

AIR QUALITY PERMIT

Issued To: Eagle Stud Mill, Inc.
PO Box 29
Hall, MT 59837

Permit: #3314-00
Application Complete: 03/17/04
Preliminary Determination Issued: 04/08/04
Department's Decision Issued: 04/26/04
Permit Final: 05/12/04
AFS: #039-0003

An air quality permit, with conditions, is hereby granted to Eagle Stud Mill, Inc. (Eagle), pursuant to Sections 75-2-204 and 211 of the 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. Permitted Equipment

On March 17, 2004, the Department of Environmental Quality (Department) received a complete permit application from Eagle to permit an existing wood-waste fired boiler. The project would have a potential to emit (PTE) for particulate matter (PM), particulate matter with an aerodynamic diameter of 10 microns or less (PM₁₀), and carbon monoxide (CO) of over 25 tons per year, thus requiring a Montana Air Quality Permit. The complete list of permitted equipment is located in the permit analysis.

B. Plant Location

Eagle submitted a permit application for a wood-waste fired boiler located in Section 36, Township 10 North, Range 13 West, in Granite County, Montana. This is a lumber production facility.

SECTION II. Conditions and Limitations

A. Emission Limitations

1. The wood-waste fired boiler shall be equipped with a cyclone and the emissions from the wood-waste fired boiler shall not exceed the following (ARM 17.8.752):

NO _x	19.27 lb/hr
CO	52.56 lb/hr
PM ₁₀	28.03 lb/hr
2. Eagle 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 6-consecutive minutes (ARM 17.8.304).
3. Eagle 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 (ARM 17.8.308).

4. Eagle shall treat all unpaved portions of the haul roads, access roads, parking lots, or 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 17.8.749).

B. Testing Requirements

1. The wood-waste fired boiler shall be initially tested for nitrogen oxides (NO_x) and CO concurrently, and PM₁₀ to demonstrate compliance with the NO_x, CO, and PM₁₀ emission limits established according to Section II.A.1, within 180 days of the issuance of Permit #3314-00. CO testing shall continue on an every 5-year basis or according to another testing/monitoring schedule as may be approved by the Department (ARM 17.8.105).
2. All compliance source tests shall conform to the requirements of 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. Eagle 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 emission inventory contained in 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 to calculate operating fees, based on actual emissions from the facility, and/or to verify compliance with permit limitations (ARM 17.8.505).

2. Eagle shall notify the Department of any construction or improvement project conducted pursuant to ARM 17.8.745 that would include a change in the 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 emissions 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 Eagle 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).

SECTION III: General Conditions

- A. Inspection – Eagle 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 the terms, conditions, and matters stated herein shall be deemed accepted if Eagle fails to appeal as indicated below.
- C. Compliance with Statutes and Regulations – Nothing in this permit shall be construed as relieving Eagle 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 action 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 therefor, a hearing before the Board of Environmental Review (Board). A hearing shall be held under the provisions of the Montana Administrative Procedures Act. 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. The filing of a request for a hearing postpones the effective date of the Department’s decision until conclusion of the hearing and issuance of a final decision by the Board.
- F. Permit Inspection – As required by ARM 17.8.755, Inspection of Permit, a copy the air quality permit shall be made available for inspection by the Department at the location of the source.
- G. Permit Fee – Pursuant to Section 75-2-220, MCA, as amended by the 1991 Legislature, failure to pay the annual operation fee by Eagle may be grounds for revocation of this permit, as required by that section and rules adopted thereunder by the Board.

PERMIT ANALYSIS
Eagle Stud Mill, Inc.
Permit #3314-00

I. Introduction/Process Description

A. Permitted Equipment

Eagle Stud Mill, Inc. (Eagle) operates (1) 1960 Babcock & Wilcox 20-million British thermal units per hour (MMBtu/hr) wood-waste fired boiler and associated equipment located in Section 36, Township 10 North, Range 13 West, in Granite County, Montana.

B. Source Description

Eagle operates a lumber production facility utilizing a wood-waste fired boiler installed in 1989.

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 of Environmental Quality (Department). Upon request, the Department will provide references for location 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 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).

Eagle shall comply with the 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 that, without resulting in reduction of 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 as to create a public nuisance.

