



Montana Department of
ENVIRONMENTAL QUALITY

Brian Schweitzer, Governor

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April 1, 2011

Ms. Jill Linn
Williston Basin Interstate Pipeline Company
P.O. Box 131
Glendive, MT 59330

Dear Ms. Linn:

The Department of Environmental Quality (Department) has made its decision on the Montana Air Quality Permit application for addition of two compressor engines to Williston Basin Interstate Pipeline Company's Monarch Compressor Station. The application was given permit number 2901-03. The Department's decision may be appealed to the Board of Environmental Review (Board). A request for hearing must be filed by April 25, 2011. This permit shall become final on April 18, 2011, unless the Board orders a stay on the permit.

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 before the final date stated above. 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, Montana 59620.

Conditions: See attached.

For the Department,

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

Shawn Juers
Environmental Engineer
Air Resources Management Bureau
(406) 444-2049

VW:SJ
Enclosure

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

FINAL ENVIRONMENTAL ASSESSMENT (EA)

Issued To: Williston Basin Interstate
Pipeline Company
Glendive, MT 59330
P.O. Box 131

Montana Air Quality Permit Number: 2801-03

Preliminary Determination Issued: 3/1/2011

Department Decision Issued: 4/1/2011

Permit Final:

1. *Legal Description of Site:* Northeast ¼ of Section 36, Township 9 North, Range 58 East, Fallon County, Montana
2. *Description of Project:* WBI is proposing to add two new 2,370-bhp compressor engines.
3. *Objectives of Project:* The objective of the project is to increase the compression capacity of the natural gas compressor station. The expected construction start date is mid 2011 with an expected start-up date of mid 2012.
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 WBI 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 #2801-03.
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			XX			Yes
B	Water Quality, Quantity, and Distribution			XX			Yes
C	Geology and Soil Quality, Stability and Moisture			XX			Yes
D	Vegetation Cover, Quantity, and Quality			XX			Yes
E	Aesthetics			XX			Yes
F	Air Quality			XX			Yes
G	Unique Endangered, Fragile, or Limited Environmental Resources			XX			Yes
H	Demands on Environmental Resource of Water, Air and Energy			XX			Yes
I	Historical and Archaeological Sites			XX			Yes
J	Cumulative and Secondary Impacts			XX			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

MAQP #2801-03 would permit an increase in emissions of all criteria pollutants at an existing site. Allowable emissions would be limited based on conditions and limitations in the MAQP, which would require the appropriate control technology to minimize emissions. Minor effects would be expected to terrestrial and aquatic life and habitats.

B. Water Quality, Quantity and Distribution

MAQP #2801-03 would permit an increase in emissions of all criteria pollutants at an existing site. Allowable emissions would be limited based on conditions and limitations in the MAQP, including requiring the appropriate control technology to minimize emissions. Unaltered hydrostatic test water may be discharged on-site. Application of water on roads and unpaved areas may be required for dust control, and additional water may be required for dust suppression during installation of equipment. Minor effects to water quality, quantity, and distribution would be expected.

C. Geology and Soil Quality, Stability and Moisture

Application of water on roads and unpaved areas may be required for dust control, and additional water may be required for dust suppression during installation of equipment. Less than one acre of land would be disturbed. The Department would not expect any more than a minor effect to geology and soil quality, stability, and moisture.

D. Vegetation Cover, Quantity, and Quality

The project would increase emissions of all criteria pollutants, including particulate matter. However, MAQP #2801-03 would contain limitations and conditions to limit the potential emissions, including requiring control of fugitive dust emissions and appropriate control equipment on the compressor engines. The Department would expect no more than minor effects to vegetation cover, quantity, and quality.

E. Aesthetics

This project would add two compressor engines, and the associated building, piping, and etc. The project would occur at an existing site. A temporary increase in general construction type activity would be present during installation of the engines and associated equipment. Construction related noise impacts would be temporary and limited to daytime hours. As an existing source, the effect of the new sources on the existing noise level would be expected to be minor. Less than one acre would be expected to be disturbed. Minor effects to aesthetics would be expected in issuing MAQP #2801-03.

F. Air Quality

MAQP #2801-03 would contain limitations and conditions to protect effects to air quality. Minor effects to air quality for all criteria pollutants would be expected.

G. Unique Endangered, Fragile, or Limited Environmental Resources

To identify any species of special concern in the immediate area of the proposed project, the Department previously contacted the Montana Natural Heritage Program, Natural Resource Information System (NRIS). NRIS identified the Greater Sage-Grouse as a species of special concern in the area of the proposed facility.

