Montana Department of
ENVIRONMENTAL QUALITY
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PRELIMINARY DETERMINATION
ON PERMIT APPLICATION

Date of Mailing: January 10, 2013

Name of Applicant: Hollow Contracting, Inc.

Source: Non-Metallic Mineral Processing Plant

Proposed Action: The Department of Environmental Quality (Department) proposes to issue a permit, with conditions, to the above-named applicant. The application was assigned Montana Air Quality Permit Application Number 2744-08.

Proposed Conditions: See attached.

Public Comment: Any member of the public desiring to comment must submit such comments in writing to the Air Resources Management Bureau (Bureau) of the Department at the above address. Comments may address the Department's analysis and determination, or the information submitted in the application. In order to be considered, comments on this Preliminary Determination are due by February 11, 2013. Copies of the application and the Department's analysis may be inspected at the Bureau's office in Helena. For more information, you may contact the Department.

Departmental Action: The Department intends to make a decision on the application after expiration of the Public Comment period described above. A copy of the decision may be obtained at the above address. The permit shall become final on the date stated in the Department's Decision on this permit, unless an appeal is filed with the Board of Environmental Review (Board).

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 by the date stated in the Department's Decision on this permit. 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, MT 59620.

For the Department,

Julie A Merkel

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JM:DCK
Enclosure

DEPARTMENT OF ENVIRONMENTAL QUALITY
Permitting and Compliance Division
Air Resources Management Bureau
P.O. Box 200901, Helena, MT 59620
(406) 444-3490

DRAFT ENVIRONMENTAL ASSESSMENT (EA)

Issued To: Hollow Contracting, Inc.
404 Greenwood Avenue
Butte, MT 59701

Montana Air Quality Permit Number (MAQP): 2744-08
Preliminary Determination Issued: 01/10/2013
Department Decision Issued:
Permit Final:

1. *Legal Description of Site*: Hollow Contracting, Inc. (Hollow) owns and operates a portable non-metallic mineral crushing and screening plant, located in Section 25, Township 3 North, Range 8 West, in Silver Bow County, Montana. However, MAQP #2744-08 applies while operating at any location in Montana, except those areas having a Department-approved permitting program, areas considered tribal lands, or areas in or within 10 kilometers (km) of certain particulate matter within an aerodynamic diameter of ten microns or less (PM_{10}) nonattainment areas. *A Missoula County air quality permit will be required for locations within Missoula County, Montana*. MAQP #2744-08 and Addendum #6 applies for locations in or within 10 km of certain PM_{10} nonattainment areas.

2. *Description of Project*: The Department received an application to modify Hollow's air quality permit to allow the operation of additional equipment under MAQP #2744-08. Specifically, Hollow requested authorization to increase the maximum rated capacity of the diesel engine driving the generator to 810 brake-horsepower (bhp).

3. *Objectives of Project*: The object of the project would be to produce business and revenue for the company through the sale and use of aggregate. The issuance of MAQP #2744-08 would allow Hollow to operate the permitted equipment at various locations throughout Montana (as described above), including the proposed initial site location.

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 MAQP to the proposed facility. However, the Department does not consider the "no-action" alternative to be appropriate because Hollow 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 #2744-08.

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 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.

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

This permitting action would be expected to have a minor effect on terrestrial and aquatic life and habitats, as the proposed plant would operate within an existing gravel pit. Furthermore, the air emissions would likely have only minor effects on terrestrial and aquatic life because facility emissions would be well dispersed in the area of the operations (see Section 7.F of this EA) and would have intermittent and seasonal operations. Therefore, only minor and temporary effects to terrestrial and aquatic life and habitat would be expected from the proposed project.

B. Water Quality, Quantity, and Distribution

Water would be required for dust suppression on the mineral processing equipment and surrounding facility area, including haul roads. This water use would be expected to only cause minor, if any, impacts to water resources because the facility is small and only a small volume of water would be required to be used. In addition, the facility would emit air pollutants, and corresponding deposition of pollutants would occur, as described in Section 7.F. of this EA. The site is in an existing open-cut mine where water runoff would be more readily controlled. However, the Department determined that, due to dispersion characteristics of pollutants and conditions that would be placed in MAQP #2744-08, any impacts from deposition of pollutants on water quality, quantity, and distribution expected would be minor.

