THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1140 Session of 2018

INTRODUCED BY McILHINNEY, SCHWANK, HUGHES, RAFFERTY, HAYWOOD, KILLION, LEACH, DINNIMAN, YUDICHAK, WILLIAMS, FARNESE AND BLAKE, APRIL 23, 2018

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, APRIL 23, 2018

AN ACT

Amending Title 27 (Environmental Resources) of the Pennsylvania Consolidated Statutes, providing for transition to renewable 2 energy; imposing duties on the Department of Environmental 3 Protection and other Commonwealth agencies relating to energy consumption and renewable energy generation; establishing the Clean Energy Transition Task Force, the Clean Energy Center 6 of Excellence, the Council for Clean Energy Workforce Development and the Clean Energy Workforce Development Fund; and providing for interim limits on energy produced from nonrenewable sources. 10 11 The General Assembly of the Commonwealth of Pennsylvania 12 hereby enacts as follows: 13 Section 1. Title 27 of the Pennsylvania Consolidated 14 Statutes is amended by adding a chapter to read: 15 CHAPTER 51 16 TRANSITION TO RENEWABLE ENERGY 17 Sec. 18 5101. Declaration of policy. 19 5102. Definitions. 20 5103. Priorities.

5104. Clean Energy Transition Task Force.

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- 1 5105. Executive agency duties.
- 2 5106. Publication and review.
- 3 5107. Clean Energy Center of Excellence.
- 4 <u>5108. Council for Clean Energy Workforce Development.</u>
- 5 5109. Study by department.
- 6 <u>5110</u>. Analysis of energy consumption.
- 7 <u>5111</u>. Interim limits on energy produced from nonrenewable
- 8 <u>sources.</u>
- 9 <u>5112. State-owned facilities and land.</u>
- 10 5113. Regulations.
- 11 § 5101. Declaration of policy.
- 12 The General Assembly finds and declares as follows:
- 13 (1) The purpose of this act is to steadily transition
- this Commonwealth to 100% clean, renewable energy by 2050 in
- 15 order to:
- (i) Avoid pollution of our air, water and land,
- 17 reduce greenhouse gas emissions and ultimately eliminate
- 18 our use of fossil fuels and other polluting and dangerous
- 19 forms of energy.
- 20 (ii) Increase energy security by reducing reliance
- 21 <u>on imported sources of energy and maximizing renewable</u>
- 22 <u>energy production in this Commonwealth.</u>
- 23 (iii) Increase economic development by stimulating
- 24 public and private investments in clean energy and energy
- 25 efficiency projects.
- 26 (iv) Create local jobs by harnessing this
- 27 <u>Commonwealth's skilled workforce, business leadership and</u>
- 28 academic institutions to advance new technologies,
- 29 <u>improve the energy performance of homes and workplaces</u>
- and deploy renewable energy across this Commonwealth.

1	(v) Improve the quality of life and economic well-
2	being of all residents of this Commonwealth, with an
3	emphasis on communities and populations that have been
4	disproportionately affected by pollution and high costs
5	under our energy system.
6	(2) It is the goal of the Commonwealth to:
7	(i) Meet 100% of Pennsylvania's energy needs with
8	renewable energy by 2050, including the energy consumed
9	for electricity, heating and cooling, transportation,
10	agricultural uses, industrial uses and all other uses by
11	residents, institutions, businesses, State and municipal
12	agencies and other entities operating within this
13	Commonwealth.
14	(ii) Obtain 100% of the electricity consumed by
15	residents, institutions, businesses, State and municipal
16	agencies and other entities operating within this
17	Commonwealth from renewable energy sources by 2035.
18	§ 5102. Definitions.
19	The following words and phrases when used in this chapter
20	shall have the meanings given to them in this section unless the
21	<pre>context clearly indicates otherwise:</pre>
22	"Building sector." The energy consumed to heat, cool and
23	provide hot water and electricity for buildings. The term does
24	not include energy used for heavy industrial activities.
25	"Center." The Clean Energy Center of Excellence established
26	under section 5107 (relating to Clean Energy Center of
27	<pre>Excellence).</pre>
28	"Commonwealth agency." As defined in 62 Pa.C.S. § 103
29	(relating to definitions).
30	"Council." The Council for Clean Energy Workforce

