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LEGISLATIVE ENVIRONMENTAL
POLICY OFFICE

FINAL ENVIRONMENTAL ASSESSMENT (EA)

Issued For: LHC, Inc.

Permit Number: #2615-14

Preliminary Determination Issued: July 14, 2006
Department Decision Issued: August 1, 2006
Permit Final:

1. *Legal Description of Site*: LHC operates a portable crushing/screening facility. However, Permit #2615-14 would apply while operating at any location in Montana, except within those areas having a Department-approved permitting program or those areas considered tribal lands. *A Missoula County air quality permit will be required for locations within Missoula County, Montana.* Addendum 13 applies to the LHC facility while operating at any location in or within 10 km of certain PM_{10} nonattainment areas during the summer months (April 1 – September 30) and at sites approved by the Department during the winter months (October 1 – March 31).

2. *Description of Project*: On June 14, 2006, the Department received a request from LHC for a modification to Permit #2615-13. The modification requested the replacement of the 206-kW diesel generator with a 455-kW diesel generator.

3. *Objectives of Project*: By increasing the size of the diesel generator, LHC would be able to provide increased power to LHC's crushing and screening equipment.

4. *Additional Project Site Information*: In many cases, this crushing/screening operation may move to a general site location or open cut pit, which has been previously permitted through the Industrial and Energy Minerals Bureau (IEMB). If this were the case, additional information for the site would be found in the Mined Land Reclamation Permit for that specific site.

5. *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 LHC demonstrated compliance with all applicable rules and regulations as required for permit issuance. Therefore, the "no-action" alternative was eliminated from further consideration.

6. *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 Permit #2615-14.

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

8. *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 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 following comments have been prepared by the Department.

A. Terrestrial and Aquatic Life and Habitats

An increase in the size of the diesel generator would have only minor impacts upon the terrestrial and aquatic life and habitats in areas where the generator may operate. Although air pollutant deposition would occur in the areas where the generator operates, the size and temporary nature of the operation, dispersion characteristics of pollutants, and conditions placed in Permit #2615-14 and Addendum 13 would result in minor impacts. Therefore, the operation of the generator would present only minor impacts to the terrestrial and aquatic life and habitats in areas of potential operation.

B. Water Quality, Quantity, and Distribution

Although there would be an increase in air emissions in the area where the portable diesel generator would operate, there would only be minor impacts on water quality, quantity, and distribution because of the temporary nature, size, operational requirements, and conditions placed in Permit #2615-14 and Addendum 13 for the facility. Further, as described in Section 7.F. of this EA, the Department determined that any impacts from deposition of pollutants would be minor. In addition, any accidental spills or leaks from equipment would be required to be handled according to the appropriate environmental regulations in an effort to minimize any potential adverse impact on the immediate and surrounding area. Overall, the increase in generator size would have minor impacts to water quality, quantity, and distribution in the area of operations.

C. Geology and Soil Quality, Stability, and Moisture

As a result of the increased size of the generator, there would be minor impacts to the geology and soil quality, stability, and moisture near the equipment's operational area because of the increased vehicle traffic and deposition of pollutants from the generator operations. As explained in Section 7.F. of this EA, the facility's size, operational requirements, temporary nature of the operation, and conditions placed in Permit #2615-14 and Addendum 13 would minimize the impacts from deposition.

D. Vegetation Cover, Quantity, and Quality

Minor impacts would occur on vegetative cover, quality, and quantity because the larger generator would operate in an area where vegetation has been previously disturbed. Pollutants would be greatly dispersed and corresponding deposition on vegetation from the proposed project would be minor (see Section 8.F of this EA). Also, water would be used for pollution control, as necessary. Therefore, because water use and corresponding water runoff would be minimal, only minimal amounts of vegetation exists within the pit, and minimal vegetation outside the pit would be impacted, the associated impacts upon vegetation would be minimal.

E. Aesthetics

This larger generator and crushing/screening facility would be visible and would create noise while operating at the existing gravel pit site. However, Permit #2615-14 would include conditions to control emissions, including visible emissions, from the plant. Also, permit limitations and conditions from Addendum 13 would apply when the facility is operating in nonattainment areas. Since this is an existing portable crushing/screening facility and would operate on an intermittent and seasonal basis, any visual aesthetic impacts would be minor and short-lived.

