Montana Department of
ENVIRONMENTAL QUALITY

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May 2, 2013

Sam Weyers
Nelcon, Inc
PO Box 5370
Kalispell, MT 59903

Dear Mr. Weyers:

Montana Air Quality Permit #3871-02 is deemed final as of May 2, 2013, by the Department of Environmental Quality (Department). This permit is for a wash plant and cement guppy. 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,

Julie A. Merkel
Air Permitting Supervisor
Air Resources Management Bureau
(406) 444-3626

Shawn Juers
Environmental Engineer
Air Resources Management Bureau
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JM:SJ
Enclosure

DEPARTMENT OF ENVIRONMENTAL QUALITY
Permitting and Compliance Division
Air Resources Management Bureau
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FINAL ENVIRONMENTAL ASSESSMENT (EA)

Issued To: Nelcon, Inc.

Montana Air Quality Permit number: 3871-02

Preliminary Determination Issued: 3/29/2013
Department Decision Issued: 4/16/2013
Permit Final: 5/2/2013

1. *Legal Description of Site*: The Nelcon facility would operate at various locations throughout Montana. MAQP #3871-02 applies while operating in areas designated as attainment or unclassified for all NAAQS; excluding those counties that have a Department-approved permitting program, and those areas considered Tribal Lands. Operation in areas in or within 10 km of certain PM_{10} nonattainment areas are subject to MAQP #3871-02 and additional and/or more stringent conditions of Addendum #3. *A Missoula County air quality permit would be required for locations within Missoula County, Montana.* MAQP #3871-02 and Addendum #3 applies to the Nelcon facility while operating at any location in or within 10 km of certain PM_{10} nonattainment areas during the summer season (April 1 – September 30) and at sites approved by the Department during the winter season (October 1 – March 31), including the home pit location in Section 36, Township 30 North, Range 21 West, in Flathead County, Montana.

2. *Description of Project*: Nelcon operates a portable wash plant and cement guppy at various locations throughout Montana. The project consists of adding a 547 hp generator engine to MAQP #3871-02 and Addendum #3. The proposed permit action would update the equipment authorized by MAQP #3871-02, allowing the construction and operation of the plant in locations across the state.

3. *Objectives of Project*: The issuance of MAQP #3871-02 and Addendum #3 would allow Nelcon to operate the permitted equipment at various locations throughout Montana, including the home pit location.

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 MAQP to the proposed facility. However, the Department does not consider the "no-action" alternative to be appropriate because Nelcon has 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 #3871-02.

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 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

MAQP #3871-02 would result in a minor increase in allowable emissions from an annual emissions standpoint. No more than a minor impact to terrestrial and aquatic life and habitats would be expected.

B. Water Quality, Quantity and Distribution

MAQP #3871-02 would result in a minor increase in allowable emissions from an annual emissions standpoint. Use of water for control of particulate emissions would continue to be required. No additional water using equipment is being permitted in this action. No more than a minor impact would be expected.

C. Geology and Soil Quality, Stability and Moisture

MAQP #3871-02 would result in a minor increase in allowable emissions from an annual emissions standpoint. Use of water for control of particulate emissions would continue to be required. No additional water using equipment is being permitted in this action. No change in the areas this plant is allowed to operate in is being permitted. No more than a minor impact would be expected.

D. Vegetation Cover, Quantity, and Quality

There are six known plant species of concern within the project area which includes the Section of the home pit area and an additional one-mile buffer surrounding the area. The overall footprint of the facility would not change as a result of this permitting action. The facility would be considered a minor source of emissions by industrial standards and would typically operate in areas previously designated and used for this type of operation. No more than a minor impact would be expected.

E. Aesthetics

The diesel generator engine would be visible and audible during operation. However, the equipment performs the same function using the same technology as the previous equipment operated under the MAQP. MAQP #3871-02 would include conditions which limit visible emissions from the operation. The hours of operation of the diesel generator engine are limited. The generator engine is being added to an operation which already includes the operation of a large diesel generator engine. No more than a minor impact would be expected.

F. Air Quality

MAQP #3871-02 would limit operation hours such that only a minor increase in emissions from an annual emissions standpoint is permitted. Further, these operational limits keep emissions below the thresholds which require more rigorous quantitative analysis. The Department would expect a minor impact.

