# THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL No. 1551 Session of 1997

# INTRODUCED BY DALEY, CURRY, McCALL, HERMAN, LAUGHLIN, BELARDI, STEELMAN, PISTELLA, PETRONE, JOSEPHS AND SHANER, JUNE 3, 1997

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY, JUNE 3, 1997

### AN ACT

1 2 3 4 5	Amending the act of April 9, 1929 (P.L.177, No.175), entitled "An act providing for and reorganizing the conduct of the executive and administrative work of the Commonwealth by the Executive Department thereof and the administrative departments, boards, commissions, and officers thereof,
6	including the boards of trustees of State Normal Schools, or
7	Teachers Colleges; abolishing, creating, reorganizing or
8	authorizing the reorganization of certain administrative
9	departments, boards, and commissions; defining the powers and
10	duties of the Governor and other executive and administrative
11	officers, and of the several administrative departments,
12	boards, commissions, and officers; fixing the salaries of the
13	Governor, Lieutenant Governor, and certain other executive
14	and administrative officers; providing for the appointment of
15	certain administrative officers, and of all deputies and
16	other assistants and employes in certain departments, boards,
17	and commissions; and prescribing the manner in which the
18 19	number and compensation of the deputies and all other assistants and employes of certain departments, boards and
20	commissions shall be determined, " establishing the Department
20 21	of Energy and providing for its powers and duties; creating
22	the Energy Research and Development Advisory Board and
23	prescribing its functions; further providing for the
24	composition of the Environmental Quality Board and for
25	special powers relating to State vehicles; providing for
26	energy or fuel supply emergencies and for coordination of
27	monitoring of supplies of energy resources; further providing
28	for the composition of the Energy Development Authority and
29	for indebtedness of the Energy Development Authority; and
30	transferring personnel, appropriations and equipment.

31 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

Section 1. Section 201 of the act of April 9, 1929 (P.L.177, 2 3 No.175), known as The Administrative Code of 1929, amended 4 December 30, 1984 (P.L.1299, No.245) and repealed in part May 5 26, 1988 (P.L.414, No.72), is amended to read: 6 Section 201. Executive Officers, Administrative Departments 7 and Independent Administrative Boards and Commissions. -- The 8 executive and administrative work of this Commonwealth shall be 9 performed by the Executive Department, consisting of the 10 Governor, Lieutenant Governor, Secretary of the Commonwealth, 11 Attorney General, Auditor General, State Treasurer, and 12 Secretary of Education; by the Executive Board, and the 13 Pennsylvania State Police; by the following administrative 14 departments: Department of State, Office of Attorney General, 15 Department of Corrections, Department of the Auditor General, 16 Treasury Department, Department of Education, Department of 17 Military Affairs, Insurance Department, Department of Banking, 18 Department of Agriculture, Department of Transportation, 19 Department of Health, Department of Labor and Industry, 20 Department of Aging, Department of Public Welfare, Department of 21 General Services, Department of Revenue, Department of Commerce, 22 Department of Community Affairs [and], Department of 23 Environmental Resources and Department of Energy; and by the 24 following independent administrative boards and commissions: 25 Pennsylvania Game Commission, Pennsylvania Fish and Boat 26 Commission, State Civil Service Commission, Pennsylvania Public 27 Utility Commission and the Pennsylvania Securities Commission. 28 All of the provisions of this act, which apply generally to 29 administrative departments, or generally except to the 30 Department of the Auditor General, the Treasury Department and

19970H1551B1891

- 2 -

the Office of Attorney General, shall apply to the Executive
 Board and to the Pennsylvania State Police.

3 Section 2. Section 203 of the act, amended December 3, 1970
4 (P.L.834, No.275), July 22, 1975 (P.L.75, No.45), June 20, 1978
5 (P.L.477, No.70), December 6, 1982 (P.L.774, No.223) and June
6 30, 1988 (P.L.475, No.80) and repealed in part April 29, 1988
7 (P.L.381, No.60) and July 21, 1993 (P.L.439, No.64), is amended
8 to read:

9 Section 203. Advisory Boards and Commissions.--The following 10 advisory boards and commissions are placed in and made parts of 11 the respective administrative departments, as follows:

12 In the Department of Military Affairs,

- 13 State Military Reservation Commission,
- 14 In the Department of Environmental Resources,

