

Georgia-Pacific LLC Consumer Products

Crossett Paper Operations 100 Mill Supply Rd. P.O. Box 3333 Crossett, AR 71635 (870) 567-8000 (870) 364-9076 fax www.gp.com

January 11, 2011

Ms. Jamie Ewing Arkansas Department of Environmental Quality 5301 Northshore Drive North Little Rock, AR 72118-5317

Reference:

Georgia-Pacific LLC: Crossett Paper Operations

NPDES Permit # AR0001210

Dear Ms. Ewing:

Attached is the Permit Appeal Resolution executed on behalf of Georgia-Pacific for the Crossett Pulp and Paper Mill's NPDES Permit # AR0001210. We appreciate the Department's assistance in quickly resolving this matter.

If you have any questions or need additional information, please feel free to contact me at (870) 567-8144 or by email at james.cutbirth@gapac.com.

Sincerely.

James W. Cutbirth

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Environmental Services Superintendent

Cc: Loretta Reiber, ADEQ Water Division,

BEFORE THE ARKANSAS POLLUTION CONTROL AND ECOLOGY COMMISSION

IN THE MATTER OF: CROSSETT PAPER OPERATIONS 100 PAPER MILL ROAD CROSSETT, ARKANSAS 71635 AFIN#02-00013 PERMIT NO. AR0001210

DOCKET NO. 10- -P

PERMIT APPEAL RESOLUTION

This Permit Appeal Resolution (PAR) is entered into for the purpose of resolving this matter pursuant to the authority of the Arkansas Water and Air Pollution Control Act, Ark. Code Ann.§ 8-4-101, et seq., and the regulations promulgated thereunder. The issues herein having been settled by the agreement of Georgia-Pacific LLC -- Crossett Paper Operations ("Georgia-Pacific") and the Director of the Arkansas Department of Environmental Quality ("ADEQ"), it is hereby agreed and stipulated that the following Findings of Fact and Order and Agreement be entered herein.

FINDINGS OF FACT

- 1. Georgia-Pacific operates a pulp and paper mill, stud mill, plywood mill, chemical plant and associated facilities at 100 Paper Mill Road, Crossett, Arkansas 71635.
- 2. On March 2, 2009, Georgia-Pacific submitted an application for renewal of its NPDES discharge permit in accordance with Regulation 6, Regulations for State Administration of the National Pollutant Discharge Elimination System (NPDES).
- 3. By letter dated March 4, 2009, ADEQ informed Georgia-Pacific that its application was determined to be administratively complete.
- 4. On February 15, 2010, ADEQ issued a Draft Permit for public notice and comment.

- 5. On March 16 and 17, 2010, Georgia-Pacific submitted timely written comments on the Draft Permit to ADEQ. Georgia-Pacific also made oral comments at a public hearing held May 10, 2010.
- 6. On September 30, 2010, ADEQ issued its final permitting decision in the renewal of NPDES Permit No. AR0001210 (the "Permit").
- 7. On October 29, 2010, Georgia-Pacific filed a timely Request for Commission Review and Adjudicatory Hearing (the "Appeal") for the purpose of appealing ADEQ's final decision regarding renewal of the Permit to the Arkansas Pollution Control and Ecology Commission ("APCEC"). Portions of the Permit were stayed by operation of APCEC Regulation No 8, § 8.612(A)(2) pending resolution of this Appeal.
- 8. Georgia-Pacific and ADEQ have now agreed to a resolution of the issues raised in Georgia-Pacific's Request for Commission Review, pursuant to the terms stated in this PAR.

ORDER AND AGREEMENT

Therefore, Georgia-Pacific and ADEQ do hereby stipulate and agree that ADEQ will issue a modification of the Permit in accordance with the terms and conditions set forth in Paragraph No. 1 below, and that ADEQ will support the modification in the event of any challenge to the modification or appeal thereof.

