



Minnesota Pollution Control Agency

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April 25, 2012

TO: INTERESTED PARTIES

RE: Hometown BioEnergy Facility

On April 24, 2012, the Minnesota Pollution Control Agency Citizens' Board voted to approve the Findings of Fact, Conclusions of Law, and Order for a Negative Declaration on the need for an Environmental Impact Statement for the proposed Hometown BioEnergy Facility, Le Sueur County. The Findings of Fact, Conclusions of Law, and Order document concludes that the project does not have the potential for significant environmental effects. This decision for a Negative Declaration completes the state environmental review process under the revised Minnesota Environmental Quality Board Rules, Minn. R. ch. 4410. Final governmental actions on the granting of permits and approvals for the project may now be made.

These documents can be reviewed at the following locations: the MPCA offices in St. Paul, Mankato, and Rochester; and the Minneapolis Public Library at 300 Nicollet Mall, Minneapolis. The documents can 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.

We appreciate the time and effort of those who submitted comments on the Environmental Assessment Worksheet. Comments and responses to them have been incorporated into the Findings of Fact, Conclusions of Law, and Order and have been considered by MPCA staff during the permit process for the proposed project.

Sincerely,

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

Paul W. Aasen
Commissioner

PWA:mbo

**STATE OF MINNESOTA
MINNESOTA POLLUTION CONTROL AGENCY**

**IN THE MATTER OF THE DECISION
ON THE NEED FOR AN ENVIRONMENTAL
IMPACT STATEMENT FOR THE PROPOSED
HOMETOWN BIOENERGY FACILITY
CITY OF LE SUEUR
LE SUEUR COUNTY, MINNESOTA**

**FINDINGS OF FACT
CONCLUSIONS OF LAW
AND ORDER**

FINDINGS OF FACT

The above-entitled matter came before the Minnesota Pollution Control Agency (MPCA) Citizens' Board at a regular meeting held in St. Paul, Minnesota, on April 24, 2012. Based on the MPCA staff review, comments and information received during the comment period, and other information in the record of the MPCA, the MPCA hereby makes the following Findings of Fact, Conclusions of Law, and Order.

Project Description

1. The Minnesota Municipal Power Agency (MMPA) is proposing to construct a new 8-megawatt (MW) renewable energy production facility, known as the Hometown BioEnergy project, at a site in the city of Le Sueur, Minnesota. The proposed facility will use a wet anaerobic digestion process to convert up to 45,000 dry tons per year of local agricultural and food processing residuals into biogas, and two other commercially valuable products, a liquid byproduct and a solid renewable fuel. The biogas, composed primarily of methane, will be used to fire four 2-MW reciprocating engine generator sets (gensets).
2. The MMPA provides wholesale electricity to eleven member communities who in turn deliver and sell that electricity to the residential and business customers in their communities. MMPA generates electricity and also purchases electricity from other generators and from the Midwest Independent System Operator. According to the EAW, MMPA regards the proposed project as a key part of the statutory requirement that utilities' energy portfolios contain a significant commitment to renewable energy.
3. MMPA selected a Danish company, Xergi A/S, to provide plant and process design. Xergi A/S has researched, installed, and operated about 40 similar biogas plants using multiple feedstock anaerobic digestion. The technology selected is based on the concept of the digestion of multiple feedstocks in varying amounts for energy production over the lifetime of the plant.
4. The site of the proposed project consists of 34.9 acres located in the southwest corner of Section 12 of Township 111 of Le Sueur County, Minnesota. The site is currently an abandoned gravel pit. The land use in the surrounding region is nearly all cropland with an industrial-zoned area to the north within the city of Le Sueur. The site is currently zoned agricultural, but is in the process of being annexed and zoned by the city of Le Sueur for General Industry. The Le Sueur Municipal Airport is located approximately one-third mile northwest of the site. There is an

operating gravel pit located directly to the south of the site. County Road 115 runs along the northern border, and State Highway 112 runs along the western border. The project site is adjoined on the east by agricultural land.

5. The proposed process for the Hometown BioEnergy facility will consist of five basic steps:
 - Feedstock unloading and pre-treatment
 - Anaerobic digestion
 - Biogas conditioning and storage
 - Electricity generation and heat recovery
 - By-product production and use
6. Agricultural feedstock such as silage, potato and other vegetable processing residuals, poultry manure, grasses, hay, snack foods and cereals will be delivered via truck. Feedstock flexibility is critical because the exact mix of feedstock will vary somewhat over the life of the project as markets and the availability of local supply shift over time. The facility will require an average of fifteen feedstock deliveries per day on an annual basis. However, traffic will fluctuate by season. Sweet corn silage deliveries would be limited to the sweet corn harvesting season, and must be stockpiled on site in order to be available year round. When the silage stock is replenished, the facility will require more truck deliveries on a seasonal basis. There will be fewer feedstock deliveries in winter.
7. Feedstock deliveries, excluding sweet corn silage, will be received on the site in a fully enclosed building. The feedstock delivery trucks will dump the feedstock into the receiving pits and tanks in the enclosed receiving area. During unloading, the feedstock trucks will be rinsed with well water to clean the vehicle and ensure that all feedstock enters into the process. All feedstock vehicle rinse water will be incorporated into the pretreatment process with the feedstock. Water needs for this rinsing process are estimated at 100,000 gallons per year.
8. The project design assumes that all feedstock, except for the stored silage, will be processed the same day that it is received. The facility design incorporates redundancy via multiple digesters, gas storage capacity, and lagoon capacity that allow continual feedstock processing even if individual elements of the system are temporarily off line. The two primary digesters operate in parallel and are fed into a single secondary digester, thus allowing an individual primary digester to be offline if necessary. Product gas will be stored in tanks, thus allowing for engine operation and heat recovery so that byproduct processing can continue if digestion is offline or at a reduced level. The receiving area also represents indoor, controlled-environment holding capacity for several days of feedstock delivery if needed to accommodate a process interruption.
9. Sweet corn silage will be delivered to a 5.5-acre silage storage area and then drawn from that area by dedicated vehicles to be brought to the receiving building. The silage storage area will have a soil cement floor and will be covered by an impermeable cover except when silage is being delivered or moved to the receiving building. The silage storage area will accommodate 15,000 dry tons of silage when full.

10. During sweet corn processing season (August through September), the facility will receive an increased volume of silage feedstock to accommodate the needs of the sweet corn suppliers. During this time, the facility will receive sweet corn silage 24 hours a day, at a rate of approximately 1-2 trucks per hour. The silage storage will supply the anaerobic digestion process with stable feeding rates and feedstock mixtures. Silage will be moved from storage to the reception area by means of dedicated vehicles from the bunkers to the enclosed receiving building as needed to feed the anaerobic digestion process.
11. The silage storage area will be located separate from the general feedstock receiving area, and will be sized to store approximately 15,000 dry tons of silage. Horizontal storage bunks will store the silage material and be designed so that silage leachate and contact stormwater can be collected separate from noncontact stormwater. Non-permeable covers will be placed upon completion of filling each of the bunks, providing protection of the silage and odor control. The covers will be rolled back as required to provide access for the removal of this material throughout the year, one bunk at a time.
12. The pretreatment process consists of a size reduction step to prepare a consistent feedstock and supernatant addition to create a slurry that will be pumped to the anaerobic digesters. Supernatant refers to the liquid layer above a layer of solids that have settled out. Heat is added to the slurry during this initial pre-treatment step, which will be contained in jacketed steel vessels located within the feedstock receiving building. Except during startup, the liquid is provided by a warm recycled supernatant stream from later steps in the process. Following this pretreatment, the feedstock slurry is pumped into the first stage of the anaerobic digestion process.
13. The first step of anaerobic digestion consists of subjecting the pre-processed agricultural and food processing residual solids to hydrolysis, which breaks down the starch and cellulose into smaller molecules using water, making them more soluble. During the second step, the acidogenesis/acetogenesis phase, this soluble organic matter is converted to organic acids through fermentation. During this process, the digesters allow hydrolysis and fermentation to occur simultaneously. In the last stage, methanogenic bacteria digest the acetate and hydrogen to produce biogas.
14. The raw biogas produced in the digesters consist of a low-pressure, medium British thermal unit fuel consisting of 50-75 percent methane, 25-50 percent carbon dioxide, 6 percent water, minor amounts of nitrogen and oxygen, and less than 0.5 percent hydrogen sulfide. To prevent corrosion of equipment, the moisture and hydrogen sulfide will be removed from the unconditioned biogas by means of a biological scrubbing process in the gas conditioning system. The liquid generated from the scrubbing process will be added to the liquid by-product for land application. The conditioned gas is sent to unpressurized gas storage tanks. Storage and handling of biogas will be evaluated for potential hazards to allow for safe operation of the facility. Sufficient storage will be installed to support the anticipated operating needs of the generators. If excess biogas is produced, it will be disposed of by means of an on-site flare.

