DEPARTMENT OF ENVIRONMENTAL QUALITY
Permitting and Compliance Division
Air Resources Management Bureau
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DRAFT ENVIRONMENTAL ASSESSMENT (EA)

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LEGISLATIVE ENVIRONMENTAL POLICY OFFICE

Issued For: Thompson River Co-Gen, L.L.C.
285 – 2nd Avenue West North
Kalispell, MT 59901

Air Quality Permit Number: 3175-03

Preliminary Determination Issued: February 10, 2006
Department's Decision Issued:
Permit Final:

1. *Legal Description of Site*: The TRC facility is located in Section 13, Township 21 North, Range 29 West, Sanders County, Montana.

2. *Description of Project*: In accordance with the requirements of the Montana Environmental Policy Act (MEPA) the Department must conduct a systematic interdisciplinary analysis of state actions that have or may have an impact on the human environment affected by a state action. In this case, the state action would be the modification of existing permitted TRC operations. In line with the requirements of MEPA, the Department conducted the following EA for the state action described in this section. The current permit action would allow for modification of the previously permitted TRC operations. Based on the information contained in the complete permit application submitted to the Department on January 4, 2006, and the Department's analysis, the following modifications would be made to Permit #3175-02 under the current permit action:

- Removal of the requirement that the installed sulfur dioxide (SO_2) control equipment meet or exceed 90% SO_2 reduction;
- Modification of the SO_2 control strategy language to specify a general flue gas desulfurization (FGD) unit;
- Modification of the existing SO_2 BACT emission limit of 0.220 pounds per million British thermal unit (lb/MMBtu) based on a 1-hr average to 0.206 lb/MMBtu based on a 30-day rolling average;
- Removal of the BACT determined SO_2 emission limit of 42.42 pounds per hour (lb/hr);
- Inclusion of a worst-case 1-hr maximum SO_2 emission rate of 72.3 lb/hr, considering process-specific factors;
- Inclusion of a SO_x continuous emissions monitoring system (CEMS);
- Modification of the existing oxides of nitrogen (NO_x) BACT determined emission rate of 0.178 lb/MMBtu based on a 1-hr average to 0.178 lb/MMBtu based on a 3-hr average;
- Removal of the BACT determined NO_x emission limit of 34.32 lb/hr;
- Inclusion of a worst-case 1-hr NOx maximum emission rate of 47.24 lb/hr, considering process-specific factors;
- Inclusion of NO_x BACT requirement for SNCR and combustion controls;
- Modification of the hourly boiler heat input limit of 192.8 MMBtu/hr to 192.8 MMBtu/hr based on a 3-hr average and maintenance of the annual boiler heat input limit of 1,688, 928 MMBtu/yr based on a rolling 12-month average;
- Removal of the steam production limit of 130,000 lb/hr; and

- Removal of the boiler baghouse fan flow rate of 40,513 dry-standard cubic feet per minute (dscfm).

A more detailed analysis of the Department's action is contained in Section I.D of the permit analysis to this permit.

3. *Objectives of Project*: The purpose of the current permit action would be to allow for proposed changes in required control equipment, applicable emission limits, and facility operations, as appropriate, to bring the constructed facility into compliance with the Montana Clean Air Act of Montana through appropriate permitting of constructed facilities.

4. *Description of Alternatives*: The Department could deny issuance of the modified air quality permit and require that TRC comply with their existing permit. The only other alternative considered was for the Department to take no action. The "no-action" alternative and denial of the permit action were dismissed because TRC demonstrated, to the Department's satisfaction, compliance with all applicable rules and standards as required for modified permit issuance. Furthermore, TRC submitted modeling demonstrating that the project, as proposed, would not cause or contribute to an exceedance of any ambient air quality standard.

5. *A Listing of Mitigation, Stipulations and Other Controls*: A list of enforceable conditions and a BACT analysis would be contained in Permit #3175-03.

6. *Regulatory Effects on Private Property*: The Department considered alternatives to the conditions imposed in this permit as part of the permit development. The Department determined that the permit conditions are reasonably necessary to ensure compliance with applicable requirements and demonstrate compliance with those requirements and do not unduly restrict private property rights.

