

EXHIBIT A

DOMTAR'S STATEMENT OF BASIS AND PURPOSE

BEFORE THE ARKANSAS POLLUTION CONTROL
AND ECOLOGY COMMISSION

ARK. POLLUTION CONTROL
& ECOLOGY COMMISSION
FILED BY
2015 MAY 20 PM 11:40

IN RE: REQUEST BY DOMTAR A.W. LLC)
INC. TO INITIATE RULEMAKING FOR) DOCKET NO. 14-008-R
A TECHNICAL ADJUSTMENT TO)
REGULATION NO. 2)

DOMTAR A.W. LLC'S
STATEMENT OF BASIS AND PURPOSE

Domtar A.W. LLC, for its Statement of Basis and Purpose, states:

1. The Arkansas Pollution Control and Ecology Commission ("APCEC" or "the Commission") is given the power and duty to promulgate rules and regulations implementing the powers and duties of the Arkansas Department of Environmental Quality ("ADEQ" or "the Department") and APCEC, including regulations prescribing water quality standards (WQS). ARK. CODE ANN. § 8-4-202(a) and (b).

2. ARK. CODE ANN. § 8-4-202(c) provides that any person has the right to petition the APCEC for an amendment of any rule or regulation. On November 20, 2014, Domtar filed its Petition to Initiate Third-Party Rulemaking for a Technical Adjustment to APCEC Regulation No. 2. Domtar's Petition was submitted pursuant to, and in compliance with APCEC Regulation No. 2, §§ 2.303 and 2.308, APCEC Regulation No. 8, § 8.809, and the ADEQ's Continuing Planning Process. On December 5, 2014, the APCEC entered Minute Order No. 14-41 granting Domtar's Petition and initiated rulemaking on the changes proposed to Regulation No. 2 by Domtar.

3. Domtar's Petition sought a technical adjustment to the total dissolved solids (TDS) water quality criterion for a portion of the Red River from the Arkansas/Oklahoma state line to the mouth of the Little River, and a technical adjustment to the sulfate criterion of the Red River from the Arkansas/Oklahoma state line to the Arkansas/Louisiana state line.

4. Through its Petition Domtar requested that the Commission amend APCEC Regulation No. 2 to change the TDS water quality criterion of the Red River from the Arkansas/Oklahoma state line to the mouth of the Little River from 850 mg/L to 940 mg/L; change to sulfate water quality criterion of the Red River from the Arkansas/Oklahoma state line to the mouth of the Little River from 200 mg/L to 250 mg/L; and to change the sulfate water quality criterion for the Red River from the mouth of the Little River to the Arkansas/Louisiana state line from 200 mg/L to 225 mg/L.

5. Domtar's Petition is supported by the following:

- The Red River situation is unique. There is no similar water body in Arkansas with the inconsistent and conflicting water quality minerals criteria. There are well known and long-term naturally occurring elevated levels of minerals in the Red River caused by input from natural salt springs and seeps in Texas and Oklahoma and there are highly inconsistent and conflicting minerals standards on the Red River established by the various agencies with jurisdiction over the water quality standards of the River;
- there is currently pending before the Commission Southwest Electric Power Company's ("SWEPCO") water quality standard changes supported by its Use Attainability Analysis ("UAA") which, if approved, will change the minerals water quality standards in the Red River from the mouth of the Little River to the Arkansas/Louisiana state line, (*In Re: Request By The Southwestern Electric Power Company to Initiate Rulemaking to Amend Regulation No. 2, Before the Arkansas Pollution Control and Ecology Commission, Docket No. 14-007-R*); and Domtar's request is expressly contingent upon Commission approval of the changes requested by SWEPCO's separate petition;
- The requested technical adjustments reflect current conditions, bring consistency to the criteria on the Red River, and allow Domtar to operate efficiently and within projected permit limits while protecting designated uses for the Red River;

- TDS concentrations in the Red River historically exceed the current TDS criterion of 850 mg/L due to elevated levels of dissolved solids caused primