Minnesota Pollution Control Agency

520 Lafayette Road North | St. Paul, Minnesota 55155-4194 | 651-296-6300

800-657-3864 | 651-282-5332 TTY | www.pca.state.mn.us | Equal Opportunity Employer

May 11, 2012

TO: INTERESTED PARTIES

RE: Xcel Red Wing Ash Disposal Facility (SW-307) Expansion Project

The Minnesota Pollution Control Agency (MPCA) has approved the Findings of Fact, Conclusions of Law, and Order for a Negative Declaration on the need for an Environmental Impact Statement on the proposed Xcel Red Wing Ash Disposal Facility (SW-307) Expansion Project, Goodhue County. The Findings of Fact, Conclusions of Law, and Order document concludes that this project does not have the potential for significant environmental effects. The decision for a Negative Declaration completes the state environmental review process under the revised Environmental Quality Board rules, Minn. R. ch. 4410. Final governmental decisions on the granting of permits or approvals for the project may now be made.

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 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 want to express our appreciation for comments submitted 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,

Craig Affeldt

Craig Affeldt
Supervisor, Environmental Review Unit
St. Paul Office
Resource Management and Assistance Division

CA: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 XCEL RED WING RDF ASH DISPOSAL FACILITY, SW-307 GOODHUE COUNTY RED WING, MINNESOTA

FINDINGS OF FACT CONCLUSIONS OF LAW AND ORDER

FINDINGS OF FACT

Pursuant to Minn. R. 4410.1000 - 4410.1600, the Minnesota Pollution Control Agency (MPCA) staff has prepared an Environmental Assessment Worksheet (EAW) for the proposed Xcel Energy (Xcel) Red Wing Refuse Derived Fuel (RDF) Ash Disposal Facility (SW-307) project (Project). Based on the MPCA staff environmental review, the EAW, 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

Existing Facility

1. Xcel owns and operates a RDF ash landfill (Landfill) located at 1502 Bench Street, in the city of Red Wing, Minnesota. The Landfill site size is approximately 139 acres.

2. The Landfill receives RDF ash from the Xcel Energy Red Wing Generating Plant (Red Wing Power Plant) located in Red Wing, Minnesota. The RDF ash is a mixture of fly ash, bottom ash, and lime scrubber solids resulting from the combustion of RDF.

3. The Landfill is currently permitted to store a maximum of 1,435,330 cubic yards (cy) of ash. The Facility accepts approximately 52,000 cy of ash per year from the Red Wing Power Plant. Currently the Landfill has less than five years of remaining site life.

Proposed Project

4. The proposed Project would result in the expansion of the current Landfill by construction of a single lined ash disposal cell ("center cell"). The center cell is proposed to be located in between the Facility's two existing ash disposal cells (i.e., the east and west cells). The new cell will include a synthetic liner and leachate collection system. The Project also includes a new internal access road and stormwater control structures.

5. The Project would impact a total of 7.2 acres of the Facility's 139-acre site. The Project would increase the Facility's permitted ash storage capacity from 1,453,300 cy to 2,443,800 cy. The Facility expansion would provide approximately 20 years of additional site life.

Procedural History

Permit Status

6. The Xcel Landfill has been operating since 1987. The original MPCA Solid Waste Permit (SW-307) was issued on July 28, 1987, for the 592,000 cy west cell. The permit was reissued on June 8, 1993, for expansion of the west cell; on March 22, 1999, for construction of the 629,200-cubic yard east cell; and on January 16, 2003, for the 232,100-cubic yard expansion of the east cell. The Landfill's current solid waste permit is set to expire on February 1, 2016.

7. Xcel submitted a solid waste permit amendment application to the MPCA on December 5, 2011. The application was for the proposed expansion of the Landfill by adding the new center ash disposal cell.

8. On March 21, 2012, the MPCA public noticed the Facility's draft Solid Waste Permit (SW-307), which, if approved, would allow Xcel to expand its Facility by constructing the new center ash disposal cell. The public comment period for the solid waste permit ended on April 20, 2012. No comment letters were received on the draft permit during the 30-day comment period.

