



Montana Department of
ENVIRONMENTAL QUALITY

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August 19, 2008

David Bren
Fisher Sand & Gravel Co.
PO Box 1034
Dickinson, ND 58602-1034

Dear Mr. Bren:

Air Quality Permit #4235-00 is deemed final as of August 19, 2008, by the Department of Environmental Quality (Department). This permit is for a portable diesel generator engine rated up to 1,372 horsepower. All conditions of the Department's Decision remain the same. Enclosed is a copy of your permit with the final date indicated.

For the Department,

Vickie Walsh
Air Permitting Program Supervisor
Air Resources Management Bureau
(406) 444-3490

Christine A. Weaver
Air Quality Specialist
Air Resources Management Bureau
(406) 444-5287

VW:cw
Enclosures

Montana Department of Environmental Quality
Permitting and Compliance Division

Air Quality Permit #4235-00

Fisher Sand & Gravel Co.
P.O. Box 1034
Dickinson, ND 58602-1034

August 19, 2008



AIR QUALITY PERMIT

Issued To: Fisher Sand & Gravel Co. Permit #: 4235-00
 PO Box 1034 Application Complete: 06/02/08
 Dickinson, ND 58602-1034 Preliminary Determination Issued: 07/01/08
 Department's Decision Issued: 08/01/08
 Permit Final: 08/19/08
 AFS #: 777-4235

A Montana Air Quality Permit (MAQP), with conditions, is hereby granted to Fisher Sand & Gravel Co. (Fisher) 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

Fisher owns and operates various crushing/screening equipment, concrete batch plants, and asphalt plants throughout the state of Montana. This permit is for the operation of a diesel generator engine rated up to 1,372 horsepower (hp). At the request of the permittee, this permit has been written in a de minimis friendly manner.

B. Plant Location

Fisher will operate the portable diesel generator at various locations throughout Montana. MAQP #4235-00 applies while operating at any location in Montana, except those areas having a Department of Environmental Quality (Department)-approved permitting program, areas considered tribal lands, or areas in or within 10 kilometers (km) of certain particulate matter with an aerodynamic diameter of 10 microns or less (PM₁₀) nonattainment areas. *A Missoula County air quality permit will be required for locations within Missoula County.* An addendum will be required for locations in or within 10 km of certain PM₁₀ nonattainment areas.

SECTION II: Conditions and Limitations

A. Emission Limitations

1. All visible emissions from the diesel engine-powered generator may not exhibit an opacity of 20% or greater averaged over 6 consecutive minutes (ARM 17.8.304).
2. Fisher 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. Fisher 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. Fisher shall not operate more than one diesel engine-powered generator at any given time and the maximum rated design capacity of the diesel engine shall not exceed 1,372 hp (ARM 17.8.749).

5. Operation of the diesel engine-powered generator shall not exceed 4,700 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 Fisher, 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 period. Any calculations used to establish production levels shall be approved by the Department (ARM 17.8.749).
7. Fisher shall comply with all applicable standards and limitations, and the reporting, recordkeeping, and notification requirements contained in 40 Code of Federal Regulations (CFR) 60 Subpart IIII, *Standards of Performance for Stationary Compression Ignition Internal Combustion Engines* and 40 CFR 63, Subpart ZZZZ, *National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines*, for any applicable diesel engine (ARM 17.8.340; 40 CFR 60, Subpart IIII; ARM 17.8.342 and 40 CFR 63, Subpart ZZZZ).

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 further testing (ARM 17.8.105).

C. Operational Reporting Requirements

1. If this diesel engine-powered generator is moved to another location, an Intent to Transfer form must be sent to the Department's Air Resources Management Bureau and 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 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 17.8.749 and ARM 17.8.765).
2. Fisher 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 not be 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 for calculating operating fees, based on actual emissions from the facility, and/or to verify compliance with permit limitations (ARM 17.8.505).

3. Fisher shall notify the Department of any construction or improvement project conducted, pursuant to ARM 17.8.745, that would include ***the addition of a new emissions unit***, 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. The notice must be submitted to the Department, in writing, 10 days prior to startup 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(l)(d) (ARM 17.8.745).

