



Oregon

Kate Brown, Governor

Department of Environmental Quality
Office of Compliance and Enforcement
700 NE Multnomah Street, Suite 600
Portland, OR 97232-4100
(503) 229-5696
FAX (503) 229-5100
TTY 711

March 3, 2022

CERTIFIED MAIL: 7018 1830 0001 5906 3398

Georgia-Pacific Consumer Operations LLC
c/o C T Corporation System, Registered Agent
780 Commercial Street SE, Suite 100
Salem, OR 97301

Re: Notice of Civil Penalty Assessment and Order
Case No. AQ-V-NWR-2021-125

DEQ is committed to balancing its vital obligation to enforce the law and protect the environment with a consideration of the dramatic disruptions to public health and the economy caused by the COVID-19 outbreak. We understand the outbreak may impact your ability to timely appeal, pay the assessed civil penalty, or comply with this order. You may submit to DEQ documentation identifying whether COVID-19-related disruption affects your ability to comply with this order. Visit our webpage <https://www.oregon.gov/deq/Pages/covid-19.aspx> for more information about documenting specific COVID-19 disruptions your facility may be encountering and how that affects your ability to comply. DEQ will exercise reasonable discretion regarding settlement of this order.

This letter is to inform you that the Oregon Department of Environmental Quality (DEQ) has issued you a civil penalty of \$10,907 for violating a particulate matter limit in the Title V permit for your kraft pulp and paper mill located at 92326 Taylorsville Road, Clatskanie, OR 97016. Specifically, you violated the filterable particulate matter grain loading limit for the facility's fluidized bed boiler on eight days between January 23, 2021, and February 4, 2021. The violation was detected during a source test conducted on January 23, 2021. On February 6, 2021, the boiler was retested and demonstrated compliance with the emission limit.

DEQ issued this penalty because particulate matter, when emitted in excess, can contribute to respiratory distress in people. Once inhaled, particulate matter can affect the heart and lungs, causing serious health problems such as decreased lung function, irregular heartbeat and chronic bronchitis.

DEQ appreciates your efforts to minimize the impacts of the violation by shutting down the fluidized bed boiler and taking prompt corrective actions beginning on January 28, 2021, as soon as you learned of the preliminary results from the January 23, 2021, source test. This included conducting leak checks, replacing the baghouse bags, and conducting cleaning between the baghouse and the stack. These corrective actions restored the proper functioning of the baghouse and resulted in reduced particulate matter emissions and compliance with the emission limit as of a February 6, 2021 source test. DEQ considered these efforts when determining the amount of civil penalty.

If you wish to appeal this matter, DEQ must receive a request for a hearing within 20 calendar days from your receipt of this letter. The hearing request must be in writing. Send your request to DEQ Office of Compliance and Enforcement:

Via mail – 700 NE Multnomah Street, Suite 600, Portland, Oregon 97232

Via email – DEQappeals@deq.oregon.gov

Via fax – 503-229-6762

Once DEQ receives your request, we will arrange to meet with you to discuss this matter. If DEQ does not receive a timely written hearing request, the penalty will become due. Alternatively, you can pay the penalty by sending a check or money order to the above address.

The attached Notice further details DEQ's reasons for issuing the penalty and provides further instructions for appealing the penalty. Please review and refer to it when discussing this case with DEQ.

DEQ may allow you to resolve part of your penalty through the completion of a Supplemental Environmental Project (SEP). SEPs are environmental improvement projects that you sponsor instead of paying a penalty. Further information is available by calling the number below or at <http://www.oregon.gov/deq/Regulations/Pages/SEP.aspx>.

DEQ's rules are available at <http://www.oregon.gov/deq/Regulations/Pages/Statutes.aspx> or by calling the number below.

If you have any questions, please contact Becka Puskas at 503-229-5058 or toll free in Oregon at 800-452-4011, extension 5058.

