



Oregon

Tina Kotek, Governor

Department of Environmental Quality
Office of Compliance and Enforcement
700 NE Multnomah Street, Suite 600
Portland, OR 97232-4100
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June 12, 2025

CERTIFIED MAIL: 9589 0710 5270 0110 6003 26

Georgia-Pacific Toledo LLC
c/o United Agent Group Inc.
5708 SE 136th Ave #2
Portland, OR 97236

Re: Notice of Civil Penalty Assessment and Order
Case No. AQ/V-WR-2024-074

This letter is to inform you that the Oregon Department of Environmental Quality (DEQ) has issued you a civil penalty of \$116,108 for violations of the Title V air quality permit for your pulp and paper mill located at 1400 SE Butler Bridge Road in Toledo, Oregon.

DEQ issued this penalty because you violated multiple permit requirements, including requirements based on federal National Emission Standards for Hazardous Air Pollutants (NESHAP) and New Source Performance Standards (NSPS) that apply to the mill. The violations include failing to maintain equipment and to promptly repair leaks in your low volume, high concentration (LVHC) system, as required under NESHAP subpart S, which is intended to capture and route Hazardous Air Pollutant (HAP) emissions to a control device. Among those pieces of equipment is a defibrator, which is part of your LVHC system. You also failed to properly maintain your recovery furnaces to minimize emissions, as required under NESHAP subpart MM. The enclosed Notice of Civil Penalty Assessment and Order (Notice) also cites you for failing to operate the control device associated with one of your smelt dissolver tanks within the operating limits set according to the NSPS subpart BBa on more than 150 occasions, which resulted in excess emissions of particulate matter and total reduced sulfur. Finally, the enclosed Notice includes a violation for off-site deposition of particulate matter in April 2024, and cites you, without penalty, for six additional permit violations.

The NESHAP standards were promulgated by the federal government and adopted by Oregon to ensure that emissions of hazardous air pollutants are kept to minimum levels to protect public health and the environment. The NESHAP subpart S aims to reduce hazardous air pollutants such as methanol, acetaldehyde and formaldehyde, and subpart MM focuses on reducing hazardous metals associated with particulate matter. Many hazardous air pollutants are known or suspected carcinogens and cause other serious health effects. NSPS subpart BBa includes standards to reduce particulate matter and total reduced sulfur (TRS) emissions at Kraft Pulp Mills.

Included in Section IV of the Notice is an order requiring you to:

- Within 30 days of the order becoming final, add the defibrator to your leak detection and repair inspection plan and submit a copy to DEQ; and
- Within 90 days of the order becoming final, install a flow indicator that provides a record of bypassing every 15 minutes on each of the ten rupture disks that are part of your closed vent system.

Please note that the above is a summary of the order and you must consult Section IV of the Notice for the order's requirements.

DEQ appreciates your efforts to correct or minimize the impacts of the violations described above including making repairs to the closed-vent system, making upgrades to your recovery furnaces, and lowering the operating rate of the recovery furnace—to meet operating limits for the control device associated with the smelt dissolver—until testing could be conducted to reset the limits. DEQ considered these efforts when determining the amount of civil penalty.

You may pay the civil penalty as follows:

Pay online with e-check (ACH) or Credit Card. Go to Your DEQ Online here: <https://ydo.oregon.gov>. Select Register Account or Login, then select Pay Invoices/Fees on your account dashboard. Enter the Invoice number and Account ID included on the attached payment slip. Note: US Bank charges a 2.3% convenience charge for credit card transactions. ACH payments have no additional charges.

Pay by check or money order: Make checks payable to “Department of Environmental Quality” and mail to the address on the enclosed payment slip. Please make sure to include the payment slip with your check or money order.

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.


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 portion of your 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 <https://www.oregon.gov/deq/Regulations/Pages/Administrative-Rules.aspx> or by calling the number below.

If you have any questions, please contact Becka Puskas at 503-979-5421 or becka.puskas@deq.oregon.gov.

Sincerely,



Erin Saylor, Interim Manager
Office of Compliance and Enforcement

Enclosures

cc: Micah Leis, Georgia-Pacific Toledo LLC (micah.leis@gapac.com)
Ann Vorderbrueggen, Georgia-Pacific Toledo LLC (ann.vorderbrueggen@gapac.com)
Scott Matchett, Attorney for Georgia-Pacific Toledo LLC (Scott.Matchett@kochps.com)
Mike Eisele, DEQ
Zach Loboy, DEQ
Accounting, DEQ

1 BEFORE THE ENVIRONMENTAL QUALITY COMMISSION

2 OF THE STATE OF OREGON

3 IN THE MATTER OF:) NOTICE OF CIVIL PENALTY
4 GEORGIA-PACIFIC TOLEDO, LLC,) ASSESSMENT AND ORDER
5 A Delaware limited liability corporation,)
6 Respondent.) CASE NO. AQ-V-WR-2024-074

7 I. AUTHORITY

8 The Department of Environmental Quality (DEQ) issues this Notice of Civil Penalty Assessment
9 and Order (Notice) pursuant to Oregon Revised Statutes (ORS) 468.100, ORS 468.126 through 468.140,
10 ORS Chapter 468A, ORS Chapter 183 and Oregon Administrative Rules (OAR) Chapter 340, Divisions
11 011, 012, and 200, 214, 218, 238, and 244.

12 II. FINDINGS OF FACT

13 1. Respondent owns and operates a pulp and paper product mill located at 1400 SE Butler Bridge
14 Road in Toledo, Oregon (the Facility).

15 2. On September 9, 2016, DEQ issued Oregon Title V Operating Permit No. 21-0005-TV-01 (the
16 2016 Permit) to Respondent. The 2016 Permit expired on December 1, 2020, but was administratively
17 extended because Respondent filed a complete and timely renewal application on December 1, 2019.
18 DEQ issued a renewal permit to Respondent on April 4, 2023 (the 2023 Permit).

19 3. Both permits authorized/authorize Respondent to discharge air contaminants from the Facility
20 in conformance with the requirements, limitations and conditions set forth in the applicable permit.

