

November 14, 2005

VIA ELECTRONIC MAIL

Mr. Richard Hargis
NEPA Document Manager
M/S 922-342C
U.S. Department of Energy
National Energy Technology Laboratory
P.O. Box 10940
Pittsburgh, PA 15236-0940

RE: Notice of Intent to Prepare an Environmental Impact Statement and Notice of Proposed Floodplain and Wetlands Involvement for the Mesaba Energy Project Integrated Gasification Combined Cycle (IGCC) Demonstration Plant Northern Minnesota Iron Range, Itasca County, MN

Dear Mr. Hargis:

These comments are submitted by the Izaak Walton League of America – Midwest Office and Minnesotans for an Energy-Efficiency Economy. The Izaak Walton League of America (the League) is a national conservation organization committed to protecting fish and wildlife, critical habitat, and air and water resources. The Midwest Office of the League works on energy and air quality issues throughout the Midwest.

Minnesotans for an Energy-Economy (ME3) is a private, nonprofit organization working in the public interest to enhance economic development and improve environmental quality on issues and projects related to our energy system. ME3 works throughout the Midwest region.

Due to the similarity of the Environmental Impact Statement (EIS) requirements under the National Environmental Policy Act (NEPA) and under Minnesota statute, the United States Department of Energy (DOE) has indicated its intent to work with the Minnesota Public Utilities Commission and the Minnesota Department of Commerce to prepare an EIS that fulfills the obligations of both federal and Minnesota law.

Minnesota rules also state, “No state action significantly affecting the quality of the environment shall be allowed, nor shall any permit for natural resources management and development be granted, where such action or permit has caused or is likely to cause pollution, impairment, or destruction of the air, water, land or other natural resources

located within the state, so long as there is a feasible and prudent alternative consistent with the reasonable requirements of the public health, safety, and welfare and the state's paramount concern for the protection of its air, water, land and other natural resources from pollution, impairment, or destruction. Economic considerations alone shall not justify such conduct.”¹

The League and ME3 are submitting comments on the Mesaba Energy Project Integrated Gasification Combined Cycle Demonstration Plant (“the Project” or “Mesaba Energy Project”) due to its potential impact of the air, water, land and other natural resources located within Minnesota and downwind of Minnesota.

Comments on the Necessary Scope of the EIS

The EIS must assess the impacts of the project as proposed, and compare them to the impacts of each reasonable alternative to the project.² It must “present the environmental impacts of the proposal and the alternatives in comparative form, thus sharply defining the issues and providing a clear basis for choice among options by the decision-maker and the public.”³ In defining the scope of the EIS, DOE must first identify each type of impact, including direct, indirect and cumulative impacts, associated with the Mesaba Energy Project.⁴ The EIS scoping decision must also identify the reasonable alternatives to the project that will be analyzed.⁵

These comments identify some of the direct, indirect and cumulative impacts that are of primary concern, and identify a minimum number of alternatives that the EIS should analyze in depth.

I. The EIS analysis of air impacts must compare the Mesaba Energy Project to several alternatives

DOE states in the October 5, 2005, Federal Register notice of intent to prepare an EIS for the proposed Mesaba Energy Project that “the only alternative to the proposed action...is the no-action alternative.”⁶

There are alternatives other than the no-action alternative that must be

¹ Minn. Stat. § 116D.04 Subd. 6.

² 40 CFR §§ 1502.14, 1502.16

³ Id. §1502.14

⁴ See, 40 CFR §§1501.7, 1508.25

⁵ Id.

⁶ 70 Fed. Reg. 58,210 (October 5, 2005).

considered in the EIS in particular because the federal EIS will also serve as the state EIS.

