May 16, 2018

Eighty-Eight Oil LLC
P.O. Box 2360
Casper WY 82601

Dear Mr. Dundas:

Montana Air Quality Permit #5201-00 is deemed final as of May 16, 2018, by the Department of Environmental Quality (Department). 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,

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

Craig Henrikson, P.E.
Environmental Engineer
Air Quality Bureau
(406) 444-6711

JM:CH
Enclosures

Montana Department of Environmental Quality
Air, Energy & Mining Division

Montana Air Quality Permit #5201-00

Eighty-Eight Oil LLC
P.O. Box 2360
Casper WY 82601

May 16, 2018

MONTANA AIR QUALITY PERMIT

Issued to: Eighty-Eight Oil LLC
P.O. Box 2360
Casper WY 82601

MAQP: #5201-00
Application Complete: 03/12/2018
Preliminary Determination Issued: 04/12/2018
Department's Decision Issued: 04/30/2018
Permit Final: 05/16/2018

A Montana Air Quality Permit (MAQP), with conditions, is hereby granted to Eighty-Eight Oil LLC (EEO), 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

This equipment is operated by Bridger Pipelines, which has the same SIC code and is contiguous/adjacent location to the Butte Pipeline facility, Montana Air Quality Permit (MAQP) #3409-01. EEO has elected to apply for their own MAQP to keep their operations administratively separate from the Butte Pipelines facility.

- 150,000 barrel oil storage tank
- 166 horsepower diesel-fired engine with associated emergency generator
- Associated piping and valves

B. Plant Location

EEO has purchased a 150,000 barrel oil storage tank from Plains Pipeline, L.P. (Plains) who operated this tank and others under MAQP #2110-06. Plains will continue to operate the remainder of their equipment under their existing permit, and EEO has submitted an MAQP application for the operation of the 150,000 barrel oil storage tank and 166 brake horsepower diesel-fired generator. The tank will continue to operate at its current location approximately 9 miles west of Baker, Montana in Section 3 in Township 7N, Range 58E, Fallon County, Montana. The facility name will be the Baker-Bowman Station.

Section II: Conditions and Limitations

A. Emission Limitations

1. EEO shall install, operate, and maintain the emission control equipment and practices to provide the maximum air pollution control for which it was designed (ARM 17.8.752).

2. The 150,000 barrel oil storage tank shall be equipped with an internal floating roof to control Volatile Organic Compound (VOC) emissions (ARM 17.8.752).

3. EEO shall comply with all applicable standards and limitations, and the reporting, recordkeeping, and notification requirements contained in 40 CFR 60, Subpart A and Subpart Kb (ARM 17.8.340, 40 CFR 60, Subpart A and Subpart Kb).

4. EEO 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).

5. EEO 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).

6. EEO shall treat all unpaved portions of the haul roads, access roads, parking lots, or general plant area with water and/or chemical dust suppressant as necessary to maintain compliance with the reasonable precautions limitation in Section II.A.5 (ARM 17.8.749).

7. EEO shall comply with all applicable standards and limitations, and the reporting, recordkeeping and notification requirements contained in 40 CFR 60, Subpart IIII (ARM 17.8.340 and 40 CFR 60, Subpart IIII).

8. EEO shall comply with all applicable standards and limitations, and the reporting, recordkeeping and notification requirements contained in 40 CFR 63, Subpart ZZZZ (ARM 17.8.342 and 40 CFR 63, Subpart ZZZZ).

B. Inspection and Repair Requirements

1. Each calendar month, EEO shall inspect all fugitive piping components (valves, flanges, pump seals, open-ended lines) for leaks. For purpose of this requirement, detection methods incorporating sight, sound, or smell are acceptable (ARM 17.8.105 and ARM 17.8.749).

2. EEO shall (ARM 17.8.105 and ARM 17.8.749):

   a. Make a first attempt at repair of any leak not later than 5 calendar days after the leak is detected: and

   b. Repair any leak as soon as practicable, but not later than 15 calendar days after it is detected, expect as provided in Section II.B.3.

3. Delay of repair of equipment, for which a leak has been detected, will be allowed if the repair is technically infeasible without a source shutdown. Such equipment shall be repaired before the end of the first source shutdown after detection of the leak (ARM 17.8.749).

C. 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 of Environmental Quality (Department) may require further testing (ARM 17.8.105).

