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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**SENATE BILL**

**No. 25**

Special Session No. 1 of  
2007-2008

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INTRODUCED BY WAUGH, PUNT, GREENLEAF, MUSTO, COSTA, M. WHITE,  
WOZNIAK, STOUT, MELLOW, ARMSTRONG, FOLMER, MADIGAN, ROBBINS,  
SCARNATI, VANCE AND REGOLA, OCTOBER 16, 2007

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REFERRED TO ENERGY POLICIES, OCTOBER 16, 2007

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AN ACT

1 Amending the act of November 30, 2004 (P.L.1672, No.213),  
2 entitled, "An act providing for the sale of electric energy  
3 generated from renewable and environmentally beneficial  
4 sources, for the acquisition of electric energy generated  
5 from renewable and environmentally beneficial sources by  
6 electric distribution and supply companies and for the powers  
7 and duties of the Pennsylvania Public Utility Commission,"  
8 further defining "alternative energy sources" and "Tier II  
9 alternative energy source."

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

12 Section 1. The definitions of "alternative energy sources"  
13 and "Tier II alternative energy source" in section 2 of the act  
14 of November 30, 2004 (P.L.1672, No.213), known as the  
15 Alternative Energy Portfolio Standards Act, are amended to read:

16 Section 2. Definitions.

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

20 \* \* \*

21 "Alternative energy sources." The term shall include the

1 following existing and new sources for the production of  
2 electricity:

3 (1) Solar photovoltaic or other solar electric energy.

4 (2) Solar thermal energy.

5 (3) Wind power.

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

11 (5) Low-impact hydropower consisting of any technology  
12 that produces electric power and that harnesses the  
13 hydroelectric potential of moving water impoundments,  
14 provided such incremental hydroelectric development:

15 (i) does not adversely change existing impacts to  
16 aquatic systems;

17 (ii) meets the certification standards established  
18 by the Low Impact Hydropower Institute and American  
19 Rivers, Inc., or their successors;

20 (iii) provides an adequate water flow for protection  
21 of aquatic life and for safe and effective fish passage;

22 (iv) protects against erosion; and

23 (v) protects cultural and historic resources.

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

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

30 (i) organic material from a plant that is grown for

1 the purpose of being used to produce electricity or is  
2 protected by the Federal Conservation Reserve Program  
3 (CRP) and provided further that crop production on CRP  
4 lands does not prevent achievement of the water quality  
5 protection, soil erosion prevention or wildlife  
6 enhancement purposes for which the land was primarily set  
7 aside; or

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

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

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

22 (10) Waste coal, which shall include the combustion of  
23 waste coal in facilities in which the waste coal was disposed  
24 or abandoned prior to July 31, 1982, or disposed of  
25 thereafter in a permitted coal refuse disposal site  
26 regardless of when disposed of, and used to generate  
27 electricity, or such other waste coal combustion meeting  
28 alternate eligibility requirements established by regulation.  
29 Facilities combusting waste coal shall use at a minimum a  
30 combined fluidized bed boiler and be outfitted with a

1 limestone injection system and a fabric filter particulate  
2 removal system. Alternative energy credits shall be  
3 calculated based upon the proportion of waste coal utilized  
4 to produce electricity at the facility.

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

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

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

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

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

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

27 \* \* \*

28 "Tier II alternative energy source." Energy derived from:

29 (1) Waste coal.

30 (2) Distributed generation systems.

1           (3) Demand-side management.

2           (4) Large-scale hydropower.

3           (5) Municipal solid waste.

4           [(6) Generation of electricity utilizing by-products of  
5 the pulping process and wood manufacturing process, including  
6 bark, wood chips, sawdust and lignin in spent pulping  
7 liquors.]

8           (7) Integrated combined coal gasification technology.

9           \* \* \*

10          Section 2. This act shall take effect in 60 days.