Montana Department of
ENVIRONMENTAL QUALITY
Brian Schweitzer, Governor
P. O. Box 200901 Helena, MT 59620-0901 (406) 444-2544 Website: www.deq.mt.gov

PRELIMINARY DETERMINATION
ON PERMIT APPLICATION

Date of Mailing: March 9, 2010

Name of Applicant: Franz Construction, Inc.

Source: Hot Mix 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 2170-03.

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 April 8, 2010. 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

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

Paul Skubinna

Paul Skubinna
Environmental Engineer
Air Resources Management Bureau
(406) 444-6711

VW:PS
Enclosures

MONTANA AIR QUALITY PERMIT

Issued To:	Franz Construction, Inc. P.O. Box 1046 Sidney, MT 59270	MAQP: #2170-03 Application Complete: 01/28/10 Preliminary Determination Issued: 03/09/10 Department's Decision Issued: Permit Final: AFS #:

A Montana Air Quality Permit (MAQP), with conditions, is hereby granted to Franz Construction, Inc. (Franz) pursuant to Sections 75-2-204 and 211 of the Montana Code Annotated (MCA), as amended, and Administrative Rules of Montana (ARM) 17.8.740, *et seq*., as amended, for the following:

SECTION I: Permitted Facilities

A. Plant Location

Franz operates a portable hot mix asphalt batch plant (asphalt batch plant) located within the NW ¼ of Section 21, Township 22 North, Range 59 East, Richland County, Montana. However, MAQP #2170-03 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 (PM_{10}) nonattainment areas. *A Missoula County air quality permit will be required for locations within Missoula County, Montana*. An addendum will be required for locations in or within 10 km of certain PM_{10} nonattainment areas.

B. Current Permit Action

On January 28, 2010, the Department received a permit modification application from Franz to update MAQP #2170-02 to include and specify the 'associated equipment' to the asphalt batch plant originally authorized by permit MAQP #2170-00 in 1985. Pursuant to the requested modification, Franz also proposed hours of operation limitations upon the generator, asphalt batch plant, and water pump to achieve synthetic minor with emission less than 80 tons per year (tpy) status relative to the Title V Major Source threshold for oxides of nitrogen (NO_x) and carbon monoxide (CO). Finally, this MAQP modification updates the permit format, language, and rule references to conform to the Department's current permit format, language, and rule references.

SECTION II: Conditions and Limitations

A. Emission Limitations

1. Franz is authorized to operate one asphalt batch plant with a maximum rated design capacity of 120 tons per hour (tpy); and, operation of the asphalt batch plant shall not exceed 3,000 hours during any rolling 12-month time period (ARM 17.8.749 and 1204).

2. A wet scrubber, with a device to measure the pressure drop (magnehelic gauge, manometer, etc.), must be installed and maintained for air pollution control. Pressure drop must be measured in inches of water. Temperature indicators at the control device inlet and outlet must be installed and maintained (ARM 17.8.752).

3. Franz is authorized to operate one diesel engine/generator with maximum name-plate horsepower (hp) rating not to exceed 665 hp; and operation of the diesel engine/generator shall not exceed 3,200 hours during any rolling 12-month time period (ARM 17.8.749 and 1204).

4. Franz is authorized to operate one diesel engines/water pump with maximum name-plate hp rating not to exceed 100 hp; and operation of the diesel engine/water pump shall not exceed 250 hours during any rolling 12-month time period (ARM 17.8.749 and 1204).

5. Asphalt plant particulate matter emissions shall be limited to 0.10 gr/dscf (ARM 17.8.749 and 752).

6. All visible emissions from any non-NSPS affected equipment shall not exhibit an opacity of 20% or greater averaged over 6 consecutive minutes (ARM 17.8.304, 308 and 752).

7. Water and 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.6 (ARM 17.8.749).

8. Franz shall not cause or authorize the use of any street, road or parking lot without taking reasonable precautions to control emissions of airborne particulate matter (ARM 17.8.308).

9. Franz shall treat all unpaved portions of the haul roads, access roads, parking lots, or the general plant area with water and/or chemical dust suppressant, as necessary, to maintain compliance with the reasonable precautions limitation in Section II.A.8 (ARM 17.8.749).

10. If the permitted equipment is used in conjunction with any other equipment owned or operated by Franz, at the same site, production shall be limited to correspond with an emission level that does not exceed 250 tons during any rolling 12-month period. Any calculations used to establish production levels shall be approved by the Department of Environmental Quality (Department) (ARM 17.8.749).

11. Franz shall comply with all applicable standards and limitations, and the reporting, recordkeeping, and notification requirements contained in 40 CFR 60, Subpart IIII, *Standards of Performance for Stationary Compression Ignition Internal Combustion Engines* and 40 CFR 63, Subpart ZZZZ, *National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines*, for any applicable diesel engine(s) (ARM 17.8.340; 40 CFR 60, Subpart IIII; ARM 17.8.342 and 40 CFR 63, Subpart ZZZZ).

B. Testing Requirements

1. Within 60 days after achieving maximum production rate, but no later than 180 days after initial start up of the equipment listed in Section I.A, an EPA Methods 1-5 and 9 source test shall be performed on the asphalt plant to demonstrate compliance with Sections II.A.5 and II.A.6 (ARM 17.8.105 and ARM 17.8.340).

2. An EPA Methods 1-5 and 9 source test must be performed on the asphalt plant every four years after the initial source test to demonstrate compliance with the conditions specified in Section II.A.5 and II.A.6 (ARM 17.8.105 and ARM 17.8.749).

3. Pressure drop on the control device and temperatures must be recorded during the test and reported as part of the test results (ARM 17.8.749).

4. All compliance source tests shall conform to the requirements of the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106).

5. The Department may require further testing (ARM 17.8.105).

C. Operational Reporting Requirements

1. If this asphalt plant is moved to another location, an Intent to Transfer form must be sent to the Department and a Public Notice Form for Change of Location must be published in a newspaper of general circulation in the area to which the transfer is to be made, at least 15 days prior to the move. The proof of publication (affidavit) of the Public Notice Form for Change of Location must be submitted to the Department prior to the move. These forms are available from the Department (ARM 17.8.749 and ARM 17.8.765).

2. Franz shall supply the Department with annual production information for all emission points, as required by the Department in the annual emission inventory request. The request will include, but not be limited to, all sources of emissions identified in the emission inventory contained in the permit analysis.

   Production information shall be gathered on a calendar-year basis and submitted to the Department by the date required in the emission inventory request. Information shall be in the units required by the Department. This information may be used for calculating operating fees, based on actual emissions from the facility, and/or to verify compliance with permit limitations (ARM 17.8.505).

