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Taconite expansion in Keewatin gets MPCA permit

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A \$300 million expansion proposed for U.S. Steel's taconite operation in Keewatin, Minn., cleared an important hurdle this week when the Minnesota Pollution Control Agency (MPCA) board voted to approve its wastewater emissions permit.

The permit, approved Tuesday in a unanimous vote, sets a more restrictive level for sulfate emissions than the current state standard. That drew praise from at least one environmentalist who has tracked the permitting process.

"It's a positive," said Paula Maccabee, an attorney with the environmental group WaterLegacy. "U.S. Steel has owned that plant since 2003, and this is the first time they've been asked to comply" with sulfate emission standards, she said.

The Keetac taconite processing plant has

been idle since 1980, but U.S. Steel wants to add about 150 permanent jobs and expand its pellet-production capacity by 50 percent, creating an estimated 500 construction jobs along the way.

"This is about the future of the Iron Range," plant manager Jeremy Smolich told the MPCA board Tuesday during five hours of testimony from northern Minnesota business advocates, two northern Minnesota legislators, environmentalists and others.

State regulators last month approved an air emissions permit for the plant, but it still needs state and federal approval of wetlands-protection strategies before U.S. Steel's own board will approve funding.

The sulfates at issue in the water-quality permit are toxic to wild rice, which grows in wetlands across much of northern Minnesota, including the Iron Range. The grain is a gourmet delicacy and an important food source for ducks and other wildlife, as well as a key element in the cultural heritage of some American Indians.

The standard approved Tuesday reduces the state sulfate pollution standard by one-third from what's been on the books since 1973. The Minnesota Chamber of Commerce has

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sued the MPCA, arguing that the standard has been improperly applied against several minerals companies. Meanwhile, the MPCA is coordinating a study of the standard.

U.S. Steel will have nearly a year to develop a pollution control plan and will be required to report annually to the MPCA on its progress. The permit approved Tuesday requires the company to comply "as soon as possible" -- though that could be as late as August 2019.

Smolich said the company's "intent is to go beyond compliance" with environmental standards, using new technology to reduce mercury emissions into air and water, sulfate emissions into water and wetland disturbance.

Environmentalists last month criticized the air emissions permit, which primarily targets mercury, for relying on unproven technology.

Taconite is iron ore that is mined from open pits, crushed and mixed with clay to form easily transported pellets, then made into steel.

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