

**BEFORE THE MINNESOTA OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of a Petition by Excelsior Energy, Inc.
for Approval of a Power Purchase Agreement under
Minn. Stat. §216B.1694, and Determination of Least
Cost Technology and Establishment of a Clean Energy
Minimum Under Minn. Stat. §216B.1693.

MPUC Docket: E/6472/M-05-1993

OAH Docket: 12-2500-17260-2

mncoalgasplant.com's STATEMENT OF THE CASE

I. INTRODUCTION

Excelsior waxes on about the origin of Mesaba as a project legislatively rooted in energy forethought, conscious deliberation of energy policy and urgent commitment to clean generation of electricity, with Mesaba as the epitome of clean generation, but its conception wasn't nearly so chaste, knowledgeable and thoughtful as Excelsior would have us believe. Most of those individuals participating in this docket were not there and are unaware of the legislative intent – Excelsior would rather we believe that passage of “Innovative Energy Project” legislation was based on the project's merit, but that is not reflected in the legislative record or the statute.¹ Mesaba is one result of the “Prairie Island Bill,” crafted by lobbyists bent on continued nuclear generation, expanding nuclear waste and relicensing the nuclear plants at Prairie Island and Monticello. Mesaba was tacked on to the “Prairie Island Bill” in the 2003 Special Session by the Xcel employee in the Prairie Island Senate District, in a desperate and successful attempt to get the nuclear bill through. Mesaba passed with it, after languishing through two sessions with hearings but no traction. The Prairie Island bill and Mesaba fit together to provide much needed DFL Range support to give Prairie Island extended life. Now Xcel is caught in an unholy bargain that it probably never expected would get this far – but here we are, thankfully with some quite specific legislative language to guide us.

¹ Excelsior's view of legislative intent was not observed in this writer's participation in 2002 and 2003 testifying against the Mesaba project.

Excelsior's interest is very different than the public interest. The Commission's charge generally is to protect the public interest, ratepayers' interest too, and in this case specifically, to make a public interest determination after a thorough and specific review.

Excelsior goes on about the "need" for this plant but the proof of lack of need is found in the Mesaba legislation -- exemption from Certificate of Need, and in the forced Power Purchase Agreement -- if the power was needed Excelsior could easily demonstrate need and we'd be lining up to buy the power. Unfortunately, Excelsior can't demonstrate need and Xcel does not want to buy this power, and that's why we're here. The market for electricity collapsed in 2000, 2001, about the same time NRG collapsed and almost took Xcel down, about the same time Excelsior, announced the Mesaba project. In wholesale deregulation, much independent generation was built, to the extent that the NERC 2005 Long Term Reliability Assessment warns "we may have overbuilt,"² and many of those companies are now bankrupt.

Coal gasification is not ready for commercial use. Excelsior claims it is, but other proceedings in other states have found otherwise. "IGCC is not yet a mature, reliable or economic technology alternative." In re Tuscon Elec. Power Co.'s Application for a Hearing Regarding a Fourth Generating Unit Located in Springerville, Az., Docket No. L00000C-77-0030 et al at 50 (November 1, 2002). "IGCC technology, while promising, is still expensive and requires more maturation." Final Decision of the Public Service Commission of Wisconsin on Application for Certificate of Public Conv. And Necessity for the Elm Road Generating Station, 05-CE-130, p. 26 (November 10, 2003).³ IGCC has been rejected by Wyoming, Montana and Kentucky for consideration as alternate technology to pulverized coal

² NERC 2005 Long Term Reliability Assessment <http://www.nerc.com/~filez/rasreports.html> ; see also Global Energy's Spring 2006 "Midwest at a Glance: The Optimists are back in the market, and so is overbuilding." Available at: <http://www.globalenergydecisions.com/reg-request-papers2.asp>

³ See also WI Oak Creek CPCN 05-CE-130; 05-AE-118 Nov. 10, 2003. *With respect to the proposed IGCC unit, EGEAS demonstrates that the proposed IGCC unit is never cost-effective and must be denied. The EGEAS model does not select an IGCC unit in any of its optimal runs. When the EGEAS model is forced to take an IGCC unit in 2011, the expansion plan becomes \$349 million more expensive in present value terms. The EGEAS model strongly dismisses the IGCC unit as non-economic because of its higher construction cost. An IGCC would cost \$1,579/kW to build, as compared to the lower construction cost of an SCPC unit (\$1,400 to \$1,440/kW). The guaranteed heat rate for the IGCC units, 9,500 Btu/kWh, is also inferior to the guaranteed 8,850 Btu/kWh heat rate for the SCPC units. IGCC technology, while promising, is still expensive and requires more maturation. P. 26*

under a BACT⁴ analysis. mncoalgasplant.com will address these other decisions in light of that faced by the Commission.

