

**MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY
OPERATING PERMIT TECHNICAL REVIEW DOCUMENT**

**Permitting and Compliance Division
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Helena, Montana 59620-0901**

**Montana-Dakota Utilities Co.
Lewis and Clark Station
Southwest ¼, Section 9, Township 22 North, Range 59 East
400 North Fourth Street
Bismarck, ND 58501**

The following table summarizes the air quality programs testing, monitoring, and reporting requirements applicable to this facility.

Facility Compliance Requirements	Yes	No	Comments
Source Tests Required	X		Method 5 and 9
Ambient Monitoring Required		X	NA
COMS Required	X		Predictive
CEMS Required	X		SO ₂ and NO _x
Schedule of Compliance Required		X	
Annual Compliance Certification and Semiannual Reporting Required	X		As Applicable
Monthly Reporting Required		X	
Quarterly Reporting Required	X		Predictive Opacity
Applicable Air Quality Programs			
ARM Subchapter 7 Preconstruction Permitting	X		Permit #0691-01
New Source Performance Standards (NSPS)		X	
National Emission Standards for Hazardous Air Pollutants (NESHAPS)		X	Except 40 CFR 61, Subpart M
Maximum Achievable Control Technology (MACT)	X		40 CFR 63, Subpart CCCCC
Major New Source Review (NSR)		X	
Risk Management Plan Required (RMP)		X	
Acid Rain Title IV	X		Appendix H
State Implementation Plan (SIP)	X		General SIP
Compliance Assurance Monitoring	X		Appendix I

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SECTION I. GENERAL INFORMATION

A. Purpose

This document establishes the basis for the decisions made regarding the applicable requirements, monitoring plan, and compliance status of emissions units affected by the operating permit proposed for this facility. The document is intended for reference during review of the draft and proposed permits by the EPA and the public. It is also intended to provide background information not included in the operating permit and to document issues that may become important during modifications or renewals of the permit. Conclusions in this document are based on information provided in the original application submitted by Montana-Dakota Utilities (Montana-Dakota) on June 10, 1996; additional submittals on October 10, 1996, and April 11, 1997; the permit renewal application submitted June 26, 2002; the CAM Plan submittal on September 15, 2003; the permit renewal application submitted October 9, 2008; and the Montana Air Quality Permit (MAQP) application for mercury control requirements deemed complete on November 26, 2008.

B. Facility Location

Montana-Dakota operates the Lewis and Clark Station consisting of a tangential coal fired boiler capable of burning coal or natural gas and associated equipment for generation of electricity. The Montana-Dakota Lewis and Clark Station is located in the Southwest ¼, of Section 9, Township 22 North, Range 59 East, Richland County, Montana.

C. Facility Background Information

Montana Air Quality Permit History

Montana-Dakota received Montana air quality permit given number 691-031074 issued February 14, 1974. This permit authorized the construction of a wet scrubber for the boiler (Unit 1). The scrubber constructed was a venturi flooded disc scrubber.

On February 25, 2009, the Department of Environmental Quality (Department) issued **MAQP #0691-00**. Unit 1 and associated equipment are not required to have an MAQP as defined in Administrative Rules of Montana (ARM) 17.8.743. Unit 1 was in operation before November 23, 1968, and has not undergone modification resulting in an increase of the potential to emit of more than 25 tons per year (tpy) of any regulated airborne pollutant. However, the facility is subject to mercury emission limitations under ARM 17.8.771. MAQP #0691-00 establishes a mercury emission limit and associated operating requirements for the boiler in order to comply with ARM 17.8.771.