- 1 Development established under section 5108 (relating to Council_
- 2 for Clean Energy Workforce Development).
- 3 "Department." The Department of Environmental Protection of
- 4 <u>the Commonwealth.</u>
- 5 "Emission." The emission of a greenhouse gas into the air.
- 6 "Executive agency." As defined in 62 Pa.C.S. § 103.
- 7 <u>"Fund." The Clean Energy Workforce Development Fund</u>
- 8 <u>established in section 5112(c) (relating to State-owned</u>
- 9 facilities and land).
- 10 "Greenhouse gas." A gas in the earth's atmosphere that
- 11 <u>absorbs and reemits infrared radiation, including carbon</u>
- 12 dioxide, nitrous oxide, methane, hydrofluorocarbons,
- 13 <u>perfluorocarbons and sulfur hexafluoride.</u>
- 14 "Nonrenewable energy." Energy produced from any source that
- 15 <u>fails to meet one or more of the criteria for renewable energy.</u>
- "Renewable energy." As follows:
- 17 <u>(1) Energy produced from sources that meet all of the</u>
- 18 following criteria:
- 19 (i) Virtually pollution-free, producing little to no
- 20 global warming pollution or health-threatening pollution.
- 21 (ii) Inexhaustible, coming from natural sources that
- are regenerative or practically unlimited.
- 23 (iii) Safe, having minimal impacts on the
- environment, community safety and public health.
- 25 (iv) Efficient, a wise use of resources.
- 26 (2) The term includes energy produced with any
- 27 <u>technology</u>, the use of which conforms to the requirements
- under paragraph (1), including the following:
- 29 (i) Solar photovoltaic.
- 30 (ii) Solar thermal electric.

- 1 <u>(iii) Solar thermal heating.</u>
- 2 <u>(iv)</u> Offshore wind energy.
- 3 <u>(v) Onshore wind energy.</u>
- 4 <u>(vi) Geothermal energy.</u>
- 5 <u>"Secretary." The Secretary of Environmental Protection of</u>
- 6 the Commonwealth.
- 7 <u>"Sector." A major category of energy usage. The term</u>
- 8 <u>includes electricity generation, heating, transportation and</u>
- 9 industry and may include other major categories as identified by
- 10 the department.
- 11 "Subsector." A subcategory within a sector of energy usage,
- 12 characterized by a common energy generation technology,
- 13 <u>industry</u>, application, end-use sector or type of consumer.
- 14 "Task force." The Clean Energy Transition Task Force
- 15 established in section 5104 (relating to Clean Energy Transition
- 16 Task Force).
- 17 "Transportation sector." The technologies and uses of energy
- 18 that are applied to move people and goods within, into and out
- 19 of this Commonwealth, including nonmotorized forms of
- 20 transportation, such as walking and bicycling.
- 21 "Zero net energy building." An energy-efficient building
- 22 where, on a source energy basis, the actual annual delivered
- 23 energy is less than or equal to the onsite renewable exported
- 24 energy.
- 25 § 5103. Priorities.
- 26 In meeting the goals identified under section 5101(2)
- 27 <u>(relating to declaration of policy), Commonwealth agencies shall</u>
- 28 prioritize the following:
- 29 (1) Sources of renewable energy that are located in this
- 30 Commonwealth or elsewhere in the Mid-Atlantic region.

1	(2) Sources of renewable energy that represent
2	additional renewable generation capacity added to the grid.
3	(3) Models for local and community ownership of
4	renewable energy generation, particularly models that bring
5	direct financial benefits to low-income communities.
6	(4) Reducing energy consumption through efficiency
7	measures to the greatest extent practicable.
8	§ 5104. Clean Energy Transition Task Force.
9	(a) Establishment The Clean Energy Transition Task Force
10	is established to integrate the goal of 100% renewable energy
11	throughout State government operations. The members of the task
12	force shall be appointed within 90 days of the effective date of
13	this section.
14	(b) Members The task force shall include the following
15	members:
16	(1) The secretary or the secretary's designee, who shall
17	serve as the chairperson of the task force.
18	(2) A representative from the following Commonwealth
19	agencies, to be appointed by the chief executive or
20	administrative officer of each agency:
21	(i) The Department of Conservation and Natural
22	Resources.
23	(ii) The Pennsylvania Public Utility Commission.
24	(iii) The Department of Education.
25	(iv) The Department of Human Services.
26	(v) The Department of Health.
27	(vi) The Department of Community and Economic
28	Development.
29	(vii) The Department of Labor and Industry.
30	(viii) The Department of Transportation.