Because this permitting action would permit the addition of two compressor engines and associated equipment within the existing property boundaries of the facility, and the permit would contain limitations and conditions to limit the potential emissions from the facility, the Department would expect no more than a minor effect to the Greater Sage-Grouse.

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

The project would place very minor demands on air, water, and energy in order to provide compression to facilitate the transportation of natural gas in the natural gas pipeline. Minor effects would be expected on resources of water, air, and energy.

I. Historical and Archaeological Sites

MAQP #2801-03 would permit the addition of two compressor engines on an already developed, privately owned compressor station site. Therefore, the Department would not expect any effects to any historical or archeological sites located on the property. Furthermore, the limitations and conditions of MAQP #2801-03 would limit the allowable emissions of air pollutants which may affect any surrounding historical or archaeological sites. Therefore, the Department determined there would be minor impacts, if any, to historical and archaeological sites.

J. Cumulative and Secondary Impacts

The Department determined minor impacts to the individual physical and biological considerations above. Collectively, the Department determined that the cumulative and secondary impacts are expected to be minor.

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			XX			Yes
B	Cultural Uniqueness and Diversity			XX			Yes
C	Local and State Tax Base and Tax Revenue			XX			Yes
D	Agricultural or Industrial Production			XX			Yes
E	Human Health			XX			Yes
F	Access to and Quality of Recreational and Wilderness Activities			XX			Yes
G	Quantity and Distribution of Employment			XX			Yes
H	Distribution of Population			XX			Yes
I	Demands for Government Services			XX			Yes
J	Industrial and Commercial Activity			XX			Yes
K	Locally Adopted Environmental Plans and Goals			XX			Yes
L	Cumulative and Secondary Impacts			XX			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

No increase or decrease in the number of employees is expected as a result of this project. The project would take place at an existing site. Therefore, the Department would expect minor, if any, impacts to social structures and mores or cultural uniqueness and diversity

- C. Local and State Tax Base and Tax Revenue

An increase in the compression capacity of the facility would result if the proposed project is completed. No increase or decrease in the number of employees would be expected. Minor effects to local and state tax base and tax revenue would be expected as a result of issuing MAQP #2801-03.

- D. Agricultural or Industrial Production

The project would take place within the boundaries of an existing privately owned site. The surrounding area is primarily oil and gas development and livestock grazing grounds. An increase in the potential natural gas compression capabilities of the facility would be expected to occur. Minor effects to agricultural and industrial production would be expected to occur.

E. Human Health

The conditions and limitations of MAQP #2801-03 would be derived from rules designed to protect human health. Therefore, minor effects to human health would be expected to occur in issuing MAQP #2801-03.

F. Access to and Quality of Recreational and Wilderness Activities

The project would take place within the boundaries of an existing privately owned site. The surrounding area is primarily oil and gas development and livestock grazing grounds. An increase in industrial activity associated with construction of the project would be temporary. The Department would expect minor, if any, effects to the quality of recreational and wilderness activities.

G. Quantity and Distribution of Employment

H. Distribution of Population

No increase or decrease in the number of employees associated with the site would be expected to occur for this project. Construction related activity would be temporary. Therefore, the Department would expect that effects to the quantity and distribution of employment and the distribution of population would be minor, if any.

I. Demands for Government Services

Minor effects to demands for government services would be expected as a result of issuing MAQP #2801-03 with associated permit and compliance activities.

J. Industrial and Commercial Activity

The project would take place within the boundaries of an existing privately owned site. The surrounding area is primarily oil and gas development and livestock grazing grounds. An increase in activity associated with construction of the project would be temporary. Therefore, the Department determined there would be minor impacts to industrial or commercial activity in the area.

K. Locally Adopted Environmental Plans and Goals

The Department is not aware of any locally adopted environmental plans and goals that would be affected in issuing MAQP #2901-03. The MAQP is derived from rules designed to protect public health.

L. Cumulative and Secondary Impacts

The Department determined that impacts to the individual economic and social aspects of issuing MAQP #2801-03 would be expected to be minor. Collectively, the Department determined the cumulative and secondary impacts would be expected to be minor.

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 additional natural gas compressor engines at an existing site. MAQP #2801-03 includes conditions and limitations to limit the potential air pollutant emissions from the facility. In addition, there are no significant impacts determined associated with this proposal.

Other groups or agencies contacted or which may have overlapping jurisdiction:

Natural Resource Information System – Montana Natural Heritage Program

Individuals or groups contributing to this EA:

Department of Environmental Quality – Air Resources Management Bureau
Natural Resource Information System – Montana Natural Heritage Program

EA prepared by: Shawn Juers

Date: 2/15/2011