

Senate approves biodiesel bills

By Jim T. Ryan - 12/13/2007

The state Senate yesterday approved two bills designed to boost Pennsylvania's biodiesel industry through production subsidies and content requirements, said Patrick Henderson, a spokesman for Sen. Mary Jo White, chairperson of the special session on energy policy.

The content-requirements bill, **SB 36**, requires every gallon of diesel fuel sold in the state to be composed of a percent of biodiesel after in-state production reaches certain thresholds, according to the bill. A 2-percent requirement kicks in when in-state production reaches 60 million gallons. As production reaches higher thresholds, the biodiesel percentage level would be gradually raised.

The subsidies bill, **SB 22**, would give biodiesel producers 75 cents per gallon, according to the bill. The bill allots \$5.25 million annually and the extra subsidies expire at the end of 2010.

Producers were seeking a \$1-per-gallon subsidy, or about \$10 million annually, but that was cut back in Senate negotiations.

The bill also increases the per-gallon subsidy from 5 cents to 10 cents for production of other alternative fuels.

The state House of Representatives must approve the bills before Gov. Rendell can sign them.