Montana Department of
ENVIRONMENTAL QUALITY
Brian Schweitzer, Governor
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January 20, 2012

Mr. Rob Harris
Fiberglass Structures, Inc.
P.O. Box 206
Laurel, MT 59044

Dear Mr. Harris:

Montana Air Quality Permit #3343-02 is deemed final as of January 20, 2012, by the Department of Environmental Quality (Department). This permit is for a fiberglass reinforced plastic products manufacturing facility. All conditions of the Department's Decision remain the same. Enclosed is a copy of your permit with the final date indicated.

For the Department,

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

Doug Kuenzli
Environmental Science Specialist
Air Resources Management Bureau
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VW:DCK
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 For: Fiberglass Structures, Inc.
P.O. Box 206
Laurel, MT 59044

Montana Air Quality Permit Number: 3343-02

Preliminary Determination Issued: 11/30/2011
Department Decision Issued: 01/04/2012
Permit Final: 01/20/2012

1. *Legal Description of Site*: The facility is located in Section 16, Township 2 South, Range 24 East, in Yellowstone County, Montana.

2. *Description of Project*: The current permit action would allow the installation and operation of one (1) additional gel coat spray booth and one (1) new chop hoop winder to an existing manufacturing facility that manufactures fiberglass reinforced products. The process description is discussed in Section I.B. of the permit analysis of MAQP #3343-02.

3. *Objectives of Project*: The objective of the project would be to generate business and revenue for the company and to continue to supply fiberglass products.

4. *Alternatives Considered*: In addition to the proposed action, the Department considered the "no-action" alternative. The "no-action" alternative would deny issuance of the air quality permit to the proposed facility. However, the Department does not consider the "no-action" alternative to be appropriate because FSI 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 listing of the enforceable permit conditions and a permit analysis, including a BACT analysis, would be contained in MAQP #3343-02.

6. *Regulatory Effects on Private Property*: The Department considered alternatives to the conditions imposed in this permit as part of the permit development. The Department determined that the permit conditions would be reasonably necessary to ensure compliance with applicable requirements and demonstrate compliance with those requirements and would not unduly restrict private property rights.

7. The following table summarizes the potential physical and biological effects of the project on the human environment. The "no-action" alternative was discussed previously.

Potential Physical and Biological Effects							
		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 Resource			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 Department has prepared the following comments.

A. Terrestrial and Aquatic life and Habitats

This permit action would add equipment to an existing operation in an existing building. There would not be any new construction or ground disturbance to the area. Emissions from the operation could affect terrestrial and aquatic life and habitats in the project area. However, any emissions and resulting impacts from adding equipment to an existing operation would be minor. Overall, any impact to the terrestrial and aquatic life and habitats of the project area would be minor.

B. Water Quality, Quantity and Distribution

This permit action would not cause additional impacts to water quantity or distribution in the project area. The operation would continue to take place within existing facilities and would not discharge process water as part of the project. There would be sanitary water use and discharge at the facility.

Emissions from the project could affect water quality in the project area. However, as described in Section 7.F of this EA, any emissions and resulting deposition impacts from the current permit action would be minor due to the low concentration of the pollutants emitted and dispersion characteristics of pollutants and the atmosphere.

C. Geology and Soil Quality, Stability, and Moisture

The equipment would operate within an existing facility and no new construction or ground disturbance to the area would be required. However, the additional equipment at the existing operation would result in a minor amount of additional air pollution emissions to the ambient environment. Any impact from deposition of these pollutants would be minor due to dispersion characteristics of pollutants and the atmosphere and the low concentration of the pollutants emitted.

D. Vegetation Cover, Quantity, and Quality

The new equipment would be operated within an existing building and no new construction or ground disturbance to the area would be required. Emissions from the operation may affect vegetation cover, quantity, and quality in the project area. However, any resulting impacts from additional emissions from this project would be minor.

E. Aesthetics

The operation may have moderate impacts on the aesthetic nature of the project area. Styrene has a very low odor threshold (0.32 ppm according to the EPA) and the odor does not tend to dissipate very readily. The facility is designed to provide building ventilation for the workers; however, when the exhaust fans remove the styrene from the building, it could impact nearby residents.