3. Franz shall notify the Department of any construction or improvement project conducted, pursuant to ARM 17.8.745, that would include ***the addition of a new emissions unit,*** change in control equipment, stack height, stack diameter, stack flow, stack gas temperature, source location, or fuel specifications, or would result in an increase in source capacity above its permitted operation. The notice must be submitted to the Department, in writing, 10 days prior to startup or use of the proposed de minimis change, or as soon as reasonably practicable in the event of an unanticipated circumstance causing the de minimis change, and must include the information requested in ARM 17.8.745(l)(d) (ARM 17.8.745).

4. Franz shall maintain on-site records showing daily hours of operation and daily production rates for the last 12 months. The records compiled in accordance with this permit shall be maintained by Franz as a permanent business record for at least 5 years following the date of the measurement, must be available at the plant site for inspection by the Department, and must be submitted to the Department upon request (ARM 17.8.749).

5. Franz shall document, by month, the hours of operation of the asphalt batch plant. By the 25th day of each month, Franz shall calculate the hours of operation for the asphalt batch plant for the previous month. The monthly information will be used to verify compliance with the rolling 12-month limitation in Section II.A.1. The information for each of the previous months shall be submitted along with the annual emission inventory (ARM 17.8.749).

6. Franz shall document, by month, the hours of operation of the diesel engine/generator. By the 25th day of each month, Franz shall calculate the hours of operation for the diesel engine/generator for the previous month. The monthly information will be used to verify compliance with the rolling 12-month limitation in Section II.A.3. The information for each of the previous months shall be submitted along with the annual emission inventory (ARM 17.8.749).

7. Franz shall document, by month, the hours of operation of the diesel engine/water pump. By the 25th day of each month, Franz shall calculate the hours of operation for the diesel engine/water pump for the previous month. The monthly information will be used to verify compliance with the rolling 12-month limitation in Section II.A.4. The information for each of the previous months shall be submitted along with the annual emission inventory (ARM 17.8.749).

8. Franz shall annually certify that its emissions are less than those that would require the facility to obtain an air quality operating permit as required by ARM 17.8.1204(3)(b). The annual certification shall comply with the certification requirements of ARM 17.8.1207. The annual certification shall be submitted along with the annual emissions inventory information (ARM 17.8.749 and ARM 17.8.1204).

SECTION III: General Conditions

A. Inspection – Franz shall allow the Department's representatives access to the source at all reasonable times for the purpose of making inspections or surveys, collecting samples, obtaining data, auditing any monitoring equipment (CEMS, CERMS) or observing any monitoring or testing, and otherwise conducting all necessary functions related to this permit.

B. Waiver – The permit and all the terms, conditions, and matters stated herein shall be deemed accepted if Franz fails to appeal as indicated below.

C. Compliance with Statutes and Regulations – Nothing in this permit shall be construed as relieving Franz of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided for in ARM 17.8.740, *et seq*. (ARM 17.8.756)

D. Enforcement – Violations of limitations, conditions and requirements contained herein may constitute grounds for permit revocation, penalties or other enforcement as specified in Section 75-2-401, *et seq*., MCA.

E. Appeals – Any person or persons jointly or severally adversely affected by the Department's decision may request, within 15 days after the Department renders its decision, upon affidavit setting forth the grounds therefore, a hearing before the Board of Environmental Review (Board). A hearing shall be held under the provisions of the Montana Administrative Procedures Act. The filing of a request for a hearing does not stay the Department's decision, unless the Board issues a stay upon receipt of a petition and a finding that a stay is appropriate under Section 75-2-211(11)(b), MCA. The issuance of a stay on a permit by the Board postpones the effective date of the Department's decision until conclusion of the hearing and issuance of a final decision by the Board. If a stay is not issued by the Board, the Department's decision on the application is final 16 days after the Department's decision is made.

F. Permit Inspection – As required by ARM 17.8.755, Inspection of Permit, a copy of the air quality permit shall be made available for inspection by Department personnel at the location of the permitted source.

G. Permit Fee – Pursuant to Section 75-2-220, MCA, failure to pay the annual operation fee by Franz may be grounds for revocation of this permit, as required by that section and rules adopted thereunder by the Board.

H. Duration of Permit – Construction or installation must begin or contractual obligations entered into that would constitute substantial loss within 3 years of permit issuance and proceed with due diligence until the project is complete or the permit shall expire (ARM 17.8.762).

I. The Department may modify the conditions of this permit based on local conditions of any future site. These factors may include, but are not limited to, local terrain, meteorological conditions, proximity to residences, etc.

J. Franz shall comply with the conditions contained in this permit while operating in any location in Montana, except within those areas that have a Department-approved permitting program or areas considered tribal lands.

Montana Air Quality Permit Analysis
Franz Construction, Inc.
Montana Air Quality Permit #2170-03

I. Introduction/Process Description

Franz Construction, Inc. (Franz) owns and operates a hot mix asphalt batch plant and associated equipment.

A. Permitted Equipment

Permitted equipment consists of the following emitting units and associated equipment:

- One, 120 ton per hour (tph) Pioneer 4B101 Asphalt Batch Plant equipped with a waste-oil fired dryer, primary particulate control and an Esstee 750 wet scrubber emission controls,
- One, 120 tph Superior, 3 X 6 single deck scalping screen,
- One, CEI 1000A diesel fired circulating hot oil heater,
- One, Kohler 6063 HK 35, 380 kilowatt (kW) generator set powered by a 665 horsepower (hp) diesel engine,
- One, Gorman Rupp 4-inch centrifugal water pump powered by a 100 hp diesel engine, and
- Ancillary equipment including cold aggregate conveyors, a four compartment cold aggregate feed bin, particulate return conveyance, cold aggregate storage piles, and associated implements and mobile equipment.

B. Source Description

The typical operational set-up for this hot mix asphalt plant begins by loading with mobile equipment pre-size classified cold aggregate into the 4-place feed bin compartments based on its size classification. From the feed bins the cold aggregate is then conveyed to the scalping screen where the 6“-plus materials are rejected. Cold aggregate is then conveyed from the scalping screen to drum dryer, where it is slowly dried with the use of carrying flights within the drum and hot gases. As the hot aggregate exits the drum dryer, it is transferred to the mixer for mixing with the hot oil. Twin paddle shafts revolving in opposite directions create the mixing action. Hot asphalt then exits the plant and is immediately transported to the current project site or stored in the discharge hopper. A hot storage silo is not used at this plant.

C. Permit History

On October 15, 1985, Montana Air Quality Permit (MAQP) #**2170-00** was issued to Midway Asphalt Paving, Inc. (Midway).

