



Minnesota Pollution Control Agency

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February 29, 2012

TO: INTERESTED PARTIES:

RE: Perham Resource Recovery Facility Expansion Project
Environmental Impact Statement Final Scoping Decision Document

On February 28, 2012, the Minnesota Pollution Control Agency Citizens' Board voted to adopt the Final Scoping Decision Document for the proposed Perham Resource Recovery Facility Expansion Project Environmental Impact Statement (EIS), Otter Tail County. We appreciate the time and effort of those who submitted comments on the Scoping Decision Document. Your input helped to clarify the final documents and will be helpful in moving forward with the EIS.

These documents can be reviewed at the following locations: the MPCA offices in St. Paul and Rochester; and the Minneapolis Public Library at 300 Nicollet Mall, Minneapolis. The document can also be viewed on our MPCA website at <http://www.pca.state.mn.us/news/eaw/index.html>. Requests for copies of these documents may be made by contacting the St. Paul office at 651-757-2101.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul W. Aasen", followed by a long horizontal line extending to the right.

Paul W. Aasen
Commissioner

PWA:mbo

Scoping Decision Document Perham Resource Recovery Facility Expansion Project Environmental Impact Statement

A discretionary (voluntary) Environmental Impact Statement (EIS) is being prepared by Minnesota Pollution Control Agency (MPCA) for the Prairie Lakes Municipal Solid Waste Authority (PLMSWA) proposal to expand the Perham Resource Recovery Facility (PRRF) located in the in the city of Perham, Minnesota. The project site is bound on the north by 3rd Street NE, on the east by 6th Avenue NE, on the south by the Burlington Northern Santa Fe Railroad line, and on the west by Bongards' Creameries property.

	Responsible Governmental Unit	Proposer
Entity	MPCA	PLMSWA
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Purpose

The MPCA distributed a Scoping Environmental Assessment Worksheet (SEAW) and the draft Scoping Decision Document (SDD) as the initial step in the EIS process. The purpose of the scoping process is to identify only those potentially significant issues relevant to the proposed project and define the form, level of detail, content, and alternatives to be evaluated in the EIS. In addition, the EIS Scope identifies the timetable for preparation, the preparers of the EIS, and determines the permits for which information will be developed concurrently with the EIS. The scoping process is described in Minn. R. 4410.2100.

The purpose of an EIS is the evaluation and disclosure of information about the significant environmental effects of the proposed action. The EIS is not intended to justify a project or to recommend approval or denial of future permits. Rather, the information in the EIS is intended to be used by governmental units as a guide in issuing or denying permits or approvals for the project and in identifying measures necessary to avoid or mitigate adverse environmental effects.

The EIS is intended to inform various permitting decisions. The PLMSWA and the PRRF will submit applications and supporting information for all required MPCA permits and MPCA staff will develop the permits during the EIS process.

Preparers

The MPCA will conduct the EIS process and the overall preparation, review, and content of the EIS. A preliminary draft EIS will be prepared by the PLMSWA and submitted to the MPCA. The PLMSWA, assisted by its technical consultants, will be responsible for reviewing the adequacy of the available data and reports, preparing technical information on expected impacts of the project, preparing technical reports identified in the SDD, participating in public meetings, assisting the MPCA in responding to comments received during public comment periods, and preparing the draft and final EIS. Applications and supporting information for all MPCA permits required by the project will be submitted and permit

development will occur during the EIS process. The MPCA will provide technical review of all submittals and approve the draft and final EISs prior to distribution. The MPCA Citizens' Board will adopt the SDD for the EIS and make a determination of adequacy of the final EIS.