15 Citizens Advisory Council;

16 In the Department of Health,

17 Advisory Health Board;

18 In the Department of Labor and Industry,

19 Advisory Council on Affairs of the Handicapped,

20 Advisory Board on Problems of Older Workers,

21 Policy, Planning and Evaluation Advisory Committee;

22 In the Department of Public Welfare,

23 State Board of Public Welfare,

24 Advisory Committee for the Blind,

25 Advisory Committee for General and Special Hospitals,

26 Advisory Committee for Children and Youth,

27 Advisory Committee for Public Assistance,

28 Advisory Committee for Mental Health and Mental

29 Retardation[.]<u>;</u>

30 In the Department of Energy,

19970H1551B1891

- 3 -

1

#### Energy Research and Development Advisory Board.

2 Section 3. Sections 206 and 207.1(d)(1) of the act, amended 3 December 30, 1984 (P.L.1299, No.245), are amended to read: 4 Section 206. Department Heads.--Each administrative department shall have as its head an officer who shall, either 5 personally, by deputy, or by the duly authorized agent or 6 employe of the department, and subject at all times to the 7 8 provisions of this act, exercise the powers and perform the 9 duties by law vested in and imposed upon the department. The following officers shall be the heads of the 10 11 administrative departments following their respective titles: 12 Secretary of the Commonwealth, of the Department of State; 13 Auditor General, of the Department of the Auditor General; 14 State Treasurer, of the Treasury Department; 15 Attorney General, of the Office of Attorney General; 16 Secretary of Education, of the Department of Education; 17 Adjutant General, of the Department of Military Affairs; 18 Insurance Commissioner, of the Insurance Department; Secretary of Banking, of the Department of Banking; 19 20 Secretary of Agriculture, of the Department of Agriculture; Secretary of Transportation, of the Department of 21 22 Transportation; 23 Secretary of Health, of the Department of Health; 24 Secretary of Labor and Industry, of the Department of Labor 25 and Industry; 26 Secretary of Aging, of the Department of Aging; 27 Secretary of Public Welfare, of the Department of Public 28 Welfare; 29 Secretary of Revenue, of the Department of Revenue; Secretary of Commerce, of the Department of Commerce; 30 19970H1551B1891 - 4 -

1 Secretary of Community Affairs, of the Department of

Community Affairs; 2

3 Secretary of Environmental Resources, of the Department of 4 Environmental Resources;

5 Secretary of Energy, of the Department of Energy;

Secretary of General Services, of the Department of General 6 Services; 7

Secretary of Corrections, of the Department of Corrections. 8 Section 207.1. Gubernatorial Appointments. --\* \* \* 9

10 (d) The Governor shall nominate in accordance with the provisions of the Constitution of the Commonwealth of 11 Pennsylvania and, by and with the advice and consent of a 12 13 majority of the members elected to the Senate appoint persons to 14 fill the following positions:

15 (1) The Secretary of Education, the Secretary of the 16 Commonwealth, the Adjutant General, the Insurance Commissioner, 17 the Secretary of Banking, the Secretary of Agriculture, the 18 Secretary of Transportation, the Secretary of Health, the 19 Commissioner of the State Police, the Secretary of Corrections, 20 the Secretary of Labor and Industry, the Secretary of Aging, the 21 Secretary of Public Welfare, the Secretary of General Services, 22 the Secretary of Revenue, the Secretary of Commerce, the 23 Secretary of Community Affairs [and], the Secretary of 24 Environmental Resources and the Secretary of Energy.

25 \* \* \*

26 Section 4. Section 448 of the act is amended by adding a 27 clause to read:

28 Section 448. Advisory Boards and Commissions. -- The advisory 29 boards and commissions, within the several administrative 30 departments, shall be constituted as follows: 19970H1551B1891

- 5 -

1 \* \* \*

2	(q) The Energy Research and Development Advisory Board shall
3	consist of the Secretary of Energy, the Secretary of Commerce,
4	the Secretary of Environmental Resources, the Chairman of the
5	Pennsylvania Public Utility Commission, the Executive Director
6	of the Energy Development Authority and twelve (12) members
7	appointed by the Governor, one (1) of whom shall be designated
8	as chairman. The twelve (12) appointed members shall be
9	knowledgeable in fields related to energy development,
10	production and use and shall be appointed by the Governor as
11	follows: two (2) members shall be from an electric power utility
12	which operates at least one coal-fired generating station, one
13	(1) member shall be the owner or an operator of a gas or oil
14	producing operation, one (1) member shall be the owner or an
15	operator of an anthracite coal mining operation, one (1) member
16	shall be the owner or an operator of a bituminous coal mining
17	operation, one (1) member shall be from a small power producer
18	or shall be knowledgeable in renewable energy resources, two (2)
19	members shall be from the energy research staff of an accredited
20	Pennsylvania university or college, one (1) member shall be from
21	a consumer organization interested in energy-related matters,
22	one (1) member shall be a member of organized labor employed by
23	one or more energy-related industries, one (1) member shall be
24	from an organization which represents environmental interests
25	and (1) member shall be a local government official. The
26	membership of the Energy Research Development Advisory Board
27	shall also include four (4) members of the General Assembly or
28	their designees, one (1) appointed by the President pro tempore
29	of the Senate, one (1) by the Minority Leader of the Senate, one
30	(1) by the Speaker of the House of Representatives and one (1)
199	70H1551B1891 - 6 -

1	by the Minority Leader of the House of Representatives.
2	The term of office of each member appointed by the Governor
3	shall be four (4) years, measured from the third Tuesday of
4	January of the year in which the member takes office, or until
5	his successor has been appointed except, that in the initial
6	appointments of the members of the board, the Governor shall
7	appoint six (6) members for terms of two (2) years each and six
8	(6) members for terms of three (3) years each.
9	Any member appointed to fill a vacancy created otherwise than
10	by expiration of a term shall be appointed for the unexpired
11	term of the member whom he is to succeed. Members of the board
12	shall not receive any compensation for their service, but shall
13	be reimbursed for actual and necessary expenses incurred in the
14	performance of their duties and shall receive a per diem
15	<u>allowance of ninety dollars (\$90).</u>
16	<u>A majority of the members shall constitute a quorum. Meetings</u>
17	of the board shall be held at least quarterly or at the call of
18	the chairman, or at the request of at least nine (9) members of
19	the board.
20	The Department of Energy shall provide technical assistance
21	and support services to the board.
22	Section 5. Section 471 of the act, amended November 1, 1979
23	(P.L.251, No.83), is amended to read:
24	Section 471. Environmental Quality BoardThe Environmental
25	Quality Board shall consist of the Secretary of Environmental
26	Resources, who shall be chairman thereof, the Secretary of
27	Health, the Secretary of Commerce, the Secretary of
28	Transportation, the Secretary of Agriculture, the Secretary of
29	Labor and Industry, the Secretary of Community Affairs, <u>the</u>
30	Secretary of Energy, the Executive Director of the Pennsylvania
199	70H1551B1891 - 7 -

Fish and Boat Commission, the Executive Director of the Game 1 Commission, the Chairman of the Public Utilities Commission, 2 3 [the Executive Director of the State Planning Board,] the 4 Executive Director of the Pennsylvania Historical and Museum 5 Commission, five members of the Citizens Advisory Council, and four members of the General Assembly. The Citizens Advisory 6 7 Council members shall be designated by, and serve at the pleasure of, the Citizens Advisory Council. One of the General 8 9 Assembly members shall be designated by, and serve at the 10 pleasure of, the President Pro Tempore of the Senate, one by the 11 Minority Leader of the Senate, one by the Speaker of the House 12 of Representatives and one by the Minority Leader of the House 13 of Representatives. In addition to the heads of the various 14 departments as elsewhere in this act provided, the other members 15 of the board may have named alternates to serve in their stead, 16 the alternates for the members of the board from the Citizens 17 Advisory Council to be selected by that council from members of 18 the council and each other alternate to be selected by that 19 particular member of the board in whose stead he is to serve. No 20 person will serve as alternate for more than one board member. 21 Eight members of the board shall constitute a quorum. 22 Section 6. The act is amended by adding an article to read: 23 ARTICLE XIX-B 24 POWERS AND DUTIES OF THE DEPARTMENT OF ENERGY, 25 ITS OFFICERS AND ITS ADVISORY BOARD 26 Section 1901-B. Department of Energy Established. -- The 27 Department of Energy, which is hereby established as an administrative department, shall have the powers and duties 28 granted to and imposed upon it by this article and by any other 29 statutory provisions. In addition, the Department of Energy and 30 - 8 -19970H1551B1891

1	the Secretary of Energy shall have all the powers and duties
2	granted to and imposed upon the former Pennsylvania Energy
3	Office prior to the effective date of this article.
4	Section 1902-B. Powers and DutiesThe Department of Energy
5	shall have the power and its duty shall be:
6	(1) To promote the development of this Commonwealth's
7	indigenous energy resources, consistent with economic
8	feasibility, environmental protection and public health and
9	safety by providing information, technical assistance and
10	financial assistance.
11	(2) To promote the efficient use and conservation of energy
12	in this Commonwealth through the conduct of a Statewide
13	educational program and by providing information, technical
14	assistance and financial assistance.
15	(3) To serve as the primary agency in this Commonwealth for
16	the collection, maintenance and analysis of information on all
17	forms of energy, conservation of energy and related subjects.
18	(4) To maintain a liaison with energy producers, suppliers,
19	distributors and consumers and other Federal and State agencies
20	concerning energy-related matters.
21	(5) In cooperation with the Energy Research and Development
22	Advisory Board and the Energy Development Authority, to promote
23	research and development efforts which will contribute to the
24	integrity and adequacy of the Commonwealth's energy resources,
25	with priority given to research and development involving
26	utilization of Pennsylvania's coal resources and pollution
27	control methods which will facilitate utilization of
28	<u>Pennsylvania coal.</u>
29	(6) To encourage the development of new markets for the
30	Commonwealth's indigenous energy resources.
1 0 0	

- 9 -

1	(7) To monitor energy prices and evaluate rate and price
2	policies.
3	(8) To establish an energy information forecasting system.
4	(9) To determine the effect of energy and fuel shortages on
5	consumers.
б	(10) To coordinate the monitoring of energy or fuel supplies
7	to determine whether there exists or is likely to exist an
8	emergency shortage pursuant to section 2802-C(a) of this act and
9	to conduct emergency allocation measures during a period of
10	declared energy or fuel supply emergencies, pursuant to section
11	2802-C(b) of this act in accordance with an Emergency Allocation
12	Plan. The Emergency Allocation Plan shall be developed and
13	implemented by the department in conjunction with the
14	Pennsylvania Public Utility Commission and the Pennsylvania
15	Emergency Management Agency and shall be part of the
16	Pennsylvania Energy Policy and Plan.
17	(11) To review, study and monitor the efficiency of energy
18	utilization in State Government operations and suggest remedial
19	measures. The department shall direct all Commonwealth agencies
20	to develop, subject to the department's approval, contingency
21	plans for dealing with energy or fuel supply emergencies.
22	Portions of emergency allocation or contingency plans which
23	pertain to energy industries regulated by the Pennsylvania
24	Public Utility Commission shall be made available to the
25	<u>department upon request.</u>
26	(12) To assist in the review of plans, policies, rules and
27	regulations of other Commonwealth agencies regarding energy
28	development, production, conversion, distribution, transmission,
29	use or conservation.
30	(13) To intervene in the proceedings of the Pennsylvania

- 10 -

1	Public Utility Commission and regulatory proceedings of other
2	Federal or State agencies if the proceedings relate to energy
3	development, production, conversion, distribution, transmission,
4	use or conservation.
5	(14) To apply for, accept and expend grants-in-aid and
6	assistance for energy programs from public and private sources
7	and to serve as the manager and coordinator of Federal energy
8	grants, petroleum overcharge funds and private energy funds.
9	(15) To update and publish, at least once every five years,
10	a Pennsylvania Energy Policy and Plan developed by the Energy
11	Research and Development Advisory Board. The Pennsylvania Energy
12	Policy and Plan shall include information regarding the
13	development, production, distribution, consumption and
14	conservation of energy in this Commonwealth. The Emergency
15	Allocation Plan shall be included in the Pennsylvania Energy
16	Policy and Plan. The Pennsylvania Energy Policy and Plan and any
17	amendments thereto shall be submitted to the Governor and the
18	General Assembly.
19	(16) To provide necessary staff and assistance to the Energy
20	Research and Development Advisory Board and the Energy
21	Development Authority.
22	(17) To assist in the implementation of the act of December
23	15, 1980 (P.L.1203, No.222), known as the "Building Energy
24	Conservation Act, " and to establish a Building Energy
25	Conservation Committee, pursuant to section 304 of the "Building
26	Energy Conservation Act."
27	(18) To enter into interstate compacts or agreements to
28	carry out energy research and planning with the Federal
29	Government or other states.
30	(19) To advise the Governor and the General Assembly

- 11 -

1	regarding Federal, State and international energy policies,
2	practices, programs and legislation and to submit proposed
3	legislation to the General Assembly for its consideration.
	(20) To issue subpoenas and conduct hearings and
4	
5	investigations.
6	(21) To acquire, purchase, grant and contract for eminent
7	domain title to real property to demonstrate facilities for
8	improved energy efficiency.
9	(22) To construct and operate facilities which improve
10	energy efficiency.
11	(23) To contract with any other public agency or
12	corporation.
13	(24) To keep complete and accurate minutes of all hearings
14	held before the department or any division of the department.
15	(25) To promulgate regulations necessary to administer this
16	article and to administer any applicable Federal regulations.
17	(26) To cooperate with all other Federal and State agencies
18	in carrying out its responsibilities.
19	Section 1903-B. Organization The Department of Energy
20	shall be organized into an Executive Office and three divisions.
21	The Secretary of Energy shall appoint as the head of each of the
22	following divisions a person knowledgeable and experienced in
23	the areas for which that division is responsible:
24	(1) Office of Administration.
25	(2) Office of Energy Policy and Programs.
26	(3) Office of Energy Planning and Evaluation.
27	Section 1904-B. Divisions(a) The Secretary of Energy
28	shall be responsible for the general administration and
29	coordination of the Department of Energy and its divisions. The
30	Secretary shall appoint a Chief Counsel who shall provide legal
19970H1551B1891 - 12 -	

services to the department. 1

2 (b) The Office of Administration shall be headed by a Deputy 3 Secretary for Administration who shall be appointed by the 4 Secretary of Energy. The Office of Administration shall have 5 responsibility for personnel and fiscal management, information systems and office systems and services and shall have such 6 7 other responsibilities as may be assigned by the Secretary of 8 Energy. 9 (c) The Office of Energy Policy and Programs shall be headed 10 by a Deputy Secretary for Energy Policy and Programs who shall 11 be appointed by the Secretary of Energy. The Office of Energy Policy and Programs shall have responsibility for administration 12 13 of grants, nuclear energy, fossil fuels, renewable energy 14 resources, utility issues and energy conservation programs and shall have such other responsibilities as may be assigned by the 15 16 Secretary of Energy. (d) The Office of Energy Planning and Evaluation shall be 17 18 headed by a Deputy Secretary for Energy Planning and Evaluation 19 who shall be appointed by the Secretary of Energy. The Office of 20 Energy Planning and Evaluation shall have responsibility for 21 regulatory affairs, emergency preparedness, market evaluation 22 and promotion, intergovernmental relations, community relations, public information and shall have such other responsibilities as 23 24 may be assigned by the Secretary of Energy. 25 Section 1905-B. Salary of the Secretary of Energy.--The 26 Secretary of Energy shall receive an annual salary, payable in 27 equal semi-monthly installments of seventy-two thousand dollars 28 (\$72,000). 29 Section 1906-B. Energy Research and Development Advisory Board.--(a) The Energy Research and Development Advisory Board 30 19970H1551B1891

- 13 -

1	shall have the responsibility for developing a Pennsylvania
2	Energy Policy and Plan for this Commonwealth.
3	(b) The board shall assist and provide advice to the
4	Secretary of Energy and the Energy Development Authority. The
5	Secretary of Energy and the Energy Development Authority shall
6	work with and receive advice from the Energy Research and
7	Development Advisory Board in the development of energy programs
8	and projects in this Commonwealth.
9	(c) The functions of the Energy Research and Development
10	Advisory Board shall include, but not be limited to, the
11	<u>following:</u>
12	(1) Providing liaison among energy producers, labor
13	organizations, academia and agencies of the Commonwealth and the
14	<u>United States on matters relating to energy and encouraging the</u>
15	exchange of information regarding energy research and
16	development between the Commonwealth and other states and
17	nations.
18	(2) Providing coordination and oversight of all energy
19	research programs conducted at colleges and universities located
20	within this Commonwealth and, where possible, providing
21	coordination and oversight of all energy research programs
22	conducted in the private sector.
23	(3) Recommending energy research and development projects,
24	with priority being given to demonstrations of technology which
25	enhance the production and use of Pennsylvania coals and the
26	more efficient combustion of all fossil fuels. Before the board
27	makes any recommendation, it shall first consult with agencies
28	of the Federal Government that have jurisdiction over matters
29	involving energy, colleges and universities within this
30	Commonwealth, and other state governments in order to avoid
199	70H1551B1891 - 14 -

