



301 Point Basse Avenue
Nekoosa, Wisconsin 54457-1422
Tel (715) 886-7785
Annabeth.Reitter@Domtar.com

Submitted electronically to: airplancomments@adeq.state.ar.us

November 7, 2018

Ms. Tricia Treece
Office of Air Quality
Arkansas Department of Environmental Quality
5301 Northshore Drive
North Little Rock, AR 72118

Re: Proposed Revisions to the Arkansas State Implementation Plan – Regional Haze SIP
Phase III Revisions

Dear Ms. Treece:

Domtar appreciates the opportunity to provide comment on the Arkansas Department of Environmental Quality (ADEQ) proposed revisions to the Arkansas State Implementation Plan (SIP) addressing Regional Haze SIP Phase III revisions.

Domtar is a leading provider of a wide variety of wood fiber-based products, including communication, specialty and packaging papers, market pulp and absorbent hygiene products. The foundation of our business is a network of fiber converting assets that produce papergrade, fluff and specialty pulps. While most of our pulp production is consumed internally to manufacture paper and consumer products, we are also a large volume pulp vendor, with significant amounts of both market pulp and fluff pulp sold to customers around the globe. Domtar is the largest integrated marketer of uncoated freesheet paper in North America. With approximately 9,700 employees serving more than 50 countries around the world, Domtar is driven by a commitment to turn sustainable wood fiber into useful products that people rely on every day. Domtar operates pulp and paper mills and personal care facilities in the U.S., Canada, Spain, and Sweden. In the U.S. we operate pulp and paper mills in the following states: Arkansas, Illinois, Kentucky, Georgia, Michigan, Missouri, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas and Wisconsin.

Our Ashdown Mill, located in Ashdown, Arkansas, is one of the largest of Domtar's thirteen pulp and paper operations in North America. We are the largest employer in the Ashdown region providing about 800 local jobs and providing significant economic support for the local community. Ashdown's pulp and paper products are sold into global markets competing with low cost producers from other jurisdictions. With the digital revolution and continued year-over-year decline in demand for paper markets, in 2016 the Ashdown Mill

undertook a major manufacturing process change with the conversion of a paper machine to manufacture fluff pulp.

The proposed Phase III SIP revision addresses the Domtar A.W. LLC - Ashdown Mill and involves a SIP revision applicable to the Mill's Power Boiler No. 1 and No. 2. In the proposal, Arkansas has included revisions to replace Ashdown Mill emission limits for the two power boilers included in the 2008 Arkansas Regional Haze State Implementation Plan (AR RH SIP) and in EPA's 2016 rule "Promulgation of Air Quality Implementation Plans; State of Arkansas; Regional Haze and Interstate Visibility Transport Federal Implementation Plan; Final Rule" (AR RH FIP). Arkansas is proposing to replace emissions for Power Boiler No. 1 and No. 2 in the existing SIP and FIP with a BART Alternative approach.

After our thorough review of the proposal, and based on that review, we do not support the proposal and request the Department not proceed further with the BART Alternative approach for the Ashdown Mill for the following reasons:

1. Domtar has repeatedly expressed concerns to Arkansas with the approach of "locking in" the BART Alternative requirements in the SIP so that these requirements can only be changed through a long SIP revision process. This approach runs counter to the flexibility required by the Mill to remain competitive in a dynamic and fast-changing global marketplace. Only through flexible, responsive regulatory processes can the Mill quickly implement changes. Locking in the requirements of the proposed BART Alternative into the SIP does not meet this essential requirement.
2. The proposed BART Alternative requires an Administrative Order that contains requirements restricting the ability for Domtar to quickly act on business decisions involving the Ashdown Mill. We will not be signing the Administrative Order included in the proposal.
3. The BART Alternative approach is premised on certain permit limits for NO_x and SO₂. For unrelated business reasons, the Mill is voluntarily moving to further limit the emissions. Once the voluntary, unrelated emission reductions would become effective, there would be no reasonable anticipation that the emissions from Power Boilers No. 1 and No. 2 would cause/contribute to visibility in the Class 1 areas. The BART Alternative in that case would be moot, and proceeding with that approach would be a waste of the state's limited resources.

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4. The Administrative Order process is uncertain, given a recent challenge. This challenge presents a business risk to the Mill and provides another significant business reason for not proceeding with the BART Alternative.

We will be exploring with Arkansas alternate approaches to address the Regional Haze matter for Power Boilers No.1 and No.2 at the Ashdown Mill.

Thank you for the opportunity to comment on the proposed rule. Please contact me at (715) 886-7785 or via email at annabeth.reitter@domtar.com if you have any questions or would like to further discuss.

Sincerely,



Annabeth Reitter
Corporate Manager, Environmental Regulations