

AIR QUALITY PERMIT

Issued To: Keller Logging, Inc.
P.O. Box 1134
Eureka, MT 59917

Permit #3828-00
Application Complete: 5/10/06
Preliminary Determination Issued: 5/30/06
Department Decision Issued: 6/16/06
Permit Final:
AFS #777-3828

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**LEGISLATIVE ENVIRONMENTAL
POLICY OFFICE**

An air quality permit, with conditions, is hereby granted to Keller Logging, Inc. (Keller), pursuant to Sections 75-2-204 and 211, Montana Code Annotated (MCA), as amended, and the Administrative Rules of Montana (ARM) 17.8.740, *et seq.*, as amended, for the following:

Section I: Permitted Facilities

A. Permitted Equipment

Keller operates a portable crushing and screening facility consisting of two portable crushers (up to a combined 270 tons per hour (TPH)), a portable screening plant (up to 270 TPH), three diesel-fired generators (up to a combined 365 horsepower (hp)), and associated equipment.

B. Plant Location

Keller will initially be located in the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 14, Township 36 North, Range 27 West, in Keller, Montana. However, Permit #3828-00 applies while operating at any location in Montana, except those areas having a Department of Environmental Quality (Department)-approved permitting program, areas considered tribal lands, or areas in or within 10 kilometers (km) of certain particulate matter with an aerodynamic diameter of 10 microns or less (PM₁₀) nonattainment areas. *A Missoula County air quality permit will be required for locations within Missoula County, Montana.* Keller shall comply with the attached addendum when operating in locations in or within 10 km of certain PM₁₀ nonattainment areas.

Section II: Limitations and Conditions

A. Operational Limitations and Conditions

1. Keller shall not cause or authorize to be discharged into the atmosphere from any Standards of Performance for New Stationary Sources (NSPS)-affected crusher, any visible emissions that exhibit an opacity of 15% or greater averaged over six consecutive minutes (ARM 17.8.340, ARM 17.8.752, and 40 CFR 60, Subpart OOO).
2. Keller shall not cause or authorize to be discharged into the atmosphere from any other NSPS-affected equipment, such as screens or conveyor transfers, any visible emissions that exhibit an opacity of 10% or greater averaged over six consecutive minutes (ARM 17.8.340, ARM 17.8.752, and 40 CFR 60, Subpart OOO).
3. Keller shall not cause or authorize to be discharged into the atmosphere, from any non-NSPS affected equipment, any visible emissions that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes (ARM 17.8.308 and ARM 17.8.752).

4. Water and water spray bars shall be available on site at all times and operated, as necessary, to maintain compliance with the opacity limitations in Sections II.A.1, 2, and 3 (ARM 17.8.752).
5. Keller shall not cause or authorize to be discharged into the atmosphere from any street, road, or parking lot any visible fugitive emissions that exhibit an opacity of 20% or greater (ARM 17.8.308 and ARM 17.8.752).
6. Keller shall treat all unpaved portions of the haul roads, access roads, parking lots, or general plant area with water and/or chemical dust suppressant as necessary to maintain compliance with the reasonable precautions limitation in Section II.A.5 (ARM 17.8.749).
7. Keller shall not operate more than two crushers at any given time and the combined maximum rated design capacity of the crushers shall not exceed 270 TPH (ARM 17.8.749).
8. Crushing production from the facility shall be limited to 2,365,200 tons during any rolling 12-month time period (ARM 17.8.749).
9. Keller shall not operate more than one 2-deck screen at any given time and the maximum rated design capacity of the screen shall not exceed 270 TPH (ARM 17.8.749).
10. Screening production from the facility shall be limited to 2,365,200 tons during any rolling 12-month time period (ARM 17.8.749).
11. Keller shall not operate more than three diesel engines/generators at any given time and the maximum combined rated design capacity shall not exceed 365 hp (ARM 17.8.749).
12. If the permitted equipment is used in conjunction with any other equipment owned or operated by Keller, at the same site, production shall be limited to correspond with an emission level that does not exceed 250 tons of emissions during any rolling 12-month time period. Any calculations used to establish production levels shall be approved by the Department (ARM 17.8.749).

