Brian Schweitzer, Governor

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September 24, 2010

Mr. Scot Sessions Busch Agricultural Resources, Inc. P.O. Box 1402 Conrad, MT 59425

Dear Mr. Sessions:

Montana Air Quality Permit #2639-05 is deemed final as of September 24, 2010, by the Department of Environmental Quality (Department). This permit is for a grain storage facility. 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

Vickie Walsh

Air Permitting Program Supervisor Air Resources Management Bureau

(406) 444-9741

Deanne Fischer, PE

Environmental Engineer

Air Resources Management Bureau

(406) 444-3403

VW:DF Enclosure

Montana Department of Environmental Quality Permitting and Compliance Division

Montana Air Quality Permit #2639-05

Busch Agricultural Resources, Inc. Grain Storage Facility P.O. Box 1402 Conrad, MT 59425

September 24, 2010



MONTANA AIR QUALITY PERMIT

Issued to: Busch Agricultural Resources, Inc. MAQP: #2639-05

P.O. Box 1402 Administrative Amendment (AA) Request

Conrad, MT 59425 Received: 04/12/2010

Department Decision on AA: 09/08/2010

Permit Final: 09/24/2010

AFS #073-0001

A Montana Air Quality Permit (MAQP), with conditions, is hereby granted to Busch Agricultural Resources, Inc. (BARI), 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

BARI's Conrad Grain Elevator is located at the corner of Highway 91 and Front Street in Conrad, Montana. The legal location of this facility is within the SE ¼ of Section 23, Township 28 North, Range 3 West, Pondera County, Montana.

B. Current Permit Action

On April 12, 2010, the Department of Environmental Quality – Air Resources Management Bureau (Department) received a request from BARI to reduce the annual reporting requirements associated with the visible emissions observations. The current permit action is an administrative amendment pursuant to ARM 17.8.764 that removes the annual reporting requirements associated with the visible emissions observations at the main dust system fabric filter (Gerber 26FTBR120) and the bin vent fabric filter (Mikro-Pulsaire 8B) on the dust storage system, and updates the permit to reflect the current permit language and rule references used by the Department. This action would make the BARI conditions more consistent with those contained in other MAQPs for the same source category.

SECTION II: Conditions and Limitations

A. Emission Control Requirements

- 1. BARI shall operate and maintain the Gerber 26FTBR120 cyclone/fabric filter on the main dust control system; the Mikro-Pulsaire 88 fabric filter from the bin vent dust storage system; and all other emission control equipment to provide maximum pollution control (ARM 17.8.749).
- 2. BARI shall fully enclose all drag conveyors and bucket elevators and vent the emissions to the fabric filter (ARM 17.8.749).
- 3. BARI shall minimize product drop height and use a telescoping load-out chute during production load-out to ensure compliance with the 20% opacity limitation (ARM 17.8.749).
- 4. BARI shall vent the railcar receiving/unloading bin to the main dust control system (ARM 17.9.749).

B. Emission Limitations

- 1. BARI shall not cause to be discharged into the atmosphere from any affected facility, except a grain dryer, any process emission which (ARM 17.8.340 and Code of Federal Regulations (CFR) 40 CFR 60, Subpart DD):
 - a. Contains particulate matter in excess of 0.023 grams per dry standard cubic meter (g/dscm) (ca. 0.01 grains per dry standard cubic feet (gr/dscf)); and
 - b. Exhibits greater than 0 percent opacity
- 2. On and after the 60th day of achieving the maximum production rate at which the affected facility will be operated, but no later than 180 days after initial startup, BARI shall not cause to be discharged into the atmosphere any fugitive emission from (ARM 17.8.340 and the Code of Federal Regulations (CFR) 40 CFR 60, Subpart DD):
 - a. Any individual truck unloading station, railcar unloading station, or railcar loading station, which exhibits greater than 5 percent opacity;
 - b. Any grain handling operation which exhibits greater than 0 percent opacity; and
 - c. Any truck loading station which exhibits greater than 10 percent opacity
- 3. BARI shall not cause or authorize the use of any street, road, or parking lot without taking reasonable precautions to control emissions of airborne particulate matter (ARM 17.8.308).
- 4. BARI shall treat all unpaved portions of the haul roads, access roads, and the general plant property with water and/or chemical dust suppressant as necessary to maintain compliance with the reasonable precautions limitations in Section II.B.6 (ARM 17.8.749).
- 5. BARI shall not cause or authorize emissions to be discharged into the outdoor atmosphere from any sources installed after November 23, 1968, that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes (ARM 17.8.304).
- 6. BARI shall comply with all applicable standards and limitations, and the reporting, recordkeeping and notification requirements contained in the Code of Federal Regulations (CFR) 40 CFR 60, Subpart DD (ARM 17.8.340 and 40 CFR 60, Subpart DD).
- 7. Total grain throughput shall not exceed 7,680,000 bushels during any rolling 12-month time period (ARM 17.8.749).

