UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 6
BEFORE THE ADMINISTRATOR

In the Matter of	)	**Docket No. CAA-06-2016-3417**
	)	
GEORGIA-PACIFIC CHEMICALS LLC CROSSETT, ARKANSAS	)	**ADMINISTRATIVE COMPLIANCE ORDER ON CONSENT**
	)	
	)	

STATEMENT OF AUTHORITY

The following Administrative Compliance Order on Consent ("Order") is issued pursuant to the authority of Section 113(a)(3) of the Clean Air Act ("Act"), 42 U.S.C. § 7413(a)(3). Section 113(a)(3) of the Act authorizes the Administrator of the United States Environmental Protection Agency (EPA) to issue an Order requiring compliance to any person whom the Administrator finds to be in violation of the Act. The authority to issue this Order has been delegated to the Regional Administrator of EPA, Region 6, and re-delegated to the Director, Compliance Assurance and Enforcement Division, EPA, Region 6.

STATUTORY AND REGULATORY BACKGROUND

1. The Clean Air Act is designed to protect and enhance the quality of the nation's air so as to promote the public health and welfare and the productive capacity of its population. Section 101 (b)(1) of the Act, 42 U.S.C. § 7401(b)(1).

National Emission Standards for Hazardous Air Pollutants Based on Maximum Achievable Control Technology

2. Section 112 of the Clean Air Act sets forth a national program for the control of hazardous air pollutants ("HAPs"). 42 U.S.C. § 7412. Under Section 112(b), Congress

listed 188 HAPs believed to cause adverse health or environmental effects. 42 U.S.C. § 7412(b)(1).

3. Congress directed EPA to publish a list of all categories and subcategories of, inter alia, major sources of HAPs. 42 U.S.C. § 7412(c).
4. "Major source" was and is defined as any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any HAP or 25 tons per year or more of any combination of HAPs. 42 U.S.C. § 7412(a)(1).
5. "Stationary source" was and is defined as any building, structure, facility, or installation which emits or may emit any air pollutant. 42 U.S.C. § 7412(a)(3) (stating that "stationary source" under Section 112(a) has the same meaning as that term has under Section 111(a) of the CAA, 42 U.S.C. § 7411(a)(3)).
6. Congress further directed EPA to promulgate regulations establishing emission standards for each category or subcategory of, inter alia, major sources of HAPs. 42 U.S.C. § 7412(d)(1). These emission standards must require the maximum degree of reduction in emissions of HAPs that the Administrator, taking into consideration the cost of achieving such emission reduction, and any non-air quality health and environmental impacts and energy requirements, determines is achievable for the new or existing sources in the category or subcategory to which the emission standard applies. 42 U.S.C. § 7412(d)(2).
7. To the extent that it is not feasible to prescribe or enforce an emission standard for the control of a HAP, Congress authorized EPA to promulgate "design, equipment, work

practice, or operational" standards, which are to be treated as emission standards. 42 U.S.C. § 7412(h).

8. The emission standards promulgated under Section 112 of the 1990 Amendments of the Act, 42 U.S.C. § 7412, are known as the National Emission Standards for Hazardous Air Pollutants ("NESHAPs") for Source Categories or "MACT" ("maximum achievable control technology") standards. These emission standards are found in Part 63 of Title 40 of the Code of Federal Regulations.
9. After the effective date of any emission standard, limitation, or regulation promulgated pursuant to Section 112 of the Act, no person may operate a source in violation of such standard, limitation, or regulation. 42 U.S.C. § 7412(i)(3).

National Emission Standards for Hazardous Air Pollutants: Miscellaneous Organic Chemical Manufacturing

10. Subpart FFFF in the Code of Federal Regulations establishes NESHAPs for miscellaneous organic chemical manufacturing as well as requirements to demonstrate initial and continuous compliance with the emission limits, operating limits, and work practice standards (commonly referred to as the "MON"). 40 C.F.R. § 63.2430.
11. According to 40 C.F.R. § 63.2450(c), when organic HAP emissions from different emission types are combined (e.g., continuous process vents batch process vents, storage tanks, transfer operations, and waste management units), the owner or operator of a facility subject to the MON must comply with either 40 C.F.R. § 63.2450(c)(1) or (2).
12. Pursuant to 40 C.F.R. § 63.2450(c)(2), the applicable requirements for a combined stream are those of the highest-listed paragraph in the hierarchy that applies to any of the individual streams that make up a combined stream.