Schedule

Consistent with Minn. R. 4410.2000, subp. 3.B, the scoping period began with publication of the notice of availability of the SEAW in accordance with Minn. R. 4410.1500, subps. A and B. The responsible governmental unit (RGU) shall provide the opportunity for at least one scoping meeting during the scoping period. The meeting shall be held not less than 15 days, excluding Saturdays, Sundays, and holidays, after the publication of the notice of availability of the SEAW in the Minnesota Environmental Quality Board (EQB) *EQB Monitor*. All meetings shall be open to the public. The MPCA Citizens' Board will adopt the final scoping decision. The scoping period was initially extended to January 5, 2012, in consideration of the holidays.

Tentative EIS Schedule – Perham Resource Recovery Expansion Project

EIS Steps	Tentative Date
SEAW comment period begins	November 28, 2011
Scoping Public Meeting	December 14, 2011
Comment period ends	January 5, 2012
Final Scoping Decision issued	February 2012
EIS Preparation Notice published	April 2012
Release of Draft EIS/public meeting	September 2012
Final EIS issued	January 2013
EIS Adequacy Determination	February 2013

RECORD OF DECISION

Among the objectives for Minnesota's environmental review process are the provision of useable information about the primary environmental effects of a proposed project and the encouragement of accountability in public and private decision making. The SDD is obligated to identify those permit/approval decisions for which a Record of Decision must be maintained to identify how the EIS was considered in reaching the decision.

For the proposed expansion EIS, a Record of Decision shall be maintained for the following governmental approvals.

<u>Agency</u>	<u>Decision</u>
MPCA	Prevention of Significant Deterioration Program Minor Modification and Major Amendment to Part 70 Operating Permit

PROPOSED CONTENT OF THE EIS

This section of the scoping document outlines the items to be contained in the PRRF expansion EIS. In accordance with Minn. R 4410.2300, the EIS will include the following:

Cover Sheet

The cover sheet will include the name of the RGU; the title of the proposed project and project location; name, address, and telephone number of the contact person at the RGU and of the proposers representative; a designation of the statement as a draft, final, or supplement; a one-paragraph abstract of the EIS; the date of the public meeting on the draft EIS; and the date following the meeting by which comments on the draft EIS must be received by the MPCA.

Summary

The summary shall stress the major findings, areas of controversy, and the issues to be resolved, including the project as proposed.

A project description, environmental impacts, mitigation measures, alternatives, a list of governmental approvals, socio-economic impacts, and direct, indirect and adverse or beneficial impacts will be identified.

List of Preparers

The EIS will contain a list that includes the names and qualifications of the persons who were primarily responsible for preparing the EIS or significant background papers.

Project Description

EOB rules explicitly direct that a proposed project be described only in sufficient detail to identify its purpose, size, scope, environmental setting, geographic location, and anticipated phases of development.

Permits and Approvals

The EIS will list the known governmental permits and/or approvals required for the expansion, along with the unit of government responsible for each decision. Information necessary for the development of a proposed MPCA Air Emissions Permit will be gathered and presented in the EIS.

The EIS will provide specific information useful for permitting and approval decisions; however, it will not provide all data and information required for these actions. Some permit applications and information for the project may be developed and submitted independent of the EIS.

Alternatives

No Build

The EIS will assess the consequences of a no action or “no build” decision for the proposed project.

Facility Design Alternatives

The issue of design alternatives was not discussed in the Scoping EAW because the design of the proposed expansion must meet specific design specifications that are required by both the U.S. Environmental Protection Agency (EPA) and the MPCA. Therefore, this alternative discussion will not be presented in the EIS.

Location Alternatives

The issue of location alternatives will not be discussed in the EIS as the proposed project is an expansion of an existing facility.

Alternative Technology

The issue of alternative technologies was not discussed in the SEAW because the design of the proposed expansion must meet specific design specifications that are required by both the EPA and the MPCA. The permits that will ensure that all required design and operations specifications to be met by the proposed project are listed in the SEAW in Item 8, *Permits and Approvals Required*. Therefore, a discussion of alternative technology will not be presented the EIS.