#### 1 duplication of effort and expense.

2	(4) Assisting the Energy Development Authority in the
3	evaluation of energy research and development projects which
4	apply to the Energy Development Authority for financial or
5	technical assistance.
6	(5) Assisting the Secretary of Energy in developing
7	environmentally sound, cost-effective energy programs and
8	policies and procedures to implement such programs.
9	Section 7. Sections 2407.1, 2801-C and 2802-C of the act,
10	added December 14, 1982 (P.L.1213, No.280), are amended to read:
11	Section 2407.1. Special Power Relating to State Vehicles
12	(a) The Department of General Services, in cooperation with the
13	Department of Energy, shall, on an ongoing basis, monitor the
14	research and development efforts to produce synthetic motor
15	vehicle fuel derived in whole or in part from coal and shall
16	determine the feasibility of converting State-owned vehicles to
17	operate on such synthetic fuel.
1.0	

(b) In making [its] <u>the</u> determination of the feasibility of using a synthetic motor vehicle fuel derived in whole or in part from coal, the [department is] <u>departments are</u> authorized to utilize such synthetic fuel in a limited number of State-owned vehicles on an experimental basis and to make necessary mechanical changes in those vehicles to facilitate the experimentation.

(c) If, as a result of the monitoring and experimentation conducted in accordance with subsections (a) and (b), the [department determines] <u>departments determine</u> that there is a sufficient, assured supply of such synthetic fuel which can be used in one or more State-owned vehicles at a reasonable cost and without creating any significant threat to the environment, <u>19970H1551B1891</u> - 15 -

the [department] <u>departments</u> shall submit to the General 1 Assembly a plan for such conversion. Such plan shall be 2 3 accompanied by a summary report setting forth the basis for the 4 [department's] determination that such conversion is feasible. 5 Section 2801-C. Definitions. -- The following words and 6 phrases when used in this article shall have the meanings given 7 to them in this section unless the context clearly indicates 8 otherwise:

9 "Authority" means the Energy Development Authority. 10 "Board" means the board of directors of the authority. 11 "Bond" or "Bonds" means notes, bonds, refunding or renewal notes and bonds and other evidence of indebtedness or 12 13 obligations which the authority is authorized to issue. 14 "Cost" means the expense of construction and the expense of 15 acquisition of all structures, lands and other property rights 16 and interests in land necessary to a project. The term also 17 includes the expense of demolishing, removing or relocating any 18 buildings or structures on lands acquired or to be acquired, 19 including the expense of acquiring any lands to which such 20 buildings or structures may be moved or relocated; sewage 21 treatment, waste treatment and pollution control facilities; 22 railroad sidings, spurs or branch lines; all labor, materials, 23 machinery and equipment, fixtures; financing charges; interest 24 on all bonds prior to and during construction, and for a period 25 of one year thereafter; engineering, financial and legal 26 services; plans, specifications, studies, surveys necessary or 27 incidental to determining the feasibility or practicability of 28 constructing a project; administrative expenses; reserves for interest and for extension, enlargements, additions and 29 30 improvements; and such other expenses as may be necessary or 19970H1551B1891 - 16 -

incidental to the construction of the project and the placing of
 the same in operation.

3 "Energy or fuel supply emergency" means a state of emergency, 4 declared by proclamation of the Governor within twenty-four 5 hours after the occurrence of an energy resource shortage or supply or distribution problem resulting because of an absence 6 of availability or a critically reduced supply of any energy 7 source, which cannot be satisfactorily alleviated or resolved by 8 9 or under the authority of State regulatory authorities having 10 jurisdiction over such energy resources, thereby jeopardizing 11 the health, safety, welfare and economic well-being of the inhabitants of this Commonwealth. 12 13 "Energy resource" means any force or material which yields or has the potential to yield energy, including, but not limited 14 to, electrical, fossil and nuclear sources. 15 16 "Person" means a natural person, corporation, partnership, association, and any municipality of this Commonwealth and any 17 18 public corporation, authority or body whatsoever. 19 "Petroleum product" includes motor gasoline, kerosene, 20 distillates (including Number 2 fuel oil) and diesel fuel. "Project" means an activity, entirely or largely conducted in 21 22 Pennsylvania, which cannot be effectively funded using privately available resources, relating to: 23 24 (1) basic and applied research concerning energy use, 25 renewable energy resources and energy extraction, transmission, 26 storage or conversion; 27 limited scale demonstration of innovative or (2) 28 commercially unproven technology to promote the production, use or conservation of energy; [or] 29 30 (3) activities to promote or remove obstacles to the

19970H1551B1891

- 17 -

utilization and transportation of Pennsylvania energy resources, 1 including but not limited to limited scale synthetic fuel 2 3 facilities and the conversion or technological improvement of 4 industrial, commercial or agricultural systems to utilize 5 Pennsylvania coal or renewable energy resources: Provided, That no such facility unreasonably interferes with private waste 6 7 recycling industries[.];

8 (4) activities to promote and develop projects, on a local 9 or regional basis, for the cogeneration of power through the utilization of solid waste; or 10

11 (5) activities which seek to reduce pollution and are 12 associated with energy development, production or distribution. 13 "Renewable energy source" means any method, process or 14 substance whose supply is rejuvenated through natural processes 15 and, subject to those material processes, remains relatively constant, including, but not limited to, biomass conversion, 16 17 geothermal energy, solar and wind energy and hydroelectric 18 power, and excluding those sources of energy used in the fission and fusion processes. 19

20 Section 2802-C. [Emergency Petroleum Product Shortages.--(a) 21 The Governor may, by executive order, proclaim a state of 22 emergency based upon a finding that there impends or exists a 23 substantial shortage of petroleum products available for use in 24 Pennsylvania which poses a serious threat to health, safety or 25 welfare of the public.] Energy or Fuel Supply Emergency. -- (a) 26 In the event that the threat or danger of an energy or fuel supply emergency is imminent, the Governor may, after 27 28 consultation with the Lieutenant Governor, the Department of Energy, the Pennsylvania Public Utility Commission and the 29 Department of Environmental Resources, declare a state of energy 30 19970H1551B1891

- 18 -

1 or fuel supply emergency. A state of energy or fuel supply
2 emergency shall remain in effect for the maximum period of
3 ninety days [and may be extended], but may be terminated or
4 extended by the Governor unless the termination or extension is
5 disapproved by concurrent resolution adopted by both Houses of
6 the General Assembly. A state of emergency may be declared for
7 all or any portion of the Commonwealth.

