



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

DEC 31 2014

Sarah Beimers, Manager
Government Programs and Compliance
Minnesota Historical Society
345 Kellogg Boulevard West
St. Paul, Minnesota 55102-1903

REPLY TO THE ATTENTION OF:

RE: Cliffs Natural Resources, Inc., Silver Bay Power
Replacement of burners to Power Boilers 1 and 2
Silver Bay, Lake County
SHPO Number: 2015-0252

Dear Ms. Beimers:

Thank you for your October 31, 2014, correspondence regarding the burner replacement project for power boilers 1 and 2 at the Silver Bay Power Plant located within the Northshore Mining Company's Silver Bay taconite processing facility. After a follow-up conversation with you and U. S. Environmental Protection Agency (EPA), and upon further review of the information presented to us, we are taking this opportunity to revise our initial consultation correspondence with your office. The purpose of this letter is to seek concurrence from you on our determination that in relation to air quality impacts, and pursuant to 36 CFR 800.3(a)(1), the proposed project is a federal undertaking that does not have the potential to cause effects to listed or eligible historic properties.

Pursuant to Section 106 of the National Historic Preservation Act (NHPA), 16 U.S.C. § 470, et seq., I am writing to notify you that the EPA has reviewed a cultural resource assessment related to a modification at Silver Bay Power in Silver Bay, Minnesota to determine what impact there may be on listed or eligible historic properties. Specifically, the EPA notified Cliffs Natural Resources, Silver Bay Power (Cliffs) that it is required to implement steps to assure compliance with the NHPA and its implementing regulations. As part of the process, EPA directed Cliffs to conduct certain activities to assist in determining if historic properties will be affected by the proposed modification.

Cliffs is proposing to replace its Power Boilers 1 and 2 with low nitrogen oxides (NO_x) burner systems as a voluntary NO_x emission reduction project. The proposed modifications require an air permit under the Prevention of Significant Deterioration (PSD) program pursuant to the federal Clean Air Act (CAA). The Minnesota Pollution Control Agency (MPCA) has been delegated authority by the EPA to issue PSD permits under the federal PSD regulation set forth at 40 C.F.R. Part 52. The replacement for Power Boiler 1 is scheduled to occur early in 2015, during a planned outage and the installation for Power Boiler 2 is scheduled to occur approximately 18 months later, in late 2016, also during a planned outage. No new infrastructure

will be required at the Silver Bay site for this project and all construction related activities will take place within existing buildings. Cliffs provided an analysis of impacts from the proposed project to EPA on May 5, 2014, which was provided to you in our previous letter. Increases in air quality emissions from this project are not anticipated to have effects on historic properties. Based upon the information submitted and EPA's understanding of the proposed modifications, EPA determines that the issuing of this permit constitutes an "undertaking" as defined in 36 CFR Part 800. However, under § 800.3, EPA has determined that the "undertaking" is a type of activity that does not have the potential to cause effects on historic properties, and no further obligations are required under Section 106 of NHPA.

By this letter, EPA is fulfilling its obligations pursuant to Section 106 of the NHPA for the Cliffs permitting action before MPCA. If you have any questions with respect to this letter or disagree with this determination, please contact me at (312) 353-4761, or Jennifer Darrow, of my staff, at (312) 886-6315.

Sincerely,


Genevieve Damico
Chief
Air Permits Section

Enclosures

cc: Hassan Bouchareb, MPCA