G. Unique Endangered, Fragile, or Limited Environmental Resources

In an effort to assess any potential impacts to any unique endangered, fragile, or limited environmental resources, the Department previously contacted the Montana National Heritage Program (MNHP). Search results concluded there are nine known animal and plant species of concern located within the search area. The search area, in this case, is defined by the township and range of the proposed site, with an additional one-mile buffer. The MNHP concluded that the threatened bird species of Bald Eagle has had recorded sightings to the south and southeast of the project area. The threatened fish species of Bull Trout and sensitive fish species of Westslope Cutthroat Trout have recorded sightings in the Whitefish and Flathead Rivers located to the west and east of the site location. Sensitive plant species of concern sighted to the northeast of the site are the Latah Tule Pea and Small Yellow Lady's-slipper. Other plant species of concern sighted northeast of the site are the Aloina Moss, Short-styled Thistle, Deer Indian Paintbrush, and Maidenhair Spleenwort.

Given the fact that most of the species of concern would not likely be located within the operational area of the project, any effects on the local populations would be expected to be minimal. The current permit action adds a small generator engine to an existing operation. No more than a minor impact would be expected.

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

The addition of a 547 hp generator engine would increase demands on air and energy. From an annual emissions standpoint, the current permit allows only a minor increase in allowable emissions. A small increase in energy requirements via diesel fuel required to run the generator engine would be expected to occur, however, no more than a minor impact would be expected.

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 archaeological sites that may be present in the proposed area of operation. Search results concluded that there were no previously recorded historical or archaeological resources of concern within the Nelcon home pit area. According to correspondence from the SHPO, there would be a low likelihood of adverse disturbance to any known archaeological or historic site given previous industrial

disturbance to the area. Therefore, no impacts upon historical or archaeological sites would be expected as a result of operating the equipment. However, if cultural materials are discovered during this project, or any future project location, the Montana Historical Society should be contacted.

J. Cumulative and Secondary Impacts

Overall, the cumulative and secondary impacts from this project on the physical and biological environment in the immediate area would be minor due to the relatively small size and potential environmental impact of the operation. The Department believes that this facility would be expected to operate in compliance with all applicable rules and regulations as outlined in MAQP #3871-02 and the associated Addendum #3.

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

No more than a minor impact would be expected from the addition of the generator engine.

B. Cultural Uniqueness and Diversity

No increase in the number of employees required for operation would be expected to occur as the result of this permitting action. No more than a minor impact would be expected from the addition of the generator engine.

C. Local and State Tax Base and Tax Revenue

No more than a minor impact would be expected from the addition of the generator engine.

D. Agricultural or Industrial Production

No more than a minor impact would be expected from the addition of the generator engine.

E. Human Health

Conditions would be incorporated into MAQP #3871-02 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.

F. Access to and Quality of Recreational and Wilderness Activities

Access to recreational opportunities would not be affected by the operation of the proposed equipment. The equipment would be initially and typically located within a preexisting industrial site. All recreational opportunities, if available in the area, would still be accessible. Noise from the equipment would be similar to the previous activity occurring within the Nelcon home pit. The pit is on private land and the Department has determined that the project would be a minor industrial source of emissions. Therefore, any changes in the quality of recreational and wilderness activities would be expected to be very minor.

G. Quantity and Distribution of Employment

Nelcon is not expected to require any additional employees to operate the proposed equipment. Therefore, there is no expected impact to the quantity and distribution of employment, and any actual impact would be expected to be very minor.

H. Distribution of Population

The proposed equipment is not expected to affect the distribution of population in the Nelcon home pit area. No employees would be expected to be relocated to the area as part of this permit action.

I. Demands for Government Services

Government services would continue to 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 minor.

J. Industrial and Commercial Activity

The operation would continue to be a small industrial source and be portable and temporary in nature. No more than a minor impact would be expected from the addition of the generator engine.

K. Locally Adopted Environmental Plans and Goals

Nelcon would be allowed by MAQP #3871-02 and the associated Addendum #3 to operate in areas designated by EPA as attainment or unclassified for ambient air quality and in or within 10 km of certain PM_{10} nonattainment areas, including the Columbia Falls/Kalispell/Whitefish PM_{10} nonattainment area where the Nelcon home pit is located. MAQP #3871-02 and Addendum #3 would contain production and opacity limits for protecting air quality. No more than a minor impact would be expected from the generator engine.

L. Cumulative and Secondary Impacts

Overall, the proposed project would cause minor cumulative and secondary impacts to the social and economic aspects of the human environment in the immediate area of operation. Furthermore, no other industrial operations are expected to result from this permitting action.

Recommendation: No Environmental Impact Statement (EIS) is required.

If an EIS is not required, explain why the EA is an appropriate level of analysis: MAQP #3871-02 and Addendum #3 would include conditions and limitations to protect air quality. No more than minor impacts would be expected from the generator engine.

Individuals or groups contributing to this EA: Department of Environmental Quality – Air Resources Management Bureau

EA prepared by: Shawn Juers
Date: 3/4/2013