B. Testing Requirements

1. Within 60 days after achieving maximum production, but no later than 180 days after initial start-up, an Environmental Protection Agency (EPA) Method 9 opacity test and/or other methods and procedures as specified in 40 CFR 60.675 must be performed on all NSPS affected equipment to demonstrate compliance with the emission limitations contained in Section II.A.1 and II.A.2 (ARM 17.8.340 and 40 CFR 60, General Provisions and Subpart OOO).
2. All compliance source tests shall conform to the requirements of the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106).
3. The Department may require further testing (ARM 17.8.105).

VI. Air Quality Impacts

Keller applied for an air quality permit to operate a portable crushing/screening plant to be located at various locations throughout Montana. Permit #3828-00 and Addendum #1 will cover the Keller crushing/screening plant while operating at any location within Montana, excluding those counties that have a Department-approved permitting program and those areas considered tribal lands. Based on the information provided, the amount of controlled emissions generated by this facility will not exceed any ambient air quality standard. In addition, this source is portable and any air quality impacts will be minimal.

VII. Taking or Damaging Implication Analysis

As required by 2-10-101 through 105, Montana Code Annotated (MCA), the Department conducted a private property taking and damaging assessment and determined there are no taking or damaging implications.

VIII. Environmental Assessment

An environmental assessment, required by the Montana Environmental Policy Act, was completed for this permitting action. A copy is attached.

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

Issued For: Keller Logging, Inc.
P.O. Box 1134
Eureka, MT 59917

Permit Number: 3828-00

Preliminary Determination Issued: May 30, 2006

Department Decision Issued: June 16, 2006

Permit Final:

1. *Legal Description of Site:* Keller submitted an application to operate a portable crushing/screening plant located in the SW¼ of the SW¼ of Section 14, Township 36 North, Range 27 West, in Eureka, Montana. Permit #3828-00 would apply while operating at any location in Montana, except within those areas having a Department-approved permitting program, those areas considered to be tribal lands, or those areas in or within 10 km of certain PM₁₀ nonattainment areas. An addendum to this air quality permit would be required if Keller intends to locate in or within 10 km of certain PM₁₀ nonattainment areas. *A Missoula County air quality permit would be required for locations within Missoula County, Montana.* Keller shall comply with the attached addendum when operating in locations in or within 10 km of certain PM₁₀ nonattainment areas.
2. *Description of Project:* The permit applicant proposes the construction and operation of a portable crushing and screening facility consisting of two portable crushers (up to a combined 270 tons per hour (TPH)), a portable screening plant (up to 270 TPH), three diesel-fired generators (up to a combined 365 horse power (hp)), and associated equipment.
3. *Objectives of Project:* The object of the project would be to produce material to be used for various construction projects. The issuance of Permit #3828-00 would allow Keller to operate the permitted equipment at various locations throughout Montana.
4. *Additional Project Site Information:* In many cases, this crushing and screening operation may move to a general site location or open cut pit, which has been previously permitted through the Industrial and Energy Minerals Bureau (IEMB). If this were the case, additional information for the site would be found in the Mined Land Reclamation Permit for that specific site.
5. *Alternatives Considered:* In addition to the proposed action, the Department considered the "no-action" alternative. The "no-action" alternative would deny issuance of the air quality preconstruction permit to the proposed facility. However, the Department does not consider the "no-action" alternative to be appropriate because Keller demonstrated compliance with all applicable rules and regulations as required for permit issuance. Therefore, the "no-action" alternative was eliminated from further consideration.

