

## Air Quality Permit

Issued To: Omimex Canada, Ltd.  
Utopia Field Station  
5608 Malvey, Penthouse Suite  
Fort Worth, TX 76107

Permit #3226-03  
Application Complete: 9/30/05  
Preliminary Decision Issued: 11/8/05  
Department Decision Issued: 11/28/05  
Permit Final: 12/14/05  
AFS #: 051-0004

An air quality permit, with conditions, is hereby granted to Omimex Canada, Ltd. (Omimex), pursuant to Sections 75-2-204 and 211, Montana Code Annotated (MCA), as amended, and Administrative Rules of Montana (ARM) 17.8.740, *et seq.*, as amended, for the following:

### Section I: Permitted Facilities

#### A. Plant Location

The Omimex Utopia Field Station is located in the NW¼ of the SW¼ of Section 14, Township 33 North, Range 4 East, in Liberty County, Montana. The facility is located approximately 32 miles east of Shelby and about 10 miles north of Lothair.

#### B. Current Permit Action

On September 30, 2005, the Department of Environmental Quality (Department) received a complete Montana Air Quality Permit Application from Omimex. Omimex requested that the Department modify Permit #3226-02. The modification consists of installing one 500-horsepower (hp) natural gas-fired engine for gas compression and the removal of two existing engines, the 220-hp Caterpillar compressor engine and 240-hp Ingersol-Rand compressor engine.

### Section II: Limitations and Conditions

#### A. Emission Limitations

1. Emissions from the 500-horsepower (hp) Caterpillar compressor engine shall be controlled with the use of a Non-Selective Catalytic Reduction (NSCR) unit and an electronic air-to-fuel ratio (AFR) controller. Emissions from the engine shall not exceed the following (ARM 17.8.752):

Nitrogen oxides (NO <sub>x</sub> <sup>1</sup> )	1.00 lb/hr
Carbon monoxide (CO)	2.21 lb/hr
Volatile organic compound (VOC)	0.88 lb/hr

2. Omimex shall not cause or authorize emissions to be discharged into the outdoor atmosphere from any sources installed on or before November 23, 1968, that exhibit an opacity of 40% or greater averaged over six consecutive minutes (ARM 17.8.304).
3. Omimex shall not cause or authorize emissions to be discharged into the outdoor atmosphere from any sources installed after November 23, 1968, that exhibit an opacity of 20% or greater averaged over six consecutive minutes (ARM 17.8.304).

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<sup>1</sup> NO<sub>x</sub> reported as NO<sub>2</sub>

4. Omimex shall not cause or authorize emissions to be discharged into the atmosphere from haul roads, access roads, parking lots, or the general plant property without taking reasonable precautions to control emissions of airborne particulate matter (ARM 17.8.308).
5. Omimex shall treat all unpaved portions of the access roads, parking lots, and general plant area with water and/or chemical dust suppressant as necessary to maintain compliance with the reasonable precautions limitation in Section II.A.4 (ARM 17.8.749).

#### B. Testing Requirements

1. Omimex shall initially test the 500-hp Caterpillar compressor engine for NO<sub>x</sub> and CO, concurrently, to demonstrate compliance with the NO<sub>x</sub> and CO emission limits contained in Section II.A.1. Testing shall continue on an every four-year basis or according to another testing/monitoring schedule as may be approved by the Department (ARM 17.8.105 and ARM 17.8.749).
2. All compliance source tests shall be conducted in accordance with the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106).
3. The Department may require further testing (ARM 17.8.105).

#### C. Operational Reporting Requirements

1. Omimex shall supply the Department with annual production information for all emission points, as required by the Department in the annual Emission Inventory request. The request will include, but is not limited to, all sources of emissions identified in Section I.A. of the Permit Analysis.

Production information shall be gathered on a calendar-year basis and submitted to the Department by the date required in the Emission Inventory request. Information shall be in the units required by the Department. This information may be used for calculating operating fees, based on actual emissions from the facility, and/or to verify compliance with permit limitations (ARM 17.8.505).

2. Omimex shall notify the Department of any construction or improvement project conducted pursuant to ARM 17.8.745, that would include a change in control equipment, stack height, stack diameter, stack flow, stack gas temperature, source location, or fuel specifications, or would result in an increase in source capacity above its permitted operation or the addition of a new emission unit. The notice must be submitted to the Department, in writing, 10 days prior to start-up or use of the proposed de minimis change, or as soon as reasonably practicable in the event of an unanticipated circumstance causing the de minimis change and must include the information requested in ARM 17.8.745(1)(d) (ARM 17.8.745).
3. All records compiled in accordance with this permit must be maintained by Omimex as a permanent business record for at least five years following the date of the measurement, must be available at the plant site for inspection by the Department, and must be submitted to the Department upon request (ARM 17.8.749).

### Section III: General Conditions

- A. Inspection - Omimex shall allow the Department's representatives access to the source at all reasonable times for the purpose of making inspections or surveys, collecting samples, obtaining data, auditing any monitoring equipment (CEMS, CERMS) or observing any monitoring or testing, and otherwise conducting all necessary functions related to this permit.

- B. Waiver - The permit and all the terms, conditions, and matters stated herein shall be deemed accepted if the recipient fails to appeal as indicated below.
- C. Compliance with Statutes and Regulations - Nothing in this permit shall be construed as relieving Omimex of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided in ARM 17.8.740 *et seq.* (ARM 17.8.756).
- D. Enforcement - Violations of limitations, conditions and requirements contained herein may constitute grounds for permit revocation, penalties or other enforcement as specified in Section 75-2-401 *et seq.*, MCA.
- E. Appeals - Any person or persons jointly or severally adversely affected by the Department's decision may request, within 15 days after the Department renders its decision, upon affidavit setting forth the grounds therefore, a hearing before the Board of Environmental Review (Board). A hearing shall be held under the provisions of the Montana Administrative Procedures Act. The filing of a request for a hearing does not stay the Department's decision, unless the Board issues a stay upon receipt of a petition and a finding that a stay is appropriate under Section 75-2-211(11)(b), MCA. The issuance of a stay on a permit by the Board postpones the effective date of the Department's decision until conclusion of the hearing and issuance of a final decision by the Board. If a stay is not issued by the Board, the Department's decision on the application is final 16 days after the Department's decision is made.
- F. Permit Inspection - As required by ARM 17.8.755, Inspection of Permit, a copy of the air quality permit shall be made available for inspection by the Department at the location of the source.
- G. Permit Fees - Pursuant to Section 75-2-220, MCA, as amended by the 1991 Legislature, failure to pay the annual operation fee by Omimex may be grounds for revocation of this permit, as required by that section and rules adopted thereunder by the Board.