4. Fisher shall maintain on-site records showing daily hours of operation of the diesel engine-powered generator for the last 12 months. Fisher shall maintain a list of all sites where the diesel engine-powered generator was used, including a list of the other permitted sources that the generator was used in conjunction with and the hours it was operated with that source. The records compiled in accordance with this permit shall be maintained by Fisher 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).
5. Fisher shall document, by month, the hours of operation of the diesel engine-powered generator. By the 25th day of each month, Fisher shall calculate the hours of operation for the diesel engine-powered generator for the previous month. The monthly information will be used to verify compliance with the rolling 12-month limitation in Section II.A.5. The information for each of the previous months shall be submitted along with the annual emission inventory (ARM 17.8.749).
6. Fisher 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 along with the annual emissions inventory information (ARM 17.8.749 and ARM 17.8.1204).

D. Notification

1. Fisher shall provide the Department with written notification of commencement of construction of a new engine within 30 days after commencement of construction (ARM 17.8.749).
2. Fisher shall provide the Department with written notification of the actual start-up date, engine model, hp, and model year of a new engine within 15 days after the actual start-up date (ARM 17.8.749).

SECTION III: General Conditions

- A. Inspection – Fisher 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 (Continuous Emission Monitoring Systems (CEMS), Compliance Emission Monitoring Rate System (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 Fisher fails to appeal as indicated below.
- C. Compliance with Statutes and Regulations – Nothing in this permit shall be construed as relieving Fisher of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided for in ARM 17.8.740, *et seq.* (ARM 17.8.756).
- D. Enforcement – Violations of limitations, conditions and requirements contained herein may constitute grounds for permit revocation, penalties or other enforcement as specified in Section 75-2-401, *et seq.*, MCA.

- E. Appeals – Any person or persons jointly or severally adversely affected by the Department’s decision may request, within 15 days after the Department renders its decision, upon affidavit setting forth the grounds therefore, a hearing before the Board of Environmental Review (Board). A hearing shall be held under the provisions of the Montana Administrative Procedures Act. The filing of a request for a hearing does not stay the Department’s decision, unless the Board issues a stay upon receipt of a petition and a finding that a stay is appropriate under Section 75-2-211(11)(b), MCA. The issuance of a stay on a permit by the Board postpones the effective date of the Department’s decision until conclusion of the hearing and issuance of a final decision by the Board. If a stay is not issued by the Board, the Department’s decision on the application is final 16 days after the Department’s decision is made.
- F. Permit Inspection – As required by ARM 17.8.755, Inspection of Permit, a copy of the air quality permit shall be made available for inspection by Department personnel at the location of the permitted 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 Fisher 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 17.8.762).
- 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. Fisher shall comply with the conditions contained in this permit while operating in any location in Montana, except within those areas that have a Department-approved permitting program or areas considered tribal lands.

Permit Analysis
Fisher Sand & Gravel Co.
Permit #4235-00

I. Introduction/Process Description

A. Permitted Equipment

Fisher Sand & Gravel (Fisher) is permitted to operate one diesel-fired generator engine of up to 1,372 horsepower (hp). The facility is allowed to move to various locations throughout Montana, except those areas with a Department of Environmental Quality (Department)-approved permitting program, those areas considered tribal lands, or those areas in or within 10 kilometers (km) of certain particulate matter with an aerodynamic diameter of 10 microns or less (PM₁₀) nonattainment areas. *A Missoula County air quality permit will be required for locations within Missoula County, Montana.* An addendum will be required for locations in or within 10 km of certain PM₁₀ nonattainment areas.

B. Source Description

Fisher operates a portable diesel generator at various locations throughout the state of Montana. Typically, the diesel generator provides power for other Fisher equipment (i.e. screens, crushers, etc.), which is currently permitted separately from the diesel generator.

II. Applicable Rules and Regulations

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

Fisher 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:

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

Fisher 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, Fisher 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 section.
4. ARM 17.8.310 Particulate Matter, Industrial Process. This rule requires that no person shall cause or authorize to be discharged into the atmosphere particulate matter in excess of the amount set forth in this section.
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 section.
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 Code of Federal Regulations (CFR) Part 60, Standards of Performance for New Stationary Sources (NSPS). Fisher is considered an NSPS-affected facility under 40 CFR Part 60 and may be subject to the requirements of the following subparts.
- a. 40 CFR 60, Subpart A – General Provisions apply to all equipment or facilities subject to an NSPS Subpart as listed below:
 - b. 40 CFR 60, Subpart III, Standards of Performance for Stationary Compression Ignition (CI) Internal Combustion Engines (ICE), indicates that NSPS requirements apply to owners or operators of stationary CI ICE that commence construction, modification, or reconstruction after July 11, 2005, where the stationary CI ICE is manufactured after April 1, 2006, and is not a fire pump engine. Furthermore, CI ICE will be subject to this NSPS standard only if the engine remains or will remain at the permitted location for more than 12 months, or a shorter period of time for an engine located at a seasonal source. A seasonal source remains at a single location on a permanent basis (at least 2 years) and operates 3 months or more each year.