1	(ix) The Department of Corrections.
2	(x) The Department of General Services.
3	(xi) The Department of State.
4	(xii) The Governor's Office of Administration.
5	(3) A representative designated by each of the
6	<pre>following:</pre>
7	(i) The Attorney General
8	(ii) The State Treasurer.
9	(iii) The Auditor General.
10	(4) Two members designated by the Secretary of Education
11	as follows:
12	(i) A member to represent the State System of Higher
13	Education.
14	(ii) A member to represent the community college
15	system.
16	(c) Duties The task force shall:
17	(1) Identify all existing State laws and regulations and
18	Commonwealth agency programs with an impact on energy
19	production and consumption and evaluate them based on the
20	<pre>following:</pre>
21	(i) Their potential to support this Commonwealth's
22	transition to 100% renewable energy.
23	(ii) Their ability to maximize the environmental and
24	economic benefits of the transition for residents of this
25	Commonwealth and businesses, particularly, but not
26	exclusively, for communities that have been impacted by
27	pollution from energy sources.
28	(2) Within one year of the effective date of this
29	section, determine a date not later than January 1, 2035, by
30	which the operations of State government will be powered with

- 1 100% renewable energy.
- 2 (d) Meetings.--The task force shall meet at least once each
- 3 quarter to review progress in modifying State law and
- 4 regulations and Commonwealth agency programs to accelerate the
- 5 transition to 100% renewable energy. The meetings shall be
- 6 <u>subject to 65 Pa.C.S. Ch. 7 (relating to open meetings).</u>
- 7 § 5105. Executive agency duties.
- 8 Each executive agency shall:
- 9 <u>(1) Conduct a review of the laws, regulations and</u>
- 10 programs under its jurisdiction and submit a report to the
- 11 <u>task force describing how the laws, regulations and programs</u>
- 12 can be modified to accelerate the transition to 100%
- 13 <u>renewable energy.</u>
- 14 (2) Consider how modifying its programs to accelerate
- the transition to 100% renewable energy can help achieve the
- 16 <u>agency's other objectives.</u>
- 17 (3) Within 18 months of the effective date of this
- 18 section, present a plan to achieve the goal identified under
- 19 section 5104(c)(2) (relating to Clean Energy Transition Task
- 20 Force) for the facilities and activities in its jurisdiction.
- 21 Each executive agency shall report on its progress to the
- 22 task force and update its plan annually.
- 23 § 5106. Publication and review.
- 24 The secretary shall publish the findings of the task force
- 25 under sections 5104(c)(1) (relating to Clean Energy Transition
- 26 Task Force) and 5105 (relating to executive agency duties)
- 27 within six months of the formation of the task force. The
- 28 secretary and the task force shall review and update the
- 29 findings every three years from the date of initial publication.
- 30 § 5107. Clean Energy Center of Excellence.

- 1 (a) The Governor shall establish the Clean Energy Center of
- 2 Excellence at a member institution of the State System of Higher
- 3 Education to conduct and sponsor research on the following:
- 4 (1) Renewable energy and energy efficiency technologies.
- 5 (2) Effective practices for renewable energy adoption by
- 6 <u>residents, institutions, businesses, State and municipal</u>
- 7 <u>agencies and other entities.</u>
- 8 (3) Barriers preventing access to renewable energy,
- 9 <u>particularly</u>, <u>but not exclusively</u>, <u>for low-income</u>
- 10 communities.
- 11 (4) Community outreach models and other tools to
- increase the adoption of renewable energy, particularly for
- 13 <u>low-income communities.</u>
- 14 (b) Advisory committee. -- The center shall be advised by a
- 15 15-member committee composed of experts with the following areas
- 16 <u>of expertise:</u>
- 17 (1) renewable energy, energy efficiency and energy
- 18 storage technologies;
- 19 (2) architecture, building engineering and construction;
- 20 (3) transportation;
- 21 (4) affordable housing;
- 22 (5) environmental justice; and
- 23 (6) other relevant fields.
- 24 § 5108. Council for Clean Energy Workforce Development.
- 25 (a) Establishment. -- The Council for Clean Energy Workforce
- 26 Development is established. The council shall be cochaired by
- 27 the secretary and the Secretary of Labor and Industry. The
- 28 council shall include the following members:
- 29 (1) Three members designated by the Secretary of
- 30 Education as follows:

