



PRELIMINARY DETERMINATION
ON PERMIT APPLICATION

Date of Mailing: June 20, 2008

Name of Applicant: Kootenai Paving and Construction, Inc.

Source: Portable asphalt plant

Proposed Action: The Department of Environmental Quality (Department) proposes to issue a permit, with conditions, to the above-named applicant. The application was assigned Permit Application Number 3099-03.

Proposed Conditions: See attached.

Public Comment: Any member of the public desiring to comment must submit such comments in writing to the Air Resources Management Bureau (Bureau) of the Department at the above address. Comments may address the Department's analysis and determination, or the information submitted in the application. In order to be considered, comments on this Preliminary Determination are due by July 21, 2008. Copies of the application and the Department's analysis may be inspected at the Bureau's office in Helena. For more information, you may contact the Department.

Departmental Action: The Department intends to make a decision on the application after expiration of the Public Comment period described above. A copy of the decision may be obtained at the above address. The permit shall become final on the date stated in the Department's Decision on this permit, unless an appeal is filed with the Board of Environmental Review (Board).

Procedures for Appeal: Any person jointly or severally adversely affected by the final action may request a hearing before the Board. Any appeal must be filed by the date stated in the Department's Decision on this permit. The request for a hearing shall contain an affidavit setting forth the grounds for the request. Any hearing will be held under the provisions of the Montana Administrative Procedures Act. Submit requests for a hearing in triplicate to: Chairman, Board of Environmental Review, P.O. Box 200901, Helena, MT 59620.

For the Department,

Vickie Walsh
Air Permitting Program Supervisor
Air Resources Management Bureau
(406) 444-3490

Christine A. Weaver
Air Quality Specialist
Air Resources Management Bureau
(406) 444-5287

VW:cw:vs
Enclosures

DEPARTMENT OF ENVIRONMENTAL QUALITY
Permitting and Compliance Division
Air Resources Management Bureau
P.O. Box 200901, Helena, MT 59620
(406) 444-3490

DRAFT ENVIRONMENTAL ASSESSMENT (EA)

Issued To: Kootenai Paving and Construction, Inc.
P.O. Box 643
Libby, Montana 59923

Air Quality Permit Number: #3099-03

Preliminary Determination Issued: June 20, 2008

Department Decision Issued:

Permit Final:

1. *Legal Description of Site:* This permit is for the operation of a portable asphalt plant originally located in Section 34, Township 31 North, Range 31 West, in Lincoln County, Montana. Permit #3099-03 would apply while operating at any location in Montana, except within those areas having a Department-approved permitting program or those areas considered tribal lands. Addendum 3 is included in this air quality permit, to allow Kootenai to operate 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.*
2. *Description of Project:* This permit modification removes a diesel generator and adds two newer diesel generators with engines that total up to 619 hp. Further, the Department updated the emission inventory for the permitted facility to reflect up-to-date published emission factors for hot-mix asphalt plants and changed the allowable production rates to maintain the synthetic minor status.
3. *Objectives of the Project:* To permit newer diesel generators to allow operation of the facility with that power source.
4. *Alternatives Considered:* In addition to the proposed action, the Department also 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 Kootenai demonstrated compliance with all applicable rules and regulations as required for permit issuance. Therefore, the "no-action" alternative was eliminated from further consideration.
5. *A listing of Mitigation, Stipulations, and Other Controls:* A list of enforceable conditions, including a Best Available Control Technology analysis, would be contained in Permit #3099-03.
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 effects of the proposed project on the human environment. The "no-action" alternative has been discussed previously.

Potential Physical and Biological Effects							
		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 areas in which the diesel generators operate. However, the diesel generators alone would present only minor effects to the terrestrial life in the area because of the temporary nature of the operation. Also, the area in question is an existing gravel pit permitted through the Industrial and Energy Minerals Bureau (IEMB). Therefore, only minor effects on terrestrial life and aquatic life would be expected as a result of the proposed changes of equipment operations or from pollutant deposition.

B. Water Quality, Quantity, and Distribution

Only minor effects on water quality would be expected as a result of additional pollutant deposition from the two diesel generators. No additional surface water or ground water quality impacts are expected as a result of using the diesel generators, or from any accidental spills or leaks, because it is previously disturbed industrial area. There are no proposed changes that would have an impact on surface water, groundwater, or drainage patterns on or off site. Overall, any associated impacts would be minor.

