



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 April 15, 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: 2021.06.10
10:59:37 -04'00'

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 Inspection Report

I. GENERAL INFORMATION

Facility Name: New-Indy Catawba LLC

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

Inspection Date: April 15, 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. Denis Kler, Environmental Engineer
3. Kevin Taylor, Environmental Engineer

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

1. Veronica Barringer, Environmental Engineer
2. Eric Smith, Environmental Engineer
3. Katharine Buckner, Environmental Engineering Associate

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

1. Richard Hartman, COO
2. Daniel Mallett, Environmental Manager
3. Steve Weber, Outside Counsel, Parker Poe
4. Pete Cleveland, Technical Manager

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 CFR Part 63 subpart S) by hard piping the foul condensate to the biological treatment and shutting down the steam stripper.

III. INSPECTION ACTIVITIES

Activity	Yes No NA	Comments
Opening Meeting		
1. Date and time entered the facility.	Y	EPA Region 4 (R4) inspectors arrived at the facility at 8:32 AM EST on April 15, 2021.
2. Credentials presented to facility personnel (include name and title).	Y	Credentials were presented to Daniel Mallett, Environmental Manager, Pete Cleveland, Technical Manager, Steve Weber, legal counsel, and Dr. Richard Hartman, C.O.O.

Activity	Yes No NA	Comments
3. Conducted an opening meeting to explain the purpose and objectives of the inspection.	Y	An opening meeting was conducted around 10:00 AM EST via conference call on April 14, 2021. EPA inspectors informed facility representatives that they intended to inspect the facility the following day. The intent of the inspection was to respond to the many thousands of citizen complaints that both EPA and the South Carolina Department of Health and Environmental Control had received concerning reports of foul odors in the surrounding community. On April 15, 2021, EPA arrived on site at approximately 8:30 AM EST. After waiting for New-Indy legal counsel to arrive, another brief opening meeting occurred at approximately 9:15 AM EST. The EPA inspectors described the intended scope for the day's inspection, which was to tour the facility with a focus on changes in the process relating to Construction Permit DF, the wastewater stream, and other general operating areas.
4. Discussed safety issues.	Y	EPA R4 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	EPA R4 inspectors discussed that some records would be reviewed onsite during the inspection or to be sent to EPA after the inspection.

Activity	Yes No NA	Comments
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 used to treat the foul condensate, the foul condensate holding tank, and other units within the main powerhouse.
7. Discussed facility policy regarding photographs or video (if applicable).	Y	R4 Inspectors discussed the use of the Optical Gas Imaging (OGI) camera.
8. Discussed the use of the infrared camera, TVA, PID, and any other equipment.	Y	R4 inspectors indicated that the OGI camera was going to be used during the walk-through of the facility, in addition to the Photoionization Detector (PID), and 4-gas monitors for personal safety. The 4-gas monitor's hydrogen sulfide (H ₂ S) alarms were set at 10 parts per million (ppm).
9. Discussed CBI.	Y	EPA inspectors indicated that any documents, photos, or video claimed to be Confidential Business Information (CBI) would be treated in accordance with regulations.
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	During the inspection, EPA R4 inspectors used an OGI camera and a PID to observe different portions of the facility. At about 10:41 AM EST, the 4-gas monitors and the PID were bump checked to ensure the monitors were operating properly. On April 15, 2021 at approximately 10:50 AM EST, a tour of the facility began. The first location that was visited was the post aeration tank, located between Holding Pond No. 1 and the Catawba River on the south side of the facility. The post aeration tank is the final step in the wastewater stream before the treated water is released into the Catawba River. At approximately 11:07 AM EST, the inspectors went up the stairs to the top of the tank. The contents of the tank were covered in foam and a noticeably foul odor, similar to rotten eggs, was experienced. It was around this time that two of the 4-gas monitor hydrogen sulfide alarms triggered. One alarm reading was noted as 15.9 ppm (15,900 parts per billion (ppb)). At approximately 11:27 AM EST, the inspector's arrived at the pump house for Holding Pond No. 1. The pump house controls the water transfer from the holding pond to the post aeration tank. Some foam could be seen collected on the shore of the pond. At approximately 11:55 AM EST, the inspectors arrived at Sludge Pond No. 4. It is here that sludge dredged from the aeration stabilization basin (ASB) is pumped into large geotubes. The geotubes allow the sludge
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	to slowly dewater. The solids that remain will eventually be interred onsite. At approximately 12:00 PM EST, the inspectors arrived at the inlet to the ASB. The surface of the aeration basin was observed to be covered in solids in some spots with vegetation growing on them. Some aerators were unable to operate due to the large buildup of solids. The aerators that were functioning were kicking up large amounts of foam. A long arm excavator was observed dredging the inlet to the ASB. An odor was noted in the area. The inspectors traveled from the inlet to the east side of the ASB. At 12:41 PM EST, about 50 feet from Aerator 6, the 4-gas monitor hydrogen sulfide reading was 6.9 ppm (6,900 ppb). Around the same location, the 4-gas monitor also read hydrogen sulfide of 3.1 ppm (3,100 ppb) at 12:49 PM EST, and 4.9 ppm (4,900 ppb) at 12:52 PM EST. An odor was noted in the area. At approximately 1:00 PM EST, the inspectors arrived at the equalization (EQ) basin. The EQ basin was mostly solid with dense vegetation, with a small channel on the side for liquid runoff. The liquid runoff consisted of the underflow from the primary clarifier. A long arm excavator was observed dredging the channel in the EQ basin. The EQ basin outlet transitioned into a gulch that an underground bypass channel consisting of the primary clarifier overflow flowed into as well. Steam could be seen coming from this bypass channel outlet opening. An odor was noted in the area where wastewater mixes from the EQ basin and primary clarifier
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Activity	Yes No NA	Comments
		overflow in the open ditch flowing to the ASB. At approximately 3:50 PM EST, a tour of the interior powerhouse began. Paper Machine No. 3 was observed along with the No. 1 boiler feedwater pump drive. The Powerhouse control room was visited at approximately 4:28 PM EST. From the powerhouse control panel, approximately 720 gallons per minute of foul condensate was being sent to the ASB. At approximately 4:47 PM, a hydrogen sulfide alarm on the 4-gas monitor triggered while the inspectors were near the Evaporator Tank No. 1. The above 10 ppm reading wasn't recorded, but shortly after the employee left the area, the 4-gas monitor showed a reading of 6.9 ppm (6,900 ppb). At approximately 5:05 PM EST, the inspectors arrived at the foul condensate collection tank and offline steam stripper. Prior to the change in production from bleached to unbleached paper products, the steam stripper was used for the foul condensate. However, at the time of inspection the steam stripper was no longer in use and the foul condensate was being hard piped into the ASB.

