



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Allan Bier, District Ranger
Laurentian Ranger District
U. S. Forest Service
318 Forestry Road
Aurora, MN 55705

Dear Mr. Bier:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Because the Project would be located in proximity to Superior National Forest and within 100 miles of the Boundary Waters Canoe Area Wilderness, this letter is intended to ascertain whether the Forest Service wishes to participate in the EIS as a cooperating agency under NEPA.

Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date of the first phase is scheduled for 2011; the second phase is scheduled for 2013. Because the facility is considered a Large Electric Power Generating Plant (LEPGP), the project also is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite, Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes, St. Louis County (see attachments). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include intakes from and discharges to surface waters, connections to natural gas pipelines, and connections to various existing transit corridors (rail and road) in the region.

Please reply at your earliest convenience to indicate whether the Forest Service has an interest in becoming a cooperating agency on the EIS. Should you wish to discuss the Project and EIS further, please do not hesitate to call me at 412-386-6065 or email me at richard.hargis@netl.doe.gov.

Sincerely,

Richard Hargis
NEPA Document Manager

cc Jim Sanders, Forest Supervisor, Superior National Forest

Enclosures: Location and Site Maps



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Dan Stinnett, Field Supervisor
Twin Cities Ecological Services Field Office
U. S. Fish and Wildlife Service
4101 East 80th Street
Bloomington, MN 55425

Dear Mr. Stinnett:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date for the first phase is scheduled for 2011; the second phase is scheduled for 2013.

As the lead Federal Agency, NETL is required to comply with Section 7 of the Endangered Species Act for this undertaking as well as with NEPA. Therefore, this letter is intended to initiate consultation with your office. Excelsior has contracted with SEH of St. Paul to perform natural resources surveys to support Section 7 consultation. Representatives from SEH will be in contact with your office directly to determine whether listed species may be found in Project areas and to discuss the potential for impacts. Also, because the proposed facility is considered a Large Electric Power Generating Plant (LEPGP), the Project is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws. To assist us in evaluating any potential environmental impacts of this project, we are requesting your comments on the proposed Project and recommendations for any further coordination.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite in Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes in St. Louis County (see attachments). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include intakes from and discharges to surface waters, connections to natural gas pipelines, and connections to various existing transit corridors (rail and road) in the region.

Thank you for your assistance in this matter. If you require further information, please do not hesitate to call me at 412-386-6065 or email me at richard.hargis@netl.doe.gov.

Sincerely,

Richard Hargis
NEPA Document Manager

Enclosures: Location and Site Maps



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Michael T. Chezik
Regional Environmental Officer
U. S. Department of the Interior
Custom House, Room 244
200 Chestnut Street
Philadelphia, PA 19106

Dear Mr. Chezik:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Because the Project would be located within 100 miles of Voyageurs National Park, and in the vicinity of other natural resource areas and Native American tribal lands, this letter is intended to ascertain whether the DOI wishes to participate in the EIS as a cooperating agency under NEPA.

Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date of the first phase is scheduled for 2011; the second phase is scheduled for 2013. Because the facility is considered a Large Electric Power Generating Plant (LEPGP), the project also is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite, Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes, St. Louis County (see enclosed maps). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include intakes from and discharges to surface waters, connections to natural gas pipelines, and connections to various existing transit corridors (rail and road) in the region.

Please reply at your earliest convenience to indicate whether the DOI, or any of its services, bureaus, or offices, has an interest in becoming a cooperating agency on the EIS. Should you wish to discuss the Project and EIS further, please do not hesitate to call me at 412-386-6065 or email at richard.hargis@netl.doe.gov.

Sincerely,


Richard Hargis
NEPA Document Manager

cc Ernest Quintana, Regional Director, National Park Service
Terry Virden, Regional Director, Bureau of Indian Affairs

Enclosures: Location and Site Maps



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Colonel Michael Pfenning
District Engineer
U. S. Army Corps of Engineers
190 Fifth Street, East
St. Paul, MN 55101-1638

Dear Colonel Pfenning:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Because the siting of this Project may affect jurisdictional wetlands in northern Minnesota, this letter is intended to initiate consultation with your office regarding compliance with Section 404 of the Clean Water Act and to ascertain whether the U. S. Army Corps of Engineers wishes to participate in the EIS as a cooperating agency under NEPA. Excelsior has contracted with SEH of St. Paul to perform wetlands delineations for the Project, and representatives of SEH will coordinate directly with your Section 404 regulatory personnel.

Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date of the first phase is scheduled for 2011; the second phase is scheduled for 2013. Because the facility is considered a Large Electric Power Generating Plant (LEPGP), the project also is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite in Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes in St. Louis County (see attachments). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include connections to natural gas pipelines and various existing transit corridors (rail and road) in the region.

Please reply at your earliest convenience to indicate whether USACE St. Paul District has an interest in becoming a cooperating agency on the EIS. Should you wish to discuss the Project and EIS further, please do not hesitate to call me at 412-386-6065 or email me at richard.hargis@netl.doe.gov.

Sincerely,


Richard Hargis
NEPA Document Manager

cc: Tamara Cameron, NEPA Coordinator
Robert Whiting, Regulatory Branch Chief
Enclosures: Location and Site Maps



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Richard R. Hoffmann, Director
Federal Energy Regulatory Commission
Division of Gas – Environment & Engineering
Room 6217
888 First Street, NE
Washington, DC 20426

Dear Mr. Hoffmann:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Because the Project would necessitate the extension of a gas pipeline, this letter is intended to ascertain whether the Federal Energy Regulatory Commission wishes to participate in the EIS as a cooperating agency under NEPA.

Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date of the first phase is scheduled for 2011; the second phase is scheduled for 2013. Because the facility is considered a Large Electric Power Generating Plant (LEPGP), the project also is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite, Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes, St. Louis County (see attachments). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; Great Lakes Gas Transmission Company would most likely supply natural gas for the Project. In the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes; Northern Natural Gas would most likely supply natural gas for the Project. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include intakes from and discharges to surface waters and connections to various existing transit corridors (rail and road) in the region.

Please reply at your earliest convenience to indicate whether FERC has an interest in becoming a cooperating agency on the EIS. Should you wish to discuss the Project and EIS further, please do not hesitate to call me at 412-386-6065 or email me at richard.hargis@netl.doe.gov.

Sincerely,

Richard Hargis
NEPA Document Manager

Enclosures: Location and Site Maps



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Bonita Eliason, Supervisor
Natural Heritage and Nongame Research Program
Minnesota Department of Natural Resources
500 Lafayette Road
St. Paul, MN 55155-4025

Dear Ms. Eliason:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date for the first phase is scheduled for 2011; the second phase is scheduled for 2013.

As the lead Federal Agency, NETL is required to comply with Section 7 of the Endangered Species Act for this undertaking as well as with NEPA. Also, because the proposed facility is considered a Large Electric Power Generating Plant (LEPGP), the Project is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws. Therefore, this letter is intended to initiate consultation with your office. Excelsior has contracted with SEH of St. Paul to perform natural resources surveys to support consultations for Federal and state listed species. Representatives from SEH will be in contact with your office directly to determine whether listed species may be found in Project areas and to discuss the potential for impacts. To assist us in evaluating any potential environmental impacts of this project, we are requesting your comments on the proposed Project and recommendations for any further coordination.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite in Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes in St. Louis County (see attachments). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include intakes from and discharges to surface waters, connections to natural gas pipelines, and connections to various existing transit corridors (rail and road) in the region.

Thank you for your assistance in this matter. If you require further information, please do not hesitate to call me at 412-386-6065 or email me at richard.hargis@netl.doe.gov.

Sincerely,

Richard Hargis
NEPA Document Manager

Enclosures: Location and Site Maps



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Michael T. Chezik
Regional Environmental Officer
U. S. Department of the Interior
Custom House, Room 244
200 Chestnut Street
Philadelphia, PA 19106

Dear Mr. Chezik:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Because the Project would be located within 100 miles of Voyageurs National Park, and in the vicinity of other natural resource areas and Native American tribal lands, this letter is intended to ascertain whether the DOI wishes to participate in the EIS as a cooperating agency under NEPA.

Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date of the first phase is scheduled for 2011; the second phase is scheduled for 2013. Because the facility is considered a Large Electric Power Generating Plant (LEPGP), the project also is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite, Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes, St. Louis County (see enclosed maps). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include intakes from and discharges to surface waters, connections to natural gas pipelines, and connections to various existing transit corridors (rail and road) in the region.

Please reply at your earliest convenience to indicate whether the DOI, or any of its services, bureaus, or offices, has an interest in becoming a cooperating agency on the EIS. Should you wish to discuss the Project and EIS further, please do not hesitate to call me at 412-386-6065 or email at richard.hargis@netl.doe.gov.

Sincerely,


Richard Hargis
NEPA Document Manager

cc Ernest Quintana, Regional Director, National Park Service
Terry Virden, Regional Director, Bureau of Indian Affairs

Enclosures: Location and Site Maps



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Colonel Michael Pfenning
District Engineer
U. S. Army Corps of Engineers
190 Fifth Street, East
St. Paul, MN 55101-1638

Dear Colonel Pfenning:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Because the siting of this Project may affect jurisdictional wetlands in northern Minnesota, this letter is intended to initiate consultation with your office regarding compliance with Section 404 of the Clean Water Act and to ascertain whether the U. S. Army Corps of Engineers wishes to participate in the EIS as a cooperating agency under NEPA. Excelsior has contracted with SEH of St. Paul to perform wetlands delineations for the Project, and representatives of SEH will coordinate directly with your Section 404 regulatory personnel.

Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date of the first phase is scheduled for 2011; the second phase is scheduled for 2013. Because the facility is considered a Large Electric Power Generating Plant (LEPGP), the project also is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite in Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes in St. Louis County (see attachments). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include connections to natural gas pipelines and various existing transit corridors (rail and road) in the region.

Please reply at your earliest convenience to indicate whether USACE St. Paul District has an interest in becoming a cooperating agency on the EIS. Should you wish to discuss the Project and EIS further, please do not hesitate to call me at 412-386-6065 or email me at richard.hargis@netl.doe.gov.

Sincerely,

Richard Hargis
NEPA Document Manager

cc: , NEPA Coordinator
Robert Whiting, Regulatory Branch Chief
Enclosures: Location and Site Maps



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Colonel Michael Pfenning
District Engineer
U. S. Army Corps of Engineers
190 Fifth Street, East
St. Paul, MN 55101-1638

Dear Colonel Pfenning:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Because the siting of this Project may affect jurisdictional wetlands in northern Minnesota, this letter is intended to initiate consultation with your office regarding compliance with Section 404 of the Clean Water Act and to ascertain whether the U. S. Army Corps of Engineers wishes to participate in the EIS as a cooperating agency under NEPA. Excelsior has contracted with SEH of St. Paul to perform wetlands delineations for the Project, and representatives of SEH will coordinate directly with your Section 404 regulatory personnel.

Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date of the first phase is scheduled for 2011; the second phase is scheduled for 2013. Because the facility is considered a Large Electric Power Generating Plant (LEPGP), the project also is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite in Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes in St. Louis County (see attachments). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include connections to natural gas pipelines and various existing transit corridors (rail and road) in the region.

Please reply at your earliest convenience to indicate whether USACE St. Paul District has an interest in becoming a cooperating agency on the EIS. Should you wish to discuss the Project and EIS further, please do not hesitate to call me at 412-386-6065 or email me at richard.hargis@netl.doe.gov.

Sincerely,

Richard Hargis
NEPA Document Manager

cc: Tamara Cameron, NEPA Coordinator
Robert Whiting, Regulatory Branch Chief
Enclosures: Location and Site Maps



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Michael T. Chezik
Regional Environmental Officer
U. S. Department of the Interior
Custom House, Room 244
200 Chestnut Street
Philadelphia, PA 19106

Dear Mr. Chezik:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Because the Project would be located within 100 miles of Voyageurs National Park, and in the vicinity of other natural resource areas and Native American tribal lands, this letter is intended to ascertain whether the DOI wishes to participate in the EIS as a cooperating agency under NEPA.

Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date of the first phase is scheduled for 2011; the second phase is scheduled for 2013. Because the facility is considered a Large Electric Power Generating Plant (LEPGP), the project also is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite, Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes, St. Louis County (see enclosed maps). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include intakes from and discharges to surface waters, connections to natural gas pipelines, and connections to various existing transit corridors (rail and road) in the region.

Please reply at your earliest convenience to indicate whether the DOI, or any of its services, bureaus, or offices, has an interest in becoming a cooperating agency on the EIS. Should you wish to discuss the Project and EIS further, please do not hesitate to call me at 412-386-6065 or email at richard.hargis@netl.doe.gov.

Sincerely,

Richard Hargis

NEPA Document Manager

cc Ernest Quintana, Regional Director, National Park Service
[Redacted], Regional Director, Bureau of Indian Affairs

Enclosures: Location and Site Maps



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Jo Lynn Traub, W-15J
Director, Water Division
U. S. Environmental Protection Agency, Region 5
77 W. Jackson Boulevard
Chicago, IL 60604-3507

Dear Ms. Traub:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Because one of the two potential sites for the Project is located in the Great Lakes Basin, this letter is intended to ascertain whether the U. S. EPA Region 5 wishes to participate in the EIS as a cooperating agency under NEPA.

Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date of the first phase is scheduled for 2011; the second phase is scheduled for 2013. Because the facility is considered a Large Electric Power Generating Plant (LEPGP), the project also is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite, Itasca County, in the Mississippi River Drainage Basin; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes, St. Louis County, in the Great Lakes Basin (see attachments). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include intakes from and discharges to surface waters, connections to natural gas pipelines, and connections to various existing transit corridors (rail and road) in the region.

Please reply at your earliest convenience to indicate whether U. S. EPA Region 5 has an interest in becoming a cooperating agency on the EIS. Should you wish to discuss the Project and EIS further, please do not hesitate to call me at 412-386-6065 or email at richard.hargis@netl.doe.gov.

Sincerely,

Richard Hargis
NEPA Document Manager

Enclosures: Location and Site Maps



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Bradley A. Johnson, Archaeologist
U. S. Army Corps of Engineers
St. Paul District Office
190 Fifth Street, East
St. Paul, MN 55101

Dear Mr. Johnson:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). Excelsior plans to construct the Project in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date for the first phase is scheduled for 2011; the second phase is scheduled for 2013. Because the facility is considered a Large Electric Power Generating Plant (LEPGP), the project also is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws.

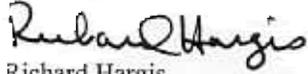
As the lead Federal Agency, NETL is required to comply with Sections 106 and 110 of the National Historic Preservation Act (NHPA) for this undertaking as well as with NEPA. Therefore, I have initiated consultation with the State Historic Preservation Office (SHPO) and invite you to participate in this consultation. In a separate letter, I've initiated consultation with your District Office under Section 404 of the Clean Water Act and have invited USACE to become a cooperating agency under NEPA.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite in Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes in St. Louis County (see attachments). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include connections to natural gas pipelines and various existing transit corridors (rail and road) in the region.

Excelsior has contracted with SEH and The 106 Group of St. Paul to perform cultural resources surveys and coordination, including outreach to Native American tribes, as appropriate for compliance with the Sections 106 and 110 processes. In furtherance of these purposes, The 106 Group has prepared a preliminary assessment of cultural resources for the West Range Plant site for your consideration and comment. Last year The 106 Group conducted a Phase I cultural resources study of the East Range Site (at that time referred to as the Hoyt Lakes Site).

After you have had the opportunity to review this information, and at your convenience, I would be pleased to meet with you to discuss the Project and the EIS. I will contact you next week to discuss the prospect of a meeting. Should you wish to contact me sooner, do not hesitate to call me at 412-386-6065 or email me at richard.hargis@netl.doe.gov.