7. The following table summarizes the potential physical and biological effects of the proposed project on the human environment. The "no-action alternative" was discussed previously.

		Major	Moderate	Minor	None	Unknown	Comments Included
A	Terrestrial and Aquatic Life and Habitats			X			Yes
B	Water Quality, Quantity, and Distribution			X			Yes
C	Geology and Soil Quality, Stability and Moisture			X			Yes
D	Vegetation Cover, Quantity, and Quality			X			Yes
E	Aesthetics			X			Yes
F	Air Quality			X			Yes
G	Unique Endangered, Fragile, or Limited Environmental Resources			X			Yes
H	Demands on Environmental Resource of Water, Air and Energy			X			Yes
I	Historical and Archaeological Sites			X			Yes
J	Cumulative and Secondary Impacts			X			Yes

SUMMARY OF COMMENTS ON POTENTIAL PHYSICAL AND BIOLOGICAL EFFECTS: The following comments have been prepared by the Department.

A. Terrestrial and Aquatic Life and Habitats

Any impacts resulting from the proposed project to terrestrial and aquatic life and habitats would be minor because all proposed activities would take place within the defined TRC property boundary, an existing industrial site. Further, minor impact to the surrounding area from the air emissions (see Section VI of the permit analysis) would be realized due to dispersion of pollutants.

Terrestrials (such as deer, antelope, rodents, and insects) would use the general area of the facility. The area around the facility would be fenced to limit access to the facility. The fencing would likely not restrict access from all animals that frequent the area, but it may discourage some animals from entering the facility property. Further, because other industrial sources, including the Thompson River Lumber Company (TRL) and a solid waste disposal facility are located directly adjacent to the proposed TRC property boundary, terrestrials that routinely inhabit the area are accustomed to the industrial character of the site. Therefore, any impacts to terrestrial and aquatic life and habits due to the proposed modified construction and operation of the TRC facility would have minor and typical impacts.

Further, potential increased short-term (lb/hr based on a 1-hr average) emissions of NO_x and SO_2 from the proposed permit modification would result in minor impacts to existing terrestrial and aquatic life and habits in the immediate area (see Section VI of the permit analysis and Section 7.F of this EA). The ambient air quality impact analysis of the air emissions from this facility indicates that worst-case impacts from the TRC emissions on land or on surface water would be minor. However, the Department determined, based on TRC's past SO_2 reduction performance, that an SO_2 CEMS would be justified for the proposed project, especially considering the longer-term SO_2 emission limit averaging times deemed BACT under the current permit action. The Department believes that the relatively small amount of air impact would correspond to an equally small amount of deposition in the surrounding area; therefore, any impacts to terrestrial and aquatic life and habits from deposition of air pollutants would be minor.

Overall, any impacts to terrestrial and aquatic life and habits from TRCs proposed permit modifications including construction activities, normal operations resulting in air emissions and deposition of air emissions, and waste-water storage and water use, would be minor.

B. Water Quality, Quantity, and Distribution

Any impacts resulting from the proposed project to water quality, quantity, and distribution would be minor because all proposed activities would take place within the defined TRC property boundary, an existing industrial site. Further, minor impact to the surrounding area from the air emissions (see Section VI of the permit analysis) would be realized due to dispersion of pollutants.

Minor impacts to water quality would result from the proposed TRC modification because the modification would result in increased short-term (lb/hr based on a 1-hr average) allowable air emissions of NOx and SO_2. Increased emissions from the proposed permit modification would result in minor impacts to existing water resources in the immediate area (see Section VI of the permit analysis and Section 7.F of this EA). The ambient air quality impact analysis of the air emissions from this facility indicates that worst-case impacts from the TRC emissions on surface water would be minor and the Department believes that the relatively small amount of air impact would correspond to an equally small amount of deposition in the surrounding water resources; therefore, any impacts to water resources from deposition of air pollutants would be minor.

Further, the nature of TRC operations potentially allows for harmful industrial spills to occur at the TRC site. Any accidental spills or leaks from equipment would be subject to the appropriate environmental regulations; therefore, the Department determined that any accidental spills would result in only minor impacts to water quality, quantity, and distribution in the area.

Overall, any impacts to water quality, quantity, and distribution from TRCs proposed permit modifications, including construction activities, normal operations resulting in air emissions and deposition of air emissions, and waste-water storage and water use, would be minor.

C. Geology and Soil Quality, Stability, and Moisture

Any impacts resulting from the proposed project to geology and soil quality, stability, and moisture would be minor because all proposed activities would take place within the defined TRC property boundary, an existing industrial site. Further, minor impact to the surrounding area from the air emissions (see Section VI of the permit analysis) would be realized due to dispersion of pollutants.

The impacts from the proposed TRC permit modification to the geology and soil quality, stability, and moisture of the project area would be minor because the facility is a constructed, but non-operational facility. Therefore, since the majority of the facility has already been constructed, little additional ground disturbance and construction activities would be required to accommodate the proposed permit modification. Under the proposed permit modification, TRC did propose some changes to control equipment, which may result in modified construction activities and some disturbance to various areas within the TRC site. However, TRC constructed the facility on leased property previously used for industrial purposes, specifically for lumber manufacturing operations, and, as previously described, the overall nature of the area is industrial. Therefore, the Department determined that the relatively small portion of land that may be disturbed under the permit modification would result in only minor and typical industrial impacts to the existing geology and soil quality, stability and moisture of the project area.

Further, increased short-term (lb/hr based on a 1-hr average) allowable air emissions of NO_x and SO_2 from the proposed permit modification would result in minor impacts to existing geology and soil quality, stability and moisture in the immediate area (see Section VI of the permit analysis and Section 7.F Of this EA). Because TRC operations would maintain compliance with the applicable ambient air quality standards, the Department believes that the relatively small amount of air impact would correspond to an equally small amount of deposition in the surrounding area; therefore, any impacts to the geology and soil quality, stability, and moisture of the project area from deposition of air pollutants would be minor.

Overall, any impacts to the geology and soil quality, stability and moisture of the project area from TRCs proposed permit modifications, including construction activities and normal operations resulting in air emissions and deposition of air emissions would be minor.

D. Vegetation Cover, Quantity, and Quality

Any impacts resulting from the proposed project to vegetation cover, quantity, and quality would be minor because all proposed activities would take place within the defined TRC property boundary, an existing industrial site. Further, minor impact to the surrounding area from the air emissions (see Section VI of the permit analysis) would be realized due to dispersion of pollutants.

Minor impacts to vegetation cover, quantity, and quality would result from the proposed TRC modification because the modification would result in changed facility equipment operations and increased short-term (lb/hr based on a 1-hr average) allowable air emissions of NO_x and SO_2

resulting in increased deposition of those pollutants on existing vegetation. The impacts from the proposed TRC permit modification to the vegetation cover, quantity, and quality of the project area would be minor because the facility is a constructed, but non-operational facility. Therefore, since the majority of the facility has already been constructed, little additional existing vegetation disturbance would be required to accommodate the proposed permit modification. Under the proposed permit modification, TRC did propose some changes to control equipment, which may result in modified construction activities and some disturbance to various areas within the TRC site. However, TRC constructed the facility on leased property previously used for industrial purposes, specifically for lumber manufacturing operations. The area in question was previously used as a log storage yard that routinely underwent industrial surface disturbance; therefore, existing on-site vegetation currently consists of transient vegetation that would not be affected by the proposed construction modifications. Therefore, the Department determined that the relatively small portion of land that may be disturbed under the permit modification would result in only minor and typical industrial impacts to the existing vegetation cover, quantity, and quality of the project area.

Further, increased short-term NO_x and SO_2 emissions from the proposed permit modification would result in minor impacts to existing vegetation cover, quantity, and quality of the project area (see Section VI of the permit analysis and Section 7.F of this EA). The ambient air quality impact analysis of the air emissions from this facility indicates that worst-case impacts from the TRC emissions on vegetation would be minor. Because TRC operations would maintain compliance with the applicable ambient air quality standards, the Department believes that the relatively small amount of air impact would correspond to an equally small amount of deposition in the surrounding area; therefore, any impacts to vegetation cover, quantity, and quality of the project area from deposition of air pollutants would be minor.

