

# Jobs, jobs, jobs

## Large-scale energy, mineral investments offer new employment opportunities

Wondering where all the well-paying jobs are? Look north.

Thousands of construction and permanent jobs are taking shape as eight large-scale economic development projects – ranging from energy investments to high-technology, value-added mineral ventures – are under development

production,” said Marlene Pospeck, Hoyt Lakes mayor. “The jobs created by these projects are exceedingly important. We are also anticipating hundreds of spin-off jobs which will mean economic growth and prosperity for all of our Iron Range communities.”

Beyond the generation of

### Essar Steel Minnesota

A \$1.6 billion Essar Steel Minnesota taconite, direct-reduced iron and steel slab mill is under construction near Nashauk, Minnesota.

The project is creating approximately 2,000 construction and 500 permanent jobs.

A nine-mile long rail line has been constructed at the site and more than 760,000 cubic yards of rock removed to make way for building construction.

In November, the first concrete was poured for building foundations.

Essar Steel Minnesota’s goal is to begin producing iron ore pellets in late 2012. Slab steel production begins in 2015.

To put it in perspective, the facility costs about three times the price of Minnesota Twins’ Target Stadium.

Essar Steel Minnesota is part of Essar Steel, a global producer of steel with facilities in India, Canada, Asia, the Middle East and United States.

[www.essarsteelmn.com](http://www.essarsteelmn.com)

### Excelsior Energy

Excelsior Energy’s \$2 billion integrated gasification combined cycle (IGCC) power plant would create at least 1,500 construction and 100 permanent jobs.

The project would generate electrical power through two 600 megawatt advanced coal gasification plants. Development is currently in the pre-construction permit phase.

Plans are to build the facility on 1,260 acres of industrial land near Taconite, Minnesota.

The project is eligible for a federal loan guarantee and has received funding from the U.S. Department of Energy’s Clean Coal Power Initiative.

[www.excelsiorenergy.com](http://www.excelsiorenergy.com)

### Keetac

A capital investment of more

than \$300 million by United States Steel at its Keetac taconite plant in Keewatin, Minnesota will create 500 construction and 75 permanent jobs.

The expansion increases iron ore pellet production capacity to 9.6 million tons from 6 million tons and allows the plant to utilize biomass as a fuel.

A final draft Environmental Impact Statement was published in November.

[www.ussteel.com](http://www.ussteel.com)

### Mesabi Nugget

The world’s first commercial iron nugget plant produced its first nuggets in January.

The \$300 million plant required up to 900 construction workers to build and has 90 full-time employees.

Iron nuggets produced at the plant are the first new product made from Iron Range taconite concentrate in decades. The nuggets are transported to Steel Dynamics in Butler, Indiana and fed into electric arc furnaces to help make steel.

Mesabi Nugget is the only domestic source of pig iron.

At capacity, the plant will produce 500,000 metric tons of iron nuggets annually.

The nugget plant is located at a brownfield site at the former LTV Steel Mining Co. taconite plant and mine near Aurora and Hoyt Lakes, Minnesota.

Steel Dynamics, Inc. of Fort Wayne, Indiana owns 81% of Mesabi Nugget. Kobe Steel, Ltd of Japan owns 19%.

[www.steeldynamics.com](http://www.steeldynamics.com)

### Boswell Energy Center

Minnesota Power in April dedicated a \$240 environmental retrofit of its Boswell Energy Center Unit 3 electrical generating facility at Cohasset, Minnesota.

The project took more than three years to complete and required 1,000 construction

workers at peak.

Tests show the new pollution control equipment installed on the 350-megawatt generating unit result in a more than 90 percent reduction in mercury, sulfur dioxide and particulate emissions.

[www.mnpower.com](http://www.mnpower.com)

### PolyMet Mining Corp.

A \$602 million base and platinum group metals mine and processing facility near Hoyt Lakes creates 500 construction and 400 permanent jobs.

The project will use traditional open pit mining methods to mine ore containing copper, nickel, cobalt, platinum and palladium.

A notice of intent to complete a draft supplemental Environmental Impact Statement has been made by the U.S. Army Corps of Engineers and U.S. Forest Service.

Portions of the former LTV Steel Mining Co. taconite facility will be re-used as part of PolyMet’s processing facilities.

[www.polymetmining.com](http://www.polymetmining.com)

### Franconia Minerals Corp.

A \$616 million underground base and platinum group metals mine is planned near Babbitt.