- a. Minnesota law exempts “innovative energy project[s]” from the state’s Certificate of Need process.⁷ It does not, however, exempt the project from the environmental review process under Minn. Stat. § 116C, or from the substantive standard of Minn. Stat. § 116D. 04, subd. 6, cited above. In order to determine whether there are alternative means of meeting the electrical demand that will be served by this plant, alternative generation technologies as well as efficiency and conservation of electrical energy should be examined. Moreover, the Project is not exempt from siting and routing review. According to Minnesota law, Excelsior Energy must “propose at least two sites for a large electric power generating plant and two routes for a high voltage transmission line.”⁸ As such, a wide variety of impacts as outlined in Minnesota law must be included in the analysis of the Project, including but not limited to:⁹
 - i. The “effects on land, water and air resources of large electric power generating plants and high voltage transmission lines and the effects of water and air discharges and electric and magnetic fields resulting from such facilities on public health and welfare, vegetation, animals, materials and aesthetic values, including baseline studies, predictive modeling, and evaluation of new or improved methods for minimizing adverse impacts of water and air discharges and other matters pertaining to the effects of power plants on the water and air environment.”

At a minimum, emissions of criteria pollutants, mercury, and carbon dioxide (CO₂) from the Project must be evaluated for their effects on public health and welfare, vegetation, animals, etc.
 - ii. The “effects of new electric power generation and transmission technologies and systems related to power plants designed to minimize adverse environmental effects.”

⁷ Minn. Stat. § 216B.1694, Article 4, Section 1, Subdivision 2, states that an innovative energy project “is exempted from the requirements for a certificate of need under § 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 §§ 116C.51 to 116C.69.”

⁸ Minn. Stat. § 116C.57, Subd. 2A.

⁹ Minn. Stat. § 116.57, Subd. 4 states, in part, that decisions must “be guided by the state's goals to conserve resources, minimize environmental impacts, minimize human settlement and other land use conflicts, and ensure the state's electric energy security through efficient, cost-effective power supply and electric transmission infrastructure.”

Both mercury removal technologies and carbon dioxide capture and storage -enabled (CCS) technologies must be evaluated as mitigation measures.

- iii. The “adverse direct and indirect environmental effects that cannot be avoided should the proposed site and route be accepted.”

Construction and operation of a new electric generating facility will create adverse impacts in terms of additional emissions of criteria pollutants, mercury, and CO₂. The impacts of these additional pollutants should also be evaluated.

- iv. The “future needs for additional high voltage transmission lines in the same general area as any proposed route, and the advisability of ordering the construction of structures capable of expansion in transmission capacity through multiple circuiting or design modifications.”
- v. The “irreversible and irretrievable commitments of resources should the proposed site or route be approved.”

The incremental electricity that would be provided if this plant is approved constitutes “an irretrievable commitment of a resource” that could be met with other forms of generation, including efficiency measures and renewable sources of electricity, or with generation located nearer to the load it might service.

- b. Federal NEPA requirements include consideration of reasonable alternatives to the proposed Project. This includes consideration of projects of differing scale or size and should be included in the EIS.

II. The EIS should examine the emission and deposition of criteria pollutants and the cumulative impacts that would result from the Mesaba Energy Project, and order the use of specific control technologies as a mitigation measure

- a. The use of coal gasification as a technology to produce electricity generally results in lower emissions of sulfur dioxides, nitrogen oxides, particulate matter, and other criteria pollutants as compared to conventional pulverized coal-burning power plants.
- b. The EIS should examine the use of selective catalytic reduction (SCR) and Selexol to further reduce nitrogen oxide emissions and sulfur dioxide

emissions, two harmful criteria pollutants. The combination of SCR and Selexol forms the basis of the ConocoPhillips E-Gas™ reference plant.¹⁰

III. The EIS should examine the emission and deposition of mercury and the cumulative impacts that would result from the Mesaba Energy Project, and order the use of specific mercury control technologies as a mitigation measure

- a. Coal-fired power plants account for 46% of mercury emissions in Minnesota, and are the largest single source of the mercury pollution in the Upper Midwest.¹¹ The Mesaba Energy Project EIS should examine the emissions and deposition of mercury that would be caused by the proposed project, and analyze the environmental, public health and societal cost impacts to Minnesota and locations downwind associated with the additional mercury pollution.

