

**BERGSTROM
PAPER
COMPANY**

**Testimony of Richard W. Wand,
Administrative Vice President**

Bergstrom Paper Company

Before the Wisconsin Department of Natural Resources

**PCB Hearings
Madison, Wisconsin
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MONS 090059

My name is Richard Wand, and I am the Administrative Vice President of the Bergstrom Paper Company. I am responsible for supervising and coordinating all staff activities of the Company, and I direct corporate efforts in the area of environmental management.

The Bergstrom Paper Company is a manufacturer of fine printing and writing papers; and since our founding in 1904, we have been recycling wastepaper to make our product. We own no timberlands and rely on wastepaper for approximately 65% of our total fiber raw material requirements. Many of our products are produced from 100% recycled wastepaper, and we are the nation's leading producer of printing and writing papers from secondary fiber.

We have manufacturing facilities in Neenah where we employ about 570 persons and, until April of this year, we also operated our mill in West Carrollton, Ohio, where we employed approximately 575 people. Economic conditions, resulting in declining paper markets, forced us to close our Ohio operations this spring. All but ten of our Ohio personnel have been terminated or placed on layoff, and three papermaking machines with a daily capacity in excess of 400 tons of paper have been idled for an indefinite period of time, pending improved market conditions.

In 1974 and prior to closing our Ohio plant, Bergstrom produced 225,000 tons of finished paper and recycled 141,000 tons of wastepaper. This averages 18 truckloads and 8 railroad carloads of wastepaper each day -- 350 days per year.

Bergstrom has an annual payroll in Neenah of approximately \$7.5-million and we annually expend an additional \$1.8-million for social security; unemployment compensation; group health, life and accident insurance; pension fund; and holiday and vacation pay. In 1974 we paid Neenah real estate and personal property taxes in the amount of \$220,000.

Since 1952, when we installed one of the first wastewater treatment systems in the paper industry, our Company has spent in excess of \$4.5-million on pollution abatement facilities. Plans for an additional \$3.2-million secondary wastewater treatment system for our Neenah mill are currently being reviewed by the DNR.

This background information is intended to demonstrate our company's economic importance to the State of Wisconsin, to suggest our 70 year commitment to the cause of recycling, and to reiterate our concerns for protecting the environment.

In spite of the fact that recycling has been practiced since before the turn of the century, an alarming fact remains that the rate of recycling is actually declining in this nation. According to recent EPA figures, this country is recycling only about 4% of its textiles, 13% of its zinc, 18% of its aluminum and 19% of its wastepaper. This compares to a World War II paper recycling rate of 27-30%.

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Recently, environmentalists have been among the strongest supporters of the concept of resource recovery -- "recycling" -- because it makes good common sense to tap our massive solid waste stream to recover materials which can be utilized at their highest economic value. Recycling saves tremendous amounts of energy; it greatly reduced the need to burn or bury solid wastes which now cost our municipalities an average of \$26 per each ton; it promotes the conservation of our precious raw materials and makes

us less dependent on foreign cartels; and it results in substantially reduced air, water, or solid waste pollution.

And yet we now face a proposed rule to totally ban the discharge of Polychlorinated Biphenyls (PCBs) into the environment. That, very simply, will put virtually all paper recyclers out of the recycling business. And, both the proposed zero discharge rule or the proposed rule to limit PCB discharges to .005 mg/l or 5 ppb (which as a practical matter constitutes a total ban) could put the Bergstrom Paper Company out of business. Allow me to elaborate.

The Bergstrom Paper Company has never to my knowledge purchased PCBs from Monsanto or any other foreign or domestic supplier. PCBs are not and never have been an additive to Bergstrom paper products.

In May of 1974, Bergstrom Paper Company cooperated with the Industrial Wastewater Section of the DNR in a survey of all of our mill conditions and wastewater characteristics as they related to the monitoring and reporting requirements of our WPDES permit. In analyzing a composite sample from our main outfall for PCBs, the Department found a discharge level of .0185 ppm. It was assumed that the source of the PCBs was carbonless wastepaper, and our company assisted the Department by sending samples of such wastepaper to the State lab for testing.

In March of 1975, we were advised that the DNR had conducted additional sample tests on our effluent in February of 1975. The Department requested that we:

1. Analyze our general types of wastepaper processed to identify the specific source of PCBs and to determine if it is practicable to significantly reduce the discharge of PCBs by eliminating certain kinds of wastepaper, and
2. Determine if leaking heat exchange fluids or hydraulic fluids could be a source of PCB discharge.

At considerable expense to the Company, we complied with Department requests and conducted extensive tests on fourteen wastepaper samples and on our hydraulic fluid. No PCBs were detected in the hydraulic fluids, and the Department has been provided with the results of the paper sample tests. The important fact is that all fourteen wastepaper sample tests showed some traces of either Aroclor 1242 or Aroclor 1254, ranging from less than .1 ppm to 3.6 ppm. The vast majority of the PCBs detected were of the Aroclor 1242 variety, which was the only Aroclor known to be used in the production of carbonless paper. We are advised that PCBs have not been used in the production of such carbonless papers since early 1971.

