



May 19, 2016

Bradley Kucera  
Troy Mine Inc.  
P.O. Box 1660  
Troy, MT 59935

Dear Mr. Kucera:

Montana Air Quality Permit #1690-04 is deemed final as of May 19, 2016, by the Department of Environmental Quality (Department). This permit is for a silver mine. 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,

A handwritten signature in black ink that reads "Julie A. Merkel".

Julie Merkel  
Permitting Services Section Supervisor  
Air Quality Bureau  
(406) 444-3626

A handwritten signature in black ink that reads "Rhonda Payne".

Rhonda Payne  
Environmental Science Specialist  
Air Quality Bureau  
(406) 444-5287

JM:RP  
Enclosure

Montana Department of Environmental Quality  
Air, Energy & Mining Division

Montana Air Quality Permit #1690-04

Troy Mine Inc.  
P.O. Box 1660  
Troy, MT 59935

May 19, 2016



## MONTANA AIR QUALITY PERMIT

Issued To: Troy Mine Inc.  
P.O. Box 1660  
Troy, MT 59935

MAQP: #1690-04  
Administrative Amendment (AA)  
Request Received: 4/5/2016  
Department Decision on AA: 5/3/2016  
Permit Final: 5/19/2016  
State ID#: 053-0003

A Montana Air Quality Permit (MAQP), with conditions, is hereby granted to Troy Mine, Inc. (Troy) 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. Plant Location

Troy operates a silver mine at Section 26, Township 29 North, Range 34 West in Lincoln County, Montana.

#### B. Current Permit Action

On April 5, 2016, the Montana Department of Environmental Quality – Air Quality Bureau (Department) received a request from Troy to administratively amend MAQP 1690-03 to remove Attachment 1 and to amend Attachment 2 to allow continuance of ambient air-monitoring for a period of five years after reclamation is complete. Attachment 1 required the permittee to monitor the ambient air concentrations of particulate matter less than 10 microns in diameter (PM<sub>10</sub>) within the vicinity of the tailing impoundment after closure of the mine and during reclamation of the tailings pond. Attachment 1 was issued in 1992, exhibits language reminiscent of technology available at that time and has not been updated since, despite over 13 years of change in operation, ownership, technology and advancement of laboratory analytical methods. Attachment 2, which requires ambient monitoring of PM<sub>10</sub> concentrations during mine operation, has been consistently updated as necessary to reflect current conditions and results in real time measurements of PM<sub>10</sub> concentrations in air due to use of the specified monitoring equipment. The objectives of Attachment 1 and Attachment 2 are the same with the exception of the required monitoring period. Therefore, terminating Attachment 1 and requiring Attachment 2 to continue for a period of five years after reclamation is complete does not affect the intended outcome of the ambient monitoring requirements previously established for the mine.

MAQP #1690-04 makes the requested changes and updates the permit to reflect current permit language and rule references used by the Department.

## SECTION II: Conditions and Limitations

### A. Emission Limitations/Conditions

1. Troy shall not cause or authorize to be discharged into the atmosphere, from any source installed after November 23, 1968, emissions that exhibit 20% opacity or greater averaged over 6 consecutive minutes (ARM 17.8.304).
2. Troy's particulate emissions from the high efficiency wet scrubbing system shall not exceed 0.05 grains per actual cubic foot per minute (ACFM) or 19.9 pounds per hour (ARM 17.8.752).
3. Troy 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 and ARM 17.8.749).
4. Troy shall treat all unpaved portions of the haul roads, access roads, and the general plant area with water and/or chemical dust suppressant as necessary to maintain compliance with the reasonable precautions limitation in Section II.A.3 (ARM 17.8.749).
5. Troy shall operate an ambient monitoring network as described in Attachment 2 of this permit. The monitoring plan will be periodically reviewed by the Department and revised, if necessary (ARM 17.8.749).

### 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. Troy shall supply the Department with annual production information for all emission points, as required by the Department in the annual emission inventory request. The request will include, but is not limited to, all sources of emissions identified in the emission inventory contained in the permit analysis.