Overall, any impacts to the vegetation cover, quantity, and quality of the project area from TRCs proposed permit modifications, including construction activities and normal operations resulting in air emissions and deposition of air emissions would be minor.

E. Aesthetics

Minor impacts to the aesthetic nature of the area would result from the proposed TRC modification because the modification would result in changed facility control equipment and increased short-term (lb/hr based on a 1-hr average) allowable air emissions of NO_x and SO_2. The changed emission control equipment would be visible from locations around the TRC site. However, because the proposed area of construction is located in a previously disturbed industrial location with a solid waste transfer station and lumber sawmill in relatively close proximity, any aesthetic impacts would be minor and consistent with current industrial land use of the area.

The facility would be visible from MT Highway 200 (approximately ¼ mile to the north), a small residential subdivision (approximately ¾ mile west/southwest), an individual residence (approximately ½ mile west), and may be visible from the Clark Fork River (approximately ¼ mile south and located in the river valley below the proposed site). However, as previously cited, the proposed permit modification would potentially result in only a minor amount of new construction with the majority of TRC structures already built thereby resulting in only a minor impact to the aesthetic nature of the area.

Overall, any impacts to the aesthetic nature of the project area from TRCs proposed permit modifications, including construction activities and normal operations resulting in air emissions and deposition of air emissions would be minor.

F. Air Quality

The air quality impacts from the construction and operation of the proposed modified facility would be minor because Permit #3175-03 would include conditions limiting emissions of air pollution from the source. Specifically, the current permit action would include conditions limiting NO_x, SO_2, and hydrochloric acid gas (HCl) emissions through the application of emission limits and control strategies established under the BACT determination process conducted for the proposed permit modification. In addition, the permit analyzed and established a BACT control strategy for sulfuric acid mist (H_2SO_4) and mercury (Hg) emissions. Lead emissions were evaluated as part of the application process for the initial air quality Permit #3175-00; however, because potential uncontrolled lead emissions from the boiler were shown to be negligible, the permit did not limit these emissions. Under the proposed permit modification, the Department determined that lead emissions would not appreciably increase and would remain negligible; therefore, no further analysis was conducted for potential lead emissions from the proposed permit modification. A summary of the BACT analysis and determination conducted for the proposed permit modification is contained in Section III of the permit analysis to Permit #3175-01. Further, the operations would be limited by Permit #3175-03 to criteria pollutant emissions of less than 250 tons per pollutant during any rolling 12-month time period from non-fugitive sources at the plant.

In addition, the Department determined, based on the ambient air quality dispersion modeling analysis conducted for the proposed permit modification, that the impact from the proposed permit modification would be minor (see Section VI of permit analysis to this permit). The Department believes that facility changes considered under the proposed permit modification would not cause or contribute to a violation of any ambient air quality standard. The Clean Air Act, which was last amended in 1990, requires the U.S. Environmental Protection Agency (EPA) to set national ambient air quality standards (NAAQS) for pollutants considered harmful to public health and the environment (Criteria Pollutants: carbon monoxide (CO), NO_x, Ozone (O_3), Lead (Pb), particulate matter with an aerodynamic diameter less than or equal to 10 microns (PM_{10}), and SO_2). In addition, Montana has established equally protective or, in some cases, more stringent standards for these pollutants termed Montana ambient air quality standards (MAAQS). The Clean Air Act established two types of NAAQS, Primary and Secondary. Primary Standards set limits to protect public health, including, but not limited to, the health of "sensitive" populations such as asthmatics, children, and the elderly. Secondary Standards set limits to protect public welfare, including, but not limited to, protection against decreased visibility, damage to animals, crops, vegetation, and buildings. Primary and Secondary Standards are identical with the exception of SO_2 which has a less stringent Secondary Standard. The air quality classification for the immediate area of proposed TRC operation is considered "Unclassifiable or Better than National Standards" (40 CFR 81.327) for all pollutants. The closest nonattainment area is the Thompson Falls PM_{10} nonattainment area located approximately 1.6 miles (2.7 kilometers) west/northwest of the TRC site location.

