Montana Department of
ENVIRONMENTAL QUALITY
Brian Schweitzer, Governor
P. O. Box 200901 Helena, MT 59620-0901 (406) 444-2544 Website: www.deq.mt.gov

September 6, 2012

Geoffrey Sands
ONEOK Rockies Midstream, LLC
P.O. Box 871
Tulsa, OK 74102-0871

Dear Mr. Sands:

The Department of Environmental Quality (Department) has made its decision on the Montana Air Quality Permit application for the Natural Gas Liquid Storage and Transfer Facility. The application was given permit number #4631-01. The Department's decision may be appealed to the Board of Environmental Review (Board). A request for hearing must be filed by September 21, 2012. This permit shall become final on September 22, 2012, 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,

Charles Homer
Manager, Air Permitting, Compliance and Registration
Air Resources Management Bureau
(406) 444-5279

Craig Henrikson, P.E.
Environmental Engineer
Air Resources Management Bureau
(406) 444-6711

CH:CPH
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: ONEOK Rockies Midstream, LLC. (ORM)- Riverview Terminal

Montana Air Quality Permit Number: 4631-01

Preliminary Determination Issued: August 6, 2012
Department Decision Issued: September 6, 2012
Permit Final:

1. *Legal Description of Site*: East ½, Northwest ¼, Section 17 and Southeast ¼, Southwest ¼, Section 8, Township 22 North, Range 59 East, in Richland County.

2. *Description of Project*: ORM proposes to install a new propane-fired emergency generator at the Riverview Terminal. The facility has been operating since 1982 storing and loading natural gas liquids transported from surrounding gas plants via pipeline and truck. Spec grade liquids (propane and butane) are piped into horizontal pressurized tanks where they are stored for loading. ORM is proposing a modification that would increase the facility's potential VOC emissions approximately 8.2 tons per year (TPY) for a 107 brake horsepower emergency generator assuming a maximum operating time of 500 hours per year. Also proposed is to correct the emission calculations associated with the propane blanket on the methanol tank resulting in a decrease in estimated VOC emissions of 1.85 TPY.

3. *Objectives of Project*: To add an emergency generator at the Riverview Terminal and update the emission inventory relative to the propane blanket on the methanol tank.

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 at the facility. However, the Department does not consider the "no-action" alternative to be appropriate because ORM 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 #4631-01.

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				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

Terrestrials may be present in the surrounding area. Issuance of MAQP #4631-01 would permit a small increase in emissions including NO_x, CO, and VOC with negligible increase in SO_2 and PM with the addition of an emergency generator. Conditions and limitations in the permit would limit the allowable emissions. With the small increase in emissions no effects to terrestrial and aquatic life and habitats would be expected.

B. Water Quality, Quantity and Distribution

The proposed project would not result in a direct discharge to surface waters. No change in water usage at the facility would occur as a result of the proposed change. The Department would not expect any impacts to water quality, quantity and distribution as a result of the small emission increase.

C. Geology and Soil Quality, Stability and Moisture

No impacts to geology, and soil quality, stability and moisture would be expected to occur as the proposed modification would occur within the existing facility footprint.

D. Vegetation Cover, Quantity, and Quality

No impacts to vegetation cover, quantity and quality would be expected to occur as the proposed modification would occur within the existing facility print.

E. Aesthetics

The proposed project would not be expected to cause any change in aesthetics as the addition of the emergency generator would be within the existing facility and the emergency generator would be a minor change at the facility.

F. Air Quality

Issuance of MAQP #4631-01 would permit an increase in emissions at the facility. The application, and conditions and limitations which would be placed in the permit, would require the facility to be constructed and operated in a manner which would minimize these emissions. The facility would remain a minor source of emissions. Minor effects to air quality would be expected as a result of issuing MAQP #4631-01.

