UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

SENT VIA ELECTRONIC MAIL

Dan Mallett
Environmental Manager
New-Indy Catawba LLC
5300 Cureton Ferry Rd.
Catawba, South Carolina 29704
Dan.Mallett@new-indycb.com

Dear Mr. Mallett,

Enclosed is a copy of the final report generated by the U.S. Environmental Protection Agency's Region 4 Air Enforcement Branch for the inspection conducted at New-Indy Catawba LLC in Catawba, South Carolina, on September 28, 2021.

Should you have questions regarding this inspection report, contact me at (404) 562-9030, or by email at mills.andrew@epa.gov

Sincerely,

ANDREW MILLS
Digitally signed by ANDREW MILLS
Date: 2021.11.18 11:58:32 -05'00'

Andrew Mills
Environmental Engineer
Air Enforcement Branch

cc: Rhonda B. Thompson, Chief
Bureau of Air Quality, SC DHEC
thompsrb@dhec.sc.gov

ENCLOSURE A

United States Environmental Protection Agency (EPA) Region 4
Air Enforcement Branch
Final Inspection Report

I. GENERAL INFORMATION

Facility Name: New-Indy Catawba LLC

Location (Address): 5300 Cureton Ferry Rd., Catawba, South Carolina

Inspection Date: September 28, 2021

Type of Inspection (Full or Partial Compliance Evaluation):
Partial Compliance Evaluation

ICIS-Air Number: SC00024400005

EPA Investigator(s)/Inspector(s):

1. Andrew Mills, Environmental Engineer
2. Kevin Taylor, Environmental Engineer
3. Denis Kler, Environmental Engineer
4. Marirose Pratt, Senior Air Enforcement Attorney

State/Local Investigator(s)/Inspector(s):

1. Sonya Johnson, Environmental Engineer
2. Denise Hall, Environmental Engineer

Person(s) Contacted at Facility (Name and Title):

1. Daniel Mallett, Environmental Manager
2. Pete Cleveland, Technical Manager
3. Mallory Sparks, Legal Counsel

Report Prepared by: Andrew Mills

II. FACILITY INFORMATION

A. Facility and Permit Information

Facility and Permit Information	Comments
1. Type of facility (e.g., chemical plant, refinery, cement manufacturer, etc.).	Pulp and Paper Mill
2. Air permit number(s) and type of permit (e.g., Title V, PSD, Synthetic Minor, etc.).	Title V Permit No. 2440-0005
3. Air permit issuance date.	5/7/2019
4. Air permit expiration date.	6/23/2024
5. Facility classification (Major, Synthetic Minor/Conditional Major, Minor).	Title V Major Source PSD Major Source Source of HAP emissions
6. Major source pollutants (if applicable).	Carbon Monoxide Sulfur Dioxide Sulfide Nitrogen Oxides Particulate Matter < 10 μm Methanol
7. Applicable regulations (e.g., State Implementation Plan, MACT Subpart FFFF, NSPS Subpart EEEE, etc.).	40 CFR Part 63, Subpart A 40 CFR Part 63, Subpart DDDDD 40 CFR Part 63, Subpart JJJJ 40 CFR Part 63, Subpart MM 40 CFR Part 63, Subpart S 40 CFR Part 63, Subpart ZZZZ 40 CFR Part 60, Subpart BB 40 CFR Part 60, Subpart Db 40 CFR Part 60, Subpart RR 40 CFR Part 60, Subpart Kb 40 CFR Part 60, Subpart JJJJ 40 CFR Part 60, Subpart IIII SIP for National Primary and Secondary Ambient Air Quality Standards

8. Types of air emission points (e.g., tanks, process vents, boilers, etc.).	Woodyard Area Kraft Pulp Mill Paper Mill Chemical Recovery Utilities Waste Treatment Storage Tanks
9. Types of air pollution control equipment (e.g., baghouse, scrubber, afterburner, etc.).	Combustion Boilers, Scrubbers, Bag Houses, Electrostatic precipitators

B. Process Description

New-Indy Catawba LLC is an integrated pulp and paper mill located in Catawba, South Carolina. The facility has recently changed its production from making bleached paper to unbleached paper products. Construction related to this change in production took place in 2020 and the facility commenced operations February 1, 2021. The facility also changed the foul condensate treatment option under the pulp and paper MACT (40 C.F.R. Part 63 subpart S) by hard piping the foul condensate to the biological treatment and shutting down the steam stripper. On May 3, 2021 the steam stripper began processing foul condensate again. EPA issued a Section 303 Emergency order on May 13, 2021, which required New-Indy to take remedial steps to mitigate the levels of Hydrogen Sulfide (H2S) measured onsite and in the surrounding community.