15. The scrubbed biogas will be piped from the storage tanks and burned in one or more of the four 2-MW reciprocating engines paired with their respective generators (gensets). The four gensets will have a combined maximum capacity of 8-MW electric. The gensets are expected to operate an average of 12-16 hours per day, 7 days per week. Heat from the gensets will be recovered to heat the anaerobic digestion and digestate solids drying processes.
16. The anaerobic digestion process will also generate a slurry-like residual mixture of solids and process water called digestate. This digestate will be separated into solid and liquid components by means of a screw press dewatering system. The solids from the screw press will be sent to a belt dryer system, where heat recovered from the facility's engine gensets will be used to remove remaining moisture to about 10 percent. The dried solids will be sold as boiler fuel.
17. The liquid stream (supernatant) contains suspended solids, ammonia-nitrogen, phosphorus, potassium and other materials including dissolved salts. This nutrient-rich supernatant will be stored on-site in covered, lined storage ponds and will be seasonally applied to nearby agricultural land. A portion of the supernatant will be recycled to the beginning of the process to prepare feedstock in the pretreatment tank.
18. The project proposer submitted a state permit application to MPCA for air emissions on October 11, 2011. The permit application includes dispersion modeling to demonstrate that short-term ambient air quality standards are not exceeded by the engine emissions. MPCA staff placed the air emissions permit on a 30-day public notice period starting February 23, 2012, and ending March 22, 2012.
19. The project proposer submitted an application for a State Disposal System (SDS) Permit for the Land Application of Industrial By-Products on October 3, 2011. The SDS Permit for the Land Application of Industrial By-Products was placed on a 30-day public notice period by MPCA staff starting February 22, 2012, and ending March 21, 2012.

Procedural History

20. The project involves the construction of a facility with a capacity to convert 25,000 dry tons per year or more of biomass to gaseous and solid fuels. This was determined to exceed the threshold for a mandatory EAW in accordance with Minn. R. 4410.4300, subp. 5, Item A.
21. The actual annual total feedstock throughput will be 45,000 tons.
22. Pursuant to Minn. R. 4410.4300, subp. 5, Item A, an EAW was prepared by MPCA staff on the proposed project. Pursuant to Minn. R. 4410.1500, the EAW was distributed to the Environmental Quality Board (EQB) mailing list and other interested parties on February 6, 2012.
23. The MPCA notified the public of the availability of the EAW for public comment. A news release was provided to media in Blue Earth, Brown, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Houston, Le Sueur, Martin, Mower, Nicollet, Olmsted, Rice, Sibley, Steele, Wabasha, Waseca, Watonwan, and Winona Counties, as well as other interested parties, on February 10, 2012. The

notice of the availability of the EAW was published in the *EQB Monitor* on February 6, 2012, and the EAW was made available for review on the MPCA website at <http://www.pca.state.mn.us/news/eaw/index.html>.

24. The public comment period for the EAW began on February 6, 201, and ended on March 7, 2012. During the 30-day comment period, the MPCA received comment letters from the Minnesota Department of Transportation (Mn/DOT) and the Minnesota Historical Society, and seven letters from citizens. A list of the comment letters received is included as Appendix A to these findings.
25. Two comment letters were received after the close of the comment period. One expressed support for the project and the other raised concerns that are dealt with in other comment responses in the Response to Comments document, Appendix B to this Findings of Fact.
26. The MPCA prepared written responses to the comment letters received during the 30-day public comment period. The comment letters received and the responses to the comments are included as Appendix B to these findings. The Response to Comments document is incorporated into and made a part of these findings.

Criteria for Determining the Potential for Significant Environmental Effects

27. Under Minn. R. 4410.1700, the MPCA must order an Environmental Impact Statement (EIS) for projects that have the potential for significant environmental effects. In deciding whether a project has the potential for significant environmental effects, the MPCA must compare the impacts that may be reasonably expected to occur from the project with the criteria set forth in Minn. R. 4410.1700, Subp. 7. These criteria are:
 - A. The type, extent, and reversibility of environmental effects.
 - B. Cumulative potential effects. The responsible governmental unit (RGU) shall consider the following factors: whether the cumulative potential effect is significant; whether the contribution from the project is significant when viewed in connection with other contributions to the cumulative potential effect; the degree to which the project complies with approved mitigation measures specifically designed to address the cumulative potential effect; and the efforts of the proposer to minimize the contribution from the projects.
 - C. The extent to which the environmental effects are subject to mitigation by ongoing public regulatory authority. The RGU may rely only on mitigation measures that are specific and that can be reasonably expected to effectively mitigate the identified environmental impacts of the project.
 - D. the extent to which environmental effects can be anticipated and controlled as a result of other available environmental studies undertaken by public agencies or the project proposer, including other EISs

