

## PA PowerPort

### March 2006

#### FOR IMMEDIATE RELEASE:

March 8, 2006

### **GOVERNOR RENDELL ENDORSES RENEWABLE FUELS GOAL – 25 PERCENT DEPENDENCE BY 2025** *Governor Addresses Second National Ag/Forestry Renewable Energy Summit*

**WASHINGTON, D.C.** — Saying the time is long overdue for America to lead the world in creating clean, safe, renewable fuels, Governor Edward G. Rendell today endorsed the goal of achieving 25 percent dependence on renewable fuels by 2025.

Speaking at the 25 x 25 Renewable Energy Summit in Washington, D.C., Governor Rendell said, "Our nation's energy needs can, in large part, be met by our agricultural sector. Pennsylvania has assets that give us a unique role in building our nation's energy platform. We are the fourth largest farm state; we have some of the largest coal reserves and tons of waste coal; and we have plenty of free energy – wind and sun."

"To achieve greater energy independence, to reach the goals of 25 x 25, we need to aggressively invest in plants that produce transportation fuels from our farm products and coal reserves," Governor Rendell said. "In Pennsylvania, we have plenty of both to tap. We must cut our petroleum imports by harvesting energy from the crops grown on American soil – there can be no argument about the sustainability of that strategy. Combining crops and clean coal is a big economic win and a big environmental win for this nation."

The Governor was invited to address farmers, ranchers and private forest landowners at the Second National Ag/Forestry Renewable Energy Summit because of Pennsylvania's leadership in supporting and developing renewable energy sources.

Just this week, the Governor announced that Gamesa Corp., the second largest wind energy company in the world and headquartered in Victoria, Spain, is expanding operations in Pennsylvania by investing another \$34 million to open three new modern manufacturing centers on 20-plus acres of U.S. Steel's former Fairless Hills, PA industrial site. The company previously had invested \$40 million in Pennsylvania, including funding for another manufacturing facility, its first in North America.

Governor Rendell said farmers realize they can sell their crops such as soybeans for energy production as well as for food and for food for livestock. They also can turn farm waste into electricity, "but we need to give them the equipment to turn waste into energy and we need to make it financially rewarding for them to do so."

"Farmers are good businessmen, and when we can make turning waste into energy good for business, farmers are going to be lining up across this nation to help with the goal of 25 percent dependence on renewable fuels by 2025," Governor Rendell said.

Pennsylvania recently opened its first commercial bio-diesel production facility that will produce two to three million gallons of biofuels, the Governor noted. Additionally, with state support, the first East Coast bio-diesel injection blending facility opened in Pennsylvania.

"In Pennsylvania, we are using state funds as a magnet for private sector investments in these fuels and, as a result, hundreds of millions of dollars in new investment is flowing that will bring

renewable energy projects on line. We expect within a year to be producing tens of millions of gallons of soybean-based fuels and at least 100 million gallons of ethanol in the state as well.

"It's obvious that our agriculture economy is a key ingredient in energy independence and Pennsylvania's prosperity. To make sure that we sow every possible energy option, we created the Renewable Agricultural Energy Council, which is focused on developing and expanding agricultural energy industries in Pennsylvania."

To help achieve the 25 x 25 goal, Governor Rendell said government needs to set the standard and the pace. "In Pennsylvania, I have put our purchasing power to work, and we are the first state to require that 10 percent of the electricity we purchase for state buildings comes from green energy."

"I also established what many consider to be the nation's most progressive, alternative energy portfolio standard, ensuring that 18 percent of all energy generated comes from clean and efficient sources by the year 2020. Benefits include \$10 billion in increased output and as many as 4,000 new jobs for residents over the next 20 years," the Governor added.

"In Pennsylvania, we also are looking at homegrown and safe energy sources such as making diesel and clean electricity from newly mined coal and coal waste. With some 2.4 billion tons of waste coal, we have a seemingly endless supply of a safe energy source.

"With state and federal help, the nation's first-ever waste coal to diesel plant will be built in Pennsylvania. To ensure that this plant could get the necessary investments on Wall Street, I created a fuel purchasers consortium that will purchase nearly all of the 40 million gallons of the cheaper, cleaner, diesel fuel that will be produced by 600 new workers at this plant."

Pennsylvania also has launched an initiative that provides regulatory and financial incentives to shut down older, dirtier, inefficient power plants and re-power them with advanced coal gasification technology that produces synthetic gas for manufacturing feedstocks, synthetic natural gas to heat homes, transportation fuels and electricity, the Governor said. The program is called EDGE, which stands for Energy Deployment for a Growing Economy.

"In Pennsylvania, we are making big investments to create the feedstocks, plants and distribution systems for renewables," Governor Rendell said. "We have invested approximately \$15 million in state funds that have leveraged more than \$45 million in private funds for alternative fuels production.

Last December, Governor Rendell spoke at the National Press Club in Washington and outlined his "American Energy Harvest" model, which would mean less reliance on the Middle East. He said by changing how and where the U.S. spends energy dollars, the country can create more jobs, increase domestic investment and make our nation safer.

"What we are doing in Pennsylvania offers a vivid illustration of how our economy, our quality of life and our security can be improved by investing in America's fuels. By following this path instead of the being dependent on the Middle East, we can become dependent on Middle America," Governor Rendell said.