21 4. Permit coverage was in effect at all material times.

22 5. On September 12, 2022, inspectors from the U.S. Environmental Protection Agency conducted
23 a site inspection at the Facility. A DEQ inspector was also present during the inspection.

24 NESHAP Subpart S

25 6. Respondent's Facility includes emissions points in its kraft pulping system, including emission
26 points in its Low Volume High Concentration (LVHC) system and closed-vent systems, that are subject
27 to the National Emission Standards for Hazardous Air Pollutants (NESHAP) regulations in 40 code of
federal regulations (CFR) Part 63, Subpart S (Pulp and Paper Industry), adopted and incorporated by

1 reference in OAR 340-244-0220(1).

2 7. The NESHAP Subpart S requirements are incorporated into Part 2 of the 2016 Permit.

3 8. Pursuant to Part 2, Condition 25.d of the 2016 Permit, each bypass line in the closed-vent
4 system that could divert vent streams containing HAPs to the atmosphere without meeting the emission
5 limitations in 40 CFR § 63.443 (pulping system) must either (i) have a flow indicator that provides a
6 record of bypassing every 15 minutes, or (ii) be maintained in a closed position with a car seal, or a seal
7 placed on the valve or closure mechanism in such a way that the valve or closure mechanism cannot be
8 opened without breaking the seal.

9 9. On September 12, 2022, a bypass line on the positive pressure portion of the closed-vent system
10 of the accumulator was not equipped with a flow indicator or a seal. Later that same day, Respondent
11 installed a plug to manually seal the bypass line.

12 10. On September 12, 2022, there were ten rupture disks within the closed-vent system at the
13 Facility, one under positive pressure and nine under negative pressure. None of the rupture disks are
14 equipped with a flow indicator, which is defined in 40 CFR § 63.411 as “any device that indicates gas
15 or liquid flow in an enclosed system.”

16 11. As of the date of this Notice, none of the ten rupture disks described in Section II, Paragraph 10
17 above, have not been equipped with a flow indicator.

18 12. Part 2, Condition 11.a of the 2016 Permit requires Respondent to ensure that each LVHC
19 system is enclosed and vented into a closed-vent system and routed to a control device that meets the
20 requirements specified in Condition 11 and NESHAP Subpart S.

21 13. According to the definitions in 40 CFR 63.441:

- 22 a. a LVHC system means the collection of equipment including the digester, turpentine
23 recovery, evaporator, steam stripper systems, and any other equipment serving the same
24 function as those previously listed.
- 25 b. a digester system means each continuous digester or each batch digester used for the
26 chemical treatment of wood or non-wood fibers. The digester system equipment
27 includes associated flash tank(s), blow tank(s), chip steamer(s) not using fresh steam,

1 blow heat recovery accumulator(s), relief gas condenser(s), prehydrolysis unit(s)
2 preceding the pulp washing system, and any other equipment serving the same function
3 as those previously listed. The digester system includes any of the liquid streams or
4 condensates associated with batch or continuous digester relief, blow, or flash steam
5 processes.

6 14. The defibrator in the modified kraft pulping (MKP) process at the Facility is part of the digester
7 system equipment preceding the pulp washing system, and is therefore part of the LVHC system.

8 15. The defibrator is part of the LVHC system listed in Table CV-1 of the 2016 Permit.

9 16. The defibrator is not included in Respondent's leak detection and repair (LDAR) inspection
10 checklist.

11 17. On September 12, 2022, there were visible vapors leaking from the bottom of the defibrator
12 described in Section II, Paragraphs 14-16 above. The vapors were not routed to a control device;
13 instead they were released to the atmosphere through open doors and windows and/or roof vents in the
14 MKP building at the Facility.

15 18. Later that week, the defibrator fittings were tightened and the visible leak was corrected.
16 Additionally, the defibrator underwent a complete rebuild during a maintenance outage from October
17 10-14, 2022.

18 19. Pursuant to Part 2, Condition 27.a. of the 2016 Permit, where a visible defect is identified in
19 ductwork, piping, enclosures or connections to covers in the closed-vent systems listed in Table CV-1
20 of the Permit, Respondent must make a first effort to repair or correct the closed-vent system as soon as
21 practicable but no later than five calendar days after the problem is identified.

22 20. On October 3, 2022, Respondent identified a visual leak on the control valve on the #8 digester
23 (Component CV-19046) but repair work was not undertaken until October 12, 2022.

24 21. On December 19, 2022, Respondent identified a visual leak on a foul condensate receiver
25 (Component MV-3029) but repair work was not undertaken until December 29, 2022.

26 22. Components CV-19046 and MV-3029 are components of the closed-vent system listed
27 in Table CV-1 of the 2016 Permit.

1 NESHAP Subpart MM

2 23. Respondent's manufacturing process at the Facility includes two recovery furnaces known as
3 No. 1 Recovery Furnace (EU14) and No. 2 Recovery Furnace (EU16) that are subject to the NESHAP
4 regulations at Part 63, Subpart MM (Kraft Pulp Mill Chemical Recovery Combustion Sources),
5 adopted and incorporated by reference in OAR 340-244-0220(1). Both Recovery Furnaces are equipped
6 with a wet bottom electrostatic precipitator (ESP) control device.

7 24. The NESHAP Subpart MM requirements are incorporated into Part 3 of the 2016 Permit.

8 25. Pursuant to Part 3, Condition 12 of the 2016 Permit, Respondent must either comply with
9 particulate matter (PM) emissions limits for its recovery furnaces set in the NESHAP Subpart MM
10 (Condition 12.a) or comply with source-specific limits for the recovery furnaces, set under the bubble
11 provisions of the regulation (Condition 12.b).

12 26. Respondent has elected to comply with the source-specific PM limits set under the bubble
13 provisions in Condition 12.b. Specifically, in September 2020, Respondent established a PM emission
14 limit of 0.033 grains per dry standard cubic foot (gr/dscf), corrected to 8% oxygen, for both the No. 1
15 Recovery Furnace and the No. 2 Recovery Furnace, based on source using the methods in 40 CFR
16 §63.865(a)(1) and (2).