Against this backdrop, the Public Utilities Commission was charged by the legislature to make, not a typical “least-cost” analysis and decision, but instead to determine whether the Mesaba project is in the public interest, considering whether it is least-cost in the “utility term of art” sense, but also a wider range of cost issues including cost of ancillary services, and as Excelsior points out, five criteria that add up to a far broader review than a “least-cost” review.

II. ISSUES TO BE ADDRESSED – APPLICABLE LAW

There are two statutes applicable to this case, and of those, select parts govern whether this project will go forward or not. First, and most importantly, the Mesaba Project must meet the definition of “Innovative Energy Project.” Excelsior has not met its burden of proof that its project, as proposed for the West site, meets that definition, and MCGP will prove that the project proposed at Excelsior’s preferred “West site” is not an “Innovative Energy Project” as defined by the statute because there is no infrastructure whatsoever on the “West site.” Minn. State. §216B.1694, Subd. 1(3). Further, Excelsior knew or should have known that the Certification by the IRR Commissioner was false, and by accepting a false certification and presenting the “West site” as its preferred site, Excelsior has violated its “Duty of Candor” required in siting matters and the “West site” must be eliminated from consideration and appropriate sanctions levied.. Minn. R. 4405.0300.

With regard to statutory specifics, Excelsior has not met its burden of proof and has not demonstrated that the Mesaba project “is or is likely to be a least cost resource, including the costs of ancillary services and other generation and transmission upgrades necessary” and is not entitled to any percentage of Xcel’s supply to retail customers and that ordering a PPA between Excelsior and Xcel is against public interest. Minn. Stat. §216B.1693(a),(b). Excelsior has also not met its burden of proof and has not demonstrated that it is capable of offering a long-term supply contract at a hedged

⁴ Best Available Control Technology, Clean Air Act, §165(a)(4). Full Text: <http://www.epa.gov/air/caa/>

predictable cost. Minn. Stat. §216B.1694, Subd. 1(2). Excelsior has not met its burden of proof and has not demonstrated that the Mesaba Project is in the public interest, taking into consideration the project's economic development benefits to the state; the use of abundant domestic fuel sources; the stability of the price of the output from the project; the project's potential to contribute to a transition to hydrogen as a fuel resource; and the emission reductions achieved compared to other solid fuel baseload technologies. Minn. Stat. §216B.1694, Subd. 2(7).

III. APPLICABLE LAW

There are several applicable statutes that control the review entailed in this proceeding. Issues mncoalgasplant.com intends to raise are identified in bold, and followed up below.

A. THE MESABA BILL

The law governing Excelsior's Mesaba project was passed in the 2003 Special Session attached to the Prairie Island bill.⁵ The primary applicable statutory provisions are Minn. Stat. §§ 216B.1694; 216B.1693 (emphasis added of provisions at issue):

216B.1693 CLEAN ENERGY TECHNOLOGY.

(a) If the commission finds that a clean energy **technology is or is likely to be a least cost resource, including the costs of ancillary services and other generation and transmission upgrades necessary**, the utility that owns a nuclear generating facility shall supply at least two percent of the electric energy provided to retail customers from clean energy technology.

(b) Electric energy required by this section shall be supplied by the innovative energy project defined in article 4, section 1, subdivision 1, unless the commission finds doing so contrary to the public interest.

(c) For purposes of this section, "clean energy technology" means a technology utilizing coal as a primary fuel in a highly efficient combined-cycle configuration with significantly reduced sulfur dioxide, nitrogen oxide, particulate, and mercury emissions from those of traditional technologies.

(d) This section expires January 1, 2012.

216B.1694 INNOVATIVE ENERGY PROJECT.

