **SOLAR POWER** by launching a full-scale, comprehensive effort to bring to fruition our pathbreaking solar energy mandate in the portfolio standard and enable solar power to become a major player by aggregating sites and demand.
- Putting the state's purchasing power to work. As the first state to require that 10 percent of its electricity needs for commonwealth buildings come from **GREEN ENERGY**, Pennsylvania aims to double its commitment so that fully 20 percent of our needs will be met with green electricity.
- Revitalizing the **PENNSYLVANIA ENERGY DEVELOPMENT AUTHORITY**, which was shut down in 1995, to promote investment in the energy sector. PEDA now has up to \$1 billion available to help build clean power and fuel plants. In June, PEDA awarded its first \$6.5 million to finance 16 clean energy projects, creating as many as 450 permanent and construction jobs.



- Creating the **PENNSYLVANIA ENERGY HARVEST GRANT PROGRAM** to build markets for advanced and renewable energy technologies that use biomass, wind, solar, small-scale hydroelectric, landfill methane, energy efficiency, coal-bed methane and waste coal. The program has awarded \$15.9 million and leveraged another \$43.7 million in private funds since its inception in May 2003
- Creating a **RENEWABLE AGRICULTURAL ENERGY COUNCIL** to focus on developing and expanding agricultural energy industries in Pennsylvania. Renewable agricultural energy has the potential to create as many as 64,000 additional jobs. Renewable agricultural energy can help diversify agricultural activities and stimulate the growth of crops that strengthen the agriculture industry. Agricultural energy sources can save the average household \$1,200 annually on energy bills.
- Encouraging **DISTRIBUTED GENERATION** to enhance energy security and service reliability. The Commonwealth is launching a full-scale effort to enable small generators to become real players in energy markets with new rules that forbid practices by utilities to prohibit distributed renewable energy plants from tying into the grid. PA's Public Utility Commission promulgated proposed interconnection and net-metering standards that are among the most progressive in the country.
- Encouraging smart architecture. With 24 certified **GREEN BUILDINGS** and 121 registered to become certified, Pennsylvania ranks second nationally in the number of buildings certified under the internationally recognized Leadership in Energy and Environmental Design (LEED) program.
- Calling for a twice-a-year **GREEN SALES TAX HOLIDAY** on the purchase of energy-efficient appliances to move Pennsylvania to the forefront of energy innovation. Using energy efficient appliances could save families about 30 percent of the average \$1,400 annual utility bill, or approximately \$400 each year.
- Signing an executive order, "Energy Management and Conservation in the Commonwealth," ensuring maximum efficiency in **ENERGY MANAGEMENT AND CONSERVATION** in state facilities through the implementation of a centralized energy strategy. This measure will decrease energy consumption and energy costs and promote a cleaner environment.
- Expanding the state's **ALTERNATIVE FUELS INCENTIVE GRANT PROGRAM** to invest in the infrastructure necessary to expand the state's capacity to produce alternative fuels. AFIG helps residents purchase alternative-fuel vehicles, hybrid electric vehicles and finances fuel projects to create new markets that can have measurable impacts on pollution reduction, environmental protection and economic growth.
- Banning the purchase of conventional SUVs for the state fleet and building on this initiative with a major effort to replace conventional vehicles with **HYBRID VEHICLES**. The state in the coming year will purchase 30 hybrids and set in motion a process to continually build on this commitment such that by 2011, fully 25 percent of our fleet will be hybrids.

These efforts are getting notice. The Governor's successful and visionary leadership in building a clean energy future recently was recognized by former President William J. Clinton in the Inaugural Clinton Global Initiative, an international summit in New York City. Nationally syndicated business and financial columnist Lou Dobbs praised Governor Rendell recently on his CNN news program for his national leadership on energy initiatives. Barron's, one of the nation's premier financial weekly magazines, and Bloomberg News, also highlighted the Governor's leadership in creating the buyers' consortium for Waste Management and Processors Inc.'s waste-coal-to-diesel plant.