On March 27, 2009, the Department received a request from Montana-Dakota to amend Attachment 2 of MAQP #0691-00. Subsequent to the issuance of MAQP #0691-00, the Department determined that additional changes to Attachment 2 may be appropriate based on further consideration and internal discussion of Montana-Dakota's previous comments, as well as the Department's needs with respect to the mercury monitoring requirements as listed in Attachment 2. Specifically, the current permit action amends Attachment 2 to remove the requirements to report the total ounces of mercury (for both the reporting quarter and the calendar year to date) as well as the total heat input of the Boiler for each month of the quarter and the calendar year to date. **MAQP #0691-01** was final on April 25, 2009 and replaced MAQP #0691-00.

Title V Operating Permit History

On January 1, 1998, Montana-Dakota was issued final and effective, **Operating Permit #OP0691-00**. The permit expired on December 31, 2002.

On June 26, 2002, the Department received an application from Montana-Dakota for permit renewal. The application was deemed administratively and technically complete on July 26, 2002.

After review of the application for permit renewal and in accordance with current Department protocol for Title V operating permit rules and requirements, the Department determined that several emitting units included in Operating Permit #OP0691-00 as significant emitting units are actually insignificant emitting units subject to only generally applicable requirements. Therefore, the following significant emitting units, as cited in Operating Permit #OP0691-00, were placed on the insignificant emitting unit list for Operating Permit renewal #OP0691-01:

- IEU02 – Heating Boiler
- IEU03 – Diesel Fire Pump Engine
- IEU04 – Emergency Generator
- IEU06 – Fuel Storage Tank
- IEU09 – Coal Tripper House
- IEU10 – Lime Storage Silo
- IEU11 – Plant Roads

Operating Permit #OP0691-01 was drafted on May 9, 2003. On September 15, 2003, the Department received a Compliance Assurance Monitoring Plan (CAM Plan) from Montana-Dakota as specified in ARM 17.8.1507 and 17.8.1508. Because this applicable requirement was not included in the Draft #OP0691-01, the permit was redrafted as Permit #OP0691-02.

Operating Permit #OP0691-02 replaced Operating Permit #OP0691-00.

D. Current Permit Action

On October 6, 2008, the Department received an application for renewal of Operating Permit #OP0691-02. The renewal application was assigned Operating Permit #OP0691-03. In addition, this action includes the significant modification to Montana-Dakota's Title V Operating Permit with respect to the mercury emission requirements included in MAQP #0691-00 and #0691-01. The significant modification was assigned Operating Permit #OP0691-04. Therefore, the current permit action combines #OP0691-03 and #OP0691-04 to renew Operating Permit #OP0691-02 and incorporate new applicable requirements with respect to mercury. The current permit action will be issued as **Operating Permit #OP0691-04**. Operating Permit #OP0691-04 replaces Operating Permit #OP0691-02.

E. Taking and Damaging Analysis

House Bill (HB) 311, the Montana Private Property Assessment Act, requires analysis of every proposed state agency's administrative rule, policy, permit condition or permit denial, pertaining to an environmental matter, to determine whether the state action constitutes a taking or damaging of private real property that requires compensation under the Montana or U.S. Constitution. As part of issuing an operating permit, the Department is required to complete a Taking and Damaging Checklist. As required by 2-10-101 through 2-10-105, Montana Code Annotated (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.

F. Compliance Designation

The facility was last inspected on October 9, 2007, and was found to be in compliance with all Department regulations and permit conditions. Additional inspections were conducted on June 16, 2004; August 28, 2002; June 12, 2001; August 10-19, 1999; and February 24, 1999. The inspections reports indicate compliance with all Department regulations and permit conditions for the Montana-Dakota facility.

SECTION II. SUMMARY OF EMISSION UNITS

A. Facility Process Description

Montana-Dakota – Lewis and Clark Station operates a tangential coal and natural gas fired boiler capable of burning coal or natural gas and associated equipment for the generation of electricity.

