



Montana Department of
ENVIRONMENTAL QUALITY

Judy Martz, Governor

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August 4, 2004

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LEGISLATIVE ENVIRONMENTAL
POLICY OFFICE

John Skoyen
Havre Pipeline Company, LLC
P.O. Box 2606
Havre, MT 59501

Dear Mr. Skoyen:

Air Quality Permit #3145-02 is deemed final as of August 4, 2004, by the Department of Environmental Quality (Department). This permit is for the modification of Montana Air Quality Permit #3145-01. 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,

David L. Klemp
Air Permitting Supervisor
Air Resources Management Bureau
(406) 444-3490

DK:lr
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: Havre Pipeline Company, LLC
PO Box 2606
Havre, Montana 59501

Air Quality Permit Number: 3145-02

Preliminary Determination Issued: 07/01/04
Department Decision Issued: 07/19/04
Permit Final: 08/04/04

1. *Legal Description of Site:* The HPC station would remain located in the SE¼ of the SE¼ of Section 19, Township 35 North, Range 20 East in Blaine County, Montana.
2. *Description of Project:* Under the current permit action HPC proposed the replacement of the previously permitted 738-hp Waukesha 3521GSI compressor engine with a 250-hp Waukesha F11GSI rich-burn compressor engine.
3. *Objectives of Project:* Since initial permitting of the HPC compressor station, HPC's plans, objectives, and engine requirements at this compressor station location have changed. As a result, the installation and operation of a smaller unit for normal operations has been proposed by HPC. The current permit action would facilitate these needs.
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 preconstruction permit to the proposed facility. However, the Department does not consider the "no-action" alternative to be appropriate because HPC 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 Permit #3145-02.
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 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

Minor impacts to terrestrial and aquatic life and habitats would be expected from the proposed project because deer, antelope, coyotes, geese, ducks, and other terrestrials would potentially use the area around the facility and because the facility would be a source of air pollutants. The facility would emit air pollutants and corresponding deposition of pollutants would occur; however, as described in Section 7.F. of this EA, the Department determined that any impacts from deposition would be minor. The potential impact of air pollutant emissions on terrestrial and aquatic life and habitats after this permit change would be less than the current potential because the proposed compressor engine would generate fewer emissions than the current engine. Overall, any impacts to terrestrial and aquatic life and habitats would be minor.

B. Water Quality, Quantity, and Distribution

Minor impacts would be expected on water quality, quantity, and distribution from the proposed project because the facility would be a source of air pollutants. No direct discharges into surface water would occur from operating the facility. However, minor amounts of water may be required to control fugitive dust emissions from the access roads and the general facility property. In addition, the facility would emit air pollutants and corresponding deposition of pollutants would occur. However, as described in Section 7.F. of this EA, the Department determined that any impacts from deposition would be minor. The potential impact of air pollutant emissions on water quality, quantity, and distribution after this permit change would be less than the current potential because the proposed compressor engine would generate fewer emissions than the current engine.

C. Geology and Soil Quality, Stability, and Moisture

Minor impacts would occur on the geology and soil quality, stability, and moisture from the proposed project because deposition of pollutants would occur. However, as described in Section 7.F of this EA, the Department determined that any impacts from deposition would be minor. The potential impact from air pollutant emissions on the geology and soil quality, stability, and moisture after this permit change would be less than the current potential because the proposed compressor engine would generate fewer emissions than the current engine. Overall, any impacts to the geology and soil quality, stability, and moisture would be minor.

D. Vegetation Cover, Quantity, and Quality

Minor impacts would occur to vegetation cover, quantity, and quality because the facility would be a source of air pollutants and corresponding deposition of pollutants would occur. However, as described in Section 7.F of this EA, the Department determined that any impacts from deposition would be minor. The potential impact from air pollutant emissions on vegetation cover, quantity, and quality after this permit change would be less than the current potential because the proposed compressor engine would generate fewer emissions than the current engine. Overall, any impacts to vegetation cover, quantity, and quality would be minor.

E. Aesthetics

The proposed project would not result in any impact to the aesthetic nature of the area because the proposed project would not change the current industrial use of the area or the appearance of the facility. HPC would be replacing an existing internal combustion compressor engine located within an existing building with a new internal combustion compressor engine to be located within the same existing building.