Environmental Review

9. The MPCA has prepared a number of EAWs for the Facility in the past. In 1992, the MPCA prepared an EAW for expansion of the Facility's west cell. In 1998, the MPCA prepared an EAW for expansion of the Facility's east cell. In 2003, the MPCA prepared an EAW for further expansion of the Facility's east cell. Each of these EAW's resulted in a negative declaration, meaning that an Environmental Impact Statement (EIS) was not required.

10. Pursuant to Minn. R. 4410.4300, subp. 17.G, 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) and other interested parties on March 16, 2012.

11. The MPCA notified the public of the availability of the EAW for public comment. A news release was provided to media in Goodhue County, as well as other interested parties, on March 19, 2012. The notice of the availability of the EAW was published in the *EQB Monitor* on March 19, 2012, and the EAW was made available for review on the MPCA website at http://www.pca.state.mn.us/news/eaw/index.html.

12. The comment period for the EAW began on March 19, 2012, and ended on April 18, 2012. During the 30-day comment period, the MPCA received four comment letters from governmental units and no letters from citizens. A list of the comment letters received is included as Appendix A to these findings.

13. The MPCA prepared written responses to the comments received during the comment period. The responses to the comments are also included in Appendix A to these findings.

Criteria for Determining the Potential for Significant Environmental Effects

14. Under Minn. R. 4410.1700, the MPCA must order an 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

15. 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.

16. The types of impacts that may reasonably be expected to occur from the Project include the following:

    - Water quality impacts related to stormwater
    - Groundwater impacts related to landfill leachate

17. Other issues raised in comment letters, including the types of impacts not listed in finding 16.

    - Water quality impacts of dredging and filling
    - State-listed endangered plant species (bladderpod)

18. With respect to the extent and reversibility of impacts that are reasonably expected to occur from the Project, the MPCA makes the following findings.

Water quality impacts related to stormwater

19. The existing Landfill site has been designed and constructed to collect and control on-site stormwater. Stormwater generated on site is currently directed to two stormwater detention ponds before being discharged off the site.

20. The proposed Project is expected to increase the volume of stormwater runoff from the site. The increase is expected due to the proposed increased side slopes around the Landfill.

21. The Project will require a National Pollutant Discharge Elimination System/State Disposal System (NPDES/SDS) Construction Stormwater Permit, since it involves excavation of more than one acre of soil. The permit will require Xcel to implement Best Management Practices (BMPs) through a Stormwater Pollution Prevention Plan (SWPPP). The SWPPP will include BMPs such as silt fences, bio-rolls, hay bales and fabric mats. Any soils where vegetation is disturbed or removed would be re-vegetated by seeding and mulching.

22. In addition to construction stormwater permit requirements, the Facility would be subject to permanent stormwater control measures, as required by its Industrial Stormwater Permit No. MNR0533X9. This permit will require a SWPPP and BMPs that ensure that the Facility minimizes erosion and sedimentation on an ongoing basis. As part of these requirements, the Project proposer will operate three sedimentation ponds; currently, there are two sedimentation ponds on-site. One of the current sedimentation ponds will be eliminated by the proposed new cell. The other existing sedimentation pond will continue to be used by the Facility and two new ponds will be added.

23. Surface water runoff will be directed to the three sedimentation ponds. The three ponds are designed to retain a 25-year, 24-hour storm event with nearly two feet of freeboard in all ponds. Each pond will have an outlet control structure and be designed to incorporate permanent pool storage below the normal outlet elevation. The ponds are expected to remove larger sediment particles and most medium silts. Regular maintenance, including periodic cleaning of the sediment out of the ponds, will be required as part of the Facility's operation and maintenance plan.

24. The final cap of the Landfill will be soil planted with shallow rooted grasses and forbs to reduce erosion. Drainage ditches would generally be grass-lined. Where high-runoff velocities are expected, ditches will be rock-lined to provide further erosion protection. Minimizing the amount of land to be graded at any one time will also control runoff erosion.

25. Although the Facility expansion will not contribute to an increase in runoff volumes, the volume of stormwater collected at the site overall is expected to increase due to improvements to be made to the stormwater collection and treatment system. No significant change is expected in the quality of stormwater runoff from the Facility site due to the additional stormwater ponds.

26. The MPCA finds that information presented in the EAW and other information in the environmental review record is adequate to assess potential impacts related to stormwater. The impacts on water quality that are reasonably expected to occur from the Project have been considered during the review process and mitigation to prevent significant adverse impacts will be implemented.