Sincerely,



Kieran O'Donnell, Manager
Office of Compliance and Enforcement

Enclosures

cc: David Graiver, DEQ
Josh Muswieck, DEQ
Melissa Hovey, DEQ
Accounting, DEQ
Donald Hendrix, AQ, DEQ
US EPA, Region 10, c/o Katie McClintock, 1200 Sixth Avenue, Seattle, WA 98101

BEFORE THE ENVIRONMENTAL QUALITY COMMISSION
OF THE STATE OF OREGON

IN THE MATTER OF:) NOTICE OF CIVIL PENALTY
GEORGIA-PACIFIC CONSUMER) ASSESSMENT AND ORDER
OPERATIONS LLC,)
a Delaware limited liability company,) CASE NO. AQ-V-NWR-2021-125
Respondent)

I. AUTHORITY

The Department of Environmental Quality (DEQ) issues this Notice of Civil Penalty Assessment and Order (Notice) pursuant to Oregon Revised Statutes (ORS) 468.100, ORS 468.126 through 468.140, ORS Chapter 183, ORS Chapter 468A, and Oregon Administrative Rules (OAR) Chapter 340, Divisions 011, 012, 200 and 218.

II. FINDINGS OF FACT

1. Respondent owns and operates a kraft pulp and paper mill located at 92326 Taylorsville Road, Clatskanie, OR 97016 (the Facility).

2. Respondent operates the Facility pursuant to Oregon Title V Operating Permit No. 04-0004 (the Permit). The Permit was in effect at all material times.

3. The Permit authorizes Respondent to discharge air contaminants from the Facility in conformance with the requirements, limitations and conditions in the Permit.

4. Respondent's manufacturing process includes a Fluidized Bed Boiler ("FBB", also described as Emission Unit 35 or EU35 in the Permit) that is equipped with a baghouse pollution control device ("the baghouse," also described as CD832 in the Permit).

5. Part 1, Condition 68 of the Permit prohibits Respondent from emitting filterable particulate matter (PM) from the FBB in excess of 0.01 grains per dry standard cubic foot (gr/dscf), corrected to 7 percent oxygen.

6. On January 23, 2021, Respondent conducted an EPA Method 5 source test to measure filterable PM emissions from the FBB. The test showed the filterable PM emissions from the FBB measured 0.04 gr/dscf corrected to 7 percent oxygen.

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1 7. On January 28, 2021, Respondent received preliminary results from the January 23, 2021 source
2 test and shut down the FBB. Respondent conducted a dye test, which did not identify leaks, but did
3 identify issues with the failed solenoids in the pulse air cleaning system in the baghouse.

4 8. On February 3, 2021, Respondent replaced the solenoids in the baghouse and restarted the FBB.

5 9. On February 4, 2021, Respondent shut down the FBB when Respondent determined that the
6 solenoid replacement did not address issues identified with the baghouse's pulse air cleaning cycles.

7 10. On February 5, 2021, Respondent conducted a second dye test using a different procedure that
8 identified 60 leaking bags in the baghouse. On February 5, 2021, Respondent replaced 15 leaking bags
9 in the baghouse, using the available bags at the Facility, and plugged the other leaking bags.

10 11. On February 6, 2021, Respondent restarted the FBB and conducted an EPA Method 5 source
11 test to measure filterable PM emissions from the FBB. While the initial test results indicated that
12 Respondent's emissions may have exceeded the PM limit described in Section II, Paragraph 5, above,
13 the final test results showed the filterable PM emissions from the FBB measured 0.01 gr/dscf corrected
14 to 7 percent oxygen.

15 12. On February 9, 2021, Respondent discovered that the baghouse bags that had been installed
16 approximately one and a half years prior, slightly exceed the length of the baghouse cages. Respondent
17 determined that the length of the baghouse bags likely led to the premature failure of the bags, which
18 are expected to last seven years.

19 13. During the week of February 22, 2021, Respondent replaced all 1,500 bags in the baghouse.

