



Montana Department of
ENVIRONMENTAL QUALITY

Brian Schweitzer, Governor

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December 6, 2011

Parrish Andrews
Malteurop North America, Inc.
415 US Highway 87
Great Falls, MT
59404

Dear Mr. Andrews,

The Department of Environmental Quality (Department) has made its decision on the Montana Air Quality Permit application for the modifications to the barley malting facility. The application was given permit number 3238-06. The Department's decision may be appealed to the Board of Environmental Review (Board). A request for hearing must be filed by December 21st, 2011. This permit shall become final on December 22nd, 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

Craig Henrikson, PE
Environmental Engineer
Air Resources Management Bureau
(406)-444-6711

Enclosure

VW:CH

DEPARTMENT OF ENVIRONMENTAL QUALITY
Permitting and Compliance Division
Air Resources Management Bureau
1520 East Sixth Avenue
P.O. Box 200901
Helena, Montana 59620-0901
(406) 444-3490

FINAL ENVIRONMENTAL ASSESSMENT (EA)

Issued For: Malteurop North America Incorporated
415 US Highway 87
Great Falls, MT 59404

Montana Air Quality Permit (MAQP) Number: #3238-06

Preliminary Determination on Permit Issued: 11/18/2011

Department Decision Issued: 12/6/2011

Permit Final:

1. *Legal Description of Site:* Malteurop North America (Malteurop) submitted an MAQP application to add an additional process heater at their existing facility which is located approximately 2 miles north of the City of Great Falls, Montana, and approximately ½ mile west of Black Eagle Road. The legal description of the facility site is the NE ¼ of the SE ¼ of Section 30, Township 21 North, Range 4 East, in Cascade County, Montana.
2. *Description of Project:* The permit application is for the addition of a new process heater rated up to 57.7 MMBtu/hr. The process description for the facility is discussed in the permit analysis Section of the permit.
3. *Objectives of Project:* The permit modification would allow for additional heating during periods of low ambient temperature and provide a back-up for the existing heaters. The capacity limitations within the permit remain the same for production output.
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 Malteurop 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 #3238-06.
6. *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 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 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

The addition of the new heater is within the existing facility footprint and no impact on terrestrial and aquatic life is expected under this permit action.

B. Water Quality, Quantity, and Distribution

There would be a minor increase in PTE associated with this permit action. 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.

C. Geology and Soil Quality, Stability, and Moisture

As a result of the new Heatec heater installation, no known impacts to the geology, soil quality, or stability and moisture are expected. The new equipment will be located inside the existing footprint of the facility, so no new areas will be disturbed.

D. Vegetation Cover, Quantity, and Quality

Because there is a minor increase in emissions associated with the permit action, small amounts of pollutant deposition would occur on the surrounding areas. Therefore, there could be minor impacts on local vegetative cover, quantity and quality.

E. Aesthetics

As the new heater will be located inside the existing building, no change in aesthetics is expected. The only visible change will be the addition of a new heater stack which would be similar to existing stacks at the facility.

F. Air Quality

The air quality emission impacts from the new heater would be minor because MAQP #3238-06 would include conditions limiting the visible emissions (opacity) from the plant. The operations would be limited by MAQP #3238-06 for allowable emission levels from the new heater according to those conditions contained in the permit and any impacts from the deposition of pollutants would be minor.

G. Unique Endangered, Fragile, or Limited Environmental Resources

The proposed project could have a minor impact on any unique endangered, fragile, or limited environmental resources. The Department, in an effort to identify any species of special concern associated with the proposed site location, contacted the Montana Natural Heritage Program (MNHP). Search results have concluded there are four species of concern in the area. Area, in this case, is defined by the township, range and section of the proposed site, with an additional one-mile buffer. The species of concern identified in the search include the following three vertebrate animals and one plant.

1. Bald Eagle (Sensitive)
2. Burrowing Owl (Sensitive)
3. Grasshopper Sparrow (Sensitive)
4. Little Indian Breadroot (Sensitive)

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

The operation of the new heater at the facility would only require small amounts of additional energy for proper operation at the facility. As described in Section 7.F of this EA, pollutant emissions generated from the facility would have minimal impacts on air quality in the immediate and surrounding area. Demands and impacts to the environmental resource of water, air and energy would be minor.