Removal of mercury from the emissions of this coal plant, or prevention of mercury emissions through a no-action alternative, is particularly important to Minnesota, given the economic size of Minnesota's tourism industry, and the importance to Minnesotans of recreational and subsistence fishing. Currently, the mercury levels in many Minnesota fish are so high that they cannot be eaten safely. Minnesota has listed over 1,400 waters as impaired by mercury contamination. This number is limited only by the amount of testing which has been done, since virtually every time mercury levels are tested in fish tissue, they are found to be excessive.

- b. Integrated gasification combined cycle (IGCC) operations can control and capture mercury emissions. Excelsior Energy states that "IGCC technology also removes ninety percent or more of mercury prior to combustion more effectively and at a lower cost than the post-combustion removal technologies under development for conventional coal plants."¹²

¹⁰ Herbanek et al. "E-Gas Applications for Sub-bituminous Coal," presented at Gasification Technologies 2005, October 2005. See www.gasification.org.

¹¹ See Minnesota Pollution Control Agency, "Estimated Mercury Emissions in Minnesota for 1990, 1995, & 2000: March 2004 Update," available at www.pca.state.mn.us/publications/reports/mercury-emissionsreport0304.pdf and Izaak Walton League of America, Midwest Office, 2000 Report, "Mercury in the Upper Midwest" available on the web at www.iwla.org/reports/mercury.html.

¹² See www.excelsiorenergy.com/IGCC_Technology/Rationale/Rationale.htm.

DOE and others have highlighted the mercury removal potential of IGCC technology and have devoted resources to its development.

“Compared with combustion systems, IGCC has a major advantage when it comes to mercury control. Commercial methods have been employed for many years that remove trace amounts of mercury from natural gas and gasifier syngas. Both molecular sieve technology and activated carbon beds have been used for this purpose, with 90 to 95% removal efficiency reported.”¹³

- c. While Excelsior Energy has agreed that mercury *can* be controlled from IGCC plants, they have made no commitments to date to actually install the necessary equipment to control emissions from the proposed facility.

The EIS should study the full range of mercury control technologies that can mitigate the impacts of additional mercury emissions from the Project. For example, research indicates that high levels of mercury can be removed through the use of dual carbon beds in series.¹⁴

- d. The federal Clean Water Act requires the Minnesota Pollution Control Agency (MPCA) to assess state water bodies for elevated levels of mercury and other pollutants. Two-thirds of the waters listed as impaired within Minnesota are polluted with elevated levels of mercury. The MPCA recently completed a Total Maximum Daily Load (TMDL) study, which determined the sources of the mercury pollution and the reduction actions required. This draft TMDL will be submitted to the EPA for approval once the state has examined the scope of public comments on the draft TMDL.

The TMDL demonstrates that in order for fish from Minnesota waters to be safe to eat for all but the highest consumers, a 93% reduction in human-caused emissions from 1990 levels is needed. To achieve this level of reduction, the draft TMDL establishes a target of 789 pounds of annual mercury air emissions from Minnesota sources. Current emissions exceed 2,550 pounds and meeting this goal will require a 76% reduction from 2005 emissions.

The MPCA is moving the state toward the adoption of this reduction goal

¹³ Ratafia-Brown, et al. “An Environmental Assessment of IGCC Power Systems,” presented at the Nineteenth Annual Pittsburgh Coal Conference, September 23 – 27, 2002.

¹⁴ Parsons Infrastructure and Technology Group, “The Cost of Mercury Removal in an IGCC Plant,” prepared for the United States Department of Energy National Energy Technology Laboratory, September 2002.

and has identified “the need to limit future emissions from new and expanding facilities,” as a necessary short-term action.¹⁵ The EIS must examine the potential increase in mercury emissions from the project in light of the goal established by the MPCA for in-state mercury reductions.