C. Testing Requirements

1. Within 60 days after achieving the maximum production rate, but not later than 180 days after initial start up of the railcar receiving/unloading bin, an EPA Method 9 opacity test and/or other methods and procedures as specified in 40 CFR Part 60.675 must be performed on the railcar receiving/unloading bin, to demonstrate compliance with the emission limitations contained in Section II.B.2 (ARM 17.8.340, 40 CFR Part 60, Subpart A, and Subpart DD).

- 2. Within 60 days after achieving the maximum production rate, but not later than 180 days after initial start up of the elevator, an EPA Method 9 opacity test and/or other methods and procedures as specified in 40 CFR Part 60.675 must be performed on the main dust control system fabric filter (Gerber 26FTBR120), to demonstrate compliance with the emission limitations contained in Sections II.B.1, and II.B.2. Initial source testing was conducted and compliance with Section II.B.1 and II.B.2 was demonstrated in 1992 (ARM 17.8.340, 40 CFR Part 60, Subpart A, and Subpart DD).
- 3. Within 60 days after achieving the maximum production rate, but not later than 180 days after initial start up of the elevator, an EPA Method(s) 1-5 source test and/or other methods and procedures as specified in 40 CFR Part 60.303 shall be performed on the main dust control system fabric filter (Gerber 26FTBR120), the bin vent dust storage system fabric filter (Mikro-Pulsaire 8B), and any other 40 CFR 60, Subpart DD, affected facilities, to demonstrate compliance with the emission limitations contained in Section II.B.1. Initial source testing was conducted and compliance with Section II.B.1 was demonstrated in 1992 (ARM 17.8.340, 40 CFR Part 60, Subpart A, and Subpart DD).
- 4. All compliance source tests shall conform to the requirements of the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106).
- 5. The Department may require further testing (ARM 17.8.105).

D. Operational and Emission Inventory Reporting Requirements

- 1. BARI 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 for calculating operating fees, based on actual emissions from the facility, and/or to verify compliance with permit limitations (ARM 17.8.505).
- 2. BARI 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*, a change in control equipment, stack height, stack diameter, stack flow, stack gas temperature, source location, or fuel specifications, or would result in an increase in source capacity above its permitted operation or the addition of a new emission unit. The notice must be submitted to the Department, in writing, 10 days prior to start-up or use of the proposed de minimis change, or as soon as reasonably practicable in the event of an unanticipated circumstance causing the de minimis change, and must include the information requested in ARM 17.8.745(1)(d) (ARM 17.8.745).
- 3. All records compiled in accordance with this permit must be maintained by BARI 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).
- 4. BARI shall document, by month, the total amount of grain received at this facility. By the 25th day of each month, BARI shall total the monthly grain received during the previous month. The monthly information will be used to verify compliance with the rolling 12-month limitation in Section II.B.10. The information for each of the previous months shall be submitted along with the annual emissions inventory information (ARM 17.8.749).

SECTION III: General Conditions

- A. Inspection BARI shall allow the Department's representatives access to the source at all times for the purpose of making inspections or surveys, collecting samples, obtaining data, auditing any monitoring equipment (CEMS, CERMS) or observing any monitoring or testing, and otherwise conducting all necessary functions related to this permit.
- B. Waiver The permit and all the terms, conditions, and matters stated herein shall be deemed accepted if BARI fails to appeal as indicated below.
- C. Compliance with Statutes and Regulations Nothing in this permit shall be construed as relieving BARI of the responsibility for complying with any applicable federal or Montana statute, rule or standard, except as specifically provided in ARM 17.8.740, *et seq.* (ARM 17.8.756).
- D. Enforcement Violations of limitations, conditions and requirements contained herein may constitute grounds for permit revocation, penalties or other enforcement as specified in Section 75-2-401, *et seq.*, MCA.
- E. Appeals Any person or persons jointly or severally adversely affected by the Department's decision may request, within 15 days after the Department renders its decision, upon affidavit setting forth the grounds 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 Department personnel at the location of the permitted source.
- G. Permit Fee Pursuant to Section 75-2-220, MCA, failure to pay the annual operation fee by BARI 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).

