

## AIR QUALITY PERMIT

Issued To: Schellinger Construction Co., Inc.  
P.O. Box 39  
Columbia Falls, MT 59912

Permit #3324-00  
Application Complete: 04/20/04  
Preliminary Determination Issued: 05/28/04  
Department Decision Issued: 06/29/04  
Permit Final: 07/15/04  
AFS Number: 777-3324

An air quality permit, with conditions, is hereby granted to Schellinger Construction Co., Inc. (Schellinger), 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

Schellinger operates a portable diesel generator (up to 1360 kilowatts (kW)). A complete list of the permitted equipment is contained in Section I.A of the permit analysis.

#### B. Plant Location

Schellinger operates a portable diesel generator at various locations throughout Montana. Permit #3324-00 applies while operating at any location within Montana, except within those areas having a Department of Environmental Quality (Department) approved permitting program, and those areas considered Tribal Lands. Addendum 1 is included in this permit to allow the Schellinger facility to operate at any location in or within 10 kilometers (km) of certain particulate matter with an aerodynamic diameter of 10 microns or less (PM<sub>10</sub>) nonattainment areas, including the initial site location. The initial site is located in the SW ¼ of Section 1, Township 27 North, Range 20 West, in Flathead County Montana. A complete list of the permitted equipment is contained in Section I.A of the permit analysis. *A Missoula County air quality permit will be required for locations within Missoula County, Montana.*

### Section II: Limitations and Conditions

#### A. Emissions Limitations

1. All visible emissions from the generator may not exhibit an opacity of 20% or greater averaged over 6 consecutive minutes (ARM 17.8.304).
2. Schellinger 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).
3. Schellinger 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.2 (ARM 17.8.752).

4. Schellinger shall not operate more than one diesel generator at any given time. The maximum capacity of the generator shall not exceed 1360 kW (ARM 17.8.749).
5. Operations of the diesel generator shall not exceed 3515 hours during any rolling 12-month time period (ARM 17.8.749 and ARM 17.8.1204).
6. If the permitted equipment is used in conjunction with any other equipment owned or operated by Schellinger, 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).
7. Schellinger shall comply with all applicable standards and limitations, and the reporting, recordkeeping, testing, and notification requirements contained in 40 CFR 60, Subpart OOO (ARM 17.8.340), as applicable.

#### 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 generator 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. Schellinger shall maintain on-site records showing daily hours of operation of the generator for the last 12 months. All records compiled in accordance with this permit shall be maintained by Schellinger as a permanent business record for at least 5 years following the date of the measurement, shall be available at the plant site for inspection by the Department, and shall be submitted to the Department upon request (ARM 17.8.749).
3. Schellinger shall supply the Department with the annual hours of operation of the generator, as required by the Department in the annual emissions 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.

Daily hours of operation 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. Schellinger 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 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).
5. Schellinger shall document, by month, the hours of operation of the diesel generator (up to 1360 kW). By the 25<sup>th</sup> day of each month, Schellinger shall total the hours of operation of the generator during the previous 12 months to verify compliance with the limitation in Section II.A.5. A written report of the compliance verification shall be submitted along with the annual emission inventory (ARM 17.8.749).
  6. Schellinger shall annually certify that its emissions are less than those that would require the facility to obtain an air quality operating permit as required by ARM 17.8.1204(3)(b). The annual certification shall comply with the certification requirements of ARM 17.8.1207. The annual certification shall be submitted with the annual emissions inventory information (ARM 17.8.1204).

### Section III: Addendum

Schellinger shall comply with all conditions in Addendum 1 to this permit, as appropriate (ARM 17.8.749).

### Section IV: General Conditions

- A. Inspection - Schellinger 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 Schellinger fails to appeal as indicated below.
- C. Compliance with Statutes and Regulations - Nothing in this permit shall be construed as relieving Schellinger 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. Permit Fees - Pursuant to Section 75-2-220, MCA, as amended by the 1991 Legislature, failure to pay of an annual operation fee by Schellinger may be grounds for revocation of this permit, as required by that section and rules adopted thereunder by the Board.

- H. 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 (ARM 17.8.760).
- 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. Schellinger 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  
Schellinger Construction Company, Inc.  
Permit Number 3224-00

I. Introduction/Process Description

A. Permitted Equipment

Schellinger Construction Company, Inc. (Schellinger), owns and operates a portable diesel generator (up to 1360 kilowatts (kW)). The portable diesel generator will initially be located at the SW ¼ of Section 1, Township 27 North, Range 20 West, in Flathead County Montana.

B. Source Description

Schellinger operates a portable generator at various locations throughout the state of Montana, including in or within 10 kilometers (km) of the Libby, Whitefish, Kalispell, Columbia Falls, Thompson Falls, and Butte (PM<sub>10</sub>) nonattainment areas. The generator is normally used with other Schellinger permitted equipment (screens, crushers, etc.).

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 of Environmental Quality (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 Montana Clean Air Act, 75-2-101, *et seq.*, Montana Code Annotated (MCA).

