

Bill Storm

From: Jamison Harker [j.harker@mchsi.com]
Sent: Monday, September 04, 2006 7:54 AM
To: Bill.Storm@state.mn.us

Dear Mr. Storm,

I am emailing you with my overwhelming opposition to the Mesaba Coal Gasification Plant. A letter to the editor in our local paper has prompted me to send this to you. I feel that the majority of people in our area are very much against this project. I am for multiple reasons. As a physician, I am concerned about the health risks; no matter how "clean" this coal plant is described as, it is adding to pollution in our area. As a taxpayer, the infrastructure to build this plant will cost an already poor area of the state much in taxes, with very minimal increases in jobs for these same people that are being taxed. Finally, as an outdoor enthusiast and sportsman, I moved here with my family to enjoy the outdoors and the relative abundance of undisturbed land in this area. This is not consistent with the building of one or multiple power plants in this region.

We do not want this here. Despite the above host of reasons to oppose, I know money is the most important issue. Were it to bring in 100's of jobs, I think the pro's outweigh the cons. Knowing the full number of permanent positions is not even 100, there is no way this contributes to the vitality of Itasca County, with no existing infrastructure in place.

Thank you for your time.

Sincerely,

Dr. Jamison Harker

No virus found in this outgoing message.

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Version: 7.1.405 / Virus Database: 268.11.7/436 - Release Date: 9/1/2006



Minnesota Center for Environmental Advocacy

The legal and scientific voice protecting and defending Minnesota's environment

MCEA 1/7

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August 29, 2006



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Bill Storm
 Minnesota Department of Commerce
 85 7th Place East, Suite 500
 St. Paul, MN 55101

**VIA FACSIMILE
 & US MAIL**

Re: Comments on Scoping EIS for Mesaba Energy Project, PUC Docket Number

Dear Mr. Storm:

I write on behalf of the Minnesota Center for Environmental Advocacy ("MCEA") with comments on the scope of the Environmental Impact Statement ("EIS") for the Mesaba Energy Project. MCEA is a Minnesota nonprofit environmental organization whose mission is to use law, science and research to preserve and protect Minnesota's natural resources, wildlife, and the health of its people. MCEA has state-wide membership. Energy policy has been an important focus of much of MCEA's work, and MCEA regularly participates in matters before the Minnesota Public Utilities Commission. Thank you for the opportunity to present comments on the scope of the EIS for the Mesaba Project.

MCEA urges the Department of Commerce to include information on the following points in the EIS for the Mesaba Project:

1. Environmental review on need and related issues.

The June 23, 2006 Scoping Document incorrectly states that "DOC energy facility permitting staff is precluded from considering issues related to the need, size or type of the facility." Nothing in the innovative energy project statute, Minn. Stat. § 216B.1694, supports the position that DOC is "precluded" from making such considerations in the context of environmental review. Indeed, the statute explicitly states that, although an innovative energy project is exempt from the requirements for a certificate of need, it is "subject to *all applicable environmental review* and permitting procedures . . ." *Id.* (emphasis added). Thus, Excelsior Energy need not obtain a certificate of need for the project, but the environmental review considerations expressed in Minnesota Rules 4410.7010 to 4410.7070 still apply.

The certificate of need requirement places a bar on new construction unless a project proponent demonstrates that "demand for electricity cannot be met more cost effectively through energy conservation and load-management measures." An exemption from this requirement means simply that an innovative energy project need not clear the initial hurdle of showing the "need." The absence of an affirmative duty on the proponents to demonstrate need, however, does not translate into a prohibition of considering need in the context of permitting and environmental decisions related to the project. To the contrary, whether the electricity from this project is needed is clearly relevant to a number of considerations public bodies will make with respect to the Mesaba Energy Project. The Public Utilities Commission ("PUC"), for example, will have to consider need in weighing whether this project is in the "public interest." Likewise, the EIS must consider the need for the electricity from this project in evaluating the social, economic and environmental impacts of the proposed project.

The Department should treat environmental review for the Mesaba Project as it would the EIS from an applicant who has not yet secured a certificate of need as set out in Minn. Rule 4410.7060. Thus, rather than providing a separate environmental report for a certificate of need proceeding, the Department should include the analysis required by Minn. Rule 4410.7035 in the siting and routing EIS.

The Department's interpretation of the certificate-of-need exemption as expressed in the Scoping Document is unnecessarily constraining. It is also contrary to the legislative charge given the Department in the siting statute, which declares that state policy is to locate power facilities in a manner "compatible with environmental preservation and *the efficient use of resources*." Minn. Stat. § 116C.53, subd. 1 (emphasis added). The statute further states that locations should be chosen to "minimize adverse human and environmental impact while insuring continuing electric power system reliability and integrity and insuring that electric energy needs are met and fulfilled in an orderly and timely fashion." *Id.* Clearly, issues related to the need for electricity generated by the proposed project are relevant to these considerations, regardless of whether an exemption to the certificate of need requirement has been granted to innovative energy projects.¹

It is significant that the Legislature provided an *exemption* from the certificate of need requirement as opposed to a legislative declaration that innovative energy projects *per se* satisfy the certificate of need requirements. An exemption is simply that: such projects are not required to get the certificate, but there is no implied finding related to need and certainly nothing that precludes considering need in the context of other considerations and decisions. That need is relevant for purposes of environmental review is supported

¹ Additionally, while the Mesaba Project seeks the regulatory benefits of the Innovative Energy Project statute, it has not yet demonstrated an entitlement to those benefits and no findings have been issued establishing that it is in fact an innovative energy project. Therefore, the Department need not be constrained by the certificate of need exemption as it applies to this project at this time.

by the EIS rule which states, in part, that when the PUC "has issued a Certificate of Need . . . the [EIS] shall not address questions of need, including size, type and timing . . ." Here, no Certificate of Need has been issued, and thus, questions of need, size, type and timing *must* be evaluated in the EIS.

Finally, Excelsior Energy, proponent of the Mesaba Project, has placed before the PUC for its consideration the issue of need for the electricity from the project. Thomas Osteraas, Excelsior's Vice President and General Counsel, for example, stated in testimony to the PUC filed June 19, 2006, that it is "urgent" for the PUC to resolve issues in its docket related to the Mesaba Project in part because of "the need for new baseload capacity to meet Minnesota's future energy demands and the fact that no other new baseload plant can be built in time." Having placed the issue of need front and center for consideration by the PUC, Excelsior could not now object to the Department's consideration of need in the EIS.

For all of these reasons, the scope of the EIS must include an evaluation of need for the electricity to be generated by the proposed project.

2. No-build alternative.

The Department of Commerce's June 23, 2006 Environmental Impact Statement Scoping Document suggests in Section 6 that the Department will not consider the no-build option. This statement is made without justification or reference to any authority. It is contrary to the purpose of an Environmental Impact Statement to narrow the scope to exclude the no-build option.

Clearly, the underlying purpose of environmental review is to identify potential environmental consequences of a proposal in order to weigh the potential benefits of the project against the negative consequences. As stressed in cases under NEPA, adequate environmental review requires consideration of a full range of viable alternatives. *Muckleshoot Indian Tribe v. U.S. Forest Service*, 177 F.3d 800, 812-13 (9th Cir. 1999). The no build alternative is important to, and required for, a full comparison of the environmental impacts as compared to the status quo – the no-build alternative provides a benchmark. *Custer County Action Association v. Garvey*, 256 F.3d 1024, 1040 (10th Cir. 1002). By limiting the scope of this EIS to exclude the no-build option, the Department is subverting the underlying purpose of environmental review. Providing information about a no-build scenario is essential because it becomes a baseline against which the environmental consequences of the proposal can be judged. The EIS must include consideration of the no-build option. *See* Minn. R. 4410.7035, subp. 1(B); *see also, e.g.*, Minn. R. 4410.2300(G) (EIS must include comparison with other reasonable alternatives, including the alternative of no action).

3. Additional alternative sites.

Excelsior Energy has submitted in its application two proposed sites, the West Range Site (near the city of Taconite) and the East Range Site (near the city of Hoyt Lakes). The East Range Site, however, is not a viable alternative and therefore should not be considered in the EIS. Instead, an additional site (or sites) must be developed for evaluation.

The East Range Site is not a viable option for Excelsior Energy's proposal because that site has been identified for use by PolyMet Mining Corporation. According to PolyMet Mining's website, it holds an exclusive option on the purchase of the site from Cliff-Erie. It is unclear whether Excelsior is proposing to build its plant adjacent to the Cliff-Erie land or if PolyMet and Excelsior would be in competition for the same parcel. In any case, it is not a viable scenario that both projects would move forward in such close proximity. Both projects would be vying for access to the limited infrastructure, and it is unrealistic for two major projects of this size to be constructed over the same period at this location.

The EIS should consider additional site(s) taking into account considerations such as access to potential sites for future carbon sequestration, access to the existing electrical grid, and proximity to Class 1 protected areas.

4. Assessment of the capture, transport, and sequestration of carbon dioxide.

The EIS should include information about the environmental impacts of (1) capturing, (2) transporting, and (3) sequestering carbon dioxide from the proposed IGCC facility.

It is widely agreed and non-controversial that the main benefit IGCC technology offers is the potential to generate energy from an abundant resource, coal, but to capture and store its carbon emissions and thereby curb the trend toward dangerous climate change.

Indeed, Excelsior Energy has touted this aspect of its proposed project in thousands of pages it has submitted in support of IGCC's "public interest benefits."² Excelsior's expert witness in the PUC proceeding, Professor Daniel Schrag, in testimony submitted to the PUC on June 19, 2006, describes the relationship between fossil fuel consumption and global climate change and the need for carbon capture and sequestration. Professor Schrag believes that coal is "an essential source of energy" for the United States and, therefore, if we are to address carbon concentrations and curb climate change, we must capture and store carbon dioxide from coal burning facilities. In describing the advantages of IGCC over older technologies, Professor Schrag states "most importantly"

² Sampling just the first few of many articles submitted by Excelsior in support of their project shows that each promotes the capture and sequestration potential of IGCC as a major benefit of the technology. See, e.g., Rosenberg, et al, "Deploying IGCC in This Decade With 3Party Covenant Financing, Vol. 1", p. 6; David and Herzog, "The Cost of Carbon Capture"; USDOE, FETC, "IGCC: Clean, affordable energy for tomorrow's world" p. 6; USDOE, NETL "Major Environmental Aspects of Gasification-Based Power Generation Technologies" p. ES-8.

IGCC plants have the potential to produce “concentrated effluent of carbon dioxide at relatively high pressures, all ready for piping to a geologic repository for storage.” The Minnesota Legislature likewise indicated in enacting the Innovative Energy Project statute that carbon capture and sequestration is an important aspect of its support for this new technology. *See* Minn. Stat. 216B.1694, subd. 2(6) (requiring project to seek funding for demonstration project for carbon sequestration).

The EIS for the Mesaba Project must evaluate the environmental impacts of carbon capture, transport and sequestration because it is an integral part of the project the PUC has been asked to evaluate. Again, Excelsior has placed the issue front and center with its submissions to the PUC. It is an assumed benefit of the proposed project and as such must be considered in environmental review. Excelsior’s air permit application, for example, states that regulation of greenhouse gas emissions is expected in the next ten years and that, as a result, the plant is being designed to be “carbon capture ready.” (Air Permit app., p. 35). Carbon capture, transport and storage are clearly “connected actions” as that term is defined in the rules. *See* Minn. R. 4410.0200, subp. 9b (connected action where “one project would directly induce the other; one project is a prerequisite for the other; or neither project is justified by itself” – here, all three definitions would be satisfied).

The EIS must address multiple issues in this regard, including but not limited to the following:

- * With regard to carbon capture:
 - * Description of the technical process
 - * Overview of existing projects that employ it
 - * Any related discharges or emissions associated with carbon capture
 - * Any known or potential risks or environmental effects
 - * Other relevant information

- * With regard to transport:
 - * Description of the technical process
 - * Transport alternatives (pipelines, truck, etc.)
 - * Possible routes and existing infrastructure
 - * Environmental consequences and potential risks
 - * Other relevant information

- * With regard to sequestration:
 - * Description of the technical process
 - * Evaluation of possible sites for sequestration
 - * Analysis of feasibility
 - * Potential environmental consequences of sequestration
 - * Other relevant information

5. Global climate change

The EIS should include a separate section detailing the environmental effects of greenhouse gas emissions. The EIS should describe the effect greenhouse gases are having on global climate, the effects of changing climate on the environment, and the consequences of the project's contributions to carbon concentrations in the atmosphere.

The Scoping Document refers to a section entitled "Air Quality and Climate" but it is unclear what the Department intends to address under this rubric. There is a scientific consensus that climate change caused by the continued increase in CO2 emissions (as will result if this project is approved) will have dangerous consequences for the natural environment. According to Excelsior's air permit application, even with carbon capture technology in place, it only would expect to capture one-third of carbon the plant emits. (p. 36) Global climate change is, in terms of potential environmental effects, among the most significant issues to review in this EIS. It should, therefore, have its own section that is well-researched, thorough and detailed.

6. Cumulative effects.

The EIS must address the cumulative effects of a number of projects in various stages of proposal or permitting on the Range in close proximity to proposed sites for the Mesaba Project. Projects that should be included in the cumulative effects analysis include, but are not limited to:

- * Minnesota Steel Industries, mining, pellet production, and steel mill
- * Polymet, mining and metal production
- * Birch Lake, sulfide mining proposal
- * Northshore Mining, increased production
- * Mesabi Nugget, mining and nugget production
- * MinnTac air violation issues
- * Pine Island and other peat mines

Environmental consequences resulting from the cumulative effects of many of these projects that must be analyzed in the EIS include, but are not limited to:

- * Visibility and air quality in Class 1 areas
- * Wetlands impacts (and the value, if any, of mitigation)
- * Water supply
- * Water quality
- * Air quality
- * Global climate change
- * Fragmentation of habitat

7. Hazardous waste disposal and transportation

Excelsior stated at the EIS scoping meeting in Taconite that its process would result in 4.5 thousand tons of ZLD salts, a hazardous substance. The EIS must discuss in detail the disposal of the hazardous waste, including a review of possible hazardous waste landfills and means of transportation from the facility to the landfill.

8. Local economy and infrastructure

The construction schedule published by Excelsior energy calls for between 800 and 1300 labors for a period of two years during construction of the proposed power plant. Taconite has a total population of 310; Hoyt Lakes has a population of approximately 2000. The EIS should evaluate the feasibility as well as the social and economic consequences of an influx and subsequent departure of approximately 1000 workers on these proposed locations. Questions in this regard include, but are not limited to, the following:

- * How many people (including families) are 1000+ construction jobs going to bring to the location?
- * Where are they likely to come from?
- * Where will they be housed?
- * Is there infrastructure to meet basic needs and deal with waste?
- * Are there sufficient services? (Schools, hospitals, etc.)
- * What effect will the completion of construction have on local communities?
- * Will county social services be strained when hundreds of temporary workers are laid off?

With regard to the "permanent" jobs Excelsior has stated will result from the project, the EIS should evaluate the extent to which the local workforce will have the necessary qualifications. Citizen comments at the EIS scoping hearing in Taconite suggested that the IGCC plant upon which the Mesaba Project is based requires workers with advanced skills and/or experience. The EIS should investigate and address this issue.

MCEA appreciates the opportunity to comment on the scope of the EIS for the Mesaba Project. Please include MCEA on future notices regarding this project. If you have questions, please feel free to contact me.

Sincerely,



Kevin Reuther
Staff Attorney

Bill Storm

From: Mike/Barb Lukens [lukamed1@msn.com]
Sent: Thursday, August 31, 2006 12:30 PM
To: Bill.Storm@state.mn.us
Subject: Mesaba Energy Project

I approve of the Mesaba Energy Project. My families livelihood may depend on it.

Michael L. Lukens

P.O.Box 221

Bovey, MN 55709-0221

lukamed1@msn.com

Bill Storm

From: likusi@marblemn.com
Sent: Thursday, August 31, 2006 11:12 AM
To: Bill.Storm@state.mn.us
Subject: Excelsior Energy Project

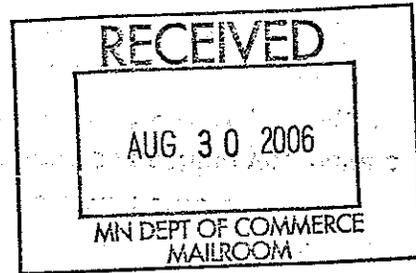
Just to let you know that we support the project that is proposed at Taconite, Mn. We have resided in Marble for 54 years and have seen many changes thru the years. We think this will be good for the economy and good for the people who need work in the area.

I worked in the mines for 29 years and had to retire because of my health at a very young age of 49. We have seen the youth leave the range because of no jobs. Maybe this will bring young families back to the area.

Leo and Inez Kusi
Marble, Mn

mail2web - Check your email from the web at <http://mail2web.com/> .

Hendricks 1/2



August 27, 2006

Bill Storm
Minnesota Department of Commerce
85 7th Place, Suite 500
St. Paul, Mn. 55101-2198

I am 100% in favor of this Mesaba Energy Plant that is proposed to be built near Taconite Minnesota. I grew up in this area when the Iron Mines were operating full strength, I have seen first hand the effect these mine closings had on our economy. I also live in Trout Lake Township near Bovey Minnesota where a big part of the opposition to this plant was instigated.

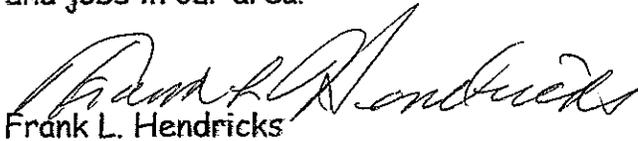
In my opinion, about 99% of the arguments presented against this Energy Plant by C.A. M. P. and others really make no sense and are based on misguided assumptions and emotions. Many of these arguments are downright laughable. It seems that if you are against something you have a tendency to scream the loudest, but if you are in favor of something, most people don't get very vociferous. Most of the thinking people that I have talked to on this project seem to be very much in favor, as they recognize that we need Industry and jobs in our area. They also recognize the spin-off effect that this project can have on our local economy.

We have an abundance of coal in the U.S.A. We also have many, many rules and regulations on emissions, both for air and water that are related to these coal fired plants. I am at present paying \$1.25 a gallon more for L.P. Gas now than I was paying 4 years ago. We cannot continually fire all of our energy plants on Natural Gas into the future and keep the prices from going out of sight for L.P. and Natural Gas, unless we open up many of the, at the present, off-limits areas of our country for oil and gas exploration. Natural Gas production, at present, cannot keep up with demand.