Permit Analysis  
Omimex Canada, Ltd.  
Utopia Field Station  
Permit #3226-03

I. Introduction/Process Description

A. Permitted Equipment

Omimex Canada, Ltd. (Omimex) owns and operates a natural gas compressor station that is known as the Utopia Field Station. The Omimex facility includes the following equipment:

- (1) Caterpillar 500-horsepower (hp) compressor engine
- (1) 0.25-million British thermal unit per hour (MMBtu/hr) Flameco Dehydrator
- (2) 0.08 MMBtu/hr Little Giant heaters

B. Source Description

The Omimex facility is located in the NW¼ of the SW¼ of Section 14, Township 33 North, Range 4 East in Liberty County, Montana. The facility has two primary purposes. The first purpose is to boost the field gas up to the required pressure in the natural gas transmission system.

The second purpose of the complex is to "dry" the gas as it is being processed. The gas contains some moisture, which must be removed from the system prior to being sent into the transmission system. This is accomplished with a dehydrator, also commonly called a reboiler or glycol unit. The gas is treated with a glycol solution, which absorbs the water in the gas stream. The glycol is then heated to about 300 degrees Fahrenheit (°F) in order to drive off the water and return the glycol. The water that is driven off is released to the atmosphere in the form of steam. Burning natural gas in the dehydrator reboiler generates the heat necessary for this process.

C. Permit History

On November 6, 2002, the Montana Department of Environmental Quality (Department) received a complete Air Quality Permit Application from EnCana Energy Resources, Inc. (EnCana). EnCana notified the Department that they had purchased the natural gas gathering portion of the Utopia Field Station from NorthWestern Corporation (NorthWestern).

The permit action involved two separate tasks. First, the Department issued Permit #3226-00 to EnCana for the operation of a 240-hp Ingersoll Rand compressor engine, a 0.25-MMBtu/hr Lakota dehydrator, and two 0.08 MMBtu per hour Little Giant heaters purchased from Northwestern. In addition, the Lakota dehydrator was correctly identified as a Flameco dehydrator and a 220-hp Caterpillar compressor engine was added to the facility's permit. Second, Northwestern's Permit #2756-03 was modified to reflect the removal of the equipment purchased by EnCana. On January 3, 2003, Permit #3226-00 became final.

On June 5, 2003, the Department received a letter from EnCana requesting that the Department change the corporate name on Permit #3226-00 from EnCana to EnCana Gathering Services (USA), Inc. (EnCana Gathering). This permitting action changed the corporate name on Permit #3226-00 and updated the permit with current permit language and rule references used by the Department. **Permit #3226-01** replaced Permit #3226-00.

On March 5, 2004, the Department received a letter from Omimex requesting that the Department change the corporate name on Permit #3226-01 from EnCana Gathering to Omimex. The corporate name on Permit #3226-01 was changed and the permit was updated to reflect current permit language and rule references used by the Department. Permit #3226-02 replaced Permit #3226-01.

#### D. Current Permit Action

On September 30, 2005, the Department received a complete Montana Air Quality Permit Application from Omimex. Omimex requested that the Department modify Permit #3226-02. The modification consists of installing one 500-horsepower (hp) natural gas-fired engine for gas compression and the removal of two existing engines, the 220-hp Caterpillar compressor engine and 240-hp Ingersol-Rand compressor engine. **Permit #3226-03** replaces Permit #3226-02.

#### E. Additional Information

Additional information, such as applicable rules and regulations, Best Available Control Technology (BACT)/Reasonably Available Control Technology (RACT) determinations, air quality impacts, and Environmental Assessments, is included in the analysis associated with each change to the permit.

### II. Applicable Rules and Regulations

The following are partial quotations of some applicable rules and regulations that apply to the facility. The complete rules are stated in the Administrative Rules of Montana (ARM) and are available, upon request, from the Department. Upon request, the Department will provide references for locations of complete copies of all applicable rules and regulations or copies where appropriate.

#### A. ARM 17.8, Subchapter 1 - General Provisions, including, but not limited to:

1. ARM 17.8.101 Definitions. This rule includes a list of applicable definitions used in this chapter, unless indicated otherwise in a specific subchapter.
2. ARM 17.8.105 Testing Requirements. Any person or persons responsible for the emission of any air contaminant into the outdoor atmosphere shall, upon written request of the Department, provide the facilities and necessary equipment (including instruments and sensing devices) and shall conduct tests, emission or ambient, for such periods of time as may be necessary using methods approved by the Department.
3. ARM 17.8.106 Source Testing Protocol. The requirements of this rule apply to any emission source test conducted by the Department, any source, or other entity as required by any rule in this chapter, or any permit or order issued pursuant to this chapter, or the provisions of the Clean Air Act of Montana, 75-2-101, *et seq.*, Montana Code Annotated (MCA).

Omimex shall comply with all requirements contained in the Montana Source Test Protocol and Procedures Manual, including, but not limited to, using the proper test methods and supplying the required reports. A copy of the Montana Source Test Protocol and Procedures Manual is available from the Department upon request.

4. ARM 17.8.110 Malfunctions. (2) The Department must be notified promptly by telephone whenever a malfunction occurs that can be expected to create emissions in excess of any applicable emission limitation, or to continue for a period greater than four hours.
5. ARM 17.8.111 Circumvention. (1) No person shall cause or permit the installation or use of any device or any means which, without resulting in reduction in the total amount of air contaminant emitted, conceals or dilutes an emission of air contaminant that would otherwise violate an air pollution control regulation. (2) No equipment that may produce emissions shall be operated or maintained in such a manner that a public nuisance is created.