D. Operational Reporting Requirements

1. EEO 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). EEO shall submit the following information annually to the Department by March 1 of each year; the information may be submitted along with the annual emission inventory (ARM 17.8.505).

   a. Annual throughput of crude oil for the 150,000 barrel oil storage tank

   b. Annual hours of operation of the emergency generator.

2. EEO 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 EEO 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. These records may be stored at a location other than the plant site upon approval by the Department (ARM 17.8.749).

SECTION III: General Conditions

A. Inspection – EEO 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 such as Continuous Emission Monitoring Systems (CEMS) or Continuous Emission Rate Monitoring Systems (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 EEO fails to appeal as indicated below.

C. Compliance with Statutes and Regulations – Nothing in this permit shall be construed as relieving EEO 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 EEO 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 Analysis
Eighty-Eight Oil LLC
MAQP #5201-00

I. Introduction/Process Description

Eighty-Eight Oil LLC (EEO) proposes to own and operate a 150,000 barrel crude oil storage tank previously owned and operated by Plains Pipeline L.P. (Plains). The facility is located approximately 9 miles west of Baker Montana and is not being physically modified as part of this action but rather the equipment is being transferred from Plains to EEO.

A. Permitted Equipment

- 150,000 barrel crude oil storage tank
- 166 horsepower diesel-fired engine and associated generator
- Associated piping and valves

B. Source Description

The crude oil storage tank will continue to operate at its current location and current control with an internal floating roof tank. This equipment is operated by Bridger Pipelines, which has the same SIC code and is contiguous/adjacent location to the Butte Pipeline facility, Montana Air Quality Permit (MAQP) #3409-01. EEO has elected to apply for their own MAQP to keep their operations administratively separate from the Butte Pipelines facility.

C. Response to Public Comments

Person/Group Commenting	Permit Reference	Comment	Department Response
none received			

II. Applicable Rules and Regulations

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

A. ARM 17.8, Subchapter 1 – General Provisions, including but not limited to:

1. ARM 17.8.101 Definitions. This rule includes a list of applicable definitions used in this chapter, unless indicated otherwise in a specific subchapter.

2. ARM 17.8.105 Testing Requirements. Any person or persons responsible for the emission of any air contaminant into the outdoor atmosphere shall, upon written request of the Department, provide the facilities and necessary equipment (including instruments and sensing devices) and shall conduct tests, emission or ambient, for such periods of time as may be necessary using methods approved by the Department.

3. ARM 17.8.106 Source Testing Protocol. The requirements of this rule apply to any emission source testing conducted by the Department, any source or other entity as required by any rule in this chapter, or any permit or order issued pursuant to this chapter, or the provisions of the Clean Air Act of Montana, 75-2-101, *et seq*., Montana Code Annotated (MCA).

   EEO 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_{10}
11. ARM 17.8.230 Fluoride in Forage

EEO 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, EEO shall not cause or authorize the use of any street, road, or parking lot without taking reasonable precautions to control emissions of airborne particulate matter.

3. ARM 17.8.309 Particulate Matter, Fuel Burning Equipment. This rule requires that no person shall cause, allow, or permit to be discharged into the atmosphere particulate matter caused by the combustion of fuel in excess of the amount determined by this rule.

4. ARM 17.8.310 Particulate Matter, Industrial Process. This rule requires that no person shall cause, allow, or permit to be discharged into the atmosphere particulate matter in excess of the amount set forth in this rule.

5. ARM 17.8.322 Sulfur Oxide Emissions--Sulfur in Fuel. This rule requires that no person shall burn liquid, solid, or gaseous fuel in excess of the amount set forth in this rule.

6. ARM 17.8.324 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). EEO is considered an NSPS affected facility under 40 CFR Part 60 and is 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, Subart Kb – Standards of Performance for Volatile Organic Liquid Storage Vessels

   c. 40 CFR 60, Subpart IIII – Standard of Performance for Stationary Compression Ignition Internal Combustion Engines

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 an NESHAP Subpart as listed below:

   b. 40 CFR 63, Subpart ZZZZ – National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines.

D. ARM 17.8, Subchapter 4 – Stack Height and Dispersion Techniques, including, but not limited to:

1. ARM 17.8.401 Definitions. This rule includes a list of definitions used in this chapter, unless indicated otherwise in a specific subchapter.

2. ARM 17.8.402 Requirements. EEO must demonstrate compliance with the ambient air quality standards with a stack height that does not exceed Good Engineering Practices (GEP).

E. 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. EEO 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 prorate the required fee amount.