Franc has built approximately 50 Nuclear Power Plants in the last 25 years, we have built "0" Nuclear Power Plants. I would hate to hear what these people from C.A. M.P. would have to say if this proposed plant was to be a Nuclear Plant, which in my opinion and from what I have read on the

subject seems to be the most efficient and with the modern technology , a sensible and economical solution to our energy problems.

I do believe this Coal Fired Integrated Gasification Combined Cycle Power Generation Plant is and will prove to be cutting edge technology and should be built near Taconite Minn. If this plant and others like it can be built and proven efficient and the whole world doesn't come to an end as the naysayers seem to believe, just maybe we can use our abundance of coal and provide many more decent paying jobs to help boost our economy. I was employed at Blandin Paper Company for 33 years, retiring in 1995. In 1993 we had over 1100 employees, both salary and union, employed at Blandin. At present there are less than 300 employees at this plant. We need industry and jobs in our area!



Frank L. Hendricks
Trout Lake Township
25594 Jolanne Lane
Bovey, Minn. 55709

August 27, 2006

Bill Storm
Minnesota Department of Commerce
85 7th Place, Suite 500
St Paul, MN 55101-2198

Dear Bill:

I am a Trout Lake Township resident who **strongly opposes** the Mesaba Energy Project.

I have many concerns on the negative environmental impact it would have on our air, water, and quality of life we have today.

I do not believe the manipulative statements that officials that support this project say. They do not tell you all the facts (nor do I believe they know all the fact themselves) and also they make incorrect statements such as when this project happens **rather than if it happens.**

I do believe in economic development but not at the high cost for this project both monetarily and environmentally.

Please do not let this disaster happen, represent the people and the environment and **STOP IT FROM HAPPENING.**

Sincerely



Sherry Jokinen
25062 County Road #10
Bovey, MN 55709
adam1@2z.net
Ph# 218-245-3518

Gustafson 1/2

August 25, 2006

William Storm
State Planning Director
85 7th Place East Suite 500
St. Paul MN 55101-2198

I am requesting the following comments, requests and questions be included and incorporated into the scoping process for the proposed IGCC high risk demonstration plant to be sited in Taconite Minnesota.

Safety

The scoping process should require the applicant to produce an actual safety program for review based on the fact that the applicant has no safety history or experience in operating a high risk demonstration plant. A catastrophic incident at the proposed plant could affect the long term health and well being of local residents, and employees and could be devastating to the surrounding environment.

The applicant should be required to submit a comprehensive Emergency Action Plan that addresses Preparation, Response, Recovery and Mitigation for all potential emergencies during the construction and operational phases. The Emergency Action Plan should be reviewed and approved by Itasca County Emergency Management, State of Minnesota Office of Emergency Preparedness and Homeland Security Emergency Management.

Power Purchase Agreement

At the Scoping Meeting held in Taconite on August 22, 2006 Excelsior Energy provided several handouts to attendees. Two of these handouts contained misleading information relative to the sale of electricity generated by the proposed plant. Under the heading:

Sale of Electricity it was inferred that Excelsior Energy has a long term agreement with NSP for the purchase of electricity. It is my understanding that the Public Utilities Commission has appointed an Administrative Law Judge to preside over the Power Purchase Agreement proceedings. Excelsior Energy is misleading the public by distributing information inferring a Power Purchase Agreement is in place with NSP.

The scoping process should include an inspection of all documents submitted and distributed by Excelsior Energy to determine accuracy and truthfulness. Excelsior Energy should be held accountable for their inappropriate actions and statements.

Rail Lines Section 1 1.12.3.12D

The preferred West Range rail line route, Alternative 1A, shows no consideration to local residents when compared to Alternative 1B or the East Range Site. The Alternative 1A rail corridor would pass between Big Diamond and Dunning Lakes to within 400 feet of the nearest resident. Table 1.12-10 shows 3 residences within 1000 feet of the proposed rail corridor. Alternative 1B shows No Residences within 1000 feet of the rail line. Clearly, the choice of

Alternative 1A as the preferred route was based on monetary concerns with absolutely no consideration for the local residents. Alternative 1A will require the taking of property from individual owners by eminent domain.

Alternative 1B should be the preferred routing for the West Range Site as it would divert rail traffic away from residential properties.

Phase I and 2 IGCC Power Station Deliveries will require up to 12, 135 car unit trains per week. These trains will pass through the downtown business area of Grand Rapids. Since the tracks dissect the city, emergency response vehicles may be delayed in responding to emergencies. I request the scoping process include a detailed study and analysis of any impact these trains may have in delaying first responders. The study should include a mitigation plan, relocation of emergency services and its cost to taxpayers.

The study should be reviewed by and approved by Itasca County Emergency Management, State of Minnesota Office of Emergency Preparedness and Homeland Security Emergency Management.

The East Range Railroad Analysis in Section 1.12.3.1.2D(1)(b) page I-329, shows no residences within 1000 feet of proposed rail lines in both Alternative 1 and 2.

The East Range Site Alternative 1 would require 3.4 miles of track and Alternative 2, 3.5 miles, half of what would be required for the West Range Rail Alternatives 1A & B, which require a minimum 6.0 and 6.9 miles of newly constructed track. The East Range Site rail alternatives would be less cost to taxpayers and significantly less impact to residents. This is another example as to why the East Range Site should be the preferred site.

Receptor Notification

As an affected property owner, I am deeply disturbed by the fact that Excelsior Energy has failed to notify me or my wife of specifics regarding the distance of our residence to significant receptors identified in the application regarding transmission lines and rail road lines and modifications to existing highways and roads.

Further, the plant siting procedures are in favor of the applicant. The applicant has received large amounts of public money of which includes the cost of legal representation. On the other hand receptors are not treated equally. There are no provisions for legal assistance, and all costs of representation and technical assistance must be borne by the affected individual property owners.



Ronald P. Gustafson
PO Box 1
Bovey MN 55709

Hudek 1/4

COMMENT ON SCOPE OF ENVIRONMENTAL IMPACT STATEMENT

Here's a form to guide you in making your Comment for the record. You can hand it in today or you can send it later to the Dept. of Commerce that's preparing the Environmental Impact Statement. Comments are due by August 30, and may be sent by email to bill.storm@state.mn.us :

Bill Storm, Facilities Siting
Department of Commerce
85 - 7th Place E., Suite 500
St. Paul, MN 55101-2198

If questions: (651) 296-9535

FOR COMMENTS TO COUNT, THEY MUST BE ABOUT THE SCOPE OF THE ENVIRONMENTAL IMPACT STATEMENT, WHAT THE EIS MUST ADDRESS.

David Hudek

Name

email

6228 W Broadway Ave, Brooklyn Park, MN

55428

Address

Phone

MY COMMENT REGARDING SCOPE OF MESABA EIS:

The Environmental Impact Statement for the Mesaba project should address:

Generally:

Location of Mesaba plant site should be on a FLAT site 3 miles east on 169 - Calumet!

Infrastructure at Excelsior's designated site:

Too expensive for this.

Water use and contamination issues:

Fishing advisory updates for local lakes.

Water infrastructure issues (process water, treatment, discharge):

Discharge will have rust and chemicals and toxins - and corrosion of pipes.

Air pollution issues:

Carbon dioxide and mercury to immediate area and during adverse weather conditions.

Noise issues:

Traffic routing and impact issues:

Access to Diamond Lake homes.

See other side →

Prepared by mncoalgasplant.com - Intervenor in the Excelsior PPA proceeding at the PUC.
Info: www.mncoalgasplant.com and www.puc.state.mn.us, search eDocket for 05-1993

The Environmental Impact Statement for the Mesaba project should address:

Rail infrastructure routing and impact issues:
Loss of ATV roads, loss of business from tourists.

High voltage transmission line routing and impact issues:
Loss of private lands - many.

Gas pipeline routing and impact issues:
Safety, unsightly, road access - loss.

Lighting impact issues:
Hunting the wooded area.

Wetland impact issues:

Land use appropriateness and impact issues:
Pollution for years. Alternative is clean, cheap, fast, long-lived WIND.
Eminent domain ("Buy the Farm" Minn. Stat. §116B.63, Subd. 4 applies) for this project:

Health impact issues:
Global warming from carbon dioxide amounts!

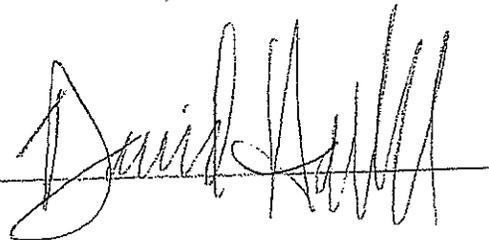
Electromagnetic field impact issues:
Not studied on this scale.

ALTERNATE SITES AND ROUTES

The Dept. of Commerce should consider the following alternate sites or routes (provide description of location including address, legal description, common place name, etc., and why site or route should be considered - include map if possible):

Date: Aug. 25, 2006

Signature: _____



Hudek 3/4

COMMENT ON SCOPE OF ENVIRONMENTAL IMPACT STATEMENT

Here's a form to guide you in making your Comment for the record. You can hand it in today or you can send it later to the Dept. of Commerce that's preparing the Environmental Impact Statement. Comments are due by August 30, and may be sent by email to bill.storm@state.mn.us :

Bill Storm, Facilities Siting
Department of Commerce
85 - 7th Place E., Suite 500
St. Paul, MN 55101-2198

If questions: (651) 296-9535

FOR COMMENTS TO COUNT, THEY MUST BE ABOUT THE SCOPE OF THE ENVIRONMENTAL IMPACT STATEMENT, WHAT THE EIS MUST ADDRESS.

David Hudek

Name

email

6228 W Broadway Ave, Brooklyn Park, MN 55428

Address

Phone

MY COMMENT REGARDING SCOPE OF MESABA EIS:

The Environmental Impact Statement for the Mesaba project should address:

Generally: NOT A RENEWABLE ENERGY SOURCE!

Infrastructure at Excelsior's designated site:

Impacting local demand for food, gas, road access, etc.

Water use and contamination issues:

Private wells by local lake (Diamond). Also, mercury pollution, home owners, rivers down-state.

Water infrastructure issues (process water, treatment, discharge):

Toxins and rust from plant and/or pipes into ecosystem!

Air pollution issues:

Coal dust from hauling coal cars, by rolling uncovered for hundreds of miles weekly through several states.

Noise issues:

The distance to local residential homes from the train cars and construction area.

Traffic routing and impact issues:

See other side →

Prepared by mncoalgasplant.com - Intervenor in the Excelsior PPA proceeding at the PUC.
Info: www.mncoalgasplant.com and www.puc.state.mn.us, search eDocket for 05-1993

Hudek 8/4

The Environmental Impact Statement for the Mesaba project should address:

Rail infrastructure routing and impact issues:
Proximity to homes on Diamond Lake. Dust from coal, tremors,
noise!

High voltage transmission line routing and impact issues:
Limits expansion from future wind projects.

Gas pipeline routing and impact issues:
Loss of access to lake roads!

Lighting impact issues:
Loss of views for land owners.

Wetland impact issues:
Construction dust, loss of bald eagle habitat.

Land use appropriateness and impact issues:
Residential property values affected.

Eminent domain ("Buy the Farm" Minn. Stat. §116B.63, Subd. 4 applies) for this project:
Eminent domain land battles in multiple counties.

Health impact issues:
Mercury and carbon dioxide into air, causing birth defects!

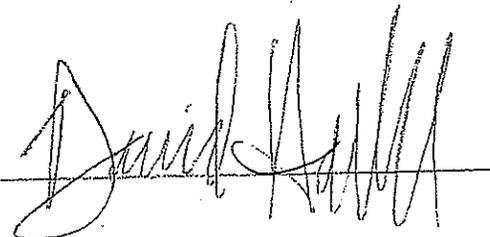
Electromagnetic field impact issues:

ALTERNATE SITES AND ROUTES

The Dept. of Commerce should consider the following alternate sites or routes (provide description of location including address, legal description, common place name, etc., and why site or route should be considered - include map if possible):

Date: Aug, 25, 2006

Signature: _____



Public Comment Sheet
Mesaba Energy Project
PUC Docket No. E6472/GS-06-668

Name:

Representing:

Herbert L. & Marion L. Bibeau

Selves

Address:

Email:

50830 County Road 137
Deer River, Mn. 56636-2128

Last night we attended an "information" session regarding the proposed coal gassification project. What we heard was an unmitigated oration of such clap trap that we can't help but wonder if Excelsior thought they were

Comment: facing a group of "Hey. Rubes."

~~As Native Americans, we are adamantly opposed to the construction of Excelsior's plant. We are keepers of the earth and water and the proposed plant will desecrate our wardship.~~

~~The people of Northern Minnesota have no need of what electricity (if any) MAY be produced and feel no obligation to supply the Cities at the expense of our health and livelihood. It has always been the case that when the Cities want, Northern Minnesota must suffer. There have been other such plants built -- smaller but on the same principle -- which have failed dismally, leaving a mess behind when they closed and which cannot be cleansed. Are we to be subjected to the same? There is no precedent for statements that there will be no "unacceptable" pollution (in our minds ONLY zero pollution is acceptable). The plant will use water from lakes and/or rivers in this area and so what happens to our fishing and hunting rights? Are we to become a desert area to satisfy some greedy unthinking corporate structure? Even one percent more mercury added to our lakes is too much. We would hate to think of our descendants having three legs, cyclops eye or some other mutation. We heard no hard facts about this project other than they want to build it regardless of consequences. It seems to us the powers that be at Excelsior have found a way of milking Government funds and will build the plant and then abandon it when (NOTE: When, not if) it proves unfeasible, leaving us holding the bag -- sick, mutated and gazing at an ugly wasteland forever polluted and unusable.~~

~~We go on record as opposing construction of such a plant. We want to maintain our lakes and earth without further pollution and devastation.~~

Please submit comments to meeting moderator or send to:

William Cole Storm
MDOC
85 7th Place East
Suite 500
St. Paul, MN 55101-2198

Email: bill.storm@state.mn.us
Voice: 651-296-9535
Fax: 651-297-7891



Bill Storm

From: Karen B [karenyb@qwest.net]
Sent: Wednesday, August 30, 2006 5:21 PM
To: Bill.Storm@state.mn.us
Subject: COMMENT ON SCOPE OF ENVIRONMENTAL IMPACT STATEMENT

COMMENT ON SCOPE OF ENVIRONMENTAL IMPACT STATEMENT

Karen Burthwick kburthwick@unionplus.net

22736 County Road, Bovey, MN 55709 218-245-2824

MY COMMENT REGARDING SCOPE OF MESABA EIS:

The Environmental Impact Statement for the Mesaba Project should address:

Generally:

Plants such as this, if determined environmentally acceptable, should be smaller scale plants placed closer to the areas of greatest need designed to reduce infrastructure impacts. Plants should not be built, when and where there is not a need for additional power. The power is not needed at the West Range site. Other power companies should not be forced to purchase power from this company.

The public must be informed well in advance of the Mesaba project; as to how much the cost will be for power generated by this plant and what the cost to the public will be for infrastructure costs.

Also, a study should be undertaken to determine if the Mesaba project could or will go into direct competition with other area providers of electricity to local and Minnesota customers. This is important as other providers could be put at risk due to an inability to compete with this highly subsidized project that is receiving millions of dollars in public monies. The potential loss of existing jobs and community tax base should be known in advance of this project.

Infrastructure at Excelsior's designated site:

The preferred site by Diamond Lake near the communities of Grand Rapids, Coleraine, Taconite, Marble, Calumet, and Bovey does not contain sufficient infrastructure to accommodate this project. For the plant itself and to provide coal, gas & other services to and from this plant will involve the taking of significant acreage from local citizens through the use of Eminent Domain to benefit a private company. This is wrong and it will be disrupting a whole way of life. This is a rural area of forest, wetlands, lakes, mine pit lakes, agriculture areas and rural homes that will forever be ruined and displaced. Snowmobile trails, biking trails, fishing and hunting areas, and wetlands will be adversely impacted and the Canisteo pit area closed to the public. The Canisteo pit is a popular fishing lake and I believe it is being stocked with Trout by the DNR. The project will adversely impact the local tourism industry. People come to Northern Minnesota to see the woods and wildlife, to fish, to hunt, to enjoy the rural area, not to see a power plant. The adverse impact on the local tourism industry and local citizens due to the huge impact this project will have should be known in advance of this project and be considered to offset any potential gain the community might obtain from the project.

Water Use and contamination issues:

The mine pits are filled with water from underground water sources as well as from rainfall. Pollution generated by this plant will dump tons of pollutants into the surrounding area every year. Contamination of underground water aquifers upon which the local cities and surrounding rural communities rely for their drinking water source will likely be contaminated from seepage. There are already fish consumption advisories in area lakes. Discharged water from this plant will reach the Mississippi and Swan River watershed, already impaired waters. Why is Excelsior required to meet more stringent guidelines for the Lake Superior watershed than this preferred site? It is not O.K. to pollute more at the preferred site just because it is cheaper to build here. The company should be required to use all current available technologies at all sites in order to reduce pollution to the greatest extent possible or preferably to eliminate all pollution. They should not be permitted to build where it is not possible to use these available technologies.

The effects of water pollution on the Mississippi River will significantly increase as the runoff from the Mesaba plant finds its way to this already impaired waterway. The current effect of the Clay Boswell plant, the UPM paper mill in Grand Rapids and other local industry will only be increased by the addition of pollution from the Mesaba plant. The combined effect of increased pollution to the Mississippi River by the Mesaba plant must be a factor when determining acceptable limit standards.

Likewise there will be added adverse impact to the Swan River, the source of which is Swan Lake by Pengilly. The over all pollution effect is compounded with the new Steel Industry project planned for north west of the city of Nashwauk. The combined effect of these projects must be factored in when determining acceptable standards for both air and water quality.

Water infrastructure issues (process water, treatment, discharge):

This project will require that significant public dollars be invested in upgrading the Bovey, Coleraine, Taconite Waste Water plant and will require that additional space be found to spread the by product of the waste treatment process. This will result in the additional loss of greenspace. Also, will a heavy metal and chemical contamination hazard be created by the influx of waste water to the waste treatment plant and will that in turn contaminate the soil on which the by product is spread?

Air Pollution issues:

The preferred site at Diamond Lake will increase the Air pollution for citizens in the immediate surrounding area. For those living South of the plant site it will mean a double dose of pollution. The prevailing winds are west-northwest. The existing Clay Boswell plant is located in Cohasset directly to the West of Grand Rapids, Bovey, Coleraine, Taconite, Marble and the rural areas south of those communities. The Mesaba project is planned for the area directly north and north east of those same communities. When determining the air pollution effect on these areas and its citizens, the combined effect of pollution from both of these plants must be taken into consideration.