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

2. Troy 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).

3. All records compiled in accordance with this permit must be maintained by Troy as a permanent business record for at least 5 years following the date of the measurement, must be available at the plant site for inspection by the Department, and must be submitted to the Department upon request (ARM 17.8.749).

### SECTION III: General Conditions

- A. Inspection – Troy shall allow the Department’s representatives access to the source at all reasonable times for the purpose of making inspections or surveys, collecting samples, obtaining data, auditing any monitoring equipment (CEMS, CERMS) or observing any monitoring or testing, and otherwise conducting all necessary functions related to this permit.
- B. Waiver – The permit and the terms, conditions, and matters stated herein shall be deemed accepted if Troy fails to appeal as indicated below.
- C. Compliance with Statutes and Regulations – Nothing in this permit shall be construed as relieving Troy of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided in ARM 17.8.740, *et seq.* (ARM 17.8.756).
- D. Enforcement – Violations of limitations, conditions and requirements contained herein may constitute grounds for permit revocation, penalties, or other enforcement action as specified in Section 75-2-401, *et seq.*, MCA.
- E. Appeals – Any person or persons jointly or severally adversely affected by the Department’s decision may request, within 15 days after the Department renders its decision, upon affidavit setting forth the grounds therefor, a hearing before the Board of Environmental Review (Board). A hearing shall be held under the provisions of the Montana Administrative Procedures Act. The filing of a request for a hearing does not stay the Department’s decision, unless the Board issues a stay upon receipt of a petition and a finding that a stay is appropriate under Section 75-2-211(11)(b), MCA. The issuance of a stay on a permit by the Board postpones the effective date of the Department’s decision until conclusion of the hearing and issuance of a final decision by the Board. If a stay is not issued by the Board, the Department’s decision on the application is final 16 days after the Department’s decision is made.
- F. Permit Inspection – As required by ARM 17.8.755, Inspection of Permit, a copy of the air quality permit shall be made available for inspection by the Department at the location of the source.

- G. Permit Fee – Pursuant to Section 75-2-220, MCA, failure to pay the annual operation fee by Troy may be grounds for revocation of this permit, as required by that section and rules adopted thereunder by the Board.
- H. Duration of Permit – Construction or installation must begin or contractual obligations entered into that would constitute substantial loss within 3 years of permit issuance and proceed with due diligence until the project is complete or the permit shall expire (ARM 17.8.762).

## ATTACHMENT 2

### AMBIENT AIR MONITORING PLAN TROY MINE, INC. MAQP #1690-04

1. This ambient air-monitoring plan is required by MAQP #1690-04, which applies to the Troy mine located at Section 26, Township 29 North, Range 34 West in Lincoln County, Montana. The Department may modify the requirements of this monitoring plan. All requirements of this plan are considered conditions of the permit.
2. The requirements of this attachment shall take effect upon final issuance of MAQP #1690-04, unless otherwise approved in writing by the Department.
3. Troy shall install, operate, and maintain, as described in the Final Air Monitoring and Tailings Sampling Strategy published October 1, 2009 (AMTSS), one alternating current MetOne e-BAM to measure PM<sub>10</sub> and one MetOne EX034 wind speed monitor and one wind direction sensor mounted on an EX-905 tripod at a height of 10 feet (or equivalent monitoring and wind speed and direction equipment, as determined acceptable in writing by the Department).
4. The exact location of the monitoring site must be approved by the Department. The initial location shall be the location described by the AMTSS. Any relocation of the monitoring site must be approved by the Department. Within 30 days after the approval of a new proposed location, Troy shall submit a topographic map to the Department identifying exact Universal Transverse Mercator (UTM) coordinates, air monitoring site location in relation to the facility, and the general area present.
5. Troy shall not change the location of the monitoring, wind speed, and wind direction equipment without prior written approval from the Department. A change to the location of the monitoring site must be approved by the Department and meet all the siting requirements contained in the Montana Quality Assurance Manual, including revisions, the EPA Quality Assurance Manual, including revisions, and 40 Code of Federal Regulations (CFR) Part 58, or any other requirements specified by the Department. Troy shall submit, at least 30 days prior to any proposed changes of the location of the ambient monitors, a topographic map to the Department identifying proposed UTM coordinates, air monitoring site location in relation to the facility, and the general area present.
6. Troy shall continue air monitoring for at least 5 years after reclamation is complete. The Department will review air monitoring data and the Department will determine if continued monitoring or additional monitoring is warranted. The Department may require continued air monitoring to track long-term impacts of emissions from the facility or require additional ambient air monitoring or analyses if any changes take place in regard to quality and/or quantity of emissions or the area of impact from the emissions.