Overall, any impacts to the air quality of the project area from TRCs proposed permit modifications, including construction activities, normal operations resulting in air emissions and deposition of air emissions would be minor and in compliance with all applicable MAAQS and NAAQS.

G. Unique Endangered, Fragile, or Limited Environmental Resources

Under the initial TRC Permit Action #3175-00, the Department contacted the Montana Natural Heritage Program (MNHP) in an effort to identify any species of special concern associated with the proposed site location. Search results concluded there are 5 such environmental resources in the area. Area in this case is defined by the township and range of the proposed site, with an additional one-mile buffer. The species of special concern identified by MNHP include the

oncorhynchus clarki lewisi (Westslope Cutthroat Trout), *salvelinus confluentus* (Bull Trout), *felis lynx* (Lynx), *ursus arctos horribilis* (Grizzly Bear), and *clarkia rhomboidia* (Common Clarkia). While the previously cited species of special concern have been identified within the defined area, the MNHP search did not indicate any species of special concern located directly on the proposed site.

The proposed site of construction/operation has historically been used for industrial purposes. Proposed permit modification construction and operational activities would take place within a 6-acre plot of land, leased by TRC and located within the existing 165-acre TRL mill property boundary. Because industrial operations have been ongoing within the existing TRL property boundary for an extended period of time (exceeding 50 years) and potential permitted emissions from the proposed facility show compliance with all applicable air quality standards, it is unlikely that any of these species of special concern would be affected by the proposed project.

Overall, any impacts to any unique endangered, fragile, or limited environmental resources locating in or near the project area from TRC's proposed permit modifications, including construction activities, normal operations resulting in air emissions and deposition of air emissions would be minor.

H. Demands on Environmental Resource of Water, Air, and Energy

Demands on environmental resources of water, air, and energy would be minor. As previously discussed, the proposed permit modification would increase short-term (lb/hr based on a 1-hr average) allowable air emissions of NO_x and SO_2; however, air dispersion modeling demonstrated compliance with the MAAQS/NAAQS. Therefore, any impacts to air resources in the area would be minor and would be in compliance with applicable standards. Any impacts to local the air resource would be minor as demonstrated through the ambient air quality impact analysis conducted for the proposed permit modification.

Regarding impacts to the environmental resource of water, the proposed permit action does not include any increase in the demand for water. Therefore, any impacts to the demand for water resources in the affected area associated with TRC operations has already been analyzed under previous permit actions and determined to be minor.

Further, under the current permit action, additional energy associated with the construction and operation of new emission control strategies may be used at the facility; therefore, minor impacts to energy would occur. TRC would produce approximately 16.5 MW of power with a majority being sold and sent directly to the power grid and the remaining power purchased and used by TRL and TRC facility operations.

Overall, any impacts to the demands on the environmental resources of water, air, and energy from TRCs proposed permit modifications would be minor.

I. Historical and Archaeological Sites

Under the initial Permit Action #3175-00, conducted in 2001, in an effort to identify any historical and archaeological sites near the proposed project area, the Department contacted the Montana Historical Society, State Historic Preservation Office (SHPO). According to SHPO, the absence of recorded cultural/historical properties in the search locale may be due to a lack of previous inventory. Due to the potential for minor additional ground disturbance from the proposed project and the low topography of the area, the potential for the presence of historical/cultural sites that could be impacted by the project does exist. Therefore, SHPO recommended that a cultural resource inventory be conducted prior to project initiation. However, neither the Department nor SHPO has the authority to require TRC to conduct a

cultural resource inventory. The Department determined that due to the previous industrial disturbance in the area (the area is an active industrial site with multiple occasions for industrial disturbance) and the small amount of land disturbance that may be required for the proposed permit modification, it is unlikely that any undisturbed existing historical or cultural resource exists in the area and if these resources did exist, any impacts would be minor due to previous industrial disturbance in the area.

J. Cumulative and Secondary Impacts

Overall, any cumulative and secondary impacts from the proposed permit modification on the physical and biological resources of the human environment in the immediate area would be minor due to the fact that the predominant use of the surrounding area would not change as a result of the proposed project. The Department believes that this facility could be expected to operate in compliance with all applicable rules and regulations as would be outlined in Permit #3175-03.

8. The following table summarizes the potential economic and social effects of the proposed project on the human environment. The "no action alternative" was discussed previously.

		Major	Moderate	Minor	None	Unknown	Comments Included
A	Social Structures and Mores				X		Yes
B	Cultural Uniqueness and Diversity				X		Yes
C	Local and State Tax Base and Tax Revenue			X			Yes
D	Agricultural or Industrial Production				X		Yes
E	Human Health			X			Yes
F	Access to and Quality of Recreational and Wilderness Activities			X			Yes
G	Quantity and Distribution of Employment			X			Yes
H	Distribution of Population			X			Yes
I	Demands for Government Services			X			Yes
J	Industrial and Commercial Activity			X			Yes
K	Locally Adopted Environmental Plans and Goals				X		Yes
L	Cumulative and Secondary Impacts			X			Yes

SUMMARY OF COMMENTS ON POTENTIAL ECONOMIC AND SOCIAL EFFECTS: The following comments have been prepared by the Department.

A. Social Structures and Mores
B. Cultural Uniqueness and Diversity

The proposed permit modification would not cause a disruption to any native or traditional lifestyles or communities (social structures or mores) or impact the cultural uniqueness and diversity of the area because the proposed modification would not change the current industrial nature of proposed TRC operation or the overall industrial nature of the area of operation. The predominant use of the surrounding area would not change as a result of the proposed project. The proposed modification of the TRC facility would be consistent with the current industrial use of the previously permitted TRC facility. In addition, the overall industrial nature of the surrounding area, as a whole, would not be altered by the proposed TRC permit modification, as the area currently facilitates other industrial sources including the TRL operation and a solid waste transfer station both of which are located directly adjacent to the TRC site, as well as an existing gravel pit in the greater surrounding area.

C. Local and State Tax Base and Tax Revenue

The proposed permit modification would result in minor impact to the local state tax base or tax revenue because the plant would be able to begin normal operations again thereby providing for jobs, which were previously discontinued due to TRC's inability to comply with the existing air quality permit. However, any impacts would be minor because, regardless of the modified equipment and operational practices, TRC would still be responsible for all appropriate state and county taxes imposed upon the business operation. In addition, TRC employees, and any temporary construction/contract workers employed by TRC for the purpose of constructing the modified facility, would continue to add to the overall income base of the area.

D. Agricultural or Industrial Production

The proposed permit changes would not displace or otherwise affect any agricultural land or practices. The proposed site of construction and operation was previously used as a log storage yard by TRL and has since accommodated the construction of the TRC facility. In addition, the proposed modifications would result in only a minor and beneficial impact on local industrial production because TRC would be allowed to resume operations as a result of the proposed permit modification. TRC would provide power and steam for normal operations at TRL.

E. Human Health

There would be minor potential effects on human health due to the increased short-term (lb/hr based on a 1-hr average) allowable air emissions of NO_x and SO_2 requested under the proposed permit modification. However, Permit #3175-03 would include conditions to ensure that the facility would be operated in compliance with all applicable rules and standards. These rules and standards are designed to be protective of human health.

As detailed in Section 7.F of this EA, the Clean Air Act established two types of NAAQS, Primary and Secondary. Primary Standards set limits to protect public health, including, but not limited to, the health of "sensitive" populations such as asthmatics, children, and the elderly. Under the proposed permit modification, TRC conducted an ambient air quality impact analysis demonstrating that TRC operations, as proposed under the permit modification, would comply with all applicable ambient air quality standards thereby protecting human health. Overall, the Department determined, based on the ambient air impact analysis for the proposed permit modification, that any impact to public health would be minor.

F. Access to and Quality of Recreational and Wilderness Activities

The proposed permit modifications and overall TRC operations would not affect access to any recreational or wilderness activities in the area. After permit modification, the TRC operation would continue to be located within the 165-acre plot that was previously used for TRL's lumber mill operations. The area is comprised of private property with no public access and would continue in this state after modification of the permit.

The proposed operations may have a minor effect on the quality of recreational or wilderness activities in the area by it's physical and visible presence and by creating additional noise and/or odors in the area. However, as previously stated, the area in question is currently utilized for industrial purposes and would not change from the current industrial status as a result of the proposed project.

G. Quantity and Distribution of Employment
H. Distribution of Population

The proposed permit modification would result in minor impacts to the quantity and distribution of employment in the area and/or the distribution of population in the area because the project would allow TRC to continue previously discontinued employment opportunities for approximately 15 full-time positions, upon completion of the modified facility. Construction employment may realize a small increase, as the proposed permit modification may require the construction of changed air emissions control equipment. Any increased construction employment would be temporary thereby minimizing any impact to the quantity and distribution of employment and the distribution of population in the area. Overall, any impact to the quantity and distribution of employment and distribution of population in the area would be minor as a result of the proposed permit modification.

I. Demands on Government Services

Demands on government services from the proposed permit modification would be minor because TRC would be required to procure the appropriate permits (including local building permits and a state air quality permit) and any permits for the associated activities of the project. Further, compliance verification with those permits would also require minor services from the government.

In addition, minor increases may be seen in traffic on existing roads in the area during the construction phase of the proposed permit modifications. As the proposed site is within an existing industrial location, employee water and sewage disposal facilities would continue to be connected to existing water and sewer sources. Further, all process water needs for the facility operations would remain unchanged as a result of the proposed permit modification. All spent water (waste-water) would continue to be discharged to an evaporation pond to be located on site and would therefore not require the use of any county or state services, including permitting. Overall, any demands on government services resulting from the proposed permit modification would be minor.

J. Industrial and Commercial Activity

The proposed permit modification would change various aspects of the previously permitted TRC operations but would not result in an overall change in facility purpose; therefore, the proposed permit modification would not impact any industrial or commercial activity in the area beyond those impacts already realized through the initial Permit Action #3175-00.

K. Locally Adopted Environmental Plans and Goals

The City of Thompson Falls is a PM_{10} nonattainment area. The PM_{10} nonattainment area boundary is located approximately 1.6 miles (2.7 kilometers) west/northwest of the proposed modified facility. However, the proposed permit modification does not propose any change in allowable PM_{10} emissions. Therefore, the proposed permit modification would not contribute to the nonattainment status of the area. Because the proposed permit modification would not allow any additional PM_{10} emissions, the Department determined that the proposed permit modification would not adversely impact the local Thompson Falls PM_{10} nonattainment area.

The Department is unaware of any other locally adopted Environmental plans or goals. The state air quality standards would protect air quality at the proposed site and the environment surrounding the site.

L. Cumulative and Secondary Impacts

Overall, cumulative and secondary impacts from the proposed permit modification on the economic and social resources of the human environment in the immediate area would be minor due to the fact that the predominant use of the surrounding area would not change as a result of the proposed project. The Department believes that this facility could be expected to operate in compliance with all applicable rules and regulations as would be outlined in Permit #3175-03.

Recommendation: An EIS is not required.

If an EIS is not required, explain why the EA is an appropriate level of analysis: The current permit action is for the modification of an existing and permitted electrical-steam co-generation plant. Permit #3175-03 includes conditions and limitations to ensure the facility will operate in compliance with all applicable rules and regulations. In addition, there are no significant impacts associated with this proposal.

Other groups or agencies contacted or which may have overlapping jurisdiction: Montana Historical Society – State Historic Preservation Office, Natural Resource Information System – Montana Natural Heritage Program, Montana Department of Natural Resources and Conservation, Montana Department of Environmental Quality – Water Protection Bureau.

Individuals or groups contributing to this EA: Department of Environmental Quality – Air Resources Management Bureau, Montana Historical Society – State Historic Preservation Office, Natural Resource Information System – Montana Natural Heritage Program, Montana Department of Natural Resources and Conservation, Montana Department of Environmental Quality – Water Protection Bureau.

EA prepared by: M. Eric Merchant, MPH
Date: February 2, 2006