Schellinger 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 that, without resulting in reduction in the total amount of air contaminant emitted, conceals or dilutes an emission of air contaminant which 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:

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 PM<sub>10</sub>

Schellinger 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 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 matter. (2) Under this rule, Schellinger 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 or authorize 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 Processes. This rule requires that no person shall cause or allow 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 17.8.324 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 Standard 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.

This generator is not a Standard of Performance for New Stationary Sources (NSPS) affected source because there is currently no NSPS for portable generators of this size.

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. Schellinger shall 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. Schellinger submitted the required 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. 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 which 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, modify, or use any generator that has the Potential to Emit (PTE) greater than 25 tons per year of any pollutant. Schellinger has a PTE greater than 25 tons per year of total particulate matter (PM), particulate matter with an aerodynamic diameter of 10 microns or less (PM<sub>10</sub>), oxides of nitrogen (NO<sub>x</sub>), and carbon monoxide (CO); 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. This rule requires that a permit application be submitted prior to installation, modification, or use of a source. Schellinger submitted a 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. Schellinger submitted an affidavit of publication of public notice for the April 21, 2004, issue of the *Daily InterLake*, a newspaper of general circulation in the Town of Kalispell in Flathead 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 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 air that 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 Schellinger 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 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 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.
  - c. PTE > 70 tons/year of PM<sub>10</sub> in a serious PM<sub>10</sub> nonattainment area.
2. ARM 17.8.1204 Air Quality Operating Permit Program Applicability. 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 #3324-00 for Schellinger, the following conclusions were made:
  - a. The facility's PTE is less than 100 tons/year for all criteria pollutants.
  - 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 NESHAP standards.
  - e. This facility is not an NSPS affected source.
  - 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 the above conclusions, the Department has determined that Schellinger will be a minor source of emissions as defined under Title V. However, if minor sources subject to NSPS are required to obtain a Title V Operating Permit, Schellinger will be required to obtain an Operating Permit.

- h. ARM 17.8.1204(3). The Department may exempt a source from the requirement to obtain an air quality operating permit by establishing federally enforceable limitations, which limit that source's PTE.
  - i. In applying for an exemption under this section, the owner or operator of the source shall certify to the Department that the source's PTE does not require the source to obtain an air quality operating permit.
  - ii. Any source that obtains a federally enforceable limit on PTE shall annually certify that its actual emissions are less than those that would require the source to obtain an air quality operating permit.

The Department has determined that the annual reporting requirements contained in the permit are sufficient to satisfy this requirement.

- 3. ARM 17.8.1207 Certification of Truth, Accuracy, and Completeness. The compliance certification submittal required by ARM 17.8.1204(3) shall contain certification by a responsible official of truth, accuracy, and completeness. This certification and any other certification required under this subchapter shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

### III. Emission Inventory

Source	Tons/Year					
	PM	PM <sub>10</sub>	NO <sub>x</sub>	VOC	CO	SO <sub>x</sub>
Diesel Generator (up to 1360 KW)	7.05	7.05	99.36	7.92	21.41	6.57
Haul Roads	2.74	1.23				
Total	9.79	8.28	99.43	7.92	21.41	6.57

- A complete emissions inventory for Permit #3324-00 is on file with the Department.

### IV. BACT Analysis

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

Two types of emissions controls are readily available and used for dust suppression at the site and surrounding area of operations. These two control methods are water and chemical dust suppressant. Chemical dust suppressant can be used for dust suppression on the area surrounding the diesel generator and for emissions from the diesel generator operations. However, because water is more readily available, is more cost effective, is equally effective as chemical dust suppressant, and is more environmentally friendly, water has been identified as the most appropriate method of pollution control of particulate emissions from the general plant area. In addition, water suppression has been required of recently permitted similar sources. However, Schellinger may use chemical dust suppressant to assist in controlling particulate emissions from the surrounding plant area because it will help in reducing emissions of particulate matter.

Schellinger shall not allow visible emissions from the generator to exhibit an opacity of 20% or greater averaged over 6 consecutive minutes. However, due to the amount of PM, PM<sub>10</sub>, NO<sub>x</sub>, CO, VOC, and SO<sub>x</sub> emissions produced by the diesel generator, add-on controls would be cost prohibitive for this portable/temporary source. The source would be required to comply with

operational limits as outlined in Permit #3324-00. Thus, the Department determined that no additional control constitutes BACT for the generator. The control options selected have controls and control costs similar to other recently permitted similar sources and these controls are capable of achieving the established emissions limits.

V. Existing Air Quality

Permit #3324-00 is issued for the operation of a portable diesel generator to be originally located in the SW ¼ of Section 1, Township 27 North, Range 20 West, in Flathead County Montana. This facility would be allowed to operate at this proposed site and any other areas designated as attainment or unclassified for all National Ambient Air Quality Standards (NAAQS); 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 PM<sub>10</sub> nonattainment areas.

