



Minnesota Department of Natural Resources

500 Lafayette Road
St. Paul, Minnesota 55155-4010



October 9, 2003

Bill Storm, Project Manager
Minnesota Environmental Quality Board
658 Cedar Street
St. Paul, MN 55155

RE: NGPP Minnesota Biomass, LLC
Environmental Assessment Worksheet (EAW)

Dear Mr. Storm:

The Department of Natural Resources (DNR) has reviewed the Environmental Assessment Worksheet for the proposed NGPP Minnesota Biomass, LLC power generating plant. From a natural resources management perspective, the proposed project does not appear to have the potential for significant environmental effects, and does not require preparation of an Environmental Impact Statement. We offer the following additional comments for consideration during project design and permitting.

Water use and discharge

The EAW indicates the project will rely on a combination of well water, city water and wastewater treatment plant effluent. Although groundwater supplies are adequate in the project area, the DNR recommends effluent use to the extent possible. We endorse using effluent, with a well for backup supply, as a sound groundwater conservation practice.

The EAW indicates the project will require a "Ground Water Appropriation Permit" from the DNR, implying a permit would only be required for a new appropriation of groundwater. Please be advised a permit also would be required for appropriating and using effluent that would otherwise be discharged to surface water.

The EAW indicates the project as presently envisioned will not entail impacts to public waters. However, in the event any construction or excavation (e.g., for a discharge pipe) is necessary below the ordinary high water level of a public water, a permit will be required. The proposer should contact Area Hydrologist Leo Getsfried at 507-389-2151 to discuss water-related permit requirements.

Wetlands

The EAW describes two potential project sites and indicates the proposed project will not result in impacts to wetlands under the DNR's jurisdiction at either site. However, if Site 2 were developed, there would be impacts to 3.5 acres of wetlands regulated under Section 404 of the federal Clean Water Act and Minnesota's Wetland Conservation Act (WCA). Given the

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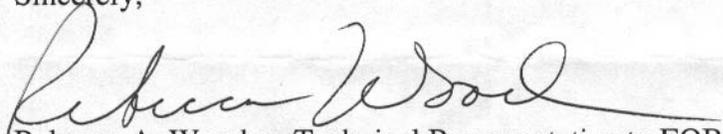
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significant wetland losses that have already occurred in Waseca County, the DNR strongly recommends avoiding further impacts, and will comment to this effect during the Corps and WCA permitting processes. These impacts could be avoided by constructing the project at Site 1.

Thank you for the opportunity to review this document. Please be advised these staff recommendations do not preclude Commissioner Merriam from reaching a different conclusion after he reviews the complete record in this matter when it comes before the Environmental Quality Board for a final decision. Please contact me with any questions regarding this letter.

Sincerely,



Rebecca A. Wooden, Technical Representative to EQB
Environmental Policy and Review Section
Office of Management & Budget Services
(651)297-3355

c: Leo Getsfried
Shannon Fisher
Douglas E. Ferber, NGPP Minnesota Biomass, LLC
Dan Stinnett, USFWS

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