Subdivision 1. DEFINITION. For the purposes of this section, the term "innovative energy project" means a proposed energy generation facility or group of facilities which may be located on up to three sites:

(1) that makes use of an innovative generation technology utilizing coal as a primary fuel in a **highly efficient** combined-cycle configuration with significantly reduced sulfur dioxide, nitrogen oxide, particulate, and mercury emissions from those of traditional technologies;

⁵ 2003 Special Session, Chap. 11, S.F. 9:

http://ros.leg.mn/bin/getpub.php?pubtype=SLAW_CHAP&year=2003&session_number=1&chapter=11

(2) that the project developer or owner certifies is a project capable of offering a long-term supply contract at a **hedged, predictable cost**; and

(3) that is designated by the commissioner of the iron range resources and rehabilitation board as a project that is located in the taconite tax relief area **on a site that has substantial real property with adequate infrastructure to support new or expanded development** and that has received prior financial and other support from the board.

Subd. 2. **REGULATORY INCENTIVES.** (a) An innovative energy project:

(1) is exempted from the requirements for a certificate of need under section 216B.243, for the generation facilities, and transmission infrastructure associated with the generation facilities, but is subject to all applicable environmental review and permitting procedures of sections 116C.51 to 116C.69;

(2) once permitted and constructed, is eligible to increase the capacity of the associated transmission facilities without additional state review upon filing notice with the commission;

(3) has the power of eminent domain, which shall be limited to the sites and routes approved by the environmental quality board for the project facilities. The project shall be considered a utility as defined in section 116C.52, subdivision 10, for the limited purpose of section 116C.63. The project shall report any intent to exercise eminent domain authority to the board;

(4) shall qualify as a "clean energy technology" as defined in section 216B.1693;

(5) shall, prior to the approval by the commission of any arrangement to build or expand a fossil-fuel-fired generation facility, or to enter into an agreement to purchase capacity or energy from such a facility for a term exceeding five years, be considered as a supply option for the generation facility, and the commission shall ensure such consideration and take any action with respect to such supply proposal that it deems to be in the best interest of ratepayers;

(6) shall **make a good faith effort to secure funding from the United States Department of Energy and the United States Department of Agriculture to conduct a demonstration project at the facility for either geologic or terrestrial carbon sequestration projects to achieve reductions in facility emissions or carbon dioxide**;

(7) shall be entitled to enter into a contract with a public utility that owns a nuclear generation facility in the state to provide 450 megawatts of baseload capacity and energy under a long-term contract, subject to the approval of the terms and conditions of the contract by the commission. The commission may approve, disapprove, amend, or modify the contract in making its **public interest determination**, taking into consideration the project's **economic development benefits to the state**; the use of **abundant domestic fuel sources**; the **stability of the price of the output from the project**; the project's potential to **contribute to a transition to hydrogen as a fuel resource**; and the emission reductions achieved compared to other solid fuel baseload technologies; and

(8) shall be eligible for a grant from the renewable development account, subject to the approval of the entity administering that account, of \$2,000,000 a year for five years for development and engineering costs, including those costs related to mercury removal technology; thermal efficiency optimization and emission minimization; environmental impact statement preparation and licensing; development of hydrogen production capabilities; and fuel cell development and utilization.

(b) This subdivision does not apply to nor affect a proposal to add utility-owned resources that is pending on the date of enactment of this act before the public utilities commission or to competitive bid solicitations to provide capacity or energy that is scheduled to be online by December 31, 2006.

Sec. 2. [EFFECTIVE DATE.]

This article is effective the day following final enactment.

B. PERSONAL PROPERTY TAX S.F.3131

Excelsior's Mesaba project was previously exempted from utility personal property tax by statute, which has since been amended,⁶ in the 2006 session, to require approval of local governments and a Host Fee Agreement with the County, Township or City, and School District. The statute, after amendment, reads:

Subd. 55. Electric generation facility; personal property. Notwithstanding subdivision 9, clause (a), attached machinery and other personal property which is part of an electric generating facility that meets the requirements of this subdivision is exempt. At the time of construction, the facility must be designated as an innovative energy project as defined in section 216B.1694, (ii) be within a tax relief area as defined in section 273.134, (iii) have access to existing railroad infrastructure within less than three miles, (iv) have received resolution approval from the governing body of the county and township or city in which the proposed facility is to be located for the exemption of personal property under this subdivision, and (vi) be designed to host at least 500 megawatts of electrical generation.

