



Alternative Energy Report

Corbett Announces State Energy Plan

On Tuesday, Governor Corbett announced the details of his "Energy = Jobs" plan, which he said would help market the state's energy sectors to investors and businesses.

"Whether from the well pad to the corner grocery store, the expansion of our energy sector has made Pennsylvanians better off and made our commonwealth really the vanguard of American energy independence," Corbett said at the unveiling press conference earlier this week.

The plan touts the state's energy resources, such as natural gas, coal, nuclear, and renewables and supports an "all-of-the-above" policy that embraces the free market in the hopes of providing customers with a greater choice in their energy sources. The plan does not set goals or benchmarks.

"The plan we have assembled does not have recommendations for action items," said state energy executive Patrick Henderson. "We approached this as an opportunity to talk about all that has actually been done to date, and advertising that from a jobs creation standpoint – with primary audiences being job creators, capital investors, those who may be considering Pennsylvania for investment."

Many Democrats and environmentalists have been quick to criticize the plan, stating that it is too open-ended and upholds the status quo rather than forging a new path that would more fully capitalize on energy opportunities in Pennsylvania.

Click <u>here</u> for more information on Energy = Jobs plan, or to view the state Energy Plan document.

Corbett Gives Budget Preview

While the Governor's full budget will be unveiled during the annual state budget address on February 4, the Governor this week held a press conference to preview part of his 2014-15 budget for domestic violence and sexual assault. The 2013-14 budget included historic

Energy Events

5th Annual Marcellus-Utica Midstream
Conference & Expo
January 28-30,
Pittsburgh, PA funding levels for these programs and Corbett proposed an increase of 10 percent in the coming year's budget.

The overall impacts on energy and the environment in the Governor's 2014-2015 budget proposal are still unknown.

As with past budgets, ERG assumes the 2014-2015 budget will be lean and will have to contain cuts in several key areas. Corbett faces a difficult reelection bid, making each funding decision even more critical. The state will enter into the coming year's budget talks in a \$1.2 to \$1.4 billion deficit.

Corbett ran for Governor in 2010 promising to get the state budget and deficits under control, and his campaign maintains success in accomplishing that goal, bringing spending in line with income. Despite holding the line on new taxes for general fund budget items for the past three years, a recent study from George Mason University ranks Pennsylvania's financial health as the 42nd worst in the nation. Democrats argue that cuts have had the effect of hurting the state's most vulnerable citizens with little to show for the effort.

The study defined fiscal condition by considering "liquidity, budgetary balance, reliance on debt to finance current and long-term expenditures, and ability to pay for essential services." State borrowing, pension fund deficits and loss of federal funding have all added to the problems for balancing a state budget since 2011.

Democrats Talk Energy/Sustainability

The eight announced Democratic candidates for governor in Pennsylvania discussed their positions on a range of energy and sustainability issues at a gubernatorial forum presented by the Academy of Natural Sciences of Drexel University and four other organizations on January 13. The invited candidates included Gov. Tom Corbett, John Hanger, Jo Ellen Litz, Rob McCord; Katie McGinty, Max Myers, Ed Pawlowski, Allyson Schwartz, and Tom Wolf.

Topics included Shale gas and environmental protection, fracking moratoriums, preservation and funding of state parks and state forests, actions to inhibit climate change,

Potential for Natural
Gas to Enhance
Biomass
Technologies
Webinar
Feb 6, 1-2pm EST

National Ethanol Conference

February 17-19, Orlando, FL

International Biomass Conference & Expo March 24-26, Orlando, FL

International Fuel
Ethanol Workshop &
Expo
June 9-12,
Indianapolis, Indiana

National Advanced Biofuels Conference & Expo

October 13-15, Minneapolis, Minnesota

Email info@paerg.com to submit an event.

News Clips

Did Pennsylvania Just
Change The Way
States Talk To
Businesses About
Energy?

Pa. must do its part to fight climate change

Report: Obama can
advance climate
agenda without
Congress

Greens to Obama:
Forget 'all of the

Act 129, subsidies for fossil fuels, PAC contributions, leadership and development of biomass energy. The moderator for the forum was Dave Davies, WHYY senior reporter. Watch the debate on PCN.

What Does the Act 13 court ruling means for Pennsylvania?

The state Supreme Court's decision last month striking down portions of Act 13 was a victory for the local governments and environmental groups who argued the 2012 oil and gas law was unconstitutional. But where do we go from here?

- SmartTalk interview with Widener Law Professor
 John Dernbach
- AP: Drilling law decision leaves unsettled legal landscape

EPA Awards \$5M to Universities to Study Green Infrastructure in Philly

The U.S. Environmental Protection Agency has awarded nearly \$5 million dollars in grants to five universities to evaluate innovative green infrastructure practices in urban areas, using Philadelphia, as the pilot area.