According to the Minnesota’s draft TMDL, the most heavily impacted lakes for mercury pollution are concentrated in the northeastern portion of the northern TMDL region.¹⁶ A new source of mercury air emissions located in this region will potentially contribute to even greater levels of mercury in fish tissues in these sensitive northeastern Minnesota lakes. The EIS should examine the impact of the mercury emissions from the project will have on water bodies, including those in the northeast region and in the Lake Superior Basin.

- e. In addition, the process through which bacteria convert mercury to a bio-available form, known as methylation, is accelerated by the addition of sulfate to wetland systems.¹⁷ The Mesaba Energy project will contribute sulfur emissions in the region, which may result in increased sulfate deposition, higher levels of methylation, and increased levels of mercury in fish tissue. The EIS should determine what impact sulfur emissions from the proposed project will have on sulfate deposition in the northeastern Minnesota TMDL region and the Lake Superior Basin.
- f. In addition to the Mesaba Energy Project, there are other additional new or expanding sources of mercury emissions in the northeastern region, including Keewatin Taconite, Mesabi Nuggets and Northshore Mining. The EIS should disclose and assess air emissions from the project itself, as well as the assess the air emissions that will result as an incremental effect of Mesaba Energy in addition to other the other regional projects that contribute air emissions.
- g. The EIS should require detailed air deposition modeling to determine the characteristics of mercury and other pollutant deposition associated with the Project. This modeling will identify the watersheds most at risk, including potentially the Lake Superior Basin.

IV. The EIS should examine the emission of carbon dioxide and the cumulative impact on the climate that would result from the Mesaba

¹⁵ Minnesota Pollution Control Agency, “2005 Mercury Reduction Progress Report to the Minnesota Legislature,” p. 21, October 2005.

¹⁶ Minnesota Pollution Control Agency, “Minnesota’s Total Maximum Daily Load Study of Mercury,” DRAFT, p. 14, May 24, 2005.

¹⁷ Ibid, pp. 8, 29-30.

Energy Project, and order the use of specific control technologies as mitigation measures

- a. We request that the EIS consider, among other environmental impacts, the greenhouse gas emissions impact of the Mesaba Energy Project. The impact of this plant compared to the “no-action” alternative will be to exacerbate a growing problem of CO₂ emissions from coal plants, which are the major cause of the phenomenon of human-induced climate change.
- b. Federal law commits the United States government to return anthropogenic emissions of CO₂ and other greenhouse gases to 1990 levels.¹⁸ President Bush has reaffirmed the federal government’s commitment to “stabilize atmospheric greenhouse gas concentrations at a level that will prevent dangerous human interference with the climate.”¹⁹

Peer-reviewed studies indicate that in order for greenhouse gas concentrations to stabilize soon enough to prevent dangerous climate change, “as much as 98% of the capital stock of U.S. fossil power plants would need to be replaced with state-of-the-art carbon dioxide capture and storage -enabled (CCS) power plants by the year 2050.”²⁰ Considering that the operational life of a coal-fueled power plant is 50 to 60 years long, federal approval of any of the new coal-fueled plants currently being proposed without CCS will have a significant impact on the ability of the federal government to meet its stabilization commitment. Federal law requires the United States government, as a partial means of meeting that commitment, to “[t]ake climate change considerations into account” in its “social, economic and environmental policies and actions.”²¹ As an organ of the federal government, DOE is therefore obligated to factor climate change considerations into its EIS for the Mesaba Energy Project.

- c. Global warming evidence continues to mount. As recently as July 21, 2005, Nobel Laureate Professor Mario Molina, of the University of California at San Diego testified before the U.S. Senate Energy and Commerce Committee that:

¹⁸ United Nations Framework Convention on Climate Change (UNFCCC), Art. 4, Para. 2, Cls. (a), (b); 138 Cong. Rec. 33521-27 (Oct. 7, 1992) (Senate ratification).

¹⁹ Address by President George W. Bush to the National Oceanic and Atmospheric Administration (Feb. 14, 2002).

