

February 7, 2011

Senator Mary Jo White
Senate Box 203021
Harrisburg, PA 17120-3021

Dear Senator White:

We are writing to urge you to eliminate the Tier 2 alternative energy sources from Act 213, the Alternative Energy Portfolio Standards Act (AEPS). In November 2004, the Pennsylvania legislature passed the Alternative Energy Portfolio Standards Act, to provide environmentally beneficial sources for electricity generation in the state. The portfolio contains both Tier 1 and Tier 2 energy source classifications. The Tier 1 energy sources include wind energy, solar energy, and geothermal, while Tier 2 energy sources are mostly waste materials from coal mines, residential refuse, and paper mills. According to the AEPS, by 2020, the state of Pennsylvania must get 8% of its energy from Tier 1 sources and 10% from Tier 2, which means that in an act promoting energy and environmental sustainability, traditional renewable energy sources account for less than 50% of the objective.¹ Also, the AEPS obscures the boundary between renewable and alternative energy sources and grants a rather important position to the utilization of dirty energy sources. By comparing the AEPS with similar acts in neighbor states and conducting a case study within the state, we believe that the inclusion of Tier 2 energy sources not only creates environmental concerns but also creates barriers in the development of renewable energy in Pennsylvania. Again, please consider eliminating Tier 2 energy sources from the AEPS.

States such as New York and Maryland have similar acts, entitled the Renewable Portfolio Standards (RPS), and a brief comparison of the AEPS with these demonstrates the problem with the AEPS.² New York's RPS includes "Solar Water Heat, Photovoltaics, Landfill Gas, Wind, Biomass, Hydroelectric, Fuel Cells, CHP/Cogeneration, Anaerobic Digestion, Tidal Energy, Wave Energy, Ocean Thermal, Ethanol, Methanol, and Biodiesel," and these sources must account for 29% of the state's energy consumption by 2015.³ They are renewable sources due to their inexhaustibility in human time scale and relatively low emission of greenhouse gases compared to sources such as coal and waste incineration. Such energy sources are also renewable in the sense that they promote energy security, create jobs, benefit the environment, and ensure energy for future generations. To compete with other states in green energy development, it is also advantageous for Pennsylvania to invest in domestic wind energy. Pennsylvania is already behind New York in renewable energy objectives. At the same time, the Pennsylvania-New Jersey-Maryland Interconnection (PJM), which is the electricity transmission organization that serves almost all of Pennsylvania, also plans to incorporate 50% of its energy supply from wind energy.⁴ Pennsylvania absolutely has the capacity to grow the renewable energy industry; the

¹ "Senate Bill No. 1030," The General Assembly of Pennsylvania, November 17, 2004, <http://www2.legis.state.pa.us/WU01/LI/B1/BT/2003/0/SB1030P1973.pdf>

² *ibid*

³ "New York: Incentives/Policies for Renewables & Efficiency," Database of State Incentives for Renewables & Efficiency, last reviewed December 10th, 2010, http://dsireusa.org/incentives/incentive.cfm?Incentive_Code=NY03R&re=1&ee=1

⁴ "Renewables Tomorrow," PJM, <http://www.pjm.com/about-pjm/newsroom/renewable-dashboard/renewables-tomorrow.aspx>

shoreline of Lake Erie and areas along the western side of the Appalachians are all prime sites for wind energy development.⁵

Within the state, the inclusion of Tier 2 energy sources is also problematic: it renders Tier 1 sources ineffective at best and useless at worst. As a larger portion of the act is Tier 2 energy sources, more incentive for producers exists in investing in Tier 2, and Tier 1 therefore is likely to be overlooked. Since truly renewable energy sources are overshadowed, electricity generators in the state may pursue financially lucrative yet harmful sources similar to those defined in Tier 2, even though these sources are not included in the act. Moreover, businesses could claim such alternative sources to be renewable, because of the obscured definition of renewable energy in the AEPS, and as a result make the term “renewable” meaningless.