B. ARM 17.8, Subchapter 2 - Ambient Air Quality, including, but not limited to the following:

1. ARM 17.8.204 Ambient Air Monitoring
2. ARM 17.8.210 Ambient Air Quality Standards for Sulfur Dioxide
3. ARM 17.8.211 Ambient Air Quality Standards for Nitrogen Dioxide
4. ARM 17.8.212 Ambient Air Quality Standards for Carbon Monoxide
5. ARM 17.8.213 Ambient Air Quality Standard for Ozone
6. ARM 17.8.214 Ambient Air Quality Standard for Hydrogen Sulfide
7. ARM 17.8.220 Ambient Air Quality Standard for Settled Particulate Matter
8. ARM 17.8.221 Ambient Air Quality Standard for Visibility
9. ARM 17.8.222 Ambient Air Quality Standard for Lead
10. ARM 17.8.223 Ambient Air Quality Standard for PM<sub>10</sub>

Omimex must maintain compliance with the applicable ambient air quality standards.

C. ARM 17.8, Subchapter 3 - Emission Standards, including, but not limited to:

1. ARM 17.8.304 Visible Air Contaminants. (1) This rule requires that no person may cause or authorize emissions to be discharged to an outdoor atmosphere from any source installed on or before November 23, 1968, that exhibit an opacity of 40% or greater averaged over 6 consecutive minutes. (2) This rule requires that no person may cause or authorize emissions to be discharged to an outdoor atmosphere from any source installed after November 23, 1968, that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes.
2. ARM 17.8.308 Particulate Matter, Airborne. (1) This rule requires an opacity limitation of less than 20% for all fugitive emission sources and that reasonable precautions be taken to control emissions of airborne particulate. (2) Under this rule, Omimex shall not cause or authorize the use of any street, road, or parking lot without taking reasonable precautions to control emissions of airborne Particulate Matter (PM).
3. ARM 17.8.309 Particulate Matter, Fuel Burning Equipment. This rule requires that no person shall cause, allow, or permit to be discharged into the atmosphere PM caused by the combustion of fuel in excess of the amount determined by this rule.
4. ARM 17.8.310 Particulate Matter, Industrial Process. This rule requires that no person shall cause, allow, or permit to be discharged into the atmosphere PM in excess of the amount set forth in this rule.
5. ARM 17.8.322 Sulfur Oxide Emissions--Sulfur in Fuel. (5) Commencing July 1, 1971, no person shall burn any gaseous fuel containing sulfur compounds in excess of 50 grains per 100 cubic feet of gaseous fuel, calculated as hydrogen sulfide at standard conditions. Omimex uses pipeline-quality natural gas, which meets this limitation.
6. ARM 17.8.340 Standards of Performance for New Stationary Sources. The owner or operator of any stationary source or modification, as defined and applied in 40 CFR Part 60, New Source Performance Standards (NSPS), shall comply with the standards and provisions of 40 CFR Part 60. The Omimex facility is not an NSPS affected source because it does not meet any of the definitions of a natural gas processing plant, as defined in 40 CFR Part 60, Subpart KKK, or any other subpart under 40 CFR Part 60, because the facility was constructed prior to January 20, 1984.
7. ARM 17.8.342 Emission Standards for Hazardous Air Pollutants for Source Categories. The source, as defined and applied in 40 CFR 63, shall comply with the requirements of 40 CFR 63, as listed below:

40 CFR 63, Subpart HH - National Emission Standards for Hazardous Air Pollutants From Oil and Natural Gas Production Facilities. Owners or operators of oil and natural gas production facilities, as defined and applied in 40 CFR Part 63, shall comply with the applicable provisions of 40 CFR Part 63, Subpart HH. In order for a natural gas production facility to be subject to 40 CFR Part 63, Subpart HH requirements, certain criteria must be met. First, the facility must be a major source of Hazardous Air Pollutants (HAP) as determined according to paragraphs (a)(1)(i) through (a)(1)(iii) of 40 CFR 63, Subpart HH. Second, a facility that is determined to be major for HAPs must also either process, upgrade, or store hydrocarbon liquids prior to the point of custody transfer, or process, upgrade, or store natural gas prior to the point at which natural gas enters the natural gas transmission and storage source category or is delivered to a final end user. Third, the facility must also contain an affected source as specified in paragraphs (b)(1) through (b)(4) of 40 CFR Part 63, Subpart HH. Finally, if the first three criteria are met, and the exemptions contained in paragraphs (e)(1) and (e)(2) of 40 CFR Part 63, Subpart HH do not apply, the facility is subject to the applicable provisions of 40 CFR Part 63, Subpart HH. Because the facility is not a major source of HAPs, Omimex is not subject to the provisions of 40 CFR Part 63, Subpart HH.

40 CFR 63, Subpart HHH National Emission Standards for Hazardous Air Pollutants From Natural Gas Transmission and Storage Facilities. Owners or operators of natural gas transmission or storage facilities, as defined and applied in 40 CFR Part 63, shall comply with the standards and provisions of 40 CFR Part 63, Subpart HHH. In order for a natural gas transmission and storage facility to be subject to 40 CFR Part 63, Subpart HHH requirements, certain criteria must be met. First, the facility must transport or store natural gas prior to the gas entering the pipeline to a local distribution company or to a final end user if there is no local distribution company. In addition, the facility must be a major source of HAPs as determined using the maximum natural gas throughput as calculated in either paragraphs (a)(1) and (a)(2) or paragraphs (a)(2) and (a)(3) of 40 CFR Part 63, Subpart HHH. Furthermore, a facility must contain an affected source (glycol dehydration unit) as defined in paragraph (b) of 40 CFR Part 63, Subpart HHH. Finally, if the first three criteria are met, and the exemptions contained in paragraph (f) of 40 CFR Part 63, Subpart HHH, do not apply, the facility is subject to the applicable provisions of 40 CFR Part 63, Subpart HHH. Because the facility is not a major source of HAPs, Omimex is not subject to the provisions of 40 CFR 63, Subpart HHH.