²⁰ J.J. Dooley, et al., Accelerated Adoption of Carbon Dioxide Capture and Storage Within the United States Electric Utility Industry: The Impact of Stabilizing at 450 PPMV and 550 PPMV, Seventh International Conference on Greenhouse Gas Control Technologies (GHGT7) (Dec. 3, 2004).

²¹ UNFCCC, Art. 4, Para. 1, Cl. (f).

Simply stated, the world is warming.

- It is primarily due to our emissions.
- More warming is inevitable — but the amount of future warming is in our hands.
- Because CO₂ accumulates and remains in the atmosphere, each generation inherits the emissions of all those who have gone before. Many future generations of human beings will wrestle with this issue.
- Modest amounts of climate change will have both positive and negative impacts. But above a certain threshold, the impacts turn strongly negative for most nations, people, and biological systems.

Dr. Molina noted that the likelihood that the average global temperature will rise above 4 degrees Fahrenheit is 80-90%, with potentially catastrophic results.²² He states also that there is now an “overwhelming consensus” that our failure to act to reduce greenhouse gases:

will produce a risk of significant adverse consequences that is far higher than we find acceptable in other arenas. When facing a substantial chance of potentially catastrophic consequences and the near certainty of lesser negative effects, the only prudent course of action is to mitigate these risks. And let us be clear — when we speak of potentially catastrophic consequences in this context we are talking about devastating impacts on ecosystems and biodiversity; severe flood damage to urban centers and island nations as sea level rises; significantly more destructive and frequent extreme weather events such as droughts and floods; seriously affected agricultural productivity in many countries; the exacerbation of certain diseases; population dislocations; etc.²³

- d. A great benefit of IGCC technology is the ability to more easily capture CO₂ emissions from the flue gas stream. Excelsior Energy states that “IGCC technology makes it possible to remove and sequester CO₂, thus offering significant advantages when future carbon constraints require

²² See http://energy.senate.gov/public/index.cfm?FuseAction=Hearings.Testimony&Hearing_ID=1484&Witness_ID=4226

²³ *Id.*

further emission reductions.”²⁴ Note that Minn. Stat. § 216B.1694 subd. 2, which exempts the Project from some Minnesota laws, requires an effort to conduct a demonstration project at the site for carbon sequestration, geologic or terrestrial. The EIS should discuss the feasibility, cost and availability of such carbon removal methods, including forestry methods of carbon removal and sequestration.

Excelsior Energy has not made a proposal to utilize CCS, nor discussed in any detail the Project's ability to do so at the proposed sites in the future. CCS implementation is not automatically feasible at all sites. If it is not feasible at this site, and the removed carbon cannot be transported to a feasible disposal site, then it does not mitigate the environmental impacts of the project.

At a minimum, the Mesaba Energy Project EIS should document how much CO₂ and other greenhouse gases will be emitted over the life of the plant. The EIS should also document the variance in greenhouse gas emissions between Mesaba Energy Project as proposed and the “no action” alternative to the proposed plant.

And, at a minimum, the EIS must also consider the site-specific potential and costs of CCS implementation for the Project. If the EIS demonstrates that the Mesaba Energy Project can utilize CCS technology, said technology should be ordered as a mitigation measure for the CO₂ impact.

V. The EIS should examine the likelihood, costs and means of complying with future carbon regulation

- a. The costs of constructing and operating the proposed Mesaba Energy Project are relevant to several aspects of the regulatory permitting process, particularly in comparing the reasonableness and feasibility of alternatives.

The cost of operating any fossil-fueled power plant is virtually certain to be increased by foreseeable future regulatory limitations on carbon emissions or carbon taxes, due to the widely recognized phenomenon of global warming caused principally by emissions of CO₂ from coal-burning electrical generating plants and motor vehicles.

Governmental response to global warming is occurring worldwide. It is evident that future regulation of carbon emissions will occur in the United States, probably early in the life of the proposed Mesaba Energy Project,

²⁴ See www.excelsiorenergy.com/IGCC_Technology/Rationale/Rationale.htm.

and the cost of meeting those carbon constraints will increase the cost of the proposed plant.²⁵ Such costs should be anticipated and factored into the decision making process, and should be examined and discussed in the EIS.