6. *A Listing of Mitigation, Stipulations, and Other Controls:* A listing of the enforceable permit conditions and a Permit Analysis, including a BACT analysis, would be contained in Permit #3828-00.
7. *Regulatory Effects on Private Property Rights:* The Department considered alternatives to the conditions imposed in this permit as part of the permit development. The Department determined the permit conditions would be reasonably necessary to ensure compliance with applicable requirements and to demonstrate compliance with those requirements and would not unduly restrict private property rights.
8. *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 Resource			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

Terrestrials would use the same area as the crushing and screening operation. The crushing and screening operation would be considered a minor source of emissions, by industrial standards, with intermittent and seasonal operations. Therefore, only minor effects on terrestrial life would be expected as a result of equipment operations or from pollutant deposition.

Impacts on aquatic life could result from storm water runoff and pollutant deposition, but such impacts would be minor as the facility would be a minor source of emissions (with seasonal and intermittent operations) and only minor amounts of water would be used for pollution control. Since only a minor amount of air emissions would be generated, only minor deposition would occur. Therefore, only minor and temporary effects to aquatic life and habitat would be expected from the proposed crushing/screening operation.

B. Water Quality, Quantity, and Distribution

Water would be used for dust suppression on the surrounding roadways and areas of operation and for pollution control for equipment operations. However, water use would only cause a minor impact to the water quality, quantity, and distribution in the area, since only small amounts of water would be required to control air pollutant emissions and deposition of air pollutants (as described in Section 8.F of this EA).

C. Geology and Soil Quality, Stability, and Moisture

Because the facility would be a minor source of emissions by industrial standards and would typically operate in areas previously designated and used for aggregate crushing, impacts from the emissions from the crushing facility would be minor.

The crushing and screening operation would have only minor impacts on soils in any proposed site location (due to the construction and use of the crushing facility) because the facility is relatively small in size, would use only relatively small amounts of water for pollution control, and would only have seasonal and intermittent operations. Therefore, any affects upon geology and soil quality, stability, and moisture at any proposed operational site would be minor.

D. Vegetation Cover, Quantity, and Quality

Because the facility would be a minor source of emissions by industrial standards and would typically operate in areas previously designated and used for aggregate crushing, impacts from the emissions from the crushing and screening facility would be minor.

As described in Section 8.F of this EA, the amount of air emissions from this facility would be minor. As a result, the corresponding deposition of the air pollutants on the surrounding vegetation would also be minor. Also, because the water usage is minimal, as described in Section 8.B, and the associated soil disturbance is minimal, as described in Section 8.C, corresponding vegetative impacts would be minor.

E. Aesthetics

The crushing and screening operation would be visible and would create additional noise while operating in these areas. However, Permit #3828-00 would include conditions to control emissions, including visible emissions, from the plant. Also, because the crushing and screening operation is portable and would operate on an intermittent and seasonal basis, would typically locate within an open-cut pit, any visual and noise impacts would be minor and short-lived.

F. Air Quality

The air quality impacts from the crushing and screening operations would be minor because the facility is relatively small. Permit #3828-00 would include conditions limiting the opacity from the plant, as well as requiring water spray bars and other means to control air pollution. Further, Permit #3828-00 would limit total emissions from the crushing and screening operation and any additional Keller equipment operated at the site to 250 tons/year or less, excluding fugitive emissions.

This facility would be used on a temporary and intermittent basis, thereby further reducing potential air quality impacts from the facility. Additionally, the small and intermittent amounts of deposition generated from the crushing/screening operation would be minimal because the pollutants emitted would be well controlled, widely dispersed (from such factors as wind speed and wind direction) and would have minimal deposition on the surrounding area. Therefore, air quality impacts would be minor.

G. Unique Endangered, Fragile, or Limited Environmental Resources

The Department, in an effort to assess any potential impacts to unique, endangered, fragile, or limited environmental resources in the initial proposed area of operation, contacted the Montana Natural Heritage Program (MNHP). Search results concluded there are such environmental resources found within the defined area. The defined area, in this case, is defined by the township and range of the proposed site, with an additional one-mile buffer.

