

# HANDOUT 1

## **Essar Steel Minnesota Modifications Project Supplemental Environmental Impact Statement Public Information Meeting Nashwauk-Keewatin High School March 25, 2010 at 5:30 PM Meeting Agenda**

### **Welcome and Introductory Remarks**

Bill Johnson is the DNR Project Manager responsible for the Essar Steel Minnesota Modifications Project Environmental Review.

### **Statement of Meeting Purpose**

- A Supplemental EIS is to be prepared for the Essar Steel Mn's Modifications Project
- Provides information about the Environmental Review and SEIS process, the proposed project, and the proposed SEIS scope;
- Answer questions; and
- Provides an opportunity to submit written comments on the proposed SEIS scope.

### **The Environmental Review and SEIS Process for the Modifications Project**

- The SEIS occurs under the State Environmental Review Program. Program elements will be explained, including: authorities; Environmental Quality Board; activities subject to program; relationship to permitting; Responsible Governmental Unit
- Minnesota Steel Industries EIS; Reason for Supplement
- SEIS components; SEIS Procedures

### **The Proposed Project**

- Project Scoping Design; Environmental studies
- Proposed Modifications: crusher, concentrator, indurating furnace
- Environmental Improvements/Mitigations: mining; tailings basin; pelletizing; furnace; mercury; water
- Existing plans not changing
- Summary

### **Proposed SEIS Scope**

- Scoping fundamentals; application; Preparation Notice
- Issues cover a range of topics, both project-specific and cumulative, from the original EIS.
- New issues; modified information requirements; socioeconomics; alternatives; mitigation; schedule
- Comments are being taken through April 12, 2010

### **Question and Answer Session**

- Questions regarding the Preparation Notice taken; agency & company staff are present
- Follow-up may be necessary; this can occur as DNR providing follow-up or offering question as a comment
- Please be respectful of other during the question period

### **Concluding Remarks Adjourn**

## HANDOUT 2

**Essar Steel Minnesota Modifications Project  
Supplemental Environmental Impact Statement  
Informational Meeting / Presentation Notes  
March 25, 2010**

Minnesota Department of Natural Resources  
Bill Johnson, SEIS Project Manager

### **Essar Steel Minnesota proposes...**

A project to modify their permitted Nashwauk operation by increasing the production capacity of the crusher/concentrator lines and pellet production furnace from 4.1 to 6.5 million tons per year.

**A Supplemental Environmental Impact Statement**, or "SEIS," is being prepared for the Modifications Project.

### **Meeting Purpose:**

- To provide information about...
  - The Environmental Review and SEIS process
  - The proposed project; and
  - The SEIS scope, particularly the impacts proposed to receive detailed analysis
- Next Steps
- Questions & Answers

### **1. The Environmental Review and SEIS Process**

- Any EIS or Supplement occurs under the State Environmental Review Program.
- What is the State ER Program?

### **The State ER Program is....**

- A special review procedure for development projects that "may have potential for significant environmental effects"
- Reviews can be mandatory or discretionary
- Purpose is to disclose information
- A systematic, public process
- Works in conjunction with permits and approvals

### **ER Program Authority**

- Established by MN Environmental Policy Act – Minn. Stat. sec. 116D.04
- Rulemaking and coordinating authority assigned to Environmental Quality Board
- EQB rules (Minn. Rules, chapter 4410) prescribe what projects need review and how review is to be done
- EQB provides standard forms, guidance documents, and consultation and advice

### **Environmental Quality Board**

- EQB is an independent board with specific statutory authorities
- 13 members – 8 agency heads & 5 citizens appointed by Governor
- 5 staff
- Deals with environmental matters of interdepartmental nature

### **What Activity is Subject to the State Environmental Review Program?**

- ER applies to development projects
- meeting 3 conditions:
- Requires at least one governmental approval or governmental financial assistance
- Involves physical manipulation of the environment
- Must involve future action

### **Relation of ER to Permitting and Approvals**

- ER Purpose -- to allow better informed permitting/approval decisions
- Precede or concurrent with permit / approval review
- Prohibition on final approvals or construction
- ER is not an approval process in itself

### **RGU Carries Out State ER**

- The Responsible Governmental Unit, or RGU, conducts the State ER process
- EQB rules specify how to identify the RGU for each project – typically the unit with most authority over the project
- RGU decides what needs review, what information to collect, and when the review is complete

## **RGU (cont.)**

- RGU follows EQB rules
- RGU is responsible for accuracy and completeness of information
- RGU can seek assistance from EQB or other agencies, but RGU must make its own decisions
- Decisions of RGU are appealable in district court for county where occurs
- DNR is RGU for the Project SEIS

