



PRELIMINARY DETERMINATION
ON PERMIT APPLICATION

Date of Mailing: November 6, 2009

Name of Applicant: Deer Lodge Asphalt, Inc.

Source: Asphalt Batch 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 2382-01.

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 November 23, 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
(406) 444-3490

Trista Glazier
Air Quality Specialist
Air Resources Management Bureau
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VW:DS
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: Deer Lodge Asphalt, Inc.
1140 Kelley Street
Deer Lodge, MT 59722

Montana Air Quality Permit number: 2382-01

Preliminary Determination Issued: November 6, 2009

Department Decision Issued:

Permit Final:

1. *Legal Description of Site:* Section 27, Township 8 North, and Range 9 West, in Powell County, Montana
2. *Description of Project:* Deer Lodge owns and operates a portable 1960 Pioneer continuous asphalt drum mixer with a maximum production capacity of 125 TPH, an asphalt silo, cold aggregate handling operations, material transfer operations, a 250 hp diesel generator; a propane-fired hot oil heater; and associated equipment and operations.
3. *Objectives of Project:* The objective of construction and operation of the asphalt plant at its initial location is to provide material for support of construction projects.
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 Deer Lodge 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 #2382-01.
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:

At all locations the asphalt plant would typically operate within a previously disturbed open-cut pit used for such purposes. Therefore, there would be a low likelihood of disturbance to any known terrestrial and aquatic life and habitats given any previous industrial disturbance in any given area of operation. Therefore, the asphalt plant would have minor in a given area of operation.

B. Water Quality, Quantity and Distribution:

Water would be used for dust suppression on the surrounding roadways and areas of operation and for emission pollution control during operations. Water use would be relatively small; therefore impacts on water quantity are expected to be minor. No impacts to ground water quality from pollutant infiltration are expected because PM suppression will be on an as-needed basis; saturated conditions will not be maintained within material or along haul roads. The facility has not proposed to discharge industrial waste water to state surface water; furthermore storm water run-off from the facility would be subject to control and permitting under the Montana Pollutant Discharge Elimination System, as applicable. Therefore, potential impact to state water quality, quantity and distribution are expected to be minor at most.

C. Geology and Soil Quality, Stability and Moisture:

Potential impacts to geology and soil quality, stability and moisture were previously analyzed for permitting of construction of the gravel pit. As no additional disturbance is with this permit action, no impacts are expected.

At all locations the asphalt plant would typically operate within a previously disturbed open-cut pit used for such purposes. Therefore, assembly and operation of the plant in any location would probably cause no more than minor impacts to geology and soil quality, stability and moisture given the likelihood of previous industrial disturbance at the given area of operation.

D. Vegetation Cover, Quantity, and Quality:

The asphalt plant would typically operate within a previously disturbed open-cut pit used for such purposes. Therefore, assembly and operation of the plant in any location would cause no more than minor impacts to vegetative cover, quantity and quality given the likelihood of previous industrial disturbance at the given area of operation.

E. Aesthetics:

The proposed facility would be visible. However, the profile of the equipment associated with the asphalt plant would be partially obstructed because its profile would be recessed within the permitted gravel pit. MAQP #2382-01 contains provisions that control visible emissions from the facility. Therefore potential visual impacts to aesthetics would be minor.

The proposed action contains equipment which would create noise during operation. However, the asphalt plant would be recessed from the surrounding topography within the gravel pit which would naturally mitigate horizontal noise propagation to receptors. Operation of the asphalt plant would add limited amounts of noise; however, this noise would be difficult to discern from noise created from operation of equipment associated with the permitted gravel pit. Therefore, potential impacts to aesthetics due to noise are expected to be minor.

The asphalt plant would typically operate within a previously disturbed open-cut pit used for such purposes. Therefore, assembly and operation of the plant in any location would cause no more than minor impacts to aesthetics given the likelihood of previous industrial disturbance at the given area of operation.

F. Air Quality:

The air quality impacts from the asphalt plant operations would be minor because MAQP #2382-01 would include conditions limiting the opacity and particulate emissions from the plant, water spray as necessary, and other means to control air pollution. Further, MAQP #2382-01 would limit total emissions from the asphalt plant operation and any additional equipment owned and operated by Deer Lodge to 250 tons/year or less at any given operating site, excluding fugitive emissions.

Small amounts of deposition generated from the asphalt plant 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 asphalt plant 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 asphalt plant operation would be minor.

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

The Department, in an effort to assess any potential impacts, previously contacted the Montana Natural Heritage Program (MNHP) to identify any species of special concern associated with the proposed site location. Search results indicated that there are 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. Species of concern include *Haliaeetus leucocephalus* (Bald Eagle), *Oncorhynchus clarkii lewisi* (Westslope Cutthroat Trout), *Salvelinus confluentus* (Bull Trout), *Canis Lupis* (Gray Wolf), and *Carex idaho* (Idaho Sedge).

The operation of the asphalt plant would result in the emissions of air pollutants that could result in impacts to these species of concern. However, given the temporary, and portable nature of the operations, any impacts would be minor and short-lived. Additionally, operational conditions and limitations within MAQP #2382-01 would aid in the protection of these resources by protecting the surrounding environment. Therefore, air quality impacts from operating the asphalt plant would be minor.