High Voltage transmission line routing and impact issues:

The proposed route from north of Taconite to the Blackberry sub station would follow a new power line route. To date,

the public has not been informed of the proposed route for high voltage transmission lines after the Black Berry sub station. The added power is not needed in the area of the proposed power plant rather it is targeted for the Metro area, therefore the plant, if necessary should be built closer to the area of need in order to diminish adverse effects to the general public. Transmission lines will have to be newly built and/or upgraded to handle the additional power load and will cover most of the State from north to South. This unnecessarily exposes large segments of the states population to added health risk from high voltage, and it takes away an as yet unknown amount of privately owned acreage and properties through the use of Eminent Domain. The total impact on the public of these high voltage transmission lines and the total loss to private landowners must be factored in when making a determination on the best location for the Mesaba plants (it is understood there will be six total).

Gas Pipeline routing and impact issues:

The preferred route for the gas line runs from Blackberry Township across Trout Lake Township from South to North. It cuts right through the center of Trout Lake Township and takes an entirely new route. Upgrading of existing gas lines is not being considered. In part the reason given for taking this preferred route is that it will involve the use of Eminent Domain for only eight (8) landowners. It follows a route through the most rural and open areas of this township, predominantly farm, forest and wetland areas.

Use of existing gas line routes should be the first consideration when determining a source for natural gas. There is an abandoned gas line along Highway 169 near to and west of the City of Nashwauk that used to serve a now abounded mine. This could be extended and/or upgraded to serve the Mesaba Plant. The city of Nashwauk currently has gas service and natural gas lines serve the mine in Keewatin, just to the East of Nashwauk. If Nashwauk is going to be the provider of Natural gas to this plant or any other plant, or if the Mesaba Project puts in its own gas line, they should be required to utilize existing gas line routes in or near Nashwauk and those that already cross through Brownfield mine areas or be required to upgrade existing gas lines in the Nashwauk community. They should not be permitted to cross new areas of private properties to serve a private company. There is not a need for gas in the City of Nashwauk.

Secondly, there are two existing gas lines that already tap into the Blackberry line and which cross-parts of Grand Rapids Township to the East of Grand Rapids and part of Trout Lake Township that should be utilized and upgraded if necessary.

Thank you for considering my comments.

Date

Signature

**Swan Lake Association and Ronald R. Rich Comments and
Requests for EIS Evaluation Concerning:**

The Excelsior Energy Proposed Mesaba Energy Facility

Submitted August 30, 2006

For Comment and Request Questions or Clarification Contact:

Ronald R. Rich – Swan Lake Association Director
Mailing Address: 7008 West Shore Drive, Edina, MN 55435
Phone: 612-849-6975 Email: rrr@atmrev.com

Major Issues of Concern and Recommendations – 6 Items Total:

**1. Carbon Dioxide Emissions and Sequestration from the Proposed
Mesaba Facility**

3.1.5.3.5 Potential Carbon Capture Retrofit – Page 150-151

This section states: “The Applicant believes that some form of state or federal greenhouse gas emissions control will be imposed within the next ten years. To provide the State and consumers with a means to deal with such requirements, the Applicant will design Mesaba One and Mesaba Two to be carbon capture ready”. “The carbon capture system that the Applicant will seek to engineer on a preliminary basis can be added after the IGCC plant is in operation.” “For PRB coal, the Applicant would attempt to design facilities to capture approximately one third of the carbon (as CO₂) present in the solid IGCC feedstock.” “This capture would likely come at a decrease in capacity and an increase in heat rate of the IGCC plant.

**Combined Comments and Recommendations Concerning Carbon Capture
Equipment:**

1. Since CO₂ capture requirements within the design lifetime of the facility are acknowledged in the application, design and environmental impact assessment of CO₂ capture equipment should be required in the EIS and by the PUC.
2. When CO₂ capture is required, capturing only 1/3 of the CO₂ planned for emission will almost certainly not meet such capture requirements; most announced plans for future DOE backed IGCC plants assume a 90% CO₂ capture requirement. Therefore the proposed CO₂ capture amount is inadequate – planning and cost assumptions should be targeted at the 90% capture level.
3. CO₂ capture was used to justify the proposed facility’s substantially higher cost of electricity and such control is anticipated in the EIS to be forthcoming.

Not including the additional cost of equipment assumed required in the near term imposes unknown, even higher costs per KWh on Minnesota ratepayers than will already be imposed if this facility is constructed. The PUC is obligated to consider complete facility costs prior to approval.

4. Capturing and compressing CO₂, even from an IGCC would require a significant portion of the plant's energy output, reducing net electrical output and further increasing ratepayer costs. Most DOE estimates for carbon capture range from 10-25% of the net output of an IGCC plant and do not include the additional energy required for CO₂ transportation and sequestration. If the net power reduction is known by Excelsior Energy and not disclosed (likely given the decision to design for only a 33% capture of their CO₂ emissions), this section of the application as well as all net power output and per KWh emissions presented elsewhere in the report are purposefully misleading and need to be revised. If they are not known by Excelsior Energy the document language should state the anticipated performance penalties based on best available information. The PUC should require these disclosures and their related economics.

This same section also states: "Additionally, the Applicant has contracted with the University of North Dakota Energy and Environmental Research Center ("EERC") to assess CO₂ management options for Mesaba One and Mesaba Two. This work is part of the Plains CO₂ Reduction Partnerships, Phase II efforts EERC is conducting for DOE to validate the most promising sequestration technologies and infrastructure concepts identified during Phase I of the Program. Sink-source pairs, specific to the composition of CO₂ gas streams that can be removed from the syngas produced by Mesaba One and Mesaba Two, will be identified and ranked according to engineering, economic, and public-acceptance considerations."

Comments on Carbon Sequestration:

1. A review of this research indicates that the carbon sequestration method of most interest to Excelsior Energy is based on the amount of excess CO₂ that can be captured by natural CO₂ absorption in the land or water (with a wetland focus). Even if such sequestration had significant potential, IGCC CO₂ capture potential is not needed for this approach, since all atmospheric CO₂ (including that from conventional PC coal plants) would still be equally affected.
2. Since the global CO₂ concentration is rising faster every year, it is clear that natural "sinks" for CO₂ have been unable to absorb the massive worldwide volumes of CO₂ emitted. Permanent underground or under ocean storage of CO₂ in liquid or solid form is the only currently known method that has any prospect of maintaining atmospheric CO₂ levels at acceptable concentrations.
3. The volume of CO₂ captured by the plant (even at only 33% much less 90%) would far exceed the volume of coal shipped to the plant.
4. The proposed West Range location lies approximately 450 miles east-southeast from the nearest remotely feasible underground sequestration area (South-Central Saskatchewan). A large capacity, high pressure pipeline would need to serve that nearest area even if sufficient capacity existed.

5. Higher capacity, more viable sequestration locations with sufficient potential capacity exceed 1000 miles from the West Range plant site.
6. The East Range plant site is closer to Lake Superior which might be used for transshipment of captured CO₂ in tankers.
7. Given the energy, cost and danger of liquid or solid CO₂ transportation over the long distances both proposed sites are inappropriate for anticipated future CO₂ sequestration requirements.

Recommendation for the EIS: The PUC should require that both proposed site evaluations include the estimated energy consumption and economics of CO₂ transportation and sequestration using appropriate permanent sequestration approaches in the EIS. In addition, to indicate the financial penalty caused by the mandated siting, the PUC should also consider an economic evaluation of two alternate reference sites, one near a coal mine-mouth and one near a permanent CO₂ sequestration location.

2. Air Emissions from Proposed Flares from Mesaba Facility

3.4.1.1.3 Flares - Pages 183-184 (Plus Other Information Scattered Throughout the Submittals)

This section states: "The elevated flares for Mesaba One and Mesaba Two will be designed for a minimum 99 percent destruction efficiency for carbon monoxide and hydrogen sulfide." and that the flares are normally used only to oxidize treated syngas and natural gas combustion products during gasifier startup operations." However it also states that: "The flares will also be available to safely dispose of emergency releases from the IGCC Power Station during unplanned upset events or outages. The estimated maximum short-term and annual emission rates, based on agency guidance and equipment supplier specifications, are shown in Table 3.4-8.

Table 3.4-8 Flare Short-Term Emission Rates (Phase I and II)

Operating Mode	Emission Rate (Lb/Hr)				
	NO _x	SO ₂	CO	PM ₁₀	VOC
Normal operation ¹	0.3	0.01	2.2	0.03	0.02
Normal startup operation ²	230	370	5,350	28	21
Maximum flaring operations ³	478	2,080	11,360	60	45
Emission Rate (Tons/Year)					
Maximum Annual ⁴	26.8	24.6	572	3.4	2.6

¹Natural gas pilot, only.

²Startup flaring of syngas for two gasifiers and two flares.

³Maximum flaring capacity for two flares, based on flaring syngas production from two gasifiers for each flare and a worst case upset sulfur content of 400 ppmv in syngas.

⁴Maximum annual emission based on combustion of approximately 700 billion Btu of syngas and 136 billion Btu of natural gas during startup, plant upsets, and normal operating conditions.

Comments on Flare Operation and Emissions:

1. The E-Gas process and the syngas it forms is similar to many existing processes that use flares for "startup", "plant upsets" (i.e. problems and emergencies) and "normal operating conditions".
2. As indicated in Table 3.1.3 the anticipated syngas formula (30-40% H₂; 35-50% CO; 13-26% CO₂; 1-5% CH₄; 2-3% N₂ and Ar) at one atmosphere pressure is nearly identical to specialized heat treating and steel reducing atmospheres for which my company makes monitoring and control devices and that I have personally monitored and controlled.
3. Flares are often the single largest contributor to air emissions from such processes and the assumptions made on their use make very large differences in anticipated criteria air emissions from such processes.
4. The data presented in Table 3.4-8 indicates that the gasifier flares have the potential to be the most significant source of air emissions from the facility.
5. If the flare pilot is extinguished during an emergency or caused by an operator error the short term air emissions from the 185 foot stack may be significantly higher than indicated and could cause onsite health effects or fires and possibly offsite health risks too.
6. The air emission assumptions made are questionable and/or misleading, and in addition:
 - a. No maximum syngas flow rates through the flares are indicated during "upsets and emergencies" however the diameter of each syngas flare would apparently be 5.5 feet, capable of large flow rates. Maximum startup and emergency flow rates should be specified.
 - b. Only two gasifiers are assumed to be operating at any one time. However, if there is a problem with one of the two, flaring will likely occur in from the third during its startup. Two or three flares could be simultaneously operating in high emission startup or emergency modes.
 - c. Normal operation is assumed to emit only the combustion products of the natural gas pilot. This assumes zero flow. The proposed E-Gas reactors will operate at 400+ psi and likely will release a portion of syngas through the flare at all times. During partial power operation can be assumed (as other in other syngas systems) that an unused fraction of the gas will be vented through flare
 - d. During an emergency or a syngas vessel valve failure, large amounts of syngas could vent through the flare. According to Excelsior Energy, during emergencies, the scrubber system would not operate so non-combustible air emissions (including selenium, arsenic and mercury) would vent directly to the atmosphere without reduction or control. If the flare is extinguished, no control of any emission would take place.
 - e. A "minimum 99% destruction efficiency" for CO and H₂S is stated. Therefore CO in the syngas would range from maximums of 3,500-5,000 ppm and an undisclosed amount of H₂S would be emitted. Flare monitoring data I have measured would indicate emissions of CO would approximate 10,000 to 35,000 ppm through smaller diameter flares. There seems no basis for the "99% reduction" assumed; if there is, such data should be provided.
 - f. The majority of the facility HAPs are indicated as coming through the flares. No assumptions other than table footnotes are provided.

Recommendation for the EIS: The EIS scope should include a much more detailed assessment of syngas flare operations, performance, flow rates, planned and unanticipated syngas upsets, emergency conditions and assumed frequency, component reliability, and on and offsite effects.

3. Plant and Off-Site Safety

Plant operating safety and its potential for human and environmental impact has not been adequately considered in the application. With one exception, the applicant has included only standard (“boilerplate”) references to safety permits, construction issues, generic training and related material safety data sheets along with one reference to the CMP public access closure for “safety reasons. The exceptional reference is “Flaring of untreated syngas or other streams within the plant will only occur as an emergency safety measure during unplanned plant upsets or equipment failures.” (Section 3.1.6.5 Flare). In one location, IGCC technology combines all the safety risks and potential repair, remediation, and liability costs associated with: 1, coal transport and storage; 2, natural gas fired combustion turbine-electric power plants; 3, steam turbine-electric power plants; and 4, forced evaporative cooling systems. Problems with or failures in each of these components of an IGCC plant pose relatively known safety risks both on the plant site and to the surrounding community and environment. None of these safety risks are addressed by Excelsior Energy.

In addition, IGCC technology adds three significant but relatively unknown additional safety risks: 1, high pressure gasifiers employing both natural gas and coal slurry as fuel and pure oxygen; and 2, use of low and variable energy content syngas as a feedstock to the gas turbines; and 3, extreme technological complexity with a high probability of operational accidents. Of these three, the syngas gasifiers would appear to cause the greatest safety risk both on and off site.

Normal Operation Gasifier Risk - The proposed IGCC intends to inject pure oxygen and coal slurry directly into two of three high pressure vessels at more than 400 psig during “normal” operation at a scale much larger than has been tried before. Gas valve control or sealing failures could result in a non-explosive but sudden increase in pressure that would either blow out undisclosed but probable “rupture disks” or cracking the vessel or its piping. This “normal operation” risk would result in a sudden, high volume air emission of the most contents of the gasifier including the “normal” contents (30-40% H₂; 35-50% CO; 13-26% CO₂; 1-5% CH₄; 2-3% N₂ and Ar), most of the hazardous pollutants including mercury, and any additional combustion products from the pressure increase. The volume released would far exceed 30 times the actual volume of the gasifier (depending on the pressure relief setpoint and pose a serious on-site asphyxiation and fire hazard. Residents downwind of the facility would also be at risk, especially since the release would occur at ground level.

Startup Gasifier Risk – During startup, natural gas would apparently be used to heat the gasifier until it reaches appropriate temperatures and pressures. If the temperature in the vessel is below a critical value (at ambient pressure about 1200 Deg. F.), and if the natural gas and oxygen valve set or ignition system fails in certain ways during the heat up, unburned combustible gas can accumulate in the gasifiers that can suddenly explode. Such explosions occur often in the auto industry in heat treating furnaces that use similar (but less explosive) gas mixtures. However, because they do not operate at elevated pressures, less damage occurs. An explosion at elevated pressures in a gasifier vessel generally cannot be relieved by rupturing of a component. In this case the gasifier can potentially fracture the vessel into a number of pieces that can travel significant distances from their original location. Clearly there is significant on-site risk both to workers and other IGCC equipment. It is conceivable that smaller pieces (like bomb shrapnel) could be put offsite individuals and property at risk too.

Rich 6/12

Emergency Gasifier Risk – It is not specified by Excelsior Energy what constitutes an “emergency”. However, because Excelsior Energy chooses to address only this risk in the joint application there must be other situations or combinations of situations more serious than that described above for which “Flaring of untreated syngas or other streams within the plant will only occur as an emergency safety measure during unplanned plant upsets or equipment failures.” In any event, such emergencies may or may not be served by flaring untreated syngas (especially if a flare or its associated valving is itself part of the failure).

This is one example of the kind of risk assessment that should be part of the EIS. Others should also be included. According to the IGCC industry itself:

- “• The most unpredictable startup activities concern shakedown of (the syngas) gasifier and gas processing systems and initial operation of the gas turbines on syngas. Early ASU startup and startup of the power block on natural gas ensure they stay off the critical patch (intended word path?).
- The integrated plant controls including the gasifier safety shutdown and control systems must be thoroughly checked prior to first syngas production. Small programming glitches can significantly delay startup because of the time needed to prepare for each gasifier light-off.”*

* IGCC - The Challenges of Integration
Robert F. Geosits and Lee A. Schmoer
Bechtel Corporation, 3000 Post Oak Blvd., Houston, TX 77056-6503
Proceedings of GT2005
ASME Turbo Expo 2005: Power for Land, Sea and Air
June 6-9, 2005 Reno-Tahoe, Nevada, USA

The same team (ConocoPhillips, Fluor and Siemens) that is supposed to provide design, construction and operational expertise to the Mesaba Power facility attended an IGCC “risk” symposium sponsored by the DOE in 2004. This presentation compared the IGCC risks (technological, regulatory and economic) to those posed by nuclear power and concluded that electric power utilities believed nuclear power plants posed less risk.**

**Climate VISION Risk Framework for Advanced Clean Coal Plants Risks & Challenges
David Berg, Chief Advisor, DOE Policy Office
Presentation to Roundtable on Deploying Advanced Clean Coal Plants
July 29, 2004, Washington, DC

This document provides a framework to address safety and economic risk issues and could be used by Excelsior Energy to more properly evaluate the missing safety information. Accordingly, I have attached it to my comments and it should be considered a part of this submittal.

Recommendation for the EIS: The PUC should consider both known and potential safety and related environmental risks of the proposed plant in the EIS. Particularly, the EIS should reflect the potential safety and environmental risks posed by the three proposed syngas gasifiers and all proposed safety measures to mitigate their potential problems. Site selection criteria should favor that location with the least potential for accidental harm to the surrounding people and property and the least over all on and off-site environmental impact.

4. Evaporative (Wet) Cooling Tower and ZLD Air Emissions

Excelsior Energy proposes to discharge water vapor and chemicals to the air through its use of evaporative (wet) cooling towers and evaporation from its ZLD system(s). Based on the inconsistent and incomplete data provided in the following tables:

Table 3.6-6
Water Appropriation Requirements

Phase	West Range IGCC Power Station		East Range IGCC Power Station	
	Average Annual Appropriation (GPM)	Peak Appropriation (GPM)	Average Annual Appropriation (GPM)	Peak Appropriation (GPM)
Mesaba One	4,000 ^a -4,400 ^b	6,500	3,700 ^a	5,000
Mesaba One & Two	8,800 ^b -10,300 ^c	15,200	7,400 ^a	10,000

^aBased on 8 COC in the gasification island and the power block cooling towers

^bBased on 5 COC in the gasification island and the power block cooling towers

^cBased on 3 COC in the gasification island and the power block cooling towers

Page 271

Table 2.7-4 Quantitative Comparison of Environmental-Related Attributes at West and East Range Sites

	Mesaba One and Mesaba Two Air Emissions ¹ (Tons Per Year; Hg in lbs/yr)				Hg/AWh (g-yr) ²	Class I Visibility (Days > 10% Impact) (BWCAD)	Protected Waters Crossed Proposed (WPH)	Protected Waters Crossed Proposed (Natural Gas Pipeline)	Protected Waters Crossed Water Pipelines	Average Water Appropriation (GPM) ³	Cooling Tower Blowdown Discharge (GPM) ⁴	ZLD Filter Cake Solid Waste (TPY)
	SO ₂	NO _x	PM ₁₀	Hg ⁵								
West Range	1390	2672	495	54	2016(SB) 1831(B)	15	1	2	3	1100(I) 10300(FI)	390(I) 3500(FI)	1100(GI)
East Range	1390	2672	709	54	>2016(SB) >1831(B)	69	20	12	5	7,400	0	1100(GI) <24500(FI)

1 Figures provided represent stack and fugitive emissions of criteria pollutants assuming 100% capacity factor (sulfur dioxide, nitrogen oxides, volatile organic compounds, and particulate matter are included in totals). See Application for Part 70/New Source Review Construction Authorization attached as Appendix 5 for basis of estimate.