D. ARM 17.8, Subchapter 5 - Air Quality Permit Application, Operation, and Open Burning Fees, including, but not limited to:

1. ARM 17.8.504 Air Quality Permit Application Fees. This rule requires that an applicant submit an air quality permit application fee concurrent with the submittal of an air quality permit application. A permit application is incomplete until the proper application fee is paid to the Department. Omimex submitted the appropriate permit application fee for the current permit action.
2. ARM 17.8.505 Air Quality Operation Fees. An annual air quality operation fee must, as a condition of continued operation, be submitted to the Department by each source of air contaminants holding an air quality permit, excluding an open burning permit, issued by the Department; and the air quality operation fee is based on the actual or estimated actual amount of air pollutants emitted during the previous calendar year.

An air quality operation fee is separate and distinct from an air quality permit application fee. The annual assessment and collection of the air quality operation fee, described above, shall take place on a calendar-year basis. The Department may insert into any final permit issued

after the effective date of these rules, such conditions as may be necessary to require the payment of an air quality operation fee on a calendar-year basis, including provisions that pro-rate the required fee amount.

- E. ARM 17.8, Subchapter 7 - Permit, Construction, and Operation of Air Contaminant Sources, including, but not limited to:
1. ARM 17.8.740 Definitions. This rule is a list of applicable definitions used in this subchapter, unless indicated otherwise in a specific subchapter.
  2. ARM 17.8.743 Montana Air Quality Permits--When Required. This rule requires a person to obtain an air quality permit or permit alteration to construct, alter or use any air contaminant sources that have the Potential to Emit (PTE) greater than 25 tons per year of any pollutant. Omimex has a PTE greater than 25 tons per year of nitrogen oxides (NO<sub>x</sub>); therefore, an air quality permit is required.
  3. ARM 17.8.744 Montana Air Quality Permits--General Exclusions. This rule identifies the activities that are not subject to the Montana Air Quality Permit program.
  4. ARM 17.8.745 Montana Air Quality Permits—Exclusion for De Minimis Changes. This rule identifies the de minimis changes at permitted facilities that do not require a permit under the Montana Air Quality Permit Program.
  6. ARM 17.8.748 New or Modified Emitting Units--Permit Application Requirements. (1) This rule requires that a permit application be submitted prior to installation, alteration, or use of a source. Omimex submitted the required permit application for the current permit action. (7) This rule requires that the applicant notify the public by means of legal publication in a newspaper of general circulation in the area affected by the application for a permit. Omimex submitted an affidavit of publication of public notice for the September 27, 2005, issue of the *Great Falls Tribune*, a newspaper of general circulation in the Town of Great Falls in Cascade County, as proof of compliance with the public notice requirements.
  6. ARM 17.8.749 Conditions for Issuance or Denial of Permit. This rule requires that the permits issued by the Department must authorize the construction and operation of the facility or emitting unit subject to the conditions in the permit and the requirements of this subchapter. This rule also requires that the permit must contain any conditions necessary to assure compliance with the Federal Clean Air Act (FCAA), the Clean Air Act of Montana, and rules adopted under those acts.
  7. ARM 17.8.752 Emission Control Requirements. This rule requires a source to install the maximum air pollution control capability that is technically practicable and economically feasible, except that BACT shall be utilized. The required BACT analysis is included in Section III of this permit analysis.
  8. ARM 17.8.755 Inspection of Permit. This rule requires that air quality permits shall be made available for inspection by the Department at the location of the source.
  9. ARM 17.8.756 Compliance with Other Statutes and Rules. This rule states that nothing in the permit shall be construed as relieving Omimex of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided in ARM 17.8.740, *et seq.*

10. ARM 17.8.759 Review of Permit Applications. This rule describes the Department's responsibilities for processing permit applications and making permit decisions on those permit applications that do not require the preparation of an Environmental Impact Statement.
11. ARM 17.8.762 Duration of Permit. An air quality permit shall be valid until revoked or modified as provided in this subchapter, except that a permit issued prior to construction of a new or altered source may contain a condition providing that the permit will expire unless construction is commenced within the time specified in the permit, which in no event may be less than 1 year after the permit is issued.
12. ARM 17.8.763 Revocation of Permit. An air quality permit may be revoked upon written request of the permittee, or for violations of any requirement of the Clean Air Act of Montana, rules adopted under the Clean Air Act of Montana, the FCAA, rules adopted under the FCAA, or any applicable requirement contained in the Montana State Implementation Plan (SIP).
13. ARM 17.8.764 Administrative Amendment to Permit. An air quality permit may be amended for changes in any applicable rules and standards adopted by the Board of Environmental Review (Board) or changed conditions of operation at a source or stack that do not result in an increase of emissions as a result of those changed conditions. The owner or operator of a facility may not increase the facility's emissions beyond permit limits unless the increase meets the criteria in ARM 17.8.745 for a de minimis change not requiring a permit, or unless the owner or operator applies for and receives another permit in accordance with ARM 17.8.748, ARM 17.8.749, ARM 17.8.752, ARM 17.8.755, and ARM 17.8.756, and with all applicable requirements in ARM Title 17, Chapter 8, Subchapters 8, 9, and 10.
14. ARM 17.8.765 Transfer of Permit. This rule states that an air quality permit may be transferred from one person to another if written notice of Intent to Transfer, including the names of the transferor and the transferee, is sent to the Department.

F. ARM 17.8, Subchapter 8 - Prevention of Significant Deterioration of Air Quality, including, but not limited to:

1. ARM 17.8.801 Definitions. This rule is a list of applicable definitions used in this subchapter.
2. ARM 17.8.818 Review of Major Stationary Sources and Major Modifications--Source Applicability and Exemptions. The requirements contained in ARM 17.8.819 through ARM 17.8.827 shall apply to any major stationary source and any major modification, with respect to each pollutant subject to regulation under the FCAA that it would emit, except as this subchapter would otherwise allow.

The Omimex Utopia Station is not a major stationary source because it is not a listed source and does not have a PTE greater than 250 tons per year of any regulated air pollutant. This determination included emissions from NorthWestern's Utopia Station. Future Prevention of Significant Deterioration (PSD) applicability determinations may also include emissions from NorthWestern's Utopia Station.