13. Combined emissions streams that include a Group 1 batch process vent must meet the requirements of Table 2 in Subpart FFFF and 40 C.F.R. § 2460. 40 C.F.R. § 63.2450(c)(2)(i).

14. Table 2 in Subpart FFFF gives owners or operators of Group 1 batch process vents three compliance options for reducing HAP emissions. One of these compliance options allows an owner or operator to reduce uncontrolled organic HAP emissions from one or more batch process vents within the process by venting through a closed-vent system to a flare or by venting through one or more closed-vent systems to any combination of control devices (excluding a flare) that reduce organic HAP to an outlet concentration less or equal to 20 parts per million by volume (ppmv) as total organic compounds or total organic HAP.

15. To demonstrate compliance with the 20 ppmv standard in Table 2 of Subpart FFFF, an owner or operator must conduct a performance test and establish operating limits for the control device. *See* 40 C.F.R. §§ 63.2460(c)(2)(ii) and 63.2460(c)(3).

16. According to 40 C.F.R. § 63.2460(c)(2)(ii), when conducting a performance test for a control device used to control emissions from batch process vents, an owner or operator must establish emissions profiles and conduct the test under worst-case conditions according to 40 C.F.R. § 63.1257(b)(8) instead of normal operating conditions. Further, an owner operator must establish operating limits under the conditions required for the performance test. *See* 40 C.F.R. § 63.2460(c)(3).

17. Hypothetical worst-case conditions are simulated test conditions that, at a minimum, contain the highest hourly HAP load of emissions that would be predicted to be vented to

the control device from the emissions profile described in 40 C.F.R. § 63.1257(b)(8)(ii)(B) or (C). 40 C.F.R. § 63.1257(b)(8)(i)(B).

18. Pursuant to 40 C.F.R. § 1257(b)(8)(iii), three runs, at a minimum of 1 hour each and a maximum of 8 hours each, are required for performance testing. Each run must occur over the same worst-case conditions, as defined in 40 C.F.R. § 63.1257(b)(8)(i).

FINDINGS OF FACT AND CONCLUSIONS OF LAW

19. Georgia-Pacific Chemicals LLC ("GP Chemicals" or "Respondent") is a limited liability company authorized to do business in the State of Arkansas, and as such, is a "person" as that term is defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e).
20. GP Chemicals owns and operates a resin manufacturing facility located at 100 Mill Supply Road, Crossett, Arkansas 71635 (the "Facility").
21. The Facility is a "major source" and a "stationary source" within the meaning of the Act, and is subject to the provisions of the MON.
22. As part of the tall oil processes at the Facility, GP Chemicals routes a combined emission stream, which includes vent streams from hot wells 1 and 2, the C-1 reactor, and the R-1 reactor, to either a complex boiler or a backup thermal oxidizer.
23. As part of the October 16, 2009 Notice of Compliance Status ("NOCS"), GP Chemicals identified the batch vent from the C-1 reactor as a Group 1 batch process vent and as the highest-listed individual stream in the hierarchy listed under 40 C.F.R. § 63.2450(c). To simplify compliance requirements, GP Chemicals has chosen to follow the Group 1 batch process vent requirements for the entire combined emission stream leading to the complex boiler or the backup thermal oxidizer, as allowed by 40 C.F.R. § 63.2450(c)(2)(1).

24. GP Chemicals performed Fourier transform infrared spectroscopy testing on the combined emission stream to identify hypothetical worst case conditions when the product believed to emit the most HAPs (the "Product") is processed in the C-1 reactor.[1]

25. According to information provided by GP Chemicals, the C-1 reactor vents three times during a typical batch cycle for the Product. The highest HAP emissions would be expected to occur the first time material is vented to the control devices, when the C-1 reactor is receiving catalyst and heating. Lower emissions would be expected to occur the second time material is vented to the control devices, during saponification. Minimal emissions would be expected to occur the third time the material is vented, when the reaction is complete and the vent is opened to relieve pressure safely before the product is removed from the reactor.