2 Mercury emissions from stack emission points represent peak annual emissions accepted as permit limit.

3 SB= Subbituminous Coal; B= Bituminous Coal; East Range Site with ZLD will have lower efficiency and higher emissions per MWh.

4 Visibility based on Calpuff Method 2, 1992 Met.Data.

5 I = Phase I; II = Phase I + II.

6 I = Phase I; II = Phase I + II; East Range ZLD eliminates discharge of cooling tower blowdown.

7 Fuel dependent: GI = Gasification Island; FB = Power Block (i.e., eliminating cooling tower blowdown).

Page 134

Rich 8/12

Table 3.4-17
Estimated Wastewater Discharge Rates To West Range Site Receiving Waters

	Cycles of Concentration	Peak Discharge (GPM)	Average Annual Discharge (GPM)
I	5	1,300	530-900
I and II	3	5,140	2,200-3,500

Page 208, and

Table 3.4-18 Wastewater Discharge Rate From Systems In The Phase I IGCC Power Station

Wastewater Component	Cycles of Conc.	Expected Discharge (GPM)	
		Ann. Avg.	Peak
Power Block Cooling Tower Blowdown	8	335	498
HRSG Demineralizer /RO Reject Water*	8	15	15
HRSG Blowdown*	8	17	17
Gasifier/ASU Cooling Tower Blowdown	8	140	309
Plant Service Water	8	45	45
Mixed Bed Polisher Regen./Backwash	8	15	15
Power Block Cooling Tower Blowdown	5	585	873
HRSG Demineralizer /RO Reject Water*	5	15	15
HRSG Blowdown*	5	17	17
Gasifier/ASU Cooling Tower Blowdown	5	245	359
Plant Service Water	5	45	45
Mixed Bed Polisher Regen./Backwash	5	15	15
Power Block Cooling Tower Blowdown	3	1,180	1,730
HRSG Demineralizer /RO Reject Water*	3	15	15
HRSG Blowdown*	3	17	17
Gasifier/ASU Cooling Tower Blowdown	3	494	732
Plant Service Water	3	45	45
Mixed Bed Polisher Regen./Backwash	3	15	15

*The HRSG Demineralizer/RO Reject Water stream and HRSG Blowdown stream both discharge directly to the Power Block Cooling Tower and, therefore, would be reflected in the discharge from the Power Block Cooling Tower. For example, the average annual discharge from the IGCC Power Station assuming 8 cycles of concentration would be 535 gpm (335+140+45+15), not 567 (335+15+17+140+45+15).

Page 210

The Mesaba I and II combined facility proposes to evaporate somewhere between 5,000 and 10,000 gallons of water per day. The vast majority of the evaporation is assumed to be through the "gasifier/ASU" and "power block" evaporative cooling towers.

Especially during cold winters, but also occurring year round during more humid periods, the water vapor often forms a significant continuous cloud of water vapor and mist that can continue downwind of the cooling tower for several miles. Within a mile or two of the facility, the evaporated water can also produce a ground fog at the ground level and extending upward for several hundred feet.

In addition to the obstruction of view this water vapor causes, this cloud can condense and form a slippery layer that in the winter can freeze and build up ice on homes, walkways and streets and pose a danger to nearby residences.

Rich 9/12

Evaporative cooling towers always emit more than water. The upward flow of the air inside these towers mix pick up (entrain) small droplets of water containing any of the chemicals and organisms that are added to, or come from the water source being used or form as a result of chemical or biological reactions in the tower. An example chemical is chlorine. An example organism that forms in warm weather causes "legionnaires' disease". As the droplets evaporate, there diameter reduces, they are carried further and they can penetrate far into lungs. This tendency increases health risks of individuals several miles downwind of the discharge point. These particles also can significantly add to the facility's PM₁₀ and PM_{2.5} air emissions. These emissions do not appear to have been considered by Excelsior Energy. In fact none of the cooling tower emission, health and visual obstruction concerns seems to have been considered at all.

Excelsior proposes to consume the following chemicals that may evaporate or become entrained in the as a cooling tower air emission:

Table 3.4-19 Chemical Additives Used Per Year (Phase I and II)

Chemical	Point(s) Of Introduction	Estimated Usage (lbs/Year)	Estimated Residual In Discharge	Basis, % In Discharge
Scale Dispersant	Cooling Towers	75,000	750	1%
Corrosion Inhibitor	Cooling Towers	300,000	3000	1%
Dechlorination - Sodium bisulfite	Cooling Tower Blowdown Strip, Reverse Osmosis System	15,000 7500	150 75	1%
Oxygen Scavenger	Boiler Feed Water	6600	66	1%
Condensate Corrosion Inhibitor-Neutralizing Amine	Boiler Feed Water	1200	22	1%
Chlorination - Sodium Hypochlorite	Cooling Towers	300,000	1500	0.5%
pH control-93% Sulfuric acid	Cooling Towers, Reverse Osmosis, Mixed Bed	16,000 3000 11,000	36 6 22	0.2%
Sodium Hydroxide	Mixed Bed regeneration	11,000	0	(totally neutralized)
Scale and Corrosion inhibitor	Boiler/HRSG	15,000	150	1%
Anti-Sealant	Reverse Osmosis, Deionizer	150 300	2 3	1%
Non-Oxidizing Biocide	Cooling Towers	11,000	22	0.2%

Page 211

The majority would be used in the cooling towers, and a significant fraction could be discharged to the air in vapor or mist form. The chemicals include significant quantities of unspecified "non-oxidizing biocide", "corrosion inhibitor", and "scale dispersant" as well as sodium hypochlorite (bleach) and sulfuric acid. The table indicates that only 1% or less of these chemicals will be discharged in wastewater. The remaining portions would therefore leave the facility as hazardous or solid waste or as an undisclosed air emission. No mention is made of the fraction of dissolved solids in the naturally occurring water that would also be discharged. This information is not disclosed, nor their effects considered.

There are alternative cooling technologies (such as use of a mine pit heat exchanger, dry cooling towers, natural draft evaporative towers and combination cooling systems) that can mitigate this risk. Some are even more energy efficient and may be more cost effective than the proposed cooling approach.

Rich 10/12

Recommendations for the EIS: Quantify and evaluate the air emissions, visual impairment, and health effects from the proposed cooling tower systems and ZLD system(s) in the EIS. Account for the impaired visibility and nuisance factors caused by winter operation, and estimate the distance the cloud plume will extend during times of inversions. Evaluate cooling alternatives that have less environmental and health impacts even if they have somewhat higher capital costs.

5. Cooling Water Blowdown ZLD

3.1.6.3.2 Elimination of Cooling Tower Blowdown: East Range Site – Page 158

This section states: “Stringent conditions applying to discharges of mercury in the Lake Superior Basin watershed make it necessary for the East Range IGCC Power Station to eliminate all direct wastewater discharges to receiving waters...” and this section states:

3.4.2 Water Effluents – Pages 199-200

“The allowable quantity and concentration of chemical species in wastewater discharges from the IGCC Power Station are dependent in large part on the characteristics of potential receiving waters in the Project’s vicinity. In the case of the West Range and East Range Sites, the receiving waters are located in different watershed basins that have greatly different water quality criteria. Importantly with respect to wastewater discharges, the East Range Site is located within the Lake Superior Basin watershed, and the standards that apply to discharges of bioaccumulative chemicals of concern (“BCCs”) in that basin effectively preclude discharges of cooling tower blowdown from Mesaba One and Mesaba Two. The reason for such discharge prohibitions is that mercury – a BCC – is found in the source waters for the East Range Site at concentrations nearly equal to the water quality criteria standard applied to end-of-the-pipe discharges.”

A primary reason the West Range “Greenfield” site is favored over the East Range “Brownfield” site is that the high surface water mercury levels at the East Range Site require a ZLD and the cost and power efficiency loss supposedly caused by addition of a ZLD system is too great. The application does not consider that the mercury removal technology (reverse osmosis, ion exchange and activated carbon among others) can reduce the high surface water mercury levels before use possibly eliminating the need for the ZLD. The application also does not acknowledge that there is a strong likelihood that mercury, selenium and arsenic wastewater discharge limits will be reduced in the region of the West Range site in the near future.

Not considering mercury removal technology for the East Range site or a ZLD system for the West Range site is limiting, shortsighted and inappropriately and unfairly skews the site location decision. Given the low flows likely available to dilute these discharges (see Cumulative Impacts), a ZLD system will likely be required for the West Range site anyway. In addition (see cooling tower air Emissions comments), alternative, closed loop cooling systems are available that may have less impact on both the operating cost and the ZLD need.

Rich 11/12

Recommendations for the EIS: Evaluate alternative feed water mercury removal technologies, consider alternative condensate cooling options and/or require that a ZLD be installed at the West Range site.

6. Cumulative Effects of Mesaba Power and Minnesota Steel

Neither Excelsior Energy nor Minnesota Steel Industries (MSI) has considered the combined environmental and health effects of both proposals if the West Range site is selected by for the Mesaba Power facility. While both companies claim to be aware of each other and even though MSI is further ahead in their EIS process, Excelsior has not mentioned MSI environmental or resource use issues in any of its submittals.

Since “cumulative effects” are required to be included under Minnesota rules in each EIS, the lack of any meaningful cumulative effect analysis would call into question the validity of both EIS findings if not properly addressed. A map showing both proposed facilities and their boundaries would look about like this:



MSI proposes to construct a large steel-making facility that uses conventional and “commercially available” mining, ore, and metals processing technologies. Their unfortunate but professed intent to use “proven” technologies all but assures significant air, water and solid waste discharge impacts that make many of Excelsior’s environmental discharge assessments invalid.

The most chemicals proposed for discharge to the air and water by MSI are identical to those proposed by Mesaba Power for the West Range site. Both proposed projects will also discharge to the same regional ambient air, and require significant revision of the West Site portion of the application.

MSI proposes to significantly impact water and land resources in the area of Swan Lake and Swan River as well as the health and safety of the people living in and around the Swan Lake watershed

Rich 12/12

area. According to their draft EAW documents, MSI proposes to consume from and discharge to many of the same surface waters that Excelsior proposes for the Mesaba Energy West Site. If Excelsior locates Mesaba Power at the West Range site (also in the same watershed) there can be no question that the surface and ground water resource availability, quality and impact assumptions used by Excelsior in its application for the West Range site are incorrect and need to be completely revised. In addition, MSI proposes to so much surface water from the region that the DNR (supposedly) commissioned an impact assessment study for the Swan Lake and Swan River. This study is due for September release, changing Excelsior Energy's West Site assumptions further.

Excelsior mentions MSI only in conjunction with roads and natural gas pipelines. Yet the eastern boundary of Mesaba West Site and the western boundary of Minnesota Steel as currently proposed nearly join north of Marble.

The DNR refused the request made by the Swan Lake Association (and separately by me) to include significant cumulative effects of Excelsior's West Site. However, the MSI EIS draft (initiated prior to Mesaba Energy) has now been delayed until December (from August) so such inclusion might still be possible.

Recommendation for the EIS: Revise all of Excelsior's assumed air and water quality, surface and ground water resources and include cumulative off-site health effects based on the assumption that the MSI is constructed as they propose. Then, reevaluate the proposed West Range site overall costs and operating economics to reflect the MSI presence. Otherwise remove the West Range site from further consideration in the EIS.

Wood 1/2

Bill Storm

From: Bobbie [bobbie@norridist.com]
Sent: Wednesday, August 30, 2006 2:56 PM
To: Bill.Storm@state.mn.us
Subject: re: Mesaba EIS

My comments regarding scope of Mesaba EIS:

The Environmental Impact Statement for the Mesaba project should address the following issues:

Does Excelsior Energy's designated site have adequate infrastructure? The initial legislation stated that the plant would be built upon a Brownfield site using existing infrastructure. Why has that changed to a Greenfield?

How will the electricity be able to be delivered to the Excel Territory? Is there a need for this additional power and how will this potential power effect the stability in the current power grid?

Who will be picking up the cost of this project if it fails? How can the project go forward if the FEDERAL DEPARTMENT OF ENERGY has stated that, "The Financial Risk associated with this technology demonstration is, in general, too high for the private sector to assume in the absence of strong incentives"?

Will the water use from the Canisteo and Hill Annex pits be subjected to contamination, and if so how?

Will the water infrastructure, processes water, treatment or discharge, be subjected to the environmental protection Laws?
The Department of Energy, in 10/5/05 Federal Register, refers to this project as a "HIGH RISK DEMONSTRATION PLANT".
The planned discharge levels were not acceptable for Hoyt Lakes-St.Louis County, why should they be accepted in Itasca County?

How will the discharge water be treated so that it will not "routinely violate" its water permits, as did the sister plant in Wabash River? Is the proposed discharged water for the Swan River and Mississippi Rivers watershed? These two rivers are on the MINNESOTA'S IMPAIRED WATER'S list. How will this affect these two rivers when selenium, cyanide and occasionally arsenic are released?

How will this impact the wetlands located in the proposed site? Doesn't the Wetland Conservation Act and Environmental Protection Laws protect this Minnesota wetland.

How will the wildlife in the area be affected? The American Bald Eagle is on the Endangered Species Act of 1973, Bald Eagle Protection Act of 1940, Migratory Bird Treaty Act of 1917 and the Lacey Act. There are American Bald Eagles that live, nest, breed, and hunt on the Canisteo Mine Pit, Hill Annex Mine Pit, Swan River, Mississippi River, Trout Lake, Hill Lake and Diamond Lake. Will Excelsior Follow these rules and not disrupt, poison or displace these eagles?

How will the American Indian Treaty of 1837-7 Stat. 537-App.541 (Letter from Meritt to Hammitt, Dec. 14, 1925), the 1855 Treaty Journal be followed? If the water sources become contaminated how will this effect the American Indians right?

Will the Air Pollution from Excelsior Energy cause health problems? Will it follow the Clean Air Act Laws? Mesaba I and 2 will result in over 5000 tons of pollutants for Itasca County Each Year. How will this effect the people that live next door to it with ambient air concentrations of mercury being 2.3 times higher? Mesaba 1 and 2 will emit up to 54lbs of mercury per year. The Mercury Impact Reduction bill is to remove one-third of mercury emissions in the state by 2015. Will Excelsior be following this?

How will the noise from the operation of the Mesaba plant, traffic to and from the plant, railroad operations affect the area?

Wood 2/2

How will the Gas Pipeline route impact the people and animals who live by? What will be the adverse effects to the environment and area people if there is a gas leak?

How will the Electromagnetic Field from the High Voltage Transmission lines effect the people and animals that live in the area. Will Excelsior Energy honor the "Buy the Farm" Minn. Stat. 116B.63, Subd.4, for the people in the transmissions line field and how will people know if they fall in the guidelines for this law. Will they be told and keep up to date?

Signed

Roberta Wood
13 Driftwood Drive
Virginia MN 55792
218-749-2318

August 28, 2006

Attn: Mr. Bill Storm,

I am writing to express my opposition to the proposed Coal Gasification plant. As a resident of Itasca County, and as someone who cares about this beautiful Northland, and the environment I cannot support a Billion Dollar project that will create 100 jobs and endanger our air and water. This tells me that each job will cost us about \$1,000,000 per job, and an undetermined amount to our quality of life. Now where is the rationale in that?

As we have learned from the Eastern Iron Range, they are opposed for the same reason that many of us are. The difference with our area is so much of this planning has been done in secrecy, or with last minute notice. An example is this letter with our local newspaper gave us three days to get in.

Many local residence who value our community, wildlife and way of living find this to be a shortsighted way of creating jobs. There are so many things we can do in the area of renewable energy. Excel Energy currently has one of the dirtiest coal plants in the State located right here in Itasca County.

The citizen of Northern Minnesota deserve the respect from this company which are choking out our fish and Lakes. Give us the facts. What are the real costs? What will it look like above ground and under ground. How will the coal arrive and how with that affect us.

Let keep the Coal plants where the coal is, and where the beautiful pristine lake of Northern Minnesota are not.

I am 85 years old, and I have seen this area devastated by mining, and I am so grateful for the comeback. Please let's not do anything to hurt this area again. I live on Caribou Lake, which is the clearest lake in Minnesota, but just a few miles north of this proposed plant. I may not live to see this plant built, by my children and my grandchildren will and I will fight to my death to try to prevent this area from being destroyed by a few men's short sightedness.

Sincerely,



June Landin

Buckhorn on Caribou Lake Resort

August 24, 2006

Bill Storm
MN Dept. of Commerce
85 7th Place, Suite 500
St. Paul, MN 55101-2198

Mr. Storm,

I attended the EIS scoping meeting in Taconite, MN on August 22nd. Here are additional comments that I would like added for the record.

Respectfully submitted,
Amanda Nesheim

1) I am formally requesting the Certificate of Need exemption for Excelsior Energy concerning the Mesaba Energy Project be reversed. I demand this action be taken because there are too many issues that need to be addressed and haven't been because of the exemption. I do not believe that there can be a "Full Review Process" without the Certificate of Need checks and balances in place.

2) I am also requesting a full review be made on how many jobs will be lost to those directly and indirectly involved in the tourist trade. I believe that families, hunters, fishermen, etc. will no longer come here after they find that the environment has been polluted to the point where it affects their health. How many small businesses will go under because of the lack of tourist dollars? How many full and part-time employees will be "let go" because small businesses won't have the resources to pay them? And how does this weigh in with the proposed jobs to be created from the Mesaba Energy Project?

3) The issue of light pollution also needs to be addressed. These plants are going to be lit up like Christmas trees. What affect on our night skies is the Mesaba Energy Project going to have? And how is Excelsior Energy planning on preventing this?

4) What overall affect is the Mesaba Energy Project going to have on the quality of life for the northland community? I truly don't believe our quality of life will be enhanced by this project. The overall impacts on our health, environment, and financial risks to all Minnesotans far outweigh the handful of part-time and full-time jobs that this project will bring.

5) Lastly, and I do not say this lightly and regret that it has to be stated at all, Excelsior Energy and each of its backers, including the politicians on both county and state levels, should be fully investigated as to their ties to Enron Corporation and the market manipulation before one dime is given to proceed with this project.