Montana Air Quality Permit (MAQP) Analysis Busch Agricultural Resources, Inc. MAQP #2639-05

I. Introduction/Process Description

Busch Agricultural Resources, Inc. (BARI) owns and operates a grain storage facility located in the SE¼ of Section 23, Township 28 North, Range 3 West, Pondera County, Montana.

A. Permitted Equipment

This grain (barley) elevator receives grain via truck and/or railcar. The grain is delivered to the railcar receiving/unloading bin, cleaned, stored, and shipped out by either truck or railcar.

B. Permit History

On June 26, 1990, **MAQP** #2639-00 was issued to BARI to operate a grain storage facility in Pondera County, Montana.

On March 13, 1996, MAQP #2639-01 was issued to BARI. This permit modification eliminated the requirements to conduct particulate testing every 4 years after initial tests demonstrated compliance with the applicable emission standards. MAQP #2639-01 required BARI to conduct visible emission observations annually on sources associated with the main dust control system fabric filter. MAQP #2639-01 replaced MAQP #2639-00.

On June 21, 1998, MAQP #2639-02 was issued to BARI. This permit alteration reflected the fact that BARI proposed to construct a railcar receiving location at the facility and add 10 new storage bins and associated conveyors. Particulate emissions from the proposed equipment would be controlled by a new fabric filter. In addition to these changes, the haul road at the facility was relocated to the south of its existing location. This permitting action accounted for an increase in potential emissions of approximately 7 tons per year of particulate matter. MAOP #2639-02 replaced MAOP #2639-01.

On September 22, 1999, the Department of Environmental Quality (Department) received a request from BARI to modify MAQP #2639-02. The modification was to clarify changes to the construction project that was permitted in MAQP #2639-02. The changes were as follows: 5 bins with a storage capacity of 200,000 bushels each were being installed instead of 10 storage bins with a storage capacity of 100,000 bushels per bin; the ancillary enclosed drag conveyors, required to access the larger storage bins, were reduced from 11 to 4; and the railcar receiving pit and corresponding control equipment were not installed. Since the rail car receiving and corresponding control equipment were not installed, testing of the fabric filter was removed. MAQP #2639-03 replaced MAQP #2639-02.

On October 30, 2000, the Department received, from BARI, a request for a de minimis determination and modification of MAQP #2639-03. BARI proposed the addition of a 10,000-bushel per hour railcar receiving/unloading bin to existing and previously permitted equipment at the facility. Potential emissions from the receiving bin are less than the de minimis threshold of 15 tons per year. Because potential emissions from the proposed permit change fall below the de minimis threshold, the current permit action was accomplished through a permit modification (Administrative Rules of Montana (ARM) 17.8.705(1)(r)). Calculations demonstrating that emissions are less than the de minimis threshold are contained in the permit analysis.

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Further, the Department determined that initial Method 1-5 source testing, in accordance with 40 CFR 60, Subpart DD, Standards of Performance for Grain Elevators, would not apply to the railcar receiving/unloading bin installed and operated under the current permit action. The railcar receiving/unloading bin is an affected facility as defined in 40 CFR 60, Subpart DD, and the railcar receiving/unloading bin would vent directly to the main dust control baghouse at the facility. However, installation and operation of the railcar receiving/ unloading bin would not increase baghouse loading above the level previously tested. In 1992, BARI conducted initial Method 1-5 source testing on the main dust control baghouse to demonstrate compliance with the emission limit contained in Section II.B.1. At the time of testing, all three elevator legs at the facility, controlled by the main dust control baghouse, were operating at or near capacity. The railcar receiving/unloading bin would feed directly into an existing elevator leg, previously tested at or near capacity during the 1992 source testing. Therefore, because the main dust control system baghouse would not receive any additional loading from the operation of the railcar receiving/unloading bin, the Department waived the initial Method 1-5 source testing requirement. Initial Method 9 source testing would be required to demonstrate compliance with Section II.B.3. MAOP #2639-04 replaced MAQP #2639-03.