The proposed 1,372-hp diesel generator engine is a CI ICE manufactured after April 1, 2006, and is not a fire pump engine. However, if the proposed engine is transported from this location within the time frames outlined above, then it is considered a “nonroad engine” and this NSPS will not apply. Also, since this permit is written in a de minimis friendly manner, should the proposed diesel engine/generator be replaced with an engine manufactured before April 1, 2006, NSPS requirements would not apply to that engine/generator.

8. ARM 17.8.342 Emission Standards for Hazardous Air Pollutants for Source Categories. The source, as defined and applied in 40 CFR Part 63, shall comply with the requirements of 40 CFR Part 63, as listed below:
- a. 40 CFR 63, Subpart A – General Provisions apply to all equipment or facilities subject to a Maximum Achievable Control Technology (MACT) Subpart as listed below:
 - b. 40 CFR 63, Subpart ZZZZ - National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (RICE). As an area source, any diesel RICE engine operated by Fisher that is new or reconstructed after June 12, 2006, will be subject to this MACT standard if the engine remains or will remain at the permitted location for more than 12 months, or a shorter period of time for an engine located at a seasonal source. A seasonal source remains at a single location on a permanent basis (at least 2 years) and operates 3 months or more each year.

The proposed diesel engine is a CI ICE manufactured after June 12, 2006. However, if the proposed engine is transported from this location within the time frames outlined above, then it is considered a “nonroad engine” and this MACT would not apply.

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. Fisher submitted the appropriate permit application fee for the current permit action.
2. ARM 17.8.505 Air Quality Operation Fees. An annual air quality operation fee must, as a condition of continued operation, be submitted to the Department by each source of air contaminants holding an air quality permit, excluding an open burning permit, issued by the Department; the air quality operation fee is based on the actual or estimated actual amount of air pollutants emitted during the previous calendar year.

An air quality operation fee is separate and distinct from an air quality permit application fee. The annual assessment and collection of the air quality operation fee, described above, shall take place on a calendar-year basis. The Department may insert into any final permit issued after the effective date of these rules, such conditions as may be necessary to require the payment of an air quality operation fee on a calendar-year basis, including provisions that pro-rate the required fee amount.

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

1. ARM 17.8.740 Definitions. This rule is a list of applicable definitions used in this 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 (TPY) of any pollutant. Fisher has a PTE greater than 25 TPY of Oxides of Nitrogen (NO_x) 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.
(1) This rule requires that a permit application be submitted prior to installation, alteration, or use of a source. Fisher 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. Fisher submitted an affidavit of publication of public notice for May 16, 2008, issue of the *Bozeman Daily Chronicle*, a newspaper of general circulation in the City of Bozeman in Gallatin County; an affidavit of publication of public notice for May 15, 2008, issue of the *Havre Daily News*, a newspaper of general circulation in the City of Havre in Hill County; an affidavit of publication of public notice for May 15, 2008, issue of the *Billings Gazette*, a newspaper of general circulation in the City of Billings in Yellowstone County; and an

affidavit of publication of public notice for May 16, 2008, issue of the *Great Falls Tribune*, a newspaper of general circulation in the City of Great Falls in Cascade County, as proof of compliance with the public notice requirements.