247 7891

Bill Storm

To: Minnesota Department of Commerce.

Attn: Bill Storm

Most of us have chosen to live in northern Minnesota because we love the lakes, wilderness, fresh air, and quality of life. Or maybe you were born and raised here, this is where friends and family live and you stay because you love the lifestyle. We continue to live here even though we can't find the high paying jobs we could find in larger cities. We put up with this and the long winters so we can fish and swim in our crystal clear lakes in the summer. The down side of this area has been lack of employment, as we saw a few years ago with the huge layoff of so many from Blandin.

Now we have an opportunity of creating 100 new jobs with the construction of the Coal Gasification plant in Taconite. As we read in a recent issue of the Herald Review, our local Senators and State Reps are excited about it, so much so that they're willing to give a big tax break to Excel Energy if they build in Itasca County.

As a business owner and employer, I believe a decent paying job is the most important thing you can give anyone, but I also believe we must ask ourselves some very serious question before we jump on this coal gasification project.

We should first ask to be provided with more information on the impact of this project.

Since the Herald Review is the place where we get our local news and information, let's ask them to keep us informed. Here are a few things we would like to know concerning this proposed project: *Now I ask you Bill:*

What will this plant look like above ground and what will it look like under ground?

Where will we sell the electricity, and how will we get it to where it's going?

It is said that to fuel this plant, one mile of train cars filled with coal will pass through Grand Rapids each day. Is this true?

The cost to build one coal gasification plant is between 1.5 and 2 billion dollars. As noted by the United Press article, published March 8, 2006, stating that the propose plant is new technology, and Coal Gasification produces two to three times the amount of Carbon dioxide, the gas most identified with global warming.

How will this affect our lakes and our fish population?

What is the cost for each job created?

Have we ever looked at investing in renewable energy, such as placing wind generators on the top of little man made mountains across the iron range, and how many jobs and kilowatts could we create with this option?

Experts are telling us that there will soon be strong regulation on carbon dioxide emissions. Is this why the people we send to Saint Paul and Washington are such a hurry to push this through?

I have been amazed how few people from this area are even aware of this project. I noticed from this last week's paper that although it made the front page it was masked with an unassuming name with as little information as possible.

As a community that already relies on a coal plant for many of our jobs it is easy for us to imagine 100 more jobs created in the same way, and welcome it. But I would expect more from the independent nature of those who have chosen this county of 1000 lakes as their home. I believe we care about our community in the same way we care about our children. And before we would let anything come in which could harm the health of either one we would ask some very serious questions.

As a community, let's try to visualize something we haven't seen before. Maybe if we set our sites to wind rather than coal we can create jobs while continuing to make Itasca County a unique and beautiful place to live. A place where our children can eat the fish from our lakes as often as they like.

Remember, Water will be to the 21st Century what Oil was to the 20th Century.

Peg Lanidn

Grand Rapid / Marcell Mn.

Bill Storm

From: Earl Currie [ejcurrie@hotmail.com]
Sent: Wednesday, August 30, 2006 1:48 PM
To: Bill.Storm@state.mn.us
Subject: scoping comments, Meaaba Energy project

To: Bill Storm

Re: opportunity for public comment on the scope of the EIS required for the Mesaba Energy project

Following are areas of concern that I believe should be covered in preparation of the EIS:

1. It would seem much more sensible and responsible for this project to be built on a site such as the proposed Hoyt Lakes site, since it already has been desecrated by the works of mine, i.e., its having been the site of major mining and taconite production. With such a choice site available, we should not be promoting the desecration of forested, non-industrialized sites such as the one proposed near Bovey.
2. Already, we live close to the power plant at Cohasset, said to be among the very worst polluting plants of its type in the country. It is irresponsible to add a facility that will generate even more mercury and other pollutants that will go into our lakes, and contaminate the fish. At the very least, we need to be informed of what if any programs can be established to reduce the contamination coming out of the Cohasset plant, and at least, offset the "new" pollution that would be coming out of the Mesaba Energy facility.
3. How much will the level of the water in the Canisteo pit go down if the Mesaba Plant draws on it for its water supply? Will it be enough to remove the danger of flooding and damage that will occur in Bovey and neighboring communities in the next few years, if nothing else is done to prevent it?
4. It is said the site near Bovey is preferable to the one at Hoyt Lakes due to the availability of service from two railroad companies, rather than one. That is not likely to be the case, as the mines that will furnish the coal are located on either the BNSF Railway or the Union Pacific Railroad, in Wyoming. The alternate railroad that operates close to Bovey (Canadian National) has no access to the mines in Wyoming. The only coal mines served by Canadian National are mines in southern Illinois that produce high sulphur, high pollution coal, that is scarcely used any longer, for any purpose, at least not by electric power plants. In reality, the Bovey site will be served by only one railroad, not two, as claimed by the proponents of the Mesaba Plant.
5. Due to the high water in the Canisteo pit, the former DM&IR Railroad (now owned by Canadian National) had to take its line out of service several years ago. It should be noted that the BNSF Railway has a contract allowing it to operate its trains over this line. Until it was taken out of service, BNSF operated its taconite trains over this line. The shortest, and lowest cost route for delivering coal to the plant proposed near Bovey, would be on this line. However, the line cannot be restored to service until the problem of the high water that is eating away at the embankment has been resolved. Until it is, if ever, the coal would have to move on a much less direct and more costly route, via Brookston and Kelly Lake. That will raise the costs of delivering coal, and cause more diesel fuel to be consumed, all of which leads to more pollution. It is essential, therefore, that a determination be made of the cost and feasibility of restoring the line that is now out of service.
6. How much more blight on the landscape will be created when eminent domain is applied to land that will be needed (in the form of an easement or other means) for the new railroad spur needed to access the plant, and for new transmission lines? It is of great concern that property will have to be taken in support of a development whose product (electricity) is not even needed in the area where the plant would be located. Further, the electricity is not even needed by Excel Energy, the company to which the output from the new plant would be delivered.

7. The overall justification for approving construction of this plant needs to be examined. Why should the taxpayers have to bear the ultimate responsibility for financing it, through guarantee of loans by the federal government? If there were any economic justification or need for the plant, the private sector would be leaping at the opportunity to finance it. If the plant were to go bankrupt, the taxpayers would have to continue to make payments on the debt, just as the City of Duluth is doing on the facility built for Northwest Airlines several years ago. It has become obvious that facility never was needed in the first place. Once Northwest got into trouble financially, one of the first moves it made was to cease its operations in that facility. The strike had nothing to do with that decision. If Northwest had needed that facility, it would have put replacement workers in it. The same kind of problem would occur if the Mesaba facility would get into financial difficulty--it would be shut down and we would have to make the payments on the debt.

8. Finally, the technology for coal gasification has not yet been refined sufficiently to make it reliable, or even workable. In time, the immediate, continuing problems may get worked out, and such plants will become viable. The fact that this technology continues to be fraught with problems, is a major part of the reason for the private sector's unwillingness to finance the plant without guarantees by the taxpayers. It is over 30 years since a coal gasification plant was built in North Dakota. It is my understanding that plant is not operating as it should. The same is true of another such facility near Terre Haute, Indiana. Why blight our landscape for a plant that will be based on technology having technical problems that have gone on for such a long time?

I trust your organization will include the above issues in the process of review and analysis it has underway.

Earl J. Currie
20723 N. Shallow Lake Road
Warba, MN 55793

Bill Storm

From: peggy mik [punkin1263@yahoo.com]
Sent: Wednesday, August 30, 2006 12:42 PM
To: Bill.Storm@state.mn.us
Subject: Mesaba EIS

Peggy Mikulich
31698 Scenic Hwy.
Bovey, MN. 55709
218-245-2266

My comments regarding scope of Mesaba EIS:

The Environmental Impact Statement for the Mesaba project should address the following issues:

Does Excelsior Energy's designated site have adequate infrastructure? The initial legislation stated that the plant would be built upon a brownfield sit using existing infrastructure why has that changed to a greenfield?

How will the electricity be able to be delivered to the Excel territory, is there a need for this additional power and how will this potential power effect the stability in the current power grid?

Who will be picking up the cost of this project if it fails? How can the project go forward,if the Federal Department of Energy has stated that "the financial risk associated with this technology demonstration is, in general, too high for the private sector to assume in the absence of strong incentives"?

Will the water use from the Canisteo and Hill Annex pits subjected to contamination and if so how?

Will the water infrastructure such as processes water, treatment, discharge, be subjected to the environmental protection laws? The Department of Energy, in 10/5/05 Federal Register, refers to this project as a "high risk demonstration plant" If the planned discharge levels are not acceptable for Hoyt Lakes, why should they be accepted in Itasca County?

How will the discharge water be treated so that it will not "routinely violate" its water permits as did the sister plant in Wabash River? Is the proposed discharged water for the Swan River and Mississippi watershed? If so, these two rivers are on the Minnesota's Impaired Water's list how will that affect these two rivers when selenium, cyanide and occasionally arsenic are released?

How will this impact the wetlands located in the proposed site? Do not Wetlands Regulations in Minnesota, Wetland Conservation Act, and Environmental Protection Laws protect these lands?

How will the wildlife in the area be affected? The American Bald Eagle is on the Endangered Species Act of 1973, Bald Eagle Protection Act of 1940, Migratory Bird Treaty Act of 1918 and The Lacey Act. How will Excelsior follow these rules? There are American Bald Eagles that live, nest, breed, and hunt on the Canisteo Mine pit, Hill Annex Mine pit, Swan River, Mississippi River, Trout Lake, Hill Lake, Diamond Lake, how will Excelsior not disrupt, poison or displace these eagles?

How will the American Indian Treaty of 1837- 7 Stat. 537-App.541 (Letter from Meritt to Hammitt, Dec. 14, 1925), the 1855 Treaty Journal be followed? If the water sources become contaminated how will this effect the American Indians rights?

Will the Air pollution from Excelsior Energy cause health problems, will it follow the Clean Air Act laws? Mesaba 1

and 2 will result in over 5000 tons of pollutants for Itasca County each year. How will this effect the people that live right next door to it with ambient air concentrations of mercury being 2.3 times higher? Mesaba 1 and 2 will emit up to 54 lbs. of mercury per year. The Mercury Impact Reduction bill is touted to remove one-third of mercury emissions in the state by 2015 how is Excelsior following that?

How will the noise from operation of the Mesaba plant, traffic to and from the plant, rail road operation affect the area?

How will the Gas Pipeline route impact the people and animals who will live by it? What if there is a gas leak, what will be the adverse effects to the environment and people who are effected?

How will the Electromagnetic Field from the High Voltage Transmissions lines effect the people and animals that will be living by it? Will Excelsior Energy honor the "Buy the Farm" Minn.Stat. 116B.63, Subd.4, for the people in the transmissions line field and how will people know if they fall in the guidelines for this law, will they be told?

Signed;

Peggy Mikulich
31698 Scenic Hwy.
Bovey, MN. 55709
218-245-2266

How low will we go? Check out Yahoo! Messenger's low PC-to-Phone call rates.

Bill Storm

From: Joan Strom [jkay@frontiernet.net]
Sent: Wednesday, August 30, 2006 11:03 AM
To: Bill.Storm@state.mn.us
Subject: Mesaba Energy Project

I want to let you know that I am in favor of the Mesaba Energy Project. I have lived on the Mesaba Range all of my life. This area has not been the best place to make a living. Mining and logging have been our major industries and they have not always been reliable. This is a chance to bring in another means of making a living. I have seen in my township new people moving into old homesteads. These people have made a living elsewhere and found this a nice area to retire. They don't want anything to change. They try to stop any type of progress from the township level on up. They assume that any kind of progress is going to be bad no matter that all evidence supports that the project could be good for the area and would help others.

Joan Strom
Goodland, Mn. 55742

Bill Storm

From: Lieschen Hecimovich [hecimo@uslink.net]
Sent: Wednesday, August 30, 2006 10:32 AM
To: Bill.Storm@state.mn.us
Subject: Mesaba Energy Project

Darrel Hecimovich
26051 Oakshore Dr.
Bovey, MN 55709

Comments:

Environment: I feel it is unconscionable to have two coal burning plants approximately 13 miles apart. Much too close. I took out a map and counted approximately 120 lakes within a 13 mile radius of the proposed Mesaba Energy plant. There are fifty some lakes that have overlap with the 13 mile radius of two plants. Lakes such as Bluewater, Wabana, Bass, Pokegama, Deer (partial), and two different Trout Lakes along with the Canisteo Pit. These are some of our clearest and cleanest lakes in the county and probably the most used. What a disaster to give them a double dose of plant outputs.

Health: At the input meeting held at Taconite on August 22, 2006, a Mr. Bob Evans indicated that the risks for cancer are within guidelines. I think one has to look at the acculative effects and not just one entity. The Iron Range on a national basis has one of the highest incidences of cancer already. To add to that is indeed not reasonable. It was also pointed out that the plant would be cheaper to build at the West Range site because the standards for the Lake Superior watershed are more strigent than those of the Mississippi watershed. Is our health and water qualities of lesser value than those in the Lake Superior watershed? We should at least require that the output be equal to that of the Lake Superior watershed.

Trade Offs: If it is true that windmills in Southwest Minnesota and other producers of energy (South Dakota?) would have to shut down because of the building of this plant, this is reason enough not to build it.

Cost: If the Department of Energy considers the project to risky for the public sector, then why are we pursuing this? It was mentioned that the Mesaba Energy project has backer such as Conoco and Simens, then why is there no private funds in this project? If the city of Taconite bonds for 4.5 million dollars and this project bellies up, does this mean that on a 20-year bond that each man, woman and child in Taconite would have to pay approximately \$800/yr for twenty years? Do we dare put our communities and county in this situation? Also, why do we new a new roadway for CSAH #7 to the tune of 14 million? Is this really needed?

Bill Storm

From: Harry and Sue Hutchins [shhutchins@mchsi.com]
Sent: Wednesday, August 30, 2006 9:33 AM
To: Bill.Storm@state.mn.us
Subject: Mesaba Energy Project

Dear Mr. Storm,

I am one of many who are opposed to this project. Energy efficiency is our best choice - not a coal burning power plant. I am especially against the choice of sites. I understand that it was picked partly because there are no strict water discharge laws like the Lake Superior watershed has. Tourism is big up here in the Grand Rapids area, and this project just doesn't belong here.

Please, do not allow this project to go through. Sometimes decisions made rationally (yes - this project will make money) prove to be disastrous to the local area. I'm just finishing reading Jared Diamond's book *Collapse*, which gives details on many environmental decisions that proved to be bad news for the people involved!

Thanks for reading this, and I'm sure you'll make the right decision for the residents of this area.

Susan Hutchins
Biology instructor

Bill Storm

From: sue stish [sues1@uslink.net]
Sent: Tuesday, August 29, 2006 10:21 PM
To: Bill.Storm@state.mn.us
Subject: Mesaba Project feedback

Dear Mr Storm:

We are opposed to the Mesaba Power Plant Project at the Taconite site.

We have farmed for 23 years in the Balsam Township area. Our farm is 10 miles due north of the proposed plant.

For 15 years we have provided fruits and vegetables for hundreds of families at the Grand Rapids and Hibbing Farmers Markets. Most of our customers are concerned about the safety of their food supply. We grow on 5-7 acres sustainably with minimal chemical use. We've always been committed to provide our customers with a clean and fresh product.

If this plant goes online, will we still be able to look our friends and neighbors in the eye and reassure them of the quality they've come to expect from us? We have worked for years to establish our farm as a source for a healthy quality product. We don't want to grow fruits and vegetables watered and grown with mercury and "added particulates". This could conceivably put us out of business.

We use our farm income as a supplement to our retirement pension. Our biggest asset is our farm. This will undoubtedly impact its value downward.

Both of us are 3rd generation "Rangers". We've raised 3 children here and have seen the highs and lows affecting the economy of the area. We realize quality jobs are needed, but we aren't desperate. People retire here, by choice. That is our economy now. Those who want to work, do, and those who won't, don't!

We love the clean air and lakes. We enjoy all the outdoors has to offer. We raise fresh produce and our own free-range chickens and eggs. We also enjoy hunting and eating venison and grouse, and fishing from area lakes. We are concerned about the present mercury levels in the air and water. We are worried about future increases of mercury in the consumption advisories published by the MN DNR due to emissions from coal generated power facilities.

Thank you for your consideration.

Sincerely,

Ed and Sue Stish
42582 Scenic Highway
Bovey, MN 55709
218-245-1549
sues1@uslink.net

Viren 1/3

Bill Storm

From: tom viren [virenberg@hotmail.com]
Sent: Tuesday, August 29, 2006 9:45 PM
To: Bill.Storm@state.mn.us
Subject: scoping comments and questions regarding Mesaba Project

Aug. 25, 2006

Dear Mr. Storm,

Questions and comments regarding the EIS scoping for the Excelsior Energy Mesaba Project site proposal north of Taconite.

1. The EIS should address risks posed by transfer of sulfur products, landfill materials, natural gas, and all products traveling to or from the Mesaba Project site.
2. What are the discharge differences for all of the various types of coal? Are we seeing the discharge projections for the best or worst case scenarios?
3. What are the possible consequences of the mineralization of the water in the source lakes? Could local and regional groundwater be contaminated or otherwise adversely affected?
4. How does the destruction of the wetland affect area streams and surface waters concerning clarity, run-off contamination, flora and fauna within the water and using the wetland area, and as a "sponge" helping to curb flooding?
5. The EIS should also include the hazardous waste site that will be utilized or built to contain the ZLD salts and any other waste by-product.
6. A higher stack would disperse particulates, metals, and gases more. Local people have reason to prefer that. Would the plant then have to meet stricter Lake Superior basin standards for emissions?
7. When Excelsior shows mercury risks for local fishing, are they showing a one year impact? We must look at the cumulative impact over the life of the plant since mercury is persistent.
8. All risk should be looked at cumulatively and in addition to already existing risks in Itasca county. Add the risks over the lifetime of the plant. The cancer risk, asthma risk, etc. must be added to current risks for people in Itasca County. We will now have an additional risk. It is also important to calculate this project's risk in addition to risk factors for any pending industrial projects in the region such as MN Steel.
9. What is the economic, social, recreational impact of the combination of the existing coal plant in Cohasset and the Mesaba Project and MN Steel? Do people want to move to / vacation in a place with those air quality and visual impacts? What is the cumulative effect on the psyche to the density of these types of industries?
10. The EIS should address the issue of kicking SW windpower off the grid to be replaced by the Mesaba Project's dirtier energy. Are we replacing clean energy power for dirty energy power? How would this project impact the percentage of renewable(not fossil) energy used in Minnesota? Would we still meet legislative guidelines for use of renewable energy in MN? Would we be able to meet our goal for the progression toward increased use of renewable energy in MN?

