

BEFORE THE ENVIRONMENTAL QUALITY COMMISSION
OF THE STATE OF OREGON

IN THE MATTER OF:)
HOLLINGSWORTH & VOSE FIBER) MUTUAL AGREEMENT
COMPANY,) AND FINAL ORDER
a Delaware corporation.) ADDENDUM NO. 1
No. AQ/V-WR-15-132

WHEREAS:

1. On December 14, 2015, the Department of Environmental Quality (DEQ) and Hollingsworth & Vose Fiber Company (H&V Fiber) entered into Mutual Agreement and Final Order No. AQ/V-WR-15-132 (MAO). The MAO required, among other things, that H&V Fiber perform by June 1, 2016, emission verification testing for PM, NOx, CO, VOCs, and Fluorides at representative emission points for rotary fine, rotary coarse and flame-blown processes. Rotary fine testing was required to be tested twice, on two separate days with a representative mix of grades being produced during testing. The MAO also required, among other things, that H&V Fiber prepare and submit by January 29, 2016, a Prevention of Significant Deterioration (PSD) application identifying projected emissions.

2. H&V Fiber timely submitted the PSD application including an emissions inventory and CO modeling on or before January 29, 2016 (the 2016 PSD Application). The emissions inventory and CO modeling were based on emissions factors derived from tests performed in 2014 and 2015.

3. In March 2016, H&V Fiber timely performed the emission verification testing for PM, NOx, CO, VOCs, and Fluorides consistent with the terms of the MAO.

4. The 2016 emissions testing results indicate that there may be variability in pollutant emissions between different products that was not identified in the PSD application.

5. The parties agree that the MAO should be amended consistent with Paragraphs 23 and 28 of the MAO to require additional emission verification testing, CO ambient air quality monitoring and continuous CO emission monitoring.

1 NOW THEREFORE, it is stipulated and agreed that:

2 6. Based upon the 2016 emission verification testing results, it is appropriate to amend
3 the MAO to require that H&V Fiber perform additional emission verification testing and implement
4 CO monitoring appropriate to ensure that the surrounding community is not exposed to unhealthy
5 levels of CO.

6 7. The Environmental Quality Commission hereby enters a final order:

7 A. Requiring that by no later than October 30, 2016, H&V Fiber install a
8 meteorological station to collect meteorological data representative of the area immediately
9 surrounding the Facility.

10 B. Requiring that by no later than June 30, 2016, H&V Fiber submit for DEQ
11 review a plan for installing CO continuous emissions monitors and associated flow monitors
12 (collectively, the CEMS) on all stacks at the Facility discharging exhaust from the fiberizing
13 process. If H&V Fiber determines that is not feasible to continuously monitor a specific stack, this
14 determination must be approved by DEQ. The plan must include a schedule for installing the CO
15 CEMS consistent with the following dates. Any deviations from these dates must be explained in
16 the plan and are subject to approval by DEQ:

17 (1) By September 30, 2016, H&V Fiber must execute one or more
18 contracts for fabrication and installation of the CO CEMS;

19 (2) By February 15, 2017, the CO CEMS must be installed and
20 operational;

21 (3) Within 60 days of installation of the CO CEMS, H&V Fiber shall
22 perform all testing to certify the CO CEMS in accordance with the April 2015 DEQ Continuous
23 Monitoring Manual; and

24 (4) Commencing on the date that the CO CEMS is certified, H&V Fiber
25 shall record and store CO emissions data reduced to hourly and monthly totals.

26 (5) Starting with the first full calendar quarter after which the CO
27 CEMS is certified, H&V Fiber shall provide quarterly CO emissions to DEQ no later than 30 days

1 after the end of the calendar quarter. The quarterly report shall identify the monthly emissions and
2 rolling 12-month totals for each stack monitored using a CO CEMS.

3 C. Requiring that by July 30, 2016, H&V Fiber submit an ambient air quality
4 monitoring plan to DEQ for its approval for the placement and operation of a CO ambient air
5 quality monitoring station. The monitoring plan shall address the following requirements:

6 (1) Propose a location for installation of the CO ambient air quality
7 monitor appropriate for determining the maximum hourly average ambient CO concentrations
8 attributable to the Facility's emissions. The recommended location must reflect the requirements
9 for adequate security, availability of utilities and projected areas of impact from the Facility.

10 (2) Requiring that H&V commence operation of the CO ambient air
11 quality monitoring station no later than 120 days after DEQ's approval of the plan and operate that
12 station until a complete data set has been collected from each of the four calendar quarters. A
13 quarterly data set will be considered complete if the percent recovery is within federal ambient air
14 monitoring protocol for all parameters, for each quarter monitored.

15 (3) Identifying appropriate procedures for calibration and auditing of the
16 CO ambient air quality monitoring station.