26. In August 2009, GP Chemicals conducted performance tests of the complex boiler and thermal oxidizer. As part of the performance tests, GP Chemicals performed three one-hour test runs. GP Chemicals conducted each run during a different venting period over the course of a single batch cycle. Each venting period had a different emission profile.

27. In addition to manufacturing the resin product believed to emit the most HAPs (i.e., the Product), GP Chemicals took several other measures to simulate worst-case conditions during the performance tests. First, GP Chemicals ensured that that the three other emission sources that are controlled by the complex boiler and thermal oxidizer, hot wells 1 and 2 and the R-1 reactor, were all operating continuously during the performance tests. Second, GP Chemicals operated the two controls upstream of the complex boiler and

[1] GP has not produced the product manufactured during the 2009 performance tests (i.e., the Product) since February 26, 2011.

thermal oxidizer, a three-stage scrubber and the Tank 45 condenser, in a fashion so as to simulate worst-case emissions. Specifically, GP Chemicals operated the first stage of the scrubber at a minimum flow rate while bypassing entirely the second and third scrubber stages. Similarly, the Tank 45 condenser was operated under maximum temperature conditions during the performance tests.

28. During the three complex boiler one-hour test runs, the HAP concentration at the outlet from the boiler did not exceed 1.5 ppmv (@ 3% oxygen) and the destruction removal efficiency did not fall below 99.39 (% by weight). During the three thermal oxidizer one-hour test runs, the HAP concentration at the outlet from the oxidizer did not exceed 8.81 ppmv (@ 3% oxygen) and the destruction removal efficiency did not fall below 99.86 (% by weight).

29. The highest average firebox temperature measured for the complex boiler was 1,445 °F and occurred during the first test run when the highest HAP emissions from the batch cycle were expected to occur. The highest HAP emissions from the batch cycle occurred during the second test run, however, during which the average firebox temperature measured for the complex boiler was 1,299 °F. GP Chemicals established the minimum operating temperature for the complex boiler at 1,150 °F, based on the average firebox temperature observed during the third test run, when minimal emissions were expected.

30. EPA finds that GP Chemicals failed to conduct three performance test runs under the same hypothetical worst-case conditions for the complex boiler and the backup thermal oxidizer as required by 40 C.F.R. §§ 63.2460(c)(2)(ii), 1257(b)(8)(i)(B), and 1257(b)(8)(iii). In addition, GP Chemicals failed to establish operating conditions for the

complex boiler and thermal oxidizer based on a performance test conducted at hypothetical worst case conditions as required by 40 C.F.R. § 63.2460(c)(3).

31. Therefore EPA finds that GP Chemicals violated and continues to violate the requirements of 40 C.F.R. §§ 63.2460(c)(2)(ii), 1257(b)(8)(i)(B), 1257(b)(8)(iii), and 63.2460(c)(3).

32. All parties to this Order agree that an opportunity to confer has been satisfied in accordance with Section § 113(a)(4) of the Act.

33. All parties to this Order agree that in order to avoid protracted litigation, and in the best interest of all parties and the environment, this Order will be entered into on Consent.

34. Only for the purposes of this proceeding, including any subsequent proceeding by EPA to enforce this document, GP Chemicals admits the jurisdictional allegations contained herein; however, GP Chemicals neither admits nor denies the specific findings and fact and conclusions of law contained in this Order.

35. GP Chemicals waives any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that GP Chemicals may have with respect to any issue of fact or law set forth in this Order, including any right of judicial review under Section 307(b)(1) of the Clean Air Act, 42 U.S.C. § 7607(b)(1), except that GP Chemicals reserves the right to judicial and administrative review of any issue of law or fact, whether set forth in this Order or not, in any subsequent penalty proceeding or assessment to address the underlying violations alleged in the Order, but not in an action to enforce the Order itself.