These grants stem from a cooperative partnership between EPA and Philadelphia's Green City, Clean Waters program that represents a broad, long-term investment in implementing green infrastructure stormwater management practices.

"This partnership provides a unique opportunity to evaluate the early benefits, long-term performance, and economic success of green infrastructure practices in urban communities." said U.S. EPA Deputy Administrator Bob Perciasepe.

Green infrastructure is a cost-effective and innovative approach to reduce runoff from overflowing combined sewer systems in urban areas, in which Philadelphia has been a national leader. The goal of green infrastructure is to retain or redirect water into the ground where plants and soil will naturally filter the water – avoiding CSOs and reducing violations of the Clean Water Act. Green infrastructure investments also make our communities cleaner, healthier, and more attractive places to live and work.

above'

AgEC says 2014
budget agreement
highlights need for
Farm Bill

The EPA is awarding grants to the following universities: Villanova University; Swarthmore College; Temple University; University of New Hampshire, Durham, N.H.; and University of Pennsylvania, Philadelphia, Pa.

Pa. extends Public Comment Period for Proposed Oil and Gas Rules

The Environmental Quality Board has extended the time for public comment on major revisions to Pennsylvania's oil and gas regulations. The comment period will now end on March 14 and two additional hearings have been scheduled in Bradford and Warren Counties:

- Feb. 10: Troy High School, 150 High St., Troy, PA 16947
- Feb. 12: Warren County Courthouse, 204 4th Ave.,
 Warren, PA 16365

Four hearings have already been held. Click <u>here</u> for more information.

Close Call on Philly Oil Train Derailment Fuels Calls for Safety

It could be a few more days before crews finish clearing derailed train cars, including five crude oil tankers, from a bridge over the Schuylkill River in Philadelphia.

The derailment led to immediate calls for new safety measures regarding oil shipments by rail. The State House Veterans Affairs and Emergency Preparedness Committee plans to hold a hearing on oil-by-rail safety in March. And key politicians from Philadelphia Mayor Nutter to gubernatorial candidate John Hanger have called for changes. Federal officials have met with railroad officials seeking voluntary changes in handling of oil shipments.

Crews worked continuously in snowfall to transfer oil from the derailed cars to empty tank cars nearby on the same tracks, according to the rail company CSX. "CSX's priority is on safety and the environmentally responsible transfer operation," spokeswoman Melanie Cost said in an e-mailed update.

The 101-car train was traveling from Chicago to a refinery in South Philadelphia when seven of the cars slid

off the tracks on the Schuylkill Arsenal Bridge around 12:30 a.m. Monday. More...

Ben Franklin Shale Gas Innovation Contest

Ben Franklin Shale Gas Innovation and Commercialization Center's 2014 Shale Gas Innovation Contest is open to researchers, entrepreneurs, or small company innovators located in Pennsylvania or West Virginia or those willing to relocate. Awards totaling \$100,000 will go to the four best shale energy-oriented innovations, new product ideas, or service concepts. Contest closes February 1. Click here for more information.

Farm Energy Day

Farm Energy Day will be held at Ernst Conservation Seeds in Meadville on Feb. 5 and will provide overviews of a sampling of sustainable and renewable energy issues as they relate to farmers and landowners in the region with special attention to growing perennial grass crops as bioenergy feedstocks. Click here for more information.

Federal News

Obama Signs Omnibus Spending Plan, Impacts to Bioenergy

Last week President Obama signed the omnibus spending bills (H.R. 3547) just days after the bill easily passed the Senate (72-26 vote) and House (359-67).

The bill provides some assistance to bioenergy and agriculture, including increased funding to the Rural Energy for American Program (REAP) and sustained funding for the Defense Production Act Title III which provides funding for the navy biofuels program. However, the bill is expected to restrict or reduce spending to the Biorefinery Assistance Program.

Additional provisions include \$10 million to create incentives for the increased use of biomass from National Forest System lands and \$123.5 million for sustainable landscape programs.

Energy Department Launches Competition for Innovative Energy Apps

The Energy Department has launched a contest to promote the creation of new apps designed to address today's energy challenges. The Apps for Energy II contest, which is the second contest in the year-long American Energy Data Challenge, will encourage contestants to leverage ideas developed during the American Energy Data Challenge's first contest, and to use open data sources. Click here for more information.

Farm to Fleet

On January 30, the USDA will host an industry day for the newly established Farm to Fleet program. Under the Navy Biofuels program established through the Defense Production Act Title III, the USDA is required to support one-third of the total \$510 million program. Click here for additional information.

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