1	<u>(i) A representative of the Department of Education.</u>
2	(ii) A member to represent the State System of
3	Higher Education.
4	(iii) A member to represent the community college
5	system.
6	(2) Representatives from the following, to be appointed
7	by the co-chairs of the council:
8	(i) Organized labor.
9	(ii) Renewable energy businesses.
10	(iii) Occupational training organizations.
11	(iv) Economic development organizations.
12	(v) Community development organizations.
13	(b) Duties of council The council shall:
14	(1) Identify the employment potential of the energy
15	efficiency and renewable energy industry and the skills and
16	training needed for workers in those fields.
17	(2) Recommend policies that promote employment growth
18	and access to jobs to the Governor and the General Assembly.
19	(3) Prioritize maximizing employment opportunities for
20	fossil fuel workers displaced in the transition to renewable
21	energy.
22	(4) Establish a target for the number of new renewable
23	energy jobs to be created in this Commonwealth by 2030 not
24	later than January 1, 2019. The council shall create job
25	growth targets for each subsequent 10-year period beginning
26	in 2030. The job growth targets for each subsequent 10-year
27	period shall be finalized at least 12 months prior to the
28	start of the 10-year period.
29	(5) Establish a target for the number of new renewable
30	energy jobs to be created for members of the prioritized

- 1 <u>category identified in paragraph (3) not later than January</u>
- 2 <u>1, 2019, and for each subsequent 10-year period beginning in</u>
- 3 2030, which shall be no less than 10% of the total number of
- 4 jobs created or 7,500 jobs, whichever is greater. The job
- 5 growth targets for each subsequent 10-year period shall be
- 6 <u>finalized at least 12 months prior to the start of the 10-</u>
- year period.
- 8 (6) At least annually, submit a report to the Governor
- 9 and the General Assembly recommending changes to existing
- 10 State policies and programs to meet the identified job growth
- 11 <u>targets.</u>
- 12 (7) Meet at least once each quarter to review progress
- in expanding renewable energy employment. The meetings shall
- be subject to 65 Pa.C.S. Ch. 7 (relating to open meetings).
- 15 § 5109. Study by department.
- 16 (a) Study required. -- In consultation with the task force and
- 17 the center, the department shall conduct a study identifying the
- 18 <u>following:</u>
- 19 (1) Pathways towards 100% renewable energy for the
- 20 <u>building sector</u>.
- 21 (2) Policies necessary for all new buildings to be zero
- 22 net energy buildings by 2030 and for nonrenewable energy
- 23 <u>consumption to be reduced for existing buildings by 50% by</u>
- 24 2030.
- 25 (b) Considerations. -- The study shall consider how to expand
- 26 access to renewable heating and electricity technologies,
- 27 <u>increase access to energy efficiency programs and minimize</u>
- 28 costs, particularly, but not exclusively, for low-income
- 29 communities.
- 30 (c) Presentation to task force.--The department shall

- 1 present the results of the study to the task force not later
- 2 than one year from the effective date of this section.
- 3 (d) Review. -- The department shall review and update the
- 4 study every five years, considering technological developments,
- 5 demographic changes, the effectiveness of existing programs and
- 6 policies and other factors.
- 7 § 5110. Analysis of energy consumption.
- 8 (a) The department shall determine:
- 9 (1) The overall quantity of energy consumed Statewide in
- the calendar year 2017 across all sectors and the percentage
- of energy consumed that came from renewable energy sources,
- 12 using the best available data. The determination shall
- include an analysis of the percentage of renewable energy
- consumed in this Commonwealth that was produced:
- 15 <u>(i) in this Commonwealth;</u>
- 16 <u>(ii) in adjacent states; and</u>
- 17 (iii) in other states, territories or foreign
- 18 countries.
- 19 (2) For energy consumed in an individual sector or
- subsector representing more than 2% of total Statewide energy
- 21 consumption:
- 22 (i) The amount of energy consumed in the individual
- 23 <u>sector or subsector.</u>
- 24 (ii) The types and sources of energy consumed in the
- 25 sector or subsector.
- 26 (iii) The percentage of energy consumed in the
- 27 <u>sector or subsector that was produced from renewable</u>
- sources.
- 29 (b) Publication. -- The department shall publish a similar
- 30 analysis of renewable and nonrenewable energy consumption on at