VI. Ambient Air Quality Impacts

Permit #3324-00 will cover the operations of this portable diesel generator while operating at any location within Montana, excluding those counties that have a Department approved permitting program, those areas that are tribal lands, or those areas in or within 10 km of certain PM<sub>10</sub> nonattainment areas. The initial site location has been identified as the SW ¼ of Section 1, Township 27 North, Range 20 West, in Flathead. Addendum 1 to Permit #3324-00 will cover the operations of this portable diesel generator, while operating in certain locations in or within 10 km of the listed PM<sub>10</sub> nonattainment areas during the winter months (October 1 through March 31). Additionally, the facility will also be allowed to operate in or within 10 km of certain PM<sub>10</sub> nonattainment areas during the summer months (April 1 through September 30). Screen View modeling was used to establish emissions limits for the Addendum. Also, this facility is a portable source that would operate on an intermittent and temporary basis, so any effects to air quality will be minor and short-lived. Thus, the limitations and conditions established in Addendum 1 would further reduce emissions in these areas and would be protective of the ambient air quality standards and the amount of controlled particulate emissions generated by this project should not cause concentrations of PM<sub>10</sub> in the ambient air that exceed the set standard. In addition, this source is portable and any air quality impacts will be minimal.

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

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

Addendum 1  
Schellinger Construction Company, Inc.  
Permit #3324-00

An addendum to air quality Permit #3324-00 is hereby granted to Schellinger Construction Company, Inc. (Schellinger), pursuant to Sections 75-2-204 and 211 of the Montana Code Annotated (MCA), as amended, and Administrative Rules of Montana (ARM) 17.8.765, as amended, for the following:

I. Permitted Equipment

Schellinger operates a portable diesel generator (up to 1360 kilowatts (kW)) and associated equipment. Schellinger operates at various locations throughout Montana, including in or within 10 kilometers (km) of the following particulate matter with an aerodynamic diameter of 10 microns or less (PM<sub>10</sub>) nonattainment areas: Butte, Columbia Falls, Kalispell, Libby, Thompson Falls, and Whitefish.

II. Seasonal and Site Restrictions

Addendum 1 applies to the Schellinger facility while operating at any location in or within 10 km of certain PM<sub>10</sub> nonattainment areas. Additionally, seasonal and site restrictions apply to the facility as follows:

- A. During the winter season (October 1-March 31) - The only location(s) in or within 10 km of a PM<sub>10</sub> nonattainment area where Schellinger may operate is:
1. NE $\frac{1}{4}$  of the SW $\frac{1}{4}$  of Section 23, Township 30 North, Range 21 West (A-1 Paving Hodgson Road Pit);
  2. NE $\frac{1}{4}$  of the NE $\frac{1}{4}$  of Section 26, Township 29 North, Range 22 West (Tutvedt Pit);
  3. NW $\frac{1}{4}$  of the NW $\frac{1}{4}$  of Section 31, Township 29 North, Range 21 West (NUPAC Pit);
  4. NW $\frac{1}{4}$  of the NW $\frac{1}{4}$  of Section 22, Township 29 North, Range 21 West (A-1 Paving Pit);
  5. N $\frac{1}{2}$  of Section 21, Township 30 North, Range 21 West (Carlson Pit);
  6. S $\frac{1}{2}$  of the SE $\frac{1}{4}$  of Section 31, Township 31 North, Range 22 West (Peschel Pit);
  7. NE $\frac{1}{4}$  and SE $\frac{1}{4}$  of the NW  $\frac{1}{4}$  of Section 9, Township 27 North, Range 21 West (Spoklie Pit);
  8. Any other site that may be approved, in writing, by the Department of Environmental Quality (Department).
- B. During the summer season (April 1-September 30) – Schellinger may operate at any location in or within 10 km of the Libby, Thompson Falls, Kalispell, Whitefish, Columbia Falls, and Butte PM<sub>10</sub> nonattainment areas.
- C. Schellinger shall comply with the limitations and conditions contained in Addendum #1 to Permit #3324-00 while operating in or within 10 km of any of the previously listed PM<sub>10</sub> nonattainment areas. Addendum 1 shall be valid until revoked or modified. The Department reserves the authority to modify Addendum 1 at any time based on local conditions of any future site. These conditions may include, but are not limited to, local terrain, meteorological conditions, proximity to residences or other businesses, etc.

III. Limitations and Conditions

A. Operational Reporting Requirements

1. All visible emissions from the generator may not exhibit an opacity of 10% or greater averaged over 6 consecutive minutes (ARM 17.8.749).

2. Schellinger shall not cause or authorize to be discharged into the atmosphere from any other equipment, such as screens or transfer points, any visible emissions that exhibit an opacity of 10% or greater averaged over 6 consecutive minutes (ARM 17.8.749).
3. Schellinger shall not cause or authorize to be discharged into the atmosphere from haul roads, access roads, parking lots, or the general plant property any visible fugitive emissions that exhibit an opacity of 10% or greater averaged over 6 consecutive minutes (ARM 17.8.749).
4. Schellinger 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 10% opacity limitation (ARM 17.8.749).