F. Air Quality

Air quality impacts from the proposed project would be minor because this is an existing facility that would operate on an intermittent and temporary basis and would be located at previously disturbed sites. Permit #2615-14 would include conditions limiting the facility's opacity and the facility's crushing/screening production. Permit #2615-14 would also require water and water spray bars be available on site and used to control emissions. Permit #2615-14 would also limit total emissions from the crushing/screening facility and any additional LHC equipment operated at the site to 250 tons/year or less, excluding fugitive emissions. Additionally, Addendum 13 would apply while the facility is operating in or within 10 km of a certain PM_{10} nonattainment areas and would impose more stringent requirements for operations within those areas.

Further, the Department determined that this existing crushing/screening facility would be a minor source of emissions as defined under the Title V Operating Permit Program because the source's PTE was limited below the major source threshold level of 100 tons per year for any regulated pollutant. Pollutant deposition from the facility would be minimal because the pollutants emitted would be widely dispersed (from factors such as wind speed and wind direction) and would have minimal deposition on the surrounding area (due to site topography of the area and minimal vegetative cover in the area). Therefore, air quality impacts from operating the crushing/screening equipment in this area would be minor.

G. Unique Endangered, Fragile, or Limited Environmental Resources

In an effort to identify species of special concern that may be present in the proposed areas of operation, the Department previously contacted the Montana Natural Heritage Program (MNHP) for a review of species of special concern for many gravel pits around the state. This would include many of the pits where the generator may be located, but no initial location was identified under this permit. Issuance of this permit would increase emissions to the atmosphere near the location proposed for the operation of the diesel generator. However, because of the relatively small size and temporary nature of the diesel generator, operating in previously disturbed areas, and conditions placed in Permit #2615-14 and Addendum 13, any impacts to unique endangered, fragile, or limited environmental resources from the deposition of pollutants would be minor.

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

The diesel generator would be used to provide power to LHC's crushing and screening equipment. Water would be used on haul roads, access roads, parking lots, or the general plant property, as necessary, to control dust resulting from indirect use of the diesel generator. Also, minor amounts of air would be used in diesel generator operations and air quality would be impacted by pollutant emissions. The generator would consume energy from diesel fuel, a non-renewable resource. Generally, the operations are seasonal and would result in smaller demands on environmental resources. Therefore, any impacts on the demands of the environmental resources of water, air, and energy would be minor.

I. Historical and Archaeological Sites

The Department previously contacted the Montana Historical Society - State Historical Preservation Office (SHPO) in an effort to identify any historical and/or archaeological sites that may be present in the proposed area of construction/operation. Search results concluded that there are no previously recorded historical or archaeological resources of concern within the area proposed for initial operations. According to past correspondence from the Montana State Historic Preservation Office, there would be a low likelihood of adverse disturbance to any known archaeological or historic site given previous industrial disturbance to an area. Therefore, no impacts upon historical or archaeological sites would be expected as a result of the current permit action.

J. Cumulative and Secondary Impacts

The increased size of the diesel generator would cause minor effects to the physical and biological environment because other operations may potentially locate at the same site. However, any operations would have to apply for and receive the appropriate permits from the Department prior to operation. The permits would address the environmental impacts associated with the operations at the proposed sites.

The diesel generator and crushing/screening operation would be limited by Permit #2615-14 to total emissions of 250 tons/year or less from non-fugitive diesel generator operations and any other additional equipment used at any given site.

9. *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 increase in size of the diesel generator would cause no disruption to the social structures and mores in the area because the source is an existing minor industrial source of emissions and would only have temporary and intermittent operations. Further, the facility would be required to operate according to the conditions that would be placed in Permit #2615-14 and Addendum 13, which would limit the effects to social structures and mores.

B. Cultural Uniqueness and Diversity

The cultural uniqueness and diversity of this area would not be impacted by the increased size of the diesel generator because the facility is an existing portable source, with seasonal and intermittent operations.