F. 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 (tpy) of any pollutant. EEO does not have a PTE greater than 25 tpy but has requested an MAQP be issued for the facility.

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. EEO 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. EEO submitted an affidavit of publication of public notice for the March 16, 2018, issue of the *Fallon County Times*, a newspaper of general circulation in the City of Baker in Fallon 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 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 EEO 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 17.8.760 Additional Review of Permit Applications. This rule describes the Department's responsibilities for processing permit applications and making permit decisions on those applications that require an environmental impact statement.

12. 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.

13. 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).

14. 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.

15. 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.

G. 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). EEO and Butte Pipeline facility (MAQP #3409-01) are both operated by Bridger Pipeline and each have the same SIC code and are contiguous/adjacent and together are limited to below 250 tons per year.

H. ARM 17.8, Subchapter 10 – Preconstruction Permit Requirements for Major Stationary Sources of Modifications Located Within Attainment or Unclassified Areas, including, but not limited to:

   ARM 17.8.1004 When Air Quality Preconstruction Permit Required. This current permit action does not constitute a major modification. Therefore, the requirements of this subchapter do not apply.

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

   1. ARM 17.8.1201 Definitions. (23) Major Source under Section 7412 of the FCAA is defined as any source having:

      a. PTE > 100 tons/year of any pollutant;

      b. PTE > 10 tons/year of any one hazardous air pollutant (HAP), PTE > 25 tons/year of a combination of all HAPs, or lesser quantity as the Department may establish by rule; or

      c. PTE > 70 tons/year of particulate matter with an aerodynamic diameter of 10 microns or less (PM_{10}) in a serious PM_{10} 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 #5201-00 for EEO, the following conclusions were made:

      a. The facility's PTE is less than 100 tons/year for any pollutant.

      b. The facility's PTE is less than 10 tons/year for any one HAP and less than 25 tons/year for all HAPs.

      c. This source is not located in a serious PM_{10} nonattainment area.

      d. This facility is subject to NSPS 40 CFR 60 IIII and 40 CFR 60 Kb.

e. This facility may be subject to NESHAP 40 CFR 63 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.

This equipment is operated by Bridger Pipelines, which has the same SIC code and is contiguous/adjacent location to the Butte Pipeline facility, MAQP #3409-01. EEO has elected to apply for their own MAQP to keep their operations administratively separate from the Butte Pipelines facility.

Based on these facts, the Department determined that EEO is a minor source of emissions and therefore, is not subject to the Title V Operating Program. However, in the event that the EPA makes minor sources that are subject to NSPS obtain a Title V Operating Permit, this source may be subject to the Title V Operating Permit Program.

III. BACT Determination

A BACT determination is required for each new or modified source. EEO 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 transferring ownership of equipment currently permitted under an existing MAQP to another source with no physical modification. Previous BACT conditions from MAQP #2110-06 related to the 150,000 barrel storage tank have been incorporated into MAQP #5201-00.

IV. Emission Inventory

The summary of the emission inventory is included below.

Eighty-Eight Oil, LLC Fallon County
Baker-Bowman Station Emission Inventory

Emissions Unit ID	Emitting Unit	NOx (tpy)	CO (tpy)	SO2 (tpy)	PM-10/PM2.5 (tpy)	VOC (tpy)
EU01	150,000 bbl Storage Tank (Controlled)	--	--	--	--	4.27
EU02	Cummins 6BT5.9 G-2 Emergency Diesel Generator	1.29	0.28	0.09	0.09	0.10
IEU01	Fugitive Emissions - Misc. Sources	--	--	--	--	0.07
	Total	**1.29**	**0.28**	**0.09**	**0.09**	**4.44**

A. Total PM_{10} emissions are XX TPY, determined by the sum of PM10(fil) + PM(cond)
B. Total $PM_{2.5}$ emissions are XX TPY, determined by the sum of PM2.5(fil) + PM(cond)
C. Total Particulate Matter emissions are XX TPY, determined by the sum of PM(fil) + PM(cond)

** CO = carbon monoxide
(fil) = filterable
HAPs = hazardous air pollutants
hp = horsepower
lb = pound
N/A = not applicable

ND = no data available
NO_X = oxides of nitrogen
PM = particulate matter
PM_{10} = particulate matter with an aerodynamic diameter of 10 microns or less
$PM_{2.5}$ = particulate matter with an aerodynamic diameter of 2.5 microns or less
SO_2 = sulfur dioxide
TPH = tons per hour
TPY = tons per year
VOC = volatile organic compounds
yr = year

Inventory reflects maximum allowable emissions for all pollutants based on maximum production and year-round operation (8,760 hours). The facility did not take limits on production or hours of operation except the diesel-fired generator is assumed operating at most 500 hrs per year.