We are also advised by the Institute of Paper Chemistry that in order to detect PCBs in wastepaper samples at less than 500 ppb for Aroclor 1242 or 100 ppb for Aroclor 1254 (the current limits of detectability) we would have to test massive quantities of wastepaper in order to arrive at a concentration level in which minute quantities of PCBs could be identified and counted. Indeed, this lack of technical capacity to accurately measure -- much less continually monitor -- the PCBs in both the wastepaper we consume, and in our effluent, would suggest to us that there is no known way to enforce either proposed rule short of closing all recycling operations.

In order to identify and eliminate those grades of wastepaper which currently show PCB contamination at mere detection levels, we would face both enormously expensive and physically impractical, if not impossible, processes. Few laboratories are even equipped to take on such a sampling or monitoring project on a regular basis.

The point we are trying to make is this. PCBs exist in the environment today. Through the voluntary efforts of the manufacturer and those utilizing the product, current consumption is limited to closed systems which minimize the entry of more PCBs into the environment. But placing a restriction on the discharge of PCBs -- not necessarily by the manufacturer or his customers -- but by those recycling companies who find themselves inadvertently obtaining PCBs in their wastepaper, will result in catastrophic damage to our businesses and to the cause of recycling.

In the past few years, a number of programs have been implemented to separate materials from the solid waste stream. The proposed rules would be devastating to such efforts. For example, we recycle sorted office waste which comes to us as a result of a major office waste recycling program, which includes among its participants governmental agencies of the State of Wisconsin. From time to time, old carbonless papers from office files find their way into this program. A ban on PCBs would put an end to the program. The Wisconsin Solid Waste Recycling Authority will face a similar problem in dealing with residual materials from a variety of establishments.

We believe that there is no recycling paper mill in the country which could consistently meet a zero PCB discharge level no matter how careful it might be in attempting to isolate old carbonless wastepaper, since

PCBs are a pervasive background component in a variety of wastepaper grades. The Bergstrom Paper Company -- 50% of whose wastepaper exceeds the limits of PCB detectability -- would be forced out of recycling were the Department to impose either of the proposed rules. Since we have no guaranteed backup supply of virgin pulp, we sincerely fear that a halt to our recycling would force us to go out of business altogether. The additional cost of purchasing virgin pulp would force such major increases in the price of our product -- merely to cover the added expense -- that we could no longer compete in the paper markets.

Our objections to the proposed rules can be summarized as follows: Regarding both Alternative Rules #1 and #2, your own Department staff at the June meeting of the Board alluded to the finding of PCBs in melting snow, which illustrates the problems in achieving zero discharge. There is no known technological method for achieving a zero discharge of this possible contaminant; and we believe a 5 ppb limitation to be tantamount to zero discharge in view of current measuring technology and techniques. Furthermore, we respectfully suggest that there are a number of other issues which must be resolved before any PCB regulation should be considered.

1. There is no physically practical or economically feasible method for continuously testing either wastepaper samples or effluent to insure either a limitation on any PCB contaminated wastepapers used in our production, or a consistent compliance with the discharge limitation being proposed.
2. There is no evidence that restricting the discharge of PCBs will substantially reduce the number of PCBs currently in the environment since solid wastes currently being recycled would have to be disposed of through landfill or incineration. In neither process is there a destruction of the chemical compound.

3. There is no substantial body of scientific knowledge to demonstrate that the ingestion of minute quantities of PCBs is harmful to human life. Indeed, we know of few laboratory experiments to assess toxicity in which Aroclor 1242 (that found in carbonless paper) have even been the test medium.
4. There is no evidence known by us which would suggest that the Aroclor 1242 found in our effluent is the same Aroclor found to accumulate in the fatty tissues of fish, fowl or other wildlife. Indeed, though it has been documented that Aroclor 1242 was the most plentiful Aroclor produced by Monsanto, few traces of this variety are being found in the environment.

It is apparent from the testimony gathered at these hearings that legitimate questions of concern have been raised about PCBs. It is also apparent that we have great gaps in our knowledge about the effects, degradability, and economics of eliminating PCBs.

We believe that it would be unconscionable for the Department to promulgate these proposed rules without better documentation to show that the proposed discharge limitations are necessary, attainable, and of sufficient benefit to merit halting recycling in the State of Wisconsin.

Since being alerted to the "possible" problem of PCBs, we at Bergstrom have attempted to cooperate with the Department to the fullest. In our independent research, we have discovered that the only thing everybody agrees on regarding PCBs is that nobody really knows much about them. Authorities are split on questions of toxicity. Experts disagree on safe alternative products. Scientists have divergent views on questions of PCB stability and degradability.

If there is a problem, those of us in recycling will do our share to find reasonable solutions to the problem.

But a hasty, ill-conceived decision to promulgate either of the proposed rules will raise economic havoc with an entire recycling industry, which, by its very nature, is among the most environmentally considerate industries in the State. We strongly urge rejection of these proposals; the creation of an unbiased task force to review and research the PCB situation; and the adoption of reasonable regulations if it is shown that regulation is necessary to protect the people of Wisconsin. Thank you.