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THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 50

Special Session No. 1 of 2007-2008

INTRODUCED BY PETRARCA, REED, CAPPELLI, DALEY, DALLY, EVERETT, GEIST, GEORGE, GINGRICH, HORNAMAN, KOTIK, KULA, LEACH, McILVAINE SMITH, PETRONE, PYLE, REICHLEY, SAYLOR, SIPTROTH, K. SMITH, SONNEY, R. STEVENSON, J. TAYLOR AND YOUNGBLOOD, JANUARY 14, 2008

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY, JANUARY 14, 2008

AN ACT

Amending the act of November 30, 2004 (P.L.1672, No.213), entitled, "An act providing for the sale of electric energy generated from renewable and environmentally beneficial sources, for the acquisition of electric energy generated from renewable and environmentally beneficial sources by electric distribution and supply companies and for the powers and duties of the Pennsylvania Public Utility Commission," further providing for definitions.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The definition "alternative energy sources" in section 2 of the act of November 30, 2004 (P.L.1672, No.213), known as the Alternative Energy Portfolio Standards Act, is amended to read:

Section 2. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

* * *

"Alternative energy sources." The term shall include the following existing and new sources for the production of electricity:

(1) Solar photovoltaic or other solar electric energy.

(2) Solar thermal energy.

(3) Wind power.

(4) Large-scale hydropower, which shall mean the production of electric power by harnessing the hydroelectric potential of moving water impoundments, including pumped storage that does not meet the requirements of low-impact hydropower under paragraph (5).

(5) Low-impact hydropower consisting of any technology that produces electric power and that harnesses the hydroelectric potential of moving water impoundments, provided that:

(i) the hydropower source has a nameplate capacity of 21 megawatts or less; and

(ii) a license was issued by the Federal Energy Regulatory Commission for the hydropower source on or prior to January 1, 1984, and was held in whole or in part by a municipality located wholly within this Commonwealth or by an electric cooperative located wholly within this Commonwealth on July 1, 2007; or

(iii) such incremental hydroelectric development:

[(i)] (A) does not adversely change existing impacts to aquatic systems;

[(ii)] (B) meets the certification standards established by the Low Impact Hydropower Institute and American Rivers, Inc., or their successors;

[(iii)] (C) provides an adequate water flow for

protection of aquatic life and for safe and effective fish passage;

[(iv)] (D) protects against erosion; and

[(v)] (E) protects cultural and historic resources.

(6) Geothermal energy, which shall mean electricity produced by extracting hot water or steam from geothermal reserves in the earth's crust and supplied to steam turbines that drive generators to produce electricity.

(7) Biomass energy, which shall mean the generation of electricity utilizing the following:

(i) organic material from a plant that is grown for the purpose of being used to produce electricity or is protected by the Federal Conservation Reserve Program (CRP) and provided further that crop production on CRP lands does not prevent achievement of the water quality protection, soil erosion prevention or wildlife enhancement purposes for which the land was primarily set aside; or

(ii) any solid nonhazardous, cellulosic waste material that is segregated from other waste materials, such as waste pallets, crates and landscape or right-of-way tree trimmings or agricultural sources, including orchard tree crops, vineyards, grain, legumes, sugar and other crop by-products or residues.

(8) Biologically derived methane gas, which shall include methane from the anaerobic digestion of organic materials from yard waste, such as grass clippings and leaves, food waste, animal waste and sewage sludge. The term also includes landfill methane gas.

(9) Fuel cells, which shall mean any electrochemical device that converts chemical energy in a hydrogen-rich fuel directly into electricity, heat and water without combustion.

(10) Waste coal, which shall include the combustion of waste coal in facilities in which the waste coal was disposed or abandoned prior to July 31, 1982, or disposed of thereafter in a permitted coal refuse disposal site regardless of when disposed of, and used to generate electricity, or such other waste coal combustion meeting alternate eligibility requirements established by regulation. Facilities combusting waste coal shall use at a minimum a combined fluidized bed boiler and be outfitted with a limestone injection system and a fabric filter particulate removal system. Alternative energy credits shall be calculated based upon the proportion of waste coal utilized to produce electricity at the facility.

(11) Coal mine methane, which shall mean methane gas emitting from abandoned or working coal mines.

(12) Demand-side management consisting of the management of customer consumption of electricity or the demand for electricity through the implementation of:

(i) energy efficiency technologies, management practices or other strategies in residential, commercial, institutional or government customers that reduce electricity consumption by those customers;

(ii) load management or demand response technologies, management practices or other strategies in residential, commercial, industrial, institutional and government customers that shift electric load from periods of higher demand to periods of lower demand; or

(iii) industrial by-product technologies consisting of the use of a by-product from an industrial process, including the reuse of energy from exhaust gases or other manufacturing by-products that are used in the direct production of electricity at the facility of a customer.

(13) Distributed generation system, which shall mean the small-scale power generation of electricity and useful thermal energy.

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Section 2. This act shall take effect immediately.