11. The EIS should address impact on all water sources and possible water sources for the plant. What could impacts be on the Prairie River? Water from the Mesaba Project can't be pumped back into the river so it would be a net loss to the river (or could they pump water back in with increased mineralization after evaporation? What impact would that have?).
12. If all this public money goes into infrastructure, funding, and reduced interest loans for Excelsior, don't we as citizens deserve a percentage of the profits? We are 'co-investors (through our tax dollars) so we should be shareholders. If the project is built, money should go back into public coffers as a percent of profits and the public should be represented on the Excelsior Energy's Board of Directors.
13. What will be the economic impact on local infrastructure and schools of having a glut of new workers and their families in the area for the construction process and then a drop in that number after completion of the project? Will our schools have to build and hire to accommodate the families of 3000 construction-phase workers and then downsize to the families of 100-150 worker-families post-completion?
14. What economic impact will local municipalities incur if Excelsior defaults on obligations? (i.e. Techmar in Cohasset)
15. Why not put a coal plant next to a coal field instead of hauling coal around the country, especially since we are not in need of the energy here?
16. If this is built, I want the CO2 sequestration in place. I do not want to rely on future regulations that may require it.
17. Numbers are compared as if this plant is replacing Itasca's existing coal plant. It is in ADDITION to the mercury, CO2, etc. already in our air. The health risk is also in addition to those that exist for current Itasca air, radon, etc.
18. Is this plant the first on a slippery slope? If it is built, will there be the same rigorous process required for the building of plants 3-6? There should be a new process for each additional plant. A new EIS should be done for each plant even if they are built on the same site.
19. I'd prefer to wait for the no emissions FutureGen plant and not fund an experimental Mesaba Project.
20. There are other ways to produce energy that are much cleaner. If we insist on using coal, we should be replacing old coal plants on those already impacted sites. Only then does this technology make any sense. NO renewable energy money should go to a non-renewable source plant. There is too great a need for research and utilization of solar, wind, biomass, etc. to waste the money on old fossil fuel usage which adds to the problem of global warming. We MUST build and experiment for the world 30 years from now instead of the world now!
21. Be more creative. There must be much more innovative and clean ways to deal with excess water in the Canisteo and Hill-Annex pits. How about good old hydroelectric power (if we needed the power) and then creating hydrogen with the water? Clean it, bottle it, sell it.
22. We should not be overriding the certificate of need for a non-renewable energy source. We should be replacing old, dirty plants, not creating additional, un-needed energy with coal.
23. The DOE should put more money into research and implementation of on-site generation and grid-feed. I.e. wind generators, solar panels, passive solar energy on existing and new homes and businesses. That would use the existing grid and reduce the need for big public projects like Mesaba.
24. To be on the global cutting-edge and increase our energy independence

Viren 3/3

we need to think in innovative ways. Individualized energy production and usage reductions seem the way to go. Government should spend this funding on future technologies.

Sincerely,
Christa Berg and Tom Viren
19669 County Road 434
Bovey, MN 55709
(218)247-0107

P.S. Please acknowledge receipt of this e-mail. Aug. 25, 2006

Windows Live Spaces is here! It's easy to create your own personal Web site.
<http://spaces.live.com/signup.aspx>

Bill Storm

From: Laurie Jacobi [twinpines@qwest.net]
Sent: Tuesday, August 29, 2006 2:19 PM
To: Bill.Storm@state.mn.us
Subject: Mesaba Energy Project

Dear Mr. Storm,

I have never been a politically active person, but I now feel strongly that I must speak out against the Mesaba Energy Project. I live in the Twin Cities, but have spent time in that area because of its natural beauty and fresh air. If this project becomes a reality it will destroy that beauty and damage an already compromised environment which will affect the whole state. I feel I must get involved because I am angry; angry that the state is allowing a handful of people to compromise my health and the health of my planet - which is the only one we have.

It flies in the face of reason to be putting dollars into such a project. With global warming now considered a reality by scientists and lay people alike, it seems that you are going backwards instead of forwards. Those dollars should be spent on research and production of alternative energy forms such as wind and solar power. This project opens up the chances of countless opportunities for further pollution and worse, dangerous accidents and malfunctions. Don't we already see the evidence of outdated energy production? Trees are dying everywhere you look - both in my neighborhood in the cities and many areas up north. Reread "The Lorax" by Dr. Suess, if you need a reminder of what we are capable of doing to our environment because of narrow-minded thinking and greed. And there seems to be no one who has not been affected by cancer - either themselves or a family member. What is the reason? One is certainly our burning of fossil fuels and other degradations of the environment.

I always thought Minnesota was a progressive state, one that led the nation in forward thinking and progress, especially when it comes to our precious natural environment. I am stunned, saddened and quite outraged that this project is being considered. I will do whatever I can to find out who is responsible, to vote out those in office who are involved, even to physically boycott the process if it becomes necessary in order to be heard. Can't believe I said that, but that is how strongly I feel about this issue.

I hope that you and others involved will take my opinion seriously and stop this project. I will also send this letter to the Governor of Minnesota.

Thank you,

Laurie Jacobi

Bill Storm

From: Sharon Forconi [mforconi@2z.net]
Sent: Tuesday, August 29, 2006 11:17 AM
To: Bill.Storm@state.mn.us
Subject: Mesaba Energy Project

Mesaba Energy Project:

As a 60-year resident of Eastern Itasca County, I **strongly approve** of the Measba Energy Project.

I agree with keeping a close eye on environmental concerns, but **not to the extent** that the success of the development is endangered.

Please inform me about any up-coming hearings or meetings concerning this development, as I would like to attend.

Sincerely,

Sharon Forconi
mforconi@2z.net
29208 Eden Lp Rd
Bovey, MN 55709

Bill Storm

From: Jim Hanttula (MP) [JHanttula@mnpower.com]
Sent: Tuesday, August 29, 2006 11:00 AM
To: Bill.Storm@state.mn.us
Subject: FW: Public scoping meeting of the west Mesaba EIS

William C. Storm
State Planning Director
Energy Facility Permitting

Hi Bill,

Thank you for taking the time to read and consider my comments on the West Mesaba EIS. My name is James E. Hanttula Jr. I am the resident of 25017 North Rd. Bovey 55709 and also owner of 25184 North Rd.

I would like to start by saying I am not against this project in our community. I think our community and local school district will benefit from economic growth with the reintroduction of industry to this area.

I understand that a HVTL may be located within a mile east of the North Rd, and a high pressure gas pipeline will also be located along the North Rd. I would like to request that the PUC consider and include in there EIS the use of the Itasca county tax forfeited properties one quarter mile east of the North Rd., and use common right-of-way as much as possible to minimize impact to environment and land owners along that portion of the route. The pipeline and HVTL look to be joining just north of this portion anyway.

If the pipeline must be on the west side of the North Rd, I would like the EIS to include my request for the PUC to do whatever they can to keep a minimum of 500 ft from my new home, or any other residents along the pipeline and HVTL routing.

Thank you again for your time and consideration,

James E. Hanttula Jr.

Bill Storm

From: david hudek [dvdhudek@yahoo.com]
Sent: Tuesday, August 29, 2006 10:26 AM
To: Bill.Storm@state.mn.us
Subject: mesaba

MR Storm,

August,28,2006

As part of the scoping process, I would like to see the impact on the enviroment(s), due to the transpotation of 'coal' , from the coal mines all the way to the mesaba power plant. The uncovered (train) coal cars will leave 'coal-dust' , each trip, over a large area. Hundereds of miles. Near residential areas and road crossings and also by many lakes and countless buissnesses near the proposed train tracks.

Has the DNR of Minnesota or the EPA been informed on the polution PRIOR to the production of electric power?? Transportaion costs?? Also how much Diesel fuel will be used each trip to haul a load of 'coal'? This is another source of pollution from the trains themselves! This will effect several states furter Air Quailty!

Thanks for your time...

Talk is cheap. Use Yahoo! Messenger to make PC-to-Phone calls. Great rates starting at 1¢/min.

Bill Storm

From: rusty eichorn [rusty@rustyeichorn.com]
Sent: Tuesday, August 29, 2006 8:26 AM
To: Bill.Storm@state.mn.us
Subject: mesaba energy project

This letter is in support of Excelsior Energy, Inc, Mesaba Energy Project, and its proposed location in Itasca County. To help support our nations future energy needs, along with much needed economic development this region, I agree that this project should be located here. Thank you.

Rusty Eichorn 31708 laplant rd, grand rapids, mn, 55744

Bill Storm

From: marian barcus [barcpark@paulbunyan.net]
Sent: Monday, August 28, 2006 9:53 PM
To: Bill.Storm@state.mn.us
Subject: Mesaba Energy EIS

Dear Mr. Storm:

RE: PUC Docket #E6472/GS-06-668

Thank you for this opportunity to submit comment on the Mesaba Energy EIS Scoping. This is an important project both from an economic and from an environmental standpoint. The Itasca area stands to gain 100 sustainable wage skilled jobs, and it is critical that this factor is weighted with the protection of the ecosystem in our rural area. The Integrated Gasification Combined Cycle technology proposed for the Mesaba Project is best practice in the utility industry. I hope that the EIS illustrates the advantages of IGCC, and that it also identifies other protective features which may be necessary to make this project economically feasible as well as environmentally sound.

I grew up a few miles north of the Taconite location for the Mesaba Energy plant, and my father was employed as a shovel operator in the open pit iron ore mining operation (now the Cannisteeo Pit Lake) which occupied the Taconite vicinity. On Sunday drives, dad would take our family to view the washing plant tailings basin which is located very near the Little Diamond Lake. While this area is on the mend from the ravages of ore tailings, it is not a pristine environmental area. The mining history of the Taconite site should be included in the scope of the EIS.

Thank you for the usually thankless work you do in balancing research data with human needs, and economics with environment.

Marian Barcus, Mayor
City of Cohasset

Castagneri 1/2

July 23, 2006

William Storm
State Planning Director
85 7th Place East Suite 500
St. Paul MN 55101-2198

I am requesting the following comments, requests and questions be included and incorporated into the scoping process for the proposed IGCC demonstration plant to be sited in Taconite Minnesota.

Vague Unsubstantiated Comments by the Applicant

I am requesting the scoping process include a detailed analysis verifying the applicant's broad based statements that will possibly impact the socio-economic sectors of the community. Specifically, I am requesting Paragraph 1 – Line 1 through Line 3 of Section 7 page 410 be reviewed.

“The applicant does not expect any industry to be adversely impacted by the construction and operation of the IGCC Power Station at the West Range Site. Area tourism and recreation areas will not be adversely impacted by the Project.”

I am requesting the scoping process include a detailed analysis verifying the applicant's broad based statements that will impact the residences located to the southwest of the north shore of Big Diamond Lake. Specifically, I am requesting Paragraph 4 – Line 8 through Line 11 of Section 7 page 410 be reviewed. In addition, I am requesting that an exhaustive list of all the impacts and interruptions anticipated be provided by the applicant to all receptors.

“Construction of these two transportation elements will likely take place over a two year period interrupting the residents' normal daily activities. Thereafter, increased levels of construction traffic will be ongoing over several years as construction of Mesaba One and Mesaba Two reach peak levels.

Third Party Review of Entire PUC Joint Application

I am requesting the scoping process include review of the entire 2000 page document submitted by the applicant by a objective third party and any reference to receptors be catalogued and provided to all parties identified as receptors. Since most of the tables do not drill down to a level that a private citizen can decode, this is necessary.

Executive Oversight

I am requesting the scoping process include establishment of executive oversight for a two year period to ensure the landowners are treated fairly by the applicant. I make this request based upon the fact that the applicant had their general counsel petition the administrative law judge to prevent participation in the PPA.

Legal Fees and Search and Process Fees

I am also requesting we be made whole for the legal fees we have had to expend to protect our investments and work through this unique scenario of a joint application with the Department of Energy. This really is a rate case.

I am also requesting that I be made whole for all costs associated with search and process fees levied by the DOE for documents I have requested under the FOIA. I am requesting that the scoping process require review of the quarterly financial reports and monthly backup invoices required by the DOE from the applicant. The applicant stated repeatedly the creation of jobs in construction and at the plant on the Iron Range as a reason for this project. The scoping process needs to follow the money back to see if that is in fact the case.

I have made every effort not to duplicate any of the items noted in the draft scoping document provided at the community meeting on August 22, 2006.



Linda Castagneri
808 Berry Street Apt 406
St. Paul MN 55114-1384

Decker 1/2

Public Comment Sheet
 Mesaba Energy Project
 PUC Docket No. E6472/GS-06-668

Name:

Representing:

CHARLES W. DECKER

Address:

Email:

2218 Tenth Ave East
 HIBBING, MN 55746

August 28, 2006

Comment: I am writing in opposition to the MESABA ENERGY PROJECT.
 I present the following reasons:

1. WEALTH AND ENVIRONMENTAL PROBLEMS

Mr. Evans painted a rosey picture at his presentation in Taconite.
 I question the slide on cancer incidence at the plant site versus other areas including ambient Itasca County air; it is a statistical pipedream. Perhaps other data in his presentation is misleading as well.

This plant will burn over 6 million tons of coal per year producing 12 million tons of CO₂. Overwhelming scientific opinion has concluded that CO₂ is the cause of global warming the so called greenhouse effect. The CO₂ in the proposed plant will not be controlled but will "go out the stacks." The other pollutants, ~~the~~ oxides of nitrogen and sulfur, mercury, will supposedly be controlled by the best technology, but, never the less, will in significant amounts be vent into ambient air and water.

I believe there should be a moratorium on the building of coal fired plants. The best minds in our country should meet to discuss options of nuclear, wind, solar, and yes, conservation.

2. MISLEADING FINANCIALS

Although the federal government provides 1/2 of the financing, where will the other 1/2 come from? The Mesaba Energy Team has been out soliciting small amounts of money from local governments and the IRRPB for infrastructure with glowing promises of economic development. These financial numbers are small in the big picture of mammoth finance that will be needed

William Cole Storm
 MDOC
 85 7th Place East
 Suite 500
 St. Paul, MN 55101-2198

Email: bill.storm@state.mn.us
 Voice: 651-296-9535
 Fax: 651-297-7891

Decker 2/2

Comments Continued:

in this project but large amounts for these municipalities. This action does not demonstrate solid financial backing.

I believe this plant, if approved by MN government, will not be built, completed, and come to operation by virtue of weak financing and unexpected costs such as inflating building costs, unacceptable cost of power produced making it unmarketable, predictable and unpredictable problems with the coal gasification system in a grant plant with infant technology and an inexperienced Mesaba Energy Team with no history in building and operating such a project.

3. POWER NEEDS

This proposed plant would not even be a dream let alone a project if it were not for 50% federal financing.

The Mesaba Energy Team apparently has selected the proposed sites on the Iron Range for what I believe are the wrong reasons. They have so far been able to get building sites on the cheap and approval from the local politicians with the sell job of economic development on what I perceive of their belief that the citizens of the range are mostly foolish innocents thankful for any project no matter how illogical.

The power is not needed in NE Minnesota and would be wheeled to the Metro. It is therefore logical and should be mandatory that the plants be built either at the coal source in ND or near the metro. An alternative source would be between the two in SW Minnesota.

4. SUMMARY

It is my hope that this project be stopped. However, if it proceeds, I believe, unfortunately, that it will be a failure because of the above mentioned financial and technical reasons. This plant will be sitting on the west range, a monument to imprudent economic development with the acquiescence of federal and state agencies charged for the public good and safety, a "white elephant."

Respectfully submitted,

Charles W. Decker

Charles W. Decker, M.D.

Bill Storm

From: John & Mandy [neshfamily@bigfork.net]
Sent: Monday, August 28, 2006 1:03 PM
To: Bill.Storm@state.mn.us
Subject: Comment on EIS Scoping Meeting

Dear Mr. Storm,
Additional comments on the EIS scoping meeting that was held in Taconite on August 22nd, 2006.

Health Care Cost Impacts from Mesaba Energy Project Emissions/Water Contamination.
A great many people in this community do not have health insurance and rely on government assisted programs to cover their medical costs. What short term and long term increases in health care costs through government agencies will there be because of health impacts from polluted air emissions, water and fish contamination? How does that compare to the revenue generated by the few jobs being offered?

Respectfully Submitted,
Amanda Nesheim

Amanda Nesheim
30994 Bat Roost Trail
Bigfork, MN 56628
218-832-3945
neshfamily@bigfork.net

Kingston 1/2

Jane H. Kingston

7874 North Saint Mary's Drive
Eveleth, Minnesota 55734-4054
218-744-3833
kingstonjane@mchsi.com
28 August 2006

Mr. William C. Storm, State Planning Director
Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101-2198

Subject: Mesaba Energy Project
PUC Docket No. E6472/GS-06-668
Environmental Impact Statement Scoping Public Hearing
August 22, 2006 – Taconite, Minnesota

As an interested party (i.e., 4th generation property owner at 0998 Rydberg Road, Bovey, Minnesota, on Trout Lake in Itasca County), I attended the hearing identified above, and submit the following comments for the record. Some may fall outside the purview of the EIS Scoping at this point, but are still relevant.

Although Canisteo pit water does not fall under the protection of "waters of the state," it is of such high quality and value that it merits the same protection. As they exist today, the natural resources located there (including current resident species) – don't recognize the difference between "waters of the state" and any other waters, and this water resource has far greater potential value to the area and to the state for future recreation and property development than a mere cooling water source and process water discharge receptacle.

Proposed power transmission line routes between the proposed plant and the Blackberry substation were generally mentioned but not presented in any detail. Whether there is a requirement to lay out such routes at this point in the permitting process or not, it's sure to be a huge public concern and omitting it at this stage falls far short of the transparency needed for the Mesaba Project to successfully proceed.

Although not required, it would be very helpful to see all projected environmental impacts (air, water, waste, etc.) as compared to a typical existing taconite plant on the same page(s), rather than compared to a traditional coal-fired power plant. It would have much more relevance to either proposed location and its community.

Similarly, although there may be no requirement to present the estimated NAAQS emissions (e.g., NO_x, SO₂, PM₁₀) from the proposed power plant **cumulatively** with existing ambient levels of each parameter, any information – such as bar charts – detailing these estimates should be stacked, including the estimated plant emission **on top of** ambient level for the information to be meaningful. I can state from experience having lived in two different areas that exceeded NAAQS was, and is, not a good thing for any resident or business entity.

Setting aside for the moment regulations and science, and assuming the Mesaba Project actually proceeds to construction and operation, it is far more palatable and a far wiser course on a purely common sense, gut-level standpoint to locate the plant at the former LTV site – where until very recently a heavy industrial plant operated, where infrastructure is already in place, where residents are accustomed to and welcome living in the proximity of such a facility, and where environmental impacts have already taken place.