8 (b) [Upon proclamation of a state of emergency, the Governor 9 shall designate a State agency to conduct emergency allocation 10 measures during the period of the declared emergency. Emergency 11 allocation measures may consist of:

12 (1) the administration of any emergency allocation powers 13 delegated to the State by the President or any Federal agency; 14 (2) the implementation of a set aside program, for not more 15 than one percent (1%) of the petroleum products available for 16 use in Pennsylvania, to alleviate hardship or meet emergency 17 needs. A set aside program shall be established in conformity 18 with any Federal law, regulations or executive orders governing 19 petroleum allocation, and shall apply only to petroleum products 20 found to be in a substantial shortage;

21 (3) measures to reduce the demand for or consumption of 22 gasoline; and

(4) other measures identified by the Governor in his
executive order proclaiming a state of emergency as necessary to
protect the public health, safety and welfare.

(c) The agency designated by the Governor to conduct emergency measures may, during the period of the emergency, adopt rules and regulations pursuant to section 204 of the act of July 31, 1968 (P.L.769, No.240), referred to as the Commonwealth Documents Law. Any regulation adopted during a 19970H1551B1891 - 19 - state of emergency shall be automatically rescinded upon the
 expiration of the emergency.

3 (d) The Governor may designate a state agency to monitor
4 supplies of petroleum products available for use in the
5 Commonwealth to determine whether there exists, or is likely to
6 exist, an emergency shortage.

(1) In order to monitor supplies of petroleum products, the
agency may require recordkeeping and periodic reports from
petroleum suppliers. These reporting and recordkeeping
requirements shall, to the maximum extent possible, employ
Federally mandated reports and records, avoid any unnecessary
duplicative reporting or recordkeeping, and minimize paperwork,
recordkeeping and reporting requirements.

14 (2) Reports filed and records maintained pursuant to this15 subsection shall be deemed confidential.

16 When a petroleum supplier or a company providing (3) 17 information to a petroleum supplier claims that the information 18 requested by the agency is confidential, proprietary, market or 19 trade secret information, or when the information is deemed 20 confidential pursuant to this section, the agency shall not 21 disclose such information publicly or to any other governmental 22 agency unless the information is aggregated as part of a 23 statistical report in which the data and individual companies 24 supplying the data cannot be identified.

(4) No employe or appointee of the agency or other person
may release information from a petroleum product company that
would enable data provided by or relating to individual
customers of the petroleum company to be identified as relating
to or coming from the individual customer. Any person disclosing
such information in violation of this section shall be guilty of
19970H1551B1891 - 20 -

a misdemeanor, shall be subject to disciplinary action,
 including reprimand, suspension or termination, and may be
 ordered to make restitution to any injured or aggrieved party
 for losses or damages shown.

5 (5) In order to obtain information required pursuant to this subsection, the agency designated by the Governor to monitor 6 7 supplies of petroleum products may receive or share information from any other Commonwealth, Federal or local agency: Provided, 8 That the agency shall provide the same confidentiality to 9 10 information recovered as is provided by the supplying agency.] 11 Upon proclamation of a state of emergency, the Governor shall have the power: 12 13 (1) To direct the Department of Energy to conduct emergency 14 petroleum allocation measures which may consist of any of the 15 following: 16 (i) The administration of any emergency petroleum allocation 17 powers delegated to the State by the President or any Federal 18 agency. (ii) The implementation of a set-aside program, for not more 19 20 than one per centum (1%) of the petroleum products available for use in this Commonwealth, to alleviate hardship or meet 21 22 emergency needs. A set-aside program shall be established in 23 conformity with any Federal law, regulations or executive orders governing petroleum allocation, and shall apply only to 24

25 petroleum products found to be in a substantial shortage.

26 (iii) Measures to reduce the demand for or consumption of

27 petroleum products.

28 (iv) The adoption of rules and regulations in the manner

29 provided by law. Any regulation adopted during a state of

30 emergency shall be automatically rescinded upon the expiration

19970H1551B1891

- 21 -

1 of the emergency.

# 2 (v) Any other measures deemed necessary to protect the 3 public health, safety and welfare. 4 (2) To encourage increased use of renewable energy sources. 5 (3) To suspend or modify existing State standards and requirements affecting or affected by the use of energy 6 resources, including those related to air quality control. 7 8 (4) To order specific restrictions on the use and sale of 9 energy resources, including, but not limited to: 10 (i) Restrictions on the interior temperature of public, 11 commercial, industrial and school buildings. 12 (ii) Restrictions on the hours and days during which public, 13 commercial, industrial and school buildings may be open. 14 (iii) Restrictions on lighting levels in public, commercial, 15 industrial and school buildings. 16 (iv) Restrictions on the use of display and decorative 17 lighting. 18 (v) Restrictions on the use of privately owned vehicles or a <u>reduction in speed limits.</u> 19 20 (vi) Restrictions on the use of public transportation, 21 including directions to close a public transportation facility. 22 (vii) Restrictions on the use of pupil transportation 23 programs operated by public schools. 2.4 (viii) Reduction in the number of elevators operating in 25 office buildings during nonpeak hours. 26 (ix) Curtailment of nighttime sports, entertainment and 27 recreational activities. 28 (x) Closing of public museums, art galleries and historic 29 buildings.