17 27. Pursuant to Part 3, Condition 12.b.iii of the 2016 Permit, Respondent must ensure that the PM
18 emissions discharged to the atmosphere from the No. 1 Recovery Furnace and the No. 2 Recovery
19 Furnace are less than or equal to the emissions limits described in Section II, Paragraph 26 above.

20 28. Pursuant to 40 CFR § 63.860, Respondent must at all times, operate and maintain the recovery
21 furnaces, including associated air pollution control equipment, in a manner consistent with safety and
22 good air pollution control practices for minimizing emissions. Determination of whether such operation
23 and maintenance procedures are being used will be based on information available to DEQ which may
24 include, but is not limited to, monitoring results, review of operation and maintenance
25 procedures, review of operation and maintenance records, and inspection of the source.

26 29. On September 12, 2022, there were substantial discharges of particulate matter from various
27 locations of both the No. 1 Recovery Furnace and the No. 2 Recovery Furnace, including from the soot

1 blower ports and ash collection hoppers. None of these PM emissions were routed to a control device.
2 In addition, there was significant accumulated dust around the furnaces.

3 30. PM emissions from the Recovery Furnace building discharge to the atmosphere through doors
4 and other openings in the building.

5 31. During a Facility outage in April 2023, to better control PM emissions from the Recovery
6 Furnaces, Respondent replaced ten access doors in the recovery furnace boiler casings as well as the
7 four ash hopper doors in each boiler. Respondent also installed tight fitting seal plates to all soot blower
8 openings on both the No. 1 Recovery Furnace 1 and the No. 2 Recovery Furnace.

9 32. Pursuant to Part 3, Condition 17 of the 2016 Permit, Respondent must install, calibrate,
10 maintain and operate a continuous opacity monitoring system (COMS) to monitor opacity from the No.
11 1 Recovery Furnace (EU14) and No. 2 Recovery Furnace (EU16), both equipped with an ESP control
12 device.

13 33. Pursuant to Part 3, Condition 17.e of the 2016 Permit, at least once per calendar quarter
14 Respondent must complete a COMS audit to produce a simulated zero opacity condition and an upscale
15 (high-level) opacity condition using a certified neutral density filter or other related technique to
16 produce a known obscuration of the light beam. Respondent must provide a system check of all the
17 analyzer's internal optical surfaces and all electronic circuitry, including the lamp and photodetector
18 assembly normally used in the measurement of opacity.

19 34. In 2023, the Facility missed the 1st Quarter COMS audits for the No. 1 Recovery Furnace and
20 the No. 2 Recovery Furnace. On April 1 and 2, 2023, Respondent calibrated the COMS daily with a
21 zero-opacity condition and an upscale opacity condition, however Respondent failed to check the zero-
22 and upscale opacity conditions using a certified neutral density filter. Respondent also failed to
23 complete quarterly maintenance system checks.

24 NSPS Subpart BBa

25 35. As part of its chemical recovery system, Respondent operates a smelt dissolving tank with
26 associated wet scrubber pollution controls that is subject to the New Source Performance Standards
27 (NSPS) regulations in 40 CFR Part 60, Subpart BBa (Kraft Pulp Mill Affected Sources for which

1 construction, Reconstruction or Modification Commenced After May 23, 2013). The tank is known as
2 No. 1 Smelt Dissolving Tank (EU 15), and the associated wet scrubber pollution control device (PCD)
3 is known as PCD 62-056. Respondent replaced the existing No. 1 Smelt Dissolving Tank on or before
4 July 2021.

5 36. Pursuant to Condition 89.b.iii. of the 2016 Permit (Modification 4), during the initial
6 performance test required in 40 C.F.R. § 60.285(a) for the No. 1 Smelt Dissolving Tank, Respondent
7 was required to establish site-specific operating limits for the monitoring parameters in Condition 89.a,
8 including differential pressure across the scrubber and scrubber liquid flow rate. Pursuant to Condition
9 89.b.iv. of the 2016 Permit (Modification 4), Respondent must continuously monitor the No. 1 Smelt
10 Dissolving Tank scrubber and collect data at 15-minute intervals.

11 37. Pursuant to Condition 89.c.i of the 2016 Permit (Modification 4), all 12-hour block average
12 scrubbing liquid flow rate measurements below the operating limit set in the initial performance test,
13 during times when black liquor solids (BLS) is fired, are defined as excess emissions.

14 38. Pursuant to Condition 89.c.ii of the 2016 Permit (Modification 4), all 12-hour block average
15 differential pressure measurements below the operating limit set in the initial performance test, during
16 times when BLS is fired, are defined as excess emissions.

17 39. Respondent conducted an initial performance test of the new No. 1 Smelt Dissolving Tank in
18 July 2021, and submitted results to DEQ on September 10, 2021. The initial performance test
19 established a minimum liquid flow rate of 56.0 gallons per minute and a minimum differential pressure
20 drop of 4.8” inches of water column for the scrubber associated with the No. 1 Smelt Dissolving Tank.

21 40. Between September 10, 2021, and October 20, 2022, Respondent operated the No. 1 Smelt
22 Dissolving Tank scrubber within the operating limits established for the previous tank but below the
23 operating standards established for the new tank in the July 2021 performance test. Specifically,
24 Respondent operated the new No. 1 Smelt Dissolving Tank below the 56.0 gallons per minute
25 minimum flow rate established in the July 2021 performance test for 104 12-hour blocks when BLS
26 was being fired and below the 4.8” inches of water column minimum differential pressure drop for 57
27 12-hour blocks when BLS was being fired.

1 Other violations

2 41. Condition 106 of the 2016 Permit requires Respondent to make every effort to maintain 100
3 percent of the records required by the permit. If information is not obtained or recorded for legitimate
4 reasons (e.g., the monitor or data acquisition system malfunctions due to a power outage), the missing
5 record(s) will not be considered a permit deviation provided the amount of data lost does not exceed
6 10% of the averaging periods in a reporting period or 10% of the total operating hours in a reporting
7 period, if no averaging time is specified.

