



Edward G. Rendell
Governor

Pennsylvania's

ADVANCED ENERGY TOOLKIT



Kathleen A. McGinty
Secretary

Pennsylvania is committed to building clean, advanced energy systems across the Commonwealth. For more information, we invite you to contact Eric Thumma at (717) 783-0542 or Jeanne Dworetzky at (717) 772-5942.

Existing Resources

Alternative Energy Portfolio Standard: On November 30, 2004, Governor Rendell signed the Alternative Energy Portfolio Standards Act into law. The Act requires that, within 15 years, 18 percent of Pennsylvania's retail electricity must be generated from advanced energy resources. Eight percent of that total (Tier I) must be met through renewable energy resources or coalmine methane. Ten percent (Tier II) must be met through waste coal, distributed generation systems, demand-side management, large-scale hydropower, MSW, generation from wood by-products and IGCC. Contact: Eric Thumma, 717-783-0542 or ethumma@state.pa.us.

Energy Harvest: Annual \$5 million in DEP grants for the deployment of clean advanced energy projects, including renewables, coal mine methane, waste-coal reclamation for energy, innovative energy efficiency projects and clean distributed generation infrastructure improvements. For more information contact Kerry Campbell at 717-772-5985 or kcampbell@state.pa.us, or visit <http://www.depweb.state.pa.us/>, Keyword "Energy Harvest."

The New Pennsylvania Venture Guarantee Program: This program provides up to \$250 million over four years to provide guarantees to venture capital partnerships for investments in Pennsylvania-related companies that are in early or mid-stage development. A guarantee approved under this program may not exceed 50 percent of the total investment covered by the guarantee or \$37.5 million, whichever is less. For details please visit: www.newpa.com.

The New Pennsylvania Venture Capital Investment Program: This program provides up to \$60 million over four years for loans to venture capital partnerships for equity or convertible debt investments in Pennsylvania-related companies. At least 50 percent of the funds made available under this program must be used for investments outside the Philadelphia metropolitan statistical area and in counties that have a population of 1 million or less. For details please visit: www.newpa.com.

Pennsylvania Energy Development Authority: Annual \$10 million in funding for grants, loans and loan guarantees for clean, advanced energy projects. In addition, working with the Pennsylvania Economic Development Financing Authority, PEDFA can support issuance of hundreds of millions in tax exempt or taxable bonds to fund energy projects in Pennsylvania. Contact: Jeanne Dworetzky, 717-772-5942 or jdworetzky@state.pa.us. To learn more, visit <http://www.depweb.state.pa.us/>, Keyword "PEDA."

Pennsylvania's Advanced Energy Purchase: The Commonwealth of Pennsylvania has been purchasing 5 percent of its electricity from advanced energy resources since Jan. 1, 2000. Beginning July 1, 2004, the Commonwealth began purchasing 10 percent of its electricity from advanced energy resources. The Commonwealth plans to move to 20 percent. Pennsylvania was the first state in the nation to buy green power to meet its own energy needs. Resources wishing to qualify for the purchase should contact: Catherine Brownlee, 717-772-8946 or cbrownlee@state.pa.us.

Pennsylvania Economic Development Financing Authority: PEDFA can issue both tax-exempt and taxable bonds, in pooled or stand-alone transactions, to finance energy projects. The bonds may be used to finance land, building, equipment, working capital or refinancings. PEDFA may be used to finance up to 100 percent of project costs and, for energy projects, no upper dollar limit has been set for the financing. Contact: Craig Petrasic, 717-783-1109 or crpetrasic@state.pa.us.

Keystone Home Energy Loan Program (HELP): In partnership with PEDFA, the PA Treasury Department and the West Penn Sustainable Energy Fund, AFC First Financial offers low to moderate-income homeowners unsecured, low-interest loans for use in purchasing high-efficiency heating and cooling systems, roofing, insulation and other energy saving home improvements. Contact: 888-232-3477 or www.keystonehelp.com.