G. ARM 17.8, Subchapter 12 - Operating Permit Program Applicability, including, but not limited to:

1. ARM 17.8.1201 Definitions. (23) Major Source under Section 7412 of the FCAA is defined as any stationary source having:
  - a. PTE > 100 tons/year of any pollutant;

- b. PTE > 10 tons/year of any one HAP, PTE > 25 tons/year of a combination of all HAPs, or a lesser quantity as the Department may establish by rule; or
  - c. PTE > 70 tons/year of PM with an aerodynamic diameter of 10 microns or less (PM<sub>10</sub>) in a serious PM<sub>10</sub> nonattainment area
2. ARM 17.8.1204 Air Quality Operating Permit Program. (1) Title V of the FCAA Amendments of 1990 requires that all sources, as defined in ARM 17.8.1204(1), obtain a Title V Operating Permit. In reviewing and issuing Air Quality Permit #3226-02 for Omimex, the following conclusions were made:
- a. The facility's PTE is less than 100 tons/year for any pollutant.
  - b. The facility's PTE is less than 10 tons/year of any one HAP and less than 25 tons/year of all HAPs.
  - c. This source is not located in a serious PM<sub>10</sub> nonattainment area.
  - d. This facility is not subject to any current NSPS.
  - e. This facility is not subject to any current NESHAP standards.
  - f. This source is not a Title IV affected source, nor a solid waste combustion unit.
  - g. This source is not an EPA designated Title V source.

Based on these facts, the Department determined that the Omimex Utopia Station will be a minor source of emissions as defined under Title V. This determination included emissions from NorthWestern's Utopia Station. Future Title V applicability determinations may also include emissions from NorthWestern's Utopia Station.

### III. BACT Determination

A BACT determination is required for each new or altered source. Omimex shall install on the new or altered source the maximum air pollution control capability, which is technically practicable and economically feasible, except that BACT shall be utilized.

A BACT analysis was submitted by Omimex in Permit Application #3226-03, addressing the available methods for controlling emissions from the 500-hp Caterpillar compressor engine. The Department reviewed these methods, as well as previous BACT determinations in order to make the following BACT determinations.

#### A. Compressor Engines

##### 1. NO<sub>x</sub> and CO BACT

Based on past Department determinations rich-burn natural gas compressor engines controlled with non-selective catalytic reduction (NSCR) and an air-to-fuel ratio (AFR) controller meeting emission limits of 1.0 gram per brake horsepower-hour (g/bhp-hr) nitrogen oxides (NO<sub>x</sub>) and 2.0 g/bhp-hr carbon monoxide (CO) are considered BACT. Rich-burn engine technology with NSCR and AFR control is considered the most technically practicable and economically feasible control of NO<sub>x</sub> and CO from compressor engines. Omimex proposes to utilize rich-burn engines with NSCR and AFR control.

As proposed by Omimex, the Department determined that NSCR unit and an AFR controller constitutes BACT for the reduction of NO<sub>x</sub> and CO emissions resulting from the operation of the natural gas compressor engines. NSCR/AFR control typically constitutes BACT for natural gas compressor engines. NSCR/AFR control effectively reduces NO<sub>x</sub> and CO emissions and represents a technically, economically, and environmentally feasible option for the control of NO<sub>x</sub> and CO resulting from internal combustion engines such as those proposed for the current permit action. Further, it has been demonstrated that these technologies, operated together, are capable of achieving the g/bhp-hr BACT emission limits established for the proposed compressor engines. The g/bhp-hr limits established as BACT include 1.0 g/bhp-hr for NO<sub>x</sub> and 2.0 g/bhp-hr for CO.

2. VOC BACT

The Department is not aware of any BACT determinations that have required controls for Volatile Organic Carbon (VOC) emissions from natural gas fired compressor engines. Omimex proposed the use of an NSCR unit and an AFR controller to meet a lb/hr limit equivalent to 0.80 g/bhp-hr. However, the Department does not consider the NSCR unit and the AFR controller to be BACT for VOC because the cost per ton of VOC reduced would be above industry norm. The Department determined that no additional controls and burning pipeline quality natural gas to meet an emission limit of 0.80 g/bhp-hr constitutes BACT for the proposed compressor engine.

3. PM<sub>10</sub> and SO<sub>2</sub> BACT

The Department is not aware of any BACT determinations that have required controls for PM<sub>10</sub> or sulfur dioxide (SO<sub>2</sub>) emissions from natural gas fired compressor engines. Omimex proposed no additional controls and burning pipeline quality natural gas as BACT for PM<sub>10</sub> and SO<sub>2</sub> emissions from each of the proposed compressor engines. Due to the relatively small amount of PM<sub>10</sub> and SO<sub>2</sub> emissions from the proposed engines, any add-on controls would be cost prohibitive. Therefore, the Department concurred with Omimex's BACT proposal and determined that no additional controls and burning pipeline quality natural gas will constitute BACT for PM<sub>10</sub> and SO<sub>2</sub> emissions from the compressor engine.

IV. Emission Inventory

Emission Unit	Air Pollutants (tons/year)					
	PM	PM <sub>10</sub>	SO <sub>2</sub>	NO <sub>x</sub>	VOC	CO
500-hp Caterpillar Compressor Engine	0.18	0.18	0.01	4.83	3.86	9.64
0.25-MMBtu/hr Flameco Dehydrator	0.01	0.01	0.00	0.11	0.01	0.09
0.16-MMBtu/hr (total) Heaters (2)	0.01	0.01	0.00	0.07	0.00	0.03
Totals	0.20	0.20	0.01	39.21	2.25	10.68

**Caterpillar Compressor Engine**

Brake Horsepower: 500 bhp  
Hours of operation: 8,760 hr/yr

PM Emissions

Emission Factor: 9.50E-03 lb/MMBtu { AP-42, Chapter 3, Table 3.2-3, 7/00}  
Control Efficiency: 0.0%  
Fuel Consumption: 4.25 MMBtu/hr { Maximum Design}  
Calculations: 4.25 MMBtu/hr \* 9.50E-03 lb/MMBtu = 0.04 lb/hr  
0.04 lb/hr \* 8,760 hr/yr \* 0.0005 ton/lb = 0.18 ton/yr