**The MPCA Findings with Respect to Each of These Criteria
Are Set Forth Below**

Type, Extent, and Reversibility of Environmental Effects

28. The first criterion that the MPCA must consider when determining if a project has the potential for significant environmental effects is the “type, extent, and reversibility of environmental effects” Minn. R. 4410.1700, Subp. 7, Item A. The MPCA findings with respect to this criterion are set forth below.
29. The types of impacts that may reasonably be expected to occur from the Project include the following.
- Air quality impacts related to stack emissions
 - Surface water quality impacts related to stormwater management
 - Groundwater impacts related to stormwater management
 - Air quality impacts related to odors
 - Air quality impacts related to noise
 - Impacts related to truck traffic
30. Other issues and concerns noted in comment letters include the following.
- General ground water concerns related to well interference and aquifer depletion
 - Concerns related to stormwater management system failure.
 - Spread of pathogens from chicken manure and pests
 - Cumulative impacts
31. With respect to the extent and reversibility of impacts that are reasonably expected to occur from the project, the MPCA makes the following findings.

Air quality impacts related to stack emissions

32. There will be four stacks at the facility: two dedicated to the engine exhaust, one for the water boiler, and the flare is considered the final stack. Based on equipment design and permitted operation, it is unlikely that there will be visible pollutant emissions.
33. The primary source of air emissions from the project will be the generator sets. Air emission dispersion modeling has been performed to confirm that stack emissions will not exceed prescribed limits. A carbon monoxide (CO) catalyst will be employed to control CO and volatile organic compounds, and stack testing will be required to assure compliance with standards. These stacks have demonstrated modeled compliance with ambient air quality standards using a conservative screening model, SCREEN 3.
34. The solids dryer will be enclosed and will vent through one of the genset stacks. A portion of the exhaust gases from the gensets will be directed through the dryer to dry the solids. The drying process itself will produce little dust, since movement of genset exhaust through the dryer will slow, and the solids will be fibrous and contain no less than 10-12 percent moisture after drying.

35. The boiler stack and flare were not modeled, since their emissions are expected to be quite low.
36. The MPCA finds that information presented in the EAW and other information in the environmental review record is adequate to address the concerns related to air quality impacts related to stack emissions. The impacts on air quality that are reasonably expected to occur from the proposed project have been considered during the review process and methods to prevent significant adverse impacts have been developed.
37. Air quality impacts related to air emissions will not be significant; however, to the extent that impacts do occur related to facility operations, they are not reversible, as the emissions will continue as long as the facility operates.
38. The MPCA finds that the project, as it is proposed, does not have the potential for significant environmental effects based on the type, extent, and reversibility of impacts related to air quality that are reasonably expected to occur from the project.

Surface water quality impacts related to stormwater management

39. The project site will be graded to drain to three infiltration areas, which have been shown by modeling to be sufficient to handle site stormwater. No stormwater will leave the site via overland discharge.
40. Contact and noncontact stormwater will be kept separate on the site. Contact stormwater will be directed to the digestion processing vessels or the lined supernatant storage ponds. Noncontact stormwater will be directed to the infiltration basins. Significant impacts from stormwater are not expected.
41. Surface water quality impacts related to stormwater management will not be significant; however, to the extent that such impacts do occur, they are not reversible and will continue as long as the facility operates.
42. The MPCA finds that information presented in the EAW and other information in the environmental review record is adequate to assess surface water quality impacts related to stormwater management. The impacts related to stormwater management that are reasonably expected to occur from the proposed Project have been considered during the review process and methods to prevent significant adverse impacts have been developed.
43. The MPCA finds that the project, as it is proposed, does not have the potential for significant environmental effects based on the type, extent, and reversibility of surface water quality impacts related to stormwater management that are reasonably expected to occur from the project.

Groundwater impacts related to stormwater management

44. Contact stormwater that has come into contact with feedstocks or other contaminating materials will not be infiltrated on site. It will be directed either to the digestion process or the supernatant ponds.

45. Noncontact stormwater will infiltrate in the three on-site stormwater basins. Stormwater quality monitoring will be required.
46. Infiltration will take place in the surficial gravel layer on the site. This layer is underlain by a glacial till confining layer that serves to protect deeper aquifers from any contamination from stormwater infiltration, which, in any case, is expected to be minimal.
47. Based on well log information, known wells in the vicinity are set below the confining layer, and thus will not be affected by infiltrated site stormwater.
48. Groundwater impacts related to stormwater management will not be significant; however, to the extent that such impacts do occur, they are not reversible and will continue as long as the facility operates.
49. The MPCA finds that information presented in the EAW and other information in the environmental review record is adequate to address the concerns related to groundwater impacts from infiltrated stormwater. The impacts on groundwater from infiltrated site stormwater that are reasonably expected to occur from the proposed project have been considered during the review process and methods to prevent significant adverse impacts have been developed.
50. The MPCA finds that the project, as it is proposed, does not have the potential for significant environmental effects based on the type, extent, and reversibility of impacts related to groundwater contamination resulting from site stormwater management that are reasonably expected to occur from the project.