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 PM₁₀

Eagle 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. 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 particulate matter. (2) Under this rule, Eagle 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.
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 particulate matter 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 particulate matter 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 17.8.340 Standard of Performance for New Stationary Sources and Emission Guidelines for Existing Sources. This rule incorporates, by reference, 40 CFR 60, Standards of Performance for New Stationary Sources (NSPS). This facility is not an NSPS affected source because it does not meet the definition of "affected source" in any NSPS subpart defined in 40 CFR 60.
- 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. Eagle submitted the appropriate permit application fee for the current permit action.
 2. ARM 17.8.505 When Permit Required--Exclusions. 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. 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 prorate 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. Eagle has the PTE more than 25 tons per year of particulate matter (PM), particulate matter with an aerodynamic diameter of 10 microns or less (PM₁₀), and carbon monoxide (CO), and was modified after 1968; 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, alteration or use of a source. Eagle 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. Eagle submitted an affidavit of publication of public notice for the March 11, 2004, issue of the *Phillipsburg Mail*, a newspaper of general circulation in the Town of Phillipsburg in Granite 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 Best Available Control Technology (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 Requirements. This rule states that nothing in the permit shall be construed as relieving Eagle 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 contained 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.

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

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 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 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. (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 #3314-00 for Eagle, 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 for any one HAP and less than 25 tons/year for all HAPs.
- c. This source is not located in a serious PM₁₀ 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 Eagle will be a minor source of emissions as defined under Title V.

III. BACT Determination

A BACT determination is required for each new or altered source. Eagle 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.

Eagle shall not cause to be discharged into the atmosphere from any sources installed after November 23, 1968, any visible emissions that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes. Eagle must also take reasonable precautions to limit the fugitive emissions of airborne particulate matter from haul roads, access roads, parking areas, and the general area of operation. Emission control requirements include the use of the existing multicone cyclone to be used in conjunction with the wood-waste fired boiler. The Department determined that using this emission control technique to maintain compliance with the opacity requirements, reasonable precaution limitations, and pound per hour limits for NO_x, CO, and PM₁₀ of 19.27 lb/hr, 52.56 lb/hr, and 28.03 lb/hr respectively constitutes BACT for the emission source at this facility. Any other comparable emission control device would be cost prohibitive because the multiclone is currently in operation and other control options would have to be purchased.

Because of the age and size of the facility and because of the relatively small amount of emissions, good combustion practices and good engineering design constitute BACT for NO_x and CO from the wood-waste fired boiler.

The control options selected have controls and control costs comparable to other recently permitted similar sources and are capable of achieving the appropriate emission standards.

IV. Emission Inventory

Source	Tons/Year				
	PM ₁₀	NO _x	VOC	CO	SO _x
Wood-waste Fired Boiler	28.03	19.27	1.49	52.56	2.19
Total	28.03	19.27	1.49	52.56	2.19

Wood-waste Fired Boiler

Maximum Capacity: 20-MMBtu/hr
 Hours of operation: 8760 hr/yr

PM₁₀ Emissions

Emission Factor: 0.32 lb/MMBtu (AP-42, Chapter 1, Table 1.6-1, 2003, Mechanical Control)
 Fuel Consumption: 20.0-MMBtu/hr (Maximum Design)
 Calculations: 20.0 MMBtu/hr * 0.32 lb/MMBtu = 6.4 lb/hr
 6.4 lb/hr * 8760 hr/yr * 0.0005 ton/lb = 28.03 ton/yr

NO_x Emissions

Emission factor: 0.22 lb/MMBtu (AP-42, Chapter 1, Table 1.6-2, 2003)
 Fuel Consumption: 20.0-MMBtu/hr (Maximum Design)
 Calculations: 20.0 MMBtu/hr * 0.22 lb/MMBtu = 4.4 lb/hr
 4.4 lb/hr * 8760 hr/yr * 0.0005 ton/lb = 19.27 ton/yr

VOC Emissions

Emission factor: 0.017 lb/MMBtu (AP-42, Chapter 1, Table 1.6-3, 2003)
 Fuel Consumption: 20.0-MMBtu/hr (Maximum Design)
 Calculations: 20.0 MMBtu/hr * 0.017 lb/MMBtu = 0.34 lb/hr
 0.34 lb/hr * 8760 hr/yr * 0.0005 ton/lb = 1.49 ton/yr

