Montana Department of
ENVIRONMENTAL QUALITY
Brian Schweitzer, Governor
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January 21, 2009

Jeff Briggs
Environmental Manager
Smurfit-Stone Container Enterprises Inc.
P.O. Box 4707
Missoula, MT 59806

Dear Mr. Briggs:

Air Quality Permit #2589-14 is deemed final as of January 21, 2009, by the Department of Environmental Quality (Department). This permit is for the Missoula Mill. All conditions of the Department's Decision remain the same. Enclosed is a copy of your permit with the final date indicated.

For the Department,

Vickie Walsh

Vickie Walsh
Air Permitting Program Supervisor
Air Resources Management Bureau
(406) 444-9741

Moriah Peck

Moriah Peck
Environmental Engineer
Air Resources Management Bureau
(406) 444-4267

VW:MAP
Enclosure

DEPARTMENT OF ENVIRONMENTAL QUALITY
Permitting and Compliance Division
Air Resources Management Bureau
P.O. Box 200901, Helena, Montana 59620
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FINAL ENVIRONMENTAL ASSESSMENT (EA)

Issued To: Stone-Stone Container Enterprises, Inc.
14377 Pulp Mill Road
P.O. Box 4707
Missoula, MT 59806-4707

Air Quality Permit Number: 2589-14

Preliminary Determination Issued: 12/16/08
Department Decision Issued: 1/5/09
Permit Final: 1/21/09

1. *Legal Description of Site*: NW¼, Section 24, Township 14 North, Range 21 West, Missoula County, Montana.

2. *Description of Project*: On November 14, 2008, the Department received a complete application from Smurfit-Stone to modify MAQP #2589-13. In this application, Smurfit-Stone requested to install a 300 ton capacity soda ash storage silo with an associated pneumatic truck unloading station and mixing equipment to mix dry soda ash into a solution suitable for addition to green liquor.

3. *Objectives of Project*: To replace sodium losses in the pulping process, the mill currently uses caustic in liquid form as a make-up chemical. Caustic is becoming increasingly more expensive and difficult to acquire. In response to the increasing costs and decreasing availability of caustic, the mill intends to install a soda ash system for use as a make-up chemical.

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 Smurfit-Stone 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 BACT analysis, would be included in MAQP #2589-14.

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

The area surrounding Smurfit-Stone's Missoula Mill is abundant in both wildlife and bird species. Common wildlife species that have been observed around the 2,900 acres of the mill include whitetail and mule deer, moose, fox, coyotes, raccoons, skunks, ducks, Canadian geese, osprey, pheasants, doves, nighthawks, turkey vultures, and shorebirds. No additional impact on terrestrial or aquatic habitat would be expected from the proposed project. The project would occur in an already disturbed (industrial) area.

B. Water Quality, Quantity and Distribution

Water or weak wash would be used to hydrate the soda ash for addition to the process. All water used in the process would be treated in the Mill's wastewater treatment plant before being discharged to state waters. No additional impacts to the Mill's discharge permit would be expected from this source. Therefore, the project would have only minor impacts on water quality, water quantity, and distribution.

C. Geology and Soil Quality, Stability and Moisture

Minor impacts would occur on the geology and soil quality, stability, and moisture from the proposed project because construction would be required to complete the project. However, because the project would occur at an existing industrial site in a previously disturbed area, any

impacts to the geology and soil quality, stability, and moisture from facility construction would be minor.

D. Vegetation Cover, Quantity, and Quality

This permitting action would have a minor effect on vegetation cover, quantity, and quality. The proposed project would affect an existing, industrial property that has already been disturbed. No additional vegetation on the site would be disturbed for the project. The increase in potential levels of PM/PM_{10}, NO_x, SO_2, CO, and VOC from historical emission levels might have a minor effect on the surrounding vegetation; however, the air quality permit associated with this project contains limitations to minimize the effect of the emissions on the surrounding environment. Overall, any impacts to vegetation cover, quantity, and quality would be minor.

E. Aesthetics

The proposed project would be constructed in an area that has previously been disturbed and already has noise associated with its operation. The construction involved in the project would be limited to the construction of the soda ash storage silo, associated pneumatic truck unloading station, and mixing equipment. Therefore, only minor impacts to aesthetics would be anticipated.

F. Air Quality

There would be air quality impacts resulting from the proposed project. The installation of the soda ash storage silo, associated pneumatic truck unloading station, and mixing equipment would result in increased PM/PM_{10} emissions. In addition, there would be an increase in lime production from the kilns, resulting in additional emissions from the recaustizing process (lime kilns and slakers). The net emissions increases associated with the project would be as shown in the table below.

