



Montana Department of Environmental Quality
Waste and Underground Tank Management Bureau
P.O. Box 200901
Helena, Montana 59620-0901

Draft Environmental Assessment

Facility

Phillips 66 Company Billings Land Treatment Unit
Billings, Montana

Permit

Montana Hazardous Waste Permit Number MTHWP-17-02

Facility's Legal Location

SE1/4 Section 7, Township 2N, Range 26E in Yellowstone County, Montana

Purpose of the Environmental Assessment

The Montana Department of Environmental Quality (DEQ) is required under the Montana Environmental Policy Act (MEPA) to conduct an environmental assessment (EA) on the proposed action described below. An EA documents: 1) all reasonable alternatives to DEQ's action; and 2) outlines the potential impacts to the human environment resulting from DEQ's action and the reasonable alternatives to that action.

Based on the impact analysis and professional judgment, DEQ makes a decision on the proposed action and summarizes the decision in the EA. If the decision significantly impacts the human environment then a more detailed environmental review, called an environmental impact statement, must be conducted by DEQ.

Public Comment Period

The public, including interested citizens, DEQ, Environmental Protection Agency (EPA), other government agencies, and the applicant are provided forty-five (45) calendar days to review and comment on the draft EA and proposed action.

Copies of the environmental assessment and associated documents including the draft permit are available for review on DEQ's website at <http://deq.mt.gov/public/ea/WasteMgt> and at the following locations:

<i>Location Information</i>	<i>Review Hours</i>
Montana Department of Environmental Quality Billings Office Airport Business Park IP-9 1371 Rintop Drive Billings, Montana 406-247-4430	Monday through Friday 8:00 am – 5:00 pm
Montana Department of Environmental Quality Helena Office Waste and Underground Tank Management Bureau Metcalf Building 1520 E. 6 th Avenue Helena, Montana 406-444-5300	Monday through Friday 8:00 am – 5:00 pm

The comment period will extend from April 30, 2017 through June 16, 2017. Comment must be submitted in writing to:

Denise A. Kirkpatrick
 Hazardous Waste Specialist
 Waste and Underground Tank Management Bureau
 Montana Department of Environmental Quality
 P.O. Box 200901
 Helena, MT 59620-0901

Comments may also be submitted via email to: DEQhazwaste@mt.gov. Please use the subject line *Phillips 66 LTU Permit Renewal*.

Description of Action

DEQ is proposing to reissue a hazardous waste permit to Phillips 66 Company (Phillips 66) Billings Land Treatment Unit (LTU). The proposed permit contains requirements to address closure and post-closure care of the LTU. Hazardous waste permits are effective for ten years and must be re-issued or terminated at the end of that period.

Facility History

The LTU is located approximately nine miles north of Billings, Montana on Alexander road in the SE1/4 Section 7, Township 2N, Range 26E, of Yellowstone County. The legal boundary encloses about 20 acres of which approximately 11 acres were used for land treatment. The LTU is divided into seven treatment areas.

The LTU was operated for the treatment of hazardous waste and non-hazardous waste. Waste was applied to the LTU for biological treatment. Phillips 66 began operation of the LTU in April 1972. Hazardous waste has not been applied to the LTU since 1994. Non-hazardous petroleum contaminated soils were last applied to portions of the LTU in 2003. No waste has been applied since 2003.

On February 21, 2008, DEQ granted approval for Phillips 66 to enter the closure period. Phillips 66 will not be applying any more waste to the site. The closure period will be completed when Phillips 66 establishes a vegetative cover on the LTU. Phillips 66 will then enter the post-closure care period.

During post-closure, Phillips 66 will be required to monitor soil and water at the LTU for 30 years. The post-closure period may be shortened or extended, upon approval by DEQ.

Ground water monitoring data has been collected from LTU wells since 1988 and surface water samples have been collected at Twelve Mile Creek since 1989. Currently, the permit requires that Phillips 66 monitor three wells that are downgradient of the LTU. A surface water sampling point in Twelve Mile Creek, that is downgradient of the LTU, is also monitored. DEQ believes the LTU is not negatively impacting groundwater or surface water. DEQ's conclusion is based on many years of groundwater and surface water sampling results.

Objectives of Proposed Action

DEQ is charged with administering the provisions of the Administrative Rules of Montana (ARM). The objective of the proposed action is to comply with ARM provisions pertaining to hazardous waste permits. DEQ must ensure conditions of a hazardous waste permit are in accordance with ARM and the portions of 40 Code of Federal Regulations (CFR) Part C, which are incorporated by reference in ARM. Permit conditions must ensure appropriate and compliant management of hazardous waste, as well as implementation of facility-wide remedial activities that are protective of human health and the environment.

Alternatives Considered

This section describes the alternatives considered.

Alternative 1: No Action

The No Action alternative provides a baseline for analyzing other alternatives. Under the No Action alternative, DEQ would deny the Phillips 66 permit application and would not issue a permit.

40 CFR 270.1(c) (incorporated by reference in ARM 17.53.1201) requires that owners and operators of hazardous waste management units must have permits during the active life of the unit, including closure and post-closure. Phillips 66 has submitted a timely permit application for reissuance of its hazardous waste permit and has been in substantial compliance with Montana hazardous waste regulations throughout the duration of its two previous permits. DEQ has no regulatory cause to deny Phillips 66's permit renewal application.

Based on the above analysis, DEQ has determined the No Action alternative is not reasonable. The alternative is not considered further in this EA.

Alternative 2: Proposed action - Reissuance of the hazardous waste permit

Under this alternative, DEQ would reissue a hazardous waste permit to Phillips 66, after considering all comments received during the public comment period. Under this alternative, Phillips 66 would continue closure and then post-closure maintenance of the inactive land treatment unit. Phillips 66 has submitted a timely hazardous waste permit application requesting reissuance of the permit. DEQ has determined the application to be adequate and complete.