PM<sub>10</sub> Emissions

Emission Factor: 9.50E-03 lb/MMBtu { AP-42, Chapter 3, Table 3.2-3, 7/00}  
Control Efficiency: 0.0%

Fuel Consumption: 4.25 MMBtu/hr {Maximum Design}  
Calculations:  $4.25 \text{ MMBtu/hr} * 9.50\text{E-}03 \text{ lb/MMBtu} = 0.04 \text{ lb/hr}$   
 $0.04 \text{ lb/hr} * 8,760 \text{ hr/yr} * 0.0005 \text{ ton/lb} = 0.18 \text{ ton/yr}$

NO<sub>x</sub> Emissions

Emission factor: 1.0 gram/bhp-hour {BACT}  
Calculations:  $1.0 \text{ gram/bhp-hour} * 500 \text{ bhp} * 0.002205 \text{ lbs/gram} = 1.10 \text{ lb/hr}$   
 $1.10 \text{ lb/hr} * 8,760 \text{ hr/yr} * 0.0005 \text{ ton/lb} = 4.83 \text{ ton/yr}$

VOC Emissions

Emission factor: 0.80 gram/bhp-hour {BACT}  
Calculations:  $0.80 \text{ gram/bhp-hour} * 500 \text{ bhp} * 0.002205 \text{ lb/gram} = 0.88 \text{ lb/hr}$   
 $0.88 \text{ lb/hr} * 8,760 \text{ hr/yr} * 0.0005 \text{ ton/lb} = 3.86 \text{ ton/yr}$

CO Emissions

Emission factor: 2.0 gram/bhp-hour {BACT}  
Calculations:  $2.0 \text{ gram/bhp-hour} * 500 \text{ bhp} * 0.002205 \text{ lb/gram} = 2.20 \text{ lb/hr}$   
 $2.20 \text{ lb/hr} * 8,760 \text{ hr/yr} * 0.0005 \text{ ton/lb} = 9.64 \text{ ton/yr}$

SO<sub>2</sub> Emission

Emission factor: 5.88E-04 lb/MMBtu {AP-42, Chapter 3, Table 3.2-3, 7/00}  
Fuel Consumption: 4.25 MMBtu/hr {Maximum Design}  
Calculations:  $4.25 \text{ MMBtu/hr} * 5.88\text{E-}04 \text{ lb/MMBtu} = 0.003 \text{ lb/hr}$   
 $0.003 \text{ lb/hr} * 8,760 \text{ hr/yr} * 0.0005 \text{ ton/lb} = 0.01 \text{ ton/yr}$

**Flameco Dehydrator**

Fuel Consumption: 0.25 MMBtu/hr {Information from company}  
Hours of operation: 8,760 hr/yr

PM Emissions

Emission Factor: 7.6 lb MMBtu/MMScf {AP-42, Chapter 1, Table 1.4-2, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.25 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760\text{hr/yr} = 2.19 \text{ MMScf/yr}$   
 $2.19 \text{ MMScf/yr} * 7.6 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.01 \text{ ton/yr}$

PM<sub>10</sub> Emissions

Emission Factor: 7.6 lb MMBtu/MMScf {AP-42, Chapter 1, Table 1.4-2, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.25 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760\text{hr/yr} = 2.19 \text{ MMScf/yr}$   
 $2.19 \text{ MMScf/yr} * 7.6 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.01 \text{ ton/yr}$

NO<sub>x</sub> Emissions

Emission Factor: 100 lb/MMScf {AP-42, Chapter 1, Table 1.4-1, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.25 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760\text{hr/yr} = 2.19 \text{ MMScf/yr}$   
 $2.19 \text{ MMScf/yr} * 100 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.11 \text{ ton/yr}$

VOC Emissions

Emission Factor: 5.5 lb/MMScf {AP-42, Chapter 1, Table 1.4-2, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.25 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760\text{hr/yr} = 2.19 \text{ MMScf/yr}$   
 $2.19 \text{ MMScf/yr} * 5.5 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.01 \text{ ton/yr}$

CO Emissions

Emission Factor: 84 lb/MMScf {AP-42, Chapter 1, Table 1.4-1, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.25 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760\text{hr/yr} = 2.19 \text{ MMScf/yr}$   
 $2.19 \text{ MMScf/yr} * 84 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.09 \text{ ton/yr}$

SO<sub>2</sub> Emissions

Emission Factor: 0.6 lb/MMScf {AP-42, Chapter 1, Table 1.4-2, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.25 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760\text{hr/yr} = 2.19 \text{ MMScf/yr}$   
 $2.19 \text{ MMScf/yr} * 0.6 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.00 \text{ ton/yr}$

## Heaters (2)

Fuel Consumption: 0.16 MMBtu/hr {Information from Company}  
Hours of operation: 8,760 hr/yr

### PM Emissions

Emission Factor: 7.6 lb/MMScf {AP-42, Chapter 1, Table 1.4-2, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.16 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760 \text{ hr/yr} = 1.4 \text{ MMScf/yr}$   
 $1.4 \text{ MMScf/yr} * 7.6 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.01 \text{ ton/yr}$

### PM<sub>10</sub> Emissions

Emission Factor: 7.6 lb/MMScf {AP-42, Chapter 1, Table 1.4-2, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.16 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760 \text{ hr/yr} = 1.4 \text{ MMScf/yr}$   
 $1.4 \text{ MMScf/yr} * 7.6 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.01 \text{ ton/yr}$

### NO<sub>x</sub> Emissions

Emission Factor: 94 lb/MMScf {AP-42, Chapter 1, Table 1.4-1, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.16 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760 \text{ hr/yr} = 1.4 \text{ MMScf/yr}$   
 $1.4 \text{ MMScf/yr} * 94 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.07 \text{ ton/yr}$

### VOC Emissions

Emission Factor: 5.5 lb/MMScf {AP-42, Chapter 1, Table 1.4-2, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.16 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760 \text{ hr/yr} = 1.4 \text{ MMScf/yr}$   
 $1.4 \text{ MMScf/yr} * 5.5 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.00 \text{ ton/yr}$