CO Emissions

Emission factor: 0.60 lb/MMBtu (AP-42, Chapter 1, Table 1.6-2, 2003)
 Fuel Consumption: 20.0-MMBtu/hr (Maximum Design)
 Calculations: 20.0 MMBtu/hr * 0.60 lb/MMBtu = 12.0 lb/hr
 12.0 lb/hr * 8760 hr/yr * 0.0005 ton/lb = 52.56 ton/yr

SO₂ Emissions

Emission factor: 0.025 lb/MMBtu (AP-42, Chapter 1, Table 1.6-2, 2003)
 Fuel Consumption: 20.0-MMBtu/hr (Maximum Design)
 Calculations: 20.0 MMBtu/hr * 0.025 lb/MMBtu = 0.50 lb/hr
 0.50 lb/hr * 8760 hr/yr * 0.0005 ton/lb = 2.19 ton/yr

V. Existing Air Quality

Permit #3314-00 is issued for the operation of a wood-waste fired boiler located in Section 36, Township 10 North, Range 13 West, in Granite County, Montana. This existing but unpermitted site is designated as an attainment/unclassified area for the National Ambient Air Quality Standards (NAAQS).

VI. Ambient Air Impact Analysis

The Department determined that the impact 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.

VII. Taking or Damaging Implication Analysis

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

VIII. 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: Eagle Stud Mill, Inc.
PO Box 29
Hall, MT 59837

Air Quality Permit Number: #3314-00

Preliminary Determination Issued: 04/08/04

Department Decision Issued: 04/26/04

Permit Final: 05/12/04

1. *Legal Description of Site:* Eagle submitted a permit application for a wood-waste fired boiler located in Section 36, Township 10 North, Range 13 West, in Granite County, Montana.
2. *Description of Project:* This is a lumber production facility utilizing a wood-waste fired boiler installed in 1989.
3. *Objectives of Project:* On March 17, 2004, the Department received a complete permit application from Eagle to permit an existing but unpermitted wood-waste fired boiler.
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 Montana Air Quality permit to the existing but unpermitted facility. However, the Department does not consider the “no-action” alternative to be appropriate because Eagle 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 #3314-00.
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 would reasonably necessary to ensure compliance with applicable requirements and demonstrate compliance with those requirements and would not unduly restrict private property rights.

7. The following table summarizes the potential physical and biological effects of the facility 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

Although there would be air emissions in the area where the facility would operate, there would be little, if any, impacts on water quality, quantity, and distribution because of the relatively small size of the operation. Flint Creek is located near the operational site. Only minor effects to aquatic life and habitat would be expected from the existing but unpermitted wood-waste fired boiler because only relatively minor amounts of pollutants would be generated and the diffusion of pollutant emissions. While deposition from air emissions would occur, the Department determined that any impacts from deposition would be minor. As described in Section 7.F of this EA, due to the small amount of emissions, dispersion of the pollutants, and conditions placed in Permit #3314-00, the impacts on water quality from the air emissions from the screening plant would be minor. Very little water would be required to be used as part of the operation. Any accidental spills or leaks from equipment would be required to be handled according to the appropriate environmental regulations. Overall, the wood-waste fired boiler operation would result in only minor impacts to water quality, quantity, and distribution.

B. Water Quality, Quantity, and Distribution

Although there would be air emissions in the area where the stud mill would operate, there would be little, if any, impacts on water quality, quantity, and distribution because of the relatively small size of the operation. The deposition of air pollutants on Flint Creek would be minor because relatively small amounts of pollution would be generated and pollutant dispersion would greatly minimize the impacts from the pollution. While deposition from air emissions would occur, the Department determined that any impacts from deposition would be minor. As described in Section 7.F of this EA, due to the small amount of emissions, dispersion of the pollutants, and conditions placed in Permit #3314-00, the impacts on water quality from the air emissions from the wood-waste boiler would be minor. Very little water would be required as part of the

operation and no water would be discharged. Any accidental spills or leaks from equipment would be required to be handled according to the appropriate environmental regulations. Overall, the wood-waste boiler operation would result in only minor impacts to water quality, quantity, and distribution.

