THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 1918 Session of 2007

INTRODUCED BY STURLA, GEORGE, JOSEPHS, BASTIAN, BELFANTI, BENNINGTON, CONKLIN, DALEY, DALLY, DePASQUALE, FAIRCHILD, FRANKEL, FREEMAN, GEIST, HERSHEY, HORNAMAN, KING, KOTIK, LENTZ, LONGIETTI, R. MILLER, MURT, M. O'BRIEN, PETRONE, SANTONI, SCAVELLO, SHIMKUS, SOLOBAY, SURRA, THOMAS, WALKO, YOUNGBLOOD, YUDICHAK AND WANSACZ, OCTOBER 16, 2007

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY, OCTOBER 16, 2007

AN ACT

Amending Title 27 (Environmental Resources) of the Pennsylvania Consolidated Statutes, providing for use of the Growing 3 Greener Bond Fund to support the installation of small wind 4 energy systems; and establishing the Small Wind Energy 5 Assistance Fund. 6 The General Assembly of the Commonwealth of Pennsylvania 7 hereby enacts as follows: 8 Section 1. Sections 6105(b)(1) and 6116(c)(1) of Title 27 of the Pennsylvania Consolidated Statutes are amended to read: 10 § 6105. Agencies. 11 12 The Department of Environmental Protection. --13 The Department of Environmental Protection shall 14 utilize money it receives from the fund for the following 15 purposes: (i) To implement acid mine drainage abatement and 16

cleanup efforts and plug abandoned and orphan oil and gas

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wells.

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2 (ii) To provide funding for technical assistance and 3 financial incentives to facilitate remining.

- (iii) To provide grants to a county or other municipality, council of governments, county conservation districts, watershed organizations and other authorized organizations for acid mine drainage abatement, mine cleanup efforts and well plugging.
- (iv) To provide grants and technical assistance to a county or other municipality, council of governments, county conservation districts, watershed organizations and other authorized organizations to plan and implement local watershed-based conservation efforts.
- (v) To improve water-quality-impaired watersheds, including those polluted by past mining activities, agricultural and urban runoff, atmospheric deposition, on-lot sewage systems and earthmoving activities.
- 18 (vii) For watershed protection.
- 19 (viii) For small wind energy assistance.
- 20 * * *
- 21 § 6116. Establishment of bond fund and allocation and use of 22 bond proceeds.
- 23 * * *
- 24 (c) Allocation and use of funds.--Moneys in the bond fund
- 25 shall be allocated and used as follows:
- 26 (1) The amount of \$230,000,000 to the Department of
- 27 Environmental Protection for its existing programs for
- 28 watershed protection, mine and acid mine drainage
- remediation, plugging of abandoned oil and gas wells,
- advanced energy projects as authorized in subparagraph (i),

- 1 small wind energy assistance as authorized in subparagraph
- 2 (iii), flood protection, geological hazards and brownfields
- 3 remediation. At least \$60,000,000 shall be used for acid mine
- 4 drainage abatement and mine cleanup efforts. The Department
- of Environmental Protection is authorized to make portions of
- 6 these moneys available to the following Commonwealth agencies
- 7 and authorities for the purposes designated:
- 8 (i) up to \$10,000,000 annually to the Energy
- 9 Development Authority for advanced energy projects; [and]
- 10 (ii) up to \$5,000,000 annually to the Department of
- 11 Community and Economic Development for brownfields
- 12 remediation[.]; and
- (iii) up to \$11,000,000 to the Small Wind Energy
- 14 Assistance Fund for purposes of Chapter 64 (relating to
- small wind energy assistance).
- 16 * * *
- 17 Section 2. Title 27 is amended by adding a chapter to read:
- 18 CHAPTER 64
- 19 SMALL WIND ENERGY ASSISTANCE
- 20 Sec.
- 21 6401. Scope of chapter.
- 22 6402. Legislative intent.
- 23 6403. Definitions.
- 24 6404. Department powers and duties.
- 25 6405. Fund.
- 26 <u>6406</u>. Small wind energy system.
- 27 § 6401. Scope of chapter.
- 28 This chapter relates to small wind energy assistance.
- 29 § 6402. Legislative intent.

