



## For Immediate Release

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## **Allegheny Conference & Innovation Works announce new Energy Alliance of Southwestern Pennsylvania** *14 CEOs, the Allegheny Conference and Innovation Works partner to leverage region's energy assets*

**(Pittsburgh, PA – December 1, 2009)** – At its Annual Meeting today, the Allegheny Conference on Community Development will announce the formation of the Energy Alliance of Southwestern Pennsylvania, a strategic partnership for tomorrow's energy solutions.

Guided by CEOs of energy-related firms and universities and staffed primarily by the Allegheny Conference and Innovation Works, the Alliance will be a virtual organization focused on developing and executing a strategy for Pittsburgh regional energy industry growth.

The Alliance will advance a common strategy by coordinating with existing activities and organizations to advocate for improvements to our region's competitiveness to create an even better climate for energy industry success and job creation.

Through shared policy, advocacy, project coordination, company funding as well as communications and marketing efforts, the Alliance will position the southwestern Pennsylvania region as a global leader in energy innovation, production and related manufacturing. In so doing, it will assist the growth of the energy industry in our economy - retaining existing jobs, creating new ones and enabling prosperity for all residents. *(Note: Logo for Energy Alliance of Southwestern Pennsylvania is available at <http://alleghenyconference.org/PDFs/Misc/EnergyAllianceLogo09.pdf>.)*

Earlier this year, the Pennsylvania Economy League conducted an analysis of the energy industry in southwestern Pennsylvania and identified seven sectors in which our strengths are already greater than other regions around the country. The Alliance will include activity in all seven:

#### Traditional energy

- Coal
- Natural gas
- Nuclear

#### Alternative energy

- Solar
- Wind

#### Conservation and distribution systems

- Transmission and distribution
- Intelligent building technologies

"With strengths across a diversified energy industry, our region is in an excellent position to execute a comprehensive strategy of economic growth and job creation," said Allegheny Conference Chair John P. Surma.

"We're proud to join with the Conference in creating the Alliance and offering guidance, support and funding for the latest innovations in energy. Our energy sector holds great promise for the commercialization of technologies that will help meet the world's energy challenges. Innovation Works has a strong track record in developing start-up companies and bringing products to market. We're looking forward to the contributions we can make to growing our region's energy economy," said Innovation Works CEO Rich Lunak.

### **Alliance formation follows "Open Letter" to world leaders on intent of Pittsburgh energy leaders to work together**

The announcement today follows on an open letter issued earlier this year as G-20 leaders convened here to discuss the global economy. On Wednesday, September 23, 2009, an unprecedented group of Pittsburgh-based energy companies and universities stepped forward to share their commitment to our growing energy economy.

In an open letter in the *Pittsburgh Post-Gazette*, the leadership from all seven sectors and the universities acknowledged the growing global energy demand and pledged to find the solutions to the world's energy challenges together. "We believe that Pittsburgh will play a leading role in creating the new energy economy," they said. (*Access the Open Letter from <http://alleghenyconference.org/PDFs/Misc/OpenEnergyLetterPGadBW.pdf>.*)

"Today's announcement demonstrates the commitment of business leaders across the seven components of the energy sector to work together to provide sustainable energy solutions," said Allegheny Conference CEO Dennis Yablonsky. "Pittsburgh's historic spirit of collaboration, diversity of energy resources and innovation know-how uniquely positions our region to create and implement a 21st century energy economy."

"Energy companies, universities and organizations within our region bring two critical abilities to helping meet the world's energy challenges. Our expertise in materials science, engineering, and nuclear energy can make the extraction and use of traditional energy sources cleaner and more efficient. Our historic strength in innovation holds great potential for developing distributed energy generation and delivery models, pioneering intelligent building systems, and finding cost-effective alternative technology solutions," continued Yablonsky.

### **The energy industry is a significant economic generator in the region**

The energy sector in the Pittsburgh region is responsible for:

- a \$13.7 billion contribution to our regional Gross Domestic Product;
- 10% of our regional economy;
- 105,000 direct/indirect jobs;
- one fourth of 2009 business expansion projects; and
- more than \$1 billion in public and private R&D annually.

Southwestern Pennsylvania sits atop extensive energy industry resources including coal and the natural gas from within the Marcellus Shale.

According to a recent Penn State University Report (<http://www.pamarcellus.com/EconomicImpactsofDevelopingMarcellus.pdf>), the Marcellus Shale is the largest unconventional natural gas reserve in the world with recoverable reserves estimated to be at least 489 trillion cubic feet. In 2008, the Marcellus gas industry in Pennsylvania generated \$2.3 billion in total value added and more than 29,000 jobs. The pace of development and extraction is expected to increase and by 2020, the Marcellus Shale activity is forecast to be generating \$13.5 billion in value added and almost 175,000 jobs.

The region is also well positioned in its innovation resources as they include the National Energy Technology Laboratory (NETL), one of a handful of federal Department of Energy research centers nationwide and the only one devoted to fossil fuel research including the future of carbon capture and sequestration.

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**The Allegheny Conference on Community Development and Affiliates** – the Greater Pittsburgh Chamber of Commerce, the Pennsylvania Economy League of Southwestern Pennsylvania and the Pittsburgh Regional Alliance – work in collaboration with public and private sector partners to stimulate economic growth and improve the quality of life in southwestern Pennsylvania. Learn more at [www.alleghenyconference.org](http://www.alleghenyconference.org).

**About Innovation Works** - Innovation Works is the Ben Franklin Technology Partner (BFTP) of Southwestern PA. As one of the nation's most active investors in seed-stage technology companies, Innovation Works provides regional startups in all technology sectors with the risk capital and business mentoring they need to grow and succeed. As part of the BFTP network, Innovation Works was recently awarded \$10 million over the next five years to grow regional energy-related startups as part of the Commonwealth's Energy Independence Strategy.