C. Geology and Soil Quality, Stability, and Moisture

The proposed addition of two diesel generators would have only minor impacts on soils in any proposed site location because the facility would remain a relatively small industrial operation, would continue to use only relatively small amounts of water for pollution control, and would only have seasonal and intermittent operations.

D. Vegetation Cover, Quantity, and Quality

The existing vegetative cover would be slightly impacted by the diesel generator emissions due to pollutant deposition and the type of pollutants generated by the generators. However, given that the operations would occur in a previously disturbed industrial gravel pit and the relatively small size and portable nature of the facility, any impacts would be minor.

E. Aesthetics

The new generators would be visible and would create additional noise in the area. However, Permit #3099-03 and Addendum 3 would include conditions to control emissions from the generators. The generators would have a minor amount of emissions, would be portable, would have seasonal and intermittent operations, and the primary location would be within an existing open cut pit. Therefore, any visual and noise impacts would be minor.

F. Air Quality

The air quality impacts from the new generators would be minor because Permit #3099-03 and Addendum 3 would include conditions limiting the plant operation. Additionally, the generators would be considered a minor source of air pollution by industrial standards and would be located in an area where good air pollutant dispersion would occur. Therefore, the air impacts would be minor.

The facility operations would be limited, by Permit #3099-03, to total emissions of 250 TPY or less of any regulated pollutant from non-fugitive sources at the plant, including any additional equipment operated at the site. Furthermore, the generator engines would be subject to BACT. Also, the generators would have temporary and intermittent use, and have annual restrictions on the hours of use, thereby further reducing potential air quality impacts from the facility. Therefore, air quality impacts would be minor.

G. Unique Endangered, Fragile, or Limited Environmental Resources

The Department contacted the Montana Natural Heritage Program (MNHP) in an effort to identify any species of special concern that may be found in the area where the proposed modification will occur. Search results have concluded that there are ten species of concern in the area. Area, in this case, will be defined by the township and range of the proposed site, with an additional 1-mile buffer. The species of special concern are the gray wolf, fisher, Canada lynx, wolverine, Bald Eagle, Bull Trout, Columbia River Redband Trout, Coeur d'Alene Salamander, Geyer's Biscuitroot, and Torrent Sculpin.

Since the gray wolf, fisher, Canada lynx, and wolverine are regional, it is unlikely that the proposed modifications to an existing facility would have any impact on these animals.

There are potential nesting sites for Bald Eagles within a 2.5-mile radius of the proposed initial area of operation. All breeding areas where nest sites are within 10 miles of the nearest neighbor may be considered a "cluster" (1994 Bald Eagle Management Plan). While the proposed area of operation may be within a nesting site cluster, the critical breeding time period is typically between February 1 and April 15. Because the diesel engines associated with the portable asphalt operations are temporary sources and typically operate seasonally, there is less potential for these diesel generators to have an effect on the breeding habits of bald eagles.

Since the Redband Trout, the Bull Trout, Coeur d'Alene Salamander, and Geyer's Biscuitroot

are not located directly on, or in the immediate area surrounding the site, these species would not be directly affected by the proposed project.

Lastly, the Torrent Sculpin is a vertebrate animal (*Cottus rhotheus*) that is listed as a Species of Concern with habitat within the same section, township & range as the proposed project. However, the modifications allowed by this permitting action do not expand the footprint of the facility, and should have no impact on this species. Furthermore, the facility would be required to minimize impacts by operating under Addendum 3, of Permit #3099-03. Additionally, other similar facilities are already allowed to operate in the same area, so no new types of disturbances are being introduced into the area. Therefore, it is unlikely that any of the listed species of concern would be directly affected by the proposed project.

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

The diesel engines would only require small quantities of air and energy for proper operation, due to the size of the facility. Generally, the operations are seasonal, which would result in even smaller demands on the environmental resources. Thus, any impacts would be minor.

I. Historical and Archaeological Sites

Operation of the two diesel engines, as part of the permitted asphalt operation, typically take place within a previously disturbed industrial open-cut pit. According to previous correspondence with the Montana State Historic Preservation Office, there would be low likelihood of disturbance to any known archaeological or historic site given any previous industrial disturbance in the area. Therefore, the addition of the two diesel engines would not affect any historic or archaeological site.

J. Cumulative and Secondary Impacts

The diesel engine operations would cause minor cumulative and secondary impacts to the physical and biological environment in the immediate area because their operations generate emissions of particulate matter, PM₁₀, NO_x, VOC, CO, SO_x, and noise. Such effects would typically be seasonal, because the source is a portable, temporary source.