- 1 <u>least a triennial basis and for the years 2020, 2030, 2040 and</u>
- 2 2050. The analysis shall include the amount, percentage, types
- 3 and sources of renewable and nonrenewable energy consumed across
- 4 <u>all sectors Statewide and in the individual sectors and</u>
- 5 <u>subsectors identified under subsection (a), as well as any</u>
- 6 <u>additional sectors or subsectors that have since come to</u>
- 7 represent at least 2% of total Statewide energy consumption.
- 8 § 5111. Interim limits on energy produced from nonrenewable
- 9 <u>sources.</u>
- 10 (a) Interim limits on energy produced from nonrenewable
- 11 sources. -- The department shall establish interim limits for the
- 12 overall percentage of this Commonwealth's energy produced from
- 13 <u>nonrenewable sources as follows:</u>
- 14 (1) In 2030, no more than 50% nonrenewable energy.
- 15 (2) In 2040, no more than 20% nonrenewable energy.
- 16 (b) Individual sectors and subsectors. -- The department shall
- 17 establish interim limits on nonrenewable energy in the
- 18 individual sectors and subsectors identified under section 5110
- 19 (relating to analysis of energy consumption). The interim limits
- 20 shall maximize the ability of this Commonwealth to achieve 100%
- 21 renewable energy by 2050.
- 22 (c) Projection. -- The department shall determine the
- 23 <u>Statewide greenhouse gas emissions level in calendar year 1990</u>
- 24 and reasonably project what the emissions level will be in
- 25 calendar year 2020 if no measures are imposed to lower emissions
- 26 other than those formally adopted and implemented as of July 1,
- 27 <u>2017.</u>
- 28 (d) Enforcement. -- The interim limits on nonrenewable energy
- 29 consumption for 2030 and 2040 shall be considered binding caps
- 30 and shall be legally enforceable by any resident of this

- 1 Commonwealth.
- 2 § 5112. State-owned facilities and land.
- 3 (a) Expansion of solar and other renewable energy generation
- 4 <u>capacity.--The department, together with the Governor's Office</u>
- 5 of Administration and other Commonwealth agencies, shall:
- 6 (1) Identify opportunities to expand solar and other
- 7 <u>renewable energy generation capacity on State-owned</u>
- 8 facilities and land.
- 9 (2) Install an additional 100 megawatts of solar and
- 10 <u>other clean energy generation capacity on State properties by</u>
- 11 <u>December 31, 2020.</u>
- 12 (3) Establish a goal for the amount of additional
- 13 <u>renewable energy generation capacity installed on State-owned</u>
- 14 <u>facilities and lands in each subsequent five-year period</u>
- beginning in 2020. The goal for each five-year period shall
- be not less than 25 megawatts of renewable energy generation
- 17 capacity.
- 18 (4) Install enough renewable energy generation capacity
- 19 to meet the goals established for each five-year period.
- 20 (b) Office of the Budget. -- On an annual basis, the Office of
- 21 the Budget shall track the upfront cost of renewable energy
- 22 projects installed under this section and the revenue and energy
- 23 cost savings accruing to Commonwealth agencies from those
- 24 projects through net metering credits, electricity sales, the
- 25 <u>sale of renewable energy credits</u>, other Federal or State
- 26 incentive programs and other sources of revenue or energy cost
- 27 <u>savings.</u>
- 28 (c) Revenue positive projects. -- Annually, the Office of the
- 29 Budget shall determine which renewable energy projects have paid
- 30 back their initial costs with revenue and energy cost savings.