Sincerely,



Richard Hargis
NEPA Document Manager

Enclosures: Location and Site Maps
 Preliminary Cultural Resources Report for the West Range Site
 Phase I Cultural Resources Report for the East Range (Hoyt Lakes) Site



U.S. Department of Energy

National Energy Technology Laboratory



August 9, 2005

Dennis Gimmestad
Review and Compliance Officer
Minnesota Historical Society
State Historic Preservation Office
345 Kellogg Boulevard
St. Paul, MN 55102-1906

Dear Mr. Gimmestad:

The U. S. Department of Energy (DOE), National Energy Technology Laboratory (NETL) is beginning the process of preparing an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA) for our participation in the Mesaba Energy Project under the Clean Coal Power Initiative (CCPI) Program (the "Project"). NETL intends to publish a Notice of Intent in August to prepare the EIS. Excelsior Energy, Inc., an independent energy development company based in Minnetonka, MN, will build, own, and operate (under agreement with an operating company) the Project, an Integrated Coal Gasification Combined Cycle (IGCC) electric generating facility located in Minnesota's Iron Range (see attachments). The Project is planned to be constructed in two phases generating a maximum of 600 megawatts (net) each. The commercial in-service date for the first phase is scheduled for 2011; the second phase is scheduled for 2013.

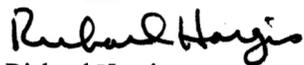
As the lead Federal Agency, NETL is required to comply with Sections 106 and 110 of the National Historic Preservation Act (NHPA) for this undertaking as well as with NEPA. Therefore, this letter is intended to initiate consultation with your office. Because the facility is considered a Large Electric Power Generating Plant (LEPGP), the project also is subject to the Minnesota Environmental Policy Act (MEPA), which requires the preparation of a state-equivalent EIS. NEPA and MEPA requirements are substantially similar, and it is NETL's intent to prepare an EIS that will fulfill the requirements of both laws.

In compliance with the requirements of Minnesota Statutes 116C (Sections 116C.51 to 116C.69, known as the Minnesota Power Plant Siting Act) and Minnesota Rules Chapter 4400, Excelsior is considering two sites for the proposed facility. The West Range site is located just north of the city of Taconite in Itasca County; the East Range Site is located about one and one-half miles north of the city of Hoyt Lakes in St. Louis County (see attachments). In the case of the West Range site, the Project's generating facilities would connect to the power grid via new and existing high voltage transmission line (HVTL) corridors to a substation near the unincorporated community of Blackberry; in the case of the East Range site, the generating facilities would connect to the grid via existing HVTL corridors that lead to a substation near the unincorporated community of Forbes. Excelsior would reconstruct and/or reinforce the HVTL infrastructure within the final corridor(s) selected. In conjunction with both phases of the Project, Excelsior anticipates that network reinforcements would be required in other existing HVTL corridors and/or at substations down-network of the existing substations identified. In addition, the project would include connections to natural gas pipelines and various existing transit corridors (rail and road) in the region.

Excelsior has contracted with SEH and The 106 Group of St. Paul to perform cultural resources surveys and coordination, including outreach to Native American tribes, as appropriate for compliance with the Sections 106 and 110 processes. In furtherance of these purposes, The 106 Group has prepared a preliminary assessment of cultural resources for the West Range Plant site for your consideration and comment. Last year The 106 Group conducted a Phase I cultural resources study of the East Range Site (at that time referred to as the Hoyt Lakes Site).

I intend to follow up with Dennis Grimmestad, SHPO Review and Compliance Officer, in the near future about the prospect of a meeting to discuss the Project and the EIS. I'll contact you as well to see whether you would be interested in participating in this discussion. Should you wish to discuss this information with me sooner, do not hesitate to call me at 412-386-6065 or email me at richard.hargis@netl.doe.gov.

Sincerely,



Richard Hargis
NEPA Document Manager

Enclosures: Location and Site Maps
 Preliminary Cultural Resources Report for the West Range Site
 Phase I Cultural Resources Report for the East Range (Hoyt Lakes) Site