



Area officials updated on gasification project

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A proposal to construct and operate a \$30 million Renewable Energy Clean Air Project that would be fed by the region's garbage must be affordable, while at the same time beneficial to the environment.

That's what local leaders agreed Friday when they met with developers involved in moving forward the proposal, involving plasma **gasification** of solid waste.

Led by Koochiching County Commissioner Mike Hanson, who has played a key role in the proposal, the meeting included an update by John Howard of Distributed Generation Solutions, Mendota Heights; Steve Korstad of Korridor Capital Advisors,

St. Paul; and Steve Kluess of the Laurentian Research Conservation and Development, Duluth.

The facility would be owned and operated by Koochiching County and use high temperatures to gasify the waste. The process would produce byproducts such as steam, electricity and other valuable products. Few emissions are released through the process.

For information on RECAP, see the Web site at www.lrcd.org/energy.

Hanson told the group that the next step in the process is to lobby the state to pitch in more money toward the project. Gov. Tim Pawlenty has recommended that \$1 million be provided to the project from the state's upcoming bonding bill. The project had sought \$10 million in the bonding bill.

And, North Star Electric Cooperative is serving as fiscal agent for an attempt to seek a \$350,000 grant to conduct a feasibility study that would provide information to move forward with development.

Howard noted that the project may be eligible for up to \$7.5 million through a Minnesota Pollution Control Agency program.

A number of public and private entities have submitted letters of support for the project. Several governments have indicated that they would consider providing solid waste to the facility and Boise Cascade and Minnesota Power have said they would consider purchasing the byproduct energy from the process.

The project, initiated by the Laurentian RCD, is designed to fit into small rural communities in the U.S. and provide jobs, economic development, education and some level of energy security.

Howard and Korstad, who have created a new company for the project, told the group the timing is right for such a facility. And, they said, it appears that there is more than enough garbage being generated in northeastern Minnesota and northwestern Ontario to feed the plant year around.

Howard pointed to a tripling of fees to dump waste in landfills in Wisconsin, a downsizing of the number of landfills in Iowa, and other areas reviewing their solid waste disposal practices.

Three potential sites have been identified for the **gasification** facility, including the county's solid waste facility on Highway 11-71, Boise Cascade property adjacent to the paper mill, and a free trade zone area south of the Ranier overpass.

Hanson has said the facility would benefit Koochiching because it would reduce the nearly \$1 million annual cost it pays to haul and deposit its solid waste at a landfill in the western part of the state. In addition, he said it would benefit the environment by reducing the amount of solid waste placed in landfills in the state.

It would also provide jobs, the ability to sell products and an educational component by developing a training course at Rainy River Community College for workers at this plant and others that could be developed around the world.

Korstad explained that the capital costs of the facility could be financed with \$10 million from federal energy programs, up to \$10 million in state funding through bonding and the MPCA program, and by Koochiching kicking in about \$500,000 - - the money it would save by not landfilling its waste over time. The facility could also involve Clean Renewable Energy Bonds, municipal bonds or leases, and possibly an public-private partnership.

The facility would be operated with money paid to Koochiching by other governments for providing the solid waste to the facility, by selling steam or electricity generated by the facility and by selling the molten slag byproduct of the process that can be used to create tiles, rock wool and other material.

"At the end of the day, this has to be something that we and our neighbors can afford to do," said Hanson.

Howard pointed to a recent state of the union address by President Bush, who said America is addicted to oil.

"This project speaks directly to that," Howard said.

Mayor Shawn Mason agreed, urging the group to make sure the Bush Administration is aware of the proposal. She said it could prove to be "the poster child of renewable energy projects."

"I'd be surprised if Bush or his top people don't know about this," Korstad said.

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