

AIR QUALITY PERMIT

Issued To: Roundup Trading, International, LLC Permit #3282-01
275 Madison Avenue, Suite 1505 Administrative Amendment (AA)
New York, New York 10016 Request Received: 5/24/04
Department Decision on AA: 6/22/04
Permit Final: 7/08/04
AFS #777-3282

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

Section I: Permitted Facilities

A. Plant Location

Roundup Trading operates a portable conveyor system for a coal load out facility for various locations throughout Montana. Permit #3282-01 applies while operating at any location in Montana, except within those areas having a Department of Environmental Quality (Department) approved permitting program, those areas considered tribal lands, or those areas in or within 10 kilometers (km) of certain Particulate Matter (PM) with an aerodynamic diameter of 10 microns or less (PM₁₀) nonattainment areas. An addendum to this air quality permit will be required if Roundup Trading intends to locate in or within 10 km of certain PM₁₀ nonattainment areas. *A Missoula County air quality permit will be required for locations within Missoula County, Montana.*

B. Current Permit Action

On May 24, 2004, AMES Construction, Inc. (AMES) requested an administrative amendment to Permit #3282-00 to transfer ownership of the permit from AMES to Roundup Trading. The permit was also updated to reflect the current language and rule references used by the Department.

Section II: Conditions and Limitations

A. Emission Limitations

1. Roundup Trading shall not cause or authorize to be discharged into the atmosphere, from any affected equipment, any visible emissions that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes (ARM 17.8.304 and ARM 17.8.752).
2. Water and water spray bars shall be available on site at all times and used, as necessary, to maintain compliance with the opacity limitation in Section II.A.1 (ARM 17.8.752).
3. Roundup Trading shall not cause or authorize the use of any street, road, or parking lot without taking reasonable precautions to control emissions of airborne PM (ARM 17.8.308 and ARM 17.8.752).
4. Roundup Trading shall treat all unpaved portions of the haul roads, access roads, parking lots, or the general plant area with water and/or chemical dust suppressant as necessary to maintain compliance with the reasonable precautions

limitation in Section II.A.3 (ARM 17.8.752).

5. If the permitted equipment is used in conjunction with any other equipment owned or operated by Roundup Trading at the same site, production shall be limited to correspond with an emission level that does not exceed 250 tons during any rolling 12-month time period. Any calculations used to establish production levels shall be approved by the Department (ARM 17.8.749).
6. Total load out production for transferring the coal to rail car, for the four conveyors and associated equipment, shall be limited to 3,153,600 tons during any rolling 12-month time period (ARM 17.8.749 and ARM 17.8.1204).

B. Testing Requirements

1. All compliance source tests shall conform to the requirements of the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106).
2. The Department may require testing (ARM 17.8.105).

C. Operational Reporting Requirements

1. If this portable conveyor system for a coal load out facility is moved to another location, an Intent to Transfer Form must be sent to the Department. In addition, a Public Notice Form for Change of Location must be published in a newspaper of general circulation in the area to which the transfer is to be made, at least 15 days prior to the move. The Intent to Transfer Form and the proof of publication (affidavit) of the Public Notice Form for Change of Location must be submitted to the Department prior to the move. These forms are available from the Department (ARM 17.8.765).
2. Roundup Trading shall maintain on-site records showing daily hours of operation and daily production rates for the last 12 months. All records compiled in accordance with this permit shall be maintained by Roundup Trading as a permanent business record for at least 5 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).
3. Roundup Trading 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 the most recent Emission Inventory Report and sources 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 units, as 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).

4. Roundup Trading 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).

5. Roundup Trading shall document, by month, the total load out production for the facility. By the 25th day of each month, Roundup Trading shall total the load out production during the previous 12 months to verify compliance with the limitation in Section II.A.6. A written report of the compliance verification shall be submitted along with the annual Emission Inventory (ARM 17.8.749).

Section III: General Conditions

- A. Inspection – Roundup Trading 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 Roundup Trading fails to appeal as indicated below.
- C. Compliance with Statutes and Regulations - Nothing in this permit shall be construed as relieving Roundup Trading 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 postpones the effective date of the Department’s decision until the conclusion of the hearing and issuance of a final decision by the Board. The Department's decision on the application is not final unless 15 days have elapsed and there is no request for a hearing under this section.
- 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 Department personnel at the location of the permitted source.
- G. Construction Commencement - Construction must begin within 3 years of permit issuance and proceed with due diligence until the project is complete or the permit shall be revoked.
- H. Permit Fees - Pursuant to Section 75-2-220, MCA, as amended by the 1991 Legislature, failure to pay an annual operation fee by Roundup Trading may be grounds for revocation of this permit, as required by that section and rules adopted thereunder by the Board.