III. INSPECTION ACTIVITIES

Activity	Yes No NA	Comments
Opening Meeting		
1. Date and time entered the facility.	Y	EPA Region 4 (R4) air inspectors arrived at the facility around 8:50 AM EST on September 28, 2021.
2. Credentials presented to facility personnel (include name and title).	Y	Credentials were presented to Daniel Mallett, Environmental Manager, Pete Cleveland, Technical Manager, and Mallory Sparks, legal counsel.

Activity	Yes No NA	Comments
3. Conducted an opening meeting to explain the purpose and objectives of the inspection.	Y	On September 28, 2021 EPA arrived on site at approximately 8:50 AM EST. An opening meeting was conducted around 9:05 AM EST. The EPA R4 air inspectors informed facility representatives that the intent of the inspection was to follow up on previous EPA Air Inspections and to verify corrective actions taken by New-Indy related to the Section 303 Emergency Order.
4. Discussed safety issues.	Y	EPA inspectors went over a safety briefing with the facility. Steel-toe boots, hardhats, visibility vests, safety glasses, and ear protection were required at the facility, along with face covering consistent with general COVID-19 health guidelines.
5. Discussed which records to be reviewed.	Y	The EPA R4 inspectors discussed that some records would be reviewed onsite during the inspection or to be sent to EPA after the inspection.
6. Discussed the facility walk-through and the areas to be observed in the facility.	Y	EPA R4 inspectors were interested in the wastewater treatment systems and other pollution controls.
7. Discussed facility policy regarding photographs or video (if applicable).	Y	The R4 inspectors discussed the use of the Optical Gas Imaging (OGI) camera that would be used to take photos and video.
8. Discussed the use of the infrared camera, TVA, PID, and any other equipment.	Y	The R4 air inspectors indicated that a OGI camera was going to be used during the walk-through of the facility in addition to the use of 4-gas monitors for personal safety.
9. Discussed CBI.	Y	The EPA R4 air inspector indicated that any documents, photos, or video claimed to be Confidential Business Information (CBI) would be treated in accordance with regulations.

Activity	Yes No NA	Comments
Records Reviewed at the Facility		
10. The types of records reviewed and the time period reviewed.	Y	See Attachment A for the list of documents EPA received.
Facility Walk-Through Observations		

11. The process equipment observed and the associated operational rate observed (e.g., Furnace 1 production rate was 5 lbs/hr on 1/1/15, at 2:00 pm – permit requires max rate at 6 lbs/hr). Provide the date and time the information was recorded by the inspector. Identify the permit limit (if applicable). An attachment may be used for a large amount of information.	Y	On September 28, 2021, at approximately 10:15 AM EST, the walkthrough of the facility began. At approximately 10:27 AM EST, R4 inspectors arrived near the foul condensate holding tank and steam stripper. The steam stripper had recently been down for maintenance between September 24 and September 27, 2021. During that time, the foul condensate was exclusively hard piped to the Aeration Stabilization Basin (ASB) for biological treatment. At approximately 10:45 AM EST, R4 inspectors arrived at the operations controls room. The inspectors observed the real time status of the steam stripper. The stripper was handling approximately 490 gallons/minute (gal/min) of effluent at 274 F. Operators indicated that it could handle more, with 500 gal/min being an optimal amount. The steam flow rate was also noted to be 65.5 pounds/hour. At approximately 11:50 AM EST, R4 inspectors arrived at the black liquor storage tanks. On September 1, 2021, a weak liquor storage tank overflowed for approximately 24 minutes. The overflow went into a process drain which then flowed into the wastewater stream. The influx of black liquor into the water stream led to H2S levels detected at Monitoring Station No. 1 exceeding the 30-minute rolling average of 600 ppb set out by the Section 303 Emergency Order. New-Indy confirmed the cause of the overflow was a high-level transmitter being set at the wrong level allowing an overflow.