B. Emission Units and Pollution Control Device Identification

Emissions Unit ID	Description	Pollution Control Device/Practice
EU01	Tangential Coal and Natural Gas Fired Boiler	Multi-Cyclone and Flooded Disc Wet Scrubber
EU06	Fuel Storage Tank	None
EU07	Coal Storage Piles	Water-dust suppression
EU08	Fugitive Coal Ash & Lime Handling Emissions	Enclosure/Fabric filter baghouse

EU01 (Tangential Coal and Natural Gas Fired Boiler) has burned mostly lignite coal and natural gas in the past, but can burn a mixture of coals. There are no applicable requirements that limit the type of coal combusted in the unit. Before 1996, the boiler exhaust gases could exhaust through the main stack or in cases as necessary through a bypass stack. Montana-Dakota locked off the bypass stack in 1995 and no longer uses it since the bypass stack does not have the required 40 CFR 75 monitors. This has resulted in the operation procedure that when the scrubber trips, the boiler shuts down. Beginning January 1, 2020, EU01 shall install an oxidizing agent injection (OAI) system and an activated carbon injection (ACI) system to maintain compliance with the 1.5 pounds mercury per trillion British thermal units (lb/TBtu) mercury emission limit.

EU06 (Fuel Storage Tank) is considered a significant emission unit because the unit is subject to applicable requirements contained in 40 CFR 63 Subpart CCCCCC. It meets the definition of a gasoline dispensing facility with a monthly throughput of less than 10,000 gallons.

EU07 (Coal Storage Piles), both active and inactive, are considered significant emitting units because the potential to emit is greater than 5 tons per year. The control practice for the coal storage piles (both active and reserve) is water-dust suppression.

EU08 (Fugitive Coal, Ash & Lime Handling Emissions), has the potential to emit greater than 5 tons per year of fugitive emissions, therefore, is considered a significant emissions unit. The control measures are enclosures and a fabric filter baghouse in a closed loop system.

C. Categorically Insignificant Sources/Activities

ARM 17.8.1201(22)(a) defines an insignificant emissions unit as one that emits less than 5 tons per year of any regulated pollutant, has the potential to emit less than 500 pounds per year of lead or any hazardous air pollutant, and is not regulated by any applicable requirement other than a generally applicable requirement. The following is a list of the emission units that are included as insignificant in Montana-Dakota's draft operating permit.

Emissions Unit ID	Description
EU02	Heating Boiler
EU03	Diesel Fire Pump Engine
EU04	Emergency Generator
EU05	Miscellaneous Space Heaters
EU09	Coal Tripper House
EU10	Lime Storage Silo
EU11	Plant Roads
EU12	Vehicle Air Conditioning
EU13	Activated Carbon Injection Silo
EU14	Coal Conveyor Dust Collection Devices

EU02 (Natural Gas Heating Boiler) in the original application was listed as a significant emitting unit presumably for total particulate PTE of 16.6 tpy. After recalculating the PTE, using emission factors from AP-42, Table 1.4-2, the Department determined the natural gas heating boiler to be an insignificant emitting unit based on the PTE of 0.028 tons per year.

EU03 (Diesel Fire Pump Engine) and IEU04 (Emergency Generator) were submitted as insignificant emitting units in the original application, but placed in Operating Permit #OP0691-00 as significant emitting units. The Department reviewed the units' emissions, and determined the diesel fire pump engine and the emergency generator are insignificant units according to the definition in ARM 17.8.1201(22)(a).

EU05 (Miscellaneous Space Heaters) is considered insignificant since each heater has emission well below 5 tons per year of criteria pollutants and 1 pound per year of HAPS. The heaters are each less than 500,000 BTU per hour. The only rules that apply are ARM 17.8.304, 309, and 322, but due to the combustion of natural gas, the emissions are minimal.

EU09 (Coal Bunker System) in the original application was included with EU05. Since the emissions unit is controlled by a baghouse, it was determined the unit was a distinct unit and should be treated as a separate emissions unit. In the supplemental information to the application, Montana-Dakota provided the necessary information to determine which applicable requirements apply to this emissions unit. The coal bunker system consists of the enclosure directly above the three coal storage bunkers known as the Coal Tripper House. The enclosure is penetrated by the head end of conveyor #2 to the south. The discharge of the baghouse is into the enclosed structure above the storage silos. The baghouse has a force air filtration system, which pulls the displaced air from the silos and the conveyor area to control particulate emissions.

