



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

July 2, 2007

Letter to the Editor
The Philadelphia Inquirer
Box 41705
Philadelphia, PA 19101

Dear Editor:

Your recent editorial (*PA Needs this Energy Strategy*) in support of Governor Rendell's electricity tax fails to inform your readers of several key points.

First, however, you incorrectly state that the Governor's energy plan is stalled in the Senate. As of this moment, HB 1201, which contains the Governor's tax increase, has failed to pass the Democratic-controlled House of Representatives. It appears the Governor can't even convince his own party this is a good idea. Senator Tomlinson and I also held two joint hearings on energy policy and received significant feedback that merits consideration.

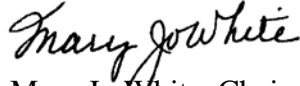
They say the devil is in the details. Sometimes, it's also in the lack of details. The four bills which constitute the Governor's energy package were so poorly drafted that legislative staff have spent countless hours trying to construct language that mirrors his public relations campaign.

But there are numerous subtle provisions that give me pause as well. Most importantly, the Governor is not seeking to borrow \$850 million – his language actually places no cap on the amount he can spend. To finance his unlimited borrowing, the Governor is requesting \$2.1 billion in new taxes over the life of the program. Much of this money will be spent on debt service and bond counsel fees for the well-connected – not on alternative energy projects. The Governor seeks to let the PA Energy Development Authority, which he controls, become a state power authority, buying and selling energy. This runs contrary to DEP Secretary McGinty's recent proclamation that the Governor wants to enable the free market to work. That's some invisible hand he has there.

There is interest in stimulating alternative fuel development. Senate Republicans led the charge in updating the Alternative Fuel Incentive Act of 2004. But the Governor seeks a mandate on ethanol and biodiesel that raises serious red flags. At a time of high gas prices, it is ironic the Governor is seeking to mandate a more expensive fuel across Pennsylvania. And it is a bit disingenuous that the Governor decries our ozone air quality, yet is seeking to mandate use of a dirtier fuel that causes more ground-level ozone than conventional gas.

There are components of the Governor's plan that may be workable. None are so urgent as to hold up funding of essential services by his refusal to finish a state budget. But to the extent that the Governor wants to finalize his package sooner rather than later, I respectfully suggest he stop hosting press conferences surrounded by those looking to benefit financially from his plan and start engaging in a productive dialogue with the legislature.

Sincerely,

A handwritten signature in black ink that reads "Mary Jo White". The signature is written in a cursive, flowing style.

Mary Jo White, Chairman
Senate Environmental Resources
& Energy Committee