B. Operational Reporting Requirements

1. Schellinger shall provide the Department with written notification of job completion within 10 working days of job completion (ARM 17.8.749).
2. Schellinger shall provide the Department with written notice of relocation of the permitted equipment within 15 working days of physical transfer of equipment (ARM 17.8.765).
3. Production information for the sites covered by this addendum must be submitted to the Department with the annual emissions inventory request or within 30 days of completion of the project. The information must include the following (ARM 17.8.749):
  - a. Daily hours of operation at each site.
  - b. Gallons of diesel used by the generator at each site.
  - c. Fugitive dust information consisting of all plant vehicles, including the following for each vehicle type:
    - i. Number of vehicles
    - ii. Vehicle type
    - iii. Vehicle weight, loaded
    - iv. Vehicle weight, unloaded
    - v. Number of tires on vehicle
    - vi. Average trip length
    - vii. Number of trips per day per vehicle
    - viii. Average vehicle speed
    - ix. Area of activity
    - x. Vehicle fuel usage (gasoline and diesel) annual total
  - d. Fugitive dust control for haul roads and general plant area:
    - i. Hours of operation of water trucks; and
    - ii. Application schedule for chemical dust suppressant, if applicable.

Addendum 1 Analysis  
Schellinger Construction Company, Inc.  
Permit #3324-00

I. Permitted Equipment

Schellinger Construction Company, Inc. (Schellinger) operates a portable diesel generator (up to 1360 kilowatts (kW)). Addendum 1 applies to the Schellinger facility while operating at any location in or within 10 km of certain particulate matter with an aerodynamic diameter of 10 microns or less (PM<sub>10</sub>) nonattainment areas, including the initial site location, the SW ¼ of Section 1, Township 27 North, Range 20 West, in Flathead County Montana.

II. Source Description

Schellinger operates a portable generator at various locations throughout the state of Montana, including in or within 10 kilometers (km) of the Libby, Whitefish, Kalispell, Columbia Falls, Thompson Falls, and Butte PM<sub>10</sub> nonattainment areas. The generator is normally used with other Schellinger permitted equipment (screens, crushers, etc.).

III. 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 of Environmental Quality (Department). Upon request, the Department will provide references for locations of complete copies of all applicable rules and regulations or copies where appropriate.

ARM 17.8, Subchapter 7 - Permit, Construction and Operation of Air Contaminant Sources, including, but not limited to:

- A. ARM 17.8.749 Conditions for Issuance 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.
- B. 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. A source may not increase its emissions beyond those found in its permit unless the source applies for and receives another permit.
- C. ARM 17.8.765 Transfer of Permit. An air quality permit may be transferred from one location to another if:
  - 1. Written notice of Intent to Transfer location and proof of public notice are sent to the Department;
  - 2. The source will operate in the new location for a period of less than 1 year; and
  - 3. The source will not have any significant impact on any nonattainment area or any Class I area.

Schellinger must submit proof of compliance with the transfer and public notice requirements when they transfer to the location(s) covered by this addendum, and will only be allowed to stay in the new location for a period of less than 1 year. Also, the conditions and limitations of Addendum 1 to Permit #3324-00 will prevent Schellinger from having a significant impact on (PM<sub>10</sub>) nonattainment areas.

IV. Emission Inventory

Source	Lb/Day					
	PM	PM <sub>10</sub>	NO <sub>x</sub>	VOC	CO	SO <sub>x</sub>
Diesel Generator (up to 1360 KW)	38.64	38.64	544.45	43.38	117.32	36.00
Haul Roads	2.74	6.75				
Total	41.38	45.39	544.45	43.38	117.32	36.00

- A complete emissions inventory for Permit #3324-00 is on file with the Department.

V. Existing Air Quality

On July 1, 1987, the Environmental Protection Agency (EPA) promulgated new National Ambient Air Quality Standards (NAAQS) for PM<sub>10</sub>. Due to exceedances of the national standards for PM<sub>10</sub>, the cities of Kalispell (and the nearby Evergreen area), Columbia Falls, Butte, Whitefish, Libby, Missoula, and Thompson Falls were designated by EPA as nonattainment for PM<sub>10</sub>. As a result of this designation, the EPA required the Department and the City-County Health Departments to submit PM<sub>10</sub> State Implementation Plans (SIP). The SIPs consisted of emission control plans that controlled fugitive dust emissions from roads, parking lots, construction, and demolition, since technical studies identified these sources to be the major contributors to PM<sub>10</sub> emissions.

Addendum 1 to Permit #3324-00 is for a portable generator to locate at sites in or within 10 km of certain PM<sub>10</sub> nonattainment areas during the summer season (April 1 through September 30). Summer seasons may include locations in or within 10 km of the Butte, Columbia Falls, Kalispell, Libby, Thompson Falls, and Whitefish PM<sub>10</sub> nonattainment areas. Winter season (October 1 through March 31) operations may include only the locations listed in Section II.A of Addendum 1.