7. Troy, in conjunction with the Department, shall sample and have analyzed, tailings material in the size range most likely to become airborne. Sampling and analysis shall be as described in the AMTSS. The Department may require further testing.
8. Troy shall monitor the following parameters at the site and frequencies described below:

Location	Site	Parameter	Frequency
As described in the AMTSS	Site #3	PM <sub>10</sub> <sup>1</sup>	Continuous
		Wind Direction	
		Wind Velocity	
	Tailings Impoundment: Cell #1, #3, #4	Pb, Cu, Ag, Sb, As, Ba, Be, Cd, Cr, Hg, Ni, Se, Tl, Zn, Asbestos <sup>2</sup>	As described in the AMTSS

PM<sub>10</sub> = particulate matter with an aerodynamic diameter of 10 microns or less

2. Pb = lead, Cu = copper, Ag = silver, Sb = antimony, As = arsenic, Ba = barium, Be = beryllium, Cd = cadmium, Cr = chromium, Hg = mercury, Ni = nickel, Se = selenium, Tl = thallium, Zn = zinc

9. Data recovery for all parameters shall be at least 80% computed on a quarterly and annual basis. The Department may require continued monitoring if this condition is not met.
10. Any ambient air monitoring plan changes proposed by Troy must be approved, in writing, by the Department.
11. Troy shall utilize air monitoring and Quality Assurance (QA) procedures that are equal to or exceed the requirements described in the Montana Quality Assurance Manual, including revisions, the EPA Quality Assurance Manual, including revisions, 40 CFR Parts 50 and 58 of the Code of Federal Regulations, the AMTSS, and any other requirements specified by the Department.
12. Troy shall download and submit to the Department, via emailed attachment as an Excel spreadsheet (or equivalent); the following data obtained using MetOne Air Plus or equivalent software:
  - a. Wind speed
  - b. Wind direction
  - c. Hourly average PM<sub>10</sub> concentration values

The data report shall be submitted to the Department on an every four week interval.

13. Troy shall submit both hard copies and electronic copies of quarterly data reports within 30 days after the end of the calendar quarter to the addresses/individuals listed in 16 and 17 below. The data report copies shall include wind speed, wind direction, radar plot of wind direction, ambient temperature, flow rate, and PM<sub>10</sub> hourly concentration data, as well as copies of all quality control check forms and standards certificates.

14. All records compiled in accordance with this Attachment must be maintained by Troy 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).
15. The Department may audit (or may require Troy to contract with an independent firm to audit) the air monitoring network, the laboratory performing associated analyses, and any data handling procedures at unspecified times.
16. The hard copy report required by 13 above shall be sent to:
  - a. Department of Environmental Quality – Air Quality Bureau – Helena  
Attention: Compliance Services Section Supervisor
  - b. Department of Environmental Quality – Air Quality Bureau – Helena  
Attention: Research and Monitoring Services Section Supervisor
17. The electronic data report required by 13 above shall be sent via email to:
  - a. The Research and Monitoring Services Section Supervisor
  - b. The Air Quality Compliance Officer assigned to this site

Montana Air Quality Permit (MAQP) Analysis  
Troy Mine, Inc.  
MAQP #1690-04

I. Introduction/Process Description

Troy Mine, Inc. (Troy) operates a silver mine at Section 26, Township 29 North, Range 34 West in Lincoln, Montana.

A. Permitted Equipment

Troy operates an underground silver mine. Equipment under this permit is described in the Permit History, Section I.C., of this Permit Analysis.

B. Source Description

Troy mines ore from an underground silver mine, mills the ore, concentrates the ore at the site, and then transports the concentrate to Libby for shipment to a smelter in Canada.

