

## MEMORANDUM

Date: July 7, 2009

To: The Honorable Members of the House Environmental Resources & Energy Committee

From: Gene Barr, Vice President, Govt. & Public Affairs, PA Chamber of Business and Industry  
George Ellis, President, PA Coal Association  
David Kleppinger, Counsel, Industrial Energy Consumers of PA  
Pamela Witmer, President, PA Chemical Industry Council  
Doug Biden, President, Electric Power Generation Association  
J. Michael Love, President, Energy Association of PA  
Rolf Hanson, Executive Director, Associated Petroleum Industries of PA  
Stephen Rhoads, President, PA Oil and Gas Association  
David Taylor, Executive Director, PA Manufacturers Association  
Kevin Shivers, State Director, National Federation of Independent Business

Re: HB 80, Amends the Alternative Energy Portfolio Standards Act

On behalf of our thousands of Pennsylvania employers, from sole proprietors to Fortune 100 companies, we write in opposition to HB 80, amending the Alternative Energy Portfolio Standards Act (AEPS Act), scheduled for consideration by the House Environmental Resources and Energy Committee on July 8. In addition, we are aware the AFL-CIO, IBEW and UMW have expressed concern over the impact of the bill on energy costs and jobs.

We oppose HB 80 for the following reasons:

- The original mandates for alternative energy enacted in Pennsylvania in 2004 have not yet begun to be implemented. It makes sense to wait until we see the effect of that action.
- With the majority of electricity rate caps coming off later this year and the uncertainties in the market due to that event, now is not the time to increase the mandates for more expensive forms of energy.
- The federal government is poised to pass climate and energy legislation. We ought to wait until there is some resolution on that front. Going beyond federal requirements would have an adverse impact on Pennsylvania's competitive climate and will cost us jobs.
- The increased mandates contained in HB 80 are likely to lead to higher energy costs for both producers and consumers, and could negatively impact the reliability and adequacy of Pennsylvania's electric generation supply.

Does the legislature really want to go down the path of adding to the cost of energy?

We urge you to vote "No" on HB 80.