VI. Air Quality Impacts

Schellinger applied for an air quality permit to operate a portable generator to be located at various locations throughout Montana. Permit #3324-00 and Addendum 1 will cover the Schellinger generator while operating at any location within Montana, excluding those counties that have a Department approved permitting program and those areas considered tribal lands. Based on the information provided, the amount of controlled emissions generated by this facility will not exceed any ambient air quality standard. In addition, this source is portable and any air quality impacts will be minimal.

VII. Taking or Damaging Implication Analysis

As required by 2-10-101 through 105, Montana Code Annotated (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 (MEPA), was completed for this project. A copy is attached.



DEPARTMENT OF ENVIRONMENTAL QUALITY  
Permitting and Compliance Division  
Air Resources Management Bureau  
1520 East Sixth Avenue  
P.O. Box 200901  
Helena, Montana 59620-0901  
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**FINAL ENVIRONMENTAL ASSESSMENT (EA)**

*Issued For:* Schellinger Construction Co., Inc.  
P.O. Box 39  
Columbia Falls, MT 59912

*Permit Number:* #3324-00

*Preliminary Determination Issued:* May 28, 2004

*Department Decision Issued:* June 29, 2004

*Permit Final:* July 15, 2004

1. *Legal Description of Site:* Schellinger submitted a permit application for the operation of a portable diesel generator (1360 kW) in the SW ¼ of Section 1, Township 27 North, Range 20 West, in Flathead County Montana. Permit #3324-00 would apply while operating at any location in Montana, except within those areas having a Department approved permitting program, those areas considered to be tribal lands, or those areas in or within 10 km of certain PM<sub>10</sub> nonattainment areas. Addendum 1 to the Schellinger facility applies while operating at any location in or within 10 km of certain PM<sub>10</sub> nonattainment areas. *A Missoula County air quality permit would be required for locations within Missoula County, Montana.*
2. *Description of Project:* Schellinger proposes to use this portable generator at various locations throughout Montana, including in or within 10 km of the Libby, Whitefish, Kalispell, Columbia Falls, Thompson Falls, and Butte PM<sub>10</sub> nonattainment areas. The generator is normally used with other Schellinger permitted equipment (screens, crushers, etc.).
3. *Objectives of Project:* The object of the project would be to produce business and revenue for the company through providing power for various construction projects. The issuance of Permit #3324-00 would allow Schellinger to operate the permitted equipment at various locations throughout Montana, including the proposed initial site location.
4. *Additional Project Site Information:* In many cases, this portable generator may move to a general site location or open cut pit, which has been previously permitted through the Industrial and Energy Minerals Bureau (IEMB). If this were the case, additional information for the site would be found in the Mined Land Reclamation Permit for that specific site.
5. *Alternatives Considered:* In addition to the proposed action, the Department 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 Schellinger demonstrated compliance with all applicable rules and regulations as required for permit issuance. Therefore, the "no-action" alternative was eliminated from further consideration.
6. *A Listing of Mitigation, Stipulations, and Other Controls:* A listing of the enforceable permit conditions and a permit analysis, including a BACT analysis, would be contained in Permit #3324-00.

7. *Regulatory Effects on Private Property Rights:* The Department considered alternatives to the conditions imposed in this permit as part of the permit development. The Department determined the permit conditions would be reasonably necessary to ensure compliance with applicable requirements and to demonstrate compliance with those requirements and would not unduly restrict private property rights.
8. *The following table summarizes the potential physical and biological effects of the proposed project on the human environment. The “no action alternative” was discussed previously.*

		Major	Moderate	Minor	None	Unknown	Comments Included
A.	Terrestrial and Aquatic Life and Habitats			X			yes
B.	Water Quality, Quantity, and Distribution			X			yes
C.	Geology and Soil Quality, Stability, and Moisture			X			yes
D.	Vegetation Cover, Quantity, and Quality			X			yes
E.	Aesthetics			X			yes
F.	Air Quality			X			yes
G.	Unique Endangered, Fragile, or Limited Environmental 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

Terrestrials would use the same area as the portable generator operations. Impacts on terrestrials and aquatic life could result from stormwater runoff and pollutant deposition, but such impacts would be minor, as the generator operations would be considered a minor source of emissions (especially particulate emissions) and would have intermittent and seasonal operations. Furthermore, the air emissions would have only minor effects on terrestrial and aquatic life because facility emissions would be well dispersed in the area of operation (See Section 8.F of this EA). The nearest flowing water body is the Flathead River, approximately 1 ¼ miles away. At such distances, only minor and temporary effects to terrestrial and aquatic life and habitat would be expected from the proposed generator operations because only minor amounts of pollutants would reach the water body. Therefore, due to the minor amount of emissions generated and the dispersion of pollutant emissions, only minor and temporary effects on aquatic life and habitat would be expected from the proposed generator operation.