ORDER ON CONSENT

36. Section 113(a)(3) of the Act, 42 U.S.C. § 7413(a)(3), provides in part, that the Administrator may issue an Order requiring compliance with any requirement of the NESHAPs. After an investigation of the relevant facts, taking into account GP Chemicals' compliance history, efforts made by GP Chemicals to comply with applicable regulations, and based upon the foregoing Findings of Fact and Conclusions of Law herein, pursuant to the authority vested in me under Section 113(a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(3), GP Chemicals has consented to and is hereby ordered to comply with the following requirements regarding its facility in Crossett, Arkansas:

(a) Beginning on the effective date of this Order, GP Chemicals shall maintain the minimum operating temperatures in the complex boiler at 1,299°F and in the thermal oxidizer at 1,410°F, both measured on a daily average basis, and shall comply with these daily average temperature limits until a revised MON NOCS is submitted in accordance with either paragraph 36(b)(i) or 36(c)(ii) below.

(b) By no later than one-hundred and eighty (180) days from the effective date of this Order, GP Chemicals shall submit to EPA and ADEQ for the complex boiler and thermal oxidizer either:

i. a revised MON NOCS, along with supporting information, demonstrating why the MON performance testing requirements no longer apply; or

ii. a notification of intent to conduct a performance test, and any other pre-test submissions required by the applicable section of the MON and 63.7 (together, the "Stack Test Notification Materials").

(c) In the event GP Chemicals submits the Stack Test Notification Materials in order to comply with paragraph 36(b)(ii), the following conditions shall apply:

i. GP Chemicals shall commence the performance test no later than (60) days after the date upon which GP Chemicals submits the Stack Notification Materials, and the test shall consist of at least three performance test runs for the complex boiler and thermal oxidizer in accordance with the MON; and

ii. By no later than sixty (60) days after the completion of the performance test runs described in paragraph 36(c)(i), GP Chemicals shall submit to EPA and ADEQ a stack test report and a revised MON NOCS that establishes operating conditions for the complex boiler and thermal oxidizer based on the results of the performance tests described in paragraph 36(c)(i); and

iii. GP Chemicals shall comply with the operating conditions for the complex boiler and thermal oxidizer set forth in the revised MON NOCS referenced in paragraph 36(c)(ii) upon the date of its submission.

(d) At all times, GP Chemicals shall operate the complex boiler and thermal oxidizer in accordance with all permit terms and all Federal, State, and local laws, regulations, and ordinances.

(e) GP Chemicals shall be deemed to have met the conditions of this Order when GP Chemicals has submitted a revised MON NOCS in accordance with paragraphs 36(b)(i) or 36(c)(ii) and is complying with the operating conditions contained therein.

37. Any information or correspondence submitted by GP Chemicals to EPA under this Order shall be addressed to the following:

Sarah Frey
Air Toxics Enforcement Section, 6EN-AT
U.S. EPA, Region 6
1445 Ross Avenue
Dallas, TX 75202-2733
Phone: (214) 665-6499
Email: frey.sarah@epa.gov

38. Any information or correspondence submitted by GP Chemicals to ADEQ under this Order shall be addressed to the following:

Stuart Spencer
Associate Director
Office of Air Quality
Arkansas Department of Environmental Quality
5301 Northshore Drive
North Little Rock, AR 72118-5317
Phone: (501) 683-0873
Email: spencer@adeq.state.ar.us

39. To the extent this Order requires GP Chemicals to submit any information to the EPA, GP Chemicals may assert a business confidentiality claim covering part or all of that information, but only to the extent and only in the manner described in 40 C.F.R. § 2.203. The EPA will disclose information submitted under a confidentiality claim only as provided in 40 C.F.R. Part 2, Subpart B. See 41 Fed. Reg. 36,902 (1976). If GP Chemicals does not assert a confidentiality claim, the EPA may make the submitted information available to the public without further notice to GP Chemicals. Emission data provided under Section 114 of the Act, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission" data is defined a 40 C.F.R. § 2.301.