- 1 These projects shall be known as revenue positive projects. Once
- 2 this determination has been made, any future revenue or energy
- 3 <u>cost savings from revenue positive projects shall be credited</u>
- 4 into the Clean Energy Workforce Development Fund, which is
- 5 established as a special fund in the State Treasury.
- 6 (d) Use of fund money. -- The department and the Department of
- 7 Labor and Industry shall direct the use of money in the fund, in
- 8 consultation with the council. Money in the fund shall be used
- 9 to provide job training, education and job placement assistance
- 10 for residents of this Commonwealth to work in the clean energy
- 11 and energy efficiency industry. At least 50% of the money in the
- 12 fund shall be used on an annual basis for programs and
- 13 <u>initiatives that primarily benefit fossil fuel workers displaced</u>
- 14 <u>in the transition to renewable energy.</u>
- 15 (e) Report. -- The department shall submit an annual report to
- 16 the Governor, the General Assembly and the council describing
- 17 progress towards meeting goals for renewable energy
- 18 installations on State properties, the costs and revenue
- 19 associated with each project, the amount of revenue generated
- 20 for the fund and expenditures from the fund.
- 21 (f) Report by Department of Transportation. -- The Department
- 22 of Transportation shall conduct a study identifying pathways
- 23 towards 100% renewable energy for the transportation sector and
- 24 the policies necessary to power the transportation sector with
- 25 at least 50% renewable energy by 2030. The following apply:
- 26 (1) The study shall give preference to transportation
- 27 options that:
- 28 (i) increase access to mass transportation across
- 29 all income levels;
- 30 (ii) minimize costs, particularly for low-income

- 1 <u>communities; and</u>
- 2 (iii) maximize access to employment centers.
- 3 (2) Without limitations on the Department of
- 4 <u>Transportation's evaluation of effective Statewide</u>
- 5 <u>transportation options</u>, the study shall consider the
- 6 feasibility, cost effectiveness and environmental and
- 7 <u>economic benefits of high-speed rail service between major</u>
- 8 <u>urban centers in this Commonwealth.</u>
- 9 (3) The Department of Transportation shall publish the
- 10 <u>findings from the study not later than one year from the</u>
- 11 <u>effective date of this section.</u>
- 12 <u>(4) The Department of Transportation shall review and</u>
- 13 <u>update this study every five years, considering technological</u>
- 14 <u>developments</u>, <u>demographic changes</u>, <u>the effectiveness of</u>
- existing programs and policies and other factors.
- 16 § 5113. Regulations.
- 17 (a) General rule. -- The department and other Commonwealth
- 18 agencies controlling sectors or subsectors of energy consumption
- 19 <u>shall promulgate regulations establishing declining annual</u>
- 20 limits on the percentage of nonrenewable energy consumed by the
- 21 sectors and subsectors identified in section 5110 (relating to
- 22 analysis of energy consumption). The regulations shall reduce
- 23 the use of nonrenewable energy at a rate sufficient to meet the
- 24 interim 2030 and 2040 limits on nonrenewable energy consumption,
- 25 as well as the 2050 goal of 100% renewable energy. In adopting
- 26 the regulations, the department shall consider how to minimize
- 27 costs and maximize economic, social, public health and
- 28 environmental benefits for fossil fuel workers displaced in the
- 29 <u>transition to renewable energy</u>.
- 30 (b) Deadlines.--The department, along with other

- 1 Commonwealth agencies that control sectors or subsectors of
- 2 energy consumption, shall promulgate regulations under
- 3 subsection (a):
- 4 (1) not later than January 1, 2019, to meet the 2030
- 5 <u>interim limits on nonrenewable energy consumption;</u>
- 6 (2) not later than January 1, 2029, to meet the 2040
- 7 <u>interim limits on nonrenewable energy consumption; and</u>
- 8 (3) not later than January 1, 2039, to achieve 100%
- 9 <u>renewable energy by 2050.</u>
- 10 (c) Jointly promulgated regulations. -- The department and
- 11 other Commonwealth agencies may jointly promulgate regulations
- 12 to satisfy limits on nonrenewable energy consumption.
- 13 (d) Intent.--The regulations promulgated under this section
- 14 are intended to result in real, permanent reductions in the use
- 15 of nonrenewable energy resulting from activities in this
- 16 Commonwealth.
- 17 Section 2. This act shall take effect in 60 days.