EU10 (Lime Storage Silo) was included in the supplementary information submitted by Montana-Dakota on April 11, 1997. The unit is controlled by a baghouse in a closed-loop system, and by enclosures. Montana-Dakota receives approximately 150 tons per year of lime.

EU11 (Plant Roads) emissions do not include any emissions for transferring coal.

EU12 was included in the application as a significant emissions unit based on information received April 11, 1997. For purposes of the operating permit, the requirements that pertain to the EU12 are contained in Section V., General Conditions under the stratospheric ozone requirements. Therefore, EU12 does not have a table or associated conditions in Section III of the operating permit. At Montana-Dakota, the maintenance of vehicles is performed by a certified dealer for repair and the building system repairs are contracted with a local certified repair

service.

EU13 (Activated Carbon Injection Silo)

EU14 (Coal Conveyor Dust Collection Devices)

The coal hauling operations are not included in the operating permit. These operations are performed by an independent company. The independent company provides all the equipment necessary to deliver the coal and place it on the active stockpile. All trucks, unloading hopper, and stockpile conveyor are owned by the independent company. Montana-Dakota takes ownership of the coal from the active coal stockpile and transports the coal to the plant. Montana-Dakota's coal handling activities are addressed as part of EU8.

SECTION III. PERMIT TERMS

A. Emission Limits and Standards

The following is a discussion of some proposed applicable requirements:

1. The Phase II Acid Rain permit requirements for SO₂ have been included in this operating permit.
2. Montana-Dakota submitted a Phase I Acid Rain Permit Application, NO_x Compliance Plan to EPA Region VIII in October 1996. The application was submitted according to the requirements of 40 CFR §76.9 for an early election unit with a deadline of submittal of January 1, 1997. The Montana-Dakota - Lewis and Clark Station boiler is a Group 1, Phase II boiler. Montana-Dakota will be required to comply with the emission limit of 0.45 lb/mmBtu of heat input on an annual average basis for tangentially fired boilers (40 CFR §76.5) beginning January 1, 1997, and ending on December 31, 2007.

In accordance with 40 CFR §76.8(d)(1)(ii), EPA is responsible for issuing the early NO_x reduction permit. The state has not been delegated this authority. Under 40 CFR §72.73(b)(2), the Department is required to include not later than January 1, 1999, the acid rain permit requirements for nitrogen oxides. Since these requirements have already been incorporated into the initial operating permit, the Department will not need to re-open the acid rain/operating permit. The company under the current requirements of 40 CFR §76.9(b) must still submit a Phase II NO_x permit application by January 1, 1998.

Although not included in the operating permit, the permitting must still comply with the requirements contained in the Phase I early election permit issued by EPA Region VIII until its expiration date. Compliance with the Phase I permit will be handled by EPA.

Montana-Dakota demonstrated compliance with the applicable emissions limitations during the Early Election Program, which expired December 31, 2007. In accordance with 40 CFR 76.7, the NO_x emission limit beginning January 1, 2008 is 0.40 lb/MMBtu on an annual average basis. Compliance with the limit is demonstrated through the use of a CEMS.