GENERAL PROVISIONS

40. The provisions of this Order shall apply to and be binding upon GP Chemicals, its officers, directors, agents, and employees.

41. The provisions of this Order shall be transferable to any other party, upon sale or other disposition of the Facility. Upon such action, the provisions of this Order shall then apply to and be binding upon any new owner/operator, its officers, directors, agents, employees, and any successor(s) in interest.

42. By signing this Order, the undersigned representative of GP Chemicals certifies that he or she is fully authorized by the Respondent to execute and enter into the terms and conditions of this Order and has the legal capacity to bind the Respondent to the terms and conditions of this Order.

43. Pursuant to Section 114 of the Act, 42 U.S.C. § 7414, the Administrator or authorized representatives of EPA, upon presentation of his or her credentials, shall have the right of entry into, upon, and through the Facility, for the purpose of carrying out any inspections, taking photographs, and reviewing any records, and, subject to applicable safety requirements, observing tests, and conducting any tests, which are deemed by EPA to be necessary to ensure compliance with this Order.

44. Nothing in this Order shall be construed to affect EPA's authority under Section 114 of the Act, 42 U.S.C. §7414.

45. Nothing in this Order shall be construed to prevent or limit EPA's civil and criminal authorities, or that of other Federal, State, or local agencies or departments to obtain compliance, penalties, or injunctive relief under any applicable Federal, State, or local

laws or regulations, including the power of the EPA to undertake any action against GP Chemicals or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.

46. EPA does not waive any rights or remedies available to EPA for any violations by GP Chemicals of Federal laws, regulations, statutes, or permitting programs.

47. Nothing contained in this Order shall affect the responsibility of GP Chemicals to comply with all other applicable Federal, State, or local laws or regulations, including Section 303 of the Act, 42 U.S.C. § 7603.

48. Any and all information required to be maintained or submitted pursuant to this Order is not subject to the Paperwork Reduction Act of 1995, 44 U.S.C. §§ 3501 et seq., because it seeks to collect information from specific individuals or entities to assure compliance with this administrative action.

49. By signing this Order, GP Chemicals acknowledges that this Order will be available to the public and agrees that this Order does not contain any confidential business information.

50. By signing this Order, GP Chemicals certifies that the information it has supplied concerning this matter was at the time of submission, and is, truthful, accurate, and complete for each such submission, response, and statement. GP Chemicals acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.

FAILURE TO COMPLY

51. Failure to comply with this Order may result in a judicial action for appropriate injunctive relief as well as civil penalties pursuant to Section 113(b) of the Act, 42 U.S.C. § 7413(b) or, in appropriate cases, criminal penalties.

ENFORCEMENT

52. At any time after the issuance of the Order, EPA may take any or all of the following actions: issue a further order requiring compliance with the NESHAPs and other provisions of the Act; issue an administrative penalty order; or bring a civil action in federal district court for an injunction and/or monetary penalties up to $32,500 per day prior to January 12, 2009, $37,500 per day after January 12, 2009, or $44,539 after November 2, 2015 for each violation, as well as criminal sanctions as provided in Section 113(c) of the Act, 42 U.S.C. § 7413(c). *See* Sections 113(a), (b), (c) and (d) of the Act, 42 U.S.C. Sections 7413(a), (b), (c) and (d), and 40 CFR Part 19. Be advised that Section 113(e)(2) of the Act, 42 U.S.C. Section 7413(e)(2), contains provisions that affect the burden of proof with respect to violations which continue or recur on or after the date of issuance of this Order. The EPA may use any information submitted under this Order in an administrative, civil judicial, or criminal action.

53. Be advised that issuance of this Order does not preclude EPA from electing to pursue any other remedies or sanctions authorized by law which are available to address these violations.

EFFECTIVE DATE

This Order shall become effective upon signature upon the later of the two signatures below.

23 Sept. 2016
Date

Bryan J. Grunsky
Complex Manager
Georgia-Pacific Chemicals LLC

9-26-16
Date

John Blevins
Director
Compliance Assurance and
Enforcement Division