C. Geology and Soil Quality, Stability, and Moisture

There would be minor impacts to the geology and soil quality, stability, and moisture near the plant's operational area due to facility production, increased vehicle traffic, a minimal use of water to control dust, and deposition of pollutants from the wood-waste boiler. Due to the relatively small size of the operation, dispersion of the pollutants, and conditions placed in Permit #3314-00, any impacts would be minor. Since the facility currently exists, no additional impacts from construction would result.

D. Vegetation Cover, Quantity, and Quality

There would be minor impacts on the vegetative cover, quantity, and quality because small amounts of vegetation would likely be disturbed by the operation of the facility. In addition, pollutant deposition would occur on the surrounding vegetation. However, as explained in Section 7.F of this EA, the Department determined that, because the facility is existing, the relatively small size of the operation, dispersion of pollutants, and conditions placed in Permit #3314-00, any impacts from deposition would be minor. Also, because the water usage would be minimal and any soil disturbance would be minor (as described in Section 7.C of this EA) corresponding vegetative impacts would also be minor.

E. Aesthetics

The wood-waste boiler would be visible and would create additional noise in the area of operation. Permit #3314-00 would include conditions to control emissions, including visible emissions, from the facility. Pollution control techniques would be used to control particulate emissions from the plant. Since the wood-waste boiler operation is relatively small, any aesthetic impact to a given area would be minor.

F. Air Quality

The air quality of the area would realize minor impacts from the existing but unpermitted project because the facility would emit very small amounts of particulate matter (PM), particulate matter less than 10 microns in aerodynamic diameter (PM₁₀), carbon monoxide (CO), nitrogen oxides (NO_x), and volatile organic compounds (VOC). Air emissions from the facility would be minimized by conditions that would be placed in Permit #3314-00.

While deposition of pollutants would occur as a result of operating the facility, the Department determined that any air quality impacts from deposition of pollutants would be minor due to dispersion characteristics of pollutants, the atmosphere (wind speed, wind direction, ambient temperature, etc.), and conditions that would be placed in Permit #3314-00.

G. Unique Endangered, Fragile, or Limited Environmental Resources

In an effort to identify any unique endangered, fragile, or limited environmental resources in the area, the Department contacted the Montana Natural Heritage Program, Natural Resource Information System (NRIS). The NRIS search identified the Bull Trout in Flint Creek, which is approximately 0.5 miles from the facility, as a species of special concern in the vicinity of the

project area. In this case, the area was defined by the section, township, and range of the existing location with an additional 1-mile buffer zone. Due to the relatively low levels of pollutants that would be emitted, dispersion characteristics of pollutants and the atmosphere, conditions that would be placed in Permit #3314-00, the Department determined that the chance of the project impacting any species of special concern would be minor.

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

The existing but unpermitted project would have minor impacts on the demands on the environmental resources of air and water because the facility would be a source of air pollutants. However, the facility's PTE would be relatively small by industrial standards. While deposition of pollutants would occur, as explained in Section 7.F of this EA, the Department determined that the chance of the existing but unpermitted project impacting demands on air, water, and energy resources would be minor due to dispersion characteristics of pollutants and the atmosphere, and due to conditions that would be placed in Permit #3314-00.

I. Historical and Archaeological Sites

In an effort to identify any historical and archaeological sites near the existing project area, the Department contacted the Montana Historical Society, State Historic Preservation Office (SHPO). According to SHPO records, there have not been any previously recorded historic or archaeological sites within the existing area. In addition, SHPO records indicated that no previous cultural resource inventories have been conducted in the area. SHPO recommended that a cultural resource inventory be conducted to determine if cultural or historic sites exist and if they would be impacted. Neither the Department nor SHPO has the authority to require a cultural resource inventory for this project. However, the Department determined that due to the previous disturbance in the area (the stud mill is an existing facility) that the chance of the project impacting any cultural or historic sites would be minor.

J. Cumulative and Secondary Impacts

Overall, the cumulative and secondary impacts on the physical and biological aspects of the human environment in the immediate area would be minor due to the relatively small size of the project. Potential emissions from the facility would be relatively small by industrial standards. The Department believes that this facility could be expected to operate in compliance with all applicable rules and regulations as would be outlined in Permit #3314-00.

8. The following table summarizes the potential economic and social effects of the facility 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 ECENOMIC AND SOCIAL EFFECTS: The following comments have been prepared by the Department.