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.	N/A	
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	
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	

Activity	Yes No NA	Comments
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	
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	

Activity	Yes No NA	Comments
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	
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	The OGI camera was used during the inspection but no emissions were detected. Some video and photos were taken, however. These are listed in the Video Log in Attachment B.

Activity	Yes No NA	Comments
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	

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.	Y	The PID used during this inspection has a 10.6 eV lamp and is calibrated using Isobutanol. It detects a range of Volatile Organic Compounds (VOCs) and other compounds. If the makeup of the air sampled is known, correction factors can be applied to the PID's reading to get specific amounts of certain compounds. In the case of this inspection, this was not known, so all PID readings should be understood as the total detectable levels VOC and other compounds in the area. The PID was used throughout the tour of the facility. At 11:04 AM EST, near the base of the post aeration tank, a consistent reading of 250 – 300 ppb was observed. At 11:07 AM EST, on the top of the tank, near the guardrail overlooking its contents, a peak of approximate 115 ppm was detected. This reading occurred at approximately the same time EPA's personal 4-gas monitor H2S alarms went off. At approximately 11:25 AM EST, on the road near the pumphouse for Holding Pond No. 1, a peak of approximately 6,000 ppb was read, with consistent readings between 100 – 300 ppb. Between approximately 11:30 – 11:37 AM EST, the PID was taken out onto the raised platform of the pumphouse for Holding Pond No. 1. Consistent levels between 300 – 800 ppb were read, with a peak of approximately 1,200 ppb recorded. At approximately 11:45 AM EST, while driving by the wood yard with open windows a reading above 10,000 ppb was taken.
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		Driving near the woodchip piles shortly after gave consistent readings between 5,000 – 7,000 ppb. At approximately 11:55 AM EST, near the geo tubes, at Sludge Basin No. 4, consistent readings of 200 – 250 ppb were taken. At approximately 12:10 PM EST, near the ASB inlet, consistent readings between 200 – 300 ppb were read. Between approximately 12:40 and 12:50 PM EST, the PID was walked south along the eastern boundary of the ASB. Aerators 6 and 7 were closest to the shore and levels between 2,000 – 5,000 ppb were consistently detected with the PID while downwind of these aerators. Between 1:00 and 1:10 PM EST, readings with the PID were taken near the convergence of the EQ Basin outlet and the discharge from the primary clarifier overflow. Readings between 500-600 ppb were detected. At approximately 3:30 PM EST, the PID was used near Paper Machine No. 3 inside the main powerhouse. Peak readings were between 400-450 ppb. At approximately 4:23 PM EST, near the oiler feedwater pump drive turbine the PID read between 500-1,200 ppb. At approximately 4:45 PM EST, an H2S alarm on the 4-gas monitor went off near the No. 1 evaporator tank. The peak reading from the PID at this time was 78.58 ppm.
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Activity	Yes No NA	Comments
		At approximately 5:05 PM EST, the PID detected a reading of 10.08 ppm coming from a storm water grate near the foul condensate collection tank. At approximately 5:22 PM EST, the PID detected a peak of 35.5 ppm near the wood chip conveyer.
Closing Meeting		
28. Conducted a closing meeting.	Y	A closeout meeting was conducted on April 15, 2021 at 6:06 PM EST with the facility managers and the employees who escorted us around the facility.
29. Summarize any additional information needed, if applicable?	Y	Facility personnel agreed to send additional documents to EPA. See Attachment A.
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	EPA R4 inspectors thanked facility personnel for their time. They summarized inspection activities and discussed what was seen and recorded with their instruments. This included measurements taken with the PID and what was seen 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 April 15, 2021, at 6:32 PM EST the inspection concluded.
Miscellaneous		
34. Include any additional observations, if applicable.	N/A	