27. 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 that are reasonably expected to occur from the Project.

Groundwater impacts related to leachate

28. Leachate is liquid that comes into contact with the Landfill ash. Landfill leachate, if released, can contaminate groundwater. The Xcel Red Wing RDF Ash Landfill generates leachate from its two existing ash disposal cells (east and west cells).

29. In order to minimize leachate generation, the Landfill's final current cover is designed to minimize the amount of precipitation that infiltrates into filled areas of the site. The Facility's solid waste permit requires that the Landfill be designed such that at least 90 percent of the precipitation falling on the site is shed away from the ash in the disposal cells.

30. The cover layer over the proposed new center ash cell would consist of a 40-mil linear low density polyethylene (LLDPE) liner, or equivalent. A 12-inch drainage layer, with a minimum permeability of $5x10^{-3}$ cm/sec, will overlay the liner in areas of 4:1 grades or less, and a geonet geocomposite drainage layer will be installed on the 3:1 final cover side slope areas.

31. The cover soil will consist of a minimum of 18 inches of on-site soil or topsoil on areas of final cover with 4:1 slopes or less. On the 3:1 slopes, the cover soils will be a minimum of 24 inches thick. In all cases, the upper six inches of the cover soil will consist of topsoil to sustain vegetation.

32. The final cover topsoil layer will be mulched and seeded with shallow-rooted, drought-tolerant grasses.

33. The Landfill has an existing leachate collection system that includes a synthetic liner underlying the ash cells. This liner collects the leachate that is generated when precipitation infiltrates into the ash in the east and west cells. The purpose of the liner is to prevent leachate from entering the groundwater.

34. Leachate captured by the liner is directed to a double-walled 20,000-gallon fiberglass underground storage tank. The leachate is periodically discharged from the tank, via a gravity line, to the Red Wing Wastewater Treatment Facility (WWTF).

35. The proposed center ash cell will have a leachate collection system consisting of perforated pipes bedded in coarse aggregate, underlain by a composite liner. Leachate that collects above the cell liner will be conveyed to a collection sump, located at the lowest point of the liner. The sump has been designed with a storage capacity of approximately 47,000 gallons. During the first phase of the Project, leachate will be conveyed to a temporary sump area and then to the Facility's existing

leachate infrastructure system by a double-wall, solid HDPE forcemain, buried at depth to prevent freezing. During the second phase of the Project, the existing underground leachate storage tank will be abandoned and taken out of service and the leachate from the Landfill will be pumped directly from a permanent sump through a riser vault to the leachate discharge pipe.

36. A leak detection system will be installed beneath the leachate collection sump in the Landfill expansion area. The leak detection system includes geotextile beneath the clay barrier of the leachate sump. This geotextile will be underlain by a geonet drainage layer, which will be underlain by 60-mil HDPE. The leak detection system will drain to a collection pipe to the east edge of the bottom of the leachate collection sump. Any liquid that is captured by the leak detection system will be collected for disposal and metered to test landfill performance prior to being pumped to the gravity line and directed to the Red Wing WWTF.

37. Groundwater monitoring has been ongoing at the Facility since 1987. The Facility currently has 13 groundwater monitoring wells on site. The monitoring wells are sampled during the spring, summer, and fall. Samples are analyzed for multiple parameters, including but not limited to, arsenic, barium, boron, cadmium, calcium, chloride, chromium, copper, iron, lead, magnesium, manganese, mercury, molybdenum, nickel, nitrate, potassium, pH, selenium, silver, sodium, specific conductance, sulfate, and zinc. The Facility's Solid Waste Permit specifies groundwater monitoring and intervention limits for these pollutants. If any of the intervention limits are exceeded, Xcel is required to take actions specified in Minn. R. 7035.2815, subp. 4, item G, to protect groundwater.

38. The monitoring wells have not detected any significant impacts attributable to the Landfill. Concentrations of nitrate and manganese exceeding intervention limits have been found prior to operation of the east cell during background sampling of the wells. These exceedances were not associated with RDF ash leachate and do not indicate the release of contaminants from the existing Facility. From this it can be concluded that the wells had preexisting, higher levels of these parameters which were not related to the Landfill. Over the entire period of monitoring at the Project site, no significant impacts to groundwater quality have been observed.