- 1 Pennsylvania property owners to utilize small wind energy to
- 2 power heating, cooling, hot water and electrical systems on
- 3 their property through partially subsidizing installation costs
- 4 for small wind energy systems.
- 5 § 6403. Definitions.
- 6 The following words and phrases when used in this chapter
- 7 shall have the meanings given to them in this section unless the
- 8 context clearly indicates otherwise:
- 9 <u>"Department." The Department of Environmental Protection of</u>
- 10 the Commonwealth.
- 11 <u>"Fund." The Small Wind Energy Assistance Fund established in</u>
- 12 section 6405 (relating to fund).
- 13 <u>"Small wind energy." A renewable or alternative energy</u>
- 14 system that converts wind directly into energy.
- 15 <u>"Small wind energy system." An arrangement or combination of</u>
- 16 <u>components installed that utilizes wind power to produce energy</u>
- 17 designed to provide heating, cooling, hot water and/or
- 18 electricity, provided the system is no less than 750 watts and
- 19 no more than one megawatt.
- 20 § 6404. Department powers and duties.
- 21 The department has the following powers and duties:
- 22 (1) To administer this chapter.
- 23 (2) To administer the fund under section 6405 (relating
- to fund).
- 25 (3) To promulgate regulations to implement this chapter
- 26 within 18 months of the effective date of this section and
- 27 establish minimum standards that must be met in addition to
- 28 <u>the required Federal standards.</u>
- 29 § 6405. Fund.
- 30 (a) Establishment.--The Small Wind Energy Assistance Fund is

- 1 <u>established as a separate fund in the State Treasury.</u>
- 2 (b) Purpose. -- The department shall use the fund to subsidize
- 3 the installation of small wind energy systems.
- 4 § 6406. Small wind energy system.
- 5 (a) General rule. -- An owner of property that installs a
- 6 small wind energy system may be entitled to a reimbursement as
- 7 provided under this section. The funds shall be allocated on a
- 8 <u>first-come</u>, <u>first-served</u> <u>basis</u> <u>until</u> <u>the funds are depleted</u>.
- 9 <u>(b) Limitation.--</u>
- 10 (1) Reimbursement shall be limited to:
- 11 (i) 60% of installation costs for systems costing
- less than \$10,000;
- (ii) 50% of installation costs for systems costing
- 14 between \$10,001 and \$20,000;
- 15 (iii) 40% of installation costs for systems costing
- 16 <u>between \$20,001 and \$75,000;</u>
- 17 (iv) 30% of installation costs for systems costing
- 18 between \$75,001 and \$300,000; and
- 19 (v) no more than \$90,000 for installation costs for
- 20 <u>systems costing more than \$300,000.</u>
- 21 (2) Commercial wind farms which sell wind power are not
- 22 eligible for reimbursement.
- 23 (c) Appropriation.--The sum of \$11,000,000 is hereby
- 24 appropriated from the Growing Greener Bond Fund to the Small
- 25 Wind Energy Assistance Fund for the fiscal year July 1, 2008, to
- 26 June 30, 2009, to carry out the provisions of this chapter. This
- 27 appropriation is a continuing appropriation and shall not lapse.
- 28 (d) Use of fund. -- The moneys in the fund shall be used for
- 29 the following purposes:
- 30 (1) The use of supplies and equipment directly related

- 1 to the installation of a small wind energy system.
- (2) Maintaining an infrastructure in this Commonwealth 2
- 3 so that Pennsylvania-based companies will be able to complete
- 4 the necessary installations to meet the requirements of the
- 5 act of November 30, 2004 (P.L.1672, No.213), known as the
- 6 Alternative Energy Portfolio Standards Act.
- Section 3. This act shall take effect in 60 days. 7