Air quality impacts related to odors

51. Odors from the silage storage area will be minimized by covering the pile with an impermeable membrane.
52. The feedstock will be delivered to the digestion process within a closed building. Building air will be directed under negative pressure to a biofilter.
53. The digestion process will be totally enclosed and will not be a source of odors.
54. The solid and liquid residuals will contain low levels of odor producing compounds, since the digestion process will consume them in the course of production of biogas. Solids drying will be vented through one of the generator set stacks. Although little gas production is expected in the ponds, the cover will be vented if needed to protect it from damage. The solids drying process, which will be enclosed, and the supernatant ponds, which will be covered, will thus not be a significant source of odors.
55. Best management practices (BMPs) will be employed to minimize spills and tracking of odor producing materials around the site.

56. Impacts from odors will diminish to the extent that they dissipate with distance from the source. The MPCA finds that the odor control measures planned by Hometown BioEnergy comprise a reasonable approach to odor control.
57. Impacts related to odor are not expected to be significant; however, to the extent that such impacts do occur, they are not reversible and will continue as long as the facility operates.
58. The MPCA finds that information presented in the EAW and other information in the environmental review record is adequate to address the concerns related to odors. The odor impacts that are reasonably expected to occur from the proposed project have been considered during the review process and methods to prevent significant adverse impacts have been developed.
59. The MPCA finds that the project, as it is proposed, does not have the potential for significant environmental effects based on the type, extent, and reversibility of impacts related to odors that are reasonably expected to occur from the project.

Air quality impacts related to noise

60. Noise sources would include equipment associated with the digestion process, which is to be enclosed in a building; the generator sets, which will be properly muffled and set in a building; and truck traffic, which is a small percentage of the average daily traffic in the vicinity.
61. Most project truck traffic will occur during daytime hours, except for the silage deliveries, which will take place 24 hours per day. This traffic is expected to be a small percentage of average daily traffic in the area.
62. Noise modeling conducted for the facility indicates that the noise levels will be well below the applicable standards.
63. Truck noise will be of limited duration as the source enters or leaves the site, while the gensets will shut down for eight hours each day. Processing related noise is not reversible, since processing is expected to continue 24 hours per day. To the extent that the generation of noise does occur, it will not be reversible and will continue as long as the facility operates.
64. The MPCA finds that information presented in the EAW and other information in the environmental review record is adequate to address the concerns related to noise. The noise impacts from the project that are reasonably expected to occur from the proposed project have been considered during the review process and methods to prevent significant adverse impacts have been developed.
65. The MPCA finds that the project, as it is proposed, does not have the potential for significant environmental effects based on the type, extent, and reversibility of impacts related to noise that are reasonably expected to occur from the project.

Impacts related to truck traffic

66. Truck related noise impacts have been addressed above.
67. Truck traffic levels for feedstock deliveries and solid fuel shipments are expected to average 15 trucks per day. Seasonal liquid byproduct shipments are expected to require 1-2 trucks per hour during one month in the fall and one month in the spring. Silage deliveries will also be seasonal and this traffic would amount to about two trucks per hour, 24 hours per day.
68. There is considerable existing truck traffic in and around the city of Le Sueur, some of which carries poultry manure and other agricultural commodities. The average daily traffic in the vicinity of the project site is 920 vehicles per day on Highway 112, and 540 vehicles per day on Highway 115. Project-related traffic will contribute a minor increase above existing traffic.
69. The MPCA finds that information presented in the EAW and other information in the environmental review record is adequate to address the concerns related to truck traffic. The impacts related to truck traffic that are reasonably expected to occur from the proposed project have been considered during the review process and methods to prevent significant adverse impacts have been developed.
70. The MPCA finds that the project, as it is proposed, does not have the potential for significant environmental effects based on the type, extent, and reversibility of impacts related to truck traffic that are reasonably expected to occur from the project.

