



Senate Environmental Resources and Energy Committee

Senator Mary Jo White
Chairman

Patrick Henderson, Executive Director

Room 168 • State Capitol Building
Mailing address: Senate Box 203021 • Harrisburg, PA 17120-3021
Phone: 717-787-9684 • FAX: 717-787-6088

January 9, 2009

The Honorable Edward G. Rendell
Governor of Pennsylvania
225 Main Capitol Building
Harrisburg, PA 17120

Dear Governor Rendell:

I read with interest your recent press release announcing that the Commonwealth has signed an agreement with other Mid-Atlantic states to develop a Greenhouse Gas Emissions Reduction Standard through the creation of a low carbon fuel standard. I also obtained a copy of the framework of the agreement signed by environmental officials of the various states.

I applaud the initiative of states working in a collaborative manner to identify and evaluate potential remedies to climate change. As you know, the General Assembly took steps last year in passing the Pennsylvania Climate Change Act, sponsored by Senator Ted Erickson. The Climate Change Action Committee has begun its work in advising the Department of Environmental Protection (DEP) on this issue.

However, several questions are raised regarding your recent announcement and decision to sign on to this agreement. I would appreciate the assistance of your office in responding to these questions, and providing any relevant background necessary to better understand the ramifications of this agreement.

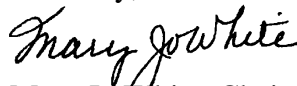
- 1) The central theme of the framework appears to be the development of a comprehensive, regional "low carbon fuel standard" (LCFS). With respect to vehicle transportation fuel, does the Administration anticipate the imposition of a new, boutique low carbon gasoline or diesel fuel requirement for Pennsylvania motorists?
- 2) The framework signed by the Commonwealth references a similar LCFS which the state of California is about to implement. Given the background and intent of the language in the Air Pollution Control Act which prohibits the adoption of a California fuel standard for Pennsylvania, do you envision the need for legislative changes to implement a transportation LCFS?
- 3) Will impact on fuel costs for motorists, businesses and other users be a consideration during the development of a low carbon fuel standard?

The Honorable Edward G. Rendell
January 9, 2009
Page 2

- 4) The Climate Change Advisory Committee recently formed subcommittees to look at various contributors to carbon emissions, including from vehicles and other mobile sources. Was the Commonwealth's participation in the multi-state agreement discussed and/or voted upon by the advisory committee?
- 5) The press release and framework specify the creation of a LCFS for transportation fuels and "other sources". Does this include establishing a low-carbon standard for the type of coal which can be burned at Pennsylvania-based electric generation facilities?
- 6) The framework signed by the Commonwealth states that a LCFS is one which "discourages the development of high-carbon fuels such as liquid coal". This seems to contradict your previous commitment to developing coal-to-liquid fuel, such as at the facility proposed in Schuylkill County. In fact, with the Administration's support the General Assembly authorized the substitution of coal-to-liquid diesel fuel as part of Act 78 (Bio-Fuel Development and In-state Production Incentive Act). Under Act 78, carbon emissions from the production of the fuel must be offset, but not from the use of the fuel. Any clarification on this issue would be helpful.
- 7) Do you envision the need to adopt any legislation to implement this protocol, should the Commonwealth ultimately adopt it?

Thank you for your consideration of this request. I would appreciate and look forward to a response at your earliest convenience.

Sincerely,



Mary Jo White, Chairman
Senate Environmental Resources
& Energy Committee

cc: Senator Dominic Pileggi
Senator Rob Wonderling
Senate Environmental Resources
& Energy Committee Members