20 14. Between March 1 and March 3, 2021, Respondent conducted leak checks and dye checks of the
21 baghouse and had an industrial cleaning contractor clean between the bags and the stack.

22 15. Between March 8 and March 10, 2021, Respondent conducted additional cleaning of the
23 baghouse.

24 16. On March 12, 2021, Respondent conducted an EPA Method 5 source test to measure filterable
25 PM emissions from the FBB. The test showed the filterable PM emissions from the FBB measured
26 0.0008 gr/dscf corrected to 7 percent oxygen.

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1 III. CONCLUSIONS

2 1. On eight days or occasions between January 23, 2021 and February 6, 2021, Respondent
3 violated ORS 468A.045(2) and Part 1, Condition 68 of the Permit by exceeding the 0.01 gr/dscf
4 filterable PM limit for the FBB, as described in Section II, Paragraphs 1-16, above. Specifically,
5 Respondent operated the FBB on eight days (January 23, 2021 – January 28, 2021 and February 3,
6 2021 – February 4, 2021), between the failed source test and the corrective actions taken on February 5,
7 2021, which enabled the FBB to demonstrate compliance with the PM limit in a source test conducted
8 on February 6, 2021. These are Class I violations according to OAR 340-012-0054(1)(o). DEQ hereby
9 assesses a \$10,907 civil penalty for these violations.

10 IV. ORDER TO PAY CIVIL PENALTY

11 Based upon the foregoing FINDINGS OF FACTS AND CONCLUSIONS, Respondent is
12 hereby ORDERED TO:

13 Pay a total civil penalty of \$10,907. The determination of the civil penalty is attached as
14 Exhibit 1 and is incorporated as part of this Notice.

15 If you do not file a request for hearing as set forth in Section V below, your check or money
16 order must be made payable to "State Treasurer, State of Oregon" and sent to the **DEQ, Business**
17 **Office, 700 NE Multnomah Street, Suite 600, Portland, Oregon 97232.**

18 V. NOTICE OF RIGHT TO REQUEST A CONTESTED CASE HEARING

19 You have a right to a contested case hearing on this Notice, if you request one in writing. DEQ
20 must receive your request for hearing **within 20 calendar days** from the date you receive this Notice. If
21 you have any affirmative defenses or wish to dispute any allegations of fact in this Notice or attached
22 exhibit, you must do so in your request for hearing, as factual matters not denied will be considered
23 admitted, and failure to raise a defense will be a waiver of the defense. (See OAR 340-011-0530 for
24 further information about requests for hearing.) You must send your request to: **DEQ, Office of**
25 **Compliance and Enforcement, 700 NE Multnomah Street, Suite 600, Portland, Oregon 97232**, fax
26 it to **503-229-6762** or email it to DEQappeals@deq.oregon.gov. An administrative law judge
27 employed by the Office of Administrative Hearings will conduct the hearing, according to ORS

1 Chapter 183, OAR Chapter 340, Division 011 and OAR 137-003-0501 to 0700. You have a right to be
2 represented by an attorney at the hearing, however you are not required to be. If you are an individual,
3 you may represent yourself. If you are a corporation, partnership, limited liability company,
4 unincorporated association, trust or government body, you must be represented by an attorney or a duly
5 authorized representative, as set forth in OAR 137-003-0555.

6 Active duty Service members have a right to stay proceedings under the federal Service
7 Members Civil Relief Act. For more information contact the Oregon State Bar at 1-800-
8 452-8260, the Oregon Military Department at 503-584-3571, or the nearest United States Armed
9 Forces Legal Assistance Office through <http://legalassistance.law.af.mil>. The Oregon Military
10 Department does not have a toll free telephone number.