Public comments on impacts related to general ground water concerns related to well interference and aquifer depletion

71. Several comments expressed concerns about the water appropriations projected for the project, the fact that several wells in the area have gone dry in recent years, and general concerns about impacts on groundwater availability posed by the project.
72. Initially, 2.3 million gallons of well water would be needed to test the integrity of the ponds; this water would be pumped over a period of weeks. Initial start-up of the digesters would use approximately 500,000 gallons of the water used in the pond testing and an additional 1.5 to 2 million gallons from the well; the start-up water for the digesters would be pumped over a period of 60-90 days. Hometown BioEnergy will need a temporary appropriations approval from the Minnesota Department of Natural Resources (DNR) for the initial prefill of the basins and prefill of the digesters.
73. On-going project groundwater appropriations are expected to average less than 2,000 gallons per day (GPD) and 730,000 gallons per year (GPY). This would approximate the average flow from a kitchen faucet. These are below DNR thresholds (10,000 GPD and 1 million GPY) for requiring a permanent DNR Appropriation Permit, and are not expected to materially affect groundwater availability in the area.

74. Well interference is not expected from routine groundwater use, but a pump test will be needed to confirm the availability of sufficient groundwater for initial startup. If interference issues arise during startup, Hometown BioEnergy will reduce pumping from its well and bring water in from off site.
75. The MPCA finds that information presented in the EAW concerning the small amount of intended water use is adequate to address the concerns related to groundwater availability. The impacts related to groundwater availability that are reasonably expected to occur from the proposed project have been considered during the review process and methods to prevent significant adverse impacts have been developed.
76. The MPCA finds that the project, as it is proposed, does not have the potential for significant environmental effects based on the type, extent, and reversibility of impacts related to groundwater availability that are reasonably expected to occur from the project.

Public comments on impacts related to stormwater management system failure

77. Commenters expressed concern that site elevations as proposed would pose the potential for flooding of site features, including the silage pile, as well as other concerns related to capacities and number of infiltration basins.
78. The site will be graded to drain to three infiltration basins, which have been designed based on modeling results for stormwater runoff generation and infiltration capacity in accordance with the Minnesota Stormwater Manual. The MPCA staff's evaluation of the site elevations and proposed drainage patterns has determined that the stormwater system will function as intended. Impacts related to stormwater management system failure are not expected to occur.
79. The MPCA finds that information presented in the EAW and other information in the environmental review record is adequate to address the concerns related to stormwater management system failure. The impacts related to stormwater management system failure that are reasonably expected to occur from the proposed project have been considered during the review process and methods to prevent significant adverse impacts have been developed.
80. The MPCA finds that the project, as it is proposed, does not have the potential for significant environmental effects based on the type, extent, and reversibility of impacts related to stormwater management system failure that are reasonably expected to occur from the project.

Public comments on impacts related to the spread of pathogens from chicken manure and vermin infestation

81. One commenter expressed concern about the spread of pathogens in connection with vermin infestation and transporting poultry manure to the project site. Commenter cited documentation that the pathogens associated with poultry manure are a worldwide problem at poultry production sites and pose a potential hazard to wild bird populations as well as to workers handling it. The commenter opined that digestion process may not destroy all pathogens.

82. Hometown BioEnergy will take appropriate steps to control vermin on the site, up to and including hiring a vermin control contractor if necessary.
83. Poultry manure is already being transported throughout the area and applied to fields in untreated form within the requirements for such use. Handling manures for fertilizer use is a widespread and accepted practice. Transport of untreated manure over public roads is routine statewide, including in the city of Le Sueur. The poultry manure for this project will be transported and handled in similar fashion to the way it is done elsewhere, will not be stored on site, and will be unloaded from trucks inside the receiving building, whose building air will be directed under negative pressure to a biofilter.
84. Poultry producers employ rigid bio-security measures to keep diseases out of their barns. It is unlikely that poultry litter delivered to Hometown BioEnergy would pose issues related to diseases.
85. The MPCA finds that information presented in the EAW and other information in the environmental review record is adequate to address the concerns related to pathogens. The impacts related to pathogens that are reasonably expected to occur from the proposed Project have been considered during the review process and methods to prevent significant adverse impacts have been developed.
86. The MPCA finds that the project, as it is proposed, does not have the potential for significant environmental effects based on the type, extent, and reversibility of impacts related to pathogens that are reasonably expected to occur from the project.