F. Air Quality

The air quality of the area would realize minor impacts from the proposed project because the facility would emit the following air pollutants: PM₁₀; NO_x; CO; VOCs, including HAPs; and SO_x. However, the potential impact from air pollutant emissions on the air quality after this permit change would be less than the current potential because the proposed compressor engine would generate fewer emissions than the current engine. Further, the emission limits established as BACT for NO_x, CO, and VOCs under the current permit action would be lower than the allowable emissions under the existing permitted facility. Permit #3145-02 would also limit air emissions through opacity limitations on the proposed engine and the facility. Based on previous analysis of similar sources operating under similar conditions, the Department believes that the emissions resulting from the proposed engine would exhibit good dispersion characteristics resulting in lower deposition impacts to the affected area.

Overall, the Department determined that any air quality impacts from deposition would be minor due to dispersion characteristics of pollutants (stack height, stack temperature, etc.), the surrounding atmosphere (wind speed, wind direction, ambient temperature, etc.), and conditions placed in Permit #3145-02. In addition, the Department believes that emissions from the existing larger compressor engine are in compliance with all applicable air quality standards, as permitted under the existing permit. Therefore, since controlled potential emissions from the proposed smaller engine would be lower than current emissions and because the engine emissions would continue to exhibit good dispersion characteristics, the Department determined that the proposed project would maintain compliance with all applicable ambient air quality standards and any impacts to air quality from the proposed project would be minor.

G. Unique Endangered, Fragile, or Limited Environmental Resources

Although the proposed project would result in air pollutant emissions, the potential impact of air emissions on unique endangered, fragile, or limited environmental resources after this permit change would be less than the current potential because the proposed compressor engine would generate fewer emissions than the current engine. Since the proposed changes would result in a reduction in pollutant emissions, as discussed in Section 7.F, the Department determined that any impacts to any existing unique endangered, fragile, or limited environmental resource due to the deposition of air pollutants would be minor and less than current impacts under the existing permit. Overall, any impact to any existing unique endangered, fragile, or limited environmental resource in the proposed project area would be minor.

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

The proposed project would have minor impacts on the demands for the environmental resources of air and water because the facility would be a source of air pollutants. Deposition of pollutants would occur as a result of operating the facility; however, as explained in Section 7.F of this EA, the Department determined that any impacts from deposition would be minor and less than existing impacts due to the reduction in potential emissions resulting from the current permit action.

The proposed project would have minor impacts on the demand for the environmental resource of energy because power would be required at the site. However, the impact on the demand for the environmental resource of energy would be minor because the current permit action would replace the existing compressor engine with a smaller, more energy efficient, engine. Overall, the impacts for the demands on the environmental resources of water, air, and energy would be minor.

I. Historical and Archaeological Sites

The proposed project would not result in any impact to any existing historical and archaeological sites in the proposed project area because the proposed new equipment would operate within an existing industrial area and would not require any additional construction. According to previous correspondence from the Montana State Historic Preservation Office, there is low likelihood of any disturbance to any known archaeological or historic site, given previous industrial disturbance within a given area. Therefore, the Department determined that the proposed project would not impact any existing historical or archaeological site.

J. Cumulative and Secondary Impacts

Overall, cumulative and secondary impacts from the proposed project on the physical and biological resources of the human environment in the immediate area would be minor because the predominant use of the surrounding area would not change as a result of the proposed project. In addition, the proposed project would result in lower air pollutant emissions than currently exist because the engine would be smaller and the emissions would be lower. Therefore, because the proposed compressor engine would generate fewer emissions, the potential impact from air pollutant emissions after this permit change would result in less cumulative and secondary impact to the area than the potential emissions currently permitted. Overall, the proposed replacement of the existing engine with a new smaller engine would reduce impacts in the area; therefore, no additional cumulative or secondary impacts would be expected as a result of the current permit action. The Department believes that this facility could be expected to operate in compliance with all applicable rules and regulations as would be outlined in Permit #3145-02.

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 ECENOMIC AND SOCIAL EFFECTS: The following comments have been prepared by the Department.

- A. Social Structures and Mores
- B. Cultural Uniqueness and Diversity

The proposed project would not impact the social structures and mores or the cultural uniqueness and diversity of the area because no new construction would be required and the potential emissions would decrease. The predominant use of the surrounding area would not change as a result of the proposed project.

