



Oregon

Tina Kotek, 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

July 22, 2025

CERTIFIED MAIL: 9589 0710 5270 3236 6176 98

Columbia Plywood Corporation
c/o CT Corporation System
780 Commercial St SE, Ste 100
Salem, OR 97301

Re: Notice of Civil Penalty Assessment and Order
Case No. WQ/I-ER-2025-562

This letter is to inform you that the Oregon Department of Environmental Quality (DEQ) has issued Columbia Plywood Corporation a civil penalty of \$2,600 for releasing hydraulic oil to the Upper Klamath River from your facility in Klamath Falls on February 20, 2025. This discharge was not authorized under your NPDES waste discharge permit and is a violation of Oregon environmental law.

DEQ issued this penalty because the introduction of oil into waters of the state poses a risk to water quality. DEQ is concerned with the adverse impacts and cumulative effects that numerous spills of this kind have on the water quality of the Klamath River and Oregon's water quality in general.

DEQ appreciates your efforts to minimize the impacts of the violation by immediately deploying an absorbent boom to contain the spill and cleaning up the oil. DEQ considered these efforts when determining the amount of the 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.

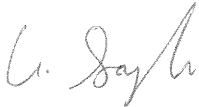
The attached Notice further details DEQ's reasons for issuing the penalty and provides further instructions for appealing the penalty. Please review and refer to it when discussing this case with DEQ.

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 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 Esther Westbrook at 503-229-5374 or toll free in Oregon at 800-452-4011, extension 5374.

Sincerely,



Erin Saylor, Interim Manager
Office of Compliance and Enforcement

Enclosures

cc: Bill Surber, Columbia Forest Products: wsurber@cfpwood.com
Justin Sterger, Bend Office, DEQ
Accounting, DEQ

BEFORE THE ENVIRONMENTAL QUALITY COMMISSION
OF THE STATE OF OREGON

IN THE MATTER OF:)
COLUMBIA PLYWOOD CORPORATION,) NOTICE OF CIVIL PENALTY
a North Carolina corporation,) ASSESSMENT AND ORDER
Respondent.) CASE NO. WQ/I-ER-2025-562

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 466.994, ORS Chapter 183 and Oregon Administrative Rules (OAR) Chapter 340, Divisions 011, 012, and 045.

II. FINDINGS OF FACT

1. Respondent operates a plywood mill located at 4949 S. Highway 97 in Klamath Falls, Klamath County, Oregon (the Facility).

2. Respondent has coverage under a National Pollutant Discharge Elimination System Waste Discharge Permit No. 100016 (the Permit), which allows it to construct, install, modify, or operate a wastewater collection, treatment, control and disposal system, including in-stream log handling, and to discharge to waters of the state, specifically the Upper Klamath River and Lake Ewauna, adequately treated wastewater in conformance with all the requirements, limitations, and conditions set forth in the Permit. The Permit was in effect at all material times.

3. On February 20, 2025, a hydraulic hose fitting on a cherry picker crane used to handle logs in the river ruptured, causing the release of approximately 40 gallons of hydraulic oil into the Upper Klamath River.

4. Hydraulic oil is a substance which may cause pollution of waters of the state and is therefore “waste” under ORS 468B.005(9).

5. Schedule A, Condition 1 of the Permit does not authorize the discharge of hydraulic oil to the Upper Klamath River from any discharge point at the Facility.

1 III. CONCLUSION

2 On February 20, 2025, Respondent violated ORS 468B.050(1)(a) by discharging a waste,
3 specifically hydraulic oil, into waters of the state, the Upper Klamath River, without a waste discharge
4 permit or from a discharge point not authorized by a waste discharge permit. This is a Class I violation
5 according to OAR 340-012-0055(1)(c). DEQ hereby assesses a \$2,600 civil penalty for this violation.

6 IV. ORDER TO PAY CIVIL PENALTY

7 Based upon the foregoing FINDINGS OF FACTS AND CONCLUSION, Respondent is hereby
8 ORDERED TO:

9 Pay a civil penalty of \$2,600. The determination of the civil penalty is attached as Exhibit No.
10 1 and is incorporated as part of this Notice.