		At approximately 12:03 PM EST, R4 inspectors arrived at the primary clarifier. Wastewater streams from the paper and mechanical side of production combine and flow into the clarifier. Approximately two million gallons per day of fly ash is sent to the primary clarifier. At approximately 12:30 PM EST, R4 inspectors arrived at the Equalization (EQ) Basin inlet. The underflow from the primary clarifier is directed into the EQ Basin to allow solids to settle out before the wastewater steam continues through a channel to the ASB. The EQ basin has a large buildup of solids and dense vegetation in the middle with channels along the edge where the clarifier underflow was directed. New-Indy was continuing the removal of the solids to increase the volume of the EQ basin. At approximately 3:21 PM EST, R4 inspectors arrived at the liquid oxygen and hydrogen peroxide injection system. These systems are setup between the EQ basin and the ASB. New-Indy has been using chemical injection to reduce the potential for the wastewater stream to produce hydrogen sulfide. At approximately 3:31 PM EST, R4 inspectors observed the hydrogen peroxide injection site into the foul condensate hard pipe. Hydrogen peroxide oxidizes sulfur compounds in the foul condensate. This measure was taken to prepare for the steam stripper maintenance in late September 2021.

		At 3:40 PM EST, R4 inspectors observed the Oxidation Reduction Potential (ORP) detectors monitoring the foul condensate hard pipe. Two monitors were co-located to measure the effectiveness of the hydrogen peroxide injection into the hard pipe. The monitors were noted to be reading +369millivolts(mV) and +370mV. At 3:48 PM EST, R4 inspectors arrived at the inlet to the ASB. Since the R4 inspectors were onsite in April of 2021, changes have occurred at the ASB. All 52 aerators in the ASB were online and functioning. Large amounts of surface sludge have been removed and an additional dredging device has been installed. The sludge from the dredging operation is being piped to the No. 4 holding pond for dewatering and eventual internment. Ferric Chloride is being injected into the pipes carrying the sludge to the No. 4 holding pond. Hydrogen peroxide was also being added into the wastewater stream close to the ASB inlet. At 4:14 PM EST, R4 inspectors observed a ferric chloride tank. The ferric chloride was being injected into the ASB dredging pipelines and into the ASB near its outfall. At 4:31 PM EST, R4 inspectors arrived at Air Monitoring Station No. 1 near the outfall of holding pond No. 1. Hydrogen peroxide was being injected into holding pond No. 1 near the outfall. Two aerators were also installed near the No. 1 holding pond inlet. At 4:41 PM EST, R4 inspectors arrived at the Post Aeration Stabilization Tank.

Activity	Yes No NA	Comments
		New-Indy has installed a covering to the tank and installed a fan to push the air volume through a carbon filtration system. New-Indy is planning on upgrading to a larger carbon filtration system in the near future. From this location, the outflow from the post aeration tank into the Catawba River was visible. The outflow appeared much darker than the surrounding currents of the river. At. 5:14 PM EST R4, inspectors arrived at Air Monitoring Station No. 2. The monitor has been put on the electric grid and is no longer powered by a generator. At 5:41 PM EST, R4 inspectors arrived at Air Monitoring Station No. 3. During an audit of the air monitors conducted by EPA on August 10, 2021, it was determined that this monitoring station was not meeting all conditions of the onsite monitoring quality assurance project plan (QAPP). EPA is currently working with New-Indy to determine a better site for Monitoring Station No. 3.

