

**STATE OF MINNESOTA**  
**ENVIRONMENTAL QUALITY BOARD**

In the Matter of the Need For an  
Environmental Impact Statement for the 48  
MW Cogeneration Project Proposed by  
Boise Cascade Corporation

Findings of Fact, Conclusions and Order  
Determining that No EIS is Needed  
MEQB Docket No. 01-20-EAW-Boise

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The above-entitled matter came before the Minnesota Environmental Quality Board at a regular meeting on April 18, 2002.

**STATEMENT OF ISSUE**

Boise Cascade Corporation of International Falls, Minnesota, proposes to upgrade and replace steam turbine generators for an electric power cogenerating station at their pulp and paper mill, consisting of replacement of two existing 4 megawatt steam turbine generators (STG) with a new 36 MW STG and the rebuilding of another existing 6.25 MW STG, increasing its output to 11 MW. The project will be constructed entirely within the existing facility of the Boise Cascade processing plant at International Falls, Minnesota.

Minnesota Rules Part 4410.4300, subp. 3 requires that an EAW be prepared for electric power generating plants and associated facilities designed for, or capable of operating at, a capacity between 25 MW and 50 MW. The MEQB is the responsible governmental unit for review of electric generation facilities with a capacity of 25 MW or greater.

The board's decision in this matter shall be either a negative or a positive declaration of the need for an environmental impact statement. The board must order an EIS for the project if it determines the project will have the potential for significant environmental effects (Minn. R. Part 4410.1700).

Based upon the information in the record, which is comprised of the EAW for the proposed project, written comments received, responses to the comments and other supporting MEQB documents, the MEQB makes the following Findings of Fact, Conclusions and Order:

**FINDINGS OF FACT**

*Project Description*

1. Boise Cascade Corporation of International Falls, Minnesota, proposes to upgrade and replace steam turbine generators for an electric power cogenerating station in its processing plant located in International Falls, Koochiching County, Minnesota.
2. This project will replace two existing 4 megawatt (MW) steam turbine generators (STG) with a new 36 MW STG and rebuild another existing 6.25 MW STG, increasing its output to 11 MW. The project will be constructed entirely within the existing facility and will not add any new boilers, buildings, or power transmission lines. The mill has an electrical demand of about 67 MW. Currently, about 35% of this demand is self-generated by the mill's steam turbine generators (STGs). Another 10% of that electrical demand comes from the mill's hydro generation. The remaining power requirement, about 54% (or around 36 MW), is

purchased from the local utility, Minnesota Power (MP). MP's principal energy source for generation is coal. The primary fuel for process steam and cogeneration use at Boise Cascade is natural gas.

3. The existing steam capacity of the mill exceeds the electric generating capacity of its STGs. Steam needed for the papermaking process is generated at high pressure and first passed through STGs before being consumed in the process (cogeneration). The steam that cannot pass through the turbines to otherwise make more power is instead passed through pressure reducing valves before going to the process. Additional STG capacity will allow for increased cogeneration, without the need for increased steam capacity. The plant has the capacity to produce more steam than can be used for either process or power generation.
4. This project proposes to install added cogeneration capacity in the form of upgraded steam turbines to match the mill's steam requirement. This capacity addition will be contained completely within the existing Turbine Room building, which houses the existing STGs. There will be no modifications to the size of this building to accommodate this project. There will be no additional power transmission lines resulting from this project.
5. The project will retire the mill's existing 75-year-old #1 and #2 STGs. Each has a 450 psi inlet and is rated at 4 MW (5 MVA). A new 36 MW (44 MVA) unit will be installed in the same building in place of the existing units. The new unit will have a 1290 psi inlet pressure. To accommodate this higher turbine pressure, the pressure of the mill's Recovery Boiler will be raised from the existing 1000 psi to 1290 psi. The steam from this boiler and the excess steam from the mill's other 1290 psi power boilers will feed this new STG. The steaming rate of the Recovery Boiler will remain the same.
6. All power wiring and turbine auxiliary equipment will be contained within the existing building, just as the existing wiring and equipment are now. The existing STG foundation will be modified and reused. Additional foundation piling within the building will be needed.
7. Additional energy used to produce more electricity will come from natural gas. Air emissions will remain within the current air permit limits.