On February 11, 1994, the Montana Department of Environmental Quality (Department) received a request to transfer MAQP #2170-00 from Midway to Franz. The Pioneer asphalt batch plant was initially permitted as a post-June 11, 1973, source; therefore, 40 CFR 60, Subpart I, requirements were applied to the plant. **MAQP #2170-01** was issued on September 30, 1994 and replaced MAQP #2170-00.

On July 27, 1999, Franz requested a permit modification to update and properly identify the equipment covered under MAQP #2170-01. The date of manufacture of the Pioneer asphalt plant was improperly identified as post June 11, 1973. The actual date of manufacture, as indicated in the modification request letter, is 1965. The permit was modified such that Franz was relieved from compliance with Standard of Performance for New Stationary Sources (NSPS) (40 CFR 60, Subpart A, and Subpart I) requirements associated with the pioneer asphalt plant. **MAQP #2170-02** was issued on December 30, 1999 and replaced MAQP #2170-01.

D. Current Permit Action

On January 28, 2010, the Department received a permit modification application from Franz to update MAQP #2170-02 to include and specify the 'associated equipment' to the asphalt batch plant originally authorized by permit MAQP #2170-00. Pursuant to the requested modification, Franz also proposed hours of operation limitations upon the generator, asphalt batch plant, and water pump to achieve synthetic minor status relative to the Title V Major Source threshold for oxides of nitrogen (NO_x) and carbon monoxide (CO). Finally, this MAQP modification updates the permit format, language, and rule references to conform to the Department's current permit format, language, and rule references. **MAQP #2170-03** replaces MAQP #2170-02.

E. Additional Information

Additional information, such as applicable rules and regulations, Best Available Control Technology (BACT)/Reasonably Available Control Technology (RACT) determinations, air quality impacts, and environmental assessments, is included in the analysis associated with each change to the permit.

II. Applicable Rules and Regulations

The following are partial explanations of some applicable rules and regulations that apply to the facility. The complete rules are stated in the Administrative Rules of Montana (ARM) and are available, upon request, from the Department. Upon request, the Department will provide references for location of complete copies of all applicable rules and regulations or copies where appropriate.

A. ARM 17.8, Subchapter 1 – General Provisions, including, but not limited to:

1. ARM 17.8.101 Definitions. This rule includes a list of applicable definitions used in this chapter, unless indicated otherwise in a specific subchapter.

2. ARM 17.8.105 Testing Requirements. Any person or persons responsible for the emission of any air contaminant into the outdoor atmosphere shall, upon written request of the Department, provide the facilities and necessary equipment (including instruments and sensing devices) and shall conduct tests, emission or ambient, for such periods of time as may be necessary using methods approved by the Department.

3. ARM 17.8.106 Source Testing Protocol. The requirements of this rule apply to any emission source testing conducted by the Department, any source, or other entity as required by any rule in this chapter, or any permit or order issued pursuant to this chapter, or the provisions of the Clean Air Act of Montana, 75-2-101, *et seq*., Montana Code Annotated (MCA).

Franz shall comply with the requirements contained in the Montana Source Test Protocol and Procedures Manual, including, but not limited to, using the proper test methods and supplying the required reports. A copy of the Montana Source Test Protocol and Procedures Manual is available from the Department upon request.

4. ARM 17.8.110 Malfunctions. (2) The Department must be notified promptly by telephone whenever a malfunction occurs that can be expected to create emissions in excess of any applicable emission limitation or to continue for a period greater than 4 hours.

5. ARM 17.8.111 Circumvention. (1) No person shall cause or permit the installation or use of any device or any means that, without resulting in reduction of the total amount of air contaminant emitted, conceals or dilutes an emission of air contaminant that would otherwise violate an air pollution control regulation. (2) No equipment that may produce emissions shall be operated or maintained in such a manner as to create a public nuisance.

B. ARM 17.8, Subchapter 2 – Ambient Air Quality, including, but not limited to:

1. ARM 17.8.210 Ambient Air Quality Standards for Sulfur Dioxide
2. ARM 17.8.211 Ambient Air Quality Standards for Nitrogen Dioxide
3. ARM 17.8.212 Ambient Air Quality Standards for Carbon Monoxide
4. ARM 17.8.213 Ambient Air Quality Standard for Ozone
5. ARM 17.8.220 Ambient Air Quality Standard for Settled Particulate Matter
6. ARM 17.8.223 Ambient Air Quality Standard for PM_{10}

Franz must maintain compliance with the applicable ambient air quality standards.

C. ARM 17.8, Subchapter 3 – Emission Standards, including, but not limited to:

1. ARM 17.8.304 Visible Air Contaminants. This rule requires that no person may cause or authorize emissions to be discharged into the outdoor atmosphere from any source installed after November 23, 1968, that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes.

2. ARM 17.8.308 Particulate Matter, Airborne. (1) This rule requires an opacity limitation of less than 20% for all fugitive emission sources and that reasonable precautions be taken to control emissions of airborne particulate matter. (2) Under this rule, Franz shall not cause or authorize the use of any street, road, or parking lot without taking reasonable precautions to control emissions of airborne particulate matter.

3. ARM 17.8.309 Particulate Matter, Fuel Burning Equipment. This rule requires that no person shall cause or authorize to be discharged into the atmosphere particulate matter caused by the combustion of fuel in excess of the amount determined by this section.

4. ARM 17.8.310 Particulate Matter, Industrial Process. This rule requires that no person shall cause or authorize to be discharged into the atmosphere particulate matter in excess of the amount set forth in this section.

5. ARM 17.8.322 Sulfur Oxide Emissions--Sulfur in Fuel. This rule requires that no person shall burn liquid, solid, or gaseous fuel in excess of the amount set forth in this section.

6. ARM 17.8.340 Standard of Performance for New Stationary Sources. This rule incorporates, by reference, 40 CFR Part 60, NSPS. This facility is not an NSPS-affected source because it does not meet the definition of any NSPS subpart defined in 40 CFR Part 60.

D. ARM 17.8, Subchapter 5 – Air Quality Permit Application, Operation, and Open Burning Fees, including, but not limited to:

1. ARM 17.8.504 Air Quality Permit Application Fees. This rule requires that an applicant submit an air quality permit application fee concurrent with the submittal of an air quality permit application. A permit application is incomplete until the proper application fee is paid to the Department. The application fee was waived for this permitting action due to the nature of the necessary permit updates.

2. ARM 17.8.505 Air Quality Operation Fees. An annual air quality operation fee must, as a condition of continued operation, be submitted to the Department by each source of air contaminants holding an air quality permit, excluding an open burning permit, issued by the Department; the air quality operation fee is based on the actual or estimated actual amount of air pollutants emitted during the previous calendar year.