I. Historical and Archaeological Sites

The new heater would be located within the existing building footprint. According to the Montana State Historic Preservation Office, there is low likelihood of adverse disturbance to any known archaeological or historic site, given previous industrial disturbance within the area. Therefore, the operation would not have an effect on any known historic or archaeological site.

J. Cumulative and Secondary Impacts

The new heater addition would cause minor cumulative and secondary impacts to the physical and biological environment in the immediate area because the new heater would generate emissions of particulate matter and PM₁₀. Little or minor impacts could occur on local vegetation, and some minor impact on air quality due to the new source. Sensitive animals and plants are in the vicinity but again minor impacts are expected with the new heater being located inside the existing facility. Small amounts of additional energy could be consumed at the facility. The Department expects this facility to operate in compliance with all applicable rules and regulations as would be outlined in MAQP #3238-06.

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 Department has prepared the following comments.

A. Social Structures and Mores

The operation of the new Heater at the facility would not alter or disrupt any local lifestyles or communities (social structures or mores) in the area of operation because the heater would operate similar to other existing heaters. Therefore, the existing social structures and mores would not be affected as a result of this permitting action.

B. Cultural Uniqueness and Diversity

The heater addition would have no impact on the cultural uniqueness and diversity of the area because the source would be within the existing facility footprint.

C. Local and State Tax Base and Tax Revenue

The heater addition to the facility operations would have little, if any, effect on the local and state tax base and tax revenue because the facility overall production capacity remains unchanged; therefore, it would not be expected to alter the current number of employees at the facility.

D. Agricultural or Industrial Production

The addition of the new heater would be located within an existing building footprint. Further, the new plant heater operations would be small by industrial standards and, thus, would have only a minor impact on local production within the facility. Again, the facility production is limited by existing permit limits at 16,000,000 bushels per year.

E. Human Health

MAQP #3238-06 would incorporate conditions to ensure that the new process heater operations would be in compliance with all applicable air quality rules and standards. These rules and standards are designed to be protective of human health. Since these conditions would be incorporated, only minor impacts would be expected from this facility expansion.

F. Access to and Quality of Recreational and Wilderness Activities

The proposed project would not affect any access to recreational and wilderness activities because of the lack of wilderness areas in the proximity.

G. Quantity and Distribution of Employment

The proposed project would not be expected to have an effect on the quantity and distribution of employment in the area because existing employees would likely be able to maintain this equipment.

H. Distribution of Population

The proposed project would not disrupt the normal population distribution in the area because the new heater will be located within the existing building footprint.

I. Demands of Government Services

Minor increases would be seen on traffic on existing roadways in the area while the new heater is being installed. In addition, government services may be required for acquiring the appropriate permits from government agencies. Demands for government services would be minor.

J. Industrial and Commercial Activity

The plant heater addition would represent only a minor increase in the industrial activity within the facility itself. No other known additional industrial or commercial activity would be expected as a result of the proposed operation.

K. Locally Adopted Environmental Plans and Goals

The Department is not aware of any locally adopted environmental plans or goals that would be affected by the proposed project. The state and national ambient air quality standards would protect the proposed site and the environment surrounding the site.

L. Cumulative and Secondary Impacts

The proposed project is expected to have little or very minor cumulative and secondary impacts to the social and economic environment in the immediate area because the facility is already existing and the new heater will operate similarly to existing heaters. The new heater is considered a new source and when operating will have some emission of CO and NO_x although its' emission rates are lower than existing heaters at the facility. During the construction phase of the upgrade, some increase in industrial activity and demand for government services may occur but once the project is complete, demand should return to normal. The Department believes that the new process heater will operate in compliance with all applicable rules and regulations as are outlined in MAQP #3238-06.

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 new natural gas fired heater are minor, therefore, an EIS is not required.

In addition, the source would be applying the Best Available Control Technology and the analysis indicates compliance with all applicable air quality rules and regulations.

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

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

EA Prepared By: Craig Henrikson
October 28, 2011

Permit Analysis Prepared By: Craig Henrikson
Date: November 9, 2011