39. The Landfill's leachate generation rates vary from year to year, depending on precipitation amounts, and the size of open cell areas receiving ash. The Landfill generated 1.8 million gallons (MG) of leachate in 2009 and 3.4 MG of leachate in 2010. The Landfill will generate additional leachate during the center cell construction when a larger area of the site will be open to the elements. Leachate generation rates are expected to return to normal levels after construction of the center cell. The composition of the Landfill's leachate will not change with the Project, since the Facility will continue to receive its ash from the same source (i.e., Red Wing Power Plant).

40. The Landfill's leachate is discharged directly to the Red Wing municipal sanitary sewer collection system where it flows to the Red Wing WWTF. The Red Wing WWTF is subject to effluent limits contained in NPDES/SDS Permit No. MN0024571. The effluent limits are set to protect the water quality of the WWTF's receiving water, the Mississippi River.

41. The Landfill has a leachate treatment agreement with the city of Red Wing. The Landfill is allowed to discharge a maximum of 30,000 gallons of leachate per day to the WWTF. The leachate treatment agreement will remain in effect after the Project is implemented and the WWTF will continue to receive and treat the Landfill's leachate.

42. The Red Wing WWTF has accepted leachate from the Landfill since 1988. The WWTF is permitted to receive an average wet weather flow of 4.0 million gallons per day (MGD). In 2011, the Red Wing WWTF received approximately 2.5 MGD of wastewater. Of the 2.5 MGD of wastewater that the WWTF received, approximately 0.00685 MGD (6,850 gallons/day) was leachate from the Landfill. This was less than one percent of the WWTF's design capacity. The Project is not expected to cause problems with the WWTF's ability to treat the Facility's leachate, or meet its effluent limits.

43. 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 contamination from leachate. The impacts on groundwater that are reasonably expected to occur from the proposed Project have been considered during the review process and mitigation to prevent significant adverse impacts will be implemented.

44. 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 that are reasonably expected to occur from the Project.

Water quality impacts of dredging and filling

45. The Department of the Army commented that if the proposal involves a discharge of dredged or fill material into the intermittent stream on the Project site, a Section 404 Permit would be required. See item 3 of Appendix A. As indicated in the MPCA's response to this comments, the Project does not include or involve any discharge of dredged or fill material into the intermittent stream on the Project site.

46. The MPCA finds that the Project, as it is proposed, does not include dredging or filling and, therefore, does not have the potential for significant environmental effects from dredging.

State-listed endangered plant species (bladderpod)

47. The Minnesota Department of Natural Resources (DNR) expressed concern that a state-listed endangered plant species, the bladderpod (Physaria ludoviciana), may exist in the area of the proposed new access road on the Project site. See item 4 of Appendix A. The DNR requested that a bladderpod survey be done in the area of the new access road and that Xcel's existing Bladderpod Protection Plan be updated to include the results of the new survey.

48. The MPCA informed Xcel of the DNR's comments. Xcel responded to the MPCA stating that a new survey of the access road area for Bladderpod plants will be performed and any necessary modifications to the Bladderpod Protection Plan will be made.

49. The MPCA finds that the Project, as it is proposed, does not have the potential for significant environmental effects to bladderpod plants because Xcel will comply with the DNR's request for a bladderpod survey and will update its existing Bladderpod Protection Plan as necessary, if bladderpod plants are found.

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 stormwater, groundwater, dredging and filling, or endangered species that are reasonably expected to occur from the Project.

Cumulative Potential Effects of Related or Anticipated Future Projects

51. 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.

52. The EAW addressed cumulative potential effects in the following areas.

- Surface water quality
- Groundwater quality

<u>Surface water quality</u>

53. The proposed Project is located within the Mississippi River – Lake Pepin watershed. Hay Creek, a DNR listed trout stream, lies approximately 0.5 miles east of the Project area and is the receiving water for stormwater discharges from the Landfill. Hay Creek is listed by the MPCA as impaired for turbidity. The MPCA has not yet initiated total maximum daily load projects aimed at correcting the impairment.