   An air quality operation fee is separate and distinct from an air quality permit application fee. The annual assessment and collection of the air quality operation fee, described above, shall take place on a calendar-year basis. The Department may insert into any final permit issued after the effective date of these rules, such conditions as may be necessary to require the payment of an air quality operation fee on a calendar-year basis, including provisions that pro-rate the required fee amount.

E. ARM 17.8, Subchapter 7 – Permit, Construction, and Operation of Air Contaminant Sources, including, but not limited to:

1. ARM 17.8.740 Definitions. This rule is a list of applicable definitions used in this chapter, unless indicated otherwise in a specific subchapter.

2. ARM 17.8.743 Montana Air Quality Permits--When Required. This rule requires a person to obtain an air quality permit or permit modification to construct, modify, or use any asphalt plant, crusher or screen that has the potential to emit (PTE) greater than 15 tons per year of any pollutant. Franz has a PTE greater than 15 tons per year of PM_{10}, NO_x, CO, VOC and SO_x; therefore, an air quality permit is required.

3. ARM 17.8.744 Montana Air Quality Permits--General Exclusions. This rule identifies the activities that are not subject to the Montana Air Quality Permit program.

4. ARM 17.8.745 Montana Air Quality Permits--Exclusion for De Minimis Changes. This rule identifies the de minimis changes at permitted facilities that do not require a permit under the Montana Air Quality Permit Program.

5. ARM 17.8.748 New or Modified Emitting Units--Permit Application Requirements. (1) This rule requires that a permit application be submitted prior to installation, modification, or use of a source. Franz submitted the required permit application for the current permit action. (7) This rule requires that the applicant notify the public by means of legal publication in a newspaper of general circulation in the area affected by the application for a permit. Franz submitted an affidavit of publication of public notice for the January 24, 2010, issue of the *Sidney Herald*, a newspaper of general circulation in the Town of Sidney in Richland County, as proof of compliance with the public notice requirements.

6. ARM 17.8.749 Conditions for Issuance or Denial of Permit. This rule requires that the permits issued by the Department must authorize the construction and operation of the facility or emitting unit subject to the conditions in the permit and the requirements of this subchapter. This rule also requires that the permit must contain any conditions necessary to assure compliance with the Federal Clean Air Act (FCAA), the Clean Air Act of Montana, and rules adopted under those acts.

7. ARM 17.8.752 Emission Control Requirements. This rule requires a source to install the maximum air pollution control capability that is technically practicable and economically feasible, except that BACT shall be utilized. The required BACT analysis is included in Section III of this permit analysis.

8. ARM 17.8.755 Inspection of Permit. This rule requires that air quality permits shall be made available for inspection by the Department at the location of the source.

9. ARM 17.8.756 Compliance with Other Requirements. This rule states that nothing in the permit shall be construed as relieving Franz of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided in ARM 17.8.740, *et seq*.

10. ARM 17.8.759 Review of Permit Applications. This rule describes the Department's responsibilities for processing permit applications and making permit decisions on those permit applications that do not require the preparation of an environmental impact statement.

11. ARM 17.8.762 Duration of Permit. An air quality permit shall be valid until revoked or modified, as provided in this subchapter, except that a permit issued prior to construction of a new or modified source may contain a condition providing that the permit will expire unless construction is commenced within the time specified in the permit, which in no event may be less than 1 year after the permit is issued.

12. ARM 17.8.763 Revocation of Permit. An air quality permit may be revoked upon written request of the permittee, or for violations of any requirement of the Clean Air Act of Montana, rules adopted under the Clean Air Act of Montana, the FCAA, rules adopted under the FCAA, or any applicable requirement contained in the Montana State Implementation Plan (SIP).

13. ARM 17.8.764 Administrative Amendment to Permit. An air quality permit may be amended for changes in any applicable rules and standards adopted by the Board of Environmental Review (Board) or changed conditions of operation at a source or stack that do not result in an increase of emissions as a result of those changed conditions. The owner or operator of a facility may not increase the facility's emissions beyond permit limits unless the increase meets the criteria in ARM 17.8.745 for a de minimis change not requiring a permit, or unless the owner or operator applies for and receives another permit in accordance with ARM 17.8.748, ARM 17.8.749, ARM 17.8.752, ARM 17.8.755, and ARM 17.8.756, and with all applicable requirements in ARM Title 17, Chapter 8, Subchapters 8, 9, and 10.

14. ARM 17.8.765 Transfer of Permit. (1) This rule states that an air quality permit may be transferred from one location to another if the Department receives a complete notice of intent to transfer location, the facility will operate in the new location for less than 1 year, the facility will comply with the FCAA and the Clean Air Act of Montana, and the facility complies with other applicable rules. (2) This rule states that an air quality permit may be transferred from one person to another if written notice of intent to transfer, including the names of the transferor and the transferee, is sent to the Department.

F. ARM 17.8, Subchapter 8 - Prevention of Significant Deterioration of Air Quality, including, but not limited to:

1. ARM 17.8.801 Definitions. This rule is a list of applicable definitions used in this subchapter.

2. ARM 17.8.818 Review of Major Stationary Sources and Major Modification--Source Applicability and Exemptions. The requirements contained in ARM 17.8.819 through ARM 17.8.827 shall apply to any major stationary source and any major modification with respect to each pollutant subject to regulation under the FCAA that it would emit, except as this subchapter would otherwise allow.

This facility is not a major stationary source because it is not a listed source and the facility's PTE is less than 250 tons per year of any pollutant (excluding fugitive emissions).

G. ARM 17.8, Subchapter 12 – Operating Permit Program Applicability, including, but not limited to:

1. ARM 17.8.1201 Definitions. (23) Major Source under Section 7412 of the FCAA is defined as any stationary source having:

   a. PTE > 100 tons/year of any pollutant;

   b. PTE > 10 tons/year of any one hazardous air pollutant (HAP), PTE > 25 tons/year of a combination of all HAPs, or lesser quantity as the Department may establish by rule; or

   c. PTE > 70 tons/year of particulate matter with an aerodynamic diameter of 10 microns or less (PM_{10}) in a serious PM_{10} nonattainment area.