	PM/PM_{10}	**NO_x**	**SO_2**	**CO**	**VOC**
Potential Emissions Increases (TPY)	13.3	36.9	3.9	3.8	1.0

Deposition of pollutants would occur as a result of the project. However, the Department determined that any air quality impacts from deposition would be minor due relatively small amount of pollutants emitted and to the conditions that would be placed in MAQP #2589-14.

G. Unique Endangered, Fragile, or Limited Environmental Resources

In an effort to identify any unique endangered, fragile, or limited environmental resources in the area, the Department contacted the Montana Natural Heritage Program, Natural Resource Information System (NRIS). The NRIS search identified the following species of special concern located near the project area: Bald Eagle, Peregrine Falcon, Grasshopper Sparrow, Westslope Cutthroat Trout, Bull Trout, Gray Wolf, Fisher, Wolverine, Canada Lynx, and Western Skink. In this case, the project area was defined by the section, township, and range of the location with an additional 1-mile buffer zone. Because this project would occur at an existing industrial site, the Department determined that it would be unlikely that the proposed project would impact any species of special concern and that any potential impacts would be minor.

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

This project would not consume any significant additional energy or water resources. Further, as described in Section 7.F. of this EA, pollutant emissions generated would have minimal impacts on air quality in the immediate and surrounding area. This project would result in a

minor effect on the air resource, but resulting emissions would still be expected to comply with ambient air quality standards.

I. Historical and Archaeological Sites

This project would not disturb a greater land surface than is already occupied by the Mill and would occur within the boundaries of the Mill. The Department contacted the Montana Historical Society - State Historical Preservation Office (SHPO) in an effort to identify any historical and/or archaeological sites that may be present in the proposed area of construction and operation. SHPO conducted a cultural resource file search of the proposed area, and found no previously recorded sites within the designated search locales. It is SHPO's position that there is a low likelihood cultural properties would be impacted by this project and that a cultural resource inventory is unwarranted at this time. Therefore, no impacts to any historical and archaeological sites would be anticipated.

J. Cumulative and Secondary Impacts

Overall, the cumulative and secondary impacts from the proposed project would be minor. No additional facilities would be expected to locate in the area due to the proposed project. Impacts to air, soil, and water quality would be minimized by conditions that would be placed in MAQP #2589-14.

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

The proposed facility would not cause a disruption to any native or traditional lifestyles or communities (social structures or mores) in the area because the project would be constructed at a previously disturbed, industrial site. The proposed project would not change the nature of the site.

B. Cultural Uniqueness and Diversity

The proposed project would not cause a change in the cultural uniqueness and diversity of the area because the land is currently an industrial site (specifically, a pulp and paper mill); therefore, the land use would not be changing.

C. Local and State Tax Base and Tax Revenue

This project would have no effect on the local or state tax base or tax revenue because this project would not increase overall capacity at the Smurfit-Stone facility.

D. Agricultural or Industrial Production

The proposed project would not result in a reduction of available acreage or productivity of any agricultural land; therefore, agricultural production would not be affected. Industrial production would also not change, because overall capacity of the Smurfit-Stone facility would not be changing.

E. Human Health

As described in Section 7.F of the EA, the impacts from this facility on human health would be minor. The air quality permit for this facility incorporates 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.

F. Access to and Quality of Recreational and Wilderness Activities

This project would not result in any changes in access to and quality of recreational and wilderness activities.

G. Quantity and Distribution of Employment

The proposed project would not result in any impacts to the quantity or distribution of employment at the facility or surrounding community. No employees would be hired at the facility as a result of the project.

H. Distribution of Population

The proposed project does not involve any significant physical or operational change that would affect the location, distribution, density, or growth rate of the human population.

I. Demands for Government Services

The demands on government services would experience a minor impact. The primary demand on government services would be the acquisition of the appropriate permits by the facility (including local building permits, as necessary, and a state air quality permit) and compliance verification with those permits by government personnel.

J. Industrial and Commercial Activity

The level of industrial and commercial activity would not change because the facility would remain within historical levels of production.

K. Locally Adopted Environmental Plans and Goals

The Missoula City-County Air Pollution Control Program is an active Air Pollution Control Program that will be provided a copy of the Department's preliminary determination and associated environmental assessment. The proposed permit would not affect the locally adopted environmental plans and goals.

L. Cumulative and Secondary Impacts

Overall, the cumulative and secondary impacts from this project on the social and economic aspects of the human environment would be minor. Health impacts of the facility might see a minor impact due to the small increase in actual emissions. The project is associated with an existing facility and would not change the culture or character of the area.

Recommendation: No Environmental Impact Statement (EIS) is required.

If an EIS is not required, explain why the EA is an appropriate level of analysis: The current permitting action is for the construction and operation of a soda ash storage silo, associated pneumatic truck unloading station, and mixing equipment. MAQP #2589-14 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

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

EA prepared by: Moriah Peck
Date: December 5, 2008