6. ARM 17.8.749 Conditions for Issuance or Denial of Permit. This rule requires that the permits issued by the Department must authorize the construction and operation of the facility or emitting unit subject to the conditions in the permit and the requirements of this subchapter. This rule also requires that the permit must contain any conditions necessary to assure compliance with the Federal Clean Air Act (FCAA), the Clean Air Act of Montana, and rules adopted under those acts.
7. ARM 17.8.752 Emission Control Requirements. This rule requires a source to install the maximum air pollution control capability that is technically practicable and economically feasible, except that 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 Fisher of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided in ARM 17.8.740, *et seq.*
10. ARM 17.8.759 Review of Permit Applications. This rule describes the Department's responsibilities for processing permit applications and making permit decisions on those permit applications that do not require the preparation of an environmental impact statement.
11. ARM 17.8.762 Duration of Permit. An air quality permit shall be valid until revoked or modified, as provided in this subchapter, except that a permit issued prior to construction of a new or altered source may contain a condition providing that the permit will expire unless construction is commenced within the time specified in the permit, which in no event may be less than 1 year after the permit is issued.
12. ARM 17.8.763 Revocation of Permit. An air quality permit may be revoked upon written request of the permittee, or for violations of any requirement of the Clean Air Act of Montana, rules adopted under the Clean Air Act of Montana, the FCAA, rules adopted under the FCAA, or any applicable requirement contained in the Montana State Implementation Plan (SIP).
13. ARM 17.8.764 Administrative Amendment to Permit. An air quality permit may be amended for changes in any applicable rules and standards adopted by the Board of Environmental Review (Board) or changed conditions of operation at a source or stack that do not result in an increase of emissions as a result of those changed conditions. The owner or operator of a facility may not increase the facility's emissions beyond permit limits unless the increase meets the criteria in ARM 17.8.745 for a de minimis change not requiring a permit, or unless the owner or operator applies for and receives another permit in accordance with ARM 17.8.748, ARM 17.8.749, ARM 17.8.752, ARM 17.8.755, and ARM 17.8.756, and with all applicable requirements in ARM Title 17, Chapter 8, Subchapters 8, 9, and 10.

14. ARM 17.8.765 Transfer of Permit. (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 Modification--Source Applicability and Exemptions. The requirements contained in ARM 17.8.819 through ARM 17.8.827 shall apply to any major stationary source and any major modification with respect to each pollutant subject to regulation under the FCAA that it would emit, except as this subchapter would otherwise allow.

This facility is not a major stationary source since it is not a listed source and the facility's PTE is less than 250 tons per year 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 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 lesser quantity as the Department may establish by rule; or
 - c. PTE > 70 tons/year of particulate matter with an aerodynamic diameter of 10 microns or less (PM₁₀) in a serious PM₁₀ nonattainment area.
2. ARM 17.8.1204 Air Quality Operating Permit Program Applicability. (1) Title V of the FCAA Amendments of 1990 requires that all sources, as defined in ARM 17.8.1204 (1), obtain a Title V Operating Permit. In reviewing and issuing MAQP #4235-00 for Fisher, the following conclusions were made:
 - a. The facility's PTE is less than 100 tons/year for any pollutant after restricting the annual hours of operation.
 - b. The facility's PTE is less than 10 tons/year for any one HAP and less than 25 tons/year of all HAPs.
 - c. This source is not located in a serious PM₁₀ nonattainment area.
 - d. This facility may be subject to a current NSPS standard: 40 CFR 60, Subpart III.

- e. This facility may be subject to area source provisions of a current NESHAP standard under 40 CFR 63, Subpart ZZZZ.
- f. This source is not a Title IV affected source or a solid waste combustion unit.
- g. This source is not an EPA-designated Title V source.
- 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 facility 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.

Fisher has taken federally enforceable permit limits to keep potential emissions below major source permitting thresholds. Therefore, the facility is not a major source and, thus a Title V operating permit is not required. The Department determined that the annual reporting requirements contained in the permit are sufficient to satisfy this requirement.

However, the diesel engine-powered generator will likely be operated with other emitting units and may be considered as a support facility with respect to other emitting units or facilities. If this diesel engine-powered generator is used in conjunction with other permitted equipment owned by Fisher, there is a potential for this source, as well as the source(s) of emissions that the generator is being used with, to have a potential to emit greater than the 100 TPY threshold for the Title V operating permit program. If this situation arises, Fisher is expected to amend their permits so that federally-enforceable permit limits can be included to keep the potential emissions below major source permitting thresholds or to apply for and receive a Title V operating permit.

3. ARM 17.8.1207, Certification of Truth, Accuracy, and Completeness. The compliance certification submittal 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. BACT Determination

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

Diesel Generators

Because of the limited amount of emissions produced by the diesel generators/engines and the lack of readily available/cost effective add-on controls, add-on controls would be cost prohibitive. Therefore, the Department determined that proper operation and maintenance, with no additional

controls would constitute BACT for the diesel engine-powered generator. In addition, any new diesel engine would be required to comply with the new federal engine emission limitations - including either EPA Tier 2 emission standards for nonroad engines (40 CFR Part 1039) or New Source Performance Standard emission limitations for stationary engines (40 CFR 60, Subpart III).