2. ARM 17.8.1204 Air Quality Operating Permit Program Applicability. (1) Title V of the FCAA Amendments of 1990 requires that all sources, as defined in ARM 17.8.1204 (1), obtain a Title V Operating Permit. In reviewing and issuing MAQP #2170-03 for Franz, the following conclusions were made:

   a. The facility's PTE is less than 100 tons/year for any pollutant.

   b. The facility's PTE is less than 10 tons/year for any one HAP and less than 25 tons/year of all HAPs.

   c. This source is not located in a serious PM_{10} nonattainment area.

   d. This facility is not subject to any current NSPS.

   e. This facility is not subject to any current NESHAP standards.

   f. This source is not a Title IV affected source or a solid waste combustion unit.

   g. This source is not an EPA designated Title V source.

   h. ARM 17.8.1204(3). The Department may exempt a source from the requirement to obtain an air quality operating permit by establishing federally enforceable limitations which limit that source's PTE.

i. In applying for an exemption under this section the owner or operator of the facility shall certify to the Department that the source's PTE does not require the source to obtain an air quality operating permit.

ii. Any source that obtains a federally enforceable limit on PTE shall annually certify that its actual emissions are less than those that would require the source to obtain an air quality operating permit.

Franz has taken federally enforceable permit limits to keep potential emissions below major source permitting thresholds. Therefore, the facility is not a major source and, thus a Title V operating permit is not required.

3. ARM 17.8.1207 Certification of Truth, Accuracy, and Completeness. The compliance certification submittal by ARM 17.8.1204(3) shall contain certification by a responsible official of truth, accuracy, and completeness. This certification and any other certification required under this subchapter shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

The Department has determined that the annual reporting requirements contained in the permit are sufficient to satisfy this requirement.

III. BACT Determination

A BACT determination is required for each new or modified source. Franz shall install on the new or modified source the maximum air pollution control capability which is technically practicable and economically feasible, except that BACT shall be utilized.

This permit action does not propose any new or modified sources, therefore a BACT determination was not required.

IV. Emission Inventory

Emitting Unit	PM	PM_{10}	$PM_{2.5}$	NO_x	CO	VOC	SO_x
Batch Mix Asphalt Plant Dryer	24.98	7.23	3.86	21.60(1)	72.00(1)	6.48	15.84
Hot Oil Heater	0.00	0.00	0.00	0.00	0.01	0.00	0.00
Batch Mix Plant Load-Out	0.27	0.27	0.27	0.00	0.71	2.19	0.00
Cold Aggregate Scalping Screen	1.16	1.16	1.16	0.00	0.00	0.00	0.00
Cold Aggregate Handling	4.73	1.73	0.00	0.00	0.00	0.00	0.00
Cold Aggregate Storage Piles	1.74	0.83	0.00	0.00	0.00	0.00	0.00
Diesel Generator	2.34	2.34	2.34	32.98(1)	7.11(1)	2.63	2.18
Diesel Water Pump	0.03	0.03	0.03	0.39(1)	0.08(1)	0.03	0.03
Haul Roads/Vehicle Traffic	12.68	3.60	0.00	0.00	0.00	0.00	0.00
Total Emissions	**47.93**	**17.19**	**7.66**	**54.97**	**79.91**	**11.33**	**18.05**

(1) Facility has taken emission limits to attain Title V synthetic minor less than 80 tons per year status for this specific pollutant.

Operating Parameters:												
Operating Hours:	3000	hr/yr	(Permit Limit)									
Plant Elevation	1950	ft.	(Application information)									
Actual Pressure	27.27	in. Hg										
Standard Pressure	29.92	in. Hg										
Flowrate	20,000	acfm	(Company Information)									
Std. Temp:	25	°C	77	°F	537	R						
Assumed Stack Temp.	54	°C	130	°F	590	R						
Correction Equation:	V1 = V2 (P2/P1) (T1/T2)											
Corr. Flowrate	20000 acfm * (27.27 in. Hg / 29.92 in. Hg) * (537 R / 590 R) =							16591	scfm			
Process Rate:	120	ton/hr	(Permit Limit)									
Batch Mix Asphalt Plant Dryer												
Condensable PM												
Emission Factor:	0.0171	lb/ton	(AP-42, Table 11.1-1 Batch Mix with wet scrubber, 3/04)									
Calculations:	0.0171 lb/ton * 120 ton/hr =							2.43	lb/hr			
	2.43178479820279 lb/hr * 3000 hr/yr * 0.0005 ton/lb =							3.65	ton/yr			
PM Emissions												
Emission Factor:	0.1	gr/dscf	(BACT Determination)									
Calculations:	0.1 gr/dscf * 16591.1243542101 scfm * 1 lb/7000 gr * 60 m/hr =							14.22	lb/hr			
	14.2209637321801 lb/hr * 3000 hr/yr * 0.0005 ton/lb =							21.33	ton/yr			
							Total PM	24.98	ton/yr			
PM_{10} Emissions												
Emission Factor:	0.0168	lb/ton	(AP-42, Table 11.1-1 and 11.1-2, Batch Mix w/ wet scrubber, extrapolation from PM based on gsd, 3/04)									
Calculations:	0.0168 lb/ton * 120 ton/hr =							2.39	lb/hr			
	2.38912190700625 lb/hr * 3000 hr/yr * 0.0005 ton/lb =							3.58	ton/yr			
							Total PM_{10}	7.23	ton/yr			
$PM_{2.5}$ Emissions												
Emission Factor:	0.001	lb/ton	(AP-42, Table 11.1-1 and 11.1-2, Batch Mix w/ wet scrubber, extrapolation from PM based on gsd, 3/04)									
Calculations:	0.000996 lb/ton * 120 ton/hr =							0.14	lb/hr			
	0.141640798772514 lb/hr * 3000 hr/yr * 0.0005 ton/lb =							0.21	ton/yr			
							Total $PM_{2.5}$	3.86	ton/yr			

NOx Emissions												
Emission Factor:	0.12	lb/ton	(AP-42, Table 11.1-5, Batch Mix, waste oil, 3/04)									
Calculations:	0.12 lb/ton * 120 ton/hr =							14.40	lb/hr			
	14.4 lb/hr * 3000 hr/yr * 0.0005 ton/lb =							21.60	ton/yr			
CO Emissions												
Emission Factor:	0.40	lb/ton	(AP-42, Table 11.1-5, Batch Mix, waste oil, 3/04)									
Calculations:	0.4 lb/ton * 120 ton/hr =							48.00	lb/hr			
	48 lb/hr * 3000 hr/yr * 0.0005 ton/lb =							72.00	ton/yr			
VOC Emissions												
Emission Factor:	0.036	lb/ton	(AP-42, Table 11.1-8, worst-case fuel, 3/04)									
Calculations:	0.036 lb/ton * 120 ton/hr =							4.32	lb/hr			
	4.32 lb/hr * 3000 hr/yr * 0.0005 ton/lb =							6.48	ton/yr			
SOx Emissions												
Emission Factor:	0.088	lb/ton	(AP-42, Table 11.1-5, Batch Mix, worst-case fuel excluding coal, 3/04)									
Calculations:	0.088 lb/ton * 120 ton/hr =							10.56	lb/hr			
	10.56 lb/hr * 3000 hr/yr * 0.0005 ton/lb =							15.84	ton/yr			
Hot Oil Heater												
Diesel Fuel Consumption:		2.5	gal/hr	(Application information)								
Operating Hours:		8760	hr/yr	(Annual Capacity)								
Calculation:		2.5 gal/hr * 8760 hr/yr =				21900	gal/yr					
CO Emissions												
	Emission Factor:	0.0012	lb/gal	(AP-42, Table 11.1-13, Diesel Fuel, 3/04)								
	Calculations:	21900 gal/yr * 0.0012 lb/gal * 0.0005 ton/lb =							0.01	ton/yr		
Batch Mix Plant Load-Out												
Process Rate:	120	ton/hr	(Company Information)									
Hours of Operation:	8760	hr/yr	(Annual Capacity)									