54. The proposed sedimentation ponds will collect and treat stormwater before it leaves the Landfill site. The ponds have been designed to manage a 25-year, 24-hour Type II storm event (4.8 inches). Drainage features have been sized to minimize erosion based on the design storm event. The ponds will discharge to an existing ditch along the Facility's access road, thence off site to a culvert at CSAH 1, thence to Hay Creek. Stormwater will be treated in the sedimentation ponds before discharge to the ditch and is not expected to significantly impact downstream waters. There are no other known regulated point source discharges in the subwatershed around the Facility.

55. Given the surface water protections that will be in place at the Landfill, the available evidence does not indicate that the proposed Project would be a significant contributor to the water quality condition of these waters or the impaired uses. Therefore, significant cumulative effects on surface waters in the area of the Project are not expected to occur as a result of the Project.

Groundwater quality

56. As noted in Finding 38, above, monitoring of groundwater quality prior to operation of the east cell found elevated concentrations of nitrate and manganese that exceeded intervention limits in the Landfill permit. Over the entire period of monitoring at the Project site, no significant impacts to groundwater quality have been observed, indicating that the observed concentrations were not associated with RDF ash leachate or the release of contaminants from the existing Facility. Thus, it is concluded that the wells had preexisting, higher levels of these parameters which were not related to the Landfill.

57. The proposed Project will add an RDF ash disposal cell to the existing Facility. The new ash disposal cell is expected to generate leachate. The generation of leachate will be minimized by installing a lined cover for the new cell. The new cell will also be underlain by a separate liner to collect any leachate generated by the cell. The collected leachate would be sent to the Red Wing WWTF. Any leachate leakage from the new cell liner would be collected by a leachate collection system and also be sent to the Red Wing WWTF. The proposed Project is not expected to contribute to groundwater contamination that was previously detected at this location.

58. The Landfill's solid waste permit has required groundwater monitoring at the Facility site since 1987. The groundwater monitoring has never shown any groundwater contamination from the Landfill. Groundwater monitoring will continue to be required after completion of the Project.

59. Other potential sources of groundwater contamination are present near the Xcel Landfill site. The city of Red Wing and Goodhue County currently operate the Red Wing Land Disposal Facility (RWLDF). The RWLDF site is adjacent, to the northeast of the Xcel Landfill site. The RWLDF currently operates under a solid waste permit (SW-174) and has applied for a re-issuance of its permit. The RWLDF is composed of three distinct parts: SA001 - a closed mixed municipal solid waste (MSW) landfill; DD001 - a closed demolition waste landfill; and MA001 - an open MSW combustor ash landfill. The RWLDF was required implement corrective actions in the past due to monitored groundwater contamination from its SA001 landfill. The corrective actions have resulted in a reduction in groundwater contamination levels at the Facility site. Groundwater monitoring has not detected any contamination from the closed demolition waste landfill or the open MSW combustor ash landfill. The Facility is currently operating in compliance with its solid waste permit.

60. The EAW, public comments, and MPCA follow-up evaluation did not disclose any other related or anticipated future projects that may interact with this Project in such a way as to result in significant cumulative potential environmental effects.

61. Based on information on the Project obtained from EAW data submittals, permit application processes, and a site visit by MPCA staff, and presented in the EAW, the MPCA does not expect significant cumulative effects from this Project. The MPCA finds that the Project does not have the potential for significant environmental effects related to cumulative potential effects.

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

62. 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. 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." Minn. R. 4410.1700, subp. 7, Item C. The MPCA findings with respect to this criterion are set forth below.

63. The following permits or approvals will be required for the Project.

Unit of Government	Permit or Approval Required
MPCA	Solid Waste Permit No. SW-307 (amendment and renewal)
	NPDES/SDS General Construction Permit
	NPDES/SDS General Industrial Stormwater Permit (administrative amendment)
Goodhue County	Transport License
	Solid Waste License
City of Red Wing	Conditional Use Permit (CUP)

64. MPCA Solid Waste Permit No. SW-307 - Xcel is responsible for submitting engineering plans and for managing the Facility in accordance to the final permit requirements. These requirements regulate design parameters, construction, operation, leachate management, monitoring, closure, post-closure, and emergency/contingency action plans.