Oncorhynchus clarki lewisi (Westslope Cutthroat Trout), *Contopus cooperi* (Olive-sided flycatcher), *Lynx canadensis* (Lynx), *Salvelinus confluentus* (Bull Trout), and *Spizella breweri* (Brewer's Sparrow) are species of concern in the area. These species potential location has been identified both within and outside the defined area. However, given the relatively small size of the facility and the temporary and portable nature of the operations, any impacts would be minor and short-lived. Additionally, operational conditions and limitations within Permit #3828-00 would aid in the protection of these resources by protecting the surrounding environment. Therefore, impacts to unique, endangered, fragile, or limited environmental resources would be minor.

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

Due to the size of the facility, the crushing and screening operation would require only small quantities of water, air, and energy for proper operation. Small quantities of water would be used for dust suppression and would control particulate emissions being generated at the site. Energy requirements would also be small because the energy demands of the crushing and screening operation would be relatively small and the facility would not be used continuously. The facility would have limited production, and would have seasonal and intermittent use. In addition, impacts to air resources would be minor because the source is small by industrial standards, with intermittent and seasonal operations, and because air pollutants generated by the facility would be widely dispersed. Therefore, any impacts to water, air, and energy resources in any given area would be minor.

I. Historical and Archaeological Sites

In an effort to identify any historical and archaeological sites located near the proposed project area, the Department contacted the Montana Historical Society, State Historic Preservation Office (SHPO). According to SHPO records, there are a few previously recorded sites within the designated search locales. The absence of more cultural properties in the area does not mean that they do not exist but rather may reflect the lack of previous cultural resource inventory in the area, as records indicated only a few. The Department determined that the chance of the project impacting any historical and archaeological sites in the area would be minor due to the relatively small size of the project and that the crushing and screening operation would typically take place within an open-cut pit that has been permitted through the Opencut Program of the Department.

J. Cumulative and Secondary Impacts

The crushing and screening operation would cause minor cumulative and secondary impacts to the physical and biological aspects of the human environment because the facility would generate emissions of PM and PM₁₀. Noise would also be generated from the site. Emissions and noise would cause minimal disturbance because the equipment is small and the facility would be expected to operate in areas designated and used for such operations. Additionally, this facility, in combination with the other emissions from equipment operations at the operational site, would not be permitted to exceed 250 tons per year of non-fugitive emissions. Overall, any cumulative or secondary impacts to the physical and biological aspects of the human environment would be minor.

9. *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 Department has prepared the following comments.

A. Social Structures and Mores

The crushing and screening operation would cause minor impacts to the social structures and mores in the area because the source is a minor source (by industrial standards) and would only have intermittent operations. Further, the facility would be a minor source of air pollution and would be required to operate according to the conditions that would be placed in Permit #3828-00. Thus, minor impacts on native or traditional communities and minor impacts upon social structures would result from the proposed project’s operations.

B. Cultural Uniqueness and Diversity

The cultural uniqueness and diversity of these areas would expect minor impacts by the proposed crushing and screening operation. The facility would be considered a portable/temporary source with seasonal and intermittent operations. Therefore, predominant use of the surrounding areas would not change as a result of this project.

C. Local and State Tax Base and Tax Revenue

The crushing and screening operation would have little, if any, impact on the local and state tax base and tax revenue because the facility would be a relatively small industrial source (minor source) and would be used on a seasonal and intermittent basis. The facility would require the use of only a few employees. Thus, only minor, if any, impacts to the local and state tax base and revenue could be expected from the employees and facility production. Furthermore, the impacts to local tax base and revenue would be minor because the source would also be portable and the money generated for taxes would be widespread.

D. Agricultural or Industrial Production

The crushing and screening operation would have only a minor impact on local industrial production since the facility is a minor source of emissions (by industrial standards) and would typically locate in an existing open-cut pit. There could be minor effects on agricultural land but, the facility operations would be small and temporary in nature, and would be permitted with operational conditions and limitations that would minimize impacts upon surrounding vegetation (as described in Section 8.D of this EA).

E. Human Health

Permit #3828-00 would incorporate conditions to ensure that the crushing facility would operate in compliance with all applicable air quality rules and standards. These rules and standards are designed to be protective of human health. As described in Section 8.F. of this EA, the air emissions from this facility would be minimized by the use of water spray and other conditions that would be established in Permit #3828-00, though the facilities air emissions would be quite small without the use of pollution controls. Therefore, only minor impacts would be expected upon human health from the proposed crushing/screening facility.

F. Access to and Quality of Recreational and Wilderness Activities

The crushing plant would typically operate within the confines of an existing open-cut pit. Therefore, only minor impacts upon the access to and quality of recreational and wilderness activities would result. Additionally, noise from the facility would be minor because the facility would typically operate within the confines of an existing open-cut pit. Also, the facility would operate on a seasonal and intermittent basis and would be relatively small by industrial standards. Therefore, any changes in the quality of recreational and wilderness activities created by operating the equipment at a given site would be expected to be minor and intermittent.

G. Quantity and Distribution of Employment

The portable crushing and screening operation is small and would require a few employees to operate with an increase of only 2-3 employees expected. The crushing and screening operation is a small, portable source, with seasonal and intermittent operations and would be expected to have minor affects upon the quantity and distribution of employment in any given area of operation. Therefore, minor impacts upon the quantity and distribution of employment in these areas would be expected.

H. Distribution of Population

The portable crushing and screening operation is small and would only require a few employees to operate. Also, no individuals would be expected to permanently relocate to a given area of operation as a result of operating the crushing facility, which would have only intermittent and seasonal operations. Therefore, the crushing facility would not disrupt the normal population distribution in a given area of operation.

I. Demands of Government Services

Minor increases would be seen in traffic on existing roadways in a given area while the crushing and screening operation is in progress. In addition, government services would be required for acquiring the appropriate permits from government agencies and determining compliance with the permits. Demands for government services would be minor.

J. Industrial and Commercial Activity

The crushing and screening operation would represent only a minor increase in the industrial activity in any given area because the source would be a minor source (relatively small in size by industrial standards) and would be portable and temporary in nature. No additional industrial or commercial activity would be expected as a result of the proposed operation.

K. Locally Adopted Environmental Plans and Goals

The Department is not aware of any locally adopted environmental plans and goals that would affect Keller. The facility would be allowed, by permit, to operate in areas designated by EPA as attainment or unclassified. The facility would be allowed to operate, under Addendum #1 to Permit #3828-00, in locations in or within 10 km of certain PM₁₀ nonattainment areas. Permit #3828-00 and Addendum #1 would contain limits for protecting air quality and to keep facility emissions in compliance with any applicable ambient air quality standards. Because the facility would be a small and portable source, and would have intermittent and seasonal operations, any effects from the facility would be minor and short-lived.

L. Cumulative and Secondary Impacts

The crushing and screening operation would cause minor cumulative and secondary impacts to the social and economic aspects of the human environment in the immediate areas of operation because the source is a portable and temporary source. Minor increases in traffic would have minor effects on local traffic in the immediate areas, thus, having a direct effect on the social environment. Because the source is relatively small and temporary, only minor economic impacts to the local economy would be expected from operating the facility. Thus, only minor and temporary cumulative effects would result to the local economy.

Recommendation: An EIS is not required.

If an EIS is not required, explain why the EA is an appropriate level of analysis: All potential effects resulting from construction and operation of the proposed facility are minor; therefore, an EIS is not required.

Other groups or agencies contacted or which may have overlapping jurisdiction: Department of Environmental Quality - Permitting and Compliance Division (Industrial and Energy Minerals Bureau); Montana Natural Heritage Program; and the State Historic Preservation Office (Montana Historical Society).

Individuals, or groups, contributing to this EA: Department of Environmental Quality (Air Resources Management Bureau), Montana State Historic Preservation Office (Montana Historical Society), and Montana Natural Heritage Program.

EA prepared by: Vickie Walsh

Date: 5/9/06