PM, PM_{10} and $PM_{2.5}$ Emissions													
	Emission Factor:		0.00052	lb/ton	(AP-42, Table 11.1-14, 3/04, see predictive equation at end of Inventory)								
	Calculations:		0.00052 lb/ton * 120 ton/hr * 8760 hr/yr * 0.0005 ton/lb =							0.27	ton/yr		
CO Emissions													
	Emission Factor:		0.00135	lb/ton	(AP-42, Table 11.1-14, 3/04, see predictive equation at end of Inventory)								
	Calculations:		0.00135 lb/ton * 120 ton/hr * 8760 hr/yr * 0.0005 ton/lb =							0.71	ton/yr		
VOC Emissions (VOC = TOC)													
	Emission Factor:		0.00416	lb/ton	(AP-42, Table 11.1-14, 3/04, see predictive equation at end of Inventory)								
	Calculations:		0.00416 lb/ton * 120 ton/hr * 8760 hr/yr * 0.0005 ton/lb =							2.19	ton/yr		
Cold Aggregate Scalping Screen													
Process Rate:		120	ton/hr	(Company Information)									
Hours of Operation:		8760	hr/yr	(Annual Capacity)									
PM													
	Emission Factor:		0.0022	lb/ton	(AP-42, Table 11.19.2-2, 8/04)								
	Calculations:		0.0022 lb/ton * 120 ton/hr * 8760 hr/yr * 0.0005 ton/lb =							1.16	ton/yr		
PM_{10} Emissions													
	Emission Factor:		0.00074	lb/ton	(AP-42, Table 11.19.2-2, 8/04)								
	Calculations:		0.00074 lb/ton * 120 ton/hr * 8760 hr/yr * 0.0005 ton/lb =							0.39	ton/yr		
$PM_{2.5}$ Emissions													
	Emission Factor:		0.00005	lb/ton	(AP-42, Table 11.19.2-2, 8/04)								
	Calculations:		0.00005 lb/ton * 120 ton/hr * 8760 hr/yr * 0.0005 ton/lb =							0.03	ton/yr		
Cold Aggregate Handling													
Process Rate:			120	tons/hr	(Company Information)								
Number of Transfers:			3	Transfers	(Application information - 8 transfers at 30 tph and 1 at 120 tph)								
Hours of operation:			8760	hr/yr	(Annual Capacity)								

PM Emissions													
	Emission Factor:		0.003	lb/ton	(AP-42, Table 11.19.2-2, Conveyor Transfer, Controlled, 8/04)								
	Calculations:		0.003 lb/ton * 120 tons/hr * 8760 hr/yr * 0.0005 ton/lb * 3 Transfers =							4.73	ton/yr		
PM_{10} Emissions													
	Emission Factor:		0.0011	lb/ton	(AP-42, Table 11.19.2-2, Conveyor Transfer, Controlled, 8/04)								
	Calculations:		0.0011 lb/ton * 120 tons/hr * 8760 hr/yr * 0.0005 ton/lb * 3 Transfers =							1.73	ton/yr		
Cold Aggregate Storage Piles													
Process Rate:		30	ton/hr	(Company Information)									
Number of Piles:		4	Piles	(Assumed)									
Hours of Operation:		8760	hr/yr	(Annual Capacity)									
PM Emissions													
	Emission Factor:		0.00331	lb/ton	(AP-42, Table 13.2.4.3, see predictive emission factor equation at end of inventory, 11/06)								
	Calculations:		0.00331 lb/ton * 30 ton/hr * 8760 hr/yr * 0.0005 ton/lb * 4 Piles =							1.74	ton/yr		
PM_{10} Emissions													
	Emission Factor:		0.00157	lb/ton	(AP-42, Table 13.2.4.3, see predictive emission factor equation at end of inventory, 11/06)								
	Calculations:		0.00157 lb/ton * 30 ton/hr * 8760 hr/yr * 0.0005 ton/lb * 4 Piles =							0.83	ton/yr		
Diesel Generator													
Generator Size =		380	kw										
Engine Size =		665.0	hp										
Hours of Operation:		3200	hrs/yr										
PM, PM_{10} and $PM_{2.5}$ Emissions													
	Emission Factor:		0.0022	lbs/hp-hr	(AP-42 Table 3.3-1, 7/95)								
	Calculations:		0.0022 lbs/hp-hr * 665 hp * 3200 hrs/yr * 0.0005 ton/lb =						2.34	ton/yr			
NOX Emissions													
	Emission Factor		0.0310	lbs/hp-hr	(AP-42 Table 3.3-1, 10/96)								
	Calculations:		0.031 lbs/hp-hr * 665 hp * 3200 hrs/yr * 0.0005 ton/lb =						32.98	ton/yr			