G. Unique Endangered, Fragile, or Limited Environmental Resources

The Department reviewed the previous information prepared by the the Montana Natural Heritage Program utilizing the Natural Resources Information System to identify any species of special concern in the general area in which the facility operates. Thirteen species of special concern were identified. The Department reviewed the previous conclusions located in MAQP #4631-00 and determined that due to the small increase in emissions proposed with the emergency generator, any impacts to the existing thirteen species of special concern would be minor. For a full reference to the thirteen species, see the Environmental Assessment in MAQP 4631-00.

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

No additional demands on water, air and energy are expected due to the small increase in emissions from the proposed project.

I. Historical and Archaeological Sites

Construction activities would be within the previously identified 19.25 acres of land that is owned and/or leased by ORM at the facility. Previously no sites were believed to be impacted by the facility expansion and the addition of an emergency generator would not cause an impact on historical or archaeological resources.

J. Cumulative and Secondary Impacts

The Department has determined there to be minor impacts to the individual physical and biological considerations above. The project takes place on land already owned by ORM, and impacts directly associated with issuance of MAQP #4631-01 are primarily air emissions outside the property boundaries but are expected to be minor. Cumulatively, the Department would expect minor impacts to physical and biological considerations. Secondary impacts would be 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				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

MAQP #4631-01 would permit a small increase in emissions including NO_x, CO, and VOC with negligible increase in SO_2 and PM with the addition of an emergency generator. An increase in the number of employees at the site would not be expected to occur. No impacts would be expected to Social Structures and Mores.

B. Cultural Uniqueness and Diversity

MAQP #4631-01 would permit a small increase in emissions including NO_x, CO, and VOC with negligible increase in SO_2 and PM with the addition of an emergency generator. An increase in the number of employees at the site would not be expected to occur. No impacts would be expected to Cultural Uniqueness and Diversity.

C. Local and State Tax Base and Tax Revenue

No impacts to local and state tax base and tax revenue would be expected with the small scale of the proposed project.

D. Agricultural or Industrial Production

MAQP #4631-01 would permit a minor modification at the existing facility. The proposed project would take place within the existing facility footprint. No impacts to agricultural or industrial production would be expected as a result of issuance of MAQP #4631-01.

E. Human Health

MAQP #4631-01 would contain limitations and conditions derived from rules designed to protect human health. Given the small increase in emissions that would occur under the proposed increase no impact would be expected to occur to human health.

F. Access to and Quality of Recreational and Wilderness Activities

MAQP #4631-00 would permit the addition of an emergency generator at the existing facility. The project would take place within the existing facility footprint. No impacts of access to and quality of recreational and wilderness activities would be expected.

G. Quantity and Distribution of Employment

The proposed project would not add permanent employees to the facility and therefore no impacts to the quantity and distribution of employment would be expected.

H. Distribution of Population

The proposed project would not result in any increase in permanent employees. A temporary increase in population in the area may result from construction related activities. The Department would not expect any impacts to the distribution of population.

I. Demands for Government Services

Demands for government services would not be expected to occur as a result of the proposed addition of the emergency generator.

J. Industrial and Commercial Activity

A temporary increase in industrial and commercial activity would not be expected during the construction phase of the project given the scope of the proposed project. Any impacts would be expected to be relatively minor and short-lived. An increase in general industrial activity as a result of increased capacity of the facility would not occur. Therefore, no impact to industrial and commercial activity is expected to occur.

K. Locally Adopted Environmental Plans and Goals

The Department is not aware of any locally adopted environmental plans and goals for which issuance of MAQP #4631-01 would affect. The permit conditions and limitations would be derived from rules designed to protect public health.

L. Cumulative and Secondary Impacts

The Department would not expect any impacts to the individual economic and social considerations above. Cumulatively, the Department would not expect any impacts. Secondary impacts would not be expected to occur.

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 addition of an emergency generator at an existing natural gas liquids storage, transfer, and loading facility. MAQP #4631-01 includes conditions and limitations to ensure the facility would operate in compliance with all applicable rules and regulations. In addition, there are no significant impacts associated with this proposal.

Other groups or agencies who provided information used in this analysis 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, Natural Resource Information System – Montana Natural Heritage Program

EA prepared by: Craig Henrikson
Date: 7/20/2012