

**ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,
DIVISION OF ENVIRONMENTAL QUALITY**

IN THE MATTER OF:

AFIN: 14-00037

LIS No. 24-057

POTLATCHDELTAIC MANUFACTURING, LLC
-WALDO MILL
1720 HIGHWAY 82 WEST
WALDO, AR 71770

CONSENT ADMINISTRATIVE ORDER

This Consent Administrative Order (CAO) is issued pursuant to the authority delegated under the federal Clean Air Act, 42 U.S.C. § 7401 *et seq.*, and the federal regulations issued thereunder. In addition, this CAO is issued pursuant to the authority of the Arkansas Water and Air Pollution Control Act (the Act), Ark. Code Ann. § 8-4-101 *et seq.*, Arkansas Pollution Control and Ecology Commission (APC&EC) Rule 7, APC&EC Rule 8, APC&EC Rule 18, APC&EC Rule 19, and APC&EC Rule 26.

The issues herein having been settled by agreement of PotlatchDeltic Manufacturing, LLC (Respondent) and the Director of the Division of Environmental Quality (DEQ), it is hereby agreed and stipulated that the following FINDINGS OF FACT and ORDER AND AGREEMENT be entered.

FINDINGS OF FACT

1. Respondent owns and operates a lumber and chip mill located at 1720 Highway 82 West in Waldo, Columbia County, Arkansas.

2. The Air Permit referenced in this CAO is 0697-AOP-R20 (the Permit). The Permit

was issued on July 12, 2021.

3. Ark. Code Ann. § 8-4-217(a)(3) provides:

(a) It shall be unlawful for any person to:

...

(3) Violate any provisions of this chapter or of any rule or order adopted by the Arkansas Pollution Control and Ecology Commission under this chapter or of a permit issued under this chapter by DEQ;

4. Ark. Code Ann. § 8-4-103(c)(1)(A) provides, “Any person that violates any provision of this chapter and rules, permits, or plans issued pursuant to this chapter may be assessed an administrative civil penalty not to exceed ten thousand dollars (\$10,000) per violation.”

5. Pursuant to Ark. Code Ann. § 8-4-103(c)(1)(B) as referenced by Ark. Code Ann. § 8-4-304, “Each day of a continuing violation may be deemed a separate violation for purposes of penalty assessment.”

6. On April 11-13, 2023, Respondent conducted stack testing at wood fired boilers #1, #2, and #3 (SN-13, SN-14, and SN-20) to demonstrate compliance with the applicable emission limits for particulate matter (PM), carbon monoxide (CO), hydrogen chloride (HCl) and mercury (Hg) in Special Condition 24 of the Permit (applicable to SN-13 and SN-14) and Special Condition 52 of the Permit (applicable to SN-20).

7. On May 19, 2023, Respondent conducted follow-up stack testing at SN-13 to demonstrate compliance with the PM emission limit following completion of corrective actions initiated to address excess PM emissions discovered in preliminary results collected during the April 13, 2023 test.

8. On June 26, 2023, DEQ personnel performed an evaluation of stack test reports submitted on June 8, 2023, for the testing performed on SN-13, SN-14, and SN-20 on April 11-13, 2023, and on the stack test report submitted on June 13, 2023, for the follow-up testing performed on SN-13 on May 19,

2023. In those evaluations, it was determined that the PM test results for SN-13 and SN-14 were invalid because the required volume of air specified for the applicable boiler category (40 C.F.R. 63, Table 2 to Subpart DDDDD, Subcategory 7) had not been collected at the time of testing. DEQ determined all other tests results were valid.

9. On July 25, 2023, Respondent conducted follow-up stack testing at SN-14 for PM to produce valid results based on the correct sampling volume.

10. On July 26, 2023, Respondent conducted follow-up stack testing at SN-13 for PM to produce valid results based on the correct sampling volume.

11. On September 14, 2023, DEQ personnel performed an evaluation of the stack test report submitted on September 6, 2023, for testing performed on SN-13 on July 26, 2023, and determined that the results for SN-13 demonstrated compliance with the PM limit.