8 42. After installing a new NOx continuous emissions monitor (CEM) for the No. 5 Power Boiler
9 (EU22), the data collected between August 26, 2022, and September 2, 2022, from the NOx monitor
10 was invalid for reporting purposes because the monitor had not passed the required initial seven-day
11 drift test. Respondent estimated that the monitoring data was invalid for 14% of the quarterly reporting
12 period (178 hours of invalid monitoring data / 1,250 hours of operation for the No. 5 Power Boiler).

13 43. Pursuant to Part 2, Conditions 97 and 97.a.i. of the 2016 Permit, Respondent must take readings
14 and record in a log, once per shift, the results of inspections of the water flow (in gallons per minute) to
15 the showers at the slaker vent for Slaker No. 2 and Slaker No. 3 (part of EU103), and take corrective
16 actions pursuant to Condition 97.a, if the flow is less than the emission action levels for each slaker.
17 Respondent operates the Facility on 12-hour shifts.

18 44. Pursuant to Part 2, Condition 115 of the 2016 Permit, Respondent must promptly report
19 deviations from permit requirements that do not cause excess emissions, including those attributable to
20 upset conditions, as defined in the permit, the probable cause of such deviations, and any corrective
21 actions or preventive measures taken. "Prompt" means within fifteen (15) days of the deviation.

22 45. On April 27, 2023 (as amended on May 15, 2023), Respondent submitted a permit deviation
23 form R1008 indicating that on two occasions: January 11–12, 2023, and March 4–5, 2023, during the
24 6:30 pm–6:30 am shift, the shower flow rates were not logged for Slaker Nos. 2 and 3.

25 46. Pursuant to the NESHAP for Stationary Reciprocating Internal Combustion Engines (RICE),
26 Subpart ZZZZ, specifically 40 CFR § 63.6645(c), adopted and incorporated by reference in OAR 340-
27 244-0220(1), and Part 6 of the 2016 Permit, when the owner or operator of a stationary RICE with a

1 site rating of more than 500 brake horsepower (HP) located at a major source of Hazardous Air
2 Pollutant (HAP) emissions starts the unit up, the owner or operator must submit an initial notification to
3 DEQ no later than 120 days after the unit becomes subject to the requirements of Subpart ZZZZ.

4 47. In December 2021, Respondent installed three temporary diesel-powered air compressors at the
5 Facility to use until the Facility's permanent electric-powered air compressors could be repaired or
6 replaced. Due to supply-chain issues, Respondent needed to retain the temporary RICE compressors for
7 longer than 12-months and submitted a Notice of Approval (NOA) to DEQ on October 20, 2022,
8 requesting that the temporary RICE compressors be incorporated into the 2016 Permit. Each of the
9 units had a maximum site rating of 535 HP. DEQ approved the NOA on November 23, 2022, at which
10 time the new units became subject to the requirements of Subpart ZZZZ.

11 48. Respondent failed to submit the initial notification required by Subpart ZZZZ for the three new
12 compressor engines within 120 days of the NOA approval (by March 23, 2023). Respondent has
13 subsequently removed the engines from the Facility, so an initial notification is no longer needed.

14 49. Pursuant to Part 1, Condition 7 of the 2023 Permit, Respondent may not cause or permit the
15 deposition of any particulate matter larger than 250 microns in size at sufficient duration or quantity as
16 to create an observable deposition upon the real property of another person.

17 50. On April 1, 2024, Respondent used front-loading equipment to handle dry, spent lime material
18 that was being stored at the Facility until it could be sent offsite for beneficial reuse. Lime material left
19 Respondent's property and left an observable deposition on an adjacent sidewalk.

20 51. On April 11, 2024, Respondent submitted a deviation report to DEQ that stated that it had
21 deviated from the requirements of Part 1, Condition 7 of the 2023 Permit.

22 52. Following the event described in Section II, Paragraph 50, above Respondent constructed a new
23 covered storage area for spent lime material.

24 53. Pursuant to Part 1, Condition 12 of the 2023 Permit, Respondent must not cause or allow total
25 reduced sulfur (TRS) emissions in excess of 10 parts per million (ppm) from the No. 1 Recovery
26 Furnace (EU 14) or the No. 2 Recovery Furnace, as a daily arithmetic average. Pursuant to Part 1,
27 Condition 20 of the 2023 Permit, the TRS emissions are measured as hydrogen sulfide (H₂S) with a

1 continuous emissions monitoring system (CEMS) at the outlet of the control devices on the Recovery
2 Furnaces, corrected to 8% oxygen.

3 54. On February 25, 2025, while bringing the Facility back online after a power outage caused by a
4 storm, Respondent's TRS emissions from No. 1 Recovery Furnace measured 40.4 ppm at 8% oxygen.

5 III. CONCLUSIONS

6 NESHAP Subpart S

7 1. Respondent violated Part 2, Condition 25.d of the 2016 Permit by failing to equip bypass lines
8 in the closed-vent system with a flow indicator or a seal, as described in Section II, Paragraphs 6-11 above.
9 These are Class I violations pursuant to OAR 340-012-0054(1)(i). DEQ hereby assesses a \$17,400 civil
10 penalty for these violations.

11 2. Respondent violated Part 2, Condition 11.a of the 2016 Permit by failing to ensure that the
12 emissions from the defibrator in the MKP process, part of the LVHC system, were routed to a control
13 device that meets the requirements specified Condition 11 of the Permit and NESHAP subpart S, as
14 described in Section II, Paragraphs 12-18 above. These are Class I violations according to OAR 340-
15 012-0054(1)(i). DEQ hereby assesses a \$15,600 for these violations.

16 3. Respondent violated Part 2, Condition 27.a of the 2016 Permit by failing on two occasions to
17 take corrective actions within five days of identifying a visible defect with a closed-vent system, as
18 described in Section II, Paragraphs 19-22 above. These are Class I violations pursuant to OAR 340-012-
19 0054(1)(i). DEQ hereby assesses a \$14,400 civil penalty for these violations.