B. Water Quality, Quantity, and Distribution

Water would be required for dust suppression on the surrounding roadways and the area of operation.

However, water use would only cause a minor surface disturbance to the proposed operational site, since only relatively small amounts of water would be required to be used for pollution control. Therefore, at most, only minor surface and groundwater quality impacts would be expected as a result of using water for dust suppression because only small amounts of water would be required and deposition of air pollutants on surrounding water bodies would be minor (See Section 8.F of this EA).

#### C. Geology and Soil Quality, Stability, and Moisture

The generator operations would have minor impacts on geology and soil quality, stability, and moisture because the generator would generally locate within a previously disturbed open-cut pit. The deposition of air pollutants on soils would be minor (As described in Section 8.F of this EA) because relatively small amounts of pollution would be generated and pollutant dispersion would greatly minimize the impacts from the pollution. Therefore, any effects upon geology, soil quality, and stability and moisture at the proposed site would be minor.

#### D. Vegetation Cover, Quantity, and Quality

Minor, if any impacts would occur on vegetative cover, quality, and quantity because the facility would operate at a site where vegetation has been previously removed/disturbed. The facility would be a relatively minor source of emissions and the pollutants would be greatly dispersed (As described in Section 8.F of this EA); therefore, deposition on vegetation from the proposed project would be minor. Also, because the water usage would be minimal (As described in Section 8.B of this EA) and the associated soil disturbance from the application of water and any associated runoff would be minimal (As described in Section 8.C of this EA), corresponding vegetative impacts would be minor.

#### E. Aesthetics

The generator operations would be visible and would create additional noise while operating at the initial proposed site. However, Permit #3324-00 would include conditions to control emissions, including visible emissions from the generator. The generator operation would be portable, would operate on an intermittent and seasonal basis, and would locate within an existing open-cut pit, any visual and noise impacts would be minor and short-lived.

#### F. Air Quality

Air quality impacts from the proposed project would be minor because the facility emissions would be limited by conditions in Permit #3324-00, would operate on an intermittent and temporary basis, and would locate in a previously disturbed open-cut pit. Permit #3324-00 and Addendum 1 would include conditions limiting the facility's opacity and surrounding opacity of the site. In addition, water and reasonable precautions would be required to control emissions from haul roads, access roads, parking lots, and the general work area. Permit #3324-00 would also limit total emissions from the diesel generator and any additional Schellinger equipment operated at the site to 250 tons/year or less, excluding fugitive emissions.

Further, the Department determined that the diesel generator would be a minor source of emissions as defined under the Title V Operating Permit Program because the source's PTE is below the major source threshold level of 100 tons per year for any regulated pollutant. Addendum 1 would also limit the hours of operation in or within 10 km of a PM<sub>10</sub> nonattainment area.

Pollutant deposition from the facility would be minimal and the pollutants emitted from the facility would be widely dispersed (from factors such as wind speed and wind direction). The corresponding impacts of pollutants from deposition on surrounding soils, vegetation, water resources, human

populations, and terrestrial and aquatic life would also be minor.

#### G. Unique Endangered, Fragile, or Limited Environmental Resources

The Department, in an effort to assess any potential impacts to unique endangered, fragile, or limited environmental resources in the proposed area of operations, contacted the Montana Natural Heritage Program (MNHP) to identify any species of concern associated with the initial proposed site location (the SW ¼ of Section 1, Township 27 North, Range 20 West, in Flathead County Montana). Search results concluded there are 7 environmental resources of special concern within the defined area. The defined area, in this case, is defined by the township and range of the proposed site, with an additional one-mile buffer.

Plant species of special concern inhabiting the area surrounding the proposed project site include the *Scorpidium Scorpioides*, *Utricularia Intermedia*, and the *Scirpus Cespitosus*. The proposed operations would locate within a 20-acre site that has already been actively mined and the topsoil has been stripped. Further, the nearest potential sensitive plant habitat is over 1 1/2 miles away from the proposed operations. Therefore, only minor effects upon these species of concern would be expected from operations at the proposed site.

Aquatic species of special concern inhabiting the area surrounding the proposed project site include the Guadalupe Water-nymph. These aquatic species that would only be minimally affected by the proposed project. Though there is an unnamed pond approximately 1/8 mile from the proposed operational site, the Flathead River is the nearest free flowing body of water (more than 1 1/4 miles away) that would contain these species. Therefore, these species of special concern would not be affected by the proposed project, because pollutants would be greatly dispersed before reaching the water body.

The Animal species of concern inhabiting the area surrounding the proposed project site is the Grizzly Bear. While this species may exist within the defined area, the home range of these species has been generalized from many miles of potential habitat. The Grizzly Bear is a mammal that would not likely inhabit this proposed site since the area is an actively mined 20-acre site 4 1/2 miles north of the town of Bigfork and 1/4 mile from Highway 35. Therefore, it is not likely that this species of special concern would be affected by the proposed project site, because the surrounding area is an active transportation route with high amounts of human activity (i.e. highway traffic) that would be audible at the project site. Therefore, the facility area would not be expected to be used by the Grizzly Bear.