Environmental Impacts and Mitigation

Air Quality Studies

The EIS will provide an analysis of the potential air quality impacts of the project by demonstrating compliance with the National Ambient Air Quality Standards (NAAQS) and Minnesota Ambient Air Quality Standards (MAAQS) and evaluating the potential for human health effects.

Air dispersion modeling will be used to estimate air concentrations of pollutants emitted from the facility. The estimated air concentrations will be compared to applicable air quality standards and health risk benchmark values. The air dispersion modeling will be done in accordance with EPA and MPCA guidance and procedures (<http://www.pca.state.mn.us/index.php/air/air-monitoring-and-reporting/air-emissions-and-monitoring/air-dispersion-modeling/air-dispersion-modeling.html>). The procedures include submittal of a modeling protocol to be approved before the air dispersion modeling is completed.

The EIS will include a scoping Air Emission Risk Analysis (AERA) and a refined Human Health Risk Assessment (HHRA). The AERA will be performed according to MPCA guidance, found at <http://www.pca.state.mn.us/ktqh42a>, including the MPCA AERA Guidance (Version 1.1, September 2007). The HHRA will be performed following the EPA HHRA Protocol for Hazardous Waste Combustion Facilities (EPA 2005) and relevant MPCA requirements that either supersede aspects of the HHRA Protocol or supplement the protocol. The AERA and HHRA will evaluate risk from before and after the proposed project. The specific methods and assumptions used in the AERA and HHRA will be submitted to the MPCA for approval, using the AERA forms. Section 2.7.3 of the AERA Guidance will be followed for scoping out emission sources, such as the auxiliary boiler, or pollutants not regulated with pollutant specific limits. Each compound identified in the sources below will be considered for the designation of compounds of potential interest (COPI). The hierarchy below will be used to select emission factors for COPIs. Any air emission rate limit used in the HHRA will be incorporated into the air permit.

1. 40 CFR 62 Subpart JJJ or Minn. R. 7011.1227, as applicable
2. NSPS Subpart AAAAA or Minn. R. 7011.1229, as applicable
3. Stack test results performed on the existing municipal waste combustion (MWC) units at the PRRF
4. Continuous Emission Monitoring System data for the existing MWC Units at the PRRF
5. Emission factors provided by the MPCA such as the Olmsted County Waste to Energy Facility, Stanislaus, Huntington or other emission factors from relevant stack testing
6. Chapter 2.1, "Refuse Combustion" in EPA's AP-42, Fifth Edition, "Compilation of Air Pollutant Emission Factors" (October 1996)
7. EPA Factor Information Retrieval System, Version 6.23 for standard classification code 50100104
8. Supplement C, Table 2.1-1, of EPA's AP-42, Fourth Edition, "Compilation of Air Pollutant Emission Factors" (October 1990)

The purpose of the HHRA will be to calculate quantitative estimates of COPI concentrations in air and COPI doses that are used with acute and chronic toxicity factors to estimate excess risks for carcinogens and hazards for noncarcinogens. Air concentrations and doses will be estimated for four exposure scenarios evaluated for specific locations in the areas most impacted by the facility. The specific locations to be evaluated and a description of the method used to select these locations will be included in the AERA forms. The anticipated four scenarios will include acute inhalation, resident and resident child, farmer and farmer child, and fisher and fisher child. Direct depositions to soil, plants, and surface water will be calculated and indirect exposures are calculated for relevant pathways.

If there is the potential for one pound/year or more of mercury emissions and there are fishable water bodies in the area, then the risks associated with ingesting impacted fish will be assessed through the Minnesota Mercury Risk Estimation Method (MMREM), in lieu of the methods in the HHRAP (EPA 2005). If MMREM is used, then an MMREM protocol (AERA form 27) shall be submitted to the MPCA for approval.

For the criteria pollutants, ambient air quality modeling relative to the proposed project (i.e., the two waste heat boilers) will be conducted as part of the EIS to support the HHRA and demonstrate compliance with the NAAQS and MAAQS.

