Montana Department of
ENVIRONMENTAL QUALITY
Brian Schweitzer, Governor
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PRELIMINARY DETERMINATION
ON PERMIT APPLICATION

Date of Mailing: May 12, 2009

Name of Applicant: CAP Paving Incorporated

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 4206-02.

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 June 11, 2009. 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
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VW:SH
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: CAP Paving Inc.

Air Quality Permit number: 4206-02

Preliminary Determination Issued: 05/12/09
Department Decision Issued:
Permit Final:

1. *Legal Description of Site:* The asphalt plant would initially operate at NE¼ of Section 35, Township 10 North, and Range 3 West, in Lewis and Clark County, Montana. However, Permit #4206-02 would also apply while operating at any location in Montana, except within those areas having a Department approved permitting program or those areas in or within 10 km of certain PM_{10} nonattainment areas. *A Missoula County air quality permit would be required for locations within Missoula County, Montana.*

2. *Description of Project*: On April 6, 2009, Capitol Gravel and Asphalt, LLC (CAP) submitted a complete permit application requesting a modification to Montana Air Quality Permit (MAQP) #4206-01 to replace the currently permitted 350 horsepower diesel engine/generator with a 490 hp diesel engine/generator.

3. *Objectives of Project*: The objective of the proposed project is to permit the appropriate size of engine necessary for equipment operation.

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 CAP has 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 #4206-02.

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:

Emissions from the diesel-powered generator/engine would have only minor impacts upon the terrestrial and aquatic life and habitats in areas where the generators/engines may operate. Although air pollutant deposition would occur in the areas where the generators/engines operate, the size and temporary nature of the operation, dispersion characteristics of pollutants, and conditions placed in MAQP #4206-02 would result in minor impacts. In addition, the generator/engine would be relatively small and located at previously disturbed sites. Therefore, the operation of the generators/engine would present only minor impacts to the terrestrial and aquatic life and habitats in areas of potential operation.

B. Water Quality, Quantity and Distribution:

There would only be minor impacts on the water quality, quantity, and distribution because of the relatively small size and nature of the project. While deposition of pollutants would occur, the Department determined that any impacts from deposition of pollutants would be minor. As described in 7.F. of the EA, due to the conditions placed in MAQP #4206-02 and the size and nature of the project, the maximum impacts from the air emissions as a result of the project would be minor. Therefore, the diesel-powered generator/engine would have only minor impacts to water quality, quantity, and distribution in the proposed area of operation.

C. Geology and Soil Quality, Stability and Moisture:

As a result of the operation of the portable diesel-powered generator/engine, there would be minor impacts to the geology and soil quality, stability, and moisture near the equipment's operational area because of the increased vehicle traffic and deposition of pollutants from portable generator operations. As explained in Section 7.F. of this EA, the generator/engine size, operational requirements, temporary nature of the operation, and conditions placed in MAQP #4206-02 would minimize the impacts from deposition. In addition, the

generator/engine would be relatively small in size and located at previously disturbed sites, which would also reduce the potential impact to the local geology and soil quality, stability, and moisture.

D. Vegetation Cover, Quantity, and Quality:

Previous MEPA analysis for the permitted gravel pit identified Wedge-Leaved Saltbush, Lesser Rushy Milvetch and Small Yellow Lady's Slipper as potentially impacted species of concern. The analysis for permitting of the gravel pit concluded potential impacts to these plants were insignificant. Research for this MEPA analysis did not identify additional species of concern. Since no additional land disturbance is included in this proposed action and only minor amounts of air pollutions are anticipated, potential impacts to these species habitats, quantity and quality, would be minor.

E. Aesthetics:

The diesel-powered generator/engine would potentially be visible from Highways 282 and 12. However, the profile of the equipment associated with the asphalt plant will be partially obstructed because its profile will be recessed within the permitted gravel pit. Additionally, MAQP #4206-02 would include provisions to control emissions, including visible emissions, from the generator/engine. The generator/engine would be relatively small and temporary and would be used to power the portable asphalt facility at previously disturbed sites. Therefore, any aesthetic impact to a given area would be minor and temporary.