20 NESHAP Subpart MM

21 4. Respondent violated 40 CFR § 63.860, adopted and incorporated by reference in OAR 340-
22 244-0220(1), by failing to operate and maintain the recovery furnaces in a manner consistent with
23 safety and good air pollution control practices for minimizing emissions, as described in Section II,
24 Paragraphs 23-31 above. Specifically, on September 12, 2022, there were substantial discharges of PM
25 from various locations of both the No. 1 Recovery Furnace and the No. 2 Recovery Furnace that were
26 not routed to a control device but rather discharged into the recovery furnace building and ultimately to
27 the atmosphere. Significant amounts of dust on and around the recovery furnaces indicate that they had

1 | been discharging in this manner for some time. In April 2023, Respondent replaced eighteen access
2 | doors in the recovery furnace boiler casings to reduce PM emissions. These are Class II violations
3 | pursuant to OAR 340-012-0054(2)(b). DEQ hereby assesses a \$46,508 penalty for these violations.

4 | 5. Respondent violated Part 3, Condition 17.e of the 2016 Permit by failing to complete the first
5 | Quarter 2023 COMS audits for the COMS associated with the No. 1 Recovery Furnace and the No. 2
6 | Recovery Furnace, failing to check the zero- and upscale opacity conditions using a certified neutral
7 | density filter, and failing to complete maintenance system checks, as described in Section II, Paragraphs
8 | 32-34 above. These are Class I violations pursuant to OAR 340-012-0054(1)(p). DEQ has not assessed a
9 | civil penalty for these violations.

10 | NSPS Subpart BBa

11 | 6. Respondent violated Part 1, Modification 4, Conditions 89.c.i and 89.c.ii of the 2016 Permit by
12 | exceeding the operating limits for scrubber (PCD 62-056) on the No. 1 Smelt Dissolver Tank (EU-15).
13 | Specifically, Respondent exceeded the 12-hour block average scrubbing liquid flow rate established during
14 | the initial 40 CFR Part 60 Subpart BBa performance test on 104 occasions, and exceeded the 12-hour
15 | block average scrubber differential pressure limit on 57 occasions, for a total of 161 excess emissions
16 | events, as described in Section II, Paragraphs 35-40 above. These are Class I violations pursuant to OAR
17 | 340-012-0054(1)(i). DEQ hereby assesses a \$15,600 civil penalty for these violations.

18 | Other violations

19 | 7. Respondent violated Part 1, Condition 106 of the 2016 Permit by exceeding the allowable
20 | down time for Power Boiler 5's (EU22) NOx continuous emissions monitor, as described in Section II,
21 | Paragraphs 41-42 above. This is a Class I violation pursuant to OAR 340-012-0054(1)(p). DEQ has not
22 | assessed a civil penalty for this violation.

23 | 8. Respondent violated Part 1, Conditions 97 and 97.a.i of the 2016 Permit by failing on two
24 | occasions to record the water flow to the showers at the slaker vent for Slaker No. 2 and Slaker No. 3 at
25 | least once per shift, as described in Section II, Paragraphs 43-45 above. These are Class II violations
26 | according to OAR 340-012-0054(2)(b). DEQ has not assessed a civil penalty for these violations.

27 | \\\

1 9. Respondent violated Part 1, Condition 115 of the 2016 Permit by failing on two occasions to
2 report permit deviations to DEQ within 15 days, as described in Section II, Paragraphs 43-45 above. These
3 are Class II violations pursuant to OAR 340-012-0054(2)(g). DEQ has not assessed a civil penalty for
4 these violations.

5 10. Respondent violated 40 CFR § 63.6645(c) and Part 6 of the 2016 Permit by failing to submit
6 initial notifications for three RICE compressors, as described in paragraphs 46-48 above. These are Class
7 II violations pursuant to OAR 340-012-0054(2)(b). DEQ has not assessed a civil penalty for these
8 violations.

9 11. Respondent violated Part 1, Condition 7 of the 2023 Permit by allowing off-site deposition of
10 particulate matter, as described in Section II, Paragraphs 49-52 above. This is a Class II violation pursuant
11 to OAR 340-012-0054(2)(b). DEQ hereby assesses a \$6,600 civil penalty for this violation.

12 12. Respondent violated Part 1, Condition 12 of the 2023 Permit, by emitting TRS from the
13 Recovery Furnaces in excess of the 10 parts per million (ppm) limit during startup on February 25,
14 2025, as described in Section II, Paragraphs 53-54, above. This is a Class II violation pursuant to OAR
15 340-012-0054(2)(b). DEQ has not assessed a civil penalty for this violation.

16 IV. ORDER TO PAY CIVIL PENALTY AND TO COMPLY

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

- 19 1. Pay a total civil penalty of \$116,108. The determination of the civil penalties are attached as
20 Exhibits 1 through 6 and are incorporated as part of this Notice.
- 21 2. Respondent must comply with the following requirements:
 - 22 a. Within 30 days of this order becoming final by operation of law or on appeal, add the
23 defibrator described in Section II, Paragraphs 14-18 above to the Facility's NESHAP
24 Subpart S leak detection and repair inspection plan and submit a copy to DEQ.
 - 25 b. Within 90 days of this order becoming final by operation of law or on appeal, install a flow
26 indicator that provides a record of bypassing every 15 minutes on each of the ten rupture
27 disks described in Section II, Paragraph 10 above.

1 If you do not file a request for hearing as set forth in Section V below, please pay the penalty as
2 follows:

3 Pay online with e-check (ACH) or Credit Card. Go to Your DEQ Online here:
4 <https://ydo.oregon.gov>. Select Register Account or Login, then select Pay Invoices/Fees on your account
5 dashboard. Enter the Reference Number and FIMS Account ID included on the attached payment slip.
6 Note: US Bank charges a 2.3% convenience charge for credit card transactions. ACH payments have no
7 additional charges.

8 Pay by check or money order: Make checks payable to “Department of Environmental
9 Quality” and mail to the address on the enclosed payment slip. Please make sure to include the payment
10 slip with your check or money order.