CO Emissions												
	Emission Factor	0.00668	lbs/hp-hr	(AP-42 Table 3.3-1, 10/96)								
	Calculations:	0.00668 lbs/hp-hr * 665 hp * 3200 hrs/yr * 0.0005 ton/lb =						7.11	ton/yr			
VOC Emissions												
	Emission Factor	0.00247	lbs/hp-hr	(AP-42 Table 3.3-1, 10/96)								
	Calculations:	0.00247 lbs/hp-hr * 665 hp * 3200 hrs/yr * 0.0005 ton/lb =						2.63	ton/yr			
SOX Emissions												
	Emission Factor	0.00205	lbs/hp-hr	(AP-42 Table 3.3-1, 10/96)								
	Calculations:	0.00205 lbs/hp-hr * 665 hp * 3200 hrs/yr * 0.0005 ton/lb =						2.18	ton/yr			
Diesel Water Pump												
Engine Size =	100.0	hp										
Hours of Operation:	250	hrs/yr										
PM, PM_{10} and $PM_{2.5}$ Emissions												
	Emission Factor:	0.0022	lbs/hp-hr	(AP-42 Table 3.3-1, 7/95)								
	Calculations:	0.0022 lbs/hp-hr * 53.64 hp * 5500 hrs/yr * 0.0005 ton/lb =						0.03	ton/yr			
NOX Emissions												
	Emission Factor	0.0310	lbs/hp-hr	(AP-42 Table 3.3-1, 10/96)								
	Calculations:	0.031 lbs/hp-hr * 53.64 hp * 5500 hrs/yr * 0.0005 ton/lb =						0.39	ton/yr			
CO Emissions												
	Emission Factor	0.00668	lbs/hp-hr	(AP-42 Table 3.3-1, 10/96)								
	Calculations:	0.00668 lbs/hp-hr * 53.64 hp * 5500 hrs/yr * 0.0005 ton/lb =						0.08	ton/yr			
VOC Emissions												
	Emission Factor	0.00247	lbs/hp-hr	(AP-42 Table 3.3-1, 10/96)								
	Calculations:	0.00247 lbs/hp-hr * 53.64 hp * 5500 hrs/yr * 0.0005 ton/lb =						0.03	ton/yr			
SOX Emissions												
	Emission Factor	0.00205	lbs/hp-hr	(AP-42 Table 3.3-1, 10/96)								
	Calculations:	0.00205 lbs/hp-hr * 53.64 hp * 5500 hrs/yr * 0.0005 ton/lb =						0.03	ton/yr			

Haul Roads/Vehicle Traffic												
Vehicle miles travelled:			5	VMT/day	(Estimated)							
Days Per Year:			365	days/year								
PM Emissions												
	Emission Factor:		13.90	lb/VMT	(AP-42, Section 13.2.2, Controlled Emissions, 12/03)							
	Calculation:		13.9 lb/VMT * 5 VMT/day * 365 days/year * 0.0005 ton/lb =						12.68	ton/yr		
PM_{10} Emissions												
	Emission Factor:		3.95	lb/VMT	(AP-42, Section 13.2.2, Controlled Emissions, 12/03)							
	Calculation:		3.95 lb/VMT * 5 VMT/day * 365 days/year * 0.0005 ton/lb =						3.60	ton/yr		
PREDICTIVE EMISSION FACTOR DEVELOPMENT EQUATIONS												
Drum or Batch Mix Asphalt Plant Load-Out Emission Factor Development								**(AP-42, Section 11.1, Table 11.1-14, Plant Load-Out, 3/04)**				
PM Emission Factor (All total PM is assumed to be PM2.5 per footnote b on Table												
Emission Factor =		$0.000181 + 0.00141(-V)e^{((0.0251(T + 460) - 20.43)}$ =					5E-04	lb/ton				
	Where:	V =	-0.5		(assume default value provided in AP-42)							
		T =	325	Fahrenheit	(assume default value provided in AP-42)							
PM_{10} Emission Factor												
Emission Factor =		$0.00141(-V)e^{((0.0251(T + 460) - 20.43)}$ =					3E-04	lb/ton				
	Where:	V =	-0.5		(assume default value provided in AP-42)							
		T =	325	Fahrenheit	(assume default value provided in AP-42)							

VOC Emission Factor (assume VOC = TOC)													
Emission Factor =		$0.0172(-V)e^{((0.0251(T + 460) - 20.43)}$ =					0.004	lb/ton					
	Where:	V =	-0.5		(assume default value provided in AP-42)								
		T =	325	Fahrenheit	(assume default value provided in AP-42)								
CO Emission Factor													
Emission Factor =		$0.00558(-V)e^{((0.0251(T + 460) - 20.43)}$ =					0.001	lb/ton					
	Where:	V =	-0.5		(assume default value provided in AP-42)								
		T =	325	Fahrenheit	(assume default value provided in AP-42)								
<u>Asphalt Product Silo Filing</u>			**(AP-42, Section 11.1, Table 11.1-14, Silo Filing, 3/04)**										
PM Emission Factor													
Emission Factor =		$0.00032 + 0.00105(-V)e^{((0.0251(T + 460) - 20.43)}$ =					6E-04	lb/ton					
	Where:	V =	-0.5		(assume default value provided in AP-42)								
		T =	325	Fahrenheit	(assume default value provided in AP-42)								
PM_{10} Emission Factor													
Emission Factor =		$0.00105(-V)e^{((0.0251(T + 460) - 20.43)}$ =					3E-04	lb/ton					
	Where:	V =	-0.5		(assume default value provided in AP-42)								
		T =	325	Fahrenheit	(assume default value provided in AP-42)								

VOC Emission Factor (assume VOC = TOC)													
Emission Factor =		$0.0504(-V)e^{((0.0251(T + 460) - 20.43)}$ =					0.012	lb/ton					
	Where:	V =	-0.5		(assume default value provided in AP-42)								
		T =	325	Fahrenheit	(assume default value provided in AP-42)								
CO Emission Factor													
Emission Factor =		$0.00488(-V)e^{((0.0251(T + 460) - 20.43)}$ =					0.001	lb/ton					
	Where:	V =	-0.5		(assume default value provided in AP-42)								
		T =	325	Fahrenheit	(assume default value provided in AP-42)								
<u>Cold Aggregate Storage Pile Fugitive Dust Emission Factor Development</u>								**(AP-42, Section 13.2.4, Table 13.2.4.3, Predictive Equations, 11/06)**					
PM Emission Factor													
Emission Factor =		$k(0.0032)((U/5)^{1.3} / (M/2)^{1.4})$					0.003	lb/ton					
	Where:	k =	Particle Size Multiplier (dimensionless)				(assume PM < 30 microns = 0.74)						
		U =	Mean Wind Speed (mph)				(assume 10 mph)						
		M =	Material Moisture Content (percent)				(assume 3.0%)						
PM_{10} Emission Factor													
Emission Factor =		$k(0.0032)((U/5)^{1.3} / (M/2)^{1.4})$					0.002	lb/ton					
	Where:	k =	Particle Size Multiplier (dimensionless)				(assume PM < 10 microns = 0.35)						
		U =	Mean Wind Speed (mph)				(assume 10 mph)						
		M =	Material Moisture Content (percent)				(assume 3.0%)						

V. Existing Air Quality

MAQP #2170-03 allows the operation of the asphalt batch plant equipment at various locations throughout Montana. The areas covered by MAQP #2170-03 are designated as attainment/unclassified for the ambient air quality standards.