- I. The Department may modify the conditions of this permit based on local conditions of any future site. These factors may include, but are not limited to, local terrain, meteorological conditions, proximity to residences, etc.
- J. Roundup Trading shall comply with the conditions contained in this permit while operating at any location in Montana, except within those areas having a Department approved permitting program.

PERMIT ANALYSIS
Roundup Trading, International, LLC
Permit Number 3282-01

I. Introduction/Process Description

A. Permitted Equipment

Roundup Trading, International, LLC (Roundup Trading) owns and operates a portable conveyor system for a coal load out facility consisting of a drive over hopper (maximum capacity 800 TPH), two transfer conveyors (maximum capacity 800 TPH), a radial stacking conveyor (maximum capacity 800 TPH), a dozer trap with a belt conveyor (maximum capacity 1200 TPH), a conveyor with a scale unit (maximum capacity 1200 TPH), and associated equipment. The facility originally located in the NE ¼ of Section 8, Township 1 North, Range 27 East, in Yellowstone County, Montana. **Permit #3282-01** will apply to the source while operating at any location in Montana, except within those areas having a Department of Environmental Quality (Department) approved permitting program, those areas considered tribal lands, or those areas in or within 10 kilometers (km) of certain Particulate Matter (PM) with an aerodynamic diameter of 10 microns or less (PM₁₀) nonattainment areas. An addendum to this air quality permit will be required if Roundup Trading intends to locate in or within 10 km of certain PM₁₀ nonattainment areas. *A Missoula County air quality permit will be required for locations within Missoula County, Montana.*

B. Source Description

For a typical operational setup, unprocessed materials are loaded onto the conveyor system via a hopper and transferred by conveyor to a pile, for storage. Materials are then loaded into a dozer trap, transferred to a weigh scale, and loaded into a train rail car for shipment.

C. Permit History

On October 10, 2003, AMES Construction, Inc. (AMES) was issued **Permit #3282-00** for the portable operation including a drive over hopper (maximum capacity 800 TPH), two transfer conveyors (maximum capacity 800 TPH), a radial stacking conveyor (maximum capacity 800 TPH), a dozer trap with a belt conveyor (maximum capacity 1200 TPH), a conveyor with a scale unit (maximum capacity 1200 TPH), and associated equipment.

D. Current Permit Action

On May 24, 2004, AMES requested an administrative amendment to Permit #3282-00 to transfer ownership of the permit from AMES to Roundup Trading. The permit was also updated to reflect the current language and rule references used by the Department. Permit #3282-01 replaces Permit #3282-00.

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 explanations 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 is 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 testing 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).

Roundup Trading 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 4 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:

1. ARM 17.8.210 Ambient Air Quality Standards for Sulfur Dioxide
2. ARM 17.8.211 Ambient Air Quality Standards for Nitrogen Dioxide
3. ARM 17.8.212 Ambient Air Quality Standards for Carbon Monoxide
4. ARM 17.8.220 Ambient Air Quality Standard for Settled Particulate Matter
5. ARM 17.8.223 Ambient Air Quality Standard for PM₁₀

Roundup Trading must comply 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. This rule requires that no person may cause or authorize emissions to be discharged into the 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 PM. (2) Under this rule, Roundup Trading shall not cause or authorize the use of any street, road, or parking lot without taking reasonable precautions to control emissions of airborne PM.
3. ARM 17.8.309 Particulate Matter, Fuel Burning Equipment. This rule requires that no person shall cause or authorize 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 Processes. This rule requires that no person shall cause or allow 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. This rule requires that no person shall burn liquid, solid, or gaseous fuel in excess of the amount set forth in this rule.
6. ARM 17.8.324 Hydrocarbon Emissions--Petroleum Products. (3) No person shall load or permit the loading of gasoline into any stationary tank with a capacity of 250 gallons or more from any tank truck or trailer, except through a permanent submerged fill pipe, unless such tank truck or trailer is equipped with a vapor loss control device as described in (1) of this rule.
7. ARM 17.8.340 Standards of Performance for New Stationary Sources. This rule incorporates, by reference, 40 CFR 60, Standards of Performance for New Stationary Sources (NSPS). The owner or operator of any stationary source or modification, as defined and applied in 40 CFR Part 60, NSPS, shall comply with the standards and provisions of 40 CFR Part 60.