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

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

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

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

22 You have a right to a contested case hearing on this Notice, if you request one in writing. DEQ
23 must receive your request for hearing **within 20 calendar days** from the date you receive this Notice. If
24 you have any affirmative defenses or wish to dispute any allegations of fact in this Notice or attached
25 exhibit, you must do so in your request for hearing, as factual matters not denied will be considered
26 admitted, and failure to raise a defense will be a waiver of the defense. (See OAR 340-011-0530 for
27 further information about requests for hearing.) You must send your request to: **DEQ, Office of**

1 **Compliance and Enforcement, 700 NE Multnomah Street, Suite 600, Portland, OR 97232**, fax it to
2 **503-229-6762** or email it to **DEQappeals@deq.oregon.gov**. An administrative law judge employed by
3 the Office of Administrative Hearings will conduct the hearing, according to ORS Chapter 183, OAR
4 Chapter 340, Division 011 and OAR 137-003-0501 to 0700. You have a right to be represented by an
5 attorney at the hearing, however you are not required to be. If you request a hearing, you will be
6 notified of the time and place of the hearing and you will be given information on the procedures, and
7 other rights of parties relating to the conduct of the hearing before commencement of the hearing. If
8 you are an individual, you may represent yourself. If you are a corporation, partnership, limited liability
9 company, unincorporated association, trust or government body, you must be represented by an
10 attorney or a duly authorized representative, as set forth in OAR 137-003-0555.

11 Active-duty Service members have a right to stay proceedings under the federal Service
12 Members Civil Relief Act. For more information contact the Oregon State Bar at 1-800-
13 452-8260, the Oregon Military Department at 503-584-3571, or the nearest United States Armed
14 Forces Legal Assistance Office through <http://legalassistance.law.af.mil>. The Oregon Military
15 Department does not have a toll-free telephone number.

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

22
23
24 7/22/2025
25 Date

24 Erin Saylor
25 Erin Saylor, Interim Manager
26 Office of Compliance and Enforcement
27

EXHIBIT 1

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

- VIOLATION: Discharging a waste into waters of the state without a waste discharge permit or from a discharge point not authorized by a waste discharge permit, in violation of ORS 468B.050(1)(a).
- CLASSIFICATION: This is a Class I violation pursuant to OAR 340-012-0055(1)(c).
- MAGNITUDE: The magnitude of the violation is minor pursuant to OAR 340-012-0130(4) as DEQ finds that the violation had no more than a de minimis adverse impact on human health or the environment, and posed no more than a de minimis threat to human health or the environment. In making this finding, DEQ considered the following facts: the small volume spilled (40 gallons), Respondent promptly contained and cleaned up most of the spilled material, and there were no observable impacts to the river.
- 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 \$2,000 for a Class I, minor magnitude violation in the matrix listed in OAR 340-012-0140(3)(b)(A)(iii) and applicable pursuant to OAR 340-012-0140(3)(a)(E)(ii) because Respondent has a Tier II industrial source NPDES 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 2 according to OAR 340-012-0145(2)(a)(C) because Respondent had one Class I violation in Case No. WQ/I-ER-2022-142.
- "H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).
- "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 on February 20, 2025.
- "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. In 2021, Respondent received a Warning Letter for a release of hydraulic oil from the same piece of equipment. Therefore, Respondent was aware of the risk that the cherry picker could release oil in the event of a

malfunction. By failing to prevent an additional release of oil from the cherry picker, 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 -3 according to OAR 340-012-0145(6)(c) because Respondent made reasonable affirmative efforts to minimize the effects of the violation by immediately deploying an absorbent boom in the river to contain the spill and cleaning up the spilled oil.

"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 according to OAR 340-012-0150(4) because there is insufficient information on which to make an estimate of Respondent's economic benefit, if any.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= \$2,000 + [(0.1 x \$2,000) x (2 + 0 + 0 + 4 - 3)] + \$0
= \$2,000 + (\$200 x 3) + \$0
= \$2,000 + \$600 + \$0
= \$2,600

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:	July 22, 2025
RESPONSE DATE :	September 30, 2025
TOTAL PENALTY:	\$2,600.00

Account Name:	COLUMBIA FOREST PRODUCTS		
Account Type:	Vendor/Organization/Company	Reference Number:	CPGFD2600009
SubSystem ID:	178614	FIMS Acct. ID:	4023

Penalty Summary

Penalty Amount	Interest	Adjustment	Amount Paid	Total Penalty
\$ 2,600.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,600.00

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.	CPGFD2600009		
PAYCODE:	00401 7400 10040 74001 0500 000000 00		
FEE PROGRAM ID:	950	RESPONSE DATE:	September 30,
FIMS ACCT. ID:	4023	TOTAL PENALTY DUE:	\$2600.00

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 0095000040232CPGFD260000900002600003



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
7/21/2025	2025-562 WQ-I-ER-2025-562	\$2,600.00

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. WQ/I-ER-2025-562 upon:

9589 0710 5270 3236 6176 98	U.S. Postal Service™	
	CERTIFIED MAIL® RECEIPT	
	Domestic Mail Only	
	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
	Columbia Plywood Corporation c/o CT Corporation System, Registered Agent 780 Commercial St SE Ste 100 Salem, OR 97301	
	PS Form 3800, January 2023 PSN 7530-02-000-9047 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 July 22, 2025

Isaac Griffith

Isaac Griffith, Case Coordinator

Office of Compliance & Enforcement

Department of Environmental Quality