Construction of the first 500 megawatts of the facility must be commenced after January 1, 2006, and before January 1, 2010. Construction of up to an additional 750 megawatts of generation must be commenced before January 1, 2015. Property eligible for this exemption does not include electric transmission lines and interconnections or gas pipelines and interconnections appurtenant to the property or the facility. To qualify for an exemption under this subdivision, the owner of the electric generation facility must have an agreement with the host county, township or city, and school district, for payment in lieu of personal property taxes to the host county, township or city, and school district.

C. BONDING BILL

Infrastructure for the Mesaba project is provided in part by state bonding, in part represented by this HF2959,⁷ passed in the 2006 session, shared between MSI and Mesaba:

54.20	Subd. 14.Itasca County - infrastructure	12,000,000
54.21	For a grant to Itasca County for public	
54.22	infrastructure needed to support a steel plant	
54.23	in Itasca County or an innovative energy	
54.24	project in Itasca County under Minnesota	
54.25	Statutes, section 216B.1694, that uses clean	
54.26	energy technology as defined in Minnesota	
54.27	Statutes, section 216B.1693, or both. Grant	
54.28	money may be used by Itasca County to	
54.29	acquire right-of-way and mitigate loss of	
54.30	wetlands and runoff of storm water, to	
54.31	predesign, design, construct, and equip	
54.32	roads and rail lines, and, in cooperation	

⁶ The amendment can be found at: <http://ros.leg.mn/bin/bldbill.php?bill=S3131.3.html&session=1s84> at lines 58.31 through 59.21.

⁷ The entire text of HF2959 at <http://www.revisor.leg.state.mn.us/bin/bldbill.php?bill=H2959.4.html&session=1s84>

54.33 with municipal public utilities, to predesign,
55.1 design, construct, and equip natural gas
55.2 pipelines, electric infrastructure, water
55.3 supply systems, and wastewater collection
55.4 and treatment systems.
55.5 Up to \$4,000,000 of this appropriation may
55.6 be spent before the full financing for either
55.7 project has been closed.

D. ECONOMIC AND COMMUNITY DEVELOPMENT

It is unclear whether Excelsior will claim costs as economic and community development costs in the PPA, though it is possible:

216B.16, Subd. 13. **Economic and community development.** The commission may allow a public utility to recover from ratepayers the expenses incurred for economic and community development.

IV. FACTS TO BE PROVEN – PROJECT NOT IN THE PUBLIC INTEREST AND PROJECT IS COST PROHIBITIVE.

The burden of proof is on Excelsior to demonstrate that it meets the statutory criteria of both Minn. Stat. §§ 216B.1694 and 216B.1693, which includes a “least-cost” or “likely least-cost” determination and an expansion of the items for inclusion far beyond the terms of the Power Purchase Agreement. The criteria of Minn. Stat. §216B.1694 must be met for Excelsior to claim it’s “entitlement” to a 450MW Power Purchase Agreement with Xcel, and the criteria of Minn Stat. §216B.1693 must be met. Under the statute, and under the structure of this bifurcated PPA proceeding, Excelsior must meet its burden of proof for the criteria under both statutes. Excelsior has not and cannot meet its burden.

A. COST OF ANCILLARY SERVICES AND ASSOCIATED FACILITIES MUST BE CONSIDERED

Under the statute, the cost of ancillary services and associated facilities must be considered. Minn. Stat. §216B.1693(a). mncoalgasplant.com will work to assure that all such costs are appropriately considered. What are ancillary services? It really doesn’t matter how it’s defined because whether infrastructure is “ancillary services” as defined by the Federal Electrical Regulatory Commission or “associated facilities” as defined by Minnesota statute, all infrastructure must be considered as economic

development costs. Excelsior's definition of "Associated Facilities" in its permit application is instructive:

The term "Associated Facilities" means the buildings, equipment, and other physical structures that are necessary to operate the Station and includes, without limitation: the equipment identified in Sections 1.6.5, 1.6.6, and 1.6.7; fuel tanks; roads' rail track' process water supply and wastewater discharge pipelines, pumps, pump houses, metering equipment, valves and force mains; water intake structures (floating or permanent); wastewater discharge structures; flood control systems; and security systems.

Mesaba Energy Project, Environmental Supplement, p. 1-3, para. 1.2.3. In this same Excelsior document, site specific requirements include:

Rail Loop Access, High Voltage Electrical Switchyard and Interconnection to HVTLs, Raw Water Intake Structure and Pump House, Raw Water Pipeline, Raw Water Treatment, Cooling Tower Blowdown, Potable Water System, Sanitary Waste System, Natural Gas Supply Pipeline and Metering Station, Treated Wastewater Forwarding System, Wastewater Pipeline and Outfall Structure, Storm Water Collection and Detention, Plant Access Road, and Feedstock Suppliers, Locations and Transportation/Distribution Methods.