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

Due to the relatively small size of the facility and relatively low potential to emit regulated air pollutants, the asphalt plant operation would result in only minor demands on the environmental resources of water, air, and energy for normal operations. Small quantities of water would be used for dust suppression and would control particulate emissions generated through equipment operations and vehicle traffic at the site. Energy requirements would be accommodated through the use of electricity obtained via diesel-fired generator. In addition, the asphalt plant operation would be temporary as it is not permitted to remain at this location for more than twelve months. Further, impacts to air resources would be minor because the source would be small by industrial standards, and would generate relatively minor amounts of regulated pollutants through normal operations.

Overall, any impacts to the above-cited physical and biological resource of the human environment of the project area would be minor because the proposed asphalt plant operation would initially and typically operate within areas designated for such operations. Therefore, the overall demand on environmental resource of water, air and energy of the area would not change as a result of the proposed project and any associated impacts would be minor.

I. Historical and Archaeological Sites:

The Department previously 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/operation. According to the response from SHPO, been no previously recorded sites within the designated search locales. However, SHPO indicated there is a low likelihood cultural properties will be impacted. In addition, SHPO felt that a recommendation for a cultural resource inventory would be unwarranted at this time. Therefore, the operation of the asphalt plant would not impact on any known historical or archeological sites.

J. Cumulative and Secondary Impacts:

The asphalt plant would cause minor impacts on the physical and biological environment because the plant would result in emissions of PM, PM₁₀, NO_x, VOCs, CO, and SO₂. As a result of the temporary or seasonal nature of the facility and conditions and limitations contained within MAQP #2382-01, impacts would be minimized. There is 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 site.

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 asphalt plant operation 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 asphalt plant operations 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. The facility would require the use of only a few employees. Thus, only minor 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 be portable and the money generated for taxes would be widespread.

Overall, any impacts to the above-cited economic and social resource of the human environment of any given project area would be minor because the proposed asphalt plant operation would initially and typically operate within areas designated for such operations. 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:

As the asphalt plant would operate primarily in a preexisting open-cut pit, impacts to agricultural or industrial production would be minor and temporary. As no additional land disturbance is proposed by this action, no impacts to agricultural production are expected. Minor impacts to industrial production are expected as the facility described in the proposed action produces a construction material. However, the proposed operation remains relatively small by industrial standards. Overall, potential impacts to agricultural and industrial production are expected to be minor.

E. Human Health:

MAQP #2382-01 is in effect while operating at any location in Montana, except those areas having a Department -approved permitting program, areas considered tribal lands, or areas in or within 10 km of certain PM₁₀ nonattainment areas and would include limits and conditions to ensure that the asphalt plant facility 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.

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

Noise from the facility would be minor because the asphalt plant operation 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 the asphalt plant operation 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. Similarly, the asphalt plant operation would initially and typically operate within areas designated for such operations; therefore, impacts to access to recreational and wilderness areas are expected to be minor or insignificant. Overall potential impacts to access to and quality of recreational and wilderness activities are expected to be minor.

G. Quantity and Distribution of Employment:

H. Distribution of Population:

The proposed asphalt plant operation would require only a few employees to operate thereby resulting in little, if any, permanent immigration into or emigration out of a given area. Therefore, the proposed project would not impact the above-cited economic and social resources of the human environment at the initially proposed or any other given operating site.

I. Demands for Government Services:

Minor increases would be seen in traffic on existing roadways in the area while the asphalt plant operation is in progress. In addition, government services would be required for acquiring the appropriate permits for the proposed project and to verify compliance with the permits that would be issued. Overall, any demands for government services would be minor.

J. Industrial and Commercial Activity:

The asphalt plant operation would represent only a minor increase in the industrial activity in the proposed initial or any future area of operation because the source would be a relatively small industrial source that would be portable and temporary in nature. Very little, if any, additional industrial or commercial activity would be expected as a result of the proposed operation.

Overall, any impacts to industrial and commercial activity of the human environment from the project area would be minor because the proposed asphalt plant operation would initially and typically operate within areas designated for such operations. Therefore, the overall industrial nature of the area would not change as a result of the proposed project and any associated impacts would be minor.

K. Locally Adopted Environmental Plans and Goals:

The Department is not aware of any locally adopted environmental plans or goals in the initial area of operation or any future operating site since MAQP #2382-01 would allow for operations at various locations throughout the state. However, if the plant moved to an area classified as non-attainment for PM₁₀, the operation would be required to apply for and receive an addendum to MAQP #2382-01 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.

Overall, any impacts to the above-cited economic and social resource of the human environment of the project area would be minor because the proposed asphalt plant operation would initially and typically operate within areas designated for such operations. Therefore, the overall industrial nature of the area would not change as a result of the proposed project and any associated impacts would be minor.

L. Cumulative and Secondary Impacts:

The asphalt plant operations as proposed at its initial location in conjunction with other pending permitting actions as described in Section 7.J. would cause minor cumulative and secondary impacts to the social and economic aspects of the human environment in the immediate area of operation because the combined operations are relatively small by industrial standards.

The source would be a portable and temporary source. Few, if any, other industrial operations would be expected to result from the permitting and operation of this facility. Minor increases in traffic would have minor effects on local traffic in the immediate area. Because the source is relatively small and temporary, only minor economic impacts to the local economy would be expected from operating the facility.

Overall, the proposed asphalt plant operation would result in only minor and temporary secondary and cumulative impacts to the social and economic aspects of the human environment of the initially proposed and any future operating site.

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 asphalt batch plant. MAQP #2382-01 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: Trista Glazier

Date: October 14, 2009