12. On September 14, 2023, DEQ personnel performed an evaluation of the stack test report submitted on September 6, 2023, for testing performed on July 25, 2023.

13. Respondent is subject to 40 C.F.R. Part 63 - National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters.

14. 40 C.F.R. § 63.7500 (Subpart DDDDD) states that Respondent must meet each emission limit and work practice standard in Tables 1 through 3 and 11 through 13 of the subpart that applies to Respondent's boiler or process heater, for each boiler or process heater at Respondent's source, except as provided under § 63.7522.

15. Specific Condition 34 of the Permit states that SN-14 is an affected source subject to the requirements of Subpart DDDDD. For the purpose of the subpart, the boiler is designated as an

existing boiler that belongs to the stoker/sloped grate/other units designed to burn wet biomass/bio-based solid subcategory. Respondent shall comply with the subpart no later than January 31, 2016, except as provided in § 63.6(i). Respondent shall demonstrate compliance with Specific Condition 24 and all applicable Subpart DDDDD requirements for SN-14.

Table 1			
Source	Pollutant	Test Method	Boiler MACT Limits
SN-14: Wood-Fired Boiler #2	Filterable PM	5	3.7E-02 lb/MMBtu

16. An evaluation of the stack test report submitted on September 6, 2023, for testing performed on July 25, 2023, revealed that Respondent exceeded the Filterable PM emission limit at SN-14 as shown in Table 2 below. Such an act violates Specific Condition 34 of the Permit and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304 and Subpart DDDDD.

Table 2					
Source	Pollutant	Test Method	Boiler MACT Limits	Test Results	Pass/Fail
SN-14: Wood-Fired Boiler #2	Filterable PM	5	3.7E-02 lb/MMBtu	6.0E-02 lb/MMBtu	Fail

17. On August 11, 2023 and August 24, 2023, Respondent conducted a re-test at SN-14 for PM.

18. On September 14, 2023, DEQ personnel performed an evaluation of the stack test report submitted on September 6, 2023, for re-testing performed on August 11, 2023 and August 24, 2023.

19. An evaluation of the stack test report revealed that at the time of testing, Respondent

was in compliance with the Permit as shown in Table 3 below.

Date	Source	Pollutant	Test Method	Boiler MACT Limits	Test Results	Pass/Fail
August 11, 2023	SN-14: Wood-Fired Boiler #2	Filterable PM	5	3.7E-02 lb/MMBtu	2.7E-02 lb/MMBtu	Pass
August 24, 2023	SN-14: Wood-Fired Boiler #2	Filterable PM	5	3.7E-02 lb/MMBtu	2.1E-03 lb/MMBtu	Pass

20. In correspondence dated October 6, 2023, DEQ informed Respondent that formal enforcement action was proceeding regarding this matter.

ORDER AND AGREEMENT

WHEREFORE, Respondent, neither admitting nor denying the factual and legal allegations contained in this CAO, and DEQ do hereby agree and stipulate as follows:

1. This CAO addresses all violations referenced in the FINDINGS OF FACT.
2. In compromise and full settlement of the violations specified in the FINDINGS OF FACT, Respondent agrees to pay a civil penalty of **FOUR THOUSAND NINE HUNDRED TWENTY DOLLARS (\$4,920.00)**. Payment is due within thirty (30) calendar days after the effective date of this CAO. Such payment shall be made payable to:

DEQ, Fiscal Division
5301 Northshore Drive
North Little Rock, Arkansas 72118-5317.

In the event that Respondent fails to pay the civil penalty within the prescribed time, DEQ shall be entitled to attorneys' fees and costs associated with collection.

3. All applicable submissions required by this CAO are subject to approval by DEQ. In

the event of any deficiency, Respondent shall, within fifteen (15) calendar days of notification by DEQ, submit any additional information requested. Failure to respond adequately to the notice of deficiency within fifteen (15) calendar days constitutes a failure to meet a deadline and is subject to the civil penalties established in the following Paragraph.

