

OF THE STATE OF OREGON

Permittee.

ORDER NO. 21-0005

WHEREAS:

3. On September 9, 2016, DEQ issued the most recent renewal 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.

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 incorporate into a Final Order. *See* OAR 340-223-0110(2).

I. AGREEMENT

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

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

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

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

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

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

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

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

3 9. Permittee waives any and all rights and objections Permittee may have to the form,
4 content, manner of service, and timeliness of this SAFO and to a contested case hearing and judicial
5 review of the SAFO.

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

12 11. Permittee releases and waives any and all claims of any kind, known or unknown,
13 past or future, against the State of Oregon or its agencies, instrumentalities, employees, officers, or
14 agents, arising out of the matters and events relating to the matter set out in this SAFO. Any and all
15 claims includes but is not limited to any claim under 42 USC § 1983 et seq., any claim under federal
16 or state law for damages, declaratory, or equitable relief, and any claim for attorneys fees or costs.

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

23 13. If any unforeseeable event occurs that is beyond Permittee's reasonable control and
24 that causes or may cause a delay or deviation in performance of the requirements of this SAFO,
25 Permittee must immediately notify DEQ verbally of the cause of delay or deviation and its
26 anticipated duration, the measures that Permittee has or will take to prevent or minimize the delay or
27 deviation, and the timetable by which Permittee proposes to carry out such measures. Permittee

1 shall confirm in writing this information within five working days of the onset of the event. It is
2 Permittee's responsibility in the written notification to demonstrate to DEQ's satisfaction that the
3 delay or deviation has been or will be caused by circumstances beyond the control, unforeseen, and
4 despite due diligence of Permittee. If Permittee so demonstrates, DEQ may extend times of
5 performance of related activities under this SAFO as appropriate. Circumstances or events beyond
6 Permittee's control include, but are not limited to, extreme and unforeseen acts of nature, unforeseen
7 strikes, work stoppages, fires, explosion, riot, sabotage, unforeseen delays in issuance of any
8 required permits by DEQ that are beyond the Permittee's control, or war. Increased cost of
9 performance or a consultant's failure to provide timely reports are not considered circumstances
10 beyond Permittee's control.

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

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

16 II. FINAL ORDER

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

- 19 1. For the EU-11 No. 4 Boiler, EU-13 No. 1 Boiler, and EU-18 No. 3 Boiler:
- 20 a. Permittee shall either complete a NOx reduction project that includes the
21 installation of low NOx burners, flue gas recirculation and continuous emissions
22 monitoring system (CEMS) on the three Boilers, EU-11, EU-13, and EU-18, or
23 replace the boilers with one or more new boilers.
- 24 i. Permittee shall determine whether to complete the NOx reduction project
25 or replace the boilers by July 31, 2022 and shall meet with DEQ by
26 December 31, 2022 to discuss the technical details of the selected project
27 to determine what permitting Permittee shall need prior to construction.

1 Permittee and DEQ shall agree to a timeline for permitting of
2 construction project in the meeting, including required deadlines for
3 submittal of a complete approvable permit application.

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

- 5 1. By July 31, 2026, Permittee shall install low NOx burners and
6 flue gas recirculation on EU-11, EU-13, and EU-18 in order to
7 achieve an emissions rate no greater than 0.09 lb/MMBtu on a
8 seven day rolling basis. This deadline shall be extended if, in
9 response to a complete application submitted by Permittee in
10 accordance with the timeline established under Section II.2.a.i,
11 DEQ does not provide construction approval on a timely basis.
- 12 2. As expeditiously as practicable, but not later than July 31, 2026,
13 Permittee shall install a CEMS to measure the emissions of NOx
14 from EU-11, EU-13, and EU-18. Permittee shall install the
15 CEMS according to the installation, quality control, and quality
16 assurance requirements detailed in the following:
- 17 3. Permittee shall demonstrate proper installation of the CEMS
18 following EPA Procedure 1 (see 40 CFR 60, Appendix F,
19 Procedure 1), Performance Specification 2 (see 40 CFR 60,
20 Appendix B, Performance Specification 2), and DEQ Source
21 Sampling Manual, Rev. 2018.
- 22 4. Permittee shall submit data collected during demonstrations to
23 DEQ for review and to determine if the CEMS was installed
24 correctly and meets the identified quality assurance criteria.
- 25 5. Upon DEQ's approval of the CEMS certification, Permittee shall
26 use data collected from the CEMS to demonstrate compliance
27

1 with the applicable NOx PSEL listed in Section II, paragraph 1
2 above.

3 6. Permittee shall collect and record all data from the NOx CEMS
4 and make that data available to DEQ upon request.

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

6 1. PSELs for round II regional haze pollutants incorporated in the
7 Permit for the replacement shall be no more than the potential to
8 emit of the replacement, or a Q of 889 tons per year of NOx, 437
9 tons per year of SO2, and 311 tons per year of PM10, whichever
10 is lower.

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

17 3. The Permittee shall not operate EU-11, EU-13, and EU-18 after
18 July 31, 2031.

19 Georgia-Pacific Toledo LLC (PERMITTEE)

20
21 8/9/21
22 Date

Signature

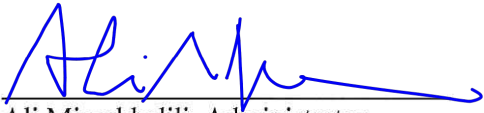
Name (print)

Title (print)

DEPARTMENT OF ENVIRONMENTAL QUALITY and
ENVIRONMENTAL QUALITY COMMISSION

8/9/2021

Date

A handwritten signature in blue ink, appearing to read 'Ali Mirzakhali', written over a horizontal line.

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