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Keystone State Gov. Signs Ethanol, Biodiesel Mandates

Pennsylvania Governor Edward G. Rendell signed legislation last week, state House Bill 1202, that requires all gasoline sold at the retail level contain 10 percent ethanol once in-state cellulosic ethanol production reaches 350 million gal, a news release said.

The governor also signed into law, Special Session S.B. 22 that requires all diesel fuel sold at the retail level contain 2 percent biodiesel once in-state production reaches 40 million gal; 5 percent biodiesel after output hits 100 million gal; 10 percent biodiesel once production reaches 200 million gals; and 20 percent biodiesel once output reaches 400 million gal of biodiesel.

Pennsylvania already has biodiesel production capacity of approximately 60 million gal per year, and the state's first large-scale ethanol plant-a 100 million gal per year plant-is under construction in Clearfield County.

The developers of the Clearfield County facility also committed to developing a pilot scale cellulosic ethanol plant. Another cellulosic demonstration facility is planned for Madison in Westmoreland County.

"Pennsylvania can be to cellulosic ethanol what corn-based ethanol was to Iowa and the Midwest," said Rendell. "Pennsylvania has an abundant supply of cellulosic ethanol feedstocks, including switchgrass, woodchips, municipal waste and agricultural waste. This alternative fuel law ensures that Pennsylvania farmers and businesses will fully realize the benefits of these resources."

Under S.B. 22, the state would offer companies a 75cts subsidy for each gallon of biodiesel produced. Each biodiesel producer would be able to receive a maximum of \$1.9 million per year under the incentive.

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