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

IV. Emission Inventory (Allowable)

Source	Emissions (TPY)					
	PM	PM ₁₀	NO _x	VOC	CO	SO _x
Diesel Generator Engine (Up to 1372 hp)	7.0	7.0	99.5	8.1	21.4	6.5

* Allowable emissions based on a diesel generator engine rated up to 1,372 hp, operating no more than 4700 hrs/yr.

Diesel Generator

Engine Size = 1372 hp (Generator Size is 910 kW or 1220 hp)
1372 hp x 7000 Btu/hp-hr/ 1,000,000 = **9.6 MMBtu/hr**

Hours of Operation: 4700 hr/yr

PM Emissions

Emission Factor: 0.031 lb/MMBtu (AP-42 Table 3.3-1, 10/96- *de minimis friendly*)
 Calculations: 0.031 lb/MMBtu * 9.6 MMBtu/hr = 2.98 lb/hr
 2.98 lb/hr * 4700 hr/yr * 0.0005 ton/lb = 7.00 ton/yr (restricted)

PM-10 Emissions

Emission Factor: 0.031 lb/MMBtu (AP-42 Table 3.3-1, 10/96- *de minimis friendly*)
 Calculations: 0.031 lb/MMBtu * 9.6 MMBtu/hr = 2.98 lb/hr
 2.98 lb/hr * 4700 hr/yr * 0.0005 ton/lb = 7.00 ton/yr (restricted)

NOx Emissions

Emission Factor: 4.41 lb/MMBtu (AP-42 Table 3.3-1, 10/96- *de minimis friendly*)
 Calculations: 4.41 lb/MMBtu * 9.6 MMBtu/hr = 42.34 lb/hr
 42.34 lb/hr * 4700 hr/yr * 0.0005 ton/lb = 99.50 ton/yr (restricted)

VOC Emissions

Emission Factor: 0.36 lb/MMBtu (AP-42 Table 3.3-1, 10/96- *de minimis friendly*)
 Calculations: 0.36 lb/MMBtu * 9.6 MMBtu/hr = 3.46 lb/hr
 3.46 lb/hr * 4700 hr/yr * 0.0005 ton/lb = 8.13 ton/yr (restricted)

CO Emissions

Emission Factor: 0.95 lb/MMBtu (AP-42 Table 3.3-1, 10/96- *de minimis friendly*)
 Calculations: 0.95 lb/MMBtu * 9.6 MMBtu/hr = 9.12 lb/hr
 9.12 lb/hr * 4700 hr/yr * 0.0005 ton/lb = 21.43 ton/yr (restricted)

SOx Emissions

Emission Factor: 0.29 lb/MMBtu (AP-42 Table 3.3-1, 10/96- *de minimis friendly*)
 Calculations: 0.29 lb/MMBtu * 9.6 MMBtu/hr = 2.78 lb/hr
 2.78 lb/hr * 4700 hr/yr * 0.0005 ton/lb = 6.53 ton/yr (restricted)

V. Air Quality Impacts

The Department believes that the amount of controlled emissions generated by this project will not exceed any set ambient standard. In addition, this source is portable and any air quality impacts will be minimal and short-lived.

VI. Ambient Air Impact Analysis

The Department determined, based on the relatively small amount of emissions resulting from the Fisher facility and the limits and conditions established in MAQP #4235-00, 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 the following private property taking and damaging assessment.

YES	NO	
X		1. Does the action pertain to land or water management or environmental regulation affecting private real property or water rights?
	X	2. Does the action result in either a permanent or indefinite physical occupation of private property?
	X	3. Does the action deny a fundamental attribute of ownership? (ex.: right to exclude others, disposal of property)
	X	4. Does the action deprive the owner of all economically viable uses of the property?
	X	5. Does the action require a property owner to dedicate a portion of property or to grant an easement? [If no, go to (6)].
		5a. Is there a reasonable, specific connection between the government requirement and legitimate state interests?
		5b. Is the government requirement roughly proportional to the impact of the proposed use of the property?
	X	6. Does the action have a severe impact on the value of the property? (consider economic impact, investment-backed expectations, character of government action)
	X	7. Does the action damage the property by causing some physical disturbance with respect to the property in excess of that sustained by the public generally?
	X	7a. Is the impact of government action direct, peculiar, and significant?
	X	7b. Has government action resulted in the property becoming practically inaccessible, waterlogged or flooded?
	X	7c. Has government action lowered property values by more than 30% and necessitated the physical taking of adjacent property or property across a public way from the property in question?
	X	Takings or damaging implications? (Taking or damaging implications exist if YES is checked in response to question 1 and also to any one or more of the following questions: 2, 3, 4, 6, 7a, 7b, 7c; or if NO is checked in response to questions 5a or 5b; the shaded areas)

Based on this analysis, the Department determined there are no taking or damaging implications associated with this permit action.