C. Current Permit Action

On April 12, 2010, the Department received a request to reduce the annual reporting requirements associated with the visible emissions observations at the main dust system fabric filter (Gerber 26FTBR120) and the bin vent fabric filter (Mikro-Pulsaire 8B) on the dust storage system. The current permit action eliminates Section II. D Visible Emission Observation including the annual reporting requirements for visible emissions observations and updated the permit to reflect the current permit language and rule references used by the Department. MAQP #2639-05 replaces MAQP #2639-04.

D. 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 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. <u>ARM 17.8.101 Definitions</u>. This section 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. <u>ARM 17.8.106 Source Testing Protocol</u>. 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.*, MCA.
 - BARI 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 Testing Protocol and Procedures Manual is available from the Department upon request.
- 4. <u>ARM 17.8.110, Malfunctions</u>. (2) The Department must be notified promptly by telephone whenever a malfunction occurs that can be expected to create emissions in excess of any applicable emission limitation or to continue for a period greater than 4 hours.
- 5. ARM 17.8.111 Circumvention. (1) No person shall cause or permit the installation or use of any device or any means which, without resulting in reduction in the total amount of air contaminant emitted, conceals or dilutes an emission of air contaminant that would otherwise violate an air pollution control regulation. (2) No equipment that may produce emissions shall be operated or maintained in such a manner that a public nuisance is created.
- B. ARM 17.8 Subchapter 2, Ambient Air Quality, including, but not limited to:
 - 1. ARM 17.8.220 Ambient Air Quality Standard for Settled Particulate Matter
 - 2. ARM 17.8.223 Ambient Air Quality Standard for PM₁₀

BARI must maintain compliance with the applicable ambient air quality standards.

- C. ARM 17.8 Subchapter 3, Emission Standards, including, but not limited to:
 - 1. <u>ARM 17.8.304 Visible Air Contaminants</u>. This rule requires that no person may cause or authorize emissions to be discharged into an outdoor atmosphere from any source installed after November 23, 1968, that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes.
 - 2. ARM 17.8.308 Particulate Matter, Airborne. (1) This section requires an opacity limitation of 20% for all fugitive emission sources and that reasonable precautions be taken to control emissions of airborne particulate. (2) Under this section, BARI 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 section 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 section.
 - 4. <u>ARM 17.8.310 Particulate Matter, Industrial Process</u>. This section 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 section.
 - 5. ARM 17.8.340 Standard of Performance for New Stationary Sources. This rule incorporates, by reference, 40 CFR Part 60, Standards of Performance for New Stationary Sources (NSPS). BARI is considered an NSPS-affected facility under 40 CFR Part 60 and is subject to the requirements of the following subparts.

- a. <u>40 CFR 60, Subpart A General Provisions</u> apply to all equipment or facilities subject to an NSPS Subpart as listed below:
- b. 40 CFR 60, Subpart DD Standards of Performance for Grain Elevators applies to all affected facilities constructed, modified, or reconstructed after August 3, 1978, that have the capacity to store 1 million bushels of grain. This facility has the capacity to store greater than 1 million bushels of grain; therefore, 40 CFR 60, Subpart DD, is applicable to this facility.
- 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 section 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 fee was not required for the current permitting action because it is an administrative 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; and 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. <u>ARM 17.8.740 Definitions</u>. This rule is a list of applicable definitions used in this chapter, unless indicated otherwise in a specific subchapter.
 - 2. ARM 17.8.743 Montana Air Quality Permits When Required. This rule requires a person to obtain an air quality permit or permit alteration to construct, alter, or use any air contaminant sources that have the Potential to Emit (PTE) greater than 25 tons per year of any pollutant. BARI the potential to emit more than 25 tons per year of particulate matter with an aerodynamic diameter less than 10 microns (PM₁₀); therefore, an air quality permit is required.
 - 3. <u>ARM 17.8.744 Montana Air Quality Permits General Exclusions</u>. This rule identifies the activities that are not subject to the Montana Air Quality Permit program.
 - 4. <u>ARM 17.8.745 Montana Air Quality Permits Exclusion for De Minimis Changes</u>. This rule identifies the de minimis changes at permitted facilities that do not require a permit under the Montana Air Quality Permit Program.
 - 5. <u>ARM 17.8.748 New or Modified Emitting Units Permit Application Requirements.</u> (1) This rule requires that a permit application be submitted prior to installation, alteration, or use of a source. BARI was not required to submit a permit application for the current