65. MPCA NPDES/SDS General Construction Permit - A General NPDES/SDS Construction Stormwater Permit is required when a project disturbs one or more acres. It requires the use of BMPs such as silt fences, bale checks, and prompt re-vegetation to prevent eroded sediment from leaving the construction site. Xcel must submit 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 time frames 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.

66. NPDES/SDS General Industrial Stormwater Permit - The NPDES/SDS Industrial Stormwater Permit requires specific conditions for construction and operation of the Facility to reduce or eliminate the contact of stormwater with potentially polluting materials. The Facility will need to prepare an SWPPP.

67. Goodhue County Transport License – A permit will be required for the hauling of mixed MSW incinerator ash within the county.

68. Goodhue County Solid Waste License - The Project proposer is also responsible for managing the Facility in accordance with the license requirements.

69. City of Red Wing CUP - Xcel is required to obtain all required building and conditional use permit required by local units of government to ensure compliance with local ordinances. The conditional use permit will address local zoning, environmental, regulatory, and other requirements that are needed to avoid adverse effects on adjacent land uses.

70. 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

71. 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.

72. The following documents were reviewed by MPCA staff as part of the environmental impact analysis for the proposed Project.

    - The EAW data sheet submitted by the applicant to the MPCA
    - The solid waste permit application submitted by the applicant to the MPCA
    - The EAWs completed for this Facility in 1992, 1998, and 2003
    - The current draft solid waste permit for the RWLDF

73. 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.

74. 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 plans.

75. 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.

76. The MPCA adopts the rationale stated in the attached Response to Comments (Appendix A) as the basis for response to any issues not specifically addressed in these Findings.

-CONCLUSIONS OF LAW

77. 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.

78. Areas where the potential for significant environmental effects may have existed 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.

79. 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.

80. An EIS is not required.

81. 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 Xcel Red Wing Ash Disposal Facility (SW-307) Expansion Project and that there is no need for an Environmental Impact Statement.

IT IS SO ORDERED

Paul W. Aasen, Commissioner
Minnesota Pollution Control Agency

5/9/12
Date

APPENDIX A

Minnesota Pollution Control Agency (MPCA)

Xcel Red Wing Ash Disposal Facility (SW-307) Expansion Project
Environmental Assessment Worksheet (EAW)

LIST OF COMMENT LETTERS RECEIVED

1. Ms. Mary Ann Heidemann, Minnesota Historical Society. Letter received April 16, 2012
2. Mr. Mark Schoenfelder, Minnesota Department of Transportation. E-mail received April 17, 2012, and letter received April 19, 2012.
3. Ms. Tamara Cameron, Department of the Army, Corps of Engineers. E-mail received April 17, 2012, and letter received April 18, 2012.
4. Ms. Melissa Doperalski, Minnesota Department of Natural Resources. E-mail received April 18, 2012.

RESPONSES TO COMMENTS ON THE EAW

1. Comments by Mary Ann Heidemann, Manager, Governmental Programs and Compliance, Minnesota Historical Society. Letter received April 16, 2012.

Comment 1-1: There are no properties listed on the National or State Registers of Historic Places, and no known or suspected archaeological properties in the area that will be affected by this project.

Response: No response required.

2. Comments by Mark Schoenfelder, Planning Director, Minnesota Department of Transportation. E-mail received April 17, 2012.

Comment 2-1: The Minnesota Department of Transportation finds that the EAW is complete and accurate, there are no potential transportation impacts, and that no Environmental Impact Statement is necessary.

Response: No response required.

3. Comments by Tamara Cameron, Chief, Regulatory Branch, Department of the Army. E-mail received April 17, 2012.

Comment 3-1: If the proposal involves a discharge of dredged or fill material into the intermittent stream on the project site, a Section 404 Permit would be required.

Response: The proposed project does not include any discharge of dredged or fill material into the intermittent stream on the project site.

4. Comments by Melissa Doperalski, Environmental Assessment Ecologist, Minnesota Department of Natural Resources (DNR). E-mail received April 18, 2012.

Comment 4-1: The DNR expressed concern that there is the potential for the existence of bladderpod (*Physaria ludoviciana*) plants in the area of the proposed new access road on the project site. Bladderpods are a state-listed endangered species. The DNR requested that a bladderpod survey be done in the area of the proposed new access road and that Xcel's existing Bladderpod Protection Plan be updated to include the results of the new survey.