- C. Local and State Tax Base and Tax Revenue

The proposed project would result in only a minor impact on the local and state tax base and tax revenue because the project would only slightly change current operations at the facility. Any economic impact to the area would be minor because the proposed project would not change typical operations at the facility. Further, the project would not require any new construction and only a limited number of existing employees/operators would be required for normal operations of the proposed equipment. Overall, any impact to local and state tax base and tax revenue would be minor as a result of the installation and operation of the proposed new equipment at the facility.

- D. Agricultural or Industrial Production

The proposed project would not result in any impact to agricultural production or land use because the proposed project would operate within the existing HPC site, no additional construction or land disturbance would be required to accommodate the project, and the emissions from the proposed compressor engine are less than the currently permitted compressor engine. Further, the nature of the project would not result in additional industrial production. Overall, the proposed project would not result in any impact to agricultural or industrial production at HPC or in the area surrounding HPC.

E. Human Health

The Clean Air Act (CAA), which was last amended in 1990, requires EPA to set NAAQS for pollutants considered harmful to public health and the environment. The federal CAA established two types of NAAQS, Primary and Secondary. Primary Standards are limits set to protect public health, including, but not limited to, the health of "sensitive" populations such as asthmatics, children, and the elderly. Secondary Standards are limits set to protect public welfare, including, but not limited to, protection against decreased visibility, damage to animals, crops, vegetation, and buildings.

Permit #3145-02 would include conditions and limitations that would require compliance with all applicable national and state air quality standards, including the federal primary and secondary standards. These standards are designed to be protective of human health. The Department believes that the existing HPC operations maintain compliance with applicable ambient air quality standards; therefore, because the proposed project would result in a decrease in potential emissions when compared to the existing HPC operations, the Department determined that the project would maintain compliance with the NAAQS/MAAQS. Any impact to human health would be minor because the potential impact of air pollutant emissions after this permit change would result in less impact to human health than the potential emissions currently permitted.

F. Access to and Quality of Recreational and Wilderness Activities

The project would not impact any access to or quality of any recreation or wilderness activities in the area because the proposed project would operate within the existing HPC site. Further, the resulting emissions from this project would be less than currently allowed.

G. Quantity and Distribution of Employment

H. Distribution of Population

The installation and operation of the proposed new equipment at the HPC site would require the use of existing HPC personnel for operations and would likely not require any new employees. Therefore, the proposed project would have little or no impact on the quantity and distribution of employment and population in the area.

I. Demands for Government Services

Government services would be required for acquiring the appropriate permits from government agencies. In addition, the permitted source of emissions would be subject to periodic inspections by government personnel. Demands for government services would be minor and consistent with current demands.

J. Industrial and Commercial Activity

The proposed project would result in only minor impacts on local industrial and commercial activity because the proposed project would be similar to existing activity at the HPC facility and would operate within the existing HPC site. Further, the proposed project would require only a small amount of new construction and would not result in additional industrial production.

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 proposed project. The state standards would be protective of the proposed project area.

L. Cumulative and Secondary Impacts

Overall, cumulative and secondary impacts from the proposed project 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. Further, the proposed project would maintain similar operations to the existing site operations thereby not requiring new employment or additional employment or immigration to the area. Overall, the proposed replacement of the existing engine with a new smaller engine would not change day-to-day operations at the facility and the emissions would be less than what is currently allowed. Therefore, no additional cumulative or secondary impacts would be expected as a result of the current permit action. The Department believes that this facility could be expected to operate in compliance with all applicable rules and regulations as would be outlined in Permit #3145-02.

Recommendation: No EIS is required.

If an EIS is not required, explain why the EA is an appropriate level of analysis: The current permit action is for the replacement of existing equipment at the HPC compressor station. Permit #3145-02 would include conditions and limitations to ensure 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 proposed project.

Other groups or agencies contacted or which may have overlapping jurisdiction: Montana Historical Society – State Historic Preservation Office, Natural Resource Information System – Montana Natural Heritage Program

Individuals or groups contributing to this EA: Department of Environmental Quality – Air Resources Management Bureau, Montana Historical Society – State Historic Preservation Office.

EA prepared by: Carson Coate
Date: June 28, 2004