C. Permit History

On May 16, 1979, **MAQP #1316** was issued to Asarco, Inc. for a secondary crushing plant with five baghouses.

On August 25, 1980, **MAQP #1446** was issued to Asarco, Inc. for the operation of a gravel crusher.

On June 15, 1982, **MAQP #1690** was issued to Asarco, Inc. for a high efficiency wet scrubbing system (Ducon Dynamic Scrubber type UW-4, model IV-HE) to control emissions from the secondary crusher area.

On January 27, 1992, **MAQP #1316-01** was issued to Asarco, Inc. which modified MAQP #1316 for the underground mine and milling operations.

ASARCO, Inc. requested that the Troy mine permits be transferred to Genesis, Inc. ASARCO, Inc. held three active permits for the Troy mine: MAQP #1690 was for the operation of a high efficiency wet scrubbing system; MAQP #1446 was for a gravel crusher; and MAQP #1316-01 was for the operation of the underground mine and mill and the operation of the air quality monitoring system. The permits were combined, but the conditions remained the same. **MAQP #1690-01** replaced **MAQP #1690, #1446, and #1316-01.**

The Department of Environmental Quality – Air Resources Management Bureau (Department), in response to multiple documented complaints of fugitive dust emissions from the Troy mine, required the installation, operation, and maintenance of a continuous particulate monitor, wind speed sensor, and wind direction sensor north of Troy's tailings impoundment. The Department developed an Air Monitoring and Tailings Sampling Strategy and published the plan for public comment on September 3, 2009. The public comment period, scheduled to end September 14, 2009, was extended upon request by the

public to September 21, 2009. All comments received are on file with the Department. On October 1, 2009, the Final Air Monitoring and Tailings Sampling Strategy was published. Troy has since installed the required equipment at an agreed location.

This permit action referenced the Monitoring and Tailings Sampling Strategy as a part of the permit requirements for this site as Attachment 2 and updated Section II.A.5 of the MAQP to include this attachment. All other conditions and limitations remain the same, with the permit format updated to that currently used by the Department, including an update of rule references. Attachment 1, containing monitoring requirements after closure of the mine and during reclamation, remains. As discussed above, this action included a monitoring plan for which a public comment period was provided. Inclusion of that monitoring plan in the MAQP was required by the Department. This action was considered an administrative action. **MAQP #1690-02** replaced MAQP #1690-01.

On June 25, 2014, the Montana Department of Environmental Quality – Air Resources Management Bureau (Department) received a request from Troy Mine, Inc. (Troy) regarding amending Attachment 2 to MAQP #1690-02. Attachment 2 requires Troy to install, operate and maintain: a continuous particulate monitor (E-BAM) to measure particulate matter with an aerodynamic diameter of 10 microns or less (PM<sub>10</sub>); a wind speed sensor; and a wind direction sensor at a location north of the Troy Mine’s tailings impoundment.

On July 8, 2014, the Montana Department of Environmental Quality – Air Resources Management Bureau (Department) received an initial de minimis notification from Troy Mine, Inc. (Troy) proposing the addition of a portable concrete batch to the plant site of the mine. Additional correspondence regarding this proposed action was received on August 1, 2014.

Shotcrete is utilized in the support of underground mining operations to promote mine wall stability. This material is typically mixed off-site and provided by outside contractors. Troy proposed to operate this concrete batch plant to supplement the supply of Shotcrete from contractors. Based on equipment specifications and process utilization, potential emissions of particulate matter from the proposed concrete batch plant were calculated at 4.94 tons per year (tpy).

Upon review of the information submitted by Troy, the Department determined that the proposed changes identified met the definition of de minimis under Administrative Rules of Montana (ARM 17.8.745, as the potential emissions were less than the established five (5) ton per year threshold and proposed changes did not violate any conditions of the existing MAQP.

In addition, MAQP #1690-03 changed the name of the company from Genesis Inc., to Troy Mine, Inc. Therefore, MAQP #1690-03 reflected the Amendment 2 changes, the addition of the portable concrete batch plant, the name change and also updated the permit to reflect current permit language and rule references used by the Department. **MAQP 1690-03** replaced MAQP 1690-02.