## **MN Steel Industries EIS**

- DNR conducted the Minnesota Steel Industries EIS from 2005 - 2007
- The review was a joint state-federal EIS with the US Army Corps of Engineers
- Both agencies completed that process in Aug – 2007
- Essar Steel Minnesota LLC purchased Mn Steel in Oct – 2007
- Permits issued / Construction underway

## **Why a Supplemental EIS?**

- Substantial changes in project can lead to EIS Supplement if:
  - potential significant adverse impacts are affected with modified action
  - new information/circumstances not considered, or inadequately considered in Final EIS

## **Why a Supplemental EIS? (cont.)**

- Essar Steel Mn notified agencies of potential changes in production in Spring 2009
- Firm solidified plans in Fall 2009
- DNR considered the changes in terms of Supplemental EIS requirements
- DNR determined SEIS required in December 2009

## **Why a Supplemental EIS? (cont.)**

- US Army Corps of Engineers considered proposed action
- Determined no federal action in play
- Preliminary call – No federal supplement

## **Supplemental EIS**

- The Project description
- Alternatives are considered
- Build; No-Build; Sites; Scale; Technology; Modified Designs
- Compares environmental, economic, and social impacts
- Identifies mitigation of potential impacts

### **SEIS (cont.)**

- An EIS should be “analytical, not encyclopedic”
- The scoping process is intended to focus the EIS on information essential to permitting decisions

### **SEIS Procedures**

1. Scoping
2. Preparation of Supplemental Draft EIS
3. SDEIS release & public review
4. Finalize EIS & respond to comments
5. Notice & distribution of Supplemental Final EIS
6. Render Adequacy Decision
7. Permitting

### **2. The Proposed Project**

Presentation by Essar Steel Minnesota

### **3. SEIS Scope**

- Scoping Process Fundamentals
- Purpose is to streamline the SEIS
- Builds upon available EIS that identified potentially significant issues
- Preparation Notice identifies:
  - EIS being supplemented
  - Situation calling for Supplement
  - SEIS scope
  - SEIS schedule

### **SEIS Scope (cont.)**

- The SEIS scope must be limited to impacts, alternatives, and mitigation measures...
  - not addressed...or...
  - inadequately addressed...

in the Final EIS

### **SEIS Preparation Notice**

- Proposes how SEIS will be conducted
- Procedural, rule-based document
- Presented for public review & comment
- Subject to revision based on public input
- Finalized as basis of SEIS
- Notice in March 22, 2010 EQB *Monitor*

### **Proposed SEIS Scope**

- Issues of Potentially Significant Impacts
- Surface Water Quantity & Quality
- Solid Wastes / Non-mining Sources
- Air Quality / Project-specific & Cumulative
- BACT; Class I; Class II; Visibility
- Mercury / Project-specific & Cumulative
- Class I Acid Deposition & Ecosystem Acidification

### **Proposed SEIS Scope (cont.)**

- New Issues since the first EIS:
  - Wild Rice
  - Climate Change
- Modified Information Requirements since the first EIS:
  - GHGs
- Socioeconomic impacts will be considered too

### **Proposed SEIS Scope (cont.)**

Alternatives:

- Proposed Project
- No-Build (original project)
- BACT for Air Emissions
- Mercury Air Emission Control Technologies

### **Proposed SEIS Scope (cont.)**

Mitigation:

- The EIS will identify those measures that can reasonably eliminate or minimize any adverse impacts

### **Proposed SEIS Scope (cont.)**

#### Tentative Schedule:

- Mar/10 Preparation Notice
- Oct-Dec/10 Supplemental DEIS Issued
- Jan-Mar/11 Supplemental FEIS Issued
- Feb-Apr/11 SEIS Adequacy Decision

### **Proposed SEIS Scope (cont.)**

#### Commenting:

- DNR will receive comments on the Preparation Notice thru 4/12/10
- Comments should address contents of the scope
- DNR will only consider written comments
- Comment forms are available for individuals wishing to comment tonight; place the forms in the box provided

### **Send Comments To:**

Bill Johnson  
Division of Ecological Services, Box 25  
MN Department of Natural Resources  
500 Lafayette Road  
St. Paul, MN 55155  
Fax: 651-297-1500  
[environmentalrev.dnr@state.mn.us](mailto:environmentalrev.dnr@state.mn.us)

**Comment Period ends 4/12/10 at 4:30 PM**

## HANDOUT 3

# Essar Steel Minnesota Modifications Project Supplemental Environmental Impact Statement (SEIS) Environmental Review Fact Sheet

### *Project Overview*

Essar Steel Minnesota proposes to modify their Nashwauk operations to increase pellet production from 4.1 million tons per year (mtpy) to 6.5 mtpy. The action, which is called the Essar Steel Minnesota Modifications Project, includes:

- Installation of one additional secondary crusher;
- Installation of one additional concentrating line;
- Extend the indurating furnace by 70 meters to 744 m<sup>2</sup> surface area
- Slightly larger fine and coarse storage areas;
- Use larger mining trucks (i.e., 240 ton versus 200 ton); and
- Implement an accelerated mine plan from 20 years to 15 years.