In order for a coal load out facility to be subject to NSPS requirements, the following criteria must be met. The facility must be considered a coal preparation plant and have the ability to process more than 200 tons per day (TPD). While the facility could process more than 200 TPD, the facility would not be considered a coal preparation plant unless it is used to break, crush, screen, wet or dry clean, or thermal dry coal. Therefore, depending upon how the equipment is used, NSPS standards and provisions may apply (40 CFR Part 60, Subpart Y – Standards of Performance for Coal Preparation Plants).

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

Roundup Trading 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. Roundup Trading was not required to submit a permit application fee for the current permit action, an administrative amendment.

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. This 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 chapter, 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. Roundup Trading has a PTE greater than 25 tons per year of PM and PM₁₀; 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.
5. 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, modification, or use of a source. Roundup Trading was not required to submit a permit application fee for the current permit action, an administrative amendment. (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. Roundup Trading was not required to submit an affidavit of publication of public notice for the current permit action because it is an administrative action.

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 IV 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 Requirements. This rule states that nothing in the permit shall be construed as relieving Roundup Trading 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 Roundup Trading, 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 those found in its permit, 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. (1) This rule states that an air quality permit may be transferred from one location to another if the Department receives a complete notice of Intent To Transfer location, the facility will operate in the new location for less than 1 year, the facility will comply with the FCAA and the Clean Air Act of Montana, and the facility complies with other applicable rules. (2) 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.

This facility is not a major stationary source since it is not a listed source and the facility's PTE is less than 250 tons per year (excluding fugitive emissions) of any air pollutant.

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 Hazardous Air Pollutant (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 PM₁₀ in a serious PM₁₀ nonattainment area.
2. ARM 17.8.1204 Air Quality Operating Permit Program Applicability. (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 #3282-01 for the Roundup Trading facility, the following conclusions were made:
 - a. The facility's PTE is less than 100 tons/year for any criteria 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 PM₁₀ nonattainment area.

- d. This facility is not subject to any current NESHAP standards.
- e. This facility is not subject to current NSPS (40 CFR 60, Subpart A, General Provisions, and Subpart OOO, Non-Metallic Mineral Processing Plants) 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 has determined that Roundup Trading will be a minor source of emissions as defined under Title V.

III. Emission Inventory

Source	Tons/Year					
	PM	PM ₁₀	NO _x	VOC	CO	SO _x
Bottom Dump Truck Unloading	7.88	5.99				
Material Transfer	39.42	29.96				
Pile Forming	7.88	5.99				
Bulk Loading	7.88	5.99				
Train Loading	0.32	0.24				
Haul Roads	2.74	1.23				
Total	66.12	49.40	0.00	0.00	0.00	0.00

- A complete Emission Inventory for Permit #3282-01 is on file with the Department. Note that the facility was limited to 730 tons per hour of coal transfer to keep it below the Department Modeling Guidance Permit thresholds.

IV. BACT Determination

A BACT determination is required for any new or modified source. AMES shall install on the new or modified source the maximum air pollution control capability that is technically practicable and economically feasible, except that BACT shall be used. A BACT analysis was not required for this permit action because the change to the permit reflects an administrative amendment, with no increase in emissions.

V. Existing Air Quality

Permit #3282-01 is issued for the operation of a portable conveyor system for a coal load out facility that was initially located in the NE ¼ of Section 8, Township 1 North, Range 27 East, in Yellowstone County, Montana. This proposed site is designated as an attainment/unclassified area for the National Ambient Air Quality Standards (NAAQS).

VI. Ambient Air Quality Impact Analysis

Permit #3282-01 will cover the operation while operating at any location within Montana, excluding those counties that have a Department approved permitting program, those areas considered tribal lands, or those areas in or within 10 km of certain PM₁₀ nonattainment areas. Based on the amount of controlled emissions generated by this facility, the facility is capable of complying with ambient standards. In addition, this source is portable and any air quality impacts will be minor and short-lived.

VII. 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.

VIII. Environmental Assessment

This permitting action will not result in an increase of emissions from the facility and is considered an administrative action; therefore, an Environmental Assessment is not required.

Permit Analysis Prepared By: Ron Lowney

Date: June 17, 2004