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**Dept. of Environmental Protection**

Commonwealth News Bureau  
Room 308, Main Capitol Building  
Harrisburg, PA

**CONTACT:**

Charlie Young  
Phone: (717) 787-1323

**GOVERNOR RENDELL ANNOUNCES AGREEMENT WITH GERMANY'S  
LEADING INDUSTRIAL STATE TO SHARE ALTERNATIVE ENERGY  
OPPORTUNITIES**

PHILADELPHIA -- Governor Edward G. Rendell today announced an international agreement between Pennsylvania and Germany's leading industrial state to attract more foreign investment and job creation in the commonwealth's energy sector.

The memorandum of understanding (MOU) with the Ministry of Economic Affairs and Energy for the state of North Rhine-Westphalia calls for exchanging ideas and information on alternative energy issues and mutually enhancing economic opportunities between the governments.

"The innovations that are leading our societies to new economies based on clean sources of energy are emerging from states such as Pennsylvania and North Rhine-Westphalia --- not solely through federal governments," Governor Rendell said. "This budding relationship with one of Europe's industrial powerhouses will add to what we can accomplish in providing reliable sources of clean energy both for our residents and businesses and for the world at large."

The relationship between commonwealth government agencies and North Rhine-Westphalia began earlier this year when North Rhine-Westphalia officials sought out international trade representatives with the Pennsylvania Department of Community and Economic Development.

German Consul General Hans-Jürgen Heimsoeth subsequently met with Governor Rendell and made a strong argument for a partnership based on alternative energy technologies. Other meetings followed, including a visit by German officials to Philadelphia, where they were provided with a showcase of Pennsylvania companies working on hydrogen fuel technologies.

Pennsylvania's presence in Germany was strengthened in May, when Governor Rendell's energy initiatives were featured across Europe during the WindEnergy 2006 conference in Hamburg, Germany. Environmental Protection Secretary Kathleen A. McGinty represented the Governor at the international trade show for wind energy manufacturers, developers and financiers.

Thousands of companies, individuals, investors and energy associations participated in the event, which featured exhibitors from 26 countries. Pennsylvania was the only U.S. state afforded a keynote speaking opportunity at the plenary session. All other speakers were European.

“Governor Rendell has made Pennsylvania an internationally recognized leader in alternative energy development and deployment, and his energy initiatives are providing economic opportunities for Pennsylvania on a global level,” said McGinty, who signed the MOU on behalf of the administration. “This MOU gives us an important opportunity to attract still more foreign manufacturers and investors looking to set up business in our state.”

The growth potential of Pennsylvania’s indigenous resources --- such as wind and solar power, biodiesel and ethanol, and clean coal technology --- combined with Governor Rendell’s strategic investments in cutting-edge projects, has put the state at the forefront of alternative energy development. It also has opened the door for potential European investments in the state.

“Governor Rendell’s direct involvement in this project is a clear example of his continued dedication to bringing more jobs and new opportunities to the state,” DCED Secretary Dennis Yablonsky said. “Attracting foreign direct investment by targeting sectors in Pennsylvania that have a competitive advantage is an integral part of the Governor’s global view of our economy that will keep Pennsylvania moving forward.”

Governor Rendell has pursued a broad array of policies and financial tools in place to promote advanced energy projects in the commonwealth.

Pennsylvania’s Alternative Energy Portfolio Standard, one of the most progressive in the nation, ensures that 18 percent of all retail energy generated by 2020 comes from clean, efficient and advanced resources. The law promises to build substantially on the state’s leadership in wind production east of the Mississippi, with wind sources providing enough clean energy to power some 70,000 homes.

Because of that leadership, Governor Rendell was able to lead a campaign to land the Spanish wind-energy company Gamesa Corp., the second largest wind energy company in the world, beating out many other vying states. With its U.S. headquarters in Philadelphia and manufacturing facilities in Bucks and Cambria counties, Gamesa represents an \$84 million investment in the state that will create as many as 1,000 jobs over five years.

The state’s clean energy law far surpasses other states in ensuring wide distribution and use of zero-pollution solar power. By 2021, when the solar share is in full effect, utilities will be required to purchase 700 megawatts of solar-produced electricity --- the second largest solar requirement in the nation.

The commonwealth is leading in other areas of advanced energy development, creating jobs and cleaning up the environment while putting indigenous resources to work.

The Governor recently redoubled the commonwealth’s “green” electricity commitment to 20 percent, making Pennsylvania the largest state purchaser of green electricity in the nation. Pennsylvania also is second only to California in the number of buildings certified by the U.S. Green Building Council under the internationally recognized Leadership in Energy and Environmental Design program.

Governor Rendell's "PennSecurity Fuels Initiative" will produce and use 900-million gallons annually of clean, domestic fuel --- an amount equivalent to what the state is expected to import from the Persian Gulf 10 years from now. The Governor is investing \$30 million over the next five years to build re-fueling and production infrastructure to support wide distribution of the alternative fuels.

Pennsylvania very well could be the nation's leading producer of biodiesel within the year, going from practically nowhere a year ago to a projected 40-million gallons of annual production. The state also contains enough plant matter to produce in excess of 500 million gallons of cellulosic ethanol per year.

The nation's first coal gasification-liquefaction plant is being built in northeastern Pennsylvania. The facility will use waste coal to produce 40-million gallons of clean-burning diesel fuel each year. What the Governor is doing to support the project is unprecedented, creating a fuel consortium with private industry to purchase nearly all of the off take. Pennsylvania will lock in its supply for some 10 years at prices well below current market values and ensure a long-term, viable market for the plant.

Pennsylvanians now spend some \$30 billion per year on imported energy fuels. Instead of spending overseas, Governor Rendell is investing at home and putting Pennsylvanians to work.

Brought back to life after years of inactivity, the Pennsylvania Energy Development Authority has awarded \$15 million in grants and loans for 41 clean energy projects that will leverage \$200 million in private investment. The projects will create 1,558 permanent and construction jobs.

The Pennsylvania Energy Harvest Grant Program has awarded \$15.9 million and leveraged another \$43.7 million in private funds since its inception in May 2003 for projects using sources such as wind, solar, biomass, waste coal and recycled energy.

For more information on alternative energy, visit DEP's Web site at [www.depweb.state.pa.us](http://www.depweb.state.pa.us), Keyword: "Energy."