The diesel-powered generator/engine would create noise pollution during operation. However, the generator/engine would be recessed from the surrounding topography within the gravel pit which would naturally mitigate horizontal noise propagation to receptors. Therefore, potential impacts to aesthetics due to noise are expected to be minor.

F. Air Quality:

The air quality emission impacts from the diesel-powered generator/engine would be minor because MAQP #4206-02 would include conditions limiting the visible emissions from the equipment. In addition, the facility's potential emissions are less than 100 tons per year for any pollutant, resulting in the facility not requiring a Title V Operating Permit. Because of the size and temporary nature of the operation and conditions placed in MAQP #4206-02, impacts from the deposition of pollutants would be minor.

Small amounts of deposition generated from the generator/engine 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 result in only minor impacts to the surrounding environment. Similarly air pollutant deposition and impacts due to emissions from the generator/engine would be temporary because the facility is not permitted to remain in one location more than 12 months. Overall, any air quality impacts resulting from the proposed project operation would be minor.

G. Unique, Endangered, Fragile, or Limited Environmental Resources:

The Department, in an effort to assess any potential impacts to any unique endangered, fragile, or limited environmental resources in the initial proposed area of operation (NE¼ of Section 35, Township 10 North, and Range 3 West, in Lewis and Clark County, Montana), contacted the Natural Resource Information System – Montana Natural Heritage Program. The search area, in this case, is defined by the section, township, and range of the proposed site, with an additional 1-mile buffer. Search results concluded there are four species of concern within the

area. The known species of concern include two vertebrate animals: the Plains Spadefoot (Sensitive) and the Gray Wolf (Endangered), as well as two vascular plants: the Wedge-leaved Saltbush and the Small Yellow Lady's-slipper (Sensitive). The Gray Wolf is in the process of being delisted by the US Fish and Wildlife Service. No sightings of this species have been identified at or within one mile of the subject property. Noise from the operation my have limited impacts on animals within their potential extended range; however, no element occurrences have been document at the subject property or within one mile of the subject property. Additionally, since no additional land disturbance beyond that already permitted for the gravel pit is included in this proposed action, no potential impacts to these limited or sensitive plant species are expected.

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

The operation of the generator/engine would require only small demands on water, air, and energy as a result of the relatively small size and temporary nature of the facility. While small amounts of water would be used for dust control on the surrounding roadways and job site, no water would be needed to operate the generator/engine. Energy requirements would be accommodated through the use of electricity obtained from the diesel-fired engine/generator. Overall, the equipment is relatively small and would have operational restrictions placed in MAQP #4206-02. Because the facility operations would be seasonal and temporary, demands and impacts to the environmental resource of air and energy would be minor.

I. Historical and Archaeological Sites:

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 initial location of the facility. Search results concluded that there are no previously recorded historical or archaeological sites within the area proposed for initial operations. According to the SHPO, there would be a low likelihood of adverse impacts to any known archaeological or historic site. Therefore, no impacts upon historical or archaeological sites would be expected as a result of the generator/engine replacement.

J. Cumulative and Secondary Impacts:

The diesel-powered generator/engine would cause minor cumulative and secondary impacts on the physical and biological environment because the generator would result in emissions of PM, PM_{10}, NO_x, VOCs, CO, and SO_x. However, the Department believes the cumulative impacts to air quality would not violate applicable air quality standards. Similarly, potential impacts to terrestrial and aquatic life and habitat; water quality, quantity and distribution; vegetative quality; aesthetics; and, demands of environmental resources would be minor. Additional noise impacts from the generator/engine would also be minor. As a result of the temporary or seasonal nature of the facility and conditions and limitations contained within MAQP #4206-02, impacts would be minimized.

The diesel-powered generator/engine would typically operate within a previously disturbed open-cut pit and in conjunction with other portable operations. Therefore, there is a low likelihood that operation of the plant in any location would cause significant additional cumulative and secondary impacts given the likelihood of previous industrial disturbance at the given area of operation.

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 operation of the diesel-powered generator/engine would not alter or disrupt any local lifestyles or communities (social structures or mores) in the area of operation because the generator/engine would be relatively small, would operate intermittently, and would be used with the existing permitted equipment at a previously disturbed site. Therefore, the existing social structures and mores would not be affected as a result of this permit action.