This is exactly what is going on in northwestern Pennsylvania, where a tires-to-energy facility (TEF) was proposed in 2007 and is still in debate. First proposed in the City of Erie, where it met widespread community opposition, the facility is now being considered in the Meadville area in Crawford County.⁶ The Crawford Renewable Energy (CRE) TEF would be the largest tires-to-energy plant in the world and would cost approximately \$350 million to construct.⁷ But what concerns us the most is that, under the current Alternative Energy Standards Act, the TEF could potentially qualify as a Tier 2 energy producer.⁸

Both economic and environmental concerns surround the proposed TEF, and we believe similar issues will arise from Tier 2 energy sources such as a municipal waste incinerator. Historically, similar facilities have faced economic problems and had many negative health impacts on the local ecosystem, wildlife, and residents. Only three TEFs have been built in the United States. Two plants are currently in operation in Connecticut and Illinois, while the third facility, in California, was closed in 2000 because of its inability to cost-effectively gather tires.⁹ Economic issues have also affected the other two facilities. The TEF in Connecticut posted an \$11 million loss in the 2009 fiscal year.¹⁰ The TEF in Illinois is also most likely to close, according to the facility president, as a push for green energy designation failed to pass the legislature this past summer.¹¹ Similar to the cases above, the CRE proposal for Crawford County has also provoked critical environmental and health concerns due to its planned use of water from the nearby Geneva Marsh and the exposure of employees and local residents to pollutants.¹² The CRE might only be the beginning of the trend to utilize energy sources that are not traditionally used and not listed in the AEPS but can be detrimental to human, environmental, and global health. With an indistinct boundary

⁵ “Pennsylvania-50 M Wind Resource Map,” U.S. Department of Energy: Energy Efficiency & Renewable Energy, last updated February 14th, 2011, http://www.windpoweringamerica.gov/images/windmaps/pa_50m_800.jpg

⁶ “Erie Renewable Energy to move tires-to-energy plant to Crawford,” Tim Hahn, Erie-Times News, last updated April 7th, 2010, <http://www.goerie.com/apps/pbcs.dll/article?AID=/20100407/NEWS02/304069913>

⁷ “Zoning law urged with tires-to-energy plant on the way,” Mary Spicer, Meadville Tribune, last updated December 21, 2010, <http://meadvilletribune.com/local/x733938115/Zoning-law-urged-with-tires-to-energy-plant-on-the-way>

⁸ “Tires-to-energy opponent plans announcement,” Mary Spicer, Meadville Tribune, last updated November 1, 2010, <http://meadvilletribune.com/local/x733938115/Zoning-law-urged-with-tires-to-energy-plant-on-the-way>

⁹ “UAE Closes Tire-to-Energy Plant,” Scrap Tire News, <http://www.scraptirenews.com/00feb2.html>

¹⁰ “CMS Energy: Annual Report 2009,”

<http://phx.corporateir.net/External.File?item=UGFyZW50SUQ9NDA3NzI8Q2hpbGRJRd0tMXxUeXBIPtM=&t=1>

¹¹ “Ill Senate: Burning tires isn’t green,” Benjamin Yount, Northwest Indiana Times, last updated May 6, 2010, http://www.nwitimes.com/news/local/illinois/article_5a8e94da-0163-5692-adf5-7dc58b447fc8.html

¹² “Environmental Impacts of the Proposed Tires-to-Energy Facility in Greenwood Township,” Hanafin, M., Mistry, V., Thompson, B. & Wade, S. (class report, Allegheny College), 3-8.

between renewable and alternative energy sources, the AEPS would only exacerbate the negative effects of dirty energy rather than promoting sustainable energy sources.

We believe that you, as the head of the Environmental Resources and Energy Committee, have the best opportunity to change the flawed AEPS. When first proposed, the act sought to expand renewable energy in our state and that goal was admirable. But in its current state, the AEPS overwhelmingly focuses on energy sources that truly should not be classified as renewable because of their vicious effects on human and environmental health. Additionally, Tier 2 energy sources raise the potential for statewide energy sector investments in controversial and unsound, both economically and environmentally, sources of energy.

The future of Pennsylvania should not be defined by what we have left behind, such as waste coal or tires. Instead, it is imperative for the state to look forward, adopt new technologies outside producers of greenhouse gases and toxins, and utilize promising renewable resources within the state to achieve sustainability and security in our energy supply. Your efforts to eliminate Tier 2 energy sources from the AEPS will be appreciated by future generations.

Sincerely,

Brian Anderson & Mingyuan Song

520 N. Main Street
Meadville, PA 16335

Handwritten signatures of Mingyuan Song and Brian Anderson in blue ink. The signature of Mingyuan Song is on top, and the signature of Brian Anderson is below it.