Response: The MPCA informed Xcel Energy of the DNR's comments on April 19, 2012. In an e-mail to the MPCA, dated April 19, 2012, Xcel Energy stated that they plan on performing a new survey of the access road area for bladderpod plants and will make any necessary modifications to the Bladderpod Protection Plan. This e-mail was forwarded to Ms. Lisa Joyal of the Minnesota Department of Natural Resources on April 19, 2012.

Minnesota Historical Society

STATE HISTORIC PRESERVATION OFFICE

April 12, 2012

Mr. Craig Affeldt, Supervisor
Environmental Review Unit
Resource Management and Assistance Division
Minnesota Pollution Control Agency
520 Lafayette Rd N
St. Paul, MN 55155-4194

RE: Xcel Red Wing Ash Disposal Facility (SW-307) Expansion Project, 1502 Bench Street
T113 R15 S35 NE
Red Wing, Goodhue County
SHPO Number: 2012-1425

Dear Mr. Affeldt:

Thank you for the opportunity to review and comment on the above project. It has been reviewed pursuant to the responsibilities given the Minnesota Historical Society by the Minnesota Historic Sites Act and the Minnesota Field Archaeology Act.

Based on our review of the project information, we conclude that there are no properties listed on the National or State Registers of Historic Places, and no known or suspected archaeological properties in the area that will be affected by this project.

Please note that this comment letter does not address the requirements of Section 106 of the National Historic Preservation Act of 1966 and 36CFR800, Procedures of the Advisory Council on Historic Preservation for the protection of historic properties. If this project is considered for federal assistance, or requires a federal permit or license, it should be submitted to our office with reference to the assisting federal agency.

Please contact our Compliance Section at (651) 259-3455 if you have any questions regarding our review of this project.

Sincerely,

Mary Ann Heidemann
Manager, Government Programs and Compliance

cc: Steve Sommer, Principal Planner, MPCA

Minnesota Department of Transportation
District 6, Rochester/Owatonna
2900 48th Street NW
Rochester, MN 55901-5848

Office: 507-286-7552
Fax: 507-285-7279
mark.schoenfelder@state.mn.us

April 17, 2012

Steve Sommer, Principal Planner
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, MN 55155-4194

RE: EAW for the proposed Xcel Red Wing Ash Disposal Facility (SW-307) Expansion Project
US 61 CS 2517

Dear Mr. Sommer:

Minnesota Department of Transportation (MnDOT) District 6 Planning has reviewed the March 16, 2012 Environmental Assessment Worksheet (EAW) for the proposed Xcel Red Wing Ash Disposal Facility (SW-307) Expansion Project located 1.5 miles south of US Highway 61 on Goodhue County State Aid 1 (CSAH). The property location is in the S ½, NE ¼, Section 35, Township 113 North, Range 15 West, in Goodhue County.

In regards to state transportation systems, MnDOT finds that:

- The EAW is accurate and complete, and that there are no potential state transportation system impacts that may warrant further investigation before the project is commenced.
- There is no need for an Environmental Impact Statement.

Thank you for providing MnDOT the opportunity to comment. If there are any questions, you may contact Tracy Schnell, Planner Intermediate, at 507-286-7599 or Greg Pates, Principal Planner, at 507-286-7680.

Sincerely,

Mark Schoenfelder
Planning Director

CC: Greg Paulson, Tracy Schnell, Greg Pates, File

DEPARTMENT OF THE ARMY
ST. PAUL DISTRICT, CORPS OF ENGINEERS
180 FIFTH STREET EAST, SUITE 700
ST. PAUL MINNESOTA 55101-1678

REPLY TO
ATTENTION

APR 17 2012

Operations
Regulatory (2012-01492-SEW)

Mr. Steve Sommer
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

Dear Mr. Sommer:

We have received the Environmental Assessment Worksheet (EAW) for the "Xcel Red Wing Ash Disposal Facility (SW-307) Expansion Project", dated March 16, 2012. Please consider the following information concerning our regulatory program that may apply to the proposed project.