A. Social Structures and Mores

The existing but unpermitted project would not cause a disruption to any native or traditional lifestyles or communities (social structures or mores) in the area because the facility is located in a remote location. The facility would be relatively small by industrial standards.

B. Cultural Uniqueness and Diversity

The existing but unpermitted project would not cause a disruption to any cultural uniqueness and diversity in the area because the facility is located in a remote location. The facility would be relatively small by industrial standards.

C. Local and State Tax Base and Tax Revenue

The existing facility would result in minor impacts to the local and state tax base and tax revenue because the facility would possibly require two new permanent employees to be hired. The facility is existing and contributing to the tax base and revenue as well as employing workers who contribute to the tax and revenue.

D. Agricultural or Industrial Production

The current land use surrounding the location is agricultural; but the project would result in no impacts to agricultural production because it is an existing facility. The existing facility would not have any impacts to industrial production because the facility would not displace any industrial land. While air emissions would continue to occur, as Section 7.F of this EA explains, the Department determined that the chance of deposition of pollutants impacting agricultural or

industrial production in the areas surrounding the site would be minor due to dispersion characteristics of pollutants and the atmosphere, and due to conditions that would be placed in Permit #3314-00. Overall, any impacts to agricultural or industrial production would be minor.

E. Human Health

Permit #3314-00 would incorporate conditions to ensure that the wood-waste fired boiler would be operated in compliance with all applicable air quality rules and standards. These rules and standards are designed to be protective of human health. As described in Section 7.F. of this EA, the air emissions from this facility would be minimized by the use of emission control that would be established in Permit #3314-00. Therefore, only minor impacts would be expected upon human health from the wood-waste fired.

F. Access to and Quality of Recreational and Wilderness Activities

Minor impacts on the quality of recreational and wilderness activities would result from equipment operations and pollutant deposition, but no changes in the type of existing opportunities for recreational and wilderness activities in the area would be expected from the operation of the wood-waste fired boiler because it is an existing source. Minor effects on the quality of recreational activities might be created by noise from equipment operations and its proximity to Flint Creek. Any changes in the quality of recreational and wilderness activities from noise, created by operating the equipment at the site, would be expected to be minor.

G. Quantity and Distribution of Employment

The existing but unpermitted project would have minor, if any, impacts on the quantity and distribution of employment because 2 new permanent employees would possibly be hired at the facility because of increased demand. Current Eagle employees would be responsible for the day-to-day operation of the facility. Since the source exists, no additional temporary construction-related positions would result from this project. Any impacts to the quantity and distribution of employment would be minor due to the relatively small size of the facility.

H. Distribution of Population

The existing project does not involve any significant physical or operational change that would affect the location, distribution, density, or growth rate of the human population.

I. Demands for Government Services

The demands on government services would experience a minor impact. The primary demand on government services would be the acquisition of the appropriate permits by the facility and compliance verification with those permits.

J. Industrial and Commercial Activity

Only minor impacts would be expected on the local industrial and commercial activity because the existing project would not represent an increase in the industrial and commercial activity in the area. The existing project would be relatively small and would take place at a relatively remote location. All raw material and finished product transportation to and from the facility would continue.

K. Locally Adopted Environmental Plans and Goals

The Department is unaware of any locally adopted environmental plans and goals that would be affected by the existing but unpermitted facility. The facility would be regulated similar to other sources with no locally adopted environmental plans and goals.

L. Cumulative and Secondary Impacts

Overall, the cumulative and secondary impacts from this project on the social and economic aspects of the human environment would be minor because only the industrial activity and possibly the tax base would increase as a result of this project. Due to the relatively small size of the project, the industrial production, employment, and tax revenue (etc.) would not be significantly impacted by the project. In addition, the Department believes that this facility could be expected to operate in compliance with all applicable rules and regulations as would be outlined in Permit #3314-00.

Recommendation: No EIS is required.

If an EIS is not required, explain why the EA is an appropriate level of analysis: The current permitting action is for the operation of wood-waste fired boiler. Permit #3314-00 includes conditions and limitations to ensure the facility will operate in compliance with all applicable rules and regulations. In addition, there are no significant impacts associated with this proposal.

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

Individuals or groups contributing to this EA: Department of Environmental Quality – Air Resources Management Bureau, Montana Historical Society – State Historic Preservation Office, Natural Resource Information System – Montana Natural Heritage Program

EA prepared by: Chris Ames

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