Bird species of special concern inhabiting the area surrounding the proposed project site include the Great Blue Heron and the Bald Eagle. The Great Blue Heron bird rookery is approximately 1 1/2 miles away and the Bald Eagle habitat is more than 1 mile away. Department Biologist, Chris Yde, previously examined other gravel pits in this area that were closer to a Blue Heron Bird rookery and concluded that no effects would exist from such industrial usage. Further, the home range of the Bald Eagle would only be minimally affected by the proposed operations, which is already being utilized for other associated industrial operations. This is because (according to the 1994 Bald Eagle Management Plan) the home range of the Bald Eagle is a 2 1/2 miles radius, but the primary use area is only a 1/2-mile radius. Therefore, minor effects upon eagles could occur as a result of the proposed project. However, any effects would be minor and short-lived as the facility is a portable/temporary source having seasonal and intermittent operations.

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

Due to the relatively small size of the facility, the generator operations would only require small quantities of water and energy for proper operation. Only small quantities of water would be required to be used for dust suppression to control emissions being generated at the site. Energy requirements would be small because the facility would be a portable operation that would be powered by one industrial diesel generator. Impacts to air resources would be minor because the source would be a small industrial emissions source, with intermittent and seasonal operations, and because air pollutants generated by the facility would be widely dispersed. Therefore, any impacts to water, air, and energy resources would be minor.

#### I. Historical and Archaeological Sites

The Department previously contacted the Montana Historical Society - State Historical Preservation Office (SHPO) in an effort to identify any historical and/or archaeological sites that may be present in the proposed area of construction/operation. Search results concluded that there were no previously recorded historical or archaeological resources within the area proposed for initial operations. According to past correspondence from SHPO, there would be a low likelihood of adverse disturbance to any known archaeological or historic site given previous industrial disturbance to an area. Therefore, no impacts upon historical or archaeological sites would be expected as a result of operating the proposed diesel generator because the operational site has already been disturbed and because no previously recorded historical/archaeological resources have been identified at the proposed operational site location.

#### J. Cumulative and Secondary Impacts

The generator operation would cause minor cumulative and secondary impacts to the physical and biological aspects of the human environment because the facility would generate relatively minor amounts of PM, PM<sub>10</sub>, NO<sub>x</sub>, VOC, CO, and SO<sub>x</sub> emissions. Noise generated by equipment operations would be minimal because the equipment would operate in an actively mined and bermed open-cut pit that would be separated from any residential areas and is 1/4 mile from the nearest structure. Emissions generated from facility operations would result in only minor deposition on surrounding resources, and the facility would have intermittent and seasonal operations. Additionally, this facility, in combination with other Schellinger equipment operated at the same site, would not be permitted to exceed 250 tons per year of non-fugitive emissions. Therefore, any cumulative or secondary impacts to the physical and biological aspects of the human environment would be minor.

9. *The following table summarizes the potential economic and social effects of the proposed project on the human environment. The “no action alternative” was discussed previously.*

		Major	Moderate	Minor	None	Unknown	Comments Included
A.	Social Structures and Mores				X		yes
B.	Cultural Uniqueness and Diversity				X		yes
C.	Local and State Tax Base and Tax Revenue			X			yes
D.	Agricultural or Industrial Production			X			yes
E.	Human Health			X			yes
F.	Access to and Quality of Recreational and Wilderness Activities			X			yes
G.	Quantity and Distribution of Employment				X		yes
H.	Distribution of Population				X		yes
I.	Demands for Government Services			X			yes
J.	Industrial and Commercial Activity			X			yes
K.	Locally Adopted Environmental Plans and Goals			X			yes
L.	Cumulative and Secondary Impacts			X			yes

**SUMMARY OF COMMENTS ON POTENTIAL ECONOMIC AND SOCIAL EFFECTS:** The following comments have been prepared by the Department.

**A. Social Structures and Mores**

The generator operations would cause no disruption to the social structures and mores in the area because the source would be a minor industrial source of emissions, would be operating at an area designated and currently used for aggregate mining, would be separated from the general population, and would only have temporary and intermittent operations. Further, the equipment would be required to operate according to the conditions placed in Permit #3324-00 and Addendum 1. Thus, no impacts upon social structures or mores would result.

**B. Cultural Uniqueness and Diversity**

The cultural uniqueness and diversity of this area would not be impacted by the proposed generator operation because this site has been previously designated industrial site and because this site is separated from the general population. Additionally, the facility would be a portable/temporary source with seasonal and intermittent operations. The predominant use of the surrounding areas would not change as a result of this project and the cultural uniqueness and diversity of the area would not be affected.