C. Geology and Soil Quality, Stability, and Moisture

Only minor impacts from deposition of air pollutants on soils would likely result (as described in Section 7.F of this EA) and only minor amounts of water would be used for pollution control, and only as necessary, in controlling particulate emissions. Thus, only minimal water runoff would likely occur. Since only minor amounts of pollution would be expected and corresponding emissions would be widely dispersed before settling upon

surrounding soils and vegetation (as described in Section 7.D of this EA), impacts would be minor. Therefore, any effects upon geology and soil quality, stability, and moisture from air pollutant emissions from equipment operations would likely be minor and short-lived.

D. Vegetation Cover, Quantity, and Quality

Only minor impacts would be expected to occur with respect to vegetative cover, quality, and quantity because the facility would operate in an area where vegetation has been previously disturbed. During operations, the facility would likely be a relatively minor source of emissions and the pollutants widely dispersed (as described in Section 7.F of this EA); therefore, deposition on vegetation from the proposed project would expect to be minor. Also, due to limited water usage (as described in Section 7.B of this EA) and minimal associated soil disturbance from the application of water and water runoff (as described in Section 7.C of this EA), corresponding vegetative impacts would likely be minor.

E. Aesthetics

The facility would be visible and would create noise while operating the proposed equipment at the site. However, activity will occur within an existing active gravel pit. Further, MAQP #2744-08 would include conditions to control emissions, including visible emissions, from the plant. The facility would operate on an intermittent and seasonal basis, and would be a small industrial source. Therefore, any visual aesthetic impacts would be short-lived and are expected to be minor.

F. Air Quality

Air quality impacts from the proposed project would likely be minor because the facility would be relatively small and operate on an intermittent and temporary basis. MAQP #2744-08 includes conditions limiting the facility's opacity; require water and water spray bars be available on site and used to ensure compliance with opacity standards; and limit the facility's crushing production.

Further, the Department determined that this facility would be a minor source of emissions as defined under the Title V Operating Permit Program because the source's potential to emit is limited to below the major source threshold level of 100 tons per year (tpy). Pollutant deposition from the facility would expect to be minimal because the pollutants emitted are widely dispersed (from factors such as wind speed and wind direction) and exhibit minimal deposition on the surrounding area. Therefore, air quality impacts from operating the crushing facility in this area would be expected to be minor.

G. Unique Endangered, Fragile, or Limited Environmental Resources

The Department, in an effort to assess any potential impacts to any unique endangered, fragile, or limited environmental resources in the initial proposed area of operation (Section 25, Township 3 North, Range 8 West, in Silver Bow County, Montana), contacted the Natural Resource Information System – Montana Natural Heritage Program. Search results concluded there are two species of concern within the area. The search area, in this case, is defined by the section, township, and range of the proposed site, with an additional one (1) mile buffer. Species include the Golden Eagle (Sensitive) and the Westslope Cutthroat Trout (Sensitive).

While these species may be found within the search area, the impact, specific effects from operation of the crushing/screening facility in this area would be minor since the facility is relatively small in size and located within an existing gravel pit. In addition the source will have only seasonal and intermittent operations in the area. Therefore, the Department determined that any effects upon these species would likely be minor and short-lived.

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

Due to the relatively small size of the project, only small demands on environmental resources would likely be required for proper operation. Only small quantities of water are required for dust suppression of particulate emissions being generated at the site. In addition, impacts to air resources would be expected to be minor because the source would be considered a minor industrial source of emissions, with intermittent and seasonal operations, and because air pollutants generated by the facility would be widely dispersed as described in Section 7.F of this EA. Energy requirements would also be small, as the diesel engines would use small amounts of fuel. Overall, any impacts to water, air, and energy resources would likely be minor.

I. Historical and Archaeological Sites

The Department 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 location of the facility. According to correspondence from the Montana State Historic Preservation Office, there is low likelihood of disturbance to any known archaeological or historic site given previous industrial disturbance in the area. Therefore, it is unlikely that the crushing/screening operation would have an effect on any known historic or archaeological sites.

J. Cumulative and Secondary Impacts

The operation of the crushing and screening equipment would likely cause minor cumulative and secondary impacts to the physical and biological aspects of the human environment because the facility would be limited in the amount of emissions allowed to be released to the atmosphere. Emissions and noise generated from the equipment would likely result in only minor impacts to the area, as the facility would be seasonal and temporary. The proposed project would be short-term in nature, and likely have minor cumulative effects upon resources within the area. These resources include water, terrestrial and aquatic life, soils, and vegetation. Overall, cumulative and secondary impacts to the physical and biological aspects of the human environment would likely 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

The operation of the non-metallic mineral processing facility would expect to cause no disruption to the social structures and mores in the area because the source would be a minor industrial source of emissions within an existing industrial area that would only have temporary and intermittent operations. Further, the facility would be required to operate according to the conditions that would be placed in MAQP #2744-08, 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 likely be impacted by the operation of the proposed facility because the source would likely have seasonal and intermittent operations. Therefore, there would not be any impacts expected to the cultural uniqueness and diversity of this.

C. Local and State Tax Base and Tax Revenue

The operation of the facility would likely have little, if any, impact on the local and state tax base and tax revenue because the facility would be a minor industrial source of emissions and would have seasonal and intermittent operations. No additional employees are required as a result of this project. Thus, only minor impacts to the local and state tax base and revenue would be expected from the employees and facility production. Furthermore, the impacts to local tax base and revenue would expect to be minor because the source would be portable and the money generated for taxes would be widespread.

D. Agricultural or Industrial Production

The operation mineral processing facility would have only a minor impact on local industrial production since the facility would be a minor source of air emissions. Because minimal deposition of air pollutants would occur on the surrounding land (as described in Section 7.F of this EA), only minor and temporary effects on the surrounding vegetation (i.e. agricultural production) would occur. In addition, the facility operations would be small and temporary in nature and would be permitted with operational conditions and limitations that would minimize impacts upon surrounding vegetation, as described in Section 7.D of this EA.

E. Human Health

MAQP #2744-08 would incorporate conditions to ensure that the facility would operate in compliance with all applicable air quality 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 air emissions from this facility would be minimized by the use of water spray and other operational limits that would be required by MAQP #2744-08. Also, the facility would be operating on a temporary basis and pollutants would disperse from the ventilation of emissions at this site (see Section 7.F of this EA). Therefore, only minor impacts would be expected on human health from the proposed project.

F. Access to and Quality of Recreational and Wilderness Activities

Based on information received from Hollow, no recreational activities or wilderness areas are near the proposed project site. Therefore, no impacts to the access to and quality of recreational and wilderness activities would be expected.

G. Quantity and Distribution of Employment

The increase production capacity resulting from this modification will not require additional employees to operate; furthermore, the operation of this plant would have only seasonal and intermittent operations. No individuals would be expected to permanently relocate to this area of operation as a result of expanded facility operations. Therefore, no effects upon the quantity and distribution of employment in this area would be expected.

H. Distribution of Population

The operation is a portable industrial facility that would only require a limited number of employees. No individuals would be expected to permanently relocate to this area as a result of this expansion. Therefore, the mineral processing facility would not likely impact the normal population distribution in the initial area of operation or any future operating site.

I. Demands of Government Services

No increase in traffic on existing roadways in the area while the facility is expected from this expansion. Government services would be required for acquiring the appropriate permits for the proposed project and to verify compliance with the permits that would be issued. However, demands for government services would be expected to be minor.

J. Industrial and Commercial Activity

The operation of the new equipment would represent only a minor increase in the industrial activity in the proposed area of operation because the source would be a relatively small industrial source that would be portable and temporary in nature. Furthermore, the industrial

activity associated with this plant will occur within an existing gravel pit. Therefore, only limited additional industrial or commercial activity would be expected as a result of the proposed operation.

K. Locally Adopted Environmental Plans and Goals

Hollow would be allowed, by MAQP #2744-08, to operate in areas designated by the United States Environmental Protection Agency as attainment or unclassified for ambient air quality. Further, Addendum #6 and MAQP #2744-08 contains operational restrictions for protecting air quality in PM_{10} nonattainment areas 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 the proposed equipment would be a portable source and would likely have intermittent and seasonal operations, any impacts from the project would be expected to be minor and short-lived.

L. Cumulative and Secondary Impacts

The operation of the facility would cause only minor cumulative and secondary impacts to the social and economic aspects of the human environment in the immediate area of operation because the source would be a portable and temporary source. Because the source is relatively small and temporary, only minor economic impacts to the local economy would be expected from operating the facility. Further, this facility may be operated in conjunction with other equipment owned and operated by Hollow, but any cumulative impacts upon the social and economic aspects of the human environment would likely be minor and short-lived. Thus, only minor and temporary cumulative effects would be expected to the local economy.

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 operation of a portable non-metallic mineral processing facility; MAQP #2744-08 and Addendum #6 provides 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 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, Natural Resource Information System – Montana Natural Heritage Program

EA prepared by: D. Kuenzli
Date: December 19, 2012