

BEFORE THE DEPARTMENT OF ENVIRONMENTAL QUALITY
OF THE STATE OF OREGON

IN THE MATTER OF) AMENDED STIPULATED AGREEMENT
Georgia-Pacific Toledo LLC) AND FINAL ORDER
Toledo) ORDER NO. 21-0005
Permittee.) AMENDMENT NO. 21-0005-A1

The Department of Environmental Quality (DEQ) and Georgia-Pacific Toledo LLC (Permittee) have agreed to amend the Settlement Agreement and Final Order No. 21-0005 (original SAFO), executed on August 9, 2021, through this Amended Stipulated Agreement and Final Order Number 01-0038-A1 (amended SAFO).

Language in the original SAFO that is unchanged is written in normal font. Language that is added to the original SAFO is written in underlined text. Language that is deleted from the original SAFO is written in strikethrough text.

DEQ and Permittee, through their signatures below, agree that the original SAFO is replaced
in its entirety with the following amended SAFO:

Permittee, Georgia-Pacific Toledo LLC, and the Department of Environmental Quality (DEQ) hereby agree that:

WHEREAS:

1. Permittee operates a pulp and paper mill located at 1400 SE Butler Bridge Road in Toledo, Oregon (the Facility).
2. On July 1, 1997, DEQ issued Title V Operating Permit No. 21-0005-TV-01 (the Permit) to Permittee.
3. On September 9, 2016, DEQ issued the most recent renewal Permit.

4. The Permit authorizes Permittee to discharge air contaminants associated with its operation of the Facility in conformance with the requirements, limitations, and conditions set forth in the Permit.

5. As of December 31, 2017, the Permit had the following plant site emissions limit (PSEL) for sulfur dioxide (SO₂), particulate matter of ten microns or less (PM10), and nitrogen oxides (NO_x), which constitute round II regional haze pollutants, see OAR 340-223-0020(2): 437 tons per year for SO₂, 311 tons per year for PM10, and 1343 tons per year for NO_x.

6. The Facility is located 147.0 kilometers from Three Sisters Wilderness, which is the nearest Class I Area, *see* OAR 340-200-0020 (25), measured in a straight line from the Facility to the Class I Area.

7. Based on the definitions and the formula in OAR 340-223-0100(2), the Facility's Q value is 2091; d value is 147.0, and ratio of Q divided by d is 14.2.

8. Because the Facility has a Title V operating permit and because the Facility has a Q/d value of greater than 5.00, the Facility is subject to the requirements of round II of regional haze. See OAR 340-223-0100(1).

9. In accordance with OAR 340-223-0110(1), the Facility submitted a four factor analysis demonstrating that many identified emission unit/control combinations are not cost effective. Rather than agreeing to install all emission unit/control combinations determined to be cost effective by DEQ, the Facility ~~would like to enter~~ into a Stipulated Agreement with DEQ for alternative compliance with round II of regional haze ~~and would like to accept a federally~~ enforceable requirement to install controls and associated monitoring equipment, and to accept emission limitations to reduce round II regional haze pollutants from the Facility which DEQ shall incorporated into a Final Order. *See* OAR 340-223-0110(2).

10. DEQ and Permittee hereby agree to amend the original SAFO.

I. AGREEMENT

1. DEQ issues this Amended Stipulated Agreement and Final Order (amended SAFO) pursuant to OAR 340-223-0110(2), and it shall be effective upon the date fully executed.

1 2. The Facility is subject to round II of regional haze, according to OAR 340-223-
2 0100(1).

3 3. The Permittee agrees to and will ensure compliance with the PSEL reductions,
4 emission limits, controls, monitoring requirements, schedules, and conditions in Section II of this
5 amended SAFO.

6 4. The reductions in PSELs required by this amended SAFO shall not be banked,
7 credited, or otherwise accessed by Permittee for use in future permitting actions.

8 5. PSELs for this Facility shall not be increased above those established in this
9 amended SAFO except as approved in accordance with applicable state and federal permitting
10 regulations.

11 6. The Permittee shall calculate compliance with the PSELs in Section II of this
12 amended SAFO according to the requirements of the Permit.

13 7. DEQ shall incorporate this amended SAFO and the conditions in Section II below
14 into the Permit pursuant to OAR 340-218-0200(1)(a)(A) or upon permit renewal, whichever is
15 sooner.

16 8. DEQ may submit this amended SAFO to the Environmental Protection Agency
17 (EPA) as part of the State Implementation Plan.

18 9. Permittee waives any and all rights and objections Permittee may have to the form,
19 content, manner of service, and timeliness of this the original SAFO and this amended SAFO and to
20 a contested case hearing and judicial review of the original SAFO and this amended SAFO.

21 10. In the event EPA does not accept DEQ's Round II Regional Haze State
22 Implementation Plan (SIP) in any manner that impacts the final order, implementation of the Final
23 Order shall be stayed until DEQ and the Permittee modify the Final Order in such a manner as to
24 ensure compliance with the Round II Regional Haze SIP. In the event that EPA has disapproved
25 DEQ's Round II Regional Haze SIP and promulgates a Round II Regional Haze federal
26 implementation plan, this amended agreement and the original agreement will be void.

27 11. Permittee releases and waives any and all claims of any kind, known or unknown,

1 past or future, against the State of Oregon or its agencies, instrumentalities, employees, officers, or
2 agents, arising out of the matters and events relating to the matter set out in the original SAFO and
3 this amended SAFO. Any and all claims includes but is not limited to any claim under 42 USC §
4 1983 et seq., any claim under federal or state law for damages, declaratory, or equitable relief, and
5 any claim for attorneys fees or costs.