- i. Just before this summer's G8 summit, the National Academies of Science of all 8 countries, including the U.S., called upon the world leaders to acknowledge that the threat of climate change is "clear and increasing" and urged "prompt action."²⁶
- ii. At the G8 Summit itself, world leaders, including President Bush, pledged "to act with resolve and urgency now to meet our shared and multiple objectives of reducing greenhouse gas emissions, enhancing energy security, and cutting air pollution in conjunction with our vigorous efforts to reduce poverty."²⁷
- iii. This summer, the U.S. Senate adopted a bipartisan resolution finding that greenhouse gases are warming the planet and posing substantial risks. For the first time, a significant majority of Senators called for "a comprehensive and effective national program of mandatory, market-based limits and incentives on emissions of greenhouse gases."²⁸
- iv. Twenty states and the District of Columbia now have Renewable Energy Standards, including those most recently adopted in Montana, Illinois and Delaware.²⁹

²⁵ For a thorough discussion of future costs of carbon regulation, see the comments that ME3, IWLA, and MCEA, recently filed jointly with the Union of Concerned Scientists, in the Minnesota Public Utilities Commission proceeding to evaluate Xcel Energy's 2004 integrated resource plan, PUC Docket No. E-002/RP-04-1752, available on the MCEA web site, www.mncenter.org/mcea/files/documents/RP_COMMENTS_FINAL.pdf

²⁶ This statement was issued by the U.S. National Academy of Sciences and its counterpart academies in Brazil, Canada, China, France, Germany, India, Italy, Japan, Russia and the United Kingdom. It is available online at the website of the U.S. National Academies at <http://nationalacademies.org/onpi/06072005.pdf>.

²⁷ "Climate Change, Energy, and Sustainable Development," Gleneagles Communiqué, July 2005, available online at: www.fco.gov.uk/Files/kfile/PostG8_Gleneagles_Communique.pdf.

²⁸ Sense of the Senate on Climate Change, H.R.6 §1612, Energy Policy Act of 2005. This resolution passed by voice vote after a measure to table it failed by a vote of 54-43.

²⁹ See, www.ucsusa.org/clean_energy/renewable_energy/page.cfm?pageID=47. Minnesota also has a renewable energy requirement for one utility, Xcel Energy.

- v. Several northeastern and mid-Atlantic states are moving ahead with their own regional cap-and-trade system, called the Regional Greenhouse Gas Initiative, that will impose mandatory limits on CO₂ emissions from their power sector.³⁰
 - vi. Massachusetts, New Hampshire, Washington and Oregon have already passed laws limiting power plant CO₂ emissions or requiring them to purchase offsets.³¹
 - vii. There is a widespread consensus that the most efficient way to impose limits on CO₂ emissions is through a cap-and-trade system similar to the one pioneered under the Clean Air Act's acid rain program. Cinergy has announced its support for a carbon cap-and-trade system with an escalating cap on carbon allowance prices.³² PacifiCorp and Idaho Power expect to have to purchase CO₂ allowances in the future, and have gone to some effort to predict their cost.
 - viii. California has taken the lead in recognizing the need for dramatic long-term emission reductions. In June, Governor Schwarzenegger issued an executive order announcing the target of reducing greenhouse gas emissions to 2000 levels by 2010, to 1990 levels by 2020, and to 80% below 1990 levels by 2050.³³
- b. In 2005, the Minnesota legislature adopted new language emphasizing the importance of factoring future environmental regulations into the review of new energy facilities:

“If the applicant is proposing a nonrenewable generating plant, [the commission shall evaluate] the applicant’s assessment of the risk of environmental costs and

³⁰ The website for this initiative, the Regional Greenhouse Gas Initiative, is at www.rggi.org. Members include Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island and Vermont. In addition, Maryland, the District of Columbia, Pennsylvania, the Eastern Canadian Provinces and New Brunswick are participating as observers.