Id., Table of Contents, 1.11.1, p. iii. Under "Infrastructure Requirements" on the next page:

Electric Transmission, Natural Gas Pipeline, Transportation (rail and road), Process Water Supply, Process Wastewater Discharges, Domestic Wastewater Treatment Alternatives, Potable Water Supply.

Id., Table of Contents, 1.12, p. iv. Cost of ancillary services must be considered under the statute.

Under the statute, the Commission must consider economic development benefits, and economic development benefits cannot be calculated without examination of benefits and costs to determine the net economic development impact. Minn. Stat. §216B.1694, Subd. 2. Excelsior chose a site that, contrary to the statute, has NO infrastructure, and because there is no infrastructure, necessarily incurs additional costs. While the statute requires "adequate infrastructure to support new or expanded development," the West site has no infrastructure whatsoever, and local governmental units and the state are taking on the costs of this infrastructure – a material and substantial cost of this "economic development." The statute says that ancillary services and other generation and transmission upgrades necessary must be considered as part of the "is or is likely to be a least cost resource" analysis, and separately, all economic development costs must be considered.

B. THE MESABA PROJECT, AS PROPOSED FOR THE WEST SITE, IS NOT AN "INNOVATIVE ENERGY PROJECT" BECAUSE THERE IS NO INFRASTRUCTURE -- THE IRRRB DESIGNATION IS FALSE AND INVALID AND EXCELSIOR IS NOT ENTITLED TO A PPA FOR A PROJECT USING THE WEST SITE.

Excelsior must prove that its Mesaba project is an "Innovative Energy Project." Under the statute, which sets out the requirements of an "Innovative Energy Project," the third criteria requires:

3) that is designated by the commissioner of the Iron Range Resources and Rehabilitation Board as a project that is located in the taconite tax relief area on a site that has substantial real property with adequate infrastructure to support new or expanded development and that has received prior financial and other support from the board.

Minn. Stat. §216B.1694, Subd. 1(3)(emphasis added). On November 7, 2005, a letter was written by Sandy Layman, Commissioner of IRR, to Excelsior's Tom Micheletti, stating:

Based on this Agency's ongoing efforts in support of the Mesaba Energy Project and the Analysis of Agency staff of the proposed site near Taconite, Minnesota (the "Preferred Site") and alternative site near Hoyt Lakes, Minnesota (the "Alternative Site") for two units of the Mesaba Energy Project, I hereby designate the Mesaba Energy Project as one that meets the requirements set forth in Minnesota Statutes, Section 2156B.1694(sic), Subdivision 1, Paragraph3, whether it is located at the Preferred Site or the Alternative Site.

Letter to Micheletti, Nov. 7, 2005. Commissioner Sandy Layman designated two project sites. Attached as Exhibit A is a true and correct copy of the designation letter.

MCGP will prove the West site does not have infrastructure. MCGP will prove that Commissioner's "designation" that the west site "meets the requirements" of the statute is a false statement. MCGP will prove that Excelsior's West site does not meet the requirements of Minn. Stat. §216B.1694, Subd. 1(3). Excelsior Energy is not entitled to a PPA for a project that uses the West site because it is not "on a site that has substantial real property with adequate infrastructure to support new or expanded development,"

C. THE MESABA PROJECT IS NOT LEAST-COST BY ANY MEASURE

The Mesaba project must meet the definition of an “innovative energy project” to qualify for the statutory “regulatory incentives.” With each point, the Mesaba project has a problem and mncoalgasplant.com will demonstrate that:

- a. It is not “highly efficient.” Minn. Stat. § 216B.1694, Subd 1(1).
- b. It can’t offer a predictable cost. Id., Subd. 1(2)
- c. West site has no infrastructure. Id., Subd. 1(3).

Other costs not anticipated by Excelsior are embedded within the project and must be counted when economic development costs and benefits are addressed. Costs not considered include the cost of a Host Fee Agreement with three local units of government. Excelsior initially tried to sneak through this legislation without knowledge or approval of local governments that would forgo significant tax revenue.

