



Minnesota Pollution Control Agency

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

800-657-3864 | Use your preferred relay service | info.pca@state.mn.us | Equal Opportunity Employer

February 24, 2016

Mr. Daniel Wolf, Executive Secretary
Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

RE: Docket No. E002/M-09-1456

Xcel Request for Extension of the Start-Up Period for the Mercury Emissions Reduction System at the Sherburne County Generating Facility's Units 1 and 2

Dear Mr. Wolf:

Xcel Energy's (Xcel) has requested an extension to the startup period for the mercury control system at Sherburne County Units 1 and 2 (Sherco). The Minnesota Pollution Control Agency (MPCA) fully supports Xcel's request.

Mercury controls have been installed at Sherco Units 1 and 2 according to the schedule established in Minn. Stat. 216B.68 to 216B.688, are being operated and will continue operation during the requested period. The units are subject to mercury control requirements under the Minnesota statutes, as well as the federal Mercury and Air Toxics Standard (MATS). Xcel has demonstrated compliance with the emission standards of the federal rules, including mercury. The requirement to control mercury continues during the requested period of extension.

The request identifies issues that warrant further investigation. Each of these issues has consequence on the long-term effectiveness and cost of mercury removal, as well as equipment longevity. We appreciate Xcel's ongoing efforts to address these issues, as well as their continued efforts to keep the MPCA informed about progress made to address these issues.

Minnesota statutes anticipated potential technical or operational developments for mercury control; Minn. Stat. 216B.688, subd. 3. require the MPCA to include in the air emissions permit optimization of mercury controls at the end of the startup period. The activities that Xcel describes it will undertake during the extension period are indeed optimization, and are appropriate even before final conditions are included in an operating permit. Xcel makes a reasonable, responsible request to invest in mercury control system optimization at this time.

If you have any further questions, please contact me at your earliest convenience at frank.kohlasch@state.mn.us or at 651-757-2500.

Sincerely,

A handwritten signature in black ink that reads "Frank L. Kohlasch".

Frank L. Kohlasch, Manager
Air Assessment Section
Environmental Analysis and Outcomes Division

FK/AJ:vs