Cummins 6BT5.9 G-2 Emergency Diesel Generator

Rating 166 hp Annual Hours of Operation 500 hrs/yr
Conversions: 2000 lb/ton

Pollutant	Emission Factor	Units	Emission Factor Reference	Emissions (lb/hr)	Emissions (ton/yr)
NOx	0.031000	lbs/hp-hr	AP-42 3.3-1 (10/96)	5.15	1.29
CO	0.006680	lbs/hp-hr	AP-42 3.3-1 (10/96)	1.11	0.28
SO_2	0.002050	lbs/hp-hr	AP-42 3.3-1 (10/96)	0.34	0.09
PM (includes PM_{10} & PM_{cond})	0.002200	lbs/hp-hr	AP-42 3.3-1 (10/96)	0.37	0.09
Aldehydes	0.000463	lbs/hp-hr	AP-42 3.3-1 (10/96)	0.08	0.02
Hydrocarbon (TOC)	0.002510	lbs/hp-hr	AP-42 3.3-1 (10/96)	0.42	0.10

Fugitive Emissions - Misc. Sources

Hours of Operation = 8,760 hr/yr
lb per kg 2.20462
lb per ton 2000

Pollutant	**Number of Sources**	**Emission Factor**	**Units per Source**	**Emission Factor Reference**	**TOC Emissions lb/hr**	**TOC Emissions (ton/yr)**
Pumps	12	2.4E-05	kg/hr	EPA Protocol for Equipment Leak Emission Estimates, Table 2-4, Water/Oil [a]	6.35E-04	2.78E-03
Valves	200	8.4E-06	kg/hr	EPA Protocol for Equipment Leak Emission Estimates, Table 2-4, Heavy Oil	3.70E-03	1.62E-02
Connector	30	7.5E-06	kg/hr	EPA Protocol for Equipment Leak Emission Estimates, Table 2-4, Heavy Oil	4.96E-04	2.17E-03
Flange	800	3.9E-07	kg/hr	EPA Protocol for Equipment Leak Emission Estimates, Table 2-4, Heavy Oil	6.88E-04	3.01E-03
Open-Ended Line	20	1.4E-04	kg/hr	EPA Protocol for Equipment Leak Emission Estimates, Table 2-4, Heavy Oil	6.17E-03	2.70E-02

Pollutant	Number of Sources	Emission Factor	Units per Source	Emission Factor Reference	TOC Emissions lb/hr	TOC Emissions (ton/yr)
Other	50	3.2E-05	kg/hr	EPA Protocol for Equipment Leak Emission Estimates, Table 2-4, Heavy Oil	3.53E-03	1.55E-02

The Water/Oil emission factor was for used for pumps since heavy oil did not have an emission factor for that equipment type in Table 2-4.

Sample Calculation:

TOC Emissions$_{Pumps}$ (lb/hr) = (Emission Factor, kg/hr per source) * (2.20462 lb/kg) * (Number of Sources)
0.000024 kg/hr per Pump * 2.20462 lb/kg * 12 Pumps = 0.000635 lb/hr

TOC EmissionsPumps (ton/yr) = (0.000635 lb/hr) * (8760 hr/yr) / (2000 lbs/ton) = 0.0028 ton/yr

TANKS 4.0.9d
Emissions Report - Detail Format Individual Tank Emission Totals

Emissions Report for: Annual (lbs/Year)

Baker-Bowman Station 150K bbl tank - Internal Floating Roof Tank Baker, Montana

Components	Losses(lbs)				
	Rim Seal Loss	Withdrawl Loss	Deck Fitting Loss	Deck Seam Loss	Total Emissions
Crude - RVP: 10.34	2,765.23	2,517.32	3,259.16	0.00	8,541.70

V. Existing Air Quality

MAQP #5201-00 is issued for the operation of a crude oil unloading facility located in Fallon County, Montana. As the tank and engine are currently already in operation under a previously permitted facility with no known air quality issues, continued operation of the equipment is not expected to degrade future air quality. The operation of the diesel-fired engine and associated generator will be on an intermittent basis and only occur when line power is lost or testing is necessary.

VI. Ambient Air Quality Impact Analysis

The Department determined that the impacts from this permitting action will be minor as the crude oil storage tank has been in operation at the site for many years without air quality concerns. 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.