17 (4) Requiring submittal of a quarterly CO ambient air quality monitoring
18 report no later than 45 days after the end of a calendar quarter starting with the first full quarter of
19 monitoring. This report must summarize the data in the form of a table listing the five highest one-
20 hour averages and the five highest eight-hour averages from the quarter and comparing those values
21 to the ambient air quality standards in OAR 340, Division 202. The table must list the date and
22 time that each of these maxima occurred.

23 (5) Requiring submittal of a final report upon completion of the
24 collection of four complete quarters of ambient data with a table identifying the five highest one-
25 hour averages and the five highest eight-hour averages from the year and comparing those values to
26 the ambient air quality standards in OAR 340, Division 202. The table should list the date and time
27 that each of these maxima occurred.

1 D. Requiring that by no later than May 15, 2017, H&V Fiber complete at least
2 three rounds of NOx, Fluorides, particulate and VOC emission verification testing on representative
3 emission points for each product classification. Each round of testing must be separated from the
4 previous round of testing by at least 90 days. At least 15 days prior to testing, H&V Fiber shall
5 submit for DEQ review and approval an emission testing protocol outlining the test methods and
6 procedures to be used in the testing. No later than 45 days after completing each round of testing,
7 H&V Fiber shall submit a report summarizing the results of the testing.

8 E. Requiring that H&V Fiber continue to submit a quarterly emissions report
9 consistent with the schedule in Paragraph 17.f of the MAO for CO and Fluorides using the
10 calculation methodology and emission factors in the monitoring plan approved by DEQ on
11 December 23, 2015. Once 12 months of emissions data have been calculated under the MAO (i.e.,
12 December 2016), the report shall include a comparison of the rolling 12 month totals for each 12
13 month period ending during that quarter to the limit in Paragraph 17.e of the MAO.

14 F. Requiring that no later than November 15, 2017, H&V Fiber submit to
15 DEQ amendments to the 2016 PSD Application that includes an updated BACT analysis. The PSD
16 application amendments must, at a minimum, address the following requirements:

17 (1) An updated emission inventory reflecting the data collected pursuant
18 to paragraphs 7.B and 7.D of this Addendum No.1;

19 (2) An updated CO ambient air quality impact analysis reflecting the
20 updated emissions inventory and demonstrating that the requested CO PSEL will not cause or
21 contribute to an exceedance of the National Ambient Air Quality Standards or PSD Increment, as
22 adopted in OAR 340, Division 202;

23 (3) A demonstration that the meteorological data utilized for the ambient
24 air quality impact analysis is representative of conditions surrounding the H&V Fiber facility. This
25 assessment must be based on an evaluation of the meteorological data collected during the first
26 three quarters of operation of the meteorological station required by this Addendum No. 1; and
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1 (4) A discussion of how the CO ambient air quality impact analysis
2 relates to the CO data collected by the ambient air quality monitor.

3 G. Requiring that H&V Fiber, upon receipt of a written Penalty Demand Notice
4 from DEQ, pay the following civil penalties:

5 (1) \$250 for each day that H&V Fiber is late in providing to DEQ the
6 quarterly report required by Paragraph 7.E of this Addendum No. 1;

7 (2) \$2,400 for each day that H&V Fiber violates any requirement in
8 Paragraphs 7.A through 7.D or 7.F of this Addendum No. 1.

9 H. Requiring that the CO CEMS required by Paragraph 7.B of this Addendum
10 No. 1 be installed, operated and maintained consistent with the requirements of DEQ's April 2015
11 Continuous Monitoring Manual.

12 I. DEQ may grant an extension of up to 60 days for each deadline in
13 Paragraphs 7.A through 7.D and 7.F of this Addendum No. 1. Any extensions must be requested in
14 writing by H&V Fiber and approved in writing by DEQ.

15 8. H&V Fiber will be deemed to be in compliance with MAO Paragraph 17 if it
16 complies with the schedule in Paragraphs 7.A through 7.F of this Addendum No. 1.

17 9. This Addendum No. 1 does not change any obligations established in the MAO that
18 are not specifically addressed in this Addendum No.1.

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HOLLINGSWORTH & VOSE FIBER COMPANY

6-23-16
Date

Kenneth B. Fausnacht
Signature

Kenneth B. Fausnacht
Name (print)

President
Title (print)

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FINAL ORDER

IT IS SO ORDERED:

DEPARTMENT OF ENVIRONMENTAL QUALITY and
ENVIRONMENTAL QUALITY COMMISSION

June 24, 2016

Date

Leah K. Feldon for

Leah K. Feldon, Manager
Office of Compliance and Enforcement
on behalf of DEQ pursuant to OAR 340-012-0170
on behalf of the EQC pursuant to OAR 340-011-0505