#### D. Current Permit Action

On April 5, 2016, the Montana Department of Environmental Quality – Air Quality Bureau (Department) received a request from Troy to administratively amend MAQP 1690-03 to remove Attachment 1 and to amend Attachment 2 to allow continuance of ambient air-monitoring for a period of five years after reclamation is complete.

Attachment 1 required the permittee to monitor the ambient air concentrations of particulate matter less than 10 microns in diameter (PM<sub>10</sub>) within the vicinity of the tailing impoundment after closure of the mine and during reclamation of the tailings pond. Attachment 1 was issued in 1992, exhibits language reminiscent of technology available at that time and has not been updated since, despite over 13 years of change in operation, ownership, technology and advancement of laboratory analytical methods. Attachment 2, which requires ambient monitoring of PM<sub>10</sub> concentrations during mine operation, has been consistently updated as necessary to reflect current conditions and results in real time measurements of PM<sub>10</sub> concentrations in air due to use of the specified monitoring equipment. The objectives of Attachment 1 and Attachment 2 are the same with the exception of the required monitoring period. Therefore, terminating Attachment 1 and requiring Attachment 2 to continue for a period of five years after reclamation is complete does not affect the intended outcome of the ambient monitoring requirements previously established for the mine.

MAQP #1690-04 makes the requested changes and updates the permit to reflect current permit language and rule references used by the Department.

#### E. Additional Information

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

### II. Applicable Rules and Regulations

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

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

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

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

1. ARM 17.8.204 Ambient Air Monitoring
2. ARM 17.8.210 Ambient Air Quality Standards for Sulfur Dioxide
3. ARM 17.8.211 Ambient Air Quality Standards for Nitrogen Dioxide
4. ARM 17.8.212 Ambient Air Quality Standards for Carbon Monoxide
5. ARM 17.8.213 Ambient Air Quality Standard for Ozone
6. ARM 17.8.214 Ambient Air Quality Standard for Hydrogen Sulfide
7. ARM 17.8.220 Ambient Air Quality Standard for Settled Particulate Matter
8. ARM 17.8.221 Ambient Air Quality Standard for Visibility
9. ARM 17.8.222 Ambient Air Quality Standard for Lead
10. ARM 17.8.223 Ambient Air Quality Standard for PM<sub>10</sub>
11. ARM 17.8.230 Fluoride in Forage

Troy 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. 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.

3. ARM 17.8.309 Particulate Matter, Fuel Burning Equipment. This rule requires that no person shall cause, allow, or permit to be discharged into the atmosphere particulate matter caused by the combustion of fuel in excess of the amount determined by this rule.
  4. ARM 17.8.310 Particulate Matter, Industrial Process. This rule requires that no person shall cause, allow, or permit to be discharged into the atmosphere particulate matter in excess of the amount set forth in this rule.
  5. ARM 17.8.322 Sulfur Oxide Emissions--Sulfur in Fuel. This rule requires that no person shall burn liquid, solid, or gaseous fuel in excess of the amount set forth in this rule.
  6. ARM 17.8.324 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 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 and Emission Guidelines for Existing Sources. This rule incorporates, by reference, 40 CFR Part 60, Standards of Performance for New Stationary Sources (NSPS). This facility is not an NSPS affected source because it does not meet the definition of any NSPS subpart defined in 40 CFR Part 60.
  8. ARM 17.8.341 Emission Standards for Hazardous Air Pollutants. This source shall comply with the standards and provisions of 40 CFR Part 61, as appropriate.
- 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. A permit fee is not required for the current permit action because it is considered an administrative permit change
  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 prorate the required fee amount.