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, MT 59620
(406) 444-3490

FINAL ENVIRONMENTAL ASSESSMENT (EA)

Issued To: Fisher Sand & Gravel Co.
PO Box 1034
Dickinson, ND

Air Quality Permit Number: 4235-00

Preliminary Determination Issued: 07/01/08

Department Decision Issued: 08/01/08

Permit Final: August 19, 2008

1. *Legal Description of Site:* Fisher submitted an application to operate a portable diesel engine-powered generator. Permit #4235-00 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 PM₁₀ nonattainment areas. An addendum to this air quality permit would be required if Fisher intends to locate in or within 10 km of certain PM₁₀ nonattainment areas. *A Missoula County air quality permit would be required for locations within Missoula County, Montana.*
2. *Description of Project:* The permit application is for the operation of a portable diesel engine-powered generator (with an engine up to 1372 hp). The diesel engine-powered generator would be used to provide power to other Fisher equipment (i.e. screens, crushers, etc.), which is permitted separately from the diesel engine-powered generator.
3. *Objectives of Project:* The diesel engine-powered generator would be used to provide power to other Fisher equipment (i.e. screens, crushers, etc.), which is permitted separately from the diesel engine-powered generator. Having separate air quality permits for the equipment would allow Fisher the operational flexibility to operate the equipment in different locations at the same time.
4. *Alternatives Considered:* In addition to the proposed action, the Department considered the "no-action" alternative. The "no-action" alternative would deny issuance of the MAQP to the proposed facility. However, the Department does not consider the "no-action" alternative to be appropriate because Fisher 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 listing of the enforceable permit conditions and a permit analysis, including a Best Available Control Technology (BACT) analysis, would be contained in MAQP #4235-00.
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 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.

7. The following table summarizes the potential physical and biological effects of the proposed project on the human environment. The “no action alternative” was discussed previously.

		Major	Moderate	Minor	None	Unknown	Comments Included
A	Terrestrial and Aquatic Life and Habitats			X			Yes
B	Water Quality, Quantity, and Distribution			X			Yes
C	Geology and Soil Quality, Stability and Moisture			X			Yes
D	Vegetation Cover, Quantity, and Quality			X			Yes
E	Aesthetics			X			Yes
F	Air Quality			X			Yes
G	Unique Endangered, Fragile, or Limited Environmental Resources			X			Yes
H	Demands on Environmental Resource of Water, Air and Energy			X			Yes
I	Historical and Archaeological Sites			X			Yes
J	Cumulative and Secondary Impacts			X			Yes

SUMMARY OF COMMENTS ON POTENTIAL PHYSICAL AND BIOLOGICAL EFFECTS: The following comments have been prepared by the Department.

A. Terrestrial and Aquatic Life and Habitats

The operation of the diesel engine-powered generator would have only minor impacts upon the terrestrial and aquatic life and habitats in areas where the generator may operate. Although air pollutant deposition would occur in the areas where the generator would operate, the size and temporary nature of the operation, dispersion characteristics of pollutants, and conditions placed in Permit #4235-00 would result in minor impacts. In addition, the generator would be relatively small by industrial standards and located at previously disturbed sites. Therefore, the operation of the generator would present only minor impacts to the terrestrial and aquatic life and habitats in areas of potential operation.

B. Water Quality, Quantity, and Distribution

Although there would be an increase in air emissions in the area where the portable diesel engine-powered generator would operate, there would only be minor impacts on water quality, quantity, and distribution because of the temporary nature, size, operational requirements, and conditions placed in Permit #4235-00 for the facility. Further, as described in Section 7.F. of this EA, the Department determined that any impacts from deposition of pollutants would be minor. In addition, any accidental spills or leaks from equipment would be required to be handled according to the appropriate environmental regulations in an effort to minimize any potential adverse impact on the immediate and surrounding area. Overall, the addition of the generator would have minor impacts to water quality, quantity, and distribution in the area of operations.