### CO Emissions

Emission Factor: 40 lb/MMScf {AP-42, Chapter 1, Table 1.4-1, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.16 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760 \text{ hr/yr} = 1.4 \text{ MMScf/yr}$   
 $1.4 \text{ MMScf/yr} * 40 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.03 \text{ ton/yr}$

### SO<sub>2</sub> Emissions

Emission Factor: 0.6 lb/MMBtu {AP-42, Chapter 1, Table 1.4-2, 7/98}  
Control Efficiency: 0.0%  
Calculations:  $0.16 \text{ MMBtu/hr} * 0.001 \text{ MMScf/MMBtu} * 8,760 \text{ hr/yr} = 1.4 \text{ MMScf/yr}$   
 $1.4 \text{ MMScf/yr} * 0.6 \text{ lb/MMScf} * 0.0005 \text{ ton/lb} = 0.00 \text{ ton/yr}$

## V. Existing Air Quality

The facility is located approximately 32 miles east of Shelby, Montana, in the NW¼ of SW¼ of Section 14, Township 33 North, Range 4 East, in Liberty County, Montana. The air quality of this area is classified as either better than National Standards or unclassifiable/attainment for the National Ambient Air Quality Standards (NAAQS) for criteria pollutants.

## VI. Ambient Air Impact Analysis

The Department determined that the impacts from this permitting action will be minor. The Department believes it will not cause or contribute to a violation of any ambient air quality standard.

## VI. Taking or Damaging Implication Analysis

As required by 2-10-101 through 105, MCA, the Department conducted a private property taking and damaging assessment and determined there are no taking or damaging implications.

## VII. Environmental Assessment

An environmental assessment, required by the Montana Environmental Policy Act, was completed for this project. A copy is attached.

**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:* Omimex Canada, Ltd.  
Utopia Field Station  
5608 Malvey, Penthouse Suite  
Fort Worth, TX 76107

*Air Quality Permit Number:* 3226-03

*Preliminary Determination Issued:* November 8, 2005

*Department Decision Issued:* November 28, 2005

*Permit Final:* December 14, 2005

1. *Legal Description of Site:* The Omimex Utopia Field Station is located approximately 32 miles east of Shelby, Montana, in the NW¼ of SW¼ of Section 14, Township 33 North, Range 4 East, in Liberty County, Montana.
2. *Description of Project:* Omimex proposes to install one 500-horsepower (hp) Caterpillar G399TA natural gas fired rich burn compressor engine and the removal of currently permitted 220-hp Caterpillar and 240-hp Ingersol-Rand engines.
3. *Objectives of Project:* The proposed project would provide business and revenue for Omimex by allowing the company to extract natural gas from the field. Natural gas would be received and compressed for transmission through the pipeline.
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 Omimex 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 Permit #3226-03.
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.

Potential Physical and Biological Effects							
		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**

Minor, if any, impacts on terrestrial or aquatic life and habitats would be expected from the proposed project because the proposed project would take place at an existing facility and would only increase the facility’s potential to emit by a relatively small amount. While air emissions from the facility would increase and corresponding deposition of pollutants would occur, as described in Section 7.F. of this EA, the Department determined that any impacts from deposition would be minor due to dispersion characteristics of the emissions and the atmosphere, and conditions that would be placed in Permit #3226-03.

**B. Water Quality, Quantity, and Distribution**

Although the proposed project would result in increased air emissions, there would be little, if any impacts on the water quality, quantity, and distribution in the area of the facility because the proposed 500-hp compressor engine would only increase the facility’s potential to emit by a relatively small amount. Surface water near the facility includes the Galata Ravine springtime run-off drainage (approximately 1 mile West of the facility) and Eagle Creek (approximately 1½ miles East of the facility). While air emissions from the facility would increase and corresponding deposition of pollutants would occur, as described in Section 7.F. of this EA, the Department determined that any impacts from deposition would be minor due to dispersion characteristics of pollutants and the atmosphere and conditions that would be placed in Permit #3226-03.

C. Geology and Soil Quality, Stability, and Moisture

Minor, if any, impacts would occur on the geology and soil quality, stability, and moisture from the proposed project because the proposed 500-hp compressor engine will be located in a previously disturbed area. While deposition of pollutants would occur, as described in Section 7.F of this EA, the Department determined that the chance of deposition of pollutants impacting the geology and soil in the areas surrounding the site would be minor due to dispersion characteristics of pollutants and the atmosphere and conditions that would be placed in Permit #3226-03.

D. Vegetation Cover, Quantity, and Quality

Minor, if any, impacts would occur on vegetation cover, quantity, and quality because the proposed 500-hp compressor engine would be located in a previously disturbed area. While deposition of pollutants would occur, as described in Section 7.F of this EA, the Department determined that the chance of deposition of pollutants impacting the vegetation in the areas surrounding the site would be minor due to dispersion characteristics of pollutants and the atmosphere and conditions that would be placed in Permit #3226-03.

E. Aesthetics

Minor impacts would result on the aesthetics of the area because of possible changes to the existing facility when the proposed 500-hp compressor engine is installed and the existing 220-hp and 240-hp compressor engines are removed.

F. Air Quality

Air quality impacts from the proposed 500-hp Caterpillar compressor engine would be minor because the engine would emit a relatively small amount of pollutants. Nitrogen oxides (NO<sub>x</sub>) and carbon monoxide (CO) would be the primary regulated air pollutants that would be emitted from the compressor engine and NO<sub>x</sub> and CO emissions would be limited by the permit (through the BACT analysis). Deposition of pollutants would occur as a result of operating the 500-hp compressor engine. However, the Department determined that any air quality impacts from deposition would be minor due to dispersion characteristics of pollutants (stack height, stack temperature, etc.), the atmosphere (wind speed, wind direction, ambient temperature, etc.) and conditions that would be placed in Permit #3226-03. Permit #3226-03 would include conditions limiting the opacity and NO<sub>x</sub>, CO, and VOC emissions from the engine. In addition, Permit #3226-03 would include conditions requiring reasonable precautions be taken to control fugitive emissions from haul roads, access roads, parking lots, and the general work area. The Department determined that the Utopia Compressor Station would be a minor source of emissions as defined under the Title V Operating Permit Program because the facility's potential to emit is below the major source threshold level of 100 tons per year for any regulated air pollutant.