Excelsior's rationale for preferring the Taconite site is for the most part due to the pristine quality of that particular location and its resources, and the same rationale holds true for NOT locating its power plant there.

Locating a plant at the former LTV site would utilize more existing right of way, would entail less previously undisturbed land, would involve less complicated right-of-way acquisition, would impact less wetland, would disturb less wildlife habitat, and would cause less stormwater runoff. All these concerns strongly point towards construction at the LTV site as far more socially and environmentally acceptable and responsible.

The treatment requirements and costs for discharging process water into the Lake Superior watershed will no doubt become just as stringent for the Upper Mississippi watershed in the not-too-distant future, and the burden for water quality treatment prior to discharge should be the same for either site location. The same holds true for air quality emission standards and proximity to the Boundary Waters Canoe Area.

Taxpayers and the environment should not have to bear the burden of a less satisfactory site location when another viable alternative exists.

Sincerely,



Jane H. Kingston

c: The Hartley Office, Duluth, MN

Bill Storm

From: pershir1@frontiernet.net
Sent: Monday, August 28, 2006 8:04 AM
To: Bill.Storm@state.mn.us
Subject: Comment on Scope of Mesaba EIS

Please take into consideration my comments on the scope of the EIS regarding the Mesaba Project proposed for NE Minnesota.

1. The small number of permanent jobs (approximately 100 for the Taconite site) are NOT worth the potential damage to environment and personal health and is not cost effective when you consider the very large input of public monies needed to fund the project upfront.
2. More precise information is needed as to the potential toxic effects on drinking water (ground water) and surface water.
3. Since the technology for CO2 sequestering is not perfected yet, and since Mesaba will not be required to sequester its CO2, you cannot call this a "clean coal" gasification project.
4. Since there will still be 10% mercury emissions which will be deposited locally because of the short stack, and because more needs to be known about how they will treat the other 90%, you cannot call this a "clean coal" gasification project.
5. Since wetland mitigation removes established, working wetlands and replaces them with questionable wetlands somewhere else that may not benefit the local area, there may be severe damage to the local wildlife and water resources.
6. I feel the Department of Commerce should be putting its time, energy and money behind truly renewable energy sources, i.e. solar, wind and biomass (from natural biomass, not crops such as corn).

Thank you.

Shirley Loegering 33314 Gary Drive Grand Rapids, MN 55744
(218- 326-0252

Bill Storm

From: P Warner [paulanddolly@hotmail.com]
Sent: Sunday, August 27, 2006 12:02 PM
To: Bill.Storm@state.mn.us
Subject: Mesaba Energy Project

Dear Mr. Storm;

I attended the recent meeting you hosted at Taconite. It was very informative and well run.

I am very concerned about the various environmental issues raised at that meeting, and was very impressed with the thoughtfulness of most of those 23 who raised them. In particular, the lack of any firm plan as to how CO2 produced will be dealt with is unacceptable!

I agree with the statement that there is no such thing as "clean coal" and feel that the attempt to locate this plant in an area of pristine lakes, far from the coal source is not the thing to do. It did not sound to me like it would be good for little towns like Taconite, and the financial risk to the public is enormous! (Particularly since some somewhat similar plants have not lived up to initial hype)

Renewable energy seems to make more sense for all of us.

Thanks for the ability to comment,
Paul Warner
54387 State Highway 38
Bigfork, Mn., 56628

Bill Storm

From: suegeo7@mchsi.com
Sent: Monday, August 28, 2006 9:35 AM
To: Bill.Storm@state.mn.us
Subject: Mesaba Energy Power Plant

To Bill Storm: My wife and I are retired and live in Southwest Grand Rapids. We are concerned about the mile and 1/4 long coal trains, going both directions, loaded and empty. The tracks run through the middle of town with only two traffic crossings. The Fire Dept. and the ambulance service are located on the North of the tracks and the hospital on the South. These long trains have the potential of blocking these crossings for up to 10 minutes or even longer. In an emergency these 10 minutes can make the difference of life or death or a persons house burning completely down. Also there is the possibility of a derailment of a heavily loaded burning rail car. The noise factor is another concern of ours. It is impossible to sleep with the windows open when trains come through town in the night. Please take these concerns in consideration when making your decision. Thank you for your time! George and Susan Ganje.

Bill Storm

From: Daidre [daidre@marblemn.com]
Sent: Sunday, August 27, 2006 6:32 PM
To: Bill.Storm@state.mn.us
Subject: excelsior energy plant

I very much approve of the Mesaba Energy Plant.

Daidre Breen
P.O. Box 361
Marble, MN. 55764
39 year resident



218.326.9411
1.888.890.JOBS
fax: 218.327.2242
www.itascadv.org

August 24, 2006

Mr. Bill Storm
Minnesota Department of Commerce
85 7th Place
Suite 500
St. Paul, Minnesota 55101-2198

Re: Excelsior Energy, Inc.
Mesaba Energy Project
PUC Docket #E6472/GS-06-668

Dear Mr. Storm:

This letter supplements my letter of November 8, 2005 to Mr. Richard A. Hargis, US Department of Energy/National Energy Technology Laboratory regarding the proposed scope of the Environmental Impact Study (EIS) for the Mesaba Energy Project. My understanding from the June 23, 2006 draft of the above document is that that letter will be considered and specifically that socioeconomic impacts will be considered in the scope of the EIS. Thank you.

In reviewing the socioeconomic impacts please include the Research Report of UMD Labovitz School of Business and Economics entitled The Economic Impact of Constructing and Operating An Integrated Gasification Combined-Cycle Power-Generation Facility on Itasca County dated April 2006. Itasca Development Corporation (name has been changed to Itasca Economic Development Corporation) commissioned this research study on the economic impact on Itasca County to supplement the study published in September 2005 which focused on the economic impact on the Iron Range.

Itasca County's poverty and unemployment rates are significantly above state averages. In fact, Itasca County is recognized as economically disadvantaged as a federally designated HUBZone. The Mesaba Energy Project has the potential to turn this trend around. The economic impact during construction will boost our local economy during this time of great economic need. According to the UMD report Value Added (a measure of the impacting industry's contribution to the local community including wages, rents, interest and profit) will be very significant. In fact, the Value Added in 2010 peak construction year is estimated at \$229 million. This is approximately 22.5% of the economic base for all current industries in Itasca County of \$1,019 million (2002 dollars). The annual impact of on-going operations is estimated at \$242 million or approximately 23.7% of this same base.

We are also excited about the additional opportunities provided by Mesaba Energy of producing electricity from state-of-the-art Integrated Gasification Combined Cycle (IGCC) technology on Minnesota's Iron Range. Basic industries requiring significant amounts of electricity have been the foundation of our local economy for a hundred years. Having a reliable and environmentally friendly locally produced source of electricity will enhance our area's competitive advantage for hosting mining and forest products industry expansions and the additional high paying jobs they provide our community.

Due to the importance of this project our organization initiated an Action Team in 2006 with the mission to *revitalize the local economy by providing community support to the Mesaba Energy Project north of Taconite.*

Thank you for your consideration.

Sincerely,



Peter McDermott
President



Kris Ferraro
Chair

Public Comment Sheet
Mesaba Energy Project
PUC Docket No. E6472/GS-06-668

Name:

MARIAN CHAMPLIN

Representing:

The Champlin family

Address:

5437 Elliot Ave So - Mpls - 55417

Email:

msc.shopping2@~~shopping~~earthink.net

24667 Evergreen Dr. Bovey, Mn - 55709

Comment:

Having been at last evening's mtg at Tackwa I want to say:

① - The west site choice shows 3 pcs of property affected by the pipeline vs. 48 for the east site.

CORRECTION: In Blackberry township, above, there are 8 of us.

A. The chosen route goes through the most populous area of Blackberry.

B. It would be much better and shorter, to route it more to the west - perhaps thru tax forfeited land - or under an existing power line further west.

② - I join others in requesting routes and sites proposed without first getting residents input from affected areas.

③ - As earth composition beneath the plant site is all granite, it would be impossible to return captured CO₂ to the earth for disposal - the site is

Please submit comments to meeting moderator or send to: there are UNSUITABLE!

William Cole Storm
MDOC
85 7th Place East
Suite 500
St. Paul, MN 55101-2198

Email: bill.storm@state.mn.us
Voice: 651-296-9535
Fax: 651-297-7891



Bill Storm

From: Rob & Dawn Crowe [rcrowe@cpinternet.com]
Sent: Thursday, August 24, 2006 12:03 AM
To: Bill.Storm@state.mn.us
Subject: Taconite Forum

Bill:

Thanks for enduring the meeting at Taconite the other night. I think the presentations were excellent but most of the attendees weren't listening. I wrote the following letter to the local newspapers, hopefully it will generate more than just hate mail.

Rob Crowe

You ever heard of a Euclid? Our house was not too many miles from the iron mines on Prairie River and most calm nights we could hear them roar as they were dumping their loads on the dumps. Euclids were powered by two 6-71 Detroit Diesel engines, an engine known as much for its durability as for its propensity to drivel oil, probably as much as a gallon a day per engine was not uncommon. Thousands of days worth of oil leakage along with all the other wastes of an iron mining operation were on the bottom of the pits before nature took its course and the pits filled with water after the mining operations ceased.

One of my best early memories was when a friend of the family, Cliff Stone, took us to the iron mine at Taconite. We looked at the mine from the observation post and then he took us to the bottom, and then we followed one of the "Eucs", as they were fondly called, slowly up out of the pit, the exhaust putting out lots of smoke as the truck labored up the grade.

This event came to mind at the Department of Commerce hearing in Taconite last Tuesday night as I heard many obviously misinformed people talking of the "pristine" area around the proposed Coal Gasification Plant near there. This heavily industrialized area has not been pristine in my lifetime, nor in the lifetime of any person in the room, many of them owing their existence to the industry in the area.

As I entered the building before the meeting, I saw that the "CAMP" organization had a room set up, I'd guess many of the people speaking were from that organization. From the lack of truth to most of the statements being made I concluded that the letters must stand for Compile All Misinformation Possible. The sensible people of this area should be embarrassed by the words of most of the people speaking against the project. While a few had some legitimate questions, one wanted the temperature of the Canisteo Pit kept cool to enhance the trout habitat, most were just regurgitating the twisted accusations you've probably already seen in the numerous letters to the editor in the newspaper. I have the strange inkling that each person in the room on Tuesday will either themselves apply to work on the project or have a close relative apply to help construct it or work at the plant if it comes to fruition.

The bottom line is, this area needs as much reasonable industrial development as possible. We don't need more power from the Dakotas or windmills that won't produce power because we don't have wind. I hope the Excelsior Energy people keep pursuing this project on the West Range. Please don't let the small number of naysayers of the area define what will happen here. Please e-mail bill.storm@state.mn.us and tell him you approve of the Mesaba Energy Project. Your livelihood may depend on it.

Rob Crowe
36597 State Highway 200
Hill City, MN 55748
697-8359

Bill Storm

From: mark roalson [mroalson@hotmail.com]
Sent: Friday, August 25, 2006 11:38 AM
To: Bill.Storm@state.mn.us; patmicheletti@excelsiorenergy.com
Subject: Mesaba Energy Project: Public Comment

William Cole Storm and Pat Micheletti:

I was not able to attend your informational meeting on the MEP in Hoyt Lakes this last week, as I work out of town, as do many in this area. Hoyt Lakes lost a major employer not too many years ago due to the bankruptcy of LTV mining. Now things are looking up with the expanded interest of the Polymet copper-nickel project and even renewed interest of Cominco in mineral lands farther north by Babbit. Now we maybe have a shot at a state-of-the-art energy plant, too.

A local businessman informed me that residents in the Taconite area do not want your facility and are very vocal about it, mainly for aesthetic reasons. I have reviewed your papers on the technology being used for this plant and personally am impressed and encouraged that such advanced systems exist and are up and running elsewhere. I know most Americans are concerned chiefly with pollution and degrading of the environment. They not only want a clean place to live, work, and recreate, but want a good legacy for their children and grandchildren as well. Jobs of course are important, but people now want a low impact on the water, soil and air quality. It looks like the MEP answers all these concerns very well.

As you know, we already have a power plant here in Hoyt Lakes that is a conventional coal-burning plant. Mercury and other emissions are low by international standards, but the IGCC technology is welcomed by me (and others I know concerned about the environment) as a step up. **I cannot of course speak for all the residents of Hoyt Lakes, but I would welcome a plant of this quality in our area. I don't think aesthetics are a major concern here, as much as pollution is.**

I work for a natural resources agency where I am exposed to a whole spectrum of environmental philosophies in the public domain. Most people realize that we need power sources, but want a **clean** source independant of foreign oil. It appears the IGCC technology fills the bill. Count me as a supporter. Thank you for your time.

Sincerely,
Mark S. Roalson
Forestry Technician

Public Comment Sheet
Mesaba Energy Project
PUC Docket No. E6472/GS-06-668

Name:
SUSAN CLANDON

Representing:
SELF

Address: 24046 JOSIE LANE Email:
BOVEY
MN 55709

Comment:

I DON'T WANT THE 'BEST' COAL TECHNOLOGY
(FOR EXPORT WHERE, WITH COAL FROM WHERE?
TRANSMITTED WHERE?).

I WANT TRUE ALTERNATIVES, NOW.
I WANT WIND. POWER HERE, ON SITE,
AS A COMMUNITY/COOPERATIVE SOLUTION,
SO WE ALL BENEFIT. A WIN WIN SITUATION
FOR ALL OF US HERE ON THE RANGE, IN
MN. \$ THE WORLD.

I WANT HEALTH AND A BEAUTIFUL ENVIRONMENT.
PEOPLE BEFORE PROFIT.

I DON'T WANT A 'HORSON'S' CHOICE BETWEEN JOBS
OR COAL POWER.

I WANT IT ALL. JOBS AND CLEAN TECHNOLOGY.

Please submit comments to meeting moderator or send to:

William Cole Storm
MDOC
85 7th Place East
Suite 500
St. Paul, MN 55101-2198

Email: bill.storm@state.mn.us
Voice: 651-296-9535
Fax: 651-297-7891

I ALSO WANT A POLICY OF
CONSERVATION SO
WE DON'T TRY TO QUENCH
AN INSATIABLE (ENERGY)
THIRST.



Environmental Concerns with the Mesaba Project

Taconite, MN hearing, 22 August 2006

William K. Steele, 21950 County Road 445, Bovey, MN 55709, scl@uslink.net

While such an enormous project as the proposed Mesaba I and II causes me great worry about numerous potential environmental impacts, I will limit my concerns expressed here to the four that disturb me the most.

First, when Excelsior Energy presented the project to the Minnesota Legislature, the project was proposed for a brown field in the Hoyt Lakes area. Since then, Excelsior has switched the project to a relatively pristine area of forest and wetlands off the Scenic Highway at Taconite. Debasing scenic natural lands harboring fully functioning ecosystems while an already degraded site is available is clearly not in the best interest of the Minnesota public or of future generations of Minnesotans. I would like to see the Environmental Impact Statement (EIS) compare the effects of siting the project at these two areas. Excelsior should be required to explain why it prefers to put the plant at the Taconite site.

I am also concerned about the release of the element mercury by the proposed project, a total of 54 pounds per year from Mesaba I and II. I was an avid fisherman when I lived in Washington State. After moving to Minnesota nine years ago, however, I read the health warnings about consuming fish from northern Minnesota Lakes, and as a result I have not purchased a single Minnesota fishing license. I would find no joy in catching fish that I couldn't eat. What's worse is that I have two grandchildren who will soon be approaching an age at which they would love to fish. How could I explain to them that the fish they caught are too toxic to eat because of human actions? Natural waters are arguably Minnesota's most precious natural resource, yet tragically we have wasted the bounty of food from these waters. I like to think that there is a special place in Hell reserved for those regulators and politicians who have allowed this degradation to occur. The EIS for this project should examine the impacts of mercury pollution from this project and present alternatives evaluating the use of different mercury reduction technologies.

And if the poisoning of Minnesota's fisheries is not bad enough, mankind is also destroying the climate of the whole earth by adding great quantities of carbon dioxide to the atmosphere through burning fossil fuels. One of the benefits of coal gasification is that carbon dioxide can be captured and sequestered. Alas, the Mesaba project is to be "capture ready," but the gas will not actually be captured, so in reality, the plant will be just one more dirty coal-fired contributor to global warming. Even if eventually, politicians and regulators become enlightened enough to mandate carbon sequestration, doing so at the Mesaba plant will be impractical because there are no suitable strata in the bedrock geology of the site.

Finally, there is the economic impact of the project on Minnesotans. I have long been aware that the conventional wisdom for siting coal-fired electric power facilities is that to be economical, a coal-fired plant must be sited either at the mouth of the mine or near the load. The electrical plant should be

(Over)

Steele 2/2

near the mine to minimize the expense of hauling the coal or near the load to minimize electrical losses to resistance in the power line. The Mesaba plant is far distant from the mine and from the load. Apparently the Mesaba plant will only be viable if Xcel Energy is forced to purchase the high cost power the plant will produce. Xcel's ratepayers should be made aware of how much more they will be paying to support this project. Perhaps this economic issue is outside the scope of an EIS, but Xcel's customers should be made aware. As world petroleum production inexorably declines and demand increases, the cost of diesel fuel to haul the coal will become ever more expensive, and the cost of Mesaba's energy will escalate rapidly.

And then there is the air pollution from the coal trains...

But I promised to restrict myself to my four greatest concerns.

Thank you.

William F. Steele

Bill Storm

From: Leeann Norgord [leeannn@localnet.com]
Sent: Wednesday, August 23, 2006 6:48 PM
To: Bill.Storm@state.mn.us
Subject: Public Comment Sheet for Mesaba Energy Project

Lee Ann Norgord
Representing: CAMP
Address: 26739 Birch Dr.
Bovey, MN 55709
[e-mail-leeannn@localnet.com](mailto:leeannn@localnet.com)

Dear Mr. Storm:

We do not need or want Excelsior Energy to be building a coal gasification plant in the Taconite area. They keep touting it as "clean coal". There is **no such thing** as "clean coal". They will be polluting the air, water, and land in northern Minnesota and make this beautiful northland into an industrial waste site. They also keep touting it as "state of the art". Well, it is **not** state of the art. This type of power plant technology is from the early 1930's and they didn't want it back then because it was too dirty! Why do you want it now???

Why did our legislators OK them for eminent domain when they are not a power plant, they have never generated 1 watt of electricity. Why are they being made tax exempt? Other businesses have to pay their taxes, why don't they? Other power plants pay taxes and take the tax burden off the surrounding community, but not this plant. If anything, they will putting the tax burden on the area residents.