30 <u>(xi) Requiring Sunday closings of retail establishments,</u> 19970H1551B1891 - 22 -

except for those retail establishments that provide goods or 1 services essential to the public welfare. 2 3 (xii) Reduction in the number of hours during which retail 4 establishments may be open for business, except for those retail 5 establishments which provide goods or services essential to the public welfare. Any retail establishment subject to this 6 subclause shall be permitted to set its specific hours of 7 8 operation, provided the total number of hours does not exceed 9 the maximum number of hours authorized pursuant to this 10 subclause. 11 (c) Any restrictions ordered by the Governor shall be automatically rescinded upon the expiration of the emergency. 12 (d) Any actions taken by the Governor pursuant to this 13 14 section, insofar as they may apply to a regulated utility, shall 15 not conflict with or supersede regulations or orders of the 16 Pennsylvania Public Utility Commission or curtailment procedures on file with the Pennsylvania Public Utility Commission, nor 17 18 shall any restrictions on the use of fuel for the generation of energy or on the transportation of fuel for the generation of 19 20 energy be imposed prior to consultation with the Pennsylvania 21 Public Utility Commission. 22 (e) An executive order, proclamation or directive issued 23 under this section shall be disseminated promptly by means 24 calculated to bring its contents to the attention of the 25 citizens of this Commonwealth and published in accordance with 26 the law. The Governor shall notify the General Assembly promptly 27 of an executive order, proclamation or directive issued under 28 this article. (f) Any person who knowingly violates any order, 29 proclamation or directive issued by the Governor under this 30

19970H1551B1891

- 23 -

1	section commits a misdemeanor of the third degree and shall,
2	upon conviction, be sentenced to pay a fine of not more than
3	five hundred dollars (\$500). Each day of a continuing violation
4	<u>shall be a separate offense.</u>
5	(g) Nothing in this article shall limit the authority of the
6	<u>Pennsylvania Public Utility Commission to regulate public</u>
7	utility service as provided in Title 66 of the Pennsylvania
8	Consolidated Statutes (relating to public utilities).
9	Section 8. The act is amended by adding a section to read:
10	Section 2802.1-C. Coordination of Monitoring of Supplies of
11	Energy Resources(a) The Department of Energy shall
12	coordinate the monitoring of supplies of energy resources
13	available for use in this Commonwealth to determine whether
14	there exists, or is likely to exist, an emergency shortage.
15	(b) In order to coordinate the monitoring of energy
16	resources, the Department of Energy may require recordkeeping
17	and periodic reports from energy resource suppliers. These
18	reporting and recordkeeping requirements shall, to the maximum
19	extent possible, employ mandated reports and records of other
20	Federal, State or local agencies, avoid any unnecessary
21	duplicative reporting or recordkeeping, and minimize paperwork,
22	recordkeeping and reporting requirements.
23	(c) Any agency that provides or receives reports or records
24	under this act, any other act, any rule or regulation or any
25	executive order or similar directive for the purpose of
26	monitoring or coordinating the monitoring of supplies of energy
27	resources shall keep such records or reports confidential unless
28	the reports or records are deemed to be public information
29	pursuant to the act, rule or regulation, executive order or
30	directive under which they are provided.
199	70н1551в1891 – 24 –

- 24 -

1	(d) When an energy resource supplier or a company providing
2	information to an energy resource supplier claims that the
3	information requested by the agency is confidential,
4	proprietary, market or trade secret information, or when the
5	information is deemed confidential pursuant to this section, the
6	agency shall not disclose such information publicly or to any
7	other governmental agency unless the information is aggregated
8	as part of a statistical report in which the data and individual
9	companies supplying the data cannot be identified.
10	(e) No employe or appointee of the agency or other person
11	may release information from an energy resource company that
12	would enable data provided by or relating to individual
13	customers of the energy resource company to be identified as
14	relating to or coming from the individual customer. Any person
15	disclosing such information in violation of this section shall
16	be guilty of a misdemeanor of the third degree, shall be subject
17	to disciplinary action, including reprimand, suspension or
18	termination, and may be ordered to make restitution to any
19	injured or aggrieved party for losses or damages shown.
20	(f) In order to obtain information required pursuant to this
21	section, the Department of Energy may receive or share
22	information from any other Federal, State or local agency:
23	Provided, however, That the Department of Energy shall provide
24	the same confidentiality to information received as is provided
25	by the supplying agency.
26	Section 9. Section 2803-C of the act, amended or added
27	December 14, 1982 (P.L.1213, No.280) and July 11, 1985 (P.L.211,
28	No.55), is amended to read:
29	Section 2803-C. Energy Development Authority(a) There is
30	hereby established within the Department of Energy the Energy
1 0 0	<b>FORTEFIELD</b>

- 25 -

1 Development Authority.

2 (b) The authority shall be governed and all of its corporate 3 powers exercised by a board of directors which shall be composed 4 of the following individuals:

5 (1) Nine members to be appointed by the Governor, one of whom shall be designated as chairman. At least two members shall 6 7 be members of the general public. The members initially appointed shall serve for terms of two, three and four years, 8 9 respectively, the particular term of each to be designated by 10 the Governor at the time of appointment. The terms of all of 11 their successors shall be four years each, except that any person appointed to fill a vacancy shall serve only for the 12 13 unexpired term. Every member's term shall extend until his 14 successor is appointed and qualified. Any appointment of a 15 member of the authority shall be subject to the advice and 16 consent of a majority of all of the members of the Senate. Any 17 appointed member of the authority shall be eligible for 18 reappointment.

