

For Immediate Release
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MINNESOTA PUBLIC UTILITIES COMMISSION ACTS ON MESABA ENERGY PERMIT STATUS

St. Paul, Minnesota - The Minnesota Public Utilities Commission (“Commission”) today determined that the Site and Route permits for Excelsior Energy’s Mesaba Energy Project, issued in 2010, would remain valid for the combined-cycle natural gas plant portion of Excelsior’s original project proposal.

On March 12, 2010, the Commission issued permits to Excelsior Energy for a fuel-flexible Integrated Gasification Combined Cycle (IGCC) power plant, known as the Mesaba Energy Project. The authorized permits covered the site of the plant, which was proposed to be in the City of Taconite, as well as the routes for an associated high voltage transmission line and natural gas pipeline. In a May 2012 letter to the Commission, Excelsior indicated its plans for the plant had been modified to develop only the combined-cycle portion of the facility and to use natural gas as a fuel source without limitation. Excelsior asked the Commission to confirm that the Site and Route permits issued for the Mesaba Energy Project in 2010 are still valid for a natural gas-fired plant of the type proposed by Excelsior, and that no additional environmental review is required under the applicable State rules for such a plant.

The Commission received comments from a number of entities, including the Minnesota Department of Commerce, MNCoalGasPlant.com, and the Sierra Club, as well as elected public officials and members of the public. After considering these comments and the related extensive record for the case, the Commission voted 5 - 0 that the permits remain valid for the project now proposed by Excelsior. Furthermore, the Commission determined that that no additional environmental review is required. In addition, the Commission required Excelsior to make a filing prior to construction indicating how Excelsior intends to comply with the Terms and Conditions outlined in the site permit.

A final written order formally documenting the Commission’s decisions will be issued in several weeks. That order will be filed in Docket No. E-6472/GS-06-668, which is available on the Commission’s website via the Commission’s eDockets system.