

Minnesota Power (Kurt Anderson)

Please see our attached comment letter.



September 22, 2025

Minnesota Pollution Control Agency (MPCA)
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

Re: Comments on MPCA's draft National Pollutant Discharge Elimination System (NPDES) permit for United States Steel's (USS) Keetac facility.

Dear MPCA:

Minnesota Power (MP), an ALLETE company based in Duluth, MN, appreciates the opportunity to submit the following comments on the draft National Pollutant Discharge Elimination System (NPDES) permit for United States Steel's (USS) Keetac facility.

MP is an electric utility company providing electricity in a 26,000 square-mile service area in central and northeastern Minnesota, and serves over 150,000 customers, 14 municipalities and some of the nation's largest industrial customers, including the Keetac facility.

MP recognizes the tremendous value the MPCA provides in protecting Minnesota's air, water, and land resources, while providing for economic growth and healthy communities through permitting and compliance activities associated with agricultural, commercial, and industrial facilities. Furthermore, MP fully recognizes the imperative to protect these resources for current and future generations through the establishment of clear, science-based requirements that protect the resources in a transparent and equitable manner. This includes setting and enforcing the appropriate protections for wild rice, which provides tremendous value for Minnesotans and Minnesota wildlife. Wild rice is important from cultural, spiritual, ecological, and economic perspectives, and deserves robust protection.

In the draft NPDES permit, the MPCA has made a preliminary decision to protect the wild rice stands in Hay Lake from sulfate, and its derivative sulfide, through establishment of a concentration-based limit for sulfate from Keetac's permitted outfall. MPCA has stated that its decision to enforce the standard at Keetac is based on multiple factors, including its preliminary denial of an economic variance, guidance from the United States Environmental Protection Agency (USEPA), and studies performed during and subsequent to the previous sulfate/wild rice rulemaking effort.

Based on information available on MPCA's website and presented during the September 3, 2025 public hearing, USS's estimated capital costs to reduce sulfate in the NPDES outfall to meet the new permit requirements are expected to be hundreds of millions of dollars upfront. Significant additional operational and maintenance costs, including additional energy requirements, could jeopardize the economics of continued domestic mining operations at the Keetac facility and put the facility at a

competitive disadvantage. Historically, large customer shutdowns the size of Keetac have led to increased electric rates for residential, commercial, and other industrial customers.

MP shares the concerns of those who are uncertain about whether the investment Keetac may need to reach these sulfate levels will result in a commensurate benefit to the wild rice stands in Hay Lake. In fact, concerns about the 10 mg/L standard were stated publicly by MPCA staff during public forums and legislative hearings while attempting to update the existing 10 mg/L standard. In the 2017 final Technical Support Document, authored by MPCA staff, MPCA presented information showing the 10 mg/L standard results in higher misclassification rates – both false positives and false negatives – when predicting wild rice presence compared to the proposed equation-based approach.

While the proposed equation-based rulemaking was voluntarily abandoned by the MPCA after a negative recommendation by the Administrative Law Judge, concerns about the accuracy of the 10 mg/L standard have not been addressed by the MPCA in the ensuing 7-plus years. No new rulemaking efforts have been initiated, despite the MPCA's own concerns about the accuracy of the 10 mg/L standard. With potentially billions of dollars of investment needed to meet this standard across Minnesota's industries, municipalities, and others, the lack of action by the MPCA to initiate a new rulemaking to improve accuracy of an important, potentially cost-prohibitive rule is concerning.

There are also other recommendations and actions that the MPCA and the state of Minnesota government have failed to make since the last rulemaking. Recognizing the myriad of issues that could impact wild rice, Governor Mark Dayton convened a 2018 Task Force on Wild Rice, consisting of a combination of scientific, regulatory, industrial, and tribal perspectives. I was honored to be appointed by Governor Dayton as the Electric Utility Representative. We issued a report in early 2019, signed by all members of the Task Force, promoting the concept of a Wild Rice Stewardship Council. The council would then attempt a holistic approach toward improving wild rice health and abundance, including water level management, recreational impacts, ecological stressors like waterfowl, and chemical stressors like sulfate, sulfide, and other potential pollutants.

Other key elements of the Task Force's recommendations included improving monitoring and mapping of wild rice waters, supporting additional research, promoting education and outreach about wild rice's importance, and ensuring equitable sharing of burdens and benefits among communities affected by Minnesota's wild rice policies and regulations. Again, in the 6-plus years since the Wild Rice Task Force issued its final report, neither the MPCA nor the other state agencies appear to have implemented these policies in a meaningful way.

Finally, MPCA has been unclear in how it has coordinated with the USEPA regarding the timelines associated with implementing the existing 10 mg/L standard. Previous communication and directives from a previous federal administration have been discussed, but it is unclear whether MPCA has requested additional time or flexibility from the current EPA administration. As such, it is unclear whether the MPCA has the ability to take additional time to better refine the existing standard, evaluate and potentially deploy existing or emerging technologies for sulfate/sulfide reduction, or attempt a

holistic approach espoused by the Wild Rice Task Force to improve wild rice stands in Hay Lake and other waterbodies.

To summarize MP's comments, we pose the following question to MPCA, and respectfully request a response for each of the following:

- 1) Given the MPCA's own admission that the existing 10 mg/L sulfate standard is imprecise, and given the extremely high costs of compliance with currently available technology, why has the Agency not chosen to implement a new rulemaking in the 7-plus years since the last rulemaking effort was abandoned?
- 2) Given the major economic, technical, and community issues associated with enforcing the current standard, and the recognized value in other protection and restoration approaches, why has the MPCA and the state of Minnesota not taken a more proactive approach toward implementing some or all of the Wild Rice Task Force's recommendations at Hay Lake or other wild rice waters?
- 3) What, if any, communications have the MPCA had with the current federal administration's EPA regarding the need for additional time and resources to ensure the sulfate standard is accurate and can reasonably be expected to maintain and enhance wild rice production in Hay Lake and other Minnesota rivers and lakes?

Again, MP applauds the MPCA's desire to protect wild rice for all Minnesotans. However, we remain gravely concerned that the proposed requirements in the Keetac permit, coupled with MPCA's limited progress on this standard in the past 6-7 years, represent major concerns that should be addressed prior to issuance of a final permit for Keetac and other NPDES discharges throughout the state.

Please feel free to contact me at kanderson@mnpower.com if you have questions related to the above.

Sincerely,



Kurt Anderson
Director, Environmental & Land Management
Minnesota Power/ALLETE