

RESOLUTION
CITY OF SAINT PAUL, MINNESOTA

Presented by _____

1 WHEREAS, the Rock-Tenn paper plant at I-94 and Vandalia is a long-standing Saint Paul business
2 employing approximately 500 people in good paying and union jobs; and

3
4 WHEREAS, Rock-Tenn lost its inexpensive source of thermal energy (steam) when the Xcel "High
5 Bridge" coal plant was decommissioned, and needs a large amount of power at a competitive price to
6 continue its operations; and

7
8 WHEREAS, Rock-Tenn is currently using fuel oil #6 and some natural gas in old boilers lacking
9 modern pollution control equipment; and

10
11 WHEREAS, Senate File No. 2096 (85th Legislative session) provides that construction of a new energy
12 system recommendation is conditioned upon the Saint Paul City Council's adoption of a resolution
13 "approving the construction after consideration of the findings of the port authority, resolutions from the
14 districts, and other public input;" and

15
16 WHEREAS, on September 17, 2008, via Resolution No. 08-1031, the City Council solicited
17 resolutions from Saint Paul district councils 11, 12, 13, and 14 concerning the Port Authority of the City of
18 Saint Paul's energy recommendation that Rock-Tenn's operations should be re-powered with discount-
19 priced natural gas, utilizing carbon offsets from renewable biogas to be sent to the city council by
20 November 14, 2008; and

21
22 WHEREAS, on October 28, 2008, the Port Authority Board of Commissioner's passed Resolution No.
23 4277 accepting and adopting the Rock-Tenn Renewable Energy Study, dated September 29, 2008 (the
24 Study can be found on the internet at www.rtadvisory.org), and further directing that the Study be
25 delivered to the Saint Paul City Council for its consideration; and

26
27 WHEREAS, the Study looked at a wide-variety of energy options and recommended the pursuit of a
28 preferred option and two alternatives, prioritized as follows:

- 29 • The preferred option, ~~by the Port Authority and RCAP,~~ is the production of renewable biogas
30 through anaerobic digestion in Greater Minnesota to offset Rock-Tenn's use of natural gas.
- 31 • Alternative #1 utilizes the production of renewable biogas from anaerobic digestion in a new
32 gas turbine constructed at Rock-Tenn. This turbine will generate both steam for Rock-Tenn
33 operations and electricity sold wholesale to a utility.
- 34 • Alternative #2 utilizes willow, perennial grasses and forest residue in a gasification facility to
35 be built at Rock-Tenn.

36
37 WHEREAS, the Rock-Tenn Community Advisory Panel (RCAP) was created by Senate File No. 2096
38 and convened publicly to assist the Port Authority in exploring fuel sources for Rock-Tenn; and

39
40 WHEREAS, RCAP came to consensus on these recommendations:

- 41 • RCAP recommends that garbage/Refuse Derived Fuel (RDF) combustion be removed from
42 future consideration as a fuel source for Rock-Tenn.

- 43 • In the event that the preferred recommendation is not successful, RCAP endorses alternative #1
- 44 with the assurance that the fuel used by the turbine will be exclusively natural gas (or biogas).
- 45 • RCAP recommends the continued pursuit of energy conservation. It will produce the greatest
- 46 savings and most positive environmental and health impact.
- 47 • RCAP encourages Rock-Tenn and partners to distribute to other users any surplus low-grade
- 48 energy that may be available as a result of continued conservation efforts.
- 49 • RCAP cannot give unqualified support to Alternative #2 due to the lack of sufficient
- 50 information on environmental performance and economics. Of the solid-fuel combustion
- 51 options gasification has the potential to be the most benign. However, if this alternative is
- 52 explored, RCAP recommends that it be reconvened to vet the economic and environmental
- 53 details; and
- 54

55 WHEREAS, RCAP also came to consensus on these qualifiers:

- 56 • Environmental safeguards appropriate to assure that any biogas facility (anaerobic digesters)
- 57 manufacturing biogas for Rock-Tenn meet the highest health and environmental standards
- 58 achievable in the community where the facility is located.
- 59 • RCAP has not reviewed the data about the potential environmental impacts of any anaerobic
- 60 digestion facilities. The endorsement of any of the proposals should not be seen to imply that
- 61 we have reviewed the environmental impacts of biogas production.
- 62 • The development of each option must include a process for gathering local input, participation
- 63 and support.
- 64 • RCAP, in its approval, assumes that on-site use of fuel oil will be minimized.
- 65 • In principle, the panel believes there should be equal duration of public commitment and the
- 66 commitment of Rock-Tenn; and
- 67

68 WHEREAS, District Councils 11, 12, 13, and 14 have submitted resolutions supporting the RCAP
 69 process and recommendations;

70
 71 NOW, THEREFORE, BE IT RESOLVED THAT, The Saint Paul City Council accepts the Port
 72 Authority of the City of Saint Paul's Rock-Tenn Renewable Energy Study, dated September 29, 2008, and
 73 supports the additional caveats recommended by RCAP's recommendations and qualifiers as fully
 74 described in Section 9 of the RockTenn Renewable Energy Study.

	Yeas	Nays	Absent
Bostrom			✓
Carter	✓		
Harris	✓		
Helgen	✓		
Lantry	✓		
Stark	✓		
Thune	✓		
	6	0	1

Requested by Department of: _____
 By: _____
 Approved by the Office of Financial Services
 By: _____
 Approved by City Attorney
 By: _____
 Approved by Mayor for Submission to Council
 By: _____

Adopted by Council: Date 11/19/08
 Adoption Certified by Council Secretary
 By: [Signature]
 Approved by Mayor: Date 11/24/08
 By: [Signature]



08-12-81

Green Sheet NO: 3063276

Department/Office/Council: CO - Council	Date Initiated: 12-NOV-08
--	------------------------------

Contact Person & Phone: Councilmember Russ Stark Must Be on Council Agenda by (Date): 19-NOV-08 Doc. Type: RESOLUTION E-Document Required: Y Document Contact: Contact Phone: 266-8640	 Assign Number For Routing Order	<u>Department</u>	<u>Sent To Person</u>	<u>Initial/Date</u>	
		0	Council		
		1	Council		
		2	City Clerk		
		3			

Total # of Signature Pages ____ (Clip All Locations for Signature)

Action Requested:
Approval of resolution accepting recommendations for fuel sources for the Rock-Tenn paper plant from the Saint Paul Port Authority and from the Rock-Tenn Community Advisory Panel.

Recommendations: Approve (A) or Reject (R): _____ Planning Commission _____ CIB Committee _____ Civil Service Commission _____ _____ _____	Personal Service Contracts Must Answer the Following Questions: 1. Has this person/firm ever worked under a contract for this department? Yes No 2. Has this person/firm ever been a city employee? Yes No 3. Does this person/firm possess a skill not normally possessed by any current city employee? Yes No Explain all yes answers on separate sheet and attach to green sheet.
--	--

Initiating Problem, Issues, Opportunity (Who, What, When, Where, Why):

Advantages If Approved:

Disadvantages If Approved:

Disadvantages If Not Approved:

Total Amount of Transaction:	Cost/Revenue Budgeted:
Funding Source:	Activity Number:
Financial Information: (Explain)	