Analysis Prepared By: Craig Henrikson
Date: March 23, 2018

DEPARTMENT OF ENVIRONMENTAL QUALITY
Air, Energy & Mining Division
Air Quality Bureau
P.O. Box 200901, Helena, Montana 59620
(406) 444-3490

ENVIRONMENTAL ASSESSMENT (EA)

Issued To: Eighty-Eight Oil LLC

Montana Air Quality Permit number (MAQP): 5201-00

EA Draft: 04/12/2018
EA Final: 04/30/2018
Permit Final: 05/16/2018

1. *Legal Description of Site:* The crude oil tank is located in Section 3, Township 7N, Range 58 East in Fallon County, Montana. The location is approximately 7 miles west of Baker, Montana just south of Highway 12. The corresponding latitude and longitude in degrees of the crude oil storage tank is 46.38859 and -104.44736, respectively.

2. *Description of Project*: EEO is proposing to own and operate an existing 150,000 barrel crude oil storage tank and emergency diesel-fired engine and associated emergency generator during times of loss of line power. The crude oil storage tank was previously owned and operated by Plains Pipeline, L.P. (Plains) but will now be operated by EEO under MAQP #5201-00.

3. *Objectives of Project:* The project objective is to generate profit by receiving and shipping out crude oil collected from nearby local oil producers.

4. *Alternatives Considered:* In addition to the proposed action, the Department also considered the "no-action" alternative. However, the Department does not consider the "no action" alternative to be appropriate because the equipment is already in existence and has demonstrated compliance with all applicable rules and regulations as required for permit issuance. Therefore, the "no-action" alternative was eliminated from further consideration.

5. *A Listing of Mitigation, Stipulations, and Other Controls:* A list of enforceable conditions, including any required BACT analysis, would be included in MAQP #5201-00. The proposed project is within Sage Grouse Habitat and because there are no new disturbances associated with this property transfer, consultation was not required to be reviewed by the Montana Sage Grouse Oversight Team (MSGOT).

6. *Regulatory Effects on Private Property:* The Department considered alternatives to the conditions imposed in this permit as part of the permit development. The Department determined that the permit conditions are reasonably necessary to ensure compliance with applicable requirements and demonstrate compliance with those requirements and do not unduly restrict private property rights.

7. *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*

Terrestrial and aquatic life and habitats are unlikely to be affected by this project. The proposed project does not require any physical modification and provides for a transfer of an existing crude oil storage tank. It also provides for an emergency diesel-fired engine and associated generator for emergency power under loss of line power.

B. *Water Quality, Quantity and Distribution*

Water or chemical dust suppressant would be used for dust suppression on the surrounding roadways and areas of operation and within the operation.

C. Geology and Soil Quality, Stability, and Moisture

This permitting action would have a minor effect on geology and soil properties with land disturbances as the operation already is in existence. The Department determined that any impacts from deposition would be minor due to dispersion characteristics of pollutants, the atmosphere, and conditions that would be placed in MAQP #5201-00.

D. Vegetation Cover, Quantity, and Quality

This permitting action would have minor impacts on the surrounding vegetation because the facility is already in existence. The existing surrounding land is currently rural and agricultural in nature. The facility emissions from this project may have a minor effect on the surrounding vegetation; however, the air quality permit associated with this project would contain limitations to minimize the effect of the emissions on the surrounding environment. Overall, this project would have minor effects on the vegetation cover, quantity and quality.

E. Aesthetics

Providing a permit for the existing facility and associated equipment will not result in any aesthetic changes as the facility already exists.

F. Air Quality

Emissions would be minimized by limitations and conditions that would be included in MAQP #5201-00. The permit will provide enforceable conditions which existed before under the previous operator's MAQP. While deposition of pollutants would continue to occur, the Department determined that the impacts from deposition of pollutants would be minor due to dispersion characteristics of pollutants, the atmosphere (wind speed, wind direction, ambient temperature, etc.), and conditions that would be placed in MAQP #5201-00.

G. Unique Endangered, Fragile, or Limited Environmental Resources

In an effort to identify any unique endangered, fragile, or limited environmental resources in the area, the Department contacted the Montana Natural Heritage Program, Natural Resource Information System (NRIS). The area was defined by the section, township, and range of the proposed location with an additional 1-mile buffer zone. Search results identified two species within the search radius. Species of concern include Bobolink and Greater Sage Grouse. Because potential emission levels are minor, and disturbance is limited and no new disturbance is occurring with this permit action, the Department has determined that there would be a minor disturbance to unidentified unique, endangered, fragile, or limited environmental resources in the area.

