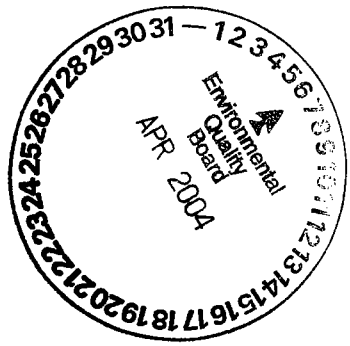
Faribault Energy Park, LLC

April 7, 2004



Mr. Bill Storm
Minnesota Environmental Quality Board
300 Centennial Building
658 Cedar Street
St. Paul, Minnesota 55155

Re: Faribault Energy Park, LLC
MEQB Docket No. 02-48-PPS-FEP

Dear Mr. Storm:

The following are the Reply Comments of Faribault Energy Park, LLC (FEP) to the Comments on the Draft EIS of the Minnesota Pollution Control Agency in the FEP Site Permit docket.

Response to Minnesota Pollution Control Agency Comments on Draft Environmental Impact Statement for Faribault Energy Park

Air Emissions Risk Analysis (AERA)
We are pleased that MPCA has determined the AERA to be complete and that the air emissions associated with the project have been adequately characterized.

4.5 Wastewater
Industrial wastewater would only be generated during periodic maintenance events, and managed and disposed offsite in accordance with applicable regulatory requirements by the maintenance contractor.

6.11 Hazardous Wastes

FEP recognizes the rules governing Very Small Quantity Generators in Minnesota and will comply with the Minnesota rules regarding the generation, storage, and disposal of hazardous waste.

6.2.1 Water Resources – Surface Water
FEP recognizes the comments and will comply with all applicable regulatory requirements during construction activities at the project.

Air Quality

Executive Summary

FEP recognizes that the control technologies to be employed will meet Best Available Control Technologies (BACT).

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4.7 Air Emissions Control Equipment

It is recognized that MPCA has determined that an oxidation catalyst is not required as BACT.

6.4 Air Quality

The MPCA commented that the EIS does not discuss carbon dioxide (CO_2) emissions. While CO_2 is not a regulated pollutant in the United States, it is recognized as greenhouse gas having potential impact on global climate change.

Many greenhouse gases occur naturally, but human activities add gases to the natural mix. Water vapor is the most abundant greenhouse gas; it occurs naturally and makes up about two-thirds of the natural greenhouse effect. Fuel burning and other human activities, however, are adding large amounts of greenhouse gases to the atmosphere — the most important ones being carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF6). Since preindustrial times, atmospheric concentrations of CO_2, CH_4 and N_2O have climbed by over 30%, 145% and 15%, respectively. Scientists have confirmed this is primarily due to human activity. Burning fossil fuels (e.g., coal, oil and gas) and cutting down forests are largely responsible.

Separating out the impact of human activity from natural climate variation is extremely difficult. Nonetheless, the scientific community has generally concluded that there is a "discernible human influence" on climate. This means the observed global warming is unlikely to be the result of natural variability alone and that human activities are at least partially responsible.

Human health, agriculture, water resources, forests, wildlife, and coastal areas are vulnerable to global warming and the climatic changes it will bring. A few degrees of warming increases the chances of more frequent and severe heat waves, which can cause more heat-related death and illness. Greater heat can also mean worsened air pollution, as well as damaged crops and depleted water resources. Warming is likely to allow tropical diseases, such as malaria, to spread northward in some areas of the world. It will also intensify the Earth's hydrological cycle. This means that both evaporation and precipitation will increase. Some areas will receive more rain, while other areas will be drier. At the same time, extreme events like floods and droughts are likely to become more frequent. Warming will cause glaciers to melt and oceans to expand.

Anthropogenic increases and decreases in CO_2 emissions reflect the demand for energy derived from fossil fuels. Factors that affect fossil fuel demand are large-scale and include aspects such as government policy, gross domestic production, population size, human behavior, energy efficiency, and availability, acceptability (e.g. nuclear power) and economic viability of alternative non-carbon based energy sources. The ability to influence these factors is subject to much debate and considerable research. Site specific

technologies to remove and store carbon dioxide from the exhaust are not currently available.

While FEP is proposing to construct and operate a fossil fuel fired turbine, it will implement state of the art technology at its facility to maximize fuel efficiency. Increasing fuel efficiency is recognized internationally, such as through the United Nations, as an economically viable mitigation effort. The amount of fuel required to operate the combustion turbine is less than older comparably sized turbines used elsewhere in Minnesota and throughout the country. Furthermore, the future addition of the heat recovery steam generator will greatly enhance the efficiency of the plant by generating electricity from the waste-heat of the turbine exhaust.

EIS Table 10

FEP acknowledges that worst case emissions of VOC, CO, and PM_{10} occur during start-up. However, in the context of the EIS, the worst case emissions during normal operation occur at 100% load as opposed to reduced loads. It should also be noted that for the combined cycle operation only, NO_X emissions will be greater during start-up than during normal operation. This is because the combined cycle combustion turbine NO_X emissions will be controlled with the application of Selective Catalytic Reduction (SCR) during normal operation. The efficiency of SCR is technically limited during start-up and will not effectively reduce NO_X during this period.

EIS Table 11

The potential acrolein emissions from the combustion turbine, combusting natural gas for 8760 hours per year, is 105 pounds.

If you have any questions regarding this matter, please feel free to contact me.

Very truly yours,

Faribault Energy Park, LLC

James D. Larson
Vice President