Cumulative Potential Effects

87. The second criterion that the MPCA must consider when determining if a project has the potential for significant environmental effects is the "cumulative potential effects." In making this determination, the MPCA must consider "whether the cumulative potential effect is significant; whether the contribution from the project is significant when viewed in connection with other contributions to the cumulative potential effect; the degree to which the project complies with approved mitigation measures specifically designed to address the cumulative potential effects; and the efforts of the proposer to minimize the contributions from the project." Minn. R. 4410.1700 subp.7, item B. The MPCA findings with respect to this criterion are set forth below.
88. The EAW, public comments, and MPCA follow-up evaluation did not disclose any related or anticipated future projects that may interact with this Project in such a way as to result in significant cumulative potential environmental effects.
89. Air dispersion modeling indicates that facility air emissions would not cause a violation of ambient air quality standards. Stormwater will be managed on site, with no surface water discharge. Groundwater quality and availability in the area are not expected to be significantly affected by stormwater infiltration from the project. Project truck traffic levels are expected to represent a minor addition to area traffic. The facility will be required to adhere to an Odor Management Plan that, in the judgement of the MPCA, would assure that the facility will not add materially to other odor sources in the area. Poultry manure is routinely transported, handled, and land applied to

cropland in the area. Any project related impacts from poultry transport and handling would not add materially to what is already going on in the vicinity and statewide. Evidence gathered during the EAW and permit development processes did not indicate the presence of any cumulative environmental effects in the project area.

90. Based on information on the project obtained from air modeling, air and water permit application processes, and project analysis and a site visit by MPCA staff, the MPCA does not expect significant cumulative effects from this project.
91. In considering the cumulative potential effects of related or anticipated future projects, the MPCA finds that the project does not have the potential for significant environmental effects due to related or anticipated future projects.

The Extent to Which the Environmental Effects Are Subject to Mitigation by Ongoing Public Regulatory Authority

92. The third criterion that the MPCA must consider when determining if a project has the potential for significant environmental effects is “the extent to which the environmental effects are subject to mitigation by ongoing public regulatory authority.” Minn. R. 4410.1700, subp. 7, item C. The MPCA “may rely only on mitigation measures that are specific and that can be reasonably expected to effectively mitigate the identified environmental impacts of the project.” The MPCA findings with respect to this criterion are set forth below.
93. The following permits or approvals will be required for the project:

Unit of Government	Type of Application	Status
MPCA	Air Emissions Permit	Submitted
MPCA	General NPDES Stormwater Permit for Construction Activities	Submitted
MPCA	Above-ground Storage Tank Notification Form	To be submitted
MPCA	NPDES Permit for Industrial Stormwater.	Included with SDS application
MPCA	State Disposal System (SDS) Permit/Industrial Land Application of Industrial By-Product Application	Submitted
MN State Archaeologist/ State Historic Preservation Office	Archeological and Historical Database Review	Completed
Mn/DOT	Highway Access Permit	To be submitted
Mn/DOT	Oversize and Overweight Permit	To be submitted
Le Sueur Municipal Airport	Permit	To be submitted
Le Sueur County	Subsurface Sewage Treatment System (SSTS) Permit	To be submitted

-continued-

Unit of Government	Type of Application	Status
City of Le Sueur Building Department	Foundation and Building Permits	To be submitted
City of Le Sueur	Annexation and rezoning of the site	Pending
State and Local Emergency Response Units	Tier II MSDS reporting	If needed

94. Air Emission Permit. Air Emission Permit for the facility would contain operational and emission limits, including requirements for use of control equipment, that would help ensure the facility is operated in a manner which will prevent or minimize the potential for significant environmental effects.
95. NPDES Construction Stormwater Permit. A General NPDES Construction Stormwater Permit is required when a project disturbs one or more acres. It provides for the use of BMPs such as silt fences, bale checks, and prompt revegetation to prevent eroded sediment from leaving the construction site. The proposer must have a sediment and erosion control plan that will provide more detail as to the specific measures to be implemented and will also address: phased construction; vehicle tracking of sediment; inspection of erosion control measures implemented; and timeframes in which erosion control measures will be implemented. The general permit also requires adequate stormwater treatment capacity be provided to assure that water quality will not be impacted by runoff once the project is constructed.
96. Above Ground Storage Tank Notification. The Above Ground Storage Tank Registration General Permit requirements include notification, labeling and secondary containment to prevent or minimize the potential for environmental impacts.
97. NPDES Permit for Industrial Stormwater. This permit requires the development and implementation of a Stormwater Pollution Prevention Plan (SWPPP) which includes a description of appropriate BMPs for the protection of surface and groundwater quality at the facility. The permit may specify design criteria for treatment of stormwater, monitoring of stormwater discharges to pass specific benchmarks, and eliminate or reduce stormwater contact with potentially polluting materials.
98. State Disposal System Permit (SDS)/Land Application of Industrial By-Product. The project proposer must obtain MPCA approval for land application and storage of industrial by-product. The sites selected by the proposer for land application of industrial by-product must meet certain criteria specified in the SDS Permit. Review requirements for application sites include site boundaries, soils data, tile inlet locations, cropping and site management, and application methods. Construction plans and specifications are submitted to the MPCA for technical review and approval. This technical review is performed to ensure that the facility design is consistent with good engineering practice and state criteria.