Sustainable Energy Funds: Primarily financing and equity investments (and some small grants) for renewable energy projects, renewable fuels and energy efficiency. The funds cover different geographic territories. Contacts:

Mike Kane, Community Foundation of the Alleghenies, 814-536-7741 or mkane2@charter.net
Service Territory: Metropolitan Edison Company/Pennsylvania Electric Company

Richard Mappin, Berks County Community Foundation, 610-685-227 or richarm@bccf.org
Service Territory: Metropolitan Edison Company/Pennsylvania Electric Company

Joel Morrison, The Energy Institute, 814-865-4802 or jlm9@psu.edu
Service Territory: West Penn Power

Robert Sanders, The Sustainable Development Fund, 215-925-1130 or sandersr@trfund.com
Service Territory: PECO

Rex D'Agostino, The Sustainable Energy Fund of Central Eastern Pennsylvania, 610-264-4440 or RADAgostino@theSEF.org
Service Territory: PPL

First Industries: This program provides \$150 million over four years in financial assistance in the form of loans, grants and loan guarantees for projects related to the development of tourism and agriculture located within the Commonwealth. Two-thirds of the program's funding is devoted to agriculture. Qualifying projects include those that will result in energy efficient agricultural operations. For details please visit: www.newpa.com .

Machinery and Equipment Loan Fund: Low interest loans up to the lesser of \$5 million or 50% of project costs to enterprises involved in industrial processing, manufacturing, mining, production agriculture, information technology, biotechnology, service as a medical facility and other industrial or technology sectors to acquire or install new or used machinery and equipment and to upgrade existing machinery and equipment. To be eligible, the machinery or equipment must be directly related to the industrial, manufacturing, agricultural, or mining operations of the applicant. This program requires the creation of at least one job per \$25,000 in financing. Contact: Steven Clarke 717-720-1410 or stclark@state.pa.us .

Research & Development Tax Credit: On Dec. 23, 2003, the Governor signed revisions to the tax code that would permit a taxpayer to sell or assign its unused research and development tax credits with the assistance of a brokerage being established within DCED. Contact: Bill Cook, 717-720-1393 or wicook@state.pa.us .

Alternative Fuels Incentive Program: Grants to cover a portion of the cost to install refueling infrastructure for motor vehicle fuels such as natural gas, propane, hydrogen and E85 (85% ethanol and 15% gasoline), to help off-set the added cost of purchasing alternative fuel vehicles and to perform advanced alternative fuel vehicle technology research, development and demonstration. Rebates are available to cover a portion of the added costs to purchase hybrid vehicles by Commonwealth residents. Companies producing renewable fuels such as ethanol and biodiesel are eligible to receive an incentive of 5 cents a gallon up to 12,500,000 gallons produced each year. School districts, transit authorities, municipal governments and other non-profits who operate a fleet are eligible for a grant to help buy-down the added costs to purchase and use renewable fuels. Contact: Susan K. Summers, 717-783-9242 or susummers@state.pa.us .

Ben Franklin Technology Partners: Professional and financial support for early phase start-up companies. Contact: Terry Singer, 717-234-1748 or tsinger@benfranklin.org. To learn more, visit: www.benfranklin.org .

Small Business Office Programs: Two financing programs that can be used for energy efficiency projects for small businesses. The Small Business Advantage Grant program provides 50 percent matching grants of up to \$7,500 to small businesses for energy efficiency projects. The Pollution Prevention Assistance Account Loan program provides 75 percent matching loans of up to \$100,000 to small businesses for certain kinds of energy efficiency projects. Contact: Jeanne Dworetzky, 717-772-5942 or jdworetzky@state.pa.us .

Additional Funding Resources: Energy projects may also be able to take advantage of other Commonwealth funding programs. To explore the full range of programs, visit the Department of Community and Economic Development's Web site at www.newpa.com .