C. Geology and Soil Quality, Stability, and Moisture

As a result of the operation of the portable diesel engine-powered generator, there would be minor impacts to the geology and soil quality, stability, and moisture near the equipment's operational area because of the increased vehicle traffic and deposition of pollutants from portable generator operations. As explained in Section 7.F. of this EA, the facility's size,

operational requirements, temporary nature of the operation, and conditions placed in Permit #4235-00 would minimize the impacts from deposition. In addition, the generator would be relatively small by industrial standards and located at previously disturbed sites, which would also reduce the potential impact to the local geology and soil quality, stability, and moisture.

D. Vegetation Cover, Quantity, and Quality

The operation of the generator would result in minor impacts to the vegetative cover, quantity, and quality, because small amounts of vegetation would likely be disturbed as a result of operating the diesel engine-powered generator. In addition, pollutant deposition would occur on the surrounding vegetation. However, as explained in Section 7.F. of this EA, the Department determined that, due to the relatively small size and temporary nature of the operation, conditions placed in Permit #4235-00, and dispersion characteristics of the emissions, any impacts from deposition would be minor. In addition, because the water usage would be minor (as described in Section 7.B. of this EA) and the associated soil disturbance would be minor (as described in Section 7.C. of this EA), corresponding vegetative impacts from water and soil disturbance would also be minor.

E. Aesthetics

The diesel engine-powered generator would be visible and would create noise in the areas where it would operate. Permit #4235-00 would include conditions to control emissions (including visible emissions) from the generator and the surrounding work area. The generator would be relatively small by industrial standards and temporary and would be used to power permitted portable equipment owned by Fisher at previously disturbed sites. Therefore, any aesthetic impact to a given area would be minor and temporary.

F. Air Quality

Air quality impacts from the operation of the diesel engine-powered generator would be minor because emissions from the diesel engine-powered generator would be relatively small. Dispersion and deposition of pollutants would occur from the operation of the diesel engine-powered generator; however, the Department determined that any air quality impacts from the pollutants would be minor due to dispersion characteristics (from factors such as wind speed and wind direction) and conditions placed in Permit #4235-00.

Permit #4235-00 would include conditions limiting opacity from the diesel engine-powered generator and would require that reasonable precautions be taken to control emissions from haul roads, access roads, parking lots, or the general work area. In addition, the permit would also limit total emissions from the diesel engine-powered generator and any additional equipment operated at the same site to 250 tons per year or less. Further, because the diesel engine-powered generator is limited in hours of operation to keep the potential emissions to less than 100 tons per year for any pollutant generated, the Department determined that the diesel engine-powered generator is a minor source of emissions as defined under Title V.

G. Unique Endangered, Fragile, or Limited Environmental Resources

In an effort to identify species of special concern that may be present in the proposed areas of operation, the Department previously contacted the Montana Natural Heritage Program (MNHP) for a review of species of special concern for many gravel pits around the state. This would include many of the pits where the generator may be located, but no initial location was identified under this permit. Issuance of this permit would increase emissions to the atmosphere near the location proposed for the operation of the diesel engine-powered generator. However, as explained in Section 7.F. of this EA, because of the relatively small size and temporary nature of the diesel engine-powered generator, operating in previously

disturbed areas, and conditions placed in Permit #4235-00, any impacts to unique endangered, fragile, or limited environmental resources from the deposition of pollutants would be minor.

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

The diesel engine-powered generator would be used to provide power to other Fisher equipment (i.e. screens, crushers, etc.) that is permitted separately from the diesel engine-powered generator. Water would be used on haul roads, access roads, parking lots, or the general plant property, as necessary, to control dust resulting from indirect use of the diesel engine-powered generator. Also minor amounts of air would be used in diesel engine-powered generator operations and air quality would be impacted by pollutant emissions. The generator would consume energy from diesel fuel, a non-renewable resource. Generally, the operations are seasonal and would result in smaller demands on environmental resources. Therefore, any impacts on the demands of the environmental resources of water, air, and energy would be minor.

I. Historical and Archaeological Sites

According to past correspondence with the Montana State Historic Preservation Office (SHPO), there is low likelihood of disturbance to any known archaeological or historic site given that the diesel engine-powered generator would be locating in existing gravel pits. Therefore, it is unlikely that the project would affect any known historic or archaeological site and any impacts would be minor.