EPA Investigator/Inspector Signature:

ANDREW
MILLS

Digitally signed by ANDREW
MILLS
Date: 2021.06.10 11:00:12
-04'00'

EPA Supervisor Signature & Title

JASON
DRESSLER

Digitally signed by
JASON DRESSLER
Date: 2021.06.10
11:11:55 -04'00'

Chief, North Air Enforcement Section

Date Report Finalized:

06/09/2021

Attachment A

RECORDS PROVIDED DURING THE 4/15/21 INSPECTION OF NEW-INDY

- 1. Opening Meeting Attendance List**
- 2. Notification of Intent to Conduct Performance Tests and Test Protocol Submissions**

ADDITIONAL RECORDS REQUESTED AFTER INSPECTION

- 1. Details regarding what is needed to restart the steam stripper**
- 2. Records of any venting incidents for non-condensable gasses (NCGs)**
- 3. Listing of streams of NCG to stripper collection tank (both P&ID charts and screenshots)**
- 4. Configuration and locations of onsite H2S monitors**

Attachment B
NEW INDY CONTAINERBOARD INSPECTION PHOTOGRAPH AND VIDEO LOG
04/15/2021

FLIR Camera Images (DC) and Video (MOV)			
File Number	Date	Equipment	Video Description
DC_0928.jpg	2021:04:15 11:12:25 (EDT)	Post Aeration Basin	Post Aeration Basin - Foam built seen on top of basin contents
DC_0929.jpg	2021:04:15 11:12:49 (EDT)	Post Aeration Basin	Post Aeration Basin - Foam built seen on top of basin contents (Duplicate Picture Error)
DC_0930.jpg	2021:04:15 11:36:51 (EDT)	Holding Pond	View from Pump House to Holding Pond No. 1
DC_0931.jpg	2021:04:15 12:15:01 (EDT)	Holding Pond	View from Pump House to Holding Pond No. 1 (Duplicate Picture Error)
DC_0932.jpg	2021:04:15 12:16:21 (EDT)	Holding Pond	View from Pump House to Holding Pond No. 1 (Duplicate Picture Error)
DC_0933.jpg	2021:04:15 12:33:47 (EDT)	Aeration Pond	Northeast area of Aeration Pond
DC_0934.jpg	2021:04:15 12:34:56 (EDT)	Aeration Pond	Northeast area of Aeration Pond (Duplicate Picture Error)
MOV_0935.mp4	4/15/2021 12:39 (EDT)	Aeration Pond	General view of Aeration Pond
DC_0936.jpg	2021:04:15 12:43:35 (EDT)	Aeration Pond	Sprinklers at south end of Aeration Pond
MOV_0937.mp4	4/15/2021 12:49 (EDT)	Aeration Pond	View of Aeration Pond from the east with view of foam flakes in the air
MOV_0938.mp4	4/15/2021 12:55 (EDT)	N/A	Error Video
MOV_0939.mp4	4/15/2021 13:08 (EDT)	Equalization Basin	Discharge from the Equalization Basin
MOV_0940.mp4	4/15/2021 13:13 (EDT)	Equalization Basin	Equalization Basin discharge pipes on northside of bridgeway
MOV_0941.mp4	4/15/2021 17:21 (EDT)	N/A	Error video
MOV_0942.mp4	4/15/2021 17:24 (EDT)	Paper Machine	IR video of paper machine roof vents
MOV_0943.mp4	4/15/2021 17:29 (EDT)	Wastewater System	Overview of wastewater operation