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

12 You have a right to a contested case hearing on this Notice, if you request one in writing. DEQ
13 must receive your request for hearing **within 20 calendar days** from the date you receive this Notice. If
14 you have any affirmative defenses or wish to dispute any allegations of fact in this Notice or attached
15 exhibits, you must do so in your request for hearing, as factual matters not denied will be considered
16 admitted, and failure to raise a defense will be a waiver of the defense. (See OAR 340-011-0530 for
17 further information about requests for hearing.) You must send your request to: **DEQ, Office of**
18 **Compliance and Enforcement, 700 NE Multnomah Street, Suite 600, Portland, Oregon 97232**, fax
19 it to **503-229-6762** or email it to DEQappeals@deq.oregon.gov. An administrative law judge
20 employed by the Office of Administrative Hearings will conduct the hearing, according to ORS
21 Chapter 183, OAR Chapter 340, Division 011 and OAR 137-003-0501 to 0700. You have a right to be
22 represented by an attorney at the hearing, however you are not required to be. If you are an individual,
23 you may represent yourself. If you are a corporation, partnership, limited liability company,
24 unincorporated association, trust or government body, you must be represented by an attorney or a duly
25 authorized representative, as set forth in OAR 137-003-0555.

26 Active duty Service members have a right to stay proceedings under the federal Service
27 Members Civil Relief Act. For more information contact the Oregon State Bar at 1-800-

1 452-8260, the Oregon Military Department at 503-584-3571, or the nearest United States Armed
2 Forces Legal Assistance Office through <http://legalassistance.law.af.mil>. The Oregon Military
3 Department does not have a toll free telephone number.

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

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11
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13 6/12/2025

14 Date

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27 Erin Saylor

Erin Saylor, Interim Manager
Office of Compliance and Enforcement

EXHIBIT 1

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

VIOLATION NO. 1 Respondent violated Part 2, Condition 25.d of the 2016 Permit failing to equip bypass lines in the closed-vent system with a flow indicator or a seal.

CLASSIFICATION: These are Class I violations pursuant to OAR 340-012-0054(1)(i).

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 10 according to OAR 340-012-0145(2) because Respondent has 17 Class I violations and one Class II violation in Case No. AQ/V-WR-2021-166 and five Class I violations and three Class II violations in Case No. AQ/V-WR-2020-010. Pursuant to OAR 340-012-0145(2)(b), the value of "P" will not exceed 10.

"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. Some of the prior violations were emission limit violations. The violations are uncorrectable but Respondent took reasonable efforts to prevent the recurrence of the violations.

"O" is whether the violation was repeated or ongoing, and receives a value of 4 according to OAR 340-012-0145(4)(d) because there were more than 28 occurrences of the violation. Each day is a separate occurrence of the violation. On September 12, 2022, there were a total of 11 bypass lines that were in the closed-vent system that were not equipped with a flow indicator or a seal. Later that same day, Respondent manually plugged the bypass line on the positive pressure portion of the closed-vent system of the accumulator. As of the

date of the Notice, none of the ten rupture disks have been equipped with a flow indicator. Therefore, there are more than 28 occurrences of the violation.

"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 340-0120030(15), negligent means the respondent failed to take reasonable care to avoid a foreseeable risk of conduct constituting or resulting in a violation. Ensuring that all bypass lines in the closed-vent system are monitored or sealed is an express condition of the Permit and NESHAP Subpart S, intended to prevent bypasses of HAPs to the atmosphere that do not meet emission limitations. By failing to ensure that the bypass lines were properly monitored or sealed, Respondent failed to take reasonable care to avoid a foreseeable risk of conduct constituting or resulting in a violation.

"C" is Respondent's efforts to correct or mitigate the violation, and receives a value of 2 according to OAR 340-012-0145(6)(g) because Respondent did not address the violation as described in paragraphs (6)(a) through (6)(e) and the facts do not support a finding under paragraph (6)(f). Respondent installed a plug to manually seal one bypass line on September 12, 2022. However, Respondent has not equipped the ten rupture disks in the closed-vent system with flow indicators.

"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 \$0 because DEQ has insufficient information to calculate an economic benefit associated with this violation.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$

$$\begin{aligned} &= \$6,000 + [(0.1 \times \$6,000) \times (10 + -1 + 4 + 4 + 2)] + \$0 \\ &= \$6,000 + (\$600 \times 19) + \$0 \\ &= \$6,000 + \$11,400 + \$0 \\ &= \$17,400 \end{aligned}$$

EXHIBIT 2

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

VIOLATION NO. 2 Respondent violated Part 2, Condition 11.a of the 2016 Permit by failing to ensure that the emissions from the defibrator in the MKP process, part of the LVHC system, were routed to a control device that meets the requirements specified Condition 11 of the Permit and NESHAP subpart S.

CLASSIFICATION: These are Class I violations pursuant to OAR 340-012-0054(1)(i).

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 10 according to OAR 340-012-0145(2) because Respondent has 17 Class I violations and one Class II violation in Case No. AQ/V-WR-2021-166 and five Class I violations and three Class II violations in Case No. AQ/V-WR-2020-010. Pursuant to OAR 340-012-0145(2)(b), the value of "P" will not exceed 10.

"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. Some of the prior violations were emission limit violations. The violations are uncorrectable but Respondent took reasonable efforts to prevent the recurrence of the violations.

"O" is whether the violation was repeated or ongoing, and receives a value of 2 according to OAR 340-012-0145(4)(b) because there was more than one but less than seven occurrences of the violation. Each day is a separate occurrence of the violation. The violation began on or before September 12, 2022, and continued until later that week when the defibrator

fittings were tightened and the visible leak was corrected. Therefore, there was more than one occurrence of the violation.