It's just not right what is allowed for this company, but not others. The project is far too risky for the normal tax payer to pay the burden. It is being modeled after the Terre Haute, IN. plant, which is constantly being shut down for not being able to keep their emissions down.

As far as their saying that they're creating jobs. Give me a break. We already know that they are bringing in "specialized people" during the construction which will be most of the employees. After construction, the 107 few jobs that they claim will be permanent, well, they also say those will be their "specialized people" that they will be bringing in. And how many of those 107 jobs are administrative? The **VERY FEW JOBS** that they will bring to his area are **NOT** worth the risk of polluting our water, air and land.

Why are our legislatures not approving a "renewable" energy source instead of this dirty thing? Why not wind power which was originally planned for this area. I don't think you'd have any objections to that type of power. We are all for jobs for this area, which we need, but not at the very high price that would be paid for this dirty plant, not only for us, but for our children and grandchildren.

Also, we do not need the power. There is an overabundance of it. Why should our northland be the waste site for electricity that would be brought down to the cities and beyond? Why don't they put it in Mr. Micheletti's back yard since he thinks it is so clean????

WE DO NOT WANT THIS PLANT!

Lee Ann and Bob Norgord

Bill Storm

From: frank weber [fisherman52_us@yahoo.com]
Sent: Tuesday, August 22, 2006 6:25 AM
To: Bill.Storm@state.mn.us
Subject: questions for the board

Sir,

The speaker for Excelsior at the second meeting held in Taconite put forth a list of pollutants expected from the coal process with the levels in ppm. He sited these as being "within standards". Those standards were established by NIOSH. What Mr Watley did not divulge was the standards are the health and safety of workers.....workers defined as adult males not to exceed 8 hours per day or 40 hours per week. It is common knowledge that children and pregnant women are suseptible at much lower rates and those living 24/7 within the radius of stack discharges are going to be exposed.

The discharge figures sited were also what is "expected" to come out the stack and through the scrubbers....part of the process that will probably be missed during emergency blowdowns when they experience problems.

Frank Weber

Damage Control Senior Chief (retired with 23 years of the Navy's gas-free engineering program)

Yahoo! Messenger with Voice. [Make PC-to-Phone Calls](#) to the US (and 30+ countries) for 2¢/min or less.

8-24-06

MR. Storm,

I Thank-you for the Public mtg in Taconite Mn. I Am very Perturbed & perplexed by This Fuel. EFFICIENT Coal Burner. The CLAIMS of CLAIMS HAVEN'T Even been bona-verified, IT'S A CASUALTY WAITING TO Happen And it HAS ~~AA~~ Already in what I think in S. Mn. The EFFICIENT COAL burner had to shut-Down For reasons unknown to me AS A being of this God-Given beautiful universe.

I will Fight Til my LAST word is breathed, NO NO, NO, I will CAMP OUT W/CAMP IF NECESSARY. I Am dying of Pancreatitis. I don't have much strength but the strength I have left, I will Put my LAST energies into SAYING NO TO The Mesebia Energy Coal-(De)efficient Power Fueled PLANT in Northern Minnesota.

The Range is De-Ranged And Logged Out. The CEO'S With money TALK'S Evidently, I Am on Social Disability.

I live & breath on \$380⁰⁰ month, I know we need Power & Electricity to SURVIVE, BUT The Creator OF our world, Created ONLY so much.

Please DO NOT ALLOW ANY MORE Destruction of OUR SACRED World. Please MR. Wm C. Storm, You Direct, Please do so in A Thankful manner to our World & The Next Generation's That You Put in Dikection by a Director for The MN. DEPT. of COMMERCE

Grateful & Thankyou

MRS. Patricia Mingo

411. N.W. 7th St. #1343

GRAND RAPID'S, MINNESOTA

(218-326-6954)

C.C.

55744

Public Comment Sheet
Mesaba Energy Project
PUC Docket No. E6472/GS-06-668

Name: Representing:

CHARLES W. DECKER

Address: Email:

2218 Tenth Ave East
HIBBING, MN 55746

August 28, 2006

Comment: I am writing in opposition to the MESABA ENERGY PROJECT.
I present the following reasons:

1. HEALTH AND ENVIRONMENTAL PROBLEMS

Mr. Evans painted a rosey picture at his presentation in Taconite. I question the slide on cancer incidence at the plant site versus other areas including ambient Itasca County air; it is a statistical pipedream. Perhaps other data in his presentation is misleading as well.

This plant will burn over 6 million tons of coal per year producing 12 million tons of CO₂. Overwhelming scientific opinion has concluded that CO₂ is the cause of global warming the so called greenhouse effect. The CO₂ in the proposed plant will not be controlled but will "go out the stacks." The other pollutants, oxides of nitrogen and sulfur, mercury, will supposedly be controlled by the best technology, but, never the less, will in significant amounts be went into ambient air and water.

I believe there should be a moritorium on the building of coal fired plants. The best minds in our country should meet to discuss options of nuclear, wind, solar, and yes, conservation.

2. MISLEADING FINANCIALS

Although the federal government provides 1/2 of the financing, where will the other 1/2 come from? The Mesaba Energy Team has been out soliciting small amounts of money from local governments and the IRFB for infrastructure with glowing promises of economic development. These financial numbers are small in the big picture of mammoth finance that will be needed

William Cole Storm
MDOC
85 7th Place East
Suite 500
St. Paul, MN 55101-2198

Email: bill.storm@state.mn.us
Voice: 651-296-9535
Fax: 651-297-7891



Comments Continued:

in this project but large amounts for these municipalities. This action does not demonstrate solid financial backing.

I believe this plant, if approved by MN government, will not be built, completed, and come to operation by virtue of weak financing and unexpected costs such as inflating building costs, unacceptable cost of power produced making it unmarketable, predictable and unpredictable problems with the coal gasification system in a giant plant with infant technology and an inexperienced Mesaba Energy Team with no history in building and operating such a project.

3. POWER NEEDS

This proposed plant would not even be a dream let alone a project if it were not for 50% federal financing.

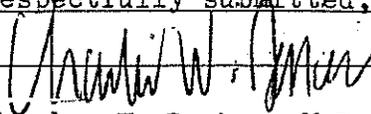
The Mesaba Energy Team apparently has selected the proposed sites on the Iron Range for what I believe are the wrong reasons. They have so far been able to get building sites on the cheap and approval from the local politicians with the sell job of economic development on what I perceive of their belief that the citizens of the range are mostly foolish innocents thankful for any project no matter how illogical.

The power is not needed in NE Minnesota and would be wheeled to the Metro. It is therefore logical and should be mandatory that the plants be built either at the coal source in ND or near the metro. An alternative source would be between the two in SW Minnesota.

4. SUMMARY

It is my hope that this project be stopped. However, if it proceeds, I believe, unfortunately, that it will be a failure because of the above mentioned financial and technical reasons. This plant will be sitting on the west range, a monument to imprudent economic development with the acquiescence of federal and state agencies charged for the public good and safety, a "white elephant."

Respectfully submitted,



Charles W. Decker, M.D.

Marshall 1/2

Public Comment Sheet
Mesaba Energy Project
PUC Docket No. E6472/GS-06-668

Name:

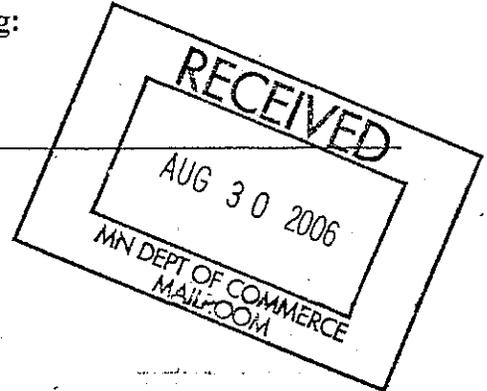
Representing:

Pete Marshall

Address:

Email:

23378 Co. Rd. 10
Bovey MN 55709



Comment:

I don't want this powerplant here for many reasons; pollution, noise, traffic, CO₂ generation, and industrial blight among them.

I think it was morally reprehensible to use renewable energy dollars to fund a coal plant.

If coal gasification is an innovative way of getting energy from coal while sequestering CO₂, why would it be built where the geology is unsuitable for Carbon sequestration?

In my view the people putting forth this project have exaggerated, obfuscated, tried to eliminate inconvenient people from the process, failed to notify people who would be affected, and taken money for their selves that was meant

Please submit comments to meeting moderator or send to:

William Cole Storm
MDOC
85 7th Place East
Suite 500
St. Paul, MN 55101-2198

Email: bill.storm@state.mn.us
Voice: 651-296-9535
Fax: 651-297-7891



Comments Continued:

for other purposes. They should not be allowed to be in charge of anything.

Pre-industrial atmosphere had a CO₂ concentration of 280 ppm. I hear it is now over 385 ppm. We are experimenting on ourselves, our environment, and on our only planet. How can continuing on this path be anything but foolhardy.

The original law for this project stated that it would be built on a "brown field" site. The west range site is not a brown field, ~~it cannot be~~. Therefore if the legislature has not changed that requirement the west range site would not be a legal option.

My final comment has to be that if there truly is not a "no-build option", then my state government (not Bill Stern personally) is failing in its duties.

Klander 2/12

The Environmental Impact Statement for the Mesaba project should address:

Rail infrastructure routing and impact issues: Impact of construction, erosion
~~and~~ wetland degradation

High voltage transmission line routing and impact issues: Loss of forest land
required for right of way, wetlands damaged.

Gas pipeline routing and impact issues: Same as Rail + electric lines

Lighting impact issues:

Wetland impact issues: Damage to wetlands from major construction

Land use appropriateness and impact issues: Hoyt Lakes more appropriate
for industry.

Eminent domain ("Buy the Farm" Minn. Stat. §116B.63, Subd. 4 applies) for this project:
private industry should not take private property to
make profit. Landowners could be devastated by loss of
their private lands.

Health impact issues:
Massive amounts of pollutants should not be added
to Itasca County. Air⁺water quality has already declined
+ more pollutants will affect health of residents.

Electromagnetic field impact issues:

ALTERNATE SITES AND ROUTES

The Dept. of Commerce should consider the following alternate sites or routes (provide description of location including address, legal description, common place name, etc., and why site or route should be considered - include map if possible): Hoyt Lakes should be considered if a power plant needed to be built. Need has not been established.

Date: 8-27-06
~~Donald Klander~~

Signature: Donald Klander



Chester 1/4

6312 164th St. NW
Cass Lake, MN 56633

August 24, 2006

Mr. Bill Storm
Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101

Dear Sir,

I would like you to know that, after careful consideration of the economic factors, I am strongly against building Excelsior's Mesaba Energy coal gasification plant either near Taconite, MN or anywhere else in our beautiful state. I base this decision on the fact that the gasification plant is not economically sound and has a strong chance of going bankrupt, thus exhausting tens of millions of dollars of our taxpayers' money up its smoke stacks.

First, the two billion dollar price tag is unupportable relative to the amount of electricity the coal fired plant is designed to produce. It cannot compete with current wind power generating systems, either in up front construction costs or operating costs. Second, this coal gasification plant is an experimental project while wind technology is proven. We know wind power will work because the generators are tested and proven. Furthermore, the wind industry is developing newer and more productive wind generators as I write. They will be much more competitive in two to five years. In addition, we know up front that the amount of pollution produced and fuel costs for wind generators are zero.

With coal, we do not know for sure how much pollution it will produce or its harm to the people and the Earth or what the cost of the fuel will be. The scrubbing systems may remove most of the toxic metals and chemicals, but we can be sure many will escape. The Excelsior engineers admit that ten percent of the mercury will escape from the plant, which is too much for a toxic metal byproduct. If the scrubbing systems do not catch enough toxins, they will need more pollution removal equipment. This may increase operating costs both to clean the pollutants from the exhausts and to clean up what escapes. Our people will not accept more toxins in our fish. Our children have the right to eat the fish.

The future cost of fossil fuels, both to run the gasification plant and the fuels to transport the operational fuels, is an unknown, because coal, oil, and natural gas prices will most likely rise. We do know even if coal is relatively cheap today, 110 rail car loads of coal per day will cost a lot. Even if the cost of coal itself increases at a slower pace than other fuels it will increase and the cost to transport it to northern Minnesota will increase significantly. Furthermore, as the demand for coal increases and the supplies dwindle, the price will rise, whereas wind costs will still be zero. Whatever its cost, it cannot compete with free wind (which transports itself). Free is hard to beat.

The reliability of wind power will increase as more wind generators are built and are dispersed over a much wider area, enabling them to supply a more constant source of

electricity. While wind does not always blow in one area, wind is always blowing somewhere. Coal will become less competitive. Coal, gas, and oil electric generation will assume a more supportive role in the electrical generation grid and step in when wind cannot keep up with the demand. Renewable energy sources such as solar and biomass can fill roles here also. We will need fewer of the coal generators and many will be forced to operate part time or even close down completely. Those who are in deep debt like Excelsior's could go bankrupt.

The enclosed chart compares Excelsior's Mesaba project with the Maple Ridge wind project in West Lowville, NY. Maple Ridge's projected cost to build wind generators is less than ¼ of Excelsior's estimated cost for the proposed coal plant in Taconite, yet the wind farm is projected to produce more than ½ of the electricity of the coal plant. If we spent the same amount of money to build wind generators, \$2 billion, as the enclosed chart illustrates, the Lowville wind project could produce 1280 mw. This is more than double the output of the proposed Taconite "advanced" coal plant, which is designed to produce only 606 mw. Not only could wind produce more than double the electricity for the same construction cost, but the fuel is free! How can coal compete with this? Furthermore, the Taconite project would require at least another \$500 million to build additional infrastructure, such as railroad lines and highway connectors.

To show how economically unsound the Excelsior coal project is, its promoters are asking the, federal, state, and local governments to help them pay for it. They also want tax breaks. The wind people, on the other hand, are putting up their own money at Maple Ridge and, in addition, they plan to pay millions of dollars in taxes to the local governments and for leases to local land holders to use their area to produce electricity!

Excelsior cannot get the full private financing because their project is a dinosaur. It does not make economic sense. It looks more like a pork barrel project hatched in Vice President Cheney's White House meeting with the executives of the fossil fuel industry as described in a "Time" magazine article at the start of the Bush administration. In that meeting, Cheney asked for their wish list. This looks like a "wish" project, not a sound business project. If these people want this project, they should finance it out of their pockets and not ask the poor taxpayers to finance it.

A careful examination of the enclosed chart illustrates the current economic weakness of coal fired plants relative to wind power systems. Of greater import, the rapid advancement of wind technology will increase wind's advantage exponentially.

The Excelsior plant must pay for the 110 train car loads of coal each day. We have no coal in Minnesota, which means millions of our dollars will drain out of state. We could be spending these dollars on education, health care, rapid transit, and roads. Wind is free and keeps the money for fuel in our state. The wind generators pay taxes and leases that will infuse money into our local economies and peoples' pockets making our communities more prosperous, economically independent, and sovereign. We are losing many of our little communities. Perhaps wind power will help reverse this trend.

Lastly, if you would like to promote job growth in our area, you will note if we invest the \$2 billion in wind power on the Iron Range, we could create 120 post construction permanent jobs as compared to the 107 that Excelsior promises. We can build wind generators on the tops of the numerous giant piles of mine tailings. Furthermore, the skills needed for the wind related jobs are more easily found within our area. With some additional training, many of our skilled electricians can find work with

them. On the other hand, the coal plant jobs require skills and experience that few of our local people possess. As a result Excelsior will hire most of the skilled workers from outside our area. This leaves the less skilled and lower paying jobs for our local people.

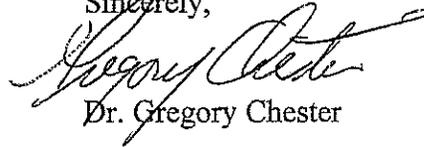
We must also consider the removal costs of both systems. The wind generators can be removed, if necessary, quickly and they will leave little evidence of their presence. On the other hand, the coal fired plant will leave a large and costly footprint. It may cost the taxpayers into the tens of millions or even billions of dollars to clean up the buildings and the toxic wastes it will inevitably leave behind. We will saddle our grandchildren and great grandchildren with this bill. Is this the kind of legacy we want to leave them? We frolic in electricity today while they will wallow in our wastes and debt tomorrow.

I ask you to deeply consider this matter. You are committing not only Excelsior, but our state and the US to the financial risk that this coal gasification plant will operate at a loss at best or go bankrupt at worst. Either way, it will leave us and future generations with a vast debt. We do not want either a Savings and Loan or an Enron debacle on the Iron Range.

The project is conceived on economic quicksand. If it cannot compete with wind today, how will it ever compete ten or even twenty years down the road when wind technology makes more advances on the one hand and the price of coal increases on the other hand? It is all simple, basic economics. Coal generating plants are dinosaurs. Their day has passed and we should let them quietly pass into extinction.

Thank you for your time and interest in this serious matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gregory Chester".

Dr. Gregory Chester

Chapter 4/4

COMPARING COAL GASSIFICATION AND WIND ELECTRIC GENERATION

	<u>EXCELSIOR, MN</u> <u>COAL GAS SYSTEM</u> <u>(EXPERIMENTAL)</u>	<u>MAPLE RIDGE POWER PROJECT, NY</u> <u>WIND POWER</u> <u>(TRIED AND PROVEN)</u>	<u>WIND POWER</u> <u>(EXTENDED)</u>
Cost	\$2 + billion (Potential 60% increase) (\$500 + mil infrastruc costs) (\$400 + mil transmiss lines)	\$450 - \$550 million	\$2 billion
Total Power Prod	606 mw	320 mw	1280 mw
Sources of Money	Public/Private \$55.5 mill comm. \$1.2 mill Itasca Co.?	Private/State incentives?	Private
Yrs to build/Begin earning	10 years	3 years	6-10 years
No. of Construct workers	3,000	400	800-1600
Full time post-construct wrkrs	107	30	120
Local taxes to cities and towns	\$1 mil	\$8 million/ yr	\$32 mill/yr
Fees to local land holders/frmrs	0	\$1.2 million/yr	\$4.6 mill/yr
Cost of fuel/year - Pres/Future *(110 car loads/day)	? *	FREE	FREE
<u>ADDITIONAL COMPARISONS</u>			
Cost to maintain	?	?	?
Cost to clean exhaust (air)	?	0	0
Cost to community pollution damage (air, water, and heat borne toxins)	?	0	0
Type + Amnt of pollution and impact (not trapped but hazardous to health)	?	0	0
Chance of Bankruptcy/Default #(US Govt. Loan Guaran - \$800 mill)	? #	?	?

THE EIS MUST COMPARE ECONOMIC, HEALTH, AND ENVIRONMENTAL IMPACTS AND COSTS OF THE COAL GASSIFICATION AND WIND ELECTRIC GENERATION

Gregory Chester