C. Local and State Tax Base and Tax Revenue

The proposed increase in size of the diesel generator would have little, if any, affect on local and state tax base and tax revenue. The facility is a relatively small and temporary source; therefore, it would not remain at any individual site for any extended time period. No full time, permanent employees would be added as a result of issuing Permit #2615-14, and any revenue created by the operation of the diesel generator would be widespread and for a relatively short time period.

D. Agricultural or Industrial Production

Under normal circumstances, the operation of the diesel generator would take place in a previously disturbed industrial area. Therefore, the Department does not expect that the operation of the diesel generator would affect or displace any agricultural land. Further, the diesel generator operation is small by industrial standards and would have only a minor impact on any local industrial production.

E. Human Health

Permit #2615-14 would incorporate conditions to ensure that the diesel generator would be operated in compliance with all applicable rules and standards. These rules and standards are designed to be protective of human health. As described in Section 7.F. of this EA, the Department determined that any impacts from additional deposition of pollutants associated with the increased generator size would be minor due to dispersion characteristics and conditions placed in Permit #2615-14. The air emissions from this facility would be minimized by opacity limitations on the diesel generator and the surrounding area of operation.

F. Access to and Quality of Recreational and Wilderness Activities

This larger generator would be located on previously disturbed property and would not impact access to recreational and wilderness activities. However, minor impact on the quality of recreational activities might be created by the noise from the generator. Emissions from the generator would be minimized as a result of limitations placed in Permit #2615-14 and the temporary and portable nature of the operation.

G. Quantity and Distribution of Employment

This portable crushing/screening operation would only require a few existing employees to operate and would have seasonal and intermittent operations. No individuals would be expected to permanently relocate to this area of operation as a result of increasing the size of the generator. Therefore, no effects upon the quantity and distribution of employment in this area would be expected.

H. Distribution of Population

The portable crushing/screening operation is a portable industrial facility that would require only a few existing employees to operate. No individuals would be expected to permanently relocate to this area of operation as a result of increasing the size of the generator. Therefore, the crushing/screening facility would not impact the normal population distribution in the area of operation or any future operating site.

I. Demands of Government Services

Government services would be required for acquiring the appropriate permits and ensuring compliance with the permits that are issued; however, the government services required would be minor.

J. Industrial and Commercial Activity

The operation of the larger diesel generator would represent only a minor increase in the industrial activity in any given area. No additional industrial or commercial activity would result from the operation of the larger diesel generator because no secondary activities are expected to move to any area as a result of the current project.

K. Locally Adopted Environmental Plans and Goals

LHC would be allowed, by Permit #2615-14, to operate in areas designated by EPA as attainment or unclassified for ambient air quality. Addendum 13 to Permit #2615-14 would allow for summertime operations (April 1- September 30) in or within 10 km of certain PM_{10} nonattainment areas. Permit #2615-14 would contain limits for protecting air quality and to keep facility emissions in compliance with any applicable ambient air quality standards, as a locally adopted environmental plan or goal for operating at this proposed site. Because this is an existing portable facility and would have intermittent and seasonal operations, any impacts from the facility would be minor and short-lived.

L. Cumulative and Secondary Impacts

Overall, the cumulative and secondary social and economic impacts from this project would be minor because the larger diesel generator would originally locate at an existing gravel pit. New businesses would not be drawn to the area and permanent jobs would not be created or lost due to the operation of the larger diesel generator. Because no new employees would be hired due to the operation of the larger diesel generator, there would be no economic impacts from new employees. In addition, any social and economic impacts that are created would be minor and short-lived because of the relatively small size and temporary nature of the operation.

Recommendation: An EIS is not required.

If an EIS is not required, explain why the EA is an appropriate level of analysis: All potential effects resulting from construction and operation of the proposed facility are minor; therefore, an EIS is not required.

Other groups or agencies contacted or which may have overlapping jurisdiction: Montana Department of Environmental Quality - Permitting and Compliance Division (Industrial and Energy Minerals Bureau); Montana Natural Heritage Program; and the State Historic Preservation Office (Montana Historical Society).

Individuals or groups contributing to this EA: Montana Department of Environmental Quality (Air Resources Management Bureau and Industrial and Energy Minerals Bureau), Montana State Historic Preservation Office (Montana Historical Society).

EA prepared by: Eric Thunstrom
Date: June 19, 2006