99. Archeological and Historical Database Review. The Minnesota State Archaeologist Office maintains a database of archeological properties and properties listed on the National and State Registers of Historic Places.
100. Mn/DOT Highway Access Permit. This permit process is used to determine the access improvements needed to accommodate the proposed project, including but not limited to, access location permission, new lanes, and stormwater runoff.
101. Mn/DOT Oversize and Overweight Permit. A permit is required by Mn/DOT for vehicles that travel on Minnesota state highways and exceed legal dimensions or weight. The permit will specify certain conditions and restrictions for safety, and must be carried in the vehicle during transport.
102. Airport Permit. The Federal Aviation Administration is responsible for review and issuance of a "determination of no hazard" if the proposed facility exceeds obstruction standards but does not result in a substantial adverse effect on airport operations, including the consideration of structures that may create an environment that attracts birds and other wildlife.
103. Subsurface Sewage Treatment System (SSTS) Permit. The project proposer is required to obtain a permit from the County prior to the installation, construction, replacement, modification, alteration, repair, or capacity expansion of an SSTS. The purpose of the permit is to ensure that the proposed activity is sited, designed and constructed in accordance with the state and county minimum standards and by appropriately certified and/or licensed practitioner(s).
104. Foundation and Building Permits. Building permits and inspections assure that the project will be constructed or installed in accordance with city ordinances and codes.
105. Annexation and Zoning of the Site. Applications requesting annexation must be made to the city and include all information and plans required by all applicable City Ordinance provisions. Public hearing and planning review requirements apply, and the final decision is made by the City Council. The process of rezoning a property must also be brought before the City Council for approval.
106. Tier II MSDS Reporting. The owner or operator of a facility must submit a material safety data sheet (MSDS) for each hazardous chemical which meets or exceeds a specified threshold quantity at the facility, to the state emergency response commission, the Local Emergency Planning Committee, and the local fire department with jurisdiction over the facility.
107. The above-listed permits include general and specific requirements for mitigation of environmental effects of the Project. The MPCA finds that the environmental effects of the Project are subject to mitigation by ongoing public regulatory authority.

The Extent to Which Environmental Effects can be Anticipated and Controlled as a Result of Other Available Environmental Studies Undertaken by Public Agencies or the Project Proposer, Including Other EISs

108. The fourth criterion that the MPCA must consider is “the extent to which environmental effects can be anticipated and controlled as a result of other available environmental studies undertaken by public agencies or the project proposer, including other EISs,” Minn. R. 4410.1700, subp. 7. D. The MPCA findings with respect to this criterion are set forth below.
109. The following documents were reviewed by MPCA staff as part of the environmental impact analysis for the proposed project.
- Information and analysis presented in the EAW
 - Air Emission Permit application
 - State Disposal System Permit Application
 - Permits and environmental reviews of similar projects
110. This list is not intended to be exhaustive. The MPCA also relies on information provided by the project proposer, persons commenting on the EAW, staff experience, and other available information obtained by staff.
111. There are no elements of the project that pose the potential for significant environmental effects that cannot be addressed in the project design and permit development processes, or by regional and local planning and regulatory processes.
112. Based on the environmental review, previous environmental studies, and MPCA staff expertise and experience on similar projects, the MPCA finds that the environmental effects of the project that are reasonably expected to occur can be anticipated and controlled.
113. The MPCA adopts the rationale stated in the attached Response to Comments (Appendix B) as the basis for response to any issues not specifically addressed in these Findings.

CONCLUSIONS OF LAW

114. The MPCA has jurisdiction in determining the need for an EIS for this project. The EAW, the permit development process, and the evidence in the record are adequate to support a reasoned decision regarding the potential significant environmental effects that are reasonably expected to occur from this project.
115. Areas where the potential for significant environmental effects may exist have been identified and appropriate mitigation measures have been incorporated into the project design and permits. The project is expected to comply with all MPCA standards.
116. Based on a comparison of the impacts that are reasonably expected to occur from the project with the criteria established in Minn. R. 4410.1700 Subp. 7, the project does not have the potential for significant environmental effects.

117. An EIS is not required.

118. Any findings that might properly be termed conclusions and any conclusions that might properly be termed findings are hereby adopted as such.

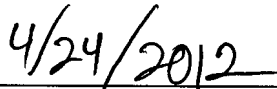
ORDER

The Minnesota Pollution Control Agency determines that there are no potential significant environmental effects reasonably expected to occur from the Hometown BioEnergy Facility and that there is no need for an Environmental Impact Statement.

IT IS SO ORDERED



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



Date