Activity	Yes No NA	Comments
12. The type of process parametric monitoring observed and the associated value observed (e.g., Furnace 1 flux injection rate was 200 lbs/batch at 1/1/15, at 2:00 pm – permit requires max rate at 225 lbs/batch). Provide the date and time the information was recorded by the inspector. Identify the permit limit (if applicable). An attachment may be used for a large amount of information.	Y	See Section 11 regarding steam stripper operating rates and ORP monitor readings.
13. If process equipment or parametric monitoring equipment was not operating, state the reason by facility personnel why the equipment was not operating.	N/A	

Activity	Yes No NA	Comments
14. The type of air pollution control equipment, the process equipment it is controlling, and the associated parametric monitoring value observed (e.g., baghouse pressure drop, temperature, scrubber flow rate, etc.). (For example - RTO 1 controlling furnace 1, 1,500 degrees F on 1/1/15, at 2:00 pm – permit requires 1,400 degree F or higher). Provide the date and time the information was recorded by the inspector. Identify the permit limit (if applicable). An attachment may be used for a large amount of information.	N/A	

Activity	Yes No NA	Comments
15. Continuous emissions monitoring devices and values observed. (e.g., CEMS, COMs, etc.). Provide the date and time the information was recorded by the inspector. Identify the permit limit (if applicable). An attachment may be used for a large amount of information.	N/A	
16. If air pollution control equipment was not operating, state the reason by facility personnel why the equipment was not operating.	N/A	
17. Capture and collection system (enclosures and hoods) observations, if applicable (e.g., the magnitude and duration of emission escaping capture from the hood).	N/A	

Activity	Yes No NA	Comments
18. Ductwork transferring the emissions to the air pollution control device observations, if applicable (e.g., the magnitude and duration of emission escaping from the ductwork, holes or deterioration in ductwork, no deterioration observed, etc.).	N/A	
19. Any existing unpermitted emission points, new unpermitted emission points, or non-permitted construction activities observed. (if yes, describe in the comments field).	N/A	
20. Were any visible emissions observed? (if yes, identify the location and equipment).	N/A	
21. Was a Method 9 reading performed? (if yes, identify the location and equipment).	N/A	
22. Was the cause of the visible emissions investigated and the information documented?	N/A	

Activity	Yes No NA	Comments
23. Was a Method 22 performed for visible emissions? (if yes, identify the location and equipment).	N/A	
24. Identify the cause of the visible emissions as explained by facility personnel, if applicable.	N/A	
25. Was the infrared camera used? If so, attach the video log (which includes the equipment ID, and the date and time the video was recorded) and videos to this report.	Y	A OGI camera was used. Some video and photos were taken. These are listed in the Video Log in Attachment B.
26. Was the TVA used? If so, identify the equipment monitored and the results. Provide the date and time the information was recorded by the inspector. Include actual instrument readings for each piece of equipment monitored above the leak definition and/or where the infrared camera identified a release. An attachment may be used for a large amount of information.	N	

Activity	Yes No NA	Comments
27. Was the PID used? If so, identify how the PID was used and the results. Provide the date and time the information was recorded by the inspector. An attachment may be used for a large amount of information.	N/A	
Closing Meeting		
28. Conducted a closing meeting.	Y	A closeout meeting was conducted on September 28, 2021, at 6:15 PM EST with the facility managers and the employees who escorted us around the facility.
29. Summarize any additional information needed, if applicable?	N	The EPA R4 air inspectors did not request any additional information.
30. Accept a declaration of CBI, if applicable?	N/A	Facility personnel did not declare any documents taken offsite as CBI.
31. Discussed observations.	Y	The EPA R4 inspectors thanked facility personnel for their time. They summarized inspection activities and discussed what was observed and recorded with the instruments. This included what was observed and discussed during the facility walkthrough and employee interviews.
32. Discussed next steps, if applicable?	Y	A finalized inspection report will be sent to the company within a 70-day timeframe.
33. Date and time inspection concluded.		On September 28, 2021, at 6:41 PM EST the inspection concluded.
Miscellaneous		

Activity	Yes No NA	Comments
34. Include any additional observations, if applicable.	N/A	

EPA Investigator/Inspector Signature: ANDREW MILLS Digitally signed by ANDREW MILLS Date: 2021.11.18 11:59:32 -05'00'

EPA Supervisor Signature & Title _____

Chief, North Air Enforcement Section

Date Report Finalized: 11/18/2021

Attachment A

RECORDS PROVIDED DURING THE 9/28/2021 INSPECTION OF NEW-INDY

1. **Stripper Column Diagram**
2. **LVHC/HVLC Diagram for NCG System**