"M" is the mental state of the Respondent, and receives a value of 8 according to OAR 340-012-0145(5)(d) because Respondent's conduct was reckless. According to OAR 340-012-0030(20), reckless means the respondent consciously disregarded a substantial and unjustifiable risk that the result would occur or that the circumstance existed. The risk must be of such a nature and degree that disregarding that risk constituted a gross deviation from the standard of care a reasonable person would observe in that situation. The LVHC requirements of NESHAP Subpart S are intended to reduce the emissions of HAPs such as methanol, acetaldehyde and formaldehyde generated by the pulp and paper industry. Maintaining a closed-vent system and routing HAP emissions to a control device are key components of the regulation. Respondent was previously cited by DEQ, in case no. AQ-V-WR-2020-010 for failing to ensure that the emissions from its LVHC system (which were also part of the MKP process), were routed to a control device that meets the requirements of NESHAP Subpart S. In addition, Respondent conducts monthly LDAR inspections of the LVHC system and should have identified and repaired the leak in the defibrator in the MKP process. Therefore, by failing to identify and correct the leak in this part of its LVHC system despite previous similar violations, Respondent consciously disregarded a substantial and unjustifiable risk of violating the requirement to capture and control emissions from its LVHC system.

"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 made reasonable efforts to correct the violation. Later in the week of September 12, 2022, Respondent tightened the defibrator fittings and corrected the visible leak. Additionally, the defibrator underwent a complete rebuild during a maintenance outage from October 10-14, 2022.

"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 \$0 because DEQ has insufficient information to calculate an economic benefit associated with this violation.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$

$$\begin{aligned} &= \$6,000 + [(0.1 \times \$6,000) \times (10 + -1 + 2 + 8 + -3)] + \$0 \\ &= \$6,000 + (\$600 \times 16) + \$0 \\ &= \$6,000 + \$9,600 + \$0 \\ &= \$15,600 \end{aligned}$$

EXHIBIT 3

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

VIOLATION NO. 3 Respondent violated Part 2, Condition 27.a of the 2016 Permit by failing on two occasions to take corrective actions within five days of identifying a visible defect with a closed-vent system.

CLASSIFICATION: These are Class I violations pursuant to OAR 340-012-0054(1)(i).

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 10 according to OAR 340-012-0145(2) because Respondent has 17 Class I violations and one Class II violation in Case No. AQ/V-WR-2021-166 and five Class I violations and three Class II violations in Case No. AQ/V-WR-2020-010. Pursuant to OAR 340-012-0145(2)(b), the value of "P" will not exceed 10.

"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. Some of the prior violations were emission limit violations. The violations are uncorrectable but Respondent took reasonable efforts to prevent the recurrence of the violations.

"O" is whether the violation was repeated or ongoing, and receives a value of 2 according to OAR 340-012-0145(4)(b) because there was more than one but less than seven occurrences of the violation. Respondent failed to take timely corrective actions on two occasions.

"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 340-012-0030(15), negligent means the respondent failed to take reasonable care to avoid a

foreseeable risk of conduct constituting or resulting in a violation. By failing to ensure the leaks were included on the internal tracking tool and thereby failing to ensure that Respondent's maintenance technicians were aware of the issue, Respondent failed to take reasonable care to avoid the foreseeable risk a violation would occur.

"C" is Respondent's efforts to correct or mitigate the violation, and receives a value of -1 according to OAR 340-012-0145(6)(e) because Respondent made reasonable efforts to ensure the violation would not be repeated. Respondent has worked with its contractor to ensure that leak reports are promptly and clearly reported to maintenance technicians.

"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 \$0 because DEQ has insufficient information to calculate an economic benefit associated with this violation.

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 (10 + -1 + 2 + 4 + -1)] + \$0
= \$6,000 + (\$600 x 14) + \$0
= \$6,000 + \$8,400 + \$0
= \$14,400

EXHIBIT 4

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

VIOLATION NO. 4 Respondent violated 40 CFR § 63.860, adopted and incorporated by reference in OAR 340-244-0220(1), by failing to operate and maintain the recovery furnaces in a manner consistent with safety and good air pollution control practices for minimizing emissions.

CLASSIFICATION: These are Class II violations pursuant to OAR 340-012-0054(2)(b).

Pursuant to OAR 340-012-0150(5), DEQ is assessing a civil penalty of \$46,508 for economic benefit only.

"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 \$46,508. This is the amount Respondent gained by delaying spending \$799,545, from at least September 12, 2022, to April 1, 2023, to replace ten access doors in the recovery furnace boiler casings, replace four ash hopper doors in each boiler, and install tight fitting seal plates to all soot blower openings on both recovery furnaces. This "EB" was calculated pursuant to OAR 340-012-0150(1) using the U.S. Environmental Protection Agency's BEN computer model.

EXHIBIT 5

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

VIOLATION NO. 6 Respondent violated Part 1, Modification 4, Conditions 89.c.i and 89.c.ii of the 2016 Permit by failing to operate the No. 1 Smelt Dissolver Tank scrubber within the operating limits set in the initial 40 CFR Part 60 Subpart BBa performance test.

CLASSIFICATION: These are Class I violations pursuant to OAR 340-012-0054(1)(i).

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 10 according to OAR 340-012-0145(2) because Respondent has 17 Class I violations and one Class II violation in Case No. AQ/V-WR-2021-166 and five Class I violations and three Class II violations in Case No. AQ/V-WR-2020-010. Pursuant to OAR 340-012-0145(2)(b), the value of "P" will not exceed 10.

"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. Some of the prior violations were emission limit violations. The violations are uncorrectable but Respondent took reasonable efforts to prevent the recurrence of the violations.

"O" is whether the violation was repeated or ongoing, and receives a value of 4 according to OAR 340-012-0145(4)(d) because there were more than 28 occurrences of the violation. Each day is a separate occurrence of the violation. Between September 10, 2021, and October 20, 2022, Respondent operated the No. 1 Smelt Dissolving Tank below the minimum flow rate on 104 occasions and below the minimum differential pressure drop on 57 occasions.