*Procedural*

8. Minn. R. Part 4410.4300, subp 3 requires the preparation of an EAW for the construction of an electric power generating plant with a generating capacity between 25 and 50 megawatts. The purpose of the EAW is to aid in the determination of whether an environmental impact statement should be prepared. The MEQB is designated as the responsible governmental unit.
9. The Boise Cascade Corporation submitted the data portion of the environmental assessment worksheet to the EQB staff in December 2001. The staff developed supplemental data and prepared the EAW.
10. Notice of the availability of the EAW was published in the EQB Monitor on February 4, 2002, which initiated the thirty-day comment period.

11. The EAW was distributed to the EQB distribution list pursuant to Minn. R. Part 4410.1500 on March 31, 2002.
12. On February 4, 2002, a press release containing the notice of availability of the EAW for public review was provided to the International Falls newspaper.
13. The comment period for the EAW closed on March 6, 2002.
14. Copies of these proposed Findings of Fact were mailed to all commenters on April 10, 2002.

*Agency Letters Included in the EAW*

15. One letter in response to queries by Boise Cascade Corporation was included in the data portion of the EAW and was published with the EAW as Figure 8-1. This letter was from the Minnesota Pollution Control Agency making a determination that no new amendment for an air emission permit was needed for this project.

*EAW Comments and EQB Staff Responses*

16. Two comment letters on the EAW were received. These include letters from the Department of Natural Resources and the Minnesota Historical Society.
17. The Department of Natural Resources staff found that the proposed project does not appear to have the potential for significant environmental effects and does not require preparation of an Environmental Impact Statement.
18. The Minnesota Historical Society found that discussion of the cultural resource impacts was adequate. That discussion concluded that no properties eligible for or listed on the National Register of Historic Places would be affected by this project.

*EIS Standard and Criteria*

19. An environmental impact statement shall be ordered for projects that have the potential for significant environmental effects. Minn. R. Part 4410.1700.
20. In deciding whether a project has the potential for significant environmental effects, the following factors shall be considered:
  - A. Type, extent, and reversibility of environmental effects;
  - B. Cumulative potential effects of related or anticipated future projects;
  - C. The extent to which the environmental effects are subject to mitigation by ongoing public regulatory authority; and
  - D. The extent to which environmental effects can be anticipated and controlled as a result of other available environmental studies undertaken by public agencies or the project proposer, including other EISs.
27. With regard to the first criterion (type, extent, and reversibility of effects), the MEQB finds that the project will have no significant impacts on water quality or wildlife. The addition of new steam turbine generators will not result in additional air pollutants in excess of currently permitted levels.

28. With regard to the second criterion (cumulative potential effects of related or anticipated future projects), the MEQB finds no related projects. Boise Cascade has previously engaged in a Boiler Improvement Project for providing steam for the pulp and paper processes at the mill. This project, the cogeneration turbine upgrade, uses steaming capacity resulting from those improvements. This is not, however, a subsequent phase of that previous project. This project has independent usefulness, and it would not have justified the boiler improvements alone. There are no other related or anticipated future projects.
29. No significant environmental impacts were identified that would require mitigation.
30. There are no other specific environmental studies addressing the potential environmental effects of the project.

Base on these findings of fact the MEQB makes the following:

### **CONCLUSIONS**

1. The MEQB has jurisdiction in determining the need for an environmental impact statement for this project.
2. The environmental assessment worksheet for the proposed Boise Cascade Cogeneration upgrade of steam turbine generators was prepared, distributed and noticed as required by the Minnesota Environmental Policy Act and Minn. R. Parts 4410.0200 through 4410.6500.
3. All substantive and timely comments on the EAW have been considered.
4. The record includes adequate information to determine whether the proposed Boise Cascade Cogeneration project has the potential for significant environmental effects.
5. The proposed Boise Cascade Cogeneration project does not have the potential for significant environmental effects.
6. Any findings that might properly be termed conclusions and any conclusions that might properly be termed findings are hereby adopted as such.

### **ORDER**

Based on the Findings of Fact and Conclusions contained herein and on the entire record:

The Minnesota Environmental Quality Board hereby determines that the Boise Cascade Cogeneration project does not require the preparation of an environmental impact statement, and orders a Negative Declaration on the need for an environmental impact statement.

Approved and adopted this 18<sup>th</sup> day of April 2002.

State of Minnesota  
Environmental Quality Board

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Gene Hugoson, Chair