Stipulations and Controls

Phillips 66 must meet all requirements of the permit and any applicable requirements of the Montana Hazardous Waste Act. The Phillips 66 hazardous waste permit requires testing of soils, groundwater, and surface water at the land treatment unit at specified times throughout the closure and post-closure care periods. Facility-wide corrective action is not currently required. All work plans and reports will be subject to DEQ's review and approval. Non-compliance with permit conditions and/or hazardous waste regulations

is subject to enforcement by DEQ.

Analysis of Regulatory Impacts on Private Property Rights

A Private Property Assessment Act Checklist was completed for this action and is on file at DEQ. DEQ determined that no taking or damaging implications exist requiring a further impact assessment.

Summary of Impacts

The human environment includes those attributes, such as biological, physical, social, economic, cultural, and aesthetic factors, that interrelate to form the environment. Impacts may be adverse, beneficial, or both. The following criteria are used to rate the impacts:

- ◆ The severity, duration, geographic extent, and frequency of occurrence;
- ◆ The probability the impact will occur if the proposed action occurs;
- ◆ Growth-inducing or growth-inhibiting aspects of the impact;
- ◆ The quantity and quality of each environmental resource or value effected;
- ◆ The importance to the State and society of each environmental resource or value effected;
- ◆ Any precedent set as a result of an impact from the proposed action that would commit DEQ to future actions with significant impacts or a decision in principle about such future actions; and
- ◆ Potential conflict with local, state, or federal laws, requirements, or formal plans.

The following are definitions for major, moderate, minor, none, and unknown impacts on the human environment:

Major: A significant change from the present conditions of the human environment. Major impacts are serious enough to warrant preparing an environmental impact statement (EIS).

Moderate: Not a major or minor change from the present condition of the human environment. A single moderate impact may not warrant preparing an EIS; however, when considered with other impacts, an EIS may be required.

Minor: A slight change from the present condition of the human environment. Minor impacts are not serious enough to warrant preparing an EIS.

None: No change from the present conditions of the human environment.

Unknown: An EIS must be conducted to determine the effects on the human environment if impacts are unknown.

Tables 1 and 2 rate potential human environment impacts from Alternative 2. Alternative 1 was not considered because DEQ determined the alternative was unreasonable.

Table 1. Potential Impacts on Physical and Biological Environment

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

A. Air Quality

The proposed permit includes requirements that Phillips 66 establish and maintain a vegetative cover across the treatment areas of the LTU. Once vegetation is established, the chances of windblown soil from the LTU should decrease. Therefore, a minor positive impact to air quality is anticipated.

E. Aesthetics

The LTU is bordered by land used for grazing, cultivation, and open space. The LTU will remain fenced during closure and post-closure. Once a final vegetative cover is established on the LTU, it will visibly appear similar to the surrounding land.

G. Vegetation Cover, Quantity, and Quality

Phillips 66 is currently required to establish a vegetative cover that is sustainable without intense maintenance. The proposed permit continues to require that Phillips 66 establish a vegetative cover. The vegetative cover will be required to meet requirements such as plant density levels and plant types. Phillips 66 will be required to control weeds. The overall impacts should be positive.

I. Demands on Environmental Resources of Water, Air, and Energy

The proposed permit includes requirements that will result in minor use of energy. The requirements include: establishment and maintenance of a vegetative cover, routine inspections, and periodic soil and water sampling.

J. Sage Grouse Executive Order

In accordance with Senate Bill 261 and Executive Orders 10-2014 and 12-2015, all hazardous waste permits received after January 1, 2016 in areas with sage grouse habitat must include a letter of comment from the Department of Natural Resources and Conservation's Sage Grouse Habitat Conservation Program (Program). The LTU is located in general sage grouse habitat, as designated by the Program at: <https://sagegrouse.mt.gov>. However, the LTU renewal application was submitted prior to January 1, 2016. Therefore, Phillips 66 did not provide a letter of comment.

The renewal permit does not include conditions that will result in additional disturbance of vegetation at the site. Activities such as revegetation, monitoring, and inspections will be infrequent and should not result in substantial noise.

K. Cumulative and Secondary Impacts

Cumulative impacts are impacts that may be negligible or minor for a specific project or action under consideration, but collectively (many similar projects or actions) or incrementally may result in significant impacts. Secondary impacts are those occurring at a later time or distance from the triggering action. DEQ does not anticipate that Alternative 2 will result in significant cumulative impacts or any secondary impacts at the LTU.

Table 2. Potential Impacts on Social, Economic, and Cultural Environment

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

D. Human Health

The permit requires Phillips 66 establish a vegetative cover across the LTU. An adequate cover should decrease the chances of windblown soil leaving the site. Better dust control may have minor positive impacts to human health.

I. Demands for Governmental Services

The permit requires submittal of work plans, reports, and certifications regarding closure and post-closure care. DEQ will review these submittals. DEQ staff will occasionally conduct onsite inspection. Therefore, a minor impact to government services is anticipated.

L. Cumulative and Secondary Impacts

DEQ does not anticipate cumulative or secondary impacts from the renewal of the hazardous waste permit.

Individuals or Groups Contributing to EA

Montana Department of Environmental Quality

Draft EA Prepared By

Denise A. Kirkpatrick
April 19, 2017

Recommendation

Based on the EA analysis, the DEQ recommends Alternative 2 (the proposed action).

The EA is an adequate level of environmental review; an EIS is not required. The EA analysis demonstrates this State action will not be a major action significantly affecting the quality of the human environment.