However, the current permit action would add equipment to an existing operation and no new construction would be required. Visible emissions from the source would continue to be limited to 20% opacity. Further, noise generated by the operation would be minor due to the nature of the business. Overall, the permit modification would have minor impacts to the aesthetics of the immediate area.

F. Air Quality

The current permit action would create a minor amount of additional emissions and therefore, the air quality impacts from this action would be minor. There may be additional impacts to proximate neighbors. The new equipment operated at FSI would result in emissions, the vast majority of which would be styrene, regulated as both a VOC and a HAP. Because FSI has the potential to emit over 10 tons per year of styrene, a HAP, the source will be classified as a Title V source.

MAQP #3343-02 would include conditions limiting the opacity. Montana does not have ambient air quality standard for styrene nor an odor regulation. Although VOC is a contributor to ozone, the low amount of emissions would not be expected to cause an exceedence of any ozone air quality standard. The Department determined that the addition of the equipment to the existing facility, in addition to the limits and conditions included in this permit, would not cause or contribute to a violation of any applicable ambient air quality standard. Therefore, the Department determined that ambient air impacts from this permitting action would be minor.

G. Unique Endangered, Fragile, or Limited Environmental Resources

In an effort to identify any unique endangered, fragile, or limited environmental resources in the area, the Department previously contacted the Montana Natural Heritage Program, Natural Resource Information System (NRIS). The NRIS search identified several species of special concern in the vicinity of the project area. At that time, these species included: the Great Blue Heron, the Bald Eagle, the Yellow-billed Cucko, and the Yellowstone Cutthroat Trout. The search area was defined by the section, township, and range of the proposed location with an additional (1) one mile buffer zone.

While the facility is located within close proximity to areas which maybe periodically occupied by the listed species of concern, the proposed operations are to be conducted within in an existing building located in an industrial/commercial area and would not be expected to disrupt any natural habitat. Due to the fact that no construction would be required under this permit action, and conditions would be placed in MAQP #3343-02, the Department determined that adding new equipment to an existing facility would cause very little additional impact to any species of special concern. Therefore, the Department determined that impacts to unique endangered, fragile, or limited environmental resources from this permitting action would expect to be minor.

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

Adding new equipment to an existing operation would result in minor demands on the environmental resource of water and air, as discussed in Sections 7.B and 7.F of this EA. Because the operation is considered small by industrial standards, and the fact that this permit action only adds equipment, the Department has determined that a relatively small amount of additional energy would be required for operation. Overall, the demands on the environmental resources of water, air, and energy would be minor.

I. Historical and Archaeological Sites

In an effort to identify any historical and archaeological sites near the proposed project area, the Department previously contacted the Montana Historical Society, State Historic Preservation Office (SHPO). According to SHPO records, there have been several previously recorded historic or archaeological sites within the proposed area. In addition, there have been previously conducted cultural resource inventories done in the area.

SHPO recommends that any structures over 50 years of age be recorded and a determination of their eligibility for the National Register of Historic Places be made. However, neither the Department nor SHPO has the authority to require FSI to conduct a cultural resource inventory. Furthermore, although FSI conducts its operations in an existing industrial building, the building is of relatively recent construction. Since no potentially historic structure will be altered, there is a low likelihood that cultural property will be impacted.

The Department determined that due to the age of the existing building and the lack of any land disturbance, the chance of the project impacting any cultural or historic sites would be minor.

J. Cumulative and Secondary Impacts

Overall, cumulative and secondary impacts from the proposed permit modification on the economic and social resources of the human environment in the immediate area would be minor due to the fact that the predominant use of the surrounding area would not change as a result of the proposed project. The Department believes that this facility could be expected to operate in compliance with all applicable rules and regulations as would be outlined in MAQP #3343-02.

8. The following table summarizes the potential economic and social effects of the project on the human environment. The "no-action" alternative was discussed previously.

Potential Economic and Social Effects							
		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 Department has prepared the following comments.

A. Social Structures and Mores

The permit modification would not have any effect on any native or traditional lifestyles or communities (social structures or mores) of the proposed area of operation because the project is small by industrial standards. The predominant use of the surrounding area is industrial/commercial and would not change as a result of the project. The residential areas located approximately 300 yards from the facility would continue to potentially be impacted by styrene odor from the facility. However, this permit action would be to add equipment to an existing facility and therefore, would the action itself would cause minor impacts on social structure and mores.