³¹ “Emissions Standards for Power Plants,” Massachusetts Department of Environmental Protection, 310 CMR 7.29; “Multiple Pollutant Reduction Program,” New Hampshire Revised Statutes Ann. ch. 125-O; “Carbon Dioxide Mitigation,” Washington Revised Code, ch.80.70; Carbon Dioxide Emissions Standard, Oregon Revised Statutes § 469.503.

³² “Cinergy Releases Report on Potential Impact of Greenhouse Gas Regulation,” Cinergy New Release, December 1, 2004. Available online at www.cinergy.com.

³³ Executive Order S-3-05, June 1, 2005.

regulation on that proposed facility over the expected useful life of the plant.”³⁴

Thus, future costs due to regulatory carbon constraints will increase the costs of the proposed Mesaba Energy Project, and will enhance the reasonableness of the alternatives to be studied in the EIS.

VI. The EIS should consider the cumulative impact of recent rules passed to control criteria pollutants from the electric power sector

- a. The EIS should examine the emissions of the Project upon compliance with the Clean Air Interstate Rule (CAIR) as it relates to this proposed new emission source in Minnesota. The need to purchase allowances may make the proposed project less feasible or infeasible, especially given that Minnesota regulators may not accept the Federal Implementation Plan set forth in CAIR.
- b. The EIS must also fully examine the impact of the Project on Class I areas near to and downwind of the potential Project sites, namely Voyageurs National Park and the Boundary Waters Canoe Area Wilderness. Given the long distance that air pollutants can travel, Class I areas further downwind should also be considered.

In the recent hearings before the MPCA concerning the Mesabi Nuggets direct reduction plant to be developed at Hoyt Lakes, a principle concern was the effect of the emissions of that plant on visibility in Northeastern Minnesota, particularly in the BWCA. Current levels of haze do not permit the level of emissions which will be generated by that plant as proposed and permitted, and the company must either purchase offsets from other industries in the area or reduce its own emissions by technology yet to be tested. Thus, since air quality in the area is already impaired and the capacity to absorb an additional burden of pollutants is limited, the EIS for the Mesaba Energy Project should examine the contribution that it will make to haze problems and visibility impacts in northern and Northeastern Minnesota.

Comments on the Notice of Proposed Floodplain and Wetlands Involvement

The EIS must undertake review of cumulative impacts on ecosystems or parts of the environment from *all* the activities, past, present and reasonably foreseeable, that have

³⁴ See, 2005 Minnesota Senate File No. 1368, 3rd Engrossment, Art. 1, section 5 (amending Minn. Stat. § 216B.243, subd. 3).

impacted that part of the environment. For example, impacts to wetlands in northern Minnesota come not simply from power plant siting, but also from extensive mining, from extensive and growing peat mines, from road-building, from logging, and/or from residential development. The overall cumulative impacts to wetlands from all human activities must be examined, not simply an artificially narrow review of the Mesaba Energy Project impacts.

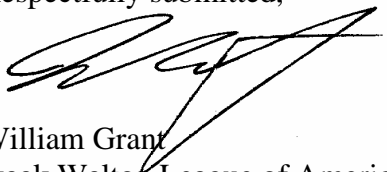
Likewise, cumulative impacts on habitat must be examined from the perspectives of fragmentation and degradation over time from siting of new power plants, as well as from logging, home and other dwelling building, mining (of all kinds, including peat), and recreation. Also, direct impacts on wildlife must be examined in this comprehensive fashion.

Conclusion

The League and ME3 appreciate the opportunity to make comments on the scope of the Mesaba Energy Project EIS. We urge the agencies to continue to extensively explore and analyze all potential environmental impacts from this very significant project. As the first ever coal gasification power plant project in Minnesota, in a part of the state revered for its natural resources, it is critical that the agencies ensure thorough environmental review in accordance with the law.

The League and ME3 look forward to working with the agencies, the project proposer, and all interested parties as this potential project moves forward. Please feel free to contact me should you have any questions.

Respectfully submitted,



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