- permit action because the current permit action is considered an administrative 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. The current permit action is an administrative amendment; therefore, did not require publication.
- 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, which 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. <u>ARM 17.8.755 Inspection of Permit</u>. 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 BARI 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. <u>ARM 17.8.759 Review of Permit Applications</u>. 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. <u>ARM 17.8.765 Transfer of Permit</u>. 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. <u>ARM 17.8.801 Definitions</u>. This rule is a list of applicable definitions used in this chapter.
 - ARM 17.8.818 Review of Major Stationary Source and major Modifications--Source
 <u>Applicability and Exemptions</u>. The requirements contained in ARM 17.8.801-17.8.827
 shall apply to any major stationary source and any major modification with respect to
 each pollutant subject to regulation under the Federal Clean Air Act that it would emit,
 except as this chapter would otherwise allow.

This facility is not a major stationary source, because it is not a listed source and does not have the potential to emit more than 250 tons per year or more of any air pollutant from point sources of emissions.

- G. ARM 17.8 Subchapter 12, Operating Permit Program Applicability, including, but not limited to:
 - 1. <u>ARM 17.8.1201 Definitions</u>. (23) Major Source under Section 7412 of the FCAA is defined as any stationary source having:
 - a. PTE > 10 tons/year of any one hazardous air pollutant (HAP), or PTE > 25 tons/year of a combination of all HAPs, or lesser quantity as the Department may establish by rule.
 - b. PTE > 100 tons/year of any pollutant.
 - c. Sources with the PTE > 70 tons/year of PM_{10} in a serious PM_{10} non-attainment area.
 - 2. ARM 17.8.1204 Air Quality Operating Permit Program Applicability. Title V of the FCAA Amendments of 1990 requires that all sources, as defined in ARM 17.8.1204 (1), obtain a Title V Operating Permit. In reviewing and issuing MAQP #2639-05 for BARI, the following conclusions were made:
 - a. The facility's PTE is less than 100 tons/year for all criteria pollutants.
 - b. The facility's PTE is less than 10 tons/year of any one HAP and less than 25 tons/year of all HAPs.
 - c. This source is not located in a serious PM_{10} non-attainment area.
 - d. This facility is subject to a current NSPS: 40 CFR 60, Subpart DD, Standards of Performance for Grain Elevators.
 - 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 BARI would be a minor source of emissions as defined under Title V. However, if minor sources subject to NSPS are required to obtain a Title V Operating Permit, BARI will be required to obtain a Title V Operating Permit.

III. BACT Determination

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

Because the current permitting action is an administrative action, a BACT analysis is not required for the current permit action.

IV. Emission Inventory

Facility-Wide Potential Emissions

tons/year

Source	PM	PM_{10}
Grain Receiving (Truck)	2.02	$0.50\overline{11}$
Cleaning House	0.33	0.0553
Grain Shipping (Truck and Railcar)	0.63	0.1728
Railcar receiving/unloading bin	2.76	0.6739
Haul Roads	9.00	3.2400
Total	14.74	4.64

A complete emission inventory for the permitted source is on file with the Department.

V. Existing Air Quality and Ambient Air Impact Analysis

BARI's Conrad Grain Elevator is located at the corner of Highway 91 and Front Street in Conrad, Montana. The legal location of this facility is in the SE¼ of Section 23, Township 28 North, Range 3 West, Pondera County, Montana. The air quality of this area is classified as either Better than National Standards or unclassifiable/attainment of the National Ambient Air Quality Standards (NAAQS) for criteria pollutants. The proposed permit change is an administrative change and, therefore, will not cause or contribute to an exceedance of any ambient air quality standard.

VI. 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	
✓		1. Does the action pertain to land or water management or environmental regulation affecting private real property or water rights?
	✓	2. Does the action result in either a permanent or indefinite physical occupation of private property?
	✓	3. Does the action deny a fundamental attribute of ownership? (ex.: right to exclude others, disposal of property)
	✓	4. Does the action deprive the owner of all economically viable uses of the property?

√	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?
✓	6. Does the action have a severe impact on the value of the property? (consider economic impact, investment-backed expectations, character of government action)
√	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?
✓	7a. Is the impact of government action direct, peculiar, and significant?
√	7b. Has government action resulted in the property becoming practically inaccessible, waterlogged or flooded?
✓	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?
✓	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.

VII. Environmental Assessment

The current permit 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.

Analysis Prepared by: Deanne Fischer

Date: August 10, 2010