The project would require 800 construction workers and create an estimated 550 permanent jobs.

[www.franconiaminerals.com](http://www.franconiaminerals.com)

### Twin Metals Minnesota LLC

An \$800 million underground base and platinum metals mine is planned near Ely.

The project would require 800 construction workers and create an estimated 500 new permanent jobs.

Duluth Metals (60% ownership) and Antofagasta, a Chilean minerals company (40% percent ownership) are partners in the project.

[www.duluthmetals.com](http://www.duluthmetals.com)



Nuggets await shipping outside the Mesabi Nugget plant near Aurora and Hoyt Lakes.

in northeastern Minnesota.

Minerals and metals produced by several of the projects are the raw materials needed to build new vehicles, appliances, bridges, wind turbines, hybrid cars, computers and cell phones.

“The entire Iron Range is eagerly anticipating the time when these projects are in full

new jobs and revenue, additional benefits include housing, business and community growth.

Here’s a snapshot of northeastern Minnesota’s large-scale projects.

For information on all the projects visit the website.

[www.rangereadiness.com](http://www.rangereadiness.com)

# A new dawn in economic development

## State, school coffers to benefit northeastern Minnesota projects

More than \$5 billion and thousands of new jobs would be injected into the state economy through a series of new and expanded large-scale economic development projects in northeastern Minnesota, according to a study by economists at the University of Minnesota Duluth (UMD).

and millions of dollars in investments to the region.”

The study, which examines six existing iron ore mining operations, three new value-added iron projects and six base and platinum group mining projects, was completed by the UMD Labovitz School of Business and Economics in March 2009.

more than 20,600 jobs, according to the study.

Each of approximately 2,215 permanent jobs created by the projects would generate an additional 1.8 jobs in other industries, including transportation, restaurants, wholesale trade, electric power generation, real estate, medicine, dentistry, technology and others.

Construction of the new projects alone would create an average of 9,250 jobs a year for six years, according to the study.

“Underneath all the turmoil of the last two years, work on the infrastructure of mining has continued,” said Drew Digby, a Minnesota Department of Employment and Economic Development regional labor analyst. “It’s a whole new world for the mines. With worldwide demand continuing to head up and the current generation of miners looking at retirement, the big issue for the region is going to be finding the right people to take the new generation of mining jobs.”

Iron Range Resources, a state of Minnesota economic development agency based in Eveleth, has provided developmental support for some of the projects. The agency’s mission is to create well-paying jobs for residents within the Taconite Assistance Area, a 13,000 square-mile area of northeastern Minnesota.

The six existing northeastern Minnesota iron ore operations employ about 3,000 direct workers and generate approximately 13,000 spin-off jobs throughout

heat and electricity transmission, hybrid cars, catalytic converters, electric motors, rechargeable batteries, cell phones, fiber optic cable, joint replacement, computer disk drives and other applications.

PolyMet Mining Corporation, the most advanced base and precious metals project, would create about 400 direct jobs, annual indirect economic impact of \$250 million and, at recent metal prices, would generate approximately \$15.9 million in new tax revenue to the state and \$47.3 million to the federal government, according to the company.



Pouring the first footings at the site of the Essar Steel Minnesota Plant.

“The Iron Range is on the cusp of a new economic era,” said Lory Fedo, Hibbing Area Chamber of Commerce executive director. “Each of the new projects on the horizon will mean hundreds if not thousands of jobs

Combined with a \$3.1 billion statewide economic impact from existing iron ore mining facilities, the new minerals and metals projects would generate a total statewide economic impact of \$8.7 billion by 2013 and support

**Now is the time to reach new heights!**

There has never been a better time to start or relocate your business in Northeastern Minnesota. Now is your chance to ride the unprecedented economic expansion poised on our horizon.

It's time to see beyond our great winter sports and northwoods charm, and take a serious look at the opportunities at hand.

Contact our Business Development Team today and find out how Iron Range Resources can assist you with financing, site selection and incentive packages.

**877-829-3936**  
[ironrangeresources.net](http://ironrangeresources.net)

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the state.

In 2008, the six operations through various taxes provided more than \$148 million to the state general fund, Minnesota K-12 schools, scholarships at four University of Minnesota campuses and local units of government.

Beyond iron ore revenues, hundreds of millions in additional taxes, wages and equipment purchases would be directed into the state economy from new base and platinum group metals projects.

Copper, nickel, cobalt, platinum and palladium derived from the projects would be used for