B. Cultural Uniqueness and Diversity

The addition of equipment to the existing operation would not have any effect on cultural uniqueness and diversity of the proposed area because the permit modification would be considered minor by industrial standards. Additionally, the predominant use of the surrounding area would not change as a result of the project.

C. Local and State Tax Base and Tax Revenue

The project (adding new equipment) would have a minor impact on the local and state tax base and tax revenue. Any impacts to the local and state tax base and tax revenue would be minor because FSI would remain responsible for all appropriate state and county taxes imposed upon the business operation. In addition, FSI employees would continue to add to the overall income base of the area. FSI currently employs 20 people and expects a possible increase to 40 employees. Therefore, operation of this additional equipment would result in minor economic impacts.

D. Agricultural or Industrial Production

The proposed equipment addition at FSI would have a minor impact on local industrial production. The operation is located in an existing industrial building, located in an area that is predominantly industrial/commercial with the exception of a nearby residential area. However, the new equipment would not cause a change in agricultural production as it would be operated at an existing facility. The project would cause a minor change in local industrial production, due to increased production at FSI. Therefore, the proposed permit action would result in minor changes to industrial production but no change to agricultural production.

E. Human Health

There may be minor effects on human health due to the emission of pollutants. However, MAQP #3343-02 would incorporate conditions to ensure that the facility would operate in compliance with all applicable rules and standards. These rules and standards are designed to be protective of human health.

F. Access to and Quality of Recreational and Wilderness Activities

The addition of new equipment to an existing operation located in a mixed area that is predominantly industrial/commercial would not affect any access to or quality of any recreation or wilderness activities in the area.

G. Quantity and Distribution of Employment

FSI currently employs 20 people in the Main Building. The additional equipment and potential increase to production, the facility could eventually result in an increase in employment of up to 10 additional people. Therefore, the project would have a minor impact on the quantity and distribution of employment in the area.

H. Distribution of Population

FSI is located just outside the city limits of Laurel, Montana and is located near the largest city in Montana (Billings). Therefore, the Department believes that the employment of 20-40 people would have a minor impact on the distribution of population in the project area.

I. Demands for Government Services

Demands on government services from the proposed permit modification would be minor because FSI would be required to procure the appropriate permits (including a state air quality permit) and any permits for the associated activities of the project. Further, compliance verification with those permits would also require minor services from the government. Overall, any demands on government services resulting from the proposed permit modification would be minor.

J. Industrial and Commercial Activity

The operation would result in a minor impact on local industrial and commercial activity. The proposed permit modification would cause only minor additional impacts to any industrial or commercial activity in the area beyond those impacts already realized through the initial air quality permit.

K. Locally Adopted Environmental Plans and Goals

The Department is not aware of any locally adopted environmental plans or goals in the immediate area affected by the project. The state standards would be protective of the project area.

L. Cumulative and Secondary Impacts

Overall, cumulative and secondary impacts from this project would result in minor impacts to the economic and social aspects of the human environment in the immediate area due to the relatively small size of the operation. Due to the relatively small size of the project, the industrial production, employment, and tax revenue would be slightly impacted by the project. In addition, the Department believes that this facility would continue to operate in compliance with all applicable rules and regulations as outlined in the air quality permit.

Recommendation: An EIS is not required.

If an EIS is not required, explain why the EA is an appropriate level of analysis: The current permitting action is to add new equipment to an existing operation of a manufacturing facility. MAQP #3343-02 includes conditions and limitations to ensure that the facility would operate in compliance with all applicable rules and regulations. In addition, as detailed in the above EA, there are no significant impacts associated with the project.

Other groups or agencies contacted or which may have overlapping jurisdiction: Montana Natural Heritage Program, National Resource Information System (NRIS) and Montana Historical Society, State Historic Preservation Office (SHPO).

Individuals or groups contributing to this EA: Department of Environmental Quality Permitting and Compliance Division (Air Resources Management Bureau), Montana Natural Heritage Program, State Historic Preservation Office.

EA prepared by: D. Kuenzli
Date: 11/04/2011