As noted in the EAW, the project area contains an intermittent stream. It appears that the proposed additional landfill cell and the proposed three sedimentation ponds are located very close to the intermittent stream. If the proposal involves a discharge of dredged or fill material into this stream or other waters of the United States, the proposal may be subject to the Corps of Engineers' jurisdiction under Section 404 of the Clean Water Act (CWA Section 404). Waters of the United States include navigable waters, their tributaries, and adjacent wetlands (33 CFR § 328.3). CWA Section 301(a) prohibits discharges of dredged or fill material into waters of the United States, unless the work has been authorized by a Department of the Army permit under Section 404. Information about the Corps permitting process can be obtained online at http://www.mvp.usace.army.mil/regulatory.

The Corps' evaluation of a Section 404 permit application involves multiple analyses, including (1) evaluating the proposal's impacts in accordance with the National Environmental Policy Act (NEPA) (33 CFR part 325), (2) determining whether the proposal is contrary to the public interest (33 CFR § 320.4), and (3) determining whether the proposal complies with the Section 404(b)(1) Guidelines (Guidelines) (40 CFR part 230).

If the proposal requires a Section 404 permit application, the Guidelines specifically require that "no discharge of dredged or fill material shall be permitted if there is a practicable alternative to the proposed discharge which would have less adverse impact on the aquatic ecosystem, so long as the alternative does not have other significant adverse environmental consequences" (40 CFR § 230.10(a)). Time and money spent on the proposal prior to applying for a Section 404 permit cannot be factored into the Corps' decision whether there is a less damaging practicable alternative to the proposal. Thus, if the project cannot be designed to avoid a discharge of dredged or fill material in waters of the United States, the proposal must minimize the proposed discharge to the maximum practicable extent.

Also, when a Corps permit is needed for a proposal, we are responsible for making a determination regarding the project's potential to impact historic properties under Section 106 of the National Historic Preservation Act. As noted in the EAW, recorded burial mounds (Water Tank Mounds) are located on the subject parcel. Please note that if a Corps permit is required, our review may require consultation with the Minnesota State Historic Preservation Office.

If needed, the project proposer may request a pre-application consultation meeting with the Corps to obtain information regarding the data, studies or other information that will be necessary for the permit evaluation process. A pre-application consultation meeting is strongly recommended if the proposal has substantial impacts to waters of the United States, or if it is a large or controversial project.

For further information or to request a pre-application consultation meeting, please contact Sarah Wingert at 651-290-5358, the Corps' project manager for Goodhue County.

Sincerely,

Tamara E. Cameron
Chief, Regulatory Branch

Copy furnished:
Manuel Castillo – Xcel Energy, Inc.

Sommer, Steve (MPCA)

From: Doperalski, Melissa (DNR)
Sent: Wednesday, April 18, 2012 4:43 PM
To: Sommer, Steve (MPCA)
Cc: Huber, Bill P (DNR); Texler, Hannah L (DNR); Joyal, Lisa (DNR)
Subject: RE: Xcel Red Wing Ash Disposal Facility (SW-307) Expansion Project - DNR Comments

The DNR has reviewed the EAW for the proposed Xcel Red Wing Ash Disposal Facility expansion project located in Goodhue County. As noted in the EAW, previous DNR correspondence and rare plant surveys, there are documented populations of bladderpods (*Physaria ludoviciana*) in the project area. Bladderpods are a state-listed endangered species. Earlier communications between the DNR and Xcel Energy indicated that expansion work would be limited to previously disturbed locations, while this appears to be correct as depicted on Figures, the proposed access road appears to be in an undisturbed area of the site and in the vicinity of known bladder pod locations.

The DNR is aware that there is an existing Bladderpod Protection Plan that was approved by the DNR in 1997. The plan was put in place as a response to proposed expansion of the east cell. Survey results used as reference for the plan were conducted in May 1997. The DNR requests that a survey be conducted in the proposed access road area to verify if bladderpods may be impacted by proposed project plans. Please contact Lisa Joyal, Endangered Species Review Coordinator, at lisa.joyal@state.mn.us or at 651.259.5109 to discuss this further. The DNR also recommends that Xcel Energy consider updating the Bladderpod Protection Plan that would include a more current survey of the bladderpod populations in the area to better assess the current population status.

Please feel free to contact me if you have any questions,
Melissa

Melissa Doperalski
Region 3 Environmental Assessment Ecologist
Department of Natural Resources
651.259.5738
melissa.doperalski@state.mn.us