19 (1.1) The Secretary of Energy or his designee.

20 (2) The Secretary of Environmental Resources or his21 designee.

22 (3) The Secretary of Banking or his designee.

23 (4) The Secretary of Commerce or his designee.

24 (5) The Secretary of Agriculture or his designee.

25 (6) Two members of the Senate, one from the majority party 26 and one from the minority party, to be appointed by the 27 President pro tempore to serve at his pleasure, or the designees 28 appointed by such members.

29 (7) Two members of the House of Representatives, one from 30 the majority party and one from the minority party, to be 19970H1551B1891 - 26 - appointed by the Speaker of the House to serve at his pleasure,
 or the designees appointed by such members.

3 (8) The Consumer Advocate or his designee.

4 (9) The Chairman of the Public Utility Commission or his5 designee.

6 (10) The Chairman of the Energy Research and Development
7 Advisory Board.

8 (c) The members of the board of directors shall be entitled to no compensation for their services as members but shall be 9 10 entitled to reimbursement for all necessary expenses incurred in 11 connection with the performance of their duties as members. (d) The board of directors shall provide for the holding of 12 13 regular and special meetings. Ten directors attending shall 14 constitute a quorum for the transaction of any business and at 15 least six votes shall be required to adopt any action, except 16 that at least nine votes shall be required to approve financial 17 assistance for any project.

18 Section 10. Section 2804-C(a) of the act, added December 14, 19 1982 (P.L.1213, No.280), is amended to read:

20 Section 2804-C. Technical and Financial Support.--(a) The 21 [Governor shall designate a State agency to] <u>Department of</u> 22 <u>Energy shall</u> provide staff services to the authority for its 23 administration of the act, including technical services to 24 assist the authority in carrying out the provisions of this 25 article.

26 \* \* \*

27 Section 11. Section 2807-C(a) of the act, amended December 28 15, 1988 (P.L.1239, No.152), is amended to read:

29 Section 2807-C. Authority Indebtedness.--(a) The authority 30 shall have the power and hereby is authorized from time to time, 19970H1551B1891 - 27 -

by resolution of the authority and subject to the written 1 approval of the Governor, to issue its negotiable bonds in such 2 3 principal amount as, in the opinion of the authority, shall be 4 necessary to provide sufficient funds for any of its corporate 5 purposes, the establishment of reserves to secure such bonds and all other expenditures of the authority incident to and 6 7 necessary or convenient to carry out its corporate purposes and powers. The authority may issue its bonds to provide financial 8 9 assistance for projects only after the authority has first 10 identified and approved such projects. The aggregate principal 11 amount of bonds and notes of the authority shall not exceed 12 [\$300,000,000] <u>\$400,000,000</u> outstanding at any one time. \* \* \* 13

Section 12. All personnel, allocations, appropriations, 14 15 equipment, files, records, contracts, agreements, obligations 16 and other material which are used, employed or expended in 17 connection with the powers, duties or functions of the 18 Pennsylvania Energy Office are hereby transferred to the 19 Department of Energy established by this act with the same force 20 and effect as if the appropriations had been made to and the 21 items had been the property of the Department of Energy in the 22 first instance, and as if the contracts, agreements and 23 obligations had been incurred or entered into by the Department of Energy. The personnel, appropriations, equipment and other 24 25 items and material transferred by this section shall include 26 Federal grants and funds and other benefits from any Federal 27 program. All personnel transferred under this act shall retain 28 any civil service employment status assigned to the personnel. 29 Section 13. In addition to the retention of civil service 30 employment status by employees transferred to the Department of 19970H1551B1891 - 28 -

Energy, all new positions in the Department of Energy shall be deemed to be included in the list of positions set forth in section 3(d) of the act of August 5, 1941 (P.L.752, No.286), known as the Civil Service Act, and the provisions and benefits of that act shall be applicable to all employees of the Department of Energy.

7 Section 14. (a) Nothing set forth in this act shall 8 supersede any curtailment plans which are established and 9 approved by any Federal regulatory commission, the Pennsylvania 10 Public Utility Commission or any ordinance duly adopted by any 11 municipality or public gas system.

(b) All orders, permits, regulations, decisions and other
actions of the Pennsylvania Energy Office or any department,
board, commission or agency whose functions have been
transferred by this act to the Department of Energy shall remain
in full force and effect until modified, repealed, superseded or
otherwise changed by appropriate action of the Department of
Energy.

19 (c) The Department of Energy shall not have any authority to 20 take any action affecting the jurisdiction of the Pennsylvania Public Utility Commission or any Federal administrative or 21 22 regulatory agency. The Secretary of Energy, or his designee, however, shall have the authority to appear before the 23 Pennsylvania Public Utility Commission or any Federal 24 25 administrative or regulatory agency to provide information 26 concerning State energy policies.

27 Section 15. All acts and parts of acts are repealed insofar 28 as they are inconsistent with this act.

29 Section 16. This act shall take effect in 180 days.

## D29L71MRD/19970H1551B1891 - 29 -