B. Cultural Uniqueness and Diversity:
The operation of the diesel-powered generator/engine would cause no disruption to the above-cited economic and social resources or cultural uniqueness and diversity of the human environment in any given area of operation because the source would be a minor industrial source of emissions, would initially and typically operate in an existing industrial site used for such purposes, and would operate on a temporary basis. The predominant use of any surrounding area would not change as a result of the proposed action.

C. Local and State Tax Base and Tax Revenue:

The operation of the diesel-powered generator/engine would have little, if any, impact on the local and state tax base and tax revenue because the facility would be a minor industrial source and would conduct only seasonal and intermittent operations. No full time or permanent employees would be added as a result of issuing MAQP #4206-02. Therefore, the overall local and state tax base and tax revenue of any given area would not change as a result of the proposed project and any associated impacts would be minor.

D. Agricultural or Industrial Production:

The generator/engine would be used at previously disturbed industrial areas and no additional land disturbance is proposed by this action; therefore, the Department would not expect that the permitted operation would impact or displace agricultural production. Furthermore, only minor impacts on any local industrial production would be expected because the operation of the facility (and generator/engine) would be temporary and would be relatively small in size.

E. Human Health:

MAQP #4206-02 would incorporate conditions to ensure that the generator/engine operations would be operated 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 7.F. of this EA, the air emissions from the generator/engine would be minimized through opacity limitations established in MAQP #4206-02. Therefore, any associated impacts to human health would be minor.

F. Access to and Quality of Recreational and Wilderness Activities:

Noise from the facility would be minor because operation of the diesel-powered generator/engine would be small by industrial standards and would initially and typically operate in areas used for such operations. As a result, the amount of noise generated from operation of the generator/engine would be minimal for the area. Therefore, any impacts to the quality of recreational and wilderness activities created by the proposed project would be expected to be minor and short-lived.

G. Quantity and Distribution of Employment:

As a result of the relatively small size and temporary nature of the generator/engine, the quantity and distribution of employment in the area would not be impacted. No full time, permanent employees would be employed as a result of issuing MAQP #4206-02 for the addition of the portable diesel generator/engine.

H. Distribution of Population:

Given the relatively small size and portable nature of the generator/engine being added and the surrounding land usage, the normal population distribution in the area would not be affected.

I. Demands for Government Services:
Although minor increases would be observed in the local traffic on existing roads in the area where the facility operates, the operation of the diesel-powered generator/engine to the existing operations would not result in a need for new, altered, or additional government services**.**

J. Industrial and Commercial Activity:

The operation of the generator/engine would represent only a minor increase in the industrial activity in any given area because of the small size and the portable and temporary nature of the facility; therefore, only minor additional industrial or commercial activity would result from the generator operations.

K. Locally Adopted Environmental Plans and Goals:

The Department is not aware of any locally adopted environmental plans and goals that would be affected by issuing this permit. The applicable state and federal standards would be protective of the environment surrounding the site.

If the plant moved to an area classified as non-attainment for PM_{10}, the operation would be required to apply for and receive an addendum to MAQP #4206-02 prior to operation at the site. The addendum would include more restrictive requirements to protect the non-attainment area from further degradation. The state standards would be protective of any proposed area of operation.

L. Cumulative and Secondary Impacts:

The generator/engine would cause only minor cumulative and secondary impacts to the social and economic aspects of the human environment because of the potential air emissions from the generator and increase in local traffic in the immediate area. No social or economic impacts are anticipated as a result of the project as the project entails replacement of an existing engine/generator only. New businesses would not be drawn to any areas and permanent jobs would not be created or lost as result of the proposed project. Because no new employees would be hired, there would be no economic impacts from new employees. Thus, the operation of the generator/engine would result in only minor cumulative and secondary impacts would result to the social and economic environment.

Recommendation: No EIS is required. MAQP #4206-02 includes conditions and limitations to ensure the facility will operate in compliance with all applicable air quality rules and regulations. In addition, all impacts associated with the proposed action are expected to be insignificant or minor.

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, Industrial and Energy Minerals Bureau; Montana Historical Society – State Historic Preservation Office; Natural Resource Information System – Montana Natural Heritage Program

EA prepared by: Skye Hatten
Date: 04/27/09