### *Project History*

The DNR and USACE conducted a joint state-federal EIS on the Minnesota Steel Project from 2005 through 2007. The first EIS was deemed adequate in August, 2007 and all permits were issued. Essar Steel purchased Minnesota Steel in October 2007. Essar Steel Minnesota approached the agencies in Spring 2009 that a change was in the works. The modified project configuration was presented to both the DNR and USACE in October 2009. DNR rendered its SEIS need determination in December 2009. The USACE has determined no federal supplement is needed at this time.

### *Project Cost*

The company expects the project to cost an estimated \$300 million to build.

### *Employment*

Essar Steel projects approximately 500 permanent employees for mining thru steelmaking.

### *State Environmental Review*

DNR is the Responsible Governmental Unit for conducting a Supplemental Environmental Impact Statement (EIS) process on the project. The supplement is mandatory and will be conducted over the next year or so. Tentative Schedule:

March 22, 2010	Preparation Notice reported in <i>EQB Monitor</i>
April 12, 2010	Public comment period ends
Oct – Dec 2010	Draft SEIS released for public review (includes public meeting)
Jan – Mar 2011	Final SEIS issued
Feb – Apr 2011	SEIS Adequacy Decision.

### *Environmental Documents*

The Preparation Notice can be viewed online at on DNR's website at:  
[http://www.dnr.state.mn.us/input/environmentalreview/upm\\_essar\\_steel/index.html](http://www.dnr.state.mn.us/input/environmentalreview/upm_essar_steel/index.html).

### *Commenting on the Document*

Comments may be sent by email to [environmentalrev.dnr@state.mn.us](mailto:environmentalrev.dnr@state.mn.us) with "Essar Steel" in the subject line. If using the email address, please include your name and mailing address so that you can be added to the mailing list. Comments may be faxed to my attention at (651) 297-1500. Comments may be mailed to:

Bill Johnson, EIS Project Manager  
Division of Ecological Services, Box 25  
Minnesota Department of Natural Resources  
500 Lafayette Road  
St. Paul, MN 55155

Comments must be received by 4:30 PM on April 12, 2010 to receive consideration by DNR.



**4410.3000 SUPPLEMENTING AN EIS.**

Subpart 1. **Applicability.** An RGU shall supplement an EIS by preparing a supplemental EIS document in accordance with this part.

Subp. 2. **EIS addendum.** An RGU may make minor revisions to a final EIS by use of an EIS addendum. An EIS addendum may not be used to make revisions required under subpart 3. The addendum shall be distributed to the EQB, to any person who received the final EIS document, and to any other person upon written request. The EQB shall publish notice of the availability of the addendum in the EQB Monitor.

Subp. 3. **Supplement to an EIS.** An RGU shall prepare a supplement to an EIS under any of the following circumstances:

A. whenever after a final EIS has been determined adequate, but before the project becomes exempt under part 4410.4600, subpart 2, item B or D, the RGU determines that either:

(1) substantial changes have been made in the proposed project that affect the potential significant adverse environmental effects of the project; or

(2) there is substantial new information or new circumstances that significantly affect the potential environmental effects from the proposed project that have not been considered in the final EIS or that significantly affect the availability of prudent and feasible alternatives with lesser environmental effects;

B. whenever an EIS has been prepared for an ongoing governmental action and the RGU determines that the conditions of item A, subitem (1) or (2), are met with respect to the action; or

C. whenever an EIS has been prepared for one or more phases of a phased action or one or more components of a connected action and a later phase or another component is proposed for approval or implementation that was not evaluated in the initial EIS.

Subp. 4. **Request for supplement to an EIS.** Any person may request preparation of a supplement to an EIS by submitting a written request to the RGU containing material evidence that a supplement is required under subpart 3. A copy of the request must be sent to the EQB. The RGU shall make a decision on the need for a supplement within 30 days of receipt of the request, and shall notify the requesting person and the EQB staff of its decision within five days. If the RGU denies the request, the notice must explain the basis for its decision and respond to the issues raised by the requesting person. If the RGU orders a supplement, its basis for the decision must be incorporated into the supplement preparation notice.