4. Failure to meet the limits, requirements, or deadlines of this CAO or the applicable approved schedules provided for herein constitutes a violation of this CAO. If Respondent fails to meet any limits, requirements, or deadlines, Respondent shall pay, on demand, to DEQ civil penalties according to the following schedule:

- | | |
|--|----------------|
| (a) First day through the fourteenth day: | \$100 per day |
| (b) Fifteenth day through the thirtieth day: | \$500 per day |
| (c) More than thirty days: | \$1000 per day |

Stipulated penalties shall be paid within thirty (30) calendar days of receipt of DEQ's demand to Respondent for such penalties. These stipulated penalties may be imposed for delay in scheduled performance and shall be in addition to any other remedies or sanctions that may be available to DEQ by reason of Respondent's failure to comply with the requirements of this CAO. DEQ reserves its rights to collect other penalties and fines pursuant to its enforcement authority in lieu of the stipulated penalties set forth above.

5. If any event, including, but not limited to, an occurrence of nature, causes or may cause a delay in the achievement of compliance by Respondent with the requirements or deadlines of this CAO, Respondent shall notify DEQ in writing as soon as reasonably possible after it is apparent that a delay will result, but in no case after the due dates have passed. The notification shall describe in detail the anticipated length of the delay, the precise cause of the delay, the measures being taken and to be taken to minimize the delay, and the timetable by which those measures will be

implemented.

6. DEQ may grant an extension of any provision of this CAO, provided that Respondent requests such an extension in writing and provided that the delay or anticipated delay has or will be caused by circumstances beyond the control of and without the fault of Respondent. The time for performance may be extended for a reasonable period, but in no event longer than the period of delay resulting from such circumstances. The burden of proving that any delay is caused by circumstances beyond the control of and without the fault of Respondent and the length of the delay attributable to such circumstances shall rest with Respondent. Failure to notify DEQ promptly, as provided in the previous Paragraph of the ORDER AND AGREEMENT, shall be grounds for a denial of an extension.

7. This CAO is subject to public review and comment in accordance with Ark. Code Ann. § 8-4-103(d), and therefore is not effective until thirty (30) calendar days after public notice of the CAO is given. DEQ retains the right and discretion to rescind this CAO based on comments received within the thirty (30) day public comment period.

8. As provided by APC&EC Rule 8, this matter is subject to being reopened upon Commission initiative or in the event a petition to set aside this CAO is granted by the Commission.

9. Nothing contained in this CAO shall relieve Respondent of any obligations imposed by any other applicable local, state, or federal laws. Except as specifically provided herein, nothing contained in this CAO shall be deemed in any way to relieve Respondent of responsibilities contained in the Permit.

10. Nothing in this CAO shall be construed as a waiver by DEQ of its enforcement authority over alleged violations not specifically addressed herein. In addition, this CAO neither

exonerates Respondent from any past, present, or future conduct that is not expressly addressed herein, nor relieves Respondent of the responsibilities for obtaining any necessary permits.

11. By virtue of the signature appearing below, the individual represents that he or she is an Officer of Respondent, being duly authorized to execute and bind Respondent to the terms contained herein. Execution of this CAO by an individual other than an Officer of Respondent shall be accompanied by a resolution granting signature authority to that individual as duly ratified by the governing body of the entity.

SO ORDERED THIS 19th DAY OF MARCH, 2024.



CALEB J. OSBORNE
DIVISION OF ENVIRONMENTAL QUALITY, DIRECTOR
CHIEF ADMINISTRATOR, ENVIRONMENT
ARKANSAS DEPARTMENT OF ENERGY & ENVIRONMENT

APPROVED AS TO FORM AND CONTENT:

POTLATCHDELTAIC MANUFACTURING, LLC
-WALDO MILL

BY: Ashlee T. Cribb (Signature)

Ashlee T. Cribb (Typed or printed name)

TITLE: Vice President, Wood Products, an officer of PotlatchDeltic Land & Lumber, LLC, and of its Managing Member

DATE: March 18th, 2024