If adverse impacts are determined, mitigating measures will be identified that prevent or mitigate impacts of such exposure, including changes in building and mechanical system design, heights, and placement of buildings.

The EIS will determine potential cumulative effects on ambient air quality from the proposed project by modeling compliance with MAAQS and NAAQS, and by including a Cumulative AERA. The Cumulative AERA will follow the MPCA How to Conduct a Cumulative Air Emission Risk Analysis guidance located at <http://www.pca.state.mn.us/lupg42d>.

Wastewater Impacts

The EIS will describe and discuss any changes in water use and the generation and disposal of wastewater from the proposed project, including the status of the city of Perham's plans to upgrade and operate its wastewater treatment facility.

Traffic

The EIS will evaluate the expected increase in traffic due to the proposed project and its potential impacts on affected roads in the immediate vicinity of the project.

Vehicle Emissions

The EIS will evaluate the expected impacts from on-site vehicle-related air emissions at the site. The AERA will include nitrogen dioxide and diesel particulate matter emissions from diesel trucks.

Noise

The EIS will evaluate noise emanating from the proposed site and discuss the ability of the proposed project to meet applicable state noise standards.

The impacts of noise from the proposed project on nearby receptors and the potential that noise standards will be exceeded will be evaluated in a qualitative assessment using data collected from the existing facility and information from new project sources. Any potential noise exceedances will be identified and potential mitigation measures discussed.

Solid Waste Management Plans

A technical report will be prepared on the solid waste management programs and practices of the regional and local governing bodies in Otter Tail, Wadena, Todd, and Becker Counties. This report will be based on information from solid waste management plans and the requirements in applicable Minnesota statutes and rules. This information will be presented in the EIS.

Economic and Social Impacts

The EIS will discuss the potential for the project and alternatives to directly and indirectly cause local economic and sociological impacts. The facility's impact on cost to the user of the facility and general

public will be identified. The effect of the proposed facility on regional and county solid waste system costs will be evaluated. Inventories will be completed of any nearby existing and planned recreational resources. Any potential impacts resulting from the expansion will be described.

Historical and Archeological Resources

Historical and archeological resources are not known to exist at or near the site, and there will be no analysis of this topic in the EIS.

Mitigation Measures

For those instances where the impact analyses have identified the potential for adverse effects, the EIS will identify reasonably available measures that could lessen or eliminate the adverse effect. The types of measures that may result in significant mitigation of impacts range from facility-specific modifications in design and/or operation or broader policy-based action at all governmental levels.

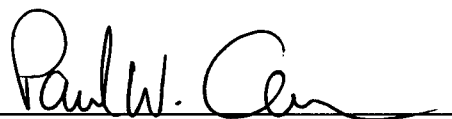
Appendices

Appendices may be included in the EIS when applicable: (a) material prepared in connection with the EIS, as distinct from material that is so prepared and that is incorporated by reference; (b) material that substantiates any analysis fundamental to the EIS; and (c) permit information that was developed and gathered concurrently with the preparation of the EIS.

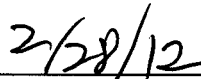
Material Incorporated by Reference

Materials may be incorporated by reference to reduce the bulk of the EIS. Such materials will be cited in the EIS, and its content will be briefly described. Generally, these materials will not be distributed for public review, but will be available for inspection at the MPCA office in Saint Paul or be accessible via the MPCA website.

The following topic areas – (a) Air Quality – (b) Solid Waste Management – will be the subject of technical reports separate from the EIS. Discussion within the EIS on each of these primary impact areas will be based on the analyses and findings of the reports, but will likely omit much of the technical aspects of the more focused studies. These reports will be incorporated by reference as part of the EIS. The reports will be available for inspection at the MPCA offices in Saint Paul and libraries on the EQB distribution list, in accordance with the requirements of the EQB rules. Technical reports will also be accessible via the MPCA website.



Commissioner Paul Aasen
Chair, Citizens' Board
Minnesota Pollution Control Agency



Date