Subp. 5. **Procedure for preparing a supplement to an EIS.** A supplement to an EIS shall be prepared, circulated, and reviewed according to the procedures in items A to E.

A. The scope of a supplement to an EIS must be limited to impacts, alternatives, and mitigation measures not addressed or inadequately addressed in the final EIS. The RGU shall adopt a scope for the supplement as part of the preparation notice. The RGU may consult with any person in order to obtain information relevant to the scoping of a supplement, and may hold public meetings to obtain the information. Reasonable notice must be given of any meetings. All meetings must be open to the public.

B. The RGU shall adopt and distribute a notice of the preparation of the supplement to the EIS. The notice must contain:

(1) the title of the EIS being supplemented and its approximate date of completion;

(2) a brief description of the situation necessitating the preparation of the supplement, including a description of how the changes in the proposed project or new information may affect the potential significant environmental effects from the project or the availability of prudent and feasible alternatives;

(3) the scope of the supplement including issues to be analyzed, alternatives to be examined, and studies to be undertaken; and

(4) the proposed time schedule for the preparation of the supplement.

The preparation notice must be distributed to all persons who received the final EIS, to all persons on the EAW distribution list under part 4410.1500, and to any person who requested that a supplement be prepared under subpart 4, provided that if more than one person signed a letter or other document requesting a supplement, notice need only be distributed to their representative or to the person whose signature first appears on the document. The EQB shall publish a summary of the preparation notice in the EQB Monitor.

If, within 20 days of publication of the preparation notice in the EQB Monitor, any person submits written comments to the RGU objecting to the scope of the supplement, the RGU shall give due consideration to modifying its scope based on the comments. The RGU shall include in the draft supplement document a copy of any timely comments received objecting to the scope and its response to the comments.

C. The RGU shall prepare a draft supplement for the purposes of receiving public comments. The draft document must conform to the requirements of parts 4410.2300, items D to J, 4410.2400, and 4410.2500. The draft supplement must be distributed and reviewed in accordance with part 4410.2600, subparts 2 to 10, except that the informational meeting must be held not less than ten days after publication of notice in the EQB Monitor.

D. The RGU shall prepare and distribute a final supplement to an EIS in accordance with part 4410.2700.

E. The determination of adequacy of the final supplement to an EIS must be made in accordance with part 4410.2800.

Subp. 6. **Time limit for supplement to an EIS.** A determination of the adequacy of a supplement to an EIS must be made within 120 days of the order for preparation of the supplement, unless the time is extended by the consent of the proposer and RGU or by the governor for good cause.

Subp. 7. **Treatment of expansions of a project for which an EIS was prepared.** Subsequent expansions of, or additions to, implemented projects for which an EIS was prepared must be treated as independent projects for the determination of the need for environmental review and must be reviewed in accordance with parts 4410.1000 to 4410.2800 rather than according to this part, unless the expansion or addition is part of a phased action or connected action requiring review under subpart 3, item C. Tiering of information from the original EIS may be used to minimize duplication of paperwork, provided that the original EIS is reasonably available for public and agency review.

**Statutory Authority:** *MS s 116D.04; 116D.045*

**History:** *13 SR 1437*

**Posted:** *November 30, 2009*

# HANDOUT 5

## Essar Steel MN Modifications Project Supplemental Environmental Impact Statement Comment Form

The Department of Natural Resources (DNR) is Responsible Governmental Unit for the Supplemental Environmental Impact Statement (SEIS) being prepared for the Essar Steel Minnesota Modifications Project.

DNR released the Preparation Notice for a 21-day public review and comment period on March 22, 2010. The comment period closes on April 12, 2010 at 4:30 PM.

Comments may be presented using this form. Attach additional sheets if needed. Place the form in the box provided.

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Name: \_\_\_\_\_

Address: \_\_\_\_\_  
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## **Commenting During the Preparation Notice Period**

The DNR invites comments on the Preparation Notice during the 21-day comment period that commenced March 22, 2010 and ends on April 12, 2010 at 4:30 PM.

A **Comment Form** is available for comments offered at the public meeting. Fill out the form and place them in the box provided.

Comments can be mailed to:

**Bill Johnson, SEIS Project Manager  
Environmental Policy and Review Unit  
Division of Ecological Resources, Box 25  
Minnesota Department of Natural Resources  
500 Lafayette Road  
St. Paul, MN 55155**

Fax: (651) 297-1500

Comments may be emailed to [environmentalrev.dnr@state.mn.us](mailto:environmentalrev.dnr@state.mn.us) using "Essar Steel" in the subject line.

**Comments must be received by 4:30 PM  
on April 12, 2010**