3. Montana-Dakota is required by 40 CFR Part 51, Appendix P to monitor opacity. Since the boiler is controlled with a wet scrubber, it was determined an opacity monitor would not provide accurate data. As an alternative, Montana-Dakota developed a predictive opacity procedure and submitted the final report and equations on April 23, 1991. The key aspects of the plan are contained in the Predictive Opacity Appendix to the operating permit. As part of the plan developed to monitor opacity, Montana-Dakota performs calculations to determine the "cleanness" of the disk based on predicted disk position. Deviations from the predicted disk position flags when increased emissions are probable due to a suspected ash buildup around the flooded disk. The information from the disk position is used internally by Montana-Dakota. The equations to calculate the cleanliness of the disk were modified in April 1997 to address changes due to the low NO_x modifications, which occurred the end of 1996. Montana-Dakota uses the scrubber differential pressure and to calculate the predicted opacity for compliance with the opacity requirement. These equations are not included in the operating permit since they are subject to change. The permit requires that prior to making a change to the equations, Montana-Dakota must notify the Department. This will assure the Department is aware of any changes and has an opportunity to review the changes made.
4. Montana-Dakota is required by the operating permit and a letter of agreement from the

Department to use the continuous emissions monitoring system (CEMS) on the exhaust gas stream from the EU1 to determine compliance with ARM 17.8.322. The rule limits the amount of sulfur in the fuel to 1 lb of sulfur/MMBTU. The Department will allow Montana-Dakota to measure the exhaust gas stream and demonstrate compliance with the limit by showing emissions do not exceed 2 lbs. of SO₂/mmBtu from the emissions unit. The SO₂ monitor on EU1 has a range of 0 ppm to 500 ppm. The span for the monitor is 0 ppm to 400 ppm. Montana-Dakota performed the high end calibration at 400 ppm. This range and span was agreed to by the Department and the EPA because the wet scrubber scrubs 100% of the flue gas 100% of the time. For the first quarter of 1996, the maximum concentration measured by the monitor was approximately 320 ppm and the average monitored value was 141 ppm. These values have remained fairly consistent over the entire year and into 1997.

The flow monitor on the EU1 stack has a range of 18,000,000 scfh. Based on calculations of the normal volume, Montana-Dakota has the potential to exceed the range of the SO₂ monitor. The following calculations show that the potential exceedance could in theory occur.

$$(2 \text{ lbs of SO}_2/\text{MMBtu}) (600 \text{ MMBtu/hr}) = 1,200 \text{ lbs of SO}_2/\text{hr}$$

$$(1,200 \text{ lbs of SO}_2/\text{hr})/[(\text{molecular weight of SO}_2)(\text{volume})(28.317 \text{ liters/cubic feet})$$

$$(1 \text{ mole}/24.04 \text{ liters})(1 \text{ liter}/1,000,000 \text{ micro liters})(1 \text{ lb}/453.6 \text{ grams})] = \text{ppm}$$

$$(1,200 \text{ lbs of SO}_2/\text{hr})/[(64)(13,500,000)(28.317)(1/24.04)(1/1,000,000)(1/453.6)] = 583.9 \text{ ppm}$$

Montana-Dakota and the Department do not expect to see any exceedances of the monitor range due to the design of the boiler and scrubber. Since the monitor may not be able to measure a violation of 2 lbs of SO₂/mmBtu, the Department has required that any exceedance of the monitor range be considered an SO₂ emission violation. Montana-Dakota has agreed to this requirement and it is contained in the SO₂ appendix to the operating permit. If in the future, Montana-Dakota changes the range on the monitor and requests a change to the permit, the Department will review the request.

5. Montana-Dakota is required by ARM 17.8.771 to meet a 1.5 lb/TBtu emission limit. To meet this limit, Montana-Dakota is required to install and operate an oxidizing agent injection (OAI) system and an activated carbon injection (ACI) system on or before January 1, 2010. In addition, Montana-Dakota will monitor compliance with the mercury emission limit with a mercury emissions monitoring system (MEMS) which shall be installed, certified, and operating on the Unit 1 stack outlet on or before January 1, 2010.