6 12. This amended SAFO shall be binding on Permittee and its respective successors,
7 agents, and assigns. The undersigned representative of Permittee certifies that he, she, or they are
8 fully authorized to execute and bind Permittee to this amended SAFO. No change in ownership,
9 corporate or partnership status of Permittee, or change in the ownership of the properties or
10 businesses affected by this amended SAFO shall in any way alter Permittee's obligation under this
11 amended SAFO, unless otherwise approved in writing by DEQ through an amendment to this
12 amended SAFO.

13 13. If any unforeseeable event occurs that is beyond Permittee's reasonable control and
14 that causes or may cause a delay or deviation in performance of the requirements of this amended
15 SAFO, Permittee must immediately notify DEQ verbally of the cause of delay or deviation and its
16 anticipated duration, the measures that Permittee has or will take to prevent or minimize the delay or
17 deviation, and the timetable by which Permittee proposes to carry out such measures. Permittee
18 shall confirm in writing this information within five working days of the onset of the event. It is
19 Permittee's responsibility in the written notification to demonstrate to DEQ's satisfaction that the
20 delay or deviation has been or will be caused by circumstances beyond the control, unforeseen, and
21 despite due diligence of Permittee. If Permittee so demonstrates, DEQ may extend times of
22 performance of related activities under this amended SAFO as appropriate. Circumstances or
23 events beyond Permittee's control include, but are not limited to, extreme and unforeseen acts of
24 nature, unforeseen strikes, work stoppages, fires, explosion, riot, sabotage, unforeseen delays in
25 issuance of any required permits by DEQ that are beyond the Permittee's control, or war. Increased
26 cost of performance or a consultant's failure to provide timely reports are not considered
27 circumstances beyond Permittee's control.

14. Facsimile or scanned signatures on this amended SAFO shall be treated the same as original signatures.

15. The obligations and requirements in this amended SAFO may be revised at Permittee's request, e.g., to authorize different but equivalent emission reductions or controls, if DEQ approves such proposed revisions in writing through an amendment to this amended SAFO.

II. FINAL ORDER

DEQ hereby enters a final order requiring Permittee to comply with the following schedule and conditions:

1. For the EU-11 No. 4 Boiler, EU-13 No. 1 Boiler, and EU-18 No. 3 Boiler:

- a. Permittee shall either complete a NOx reduction project that includes the installation of low NOx burners, flue gas recirculation and continuous emissions monitoring system (CEMS) on the three Boilers, EU-11, EU-13, and EU-18, or replace the boilers with one or more new boilers.

- i. Permittee shall determine whether to complete the NOx reduction project or replace the boilers by July 31, 2022 and shall meet with DEQ by December 31, 2022 to discuss the technical details of the selected project to determine what permitting Permittee shall need prior to construction. Permittee and DEQ shall agree to a timeline for permitting of construction project in the meeting, including required deadlines for submittal of a complete approvable permit application.

ii. If Permittee chooses to complete a NOx reduction project:

1. By July 31, 2026, Permittee shall install low NOx burners and flue gas recirculation on EU-11, EU-13, and EU-18 in order to achieve an emissions rate no greater than 0.09 lb/MMBtu on a seven day rolling basis. This deadline shall be extended if, in response to a complete application submitted by Permittee in

accordance with the timeline established under Section II.2.a.i, DEQ does not provide construction approval on a timely basis.

2. As expeditiously as practicable, but not later than July 31, 2026, Permittee shall install a CEMS to measure the emissions of NOx from EU-11, EU-13, and EU-18. Permittee shall install the CEMS according to the installation, quality control, and quality assurance requirements detailed in the following:
3. Permittee shall demonstrate proper installation of the CEMS following EPA Procedure 1 (see 40 CFR 60, Appendix F, Procedure 1), Performance Specification 2 (see 40 CFR 60, Appendix B, Performance Specification 2), and ~~DEQ Source Sampling Manual, Rev. 2018~~ DEQ Continuous Monitoring Manual, Rev. 2015.
4. Permittee shall submit data collected during demonstrations to DEQ for review and to determine if the CEMS was installed correctly and meets the identified quality assurance criteria.
5. Upon DEQ's approval of the CEMS certification, Permittee shall use data collected from the CEMS to demonstrate compliance with the applicable NOx PSEL listed in Section II, paragraph 1 above.
6. Permittee shall collect and record all data from the NOx CEMS and make that data available to DEQ upon request.

iii. If Permittee chooses to replace EU-11, EU-13, and EU-18:

1. PSELs for round II regional haze pollutants incorporated in the Permit for the replacement shall be no more than the potential to emit of the replacement, or a Q of 889 tons per year of NOX, 437

tons per year of SO₂, and 311 tons per year of PM10, whichever is lower.

2. Permittee shall complete the replacement of the EU-11, EU-13, and EU-18 with new technology no later than July 31, 2031. This deadline shall be extended if, in response to a complete approvable application submitted by Permittee in accordance with the timeline established under Section II.1.a.i, DEQ does not provide construction approval on a timely basis.
3. The Permittee shall not operate EU-11, EU-13, and EU-18 after July 31, 2031.

Georgia-Pacific Toledo LLC (PERMITTEE)

11/18/2022
Date

Signature

Jeremy Ness
Name (print)

Vice President, Georgia Pacific Toledo
Title (print)

1 DEPARTMENT OF ENVIRONMENTAL QUALITY and
2 ENVIRONMENTAL QUALITY COMMISSION
3

4 12/5/2022

5 Date



6 Ali Mirzakhilili, Administrator
7 Air Quality Division
8 on behalf of DEQ pursuant to OAR 340-223-0110(2)
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