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

The facility would have minor impacts on the demands for the environmental resources of air and water because the facility would be a source of air pollutants. Deposition of pollutants would occur as a result of operating the facility; however, as explained in Section 7.F of this EA, the Department determined that any impacts on air and water resources from the pollutants (including deposition) would be minor. The Department determined that controlled emissions from the source would not cause or contribute to a violation of any ambient air quality standard. Therefore, any impacts to air quality from the addition of the new equipment would be minor.

The facility would be expected to have minor impacts on the demand for the environmental resource of energy because of additional energy usage would be required at the site. The impact on the demand for the environmental resource of energy would be minor because the equipment is already in existence. Overall, the impacts for the demands on the environmental resources of water, air, and energy would be minor.

I. Historical and Archaeological Sites

Since the site already exists and no new disturbance is planned, no review of any historical or archaeological sites was attempted.

J. Cumulative and Secondary Impacts

The facility would cause minor effects on the physical and biological aspects of the human environment because the facility and activities produce volatile organic compounds (VOCs) and particulate due to truck traffic. However, conditions have been placed in MAQP #5201-00 to ensure that only minor air quality impacts would occur. Limitations would be established in the permit to minimize air pollution. Overall, any impacts to the physical and biological environment would be minor.

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

A. *Social Structures and Mores*

The facility would not cause disruption to any native or traditional lifestyles or communities (social structures or mores) in the area because the large crude oil storage tank already exists.

B. Cultural Uniqueness and Diversity

Only minor impacts to the cultural uniqueness and diversity of the area would be anticipated as the site already exists. No additional employees are expected with the permit issuance. In addition, no new disturbance is planned. Therefore, the cultural uniqueness and diversity of the area would not likely be affected.

C. Local and State Tax Base and Tax Revenue

The proposed project would have little, if any impact on the local and state tax base and tax revenue due since the majority of equipment is already existing. Thus, only minor impacts to the local and state tax base and revenue would be expected from the employees and facility production. The impacts to local tax base and revenue would be expected to be minor since only part-time employees are necessary.

D. Agricultural or Industrial Production

The proposed project does not impact any new surface disturbance and therefore no impact on agricultural disturbance would be expected. Since the equipment is existing, no increase in industrial production is expected with the equipment transfer.

E. Human Health

MAQP #5201-00 incorporates conditions to ensure compliance with all applicable air quality rules and standards. The rules and standards are designed to protect human health. There are no known impacts to human health due to this permitting action.

F. Access to and Quality of Recreational and Wilderness Activities

Based on the information received from EEO, no recreational activities or wilderness areas are near the proposed project site. No access to the public is available on the land where the proposed project would be located. No impacts to the access to and quality of the recreational and wilderness activities would be expected.

G. Quantity and Distribution of Employment

The proposed operation may employ up to 1- 2 employees on site on an as-needed basis.

H. Distribution of Population

No individuals would be expected to permanently relocate to this area as a result of this permit action. The proposed project would not impact the normal population distribution in the initial area of operation or any future operating site.

I. *Demands for Government Services*

Since the equipment is existing, no increase in government services is expected.

J. Industrial and Commercial Activity

The operation of the crude oil storage facility would not be expected to impact industrial and commercial activity since the storage tank is existing.

K. Locally Adopted Environmental Plans and Goals

There are no known local Environmental plans and goals but if they exist, EEO would need to comply with those.

L. Cumulative and Secondary Impacts

The operations of the proposed project would not be expected to impact the economy of the surrounding area since the facility is existing. Socially this project would not have cumulative or secondary impacts to the nearby communities.

The proposed project information was not submitted to the Montana Sage Grouse Oversight Team (MSGOT) as the project involves an administrative transfer of an existing storage tank. There are no physical modifications occurring under this permit action.

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

The current permitting action is for the transfer of ownership of an existing crude oil storage tank. MAQP #5201-00 includes conditions and limitations to ensure the facility would operate in compliance with all applicable rules and regulations. In addition, there are no significant impacts associated with this proposal.

Other groups or agencies contacted or which may have overlapping jurisdiction:

Individuals or groups contributing to this EA: Department of Environmental Quality – Air Quality Bureau

EA prepared by: Craig Henrikson
Date: April 6, 2018