B. Monitoring Requirements

ARM 17.8.1212(1) requires monitoring be contained in the permit. It requires the monitoring required under an applicable requirement or when the applicable requirement does not contain periodic monitoring, it requires the use of monitoring “sufficient to yield reliable data” that are representative of the source’s compliance with the air quality operating permit. ARM 17.8.1213(7) provides that each permit must contain requirements for certification of compliance with “the terms and conditions contained in the permit.” The operating permit shield provides that compliance with the monitoring requirements in the operating permit constitute compliance with all monitoring requirements of the FCAA. The permittee can rely on the results of periodic monitoring to certify compliance, but this does not prohibit the use of other approved methods for determining compliance with an applicable emission limit or requirement.

ARM 17.8, Subchapter 15, Compliance Assurance Monitoring (CAM) applies to Montana-

Dakota's Lewis and Clark Station facility. As indicated in ARM 17.8.1503(2)(c), the CAM rule is satisfied for NO_x and SO₂ under the Acid Rain provisions set forth in Appendix H of Montana-Dakota's Title V Operating Permit #OP0691-01. However, Montana-Dakota Lewis & Clark is subject to CAM for PM as set forth in the CAM plan submitted by Montana-Dakota. Appendix I of Montana-Dakota's Title V Operating Permit #OP0691-03 summarizes the CAM plan. A full CAM plan is available upon request by contacting the facility or the Department.

ARM 17.8.771, Mercury Emission Standards for Mercury-Emitting Generating Units, applies to the Montana-Dakota Lewis and Clark Station. This rule requires mercury monitoring be conducted by Montana-Dakota. Mercury monitoring provisions are contained in the Title V operating permit and outlined in Appendix J of Operating Permit #OP0691-03.

C. Test Methods and Procedures

This operating permit contains requirements for performing Method 9, Method 5 and Method 5A tests as required by the Department. Method 9, Method 5, and Method 5A tests must be performed in accordance with the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106). Each observation period must be a minimum of 6 minutes unless any one reading is 20% or greater, then the observation period must be a minimum of 20 minutes or until a violation of the standard has been documented, whichever is a shorter period of time.

D. Recordkeeping Requirements

The recordkeeping provisions shall be sufficient to meet the provisions of the monitoring requirements and shall include, as necessary, the installation, use, and maintenance of the monitoring equipment or methods. The following information shall also be provided as necessary: the date the analyses were performed, the place and time of the sampling, the company or entity performing the sampling, the analytical techniques or methods used, the results of such analyses, and the operating conditions at the time of the analyses. Retention of the records of all required monitoring data and support information shall be for a period of at least five years from the date of measurement. Support information includes all calibration and maintenance records and copies of all reports required by the operating permit.

E. Reporting Requirements

Montana-Dakota is required to submit, to the Department, reports of any required monitoring at least every six months and to annually certify compliance with the applicable requirements contained in the permit. All deviations from permit requirements must be clearly identified in these reports. All reports must be certified by a responsible official. The permittee is also required to promptly report any deviations from the permit requirements due to upset conditions and the probable cause of the upset condition along with any corrective actions or preventive measures taken.

F. Public Notice

In accordance with ARM 17.8.1232, a public notice was published in the *Sidney Herald* newspaper on or before May 2, 2009. The Department provided a 30-day public comment period on the draft operating permit from April 30, 2009, to June 1, 2009. ARM 17.8.1232 requires the Department to keep a record of both comments and issues raised during the public participation process. The comments and issues received by June 1, 2009, are summarized in the following table. The Department did not receive comments from the public.