VI. Air Quality Impacts

This permit is for a portable asphalt batch plant to be located at various locations around Montana. MAQP #2170-03 contains operation conditions and limitations that would protect air quality for the site and surrounding area. Because this facility is a minor source of emissions based on the PTE calculations and relatively small by industrial standards, any effects to air quality are expected to be minor. The applicant has indicated that the source would operate on an intermittent and seasonal basis; therefore, actual emissions may be lower than accounted for in the PTE calculations. Further, the Department believes that the amount of controlled emissions generated by this project will not exceed any ambient air quality standard.

VII. Ambient Air Impact Analysis

The Department determined that the impact from this permitting action will be minor. The Department believes it will not cause or contribute to a violation of any ambient air quality standard.

VIII. Taking or Damaging Implication Analysis

As required by 2-10-105, MCA, the Department conducted the following private property taking and damaging assessment.

YES	NO	
X		1. Does the action pertain to land or water management or environmental regulation affecting private real property or water rights?
	X	2. Does the action result in either a permanent or indefinite physical occupation of private property?
	X	3. Does the action deny a fundamental attribute of ownership? (ex.: right to exclude others, disposal of property)
	X	4. Does the action deprive the owner of all economically viable uses of the property?
	X	5. Does the action require a property owner to dedicate a portion of property or to grant an easement? [If no, go to (6)].
		5a. Is there a reasonable, specific connection between the government requirement and legitimate state interests?
		5b. Is the government requirement roughly proportional to the impact of the proposed use of the property?
	X	6. Does the action have a severe impact on the value of the property? (consider economic impact, investment-backed expectations, character of government action)
	X	7. Does the action damage the property by causing some physical disturbance with respect to the property in excess of that sustained by the public generally?
	X	7a. Is the impact of government action direct, peculiar, and significant?
	X	7b. Has government action resulted in the property becoming practically inaccessible, waterlogged or flooded?
	X	7c. Has government action lowered property values by more than 30% and necessitated the physical taking of adjacent property or property across a public way from the property in question?
	X	Takings or damaging implications? (Taking or damaging implications exist if YES is checked in response to question 1 and also to any one or more of the following questions: 2, 3, 4, 6, 7a, 7b, 7c; or if NO is checked in response to questions 5a or 5b; the shaded areas)

Based on this analysis, the Department determined there are no taking or damaging implications associated with this permit action.

IX. Environmental Assessment

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

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: Franz Construction, Inc.

Montana Air Quality Permit number: 2170-03

Preliminary Determination Issued: March 9, 2010
Department Decision Issued:
Permit Final:

1. *Legal Description of Site*: NW ¼ of Section 21, Township 22 North, Range 59 East, Richland County, Montana

2. *Description of Project*: Franz operates a portable hot mix asphalt batch plant. The typical operational set-up for this hot mix asphalt plant begins by loading with mobile equipment pre-size classified cold aggregate into the 4-place feed bin compartments based on its size classification. From the feed bins the cold aggregate is then conveyed to the scalping screen where the 6"-plus materials are rejected. Cold aggregate is then conveyed from the scalping screen to drum dryer, where it is slowly dried with the use of carrying flights within the drum and hot gases. As the hot aggregate exits the drum dryer, it is transferred to the mixer for mixing with the hot oil. Twin paddle shafts revolving in opposite directions create the mixing action. Hot asphalt then exits the plant and is immediately transported to the current project site or stored in the discharge hopper. A hot storage silo is not used at this plant.

3. *Objectives of Project*: The objectives of this permitting action are to update MAQP #2170-02 to include and specify the 'associated equipment' to the asphalt batch plant originally authorized by permit MAQP #2170-00. The permit would also include hours of operation limitations upon the generator, asphalt batch plant, and water pump to achieve synthetic minor status relative to the Title V Major Source threshold for oxides of NO_x and CO. In addition, this permit modification would update the permit format, language, and rule references to conform to the Department's current permit format, language, and rule references.

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 Franz 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 #2170-03.

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 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 proposed permitting action would not impact terrestrial and aquatic life and habitats because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

B. Water Quality, Quantity and Distribution

The proposed permitting action would not impact water quality, quantity and distribution because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

C. Geology and Soil Quality, Stability and Moisture

The proposed permitting action would not impact geology and soil quality, stability and moisture because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

D. Vegetation Cover, Quantity, and Quality

The proposed permitting action would not impact vegetation cover, quantity, and quality because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

E. Aesthetics

The proposed permitting action would not impact aesthetics because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

F. Air Quality

The proposed permitting action would not impact air quality because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

G. Unique Endangered, Fragile, or Limited Environmental Resources

The proposed permitting action would not impact unique endangered, fragile, or limited environmental resources because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

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

The proposed permitting action would not impact demands on environmental resource of water, air and energy because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

I. Historical and Archaeological Sites

The proposed permitting action would not impact historical and archaeological sites because the asphalt batch plant is an existing facility in an existing disturbed area (gravel pit) and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

J. Cumulative and Secondary Impacts

The proposed permitting action would not have cumulative and secondary impacts because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

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 permitting action would not impact social structures and mores because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

B. Cultural Uniqueness and Diversity

The proposed permitting action would not impact cultural uniqueness and diversity because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

C. Local and State Tax Base and Tax Revenue

The proposed permitting action would not impact local and state tax base and tax revenue because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

D. Agricultural or Industrial Production

The proposed permitting action would not impact agricultural or industrial production because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

E. Human Health

The proposed permitting action would not impact human health because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

F. Access to and Quality of Recreational and Wilderness Activities

The proposed permitting action would not impact access to and quality of recreational and wilderness activities because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

G. Quantity and Distribution of Employment

The proposed permitting action would not impact quantity and distribution of employment because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

H. Distribution of Population

The proposed permitting action would not impact distribution of population because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

I. Demands for Government Services

The proposed permitting action would have minor impacts on demands for government services because issuance of, and assuring compliance with, this permit requires government action and resources.

J. Industrial and Commercial Activity

The proposed permitting action would not impact industrial and commercial activity because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

K. Locally Adopted Environmental Plans and Goals

The proposed permitting action would not impact locally adopted environmental plans and goals because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

L. Cumulative and Secondary Impacts

The proposed permitting action would not have cumulative and secondary impacts because the asphalt batch plant is an existing facility and no increases or decreases in operational schedule, new construction, new discharges or new emissions are proposed by this permitting action.

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

The current permitting action is to update an existing permit to conform to the current Department standards and format, and to specify equipment previously permitted as ancillary equipment for the Franz Construction, Inc. hot mix asphalt batch plant. No increases or decreases in operational schedule, new construction, or changes to existing water discharges or air emissions are proposed to be authorized by this permitting action. MAQP #2170-03 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

EA prepared by: P. Skubinna
Date: February 24, 2010