J. Cumulative and Secondary Impacts

The operation of the diesel engine-powered generator would cause minor effects to the physical and biological environment because other operations may potentially locate at the same site. However, any operations would have to apply for and receive the appropriate permits from the Department prior to operation. The permits would address the environmental impacts associated with the operations at the proposed sites.

The diesel engine-powered generator operations would be limited by Permit #4235-00 to total emissions of 250 tons/year or less from non-fugitive diesel engine-powered generator operations and any other additional equipment used at any given site.

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

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

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

A. Social Structures and Mores

The operation of the diesel engine-powered generator would not alter or disrupt any local lifestyles or communities (social structures and mores) in the area of operation because the generator would be relatively small by industrial standards, would operate intermittently, and would be used with the additional permitted equipment at a previously disturbed site. Therefore, the existing social structures and mores would not be affected as a result of this permitting action.

B. Cultural Uniqueness and Diversity

It would be unlikely that the operation of the portable generator would have any impact on the cultural uniqueness and diversity of the proposed area of operation because the generator operations would be temporary and would take place in a previously disturbed industrial area.

C. Local and State Tax Base and Tax Revenue

The proposed operation of the diesel engine-powered generator would have little, if any affect on local and state tax base and tax revenue. The facility is a relatively small and temporary source; therefore, it would not remain at any individual site for any extended time period. No full time, permanent employees would be added as a result of issuing Permit #4235-00, and any revenue created by the operation of the diesel engine-powered generator would be widespread and for a relatively short time period.

D. Agricultural or Industrial Production

Under normal circumstances, the operation of the diesel engine-powered generator would take place in a previously disturbed industrial area. Therefore, the Department does not expect that the operation of the diesel engine-powered generator would affect or displace any agricultural land. Further, the diesel engine-powered generator operation is small by industrial standards and would have only a minor impact on any local industrial production.

E. Human Health

Permit #4235-00 would incorporate conditions to ensure that the diesel engine-powered generator would be operated in compliance with all applicable 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 Department determined that any impacts from deposition of pollutants would be minor due to dispersion characteristics and conditions placed in Permit #4235-00. The air emissions from this facility would be minimized by opacity limitations on the diesel engine-powered generator and the surrounding area of operation.

F. Access to and Quality of Recreational and Wilderness Activities

This generator would be located on previously disturbed property and would not impact access to recreational and wilderness activities. However, minor impact on the quality of recreational activities might be created by the noise from the generators. Emissions from these generators would be minimized as a result of limitations placed in Permit #4235-00 and the temporary and portable nature of the operation.

G. Quantity and Distribution of Employment

Given the relatively small size and temporary nature of the operation, it is not expected that the activities from the operation of the diesel engine-powered generator would affect the quantity and distribution of employment in any given area. No full time, permanent employees would be hired or discharged as a result of issuing Permit #4235-00.

H. Distribution of Population

Given the relatively small size and temporary nature of the operation, it is not expected that the activities from the diesel engine-powered generator would disrupt the normal population distribution of any given area. No secondary activities are expected to move to any area as a result of the current project.

I. Demands of Government Services

Government services would be required for acquiring the appropriate permits and ensuring compliance with the permits that are issued; however, the government services required would be minor.

J. Industrial and Commercial Activity

The operation of the diesel engine-powered generator would represent only a minor increase in the industrial activity in any given area. No additional industrial or commercial activity would result from the operation of the diesel engine-powered generator because no secondary activities are expected to move to any area as a result of the current project.

K. Locally Adopted Environmental Plans and Goals

The Department is unaware of any locally adopted environmental plans or goals at any given site that the diesel engine-powered generator may be operated at under Permit #4235-00. The conditions identified in Permit #4235-00 would apply to operation of the diesel engine-powered generator at the proposed sites.

L. Cumulative and Secondary Impacts

Overall, the cumulative and secondary social and economic impacts from this project would be minor because the diesel engine-powered generator would originally locate at an existing gravel pit. New businesses would not be drawn to the area and permanent jobs would not be created or lost due to the operation of the diesel engine-powered generator. Because no new employees would be hired due to the operation of the diesel engine-powered generator, there would be no economic impacts from new employees. In addition, any social and economic impacts that are created would be minor and short-lived because of the relatively small size and temporary nature of the operation.

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

If an EIS is not required, explain why the EA is an appropriate level of analysis: Because this diesel engine-powered generator is a relatively small portable source and must use reasonable precautions to control emissions, any impacts created would be minor impacts.

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: Christine A. Weaver

Date: June 4, 2008