G. Draft Permit Comments

Summary of Permittee Comments

Permit Reference	Permittee Comment	Department Response
Appendix A	The ACI equipment is not listed as an emission unit. Also, dust collection devices added to several locations on the coal conveyor system are not listed in the draft permit. The ACI silo and dust collection devices need to be added as insignificant emitting units in Appendix A.	The Department agrees.
Section III, Appendix A	EU06, Fuel Storage Tank, is listed as an insignificant emitting unit. Since 40 CFR 63 Subpart CCCCCC applies to the unit, EU06 cannot be an insignificant unit. EU06 needs to be removed from Appendix A and applicable requirements should be listed in Section III.	The Department agrees.
Section III.D.3, Appendix B	<p>The weekly survey requirement was amended to indicate that any visual emissions, rather than just excessive emissions, observed during a weekly survey are cause for corrective action, followed by a subsequent survey. If visible emissions are observed during the subsequent survey, a Method 9 must be conducted. Montana-Dakota believes in the case of coal handling operations, this will almost certainly result in weekly Method 9 tests. Therefore, the alternative semiannual Method 9 source test appeared to be the more reasonable compliance demonstration method. Montana-Dakota indicated a weekly survey would provide a better level of emissions control and requested a more reasonable weekly visual survey requirement.</p> <p>Montana-Dakota requested the condition be changed to the following:</p> <p>“Montana-Dakota shall conduct either a semiannual Method 9 source test or a weekly visual survey of visible emissions on Coal Storage Piles. Under the visual survey option, once per calendar week, during daylight hours, Montana-Dakota shall visually survey Coal Storage Piles for any visible emissions. If visible emissions are observed during the visual survey, Montana-Dakota must take corrective action to contain or minimize the source of emissions. Following the corrective action, Montana-Dakota shall again visually survey the Coal Storage Piles for any visible emissions. If visible emissions greater than 15% opacity are again observed, Montana-Dakota shall conduct a Method 9 source test. The Method 9 source test must begin within one hour of any observation of visible emissions that appear to be greater than 15% following the corrective action. The person conducting the visual survey shall record the results of the survey (including any corrective action taken and</p>	<p>The Department understands your concerns regarding the changes in visual survey language, specifically how it may provide a disincentive to continue the practice of visual surveys. Visual surveys have and will continue to provide an environmental benefit (when used) by getting operators to become more familiar and aware with the opacities at their respective facilities, as well as encouraging proactive behavior with respect to minimizing emissions. However, based on EPA's strong concerns with the defensibility of the language currently in use in Montana Title V permits and upon review of other states' practices, the Department has determined that the visual survey language in the draft permit will remain.</p>

	the results of any Method 9 source test performed) in a log, Conducting a visual survey does not relieve Montana-Dakota of the liability for a violation determined using Method 9 (ARM 17.8.101(27)).”	
Appendix D	The permit incorrectly state that the plant is accessed by traveling North on Highway 16 from Sidney. North needs to be changed to South.	The Department agrees.
Appendix E	The list of parameters a. through k. in item 1 contain three parameters which either do not accurately represent the components present and utilized to predict opacity, or are redundant. Montana-Dakota requested the following items be removed from the permit: i. Relative Air Flow; j. Total Slurry Flow Meter; and k. Total Slurry Flow to Throat Nozzles Meter. They requested the items be replaced with: i. Dust Collector Differential Pressure; j. Flue Gas Temperature (air heater outlet); k. Flue Gas Oxygen (at air heater outlet); and, l. Dust Collector Compartments in Service.	The Department agrees.
Appendix F	The permit incorrectly states the SO ₂ /mmBtu emission limit is 1 lb. The correct emission limit is 2 lb.	The Department agrees.
Appendix F	There is a misspelled word in Paragraph 4.b.iii. “Starups” should be changed to “startups”.	The Department agrees.
Appendix I	The phone number listed as Montana-Dakota’s contact is wrong. The correct phone number is (701) 222-7844.	The Department agrees.
TRD Section II	<p>The TRD needs to clarify that the only MACT standard applicable to the facility is 40 CFR 63 Subpart CCCCCC. The facility was previously referred to as a major source of HAP emissions. The renewal application demonstrated the facility is now an area source and has very limited applicability to MACT requirements, such as the requirement of completing a SSM plan. Montana-Dakota requested clarification be provided in the TRD that no other source at the facility, except EU06 is subject to MACT and SSM Plans are not required for any source at the Lewis and Clark Station.</p>	<p>The only MACT requirement listed as applicable in the Operating Permit is 40 CFR 63 Subpart CCCCCC. If any other MACT requirements were applicable to Montana-Dakota, they would be listed in the permit. Therefore, it is understood that the only MACT standard applicable to the facility is 40 CFR 63 Subpart CCCCCC.</p> <p>While the Department agrees that at this time, there are no requirements for SSM plan submittal, the Department does not believe clarification regarding SSM plans is necessary. Section A.14 clearly indicates SSM plans must only be submitted if required by 40 CFR Part 63 and directs the facility to 40 CFR 63.6(e)(3) to determine applicability of the SSM plan requirement. This is a generally applicable requirement and is written to be flexible to accommodate the frequency of MACT applicability changes.</p> <p>The Department did include the following language in Section V of the TRD to clarify Montana-Dakota’s status as an area source for MACT: “In the renewal application, OP0691-04, Montana-Dakota provided calculations to demonstrate the facility does not have a PTE greater than</p>