**C. Local and State Tax Base and Tax Revenue**

The generator operations would have little, if any, impact on the local and state tax base and tax revenue because the facility would be a relatively small industrial source (minor source) and would have seasonal and intermittent operations. The facility would require the use of only a few existing employees. Thus, only minor impacts to the local and state tax base and revenue could be expected from facility production. Furthermore, the impacts to local tax base and revenue would be minor because the source would also be portable and the money generated for taxes would be widespread.

**D. Agricultural or Industrial Production**

The generator operations would have only a minor impact on local industrial production since the facility would be a minor industrial source of air emissions. Also, the facility would locate in an existing permitted open-cut pit, adjacent to an area that could be used for animal grazing and agricultural production. Additional industrial resources are expected to operate in conjunction with this facilities operation. However, the facility operations would be small and temporary in nature and would be permitted with operational conditions and limitations that would minimize impacts on surrounding vegetation (as described in Section 8.D of this EA).

#### E. Human Health

Permit #3324-00 and Addendum 1 would incorporate conditions to ensure that the portable generator 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 8.F. of this EA, the air emissions from the surrounding operational site would also be controlled. Furthermore, dispersion of pollutants would result in minimal impacts upon the surrounding area of operations and pollutants would be widely dispersed (see Section 8.F of this EA). Therefore, only minor impacts would be expected on human health from the proposed diesel generator.

#### F. Access to and Quality of Recreational and Wilderness Activities

Noise from the facility would be minor because the facility would be a portable generator near an existing highway (to the west) and an unimproved roadway (to the south). The equipment would operate within an existing industrial open-cut pit site. The proposed site is bermed and is in a designated industrial area that is removed from the general population. As a result, the amount of noise generated from the portable generator operations would be minimal. Also, the facility would operate on a seasonal and intermittent basis at this existing pit site, and would be a relatively minor industrial source of emissions. Therefore, any changes in the quality of recreational and wilderness activities created by operating the equipment at this site would be expected to be minor and intermittent.

#### G. Quantity and Distribution of Employment

The portable generator would have seasonal and intermittent operations, and would only require a few employees to operate. No individuals would be expected to permanently relocate to this area of operation as a result of operating the diesel generator. Therefore, no effects upon the quantity and distribution of employment in this area would be expected.

#### H. Distribution of Population

The portable generator operation is small and would only require a few existing employees for proper operation. No individuals would be expected to permanently relocate to this area of operation as a result of operating the diesel generator. Therefore, the portable generator would not disrupt the normal population distribution.

#### I. Demands of Government Services

Minor increases would be seen in traffic on existing roadways in the area while the portable generator is in progress. In addition, government services would be required for acquiring the appropriate permits, maintaining compliance with the appropriate permits, and for providing corresponding government services (such as traffic control and measurement). Demands for government services would be minor.

#### J. Industrial and Commercial Activity

The portable generator would represent only a minor increase in the industrial activity in this or any

other area of operation because the source would be a relatively small industrial source that would be portable and temporary in nature. No additional industrial or commercial activity would be expected as a result of the proposed operation.

#### K. Locally Adopted Environmental Plans and Goals

Schellinger would be allowed, by permit, to operate in areas designated by EPA as attainment or unclassified, including the proposed initial site location. Permit #3324-00 and Addendum 1 would contain production and opacity limits for protecting air quality and to keep facility emissions in compliance with any applicable ambient air quality standards. However, the Department is not aware of any related locally adopted environmental plans or goals to further regulate facility operations. Because the facility would be a small and portable source, and would have intermittent and seasonal operations, any impacts upon locally adopted environmental plans and goals from the facility would be minor and short-lived.

#### L. Cumulative and Secondary Impacts

The portable generator would cause minor cumulative and secondary impacts to the social and economic aspects of the human environment in the immediate areas of operation because the source would be a portable and temporary source. Other industrial operations are expected to result from the permitting of this facility and would require the appropriate permits to operate at the same site location. Minor increases in traffic would have minor effects on local traffic in the immediate area. Because the source would be relatively small and temporary, only minor economic impacts to the local economy would be expected from operating the facility. Though this facility may be operated in conjunction with other equipment owned and operated by Schellinger, any cumulative impacts upon the social and economic aspects of the human environment would be minor and short-lived. Thus, only minor and temporary cumulative effects would result on the local economy.

*Recommendation:* An EIS is not required.

*If an EIS is not required, explain why the EA is an appropriate level of analysis:* All potential effects resulting from construction and operation of the proposed facility are minor; therefore, an EIS is not required.

*Other groups or agencies contacted or which may have overlapping jurisdiction:* Department of Environmental Quality - Permitting and Compliance Division (Industrial and Energy Minerals Bureau); Montana Natural Heritage Program; and the State Historic Preservation Office (Montana Historical Society).

*Individuals or groups contributing to this EA:* Department of Environmental Quality (Air Resources Management Bureau and Industrial and Energy Minerals Bureau), Montana State Historic Preservation Office (Montana Historical Society).

*EA prepared by:* Ron Lowney

*Date:* May 24, 2004