

Estimate of the financials of Mesaba at a high level looking at the money that will flow into the NE Minnesota economy every year. 9/28-06

Note these numbers are estimates but are approximate from other typical power facilities.

Phase I alone: 600MW The biggest expenses are:	Money that stays in NE MN	Money that leaves the area
Fuel: around \$30 per ton delivered for western coal times 2 million tons = \$60 million		
Less than 2% of that will stay in NE Minnesota only the wages of the train crews in Northern Minnesota and BNSF taxes, etc. The cost of coal goes to Wyoming, Illinois or wherever and most of the transportation cost goes elsewhere, fuel is oil, wages most are outside of Minnesota in northern Minnesota	\$1,000,000	\$59,000,000
Operating expenses Wages at the plant 100 people x \$100,000 per year average with benefits, vacation, health care, overtime, etc. = \$10,000,000		
80% will stay in the area 20% will leave the area as the plant will hire some people from out of state who will commute on weekends and send money home	\$8,000,000	\$2,000,000
Maintenance \$25 million per year for parts, supplies and contractors		
More than 80% of this will go out of state Most of the specialized contractors are from out of state Very few specialized parts are made in Minnesota	\$5 million	\$20 million
20% in state: some supplies, a few contractors for general repair work locally, and motels, restaurants when specialized contractors are on site		
Property Taxes approx. Mesaba is exempt from most property taxes	\$1 million per year	
Debt Service will go to banks in New York, California (not in NE Minnesota)		Approx \$70 to 100 million
Profit will go to the Twin Cities Excelsior is located in Minnetonka		\$40,000,000