11 If you fail to file a timely request for hearing, the Notice will become a final order by default
12 without further action by DEQ, as per OAR 340-011-0535(1). If you do request a hearing but later
13 withdraw your request, fail to attend the hearing or notify DEQ that you will not be attending the
14 hearing, DEQ will issue a final order by default pursuant to OAR 340-011-0535(3). DEQ designates
15 the relevant portions of its files, including information submitted by you, as the record for purposes of
16 proving a prima facie case.

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20 3/3/2022
21 Date

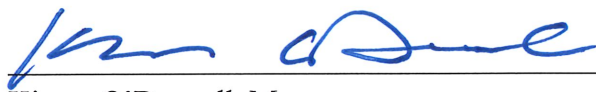
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23 Kieran O'Donnell, Manager
24 Office of Compliance and Enforcement
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EXHIBIT 1

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATION NO. 1 Exceeding the 0.01 gr/dscf filterable PM limit for the Fluidized Bed Boiler, in violation of ORS 468A.045(2) and Part 1, Condition 68 of the Permit.

CLASSIFICATION: This is a Class I violation pursuant to OAR 340-012-0054(1)(o).

MAGNITUDE: The magnitude of the violation is moderate pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 applicable to this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$6,000 for a Class I, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(A)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(A) because Respondent has a Title V permit.

"P" is whether Respondent has any prior significant actions, as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent, and receives a value of 4 according to OAR 340-012-0145(2)(a) (C) and (D), because Respondent has one Class I violation in Case No. AQ/V-NWR-2013-092, issued on October 10, 2013 and two Class I violations in Case No. AQ/V-NWR-2017-144, issued on April 2, 2018.

"H" is Respondent's history of correcting prior significant actions and receives a value of -1 according to OAR 340-012-0145(3)(b) because the violations were uncorrectable and Respondent took reasonable efforts to minimize the effects of the violations cited as prior significant actions.

"O" is whether the violation was repeated or ongoing and receives a value of 3 according to OAR 340-012-0145(4)(c) because there were from seven to 28 occurrences of the violation. Each day is a separate occurrence of the violation. There were eight occurrences of the violation on January 23, 2021 – January 28, 2021 (6 days) and February 3, 2021 – February 4, 2021 (2 days).

"M" is the mental state of the Respondent and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. According to OAR 340-012-0145(0030(15), negligent means the respondent failed to take reasonable care to avoid a foreseeable risk of conduct constituting or resulting in a violation. Respondent installed

baghouse bags that were too long for the baghouse cages, which contributed to premature failure of the bags. By failing to check that the correct bags were installed, Respondent failed to take reasonable care to avoid a foreseeable risk of conduct constituting or resulting in a violation of an emission limit, that can be prevented by a properly functioning baghouse.

"C" is Respondent's efforts to correct or mitigate the violation and receives a value of -3 according to OAR 340-012-0145(6)(c) because Respondent took reasonable affirmative efforts to minimize the effects of the violation. Respondent shut down the FBB and initiated corrective actions the same day that it was notified, on January 28, 2021, that preliminary source test information indicated an exceedance of the PM limit. As described in Section II, Paragraphs 7-15 of the Notice, Respondent subsequently conducted leak checks, replaced the baghouse bags, and conducted cleaning between the baghouse and the stack. These corrective actions restored the proper functioning of the baghouse and resulted in reduced PM emissions and compliance with the emission limit as of the February 6, 2021 source test.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of \$707. This is the amount Respondent gained by delaying spending approximately \$286,000 on corrective actions to return the Fluidized Bed boiler to compliance with the emission limit. This included replacing the baghouse bags (\$70,000), materials and contracted cleaning (\$41,000), mill labor (\$10,000) and hauling sludge off-site for disposal (\$165,000). These costs should have been incurred on or before January 23, 2021, but were actually incurred on or about February 22, 2021. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= \$6,000 + [(0.1 x \$6,000) x (4 + -1 + 3 + 4 + -3)] + \$707
= \$6,000 + (\$600 x 7) + \$707
= \$6,000 + \$4,200 + \$707
= \$10,907