		10 TPY of any individual hazardous air pollutant (HAP) or a PTE greater than 25 TPY of total HAP. Therefore, the facility is not considered a major source of HAP. As an area source, Montana-Dakota is currently subject to a MACT standard. The MACT standard applicable to this facility is 40 CFR 63, CCCCCC.”
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SECTION IV. NON-APPLICABLE REQUIREMENTS ANALYSIS

Section IV of the operating permit “Non-applicable Requirements” contains the requirements that the Department determined were non-applicable. Montana-Dakota did not identify any non-applicable requirements on a facility-wide basis or an individual emissions unit basis. Montana-Dakota did not identify any specific rules or regulations as non-applicable to the facility. No rules or regulations have been included in the non-applicable section of the operating permit.

The following rule is not applicable to the facility due to the date of construction being after the affected facility applicability date in the subparts: 40 CFR 60, Subpart D.

SECTION V. FUTURE PERMIT CONSIDERATIONS

A. MACT Standards

In the renewal application, OP0691-03, Montana-Dakota provided calculations to demonstrate the facility does not have a PTE greater than 10 TPY of any individual hazardous air pollutant (HAP) or a PTE greater than 25 TPY of total HAP. Therefore, the facility is not considered a major source of HAP. As an area source, Montana-Dakota is currently subject to a MACT standard. The MACT standard applicable to this facility is 40 CFR 63, CCCCCC.

B. Risk Management Plans

A Risk Management Plan as defined in 40 CFR Part 68 is not required for the Montana-Dakota Lewis and Clark Station based on information provided by Montana-Dakota on April 11, 1997, and June 26, 2002. Montana-Dakota does not currently store any regulated substances which exceed the threshold quantities. If in the future, the materials stored at Montana-Dakota change or the thresholds change, Montana-Dakota may need to comply with Part 68.

C. NESHAPS Standards

As of the issuance date of this permit, the Department is unaware of any future NESHAP Standards that may be promulgated that will affect this facility. NESHAP Standard 40 CFR 61, Subpart M does apply to the facility at this time.

D. NSPS Standards

As of the issuance date of this permit, the Department is unaware of any future NSPS Standards that may be promulgated that will affect this facility.

E. CAM Applicability

An emitting unit located at a Title V facility that meets the following criteria listed in ARM 17.8.1503 is subject to Subchapter 15 and must develop a CAM Plan for that unit:

- The emitting unit is subject to an emission limitation or standard for the applicable regulated air pollutant (other than emission limits or standards proposed after November 15, 1990, since these regulations contain specific monitoring requirements);
- The emitting unit uses a control device to achieve compliance with such limit; and
- The emitting unit has potential pre-control device emissions of the applicable regulated air pollutant that are greater than major source thresholds.

Montana-Dakota has one emitting unit which meets the above criteria, EU1 (Tangential Coal-Fired Boiler).