- E. ARM 17.8, Subchapter 7 – Permit, Construction, and Operation of Air Contaminant Sources, including, but not limited to:
1. ARM 17.8.740 Definitions. This rule is a list of applicable definitions used in this chapter, unless indicated otherwise in a specific subchapter.
  2. ARM 17.8.743 Montana Air Quality Permits--When Required. This rule requires a person to obtain an air quality permit or permit modification to construct, modify, or use any air contaminant sources that have the potential to emit (PTE) greater than 25 tons per year of any pollutant. Troy has a PTE greater than 25 tons per year of particulate matter; therefore, an air quality permit is required.
  3. ARM 17.8.744 Montana Air Quality Permits--General Exclusions. This rule identifies the activities that are not subject to the Montana Air Quality Permit program.
  4. ARM 17.8.745 Montana Air Quality Permits--Exclusion for De Minimis Changes. This rule identifies the de minimis changes at permitted facilities that do not require a permit under the Montana Air Quality Permit Program.
  5. ARM 17.8.748 New or Modified Emitting Units--Permit Application Requirements.  
(1) This rule requires that a permit application be submitted prior to installation, modification, or use of a source. A permit application is not required for the current permit action because it is considered an administrative permit change. (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. An affidavit of publication of public notice was not required for the current permit action because the permit change is considered an administrative permit change.
  6. ARM 17.8.749 Conditions for Issuance or Denial of Permit. This rule requires that the permits issued by the Department must authorize the construction and operation of the facility or emitting unit subject to the conditions in the permit and the requirements of this subchapter. This rule also requires that the permit must contain any conditions necessary to assure compliance with the Federal Clean Air Act (FCAA), the Clean Air Act of Montana, and rules adopted under those acts.
  7. ARM 17.8.752 Emission Control Requirements. This rule requires a source to install the maximum air pollution control capability that is technically practicable and economically feasible, except that BACT shall be utilized. The required BACT analysis is included in Section III of this permit analysis.
  8. ARM 17.8.755 Inspection of Permit. This rule requires that air quality permits shall be made available for inspection by the Department at the location of the source.
  9. ARM 17.8.756 Compliance with Other Requirements. This rule states that nothing in the permit shall be construed as relieving Troy 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 17.8.762 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 modified 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.
11. 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).
12. 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.
13. ARM 17.8.765 Transfer of Permit. This rule states that an air quality permit may be transferred from one person to another if written notice of intent to transfer, including the names of the transferor and the transferee, is sent to the Department.

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

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

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

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

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

- 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 (PM<sub>10</sub>) in a serious PM<sub>10</sub> nonattainment area.
2. ARM 17.8.1204 Air Quality Operating Permit Program. (1) Title V of the FCAA amendments of 1990 requires that all sources, as defined in ARM 17.8.1204(1), obtain a Title V Operating Permit. In reviewing and issuing MAQP #1690-04 for Troy, the following conclusions were made:
- a. The facility's PTE is less than 100 tons/year for any pollutant (non-fugitive emissions).
  - b. The facility's PTE is less than 10 tons/year for any one HAP and less than 25 tons/year for all HAPs.
  - c. This source is not located in a serious PM<sub>10</sub> nonattainment area.
  - d. This facility is not subject to any current NSPS.
  - e. This facility is not subject to any current NESHAP standards.
  - f. This source is not a Title IV affected source, or a solid waste combustion unit.
  - g. This source is not an EPA designated Title V source.

Based on these facts, the Department determined that Troy is a minor source of emissions as defined under Title V.

### III. BACT Determination

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

A BACT analysis was not required for the current permit action because the current permit action is considered an administrative permit action.

### IV. Emission Inventory

Any emission inventories completed for the source are on file with the Department.

### V. Existing Air Quality

The current permit action is an administrative change and does not change limitations or conditions which affect allowed emissions.

## VI. Ambient Air Impact Analysis

The current permit action is an administrative action and does not change limitations or conditions which affect allowed emissions.

## 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	
XX		1. Does the action pertain to land or water management or environmental regulation affecting private real property or water rights?
	XX	2. Does the action result in either a permanent or indefinite physical occupation of private property?
	XX	3. Does the action deny a fundamental attribute of ownership? (ex.: right to exclude others, disposal of property)
	XX	4. Does the action deprive the owner of all economically viable uses of the property?
	XX	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?
	XX	6. Does the action have a severe impact on the value of the property? (consider economic impact, investment-backed expectations, character of government action)
	XX	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?
	XX	7a. Is the impact of government action direct, peculiar, and significant?
	XX	7b. Has government action resulted in the property becoming practically inaccessible, waterlogged or flooded?
	XX	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?
	XX	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

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

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