- 1. The modified permit will reflect the following terms and conditions:
- a. The monitoring frequency for pH contained in Part 1A, pp. 1, 3, 5 and 6 of the Permit will be modified from daily to three (3) times per week.
 - b. Condition No. 16 contained in Part II of the Permit will be deleted.
- c. Condition No. 17 contained in Part II of the Permit will be deleted and the remaining conditions in Part II re-numbered accordingly.

d. Current Condition No. 22 contained in Part II of the Permit will be renumbered as Condition No. 20 in the modified permit and modified as follows:

20. Mercury Minimization Plan

- The permittee shall develop and implement a Mercury Minimization Program Plan no later than September 1, 2011. This plan shall be submitted to the Permits Branch of the Water Division. This program must be formatted as outlined in the following conditions. The permittee shall submit an annual report to the Permits Branch by October 31, 2012, and each subsequent year of the permit for the activities in the previous September 1 to August 31 time frame. The annual report should include a summary of potential significant sources of mercury, control measures developed and implemented, results, of source reduction activities, and monitoring, sampling results and any adjustments made to the program plan.
- The permittee shall develop specific plans to identify and eliminate potential significant sources of mercury in the effluent. Methods which may be used are:

a. Source Identification:

- Work with the City of Crossett to identify industrial users with a potential for contributing significant amounts of mercury to the City of Crossett's wastewater treatment lagoons. This includes reviewing EPA standards in 40 CFR Parts 405 through 471 to determine if mercury is a pollutant of concern for a particular industry.
- Conduct a review of chemicals, processes, and materials which are either stored or handled at the Georgia-Pacific facility to determine if they may contribute significant amounts of mercury.
- Estimate the amount of mercury in precipitation through use of information available from the National Atmospheric Deposition Program Mercury Deposition Network. This information is available at http://nadp.sws.uiuc.edu/.

b. Mercury monitoring:

- Monitoring of the Georgia-Pacific treatment plant influent and effluent as well as the wastewater received from the City of Crossett.
- Monitoring at internal points in the Georgia-Pacific facility as required to identify any significant sources of mercury as a result of elevated influent concentrations.
- Final effluent monitoring (at Outfall 001) shall not be less than once per quarter and must use an EPA approved test method with an MQL of 0.005

- μ g/l or less. If mercury is non-detectable at the method MQL for a period of four consecutive quarters, then permittee may petition the Permits Branch for a suspension of the monitoring.
- Should significant potential contributors of mercury be identified in the City of Crossett sewer system based on source review, permittee should communicate appropriate sampling requirements to the City of Crossett.

c. Control Measures:

Activities selected by permittee for control measures should be based on the potential of those activities to reduce mercury loadings into the wastewater treatment system and ultimately its treated effluent.

- A control can be any measure or action that reduces the amount of mercury contributed to the system.
- Source significance should be considered. An effort to quantify or estimate load potential from each significant source should be made. This effort should assist in prioritizing sources for mercury reduction and elimination efforts.
- Assist the City of Crossett in identifying appropriate educational materials regarding the stewardship of mercury-containing items for residential users of the City of Crossett's wastewater treatment lagoons.
- Control measures should be tracked to determine the measure of performance and goal achievement for each type of source. Tracking may indicate the need to change course as necessary for any given source.
- 2. This PAR will follow the notice and comment procedures found in APCEC Regulation No. 8, §§ 8.207 through 8.211 in accordance with the settlement process set forth in APCEC Regulation No. 8, § 8.615. The modification will not change any other provision of the Permit.
- 3. This PAR shall in no way limit the rights of Georgia-Pacific to comment on or appeal the terms of the modified permit issued pursuant to the PAR if the modified permit differs in any respect from the agreed terms and conditions set forth in this PAR.
- 4. This PAR is subject to public notice, a 30-day period for submission of public comments and EPA review and approval. Georgia-Pacific shall be responsible for the costs associated with the public notice. ADEQ retains the right and discretion to set aside this PAR

based on comments received within the thirty (30) day public comment period. ADEQ's right to set aside the PAR shall be limited to reasons related to issues raised in public comments filed within the public comment period; and ADEQ's right to set aside the PAR shall expire thirty (30) days after the close of the public comment period. If this PAR is set aside, the Appeal shall be simultaneously reinstated. In accordance with APCEC Regulation No. 8, § 8.615, the Request for Commission Review and Adjudicatory Hearing in this matter is hereby withdrawn.

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Teresa Marks, Director
Arkansas Department of Environmental Quality

APPROVED AS TO FORM AND CONTENT:

Vice-President; Operations Manager Title

Karen R. Dickinson

Vice-President; Operations Manager Georgia-Pacific LLC Crossett Paper Operations

Georgia-Pacific

Crossett, Arkansas 71635

P. O. Box 3333

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ADEQ Water Division 5301 Northshore Drive North Little Rock, AR 72118-5317

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Attn: Lovetta Reiber

ROCK, AR 72118-5317

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