G. Unique Endangered, Fragile, or Limited Environmental Resources

The current permit action would result in a minor increase in emissions, which could result in minor impacts to existing unique endangered, fragile, or limited environmental resources in the area. The Department determined that the chance of the 500-hp compressor engine impacting any endangered, fragile, or limited environmental resources in the area would be minor because of the reasons identified in the air quality impact analysis in Section 7.F of this EA. As explained in Section 7.F of this EA, due to the relatively small increase in emissions, dispersion characteristics of pollutants and the atmosphere, and conditions that would be placed in Permit #3226-03, any impacts from deposition of pollutants would be minor.

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

The proposed project could have minor impacts on the demands for air and water resources because the proposed project would increase air emissions from the facility and corresponding deposition of pollutants would occur. However, as explained in Section 7.F of this EA, the Department determined that any impacts from deposition of pollutants would be minor due to the relatively small increase in emissions, dispersion characteristics of pollutants and the atmosphere, and conditions that would be placed in Permit #3226-03. The proposed project would not be expected to impact the demand for energy resources because no upgrades of utilities would be expected. Overall, the demands on environmental resources of water, air, and energy would be minor.

I. Historical and Archaeological Sites

The proposed project would take place within a previously disturbed industrial site. According to previous correspondence from 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, it is unlikely the proposed project would have an effect on any known historic or archaeological site.

J. Cumulative and Secondary Impacts

Overall, the cumulative and secondary impacts from the proposed project would be minor because of the relatively small increase in emissions. No additional equipment or facilities are expected to locate in the area due to of the proposed project. Impacts to air, soil, and water quality would be minimized by conditions that would be placed in Permit #3226-03.

8. The following table summarizes the potential social and economic effects of the proposed project on the human environment. The "no-action" alternative was discussed previously.

Potential Social and Economic Effects							
		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 SOCIAL AND ECONOMIC EFFECTS: The following comments have been prepared by the Department.

A. Social Structures and Mores

The proposed project would not cause a disruption to any native or traditional lifestyles or communities (social structures or mores) in the area because the proposed project would take place at an existing facility. The Omimex facility is an existing facility that is proposing to install a 500-hp compressor engine and remove the existing 220-hp compressor engine and 240-hp compressor engine.

B. Cultural Uniqueness and Diversity

The cultural uniqueness and diversity of the area would remain unchanged from the proposed project (no impact) because the proposed project would take place at an existing facility. The Omimex is an existing facility that is proposing to install a 500-hp compressor engine and remove the existing 220-hp compressor engine and 240-hp compressor engine.

C. Local and State Tax Base and Tax Revenue

The proposed project would not result in any impacts to the local and state tax base and tax revenue because the proposed project would not require new permanent employees to be hired.

D. Agricultural or Industrial Production

The proposed project would not result in any impacts to agricultural or industrial production because the proposed project would not displace any agricultural or industrial land. The proposed 500-hp compressor engine would be installed at the existing facility. While air emissions from the facility would increase and corresponding deposition of pollutants would occur, as described in Section 7.F. of this EA, the Department determined that any impacts from deposition would be minor due to dispersion characteristics of pollutants and the atmosphere and conditions that would be placed in Permit #3226-03.

E. Human Health

The proposed project would result in only minor impacts to human health because of the relatively small increase in air emissions discharged from the facility. The proposed project, permitted by Permit #3226-03, would comply with all applicable air quality rules, regulations, and standards. These rules, regulations, and standards are designed to be protective of human health.

F. Access to and Quality of Recreational and Wilderness Activities

The proposed project would not have any impacts on access to recreational and wilderness activities because the Omimex facility is an existing facility and the location will not change as a result of the proposed project. The quality of recreational and wilderness activities would not be impacted because of the relatively small increase in noise and emissions that would result from adding the 500-hp compressor engine to the facility. Overall, access to and quality of recreational and wilderness activities would not be affected by the proposed project.

G. Quantity and Distribution of Employment

The proposed project would not affect the quantity and distribution of employment because no permanent employees would be hired as a result of the proposed project. Maintenance of the unit would be taken care of by existing Omimex personnel.

H. Distribution of Population

The proposed project would not affect the distribution of population in the area because the facility is an existing compressor station and the proposed project would not create any new employment that would cause an increase in population in the area. In addition, the proposed project would not have impacts that would cause a decrease in the distribution of population in the area because the site is an existing facility and the proposed project would only cause a relatively small increase in noise and emissions.

I. Demands of Government Services

There would be no impact on demands of government services because no additional time (beyond what is currently dedicated) would be required by government agencies to assure compliance with applicable rules, standards, and Permit #3226-03.

J. Industrial and Commercial Activity

No impacts would be expected on the local industrial and commercial activity because the proposed project would take place at an existing facility. The proposed project would add a 500-hp compressor engine to the facility. No additional industrial or commercial activities would be expected to take place in the area due to installation and operation of the proposed 500-hp compressor engine.

K. Locally Adopted Environmental Plans and Goals

The Department is not aware of any locally adopted environmental plans and goals that would be affected by issuing Permit #3226-03. The state standards would protect the proposed site and the environment surrounding the site.

L. Cumulative and Secondary Impacts

Overall, the social and economic cumulative and secondary impacts from this project would be minor because the proposed project would take place at the existing facility. New businesses would not be drawn to the area and permanent jobs would not be created or lost due to the proposed project. Because no new employees would be hired for the proposed project, there would be no economic impacts from new employees.

*Recommendation:* An EIS is not required.

*If an EIS is not required, explain why the EA is an appropriate level of analysis:* The project is to add a 500-hp compressor engine to the facility and remove the existing 220-hp compressor engine and 240-hp compressor engine. Permit #3226-03 would include 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 the proposed project.

*Other groups or agencies contacted or that may have overlapping jurisdiction:* Montana Historical Society – State Historic Preservation Office, Montana Natural Heritage Program - Natural Resource Information System

*Individuals or groups contributing to this EA:* Department of Environmental Quality - Air and Waste Management Bureau, Montana Historical Society – State Historic Preservation Office

EA prepared by: Trista Glazier  
Date: 11/7/05