- "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 340-012-0030(15), negligent means the respondent failed to take reasonable care to avoid a foreseeable risk of conduct constituting or resulting in a violation. The requirement to operate the No. 1 Smelt Dissolver Tank's control device within the operating limits set in the initial compliance test is clear in the permit, by failing to follow the permit requirements after completing the test, Respondent failed to take reasonable care to avoid the foreseeable risk a violation would occur.
- "C" is Respondent's efforts to correct or mitigate the violation, and receives a value of -1 according to OAR 340-012-0145(6)(e) because Respondent made reasonable efforts to ensure the violation would not be repeated. Respondent lowered the operating rate of the recovery furnace so the No. 1 Smelt Dissolver Tank scrubber could be operated within the parameters set by the July 2021 performance test until additional testing was completed to broaden the operating parameters.
- "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 \$0 because DEQ has insufficient information to calculate an economic benefit for this violation.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$

$$= \$6,000 + [(0.1 \times \$6,000) \times (10 + -1 + 4 + 4 + -1)] + \$0$$

$$= \$6,000 + (\$600 \times 16) + \$0$$

$$= \$6,000 + \$9,600 + \$0$$

$$= \$15,600$$

EXHIBIT 6

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

- VIOLATION NO. 11 Respondent violated Part 1, Condition 7 of the 2023 Permit by allowing off-site deposition of particulate matter.
- CLASSIFICATION: This is a Class II violation pursuant to OAR 340-012-0054(2)(b).
- 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 \$3,000 for a Class II, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(B)(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 10 according to OAR 340-012-0145(2) because Respondent has 17 Class I violations and one Class II violation in Case No. AQ/V-WR-2021-166 and five Class I violations and three Class II violations in Case No. AQ/V-WR-2020-010. Pursuant to OAR 340-012-0145(2)(b), the value of "P" will not exceed 10.
- "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. Some of the prior violations were emission limit violations. The violations are uncorrectable but Respondent took reasonable efforts to prevent the recurrence of the violations.
- "O" is whether the violation was repeated or ongoing, and receives a value of 0 according to OAR 340-012-0145(4)(a) because there was only one occurrence of the violation. Respondent caused observable off-site deposition of particulate matter on April 1, 2024.
- "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 340-012-0030(15), negligent means the respondent failed to take reasonable care to avoid a foreseeable risk of conduct constituting or resulting in a violation. Respondent was cited for

this same violation in two prior cases: Case No. AQ/V-WR-2020-010 and Case No. AQ/V-WR-2021-166. By failing to take steps to prevent further violations of this permit condition, Respondent failed to take reasonable care to avoid the foreseeable risk that a violation would occur.

"C" is Respondent's efforts to correct or mitigate the violation, and receives a value of -1 according to OAR 340-012-0145(6)(e) because Respondent made reasonable efforts to ensure the violation would not be repeated by constructing a new covered storage area for the spent lime material.

"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 \$0 because DEQ has insufficient information to calculate an economic benefit associated with this violation.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$

$$\begin{aligned} &= \$3,000 + [(0.1 \times \$3,000) \times (10 + -1 + 0 + 4 + -1)] + \$0 \\ &= \$3,000 + (\$300 \times 12) + \$0 \\ &= \$3,000 + \$3,600 + \$0 \\ &= \$6,600 \end{aligned}$$

Oregon Department of Environmental Quality
 700 NE Multnomah Street, Suite 600
 Portland, OR 97232-4100



State of Oregon
 Department of Environmental Quality

Phone: 503-229-5437
 Fax: 503-229-5850

CIVIL PENALTY - ORS 468.135(2)

DATE:	June 12, 2025
RESPONSE DATE :	August 21, 2025
TOTAL PENALTY:	\$116,108.00

Account Name:	GEORGIA-PACIFIC TOLEDO LLC		
Account Type:	Vendor/Organization/Company	Reference Number:	CPGFD2500054
SubSystem ID:	216752	FIMS Acct. ID:	21187

Penalty Summary

Penalty Amount	Interest	Adjustment	Amount Paid	Total Penalty
\$ 116,108.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 116,108.00

Payment of this penalty is subject to the exercise of your options or right to appeal as described in the enclosed enforcement documents.

To Pay Online with ACH or Credit Card Visit <https://ydo.oregon.gov> and select 'Register Account'



 PLEASE RETURN THIS PORTION WITH YOUR PAYMENT



REFERENCE NO.	CPGFD2500054		
PAYCODE:	00401 7400 10040 74001 0500 000000 00		
FEE PROGRAM ID:	950	RESPONSE DATE:	August 21, 2025
FIMS ACCT. ID:	21187	TOTAL PENALTY DUE:	\$116108.00

AMOUNT ENCLOSED:

MAKE CHECK PAYABLE TO: Department of Environmental Quality

DEQ FINANCIAL SERVICES - LBX4244
 PO BOX 4244
 PORTLAND OR 97208-4244

Check this box if updated address information has been provided on the back of the form.

00401 7400 10040 74001 0500 000000 0095000211878CPGFD250005400116108006



State of Oregon
Department of
Environmental
Quality

State of Oregon Department of Environmental Quality

CIVIL PENALTY - ORS 468.135(2)

700 NE Multnomah Street, Suite 600
Portland, OR 97232-4100
Phone: 503-229-5437
Fax: 503-229-5850

Penalty Detail

Transaction Date	Description	Amount
6/11/2025	2024-074 AQ-V-WR-2024-074	\$116,108.00

SFMS Agencies Use:

Trans Code	Treasury Fund	SFMS	Index	PCA (5)	Agency Object	Project #	Phase
723	00401	7400	10040	74001	0500	00000	00

Address Changes

Please visit <https://ydo.oregon.gov> to update your mailing address online or provide the following information:

Name _____
Address _____
City, State, Zip _____

CERTIFICATE OF MAILING

I hereby certify that I served DEQ Case No. AQ-V-WR-2024-074 upon:

9589 0710 5270 0110 6003 26

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT <i>Domestic Mail Only</i>	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$ _____
<input type="checkbox"/> Return Receipt (electronic)	\$ _____
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____
	Postmark Here
Georgia-Pacific Toledo LLC c/o United Agent Group Inc. 5708 SE 136th Ave #2 Portland, OR 97236	
PS Form 3800, January 2023 PSN 7530-02-000-8047 See Reverse for Instructions	

By mailing a true copy of the above by placing it in a sealed envelope, with postage prepaid at the DEQ/DAS mail services in Portland, Oregon on June 12, 2025

Isaac Griffith

Isaac Griffith, Case Coordinator
Office of Compliance & Enforcement
Department of Environmental Quality