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Pennsylvania poised to be energy power

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Pennsylvania has been in the forefront of this country's energy industry since coal mining began in the mid-1700s. It's been home to the world's first commercial oil well and nuclear power plant. It was also home to the first utility-scale wind project east of the Mississippi River.

Pennsylvania looks poised once again to capitalize on a new energy source. The Marcellus Shale formation may well make the Keystone State a major player in natural gas production.

Even more importantly, it may be part of the solution to a \$3 billion budget gap and could provide jobs to 500,000 unemployed Pennsylvanians.

Despite the ongoing debate over drilling, I feel confident that our state government will strike the right balance in regulating Pennsylvania's newest energy source. What I am concerned about, however, is that the hype over this newfound energy source — and the jobs and economic development it may bring — will cause state leaders to de-emphasize the tremendous opportunities available to Pennsylvanians by fully utilizing the commonwealth's renewable energy sources.

It would be a mistake to neglect the economic benefits that renewable energy, particularly wind energy, have brought and can continue to bring to Pennsylvania. In fact, it should be equally considered, along with Marcellus Shale, as an economic development tool for the state. Recently, I have heard people referring to the Steel City as the "Houston of the North." One just has to look at the Lone Star State as an example of the possibilities for renewable energy.

Texas currently produces more energy from wind than any other state, with an installed wind capacity about 13 times the amount operating in Pennsylvania. Its wind and related industries employ 10,000 Texans and is expected to grow to 41,000 in the next several years. Once fully realizing its wind potential, estimates are that Texas will enjoy an economic impact of \$30.6 billion. Texas didn't support oil and gas to the detriment of renewable energy, nor did a robust wind industry diminish the role of oil and gas in that state's economy.

Pennsylvania's leadership should not lose sight of renewable energy's benefits in the Marcellus rush.

A strong renewable energy industry has multi-faceted economic benefits to Pennsylvania. In the first instance, these projects bring much needed economic relief to the state's rural areas where investment is often hard to generate. Construction is set to begin at our latest wind

farm in Cambria County and will require 150 workers in its almost yearlong construction cycle. Our general contractors will hire locally and at prevailing wage. Local supply chain is also mandated in our agreements, so more than \$2 million in construction will be locally sourced.

Once operational, this 140 megawatt wind farm will require about 11 full-time highly paid technicians and managers and up to 15 part-time employees doing routine maintenance each year. Our wind farms pay annual taxes to the state and local communities and royalties to the landowners and farmers who lease their land. These payments amount to about \$1 million a year and directly benefit the local county, townships and schools.

The second economic benefit will come from the industries the state will be able to attract if it develops a robust renewable energy market. Even with an installed capacity of about 15 percent of the state's potential of 5,100 megawatts, the wind industry already employs about 4,000 Pennsylvanians.

Already, Pennsylvania's renewable energy policies have attracted several large international companies, including one that has made the Philadelphia area its U.S. corporate headquarters. There are at least 18 major manufacturing facilities making components for the wind industry. The number will continue to grow because Pennsylvania's skilled work force is well-suited to be a manufacturing powerhouse for the wind industry. Finally, other traditional Pennsylvania industries, such as steel forging, have benefited from the emergence of wind power locally and nationally.

Harrisburg has a unique opportunity to lead the country in energy policy while boosting the state's economy. But this leadership opportunity need not come at the risk of sacrificing the benefits that each form of Pennsylvania-sourced energy can bring.

Let's expand the use of natural gas to replace imported oil as a transportation fuel in addition to other uses such as power generation. Let's continue to explore innovative technologies in the fields of carbon sequestration and other clean-coal technologies. Let's support the rational development of nuclear technology. And, perhaps most importantly, let's continue to support strong renewable energy policies for the commonwealth.

Ultimately, Pennsylvania can serve as the model for a sound and sensible national energy policy.

Jim Spencer is president and CEO of Ever- Power Wind Holdings Inc. The company operates the Highland Wind Farm in Cambria County, has plans to construct another and is developing a plan for Pennsylvania's largest wind farm in Somerset County. The company also has projects in New York, Ohio and Washington.



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