In addition, there are a number of factors to be considered by the Commission in “its public interest determination, taking into consideration the project’s economic development benefits to the state; the use of abundant domestic fuel sources; the stability of the price of the output from the project; the project’s potential to contribute to a transition to hydrogen as a fuel resource; and the emission reductions achieved compared to other solid fuel baseload technologies.” Minn. Stat. §216B.1694, Subd. 2(7).

1. Economic development cost to state outweighs economic benefits

Under the statute, the Commission must consider economic development benefits to the state that the project provides. To do so logically requires consideration of costs as well. mncoalgasplant.com will prove that the economic development costs of the Mesaba far outweigh the economic benefits, that the Mesaba project is a net detriment to the state. When federal, state and local costs and benefits are critically reviewed and weighed, the project does not provide the net benefits claimed. Because the project does not follow the scheme of the Harvard Study, it does not take advantage of cost savings nor does it position itself strategically in a scenario deemed more likely to be successful, increasing the risk and cost of the project.

2. Coal is not an abundant domestic fuel source

mncoalgasplant.com will show that Excelsior uses outdated information regarding the price of coal and its availability. Coal prices shot up dramatically, doubled and in some cases tripled, at the end of 2005 when this application was submitted. The application has not been updated to reflect the coal market and the coal transportation market.

3. The price of output is anything but stable

mncoalgasplant.com will show that the price of output is anything but stable, due to the high risk of the project, the volatility of many inputs of price, and the unreliability of the coal gasification technology. **[Trade Secret information begins here...**

... Trade Secret information ends here.] Where the DOE deems it “too risky for private investment,” the price of the output can hardly be stable.

4. Mesaba does not contribute to a transition to hydrogen.

While the Excelsior applications address hydrogen, and the role of IGCC in a transition to hydrogen, hydrogen “potential” is expressly not part of the Mesaba plan. mncoalgasplant.com will prove that Excelsior potential for conversion to a hydrogen economy is not a benefit of the Mesaba Project because it is not a part of the project. Alternatively, if these “benefits” claimed are to be regarded by the Commission as benefits, the cost of realization of this claimed potential must also be included.

5. Emission reductions are illusory.

While the Excelsior applications address emissions, emissions reductions are illusory, because although the emissions are significantly lower in the plants projected air emissions, the elements do not disappear, and are emitted in a manner other than through the stack into the air. The cost of emissions is increasing dramatically and demonstrably, and the health and financial cost component of emissions must be addressed. Mesaba claims that its reductions are “health benefits” when in fact they are adding to the cumulative negative health impacts of combustion of coal in one form or another. The experience of Wabash River coal gasification is that the plant “routinely violated” its water permit. Over 20 engineers are on staff to address the multitude of technical problems. mncoalgasplant.com will prove that the

emission claims of Excelsior for the Mesaba project are illusory – that they are not benefits but are detriments. The cost of emissions, even where reduced, is increased geometrically when the emissions market is considered, and where current market rates are compared with even short term futures. The market exists now,⁸ where CO2 has increased from below \$1.00 to over \$4.00 in less than three years, and IGCC, even with comparatively lower emissions at a higher cost than pulverized coal, will not fare well when there is no plan for addressing the emissions expected in a discernable futures market.

V. CONCLUSION

mncoalgasplant.com will demonstrate that Excelsior’s Mesaba Project, on the west site, is not an “innovative energy project” as defined by statute. mncoalgasplant.com will also demonstrate that the technology is not nor is it likely to be a least cost resource, including the costs of ancillary services and other generation and transmission upgrades necessary. mncoalgasplant.com will show that it is not highly efficient, that it will not be available at a hedged, predictable cost, that the west site has no infrastructure whatsoever, that securing DOE funding “at the facility” has not been in good faith because it is neither intended nor possible “at the facility,” and most importantly, that the Mesaba Project, as proposed, is not in the public interest, it does not provide net economic development benefits to the state, it does not use abundant domestic fuel sources, that the price of the output from the project is not stable, and that it does nothing to contribute to a transition to hydrogen as a fuel resource and that the emission reductions are not a benefit and that the emissions are detrimental to the health of humans and the cost of emissions are a great risk to the financial security of ratepayers. mncoalgasplant.com will demonstrate the many reasons why the Commission must not approve the Mesaba Project.

Dated: August 14, 2006



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⁸ Chicago Climate Exchange, funded by Joyce Foundation. <http://www.chicagoclimatex.com/about/>