The Department recognizes that the area in and around Libby is contaminated with asbestos materials. However, because the pit is currently available for use by other facilities, allowing Kootenai to add two diesel generators to their operations within the site would not result in any new impacts to the immediate and surrounding area. Air pollution from this facility would be controlled by Permit #3099-03 and Addendum 3.

There is a potential for other operations to locate at this site. However, any operations would have to apply for and receive the appropriate permits from the Department prior to operation.

These permits would address the environmental impacts associated with the operations at the proposed site. Kootenai's asphalt operations would be limited by Permit #3099-03 to total particulate emissions of 250 tons per year or less from non-fugitive asphalt operations and any other additional equipment used at the site.

8. The following table summarizes the potential effects of the proposed project on the human environment. The "no-action" alternative has been discussed previously.

Potential Social and Economic Effects							
		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 SOCIAL AND ECONOMIC EFFECTS:

The following comments have been prepared by the Department.

A. Social Structures and Mores

The addition of two diesel generators to the portable asphalt operation would cause no disruption to the social structures and mores in the area because the source is small and temporary.

B. Cultural Uniqueness and Diversity

The addition of two diesel generators to the portable asphalt operations would not have an adverse impact on the cultural uniqueness and diversity of the area of operation because the facility is a small, temporary source that would be operating in a permitted open cut pit.

C. Local and State Tax Base and Tax Revenue

The addition of two diesel generators to the portable asphalt operations would have little, if any, effects on local and state tax base and tax revenue because the facility would be temporary source. The issuance of Permit #3099-03 is not expected to create additional employment to the area. Potential impacts would only be minor and temporary.

D. Agricultural or Industrial Production

The addition of two diesel generators to the portable asphalt operations would occur within a previously disturbed industrial area. Because they would operate within a permitted open cut pit, upon completion of the operations, the area would be reclaimed, as specified, by the

Industrial and Energy Minerals Bureau (IEMB). Further, these portable operations are small by industrial standards and, thus, would have only a minor impact on local industrial production.

E. Human Health

Permit #3099-03 would incorporate conditions to ensure that the asphalt operations, including the new diesel generators, would be operated in compliance with all applicable rules and standards. These rules and standards are designed to be protective of human health. Since these conditions would be incorporated, only minor impacts would be expected from this asphalt plant.

F. Access to and Quality of Recreational and Wilderness Activities

The additional two diesel generators as part of the permitted asphalt operations would not affect any access to recreational and wilderness activities. However, minor effects to the quality of recreational activities might be created by the noise from the site.

G. Quantity and Distribution of Employment

The addition of two diesel generators to the asphalt operations would not affect the quantity of employment in the area because the issuance of Permit #3099-03 is not expected to create new employment for the area. The source is a small, portable source so potential change to the distribution of employment in the area would only be minor and temporary.

H. Distribution of Population

Given the relatively small size of the generators, and limited hours of operation, it is not expected that the activities from the asphalt operations would disrupt the normal population distribution in the area. Additionally, the source would be locating in an existing and active gravel pit. Thus, no new types of sources would be introduced to the area.

I. Demands of Government Services

Government services may be required for acquiring the appropriate permits from government agencies for the installation of the two diesel generators. Demands for government services would be minimal.

J. Industrial and Commercial Activity

The addition of two diesel generators for the asphalt operation would represent only a minor increase in the industrial activity in the given area because of the small size of the operations and the portable and temporary nature of the facility. No additional industrial or commercial activity is expected as a result of the diesel generators.

K. Locally Adopted Environmental Plans and Goals

The Department is not aware of any locally adopted environmental plans or goals that would affect the proposed project. The state standards would protect the proposed site and the environment surrounding the site.

L. Cumulative and Secondary Impacts

The addition of two diesel generators to the existing asphalt operation would cause minor cumulative and secondary impacts to the social and economic environment in the immediate area. Such effects would typically be seasonal, because the source is a portable, temporary source. Because the source is a relatively small, temporary source only minor economic increases to the local economy could be expected. 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 #3169-03.

Recommendation: No EIS is 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. In addition, the source would be applying the Best Available Control Technology and operational requirements associated with a non-attainment area addendum to the permit. Permit #3099-03 includes conditions and limitations that, if properly applied, would safeguard the surrounding environment.

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

Individuals or groups contributing to this EA: Department of Environmental Quality - Permitting and Compliance Division (Air Resources Management Bureau) and Montana Natural Heritage Program.

EA prepared by: Christine A. Weaver

Date: May 22, 2008