

(7) -- The purchase, construction, and installation of a hydroelectric facility that is located at the site of an existing dam, which facility uses the water power potential of the dam, and which facility has not more than 30,000 kilowatts of installed capacity;

(8) - (i) -- The construction of any fuel production facility for the purpose of commercial production of a gaseous, liquid, or solid fuel, or of a combination of these fuels, which can be used as a substitute for petroleum or natural gas (or any derivatives thereof, including chemical feedstocks) and which is produced by chemical or physical transformation of coal or mixtures of coal and other materials. The project may include only:

1. -- The fuel production facility, including the equipment, plant, machinery, supplies and other materials associated with the fuel production facility;

2. -- The land and mineral rights required directly for use in connection with the fuel production facility;

3. -- Any other facility or equipment to be used in the extraction of a mineral for use directly and exclusively in the fuel production facility:

A. -- Which is co-located with the fuel production facility or is located in the immediate vicinity of the fuel production facility, or, if not co-located or located in the immediate vicinity, is incidental to the project (except in the event of a coal mine where no other reasonable source of coal is available to the project); and

B. -- Which is necessary to the project, and

4. -- Any transportation facility, electric power plant, electric transmission line or other facility:

A. -- That is for the exclusive use of the project;

B. -- That is incidental to the project, and

C. -- That is necessary to the project, except that a transportation facility used to transport fuel produced by the facility away from the project shall be used exclusively to transport the fuel to a storage facility or pipeline connection to an existing pipeline or processing facility or to an area within close proximity of the project;

(ii) -- The conversion of any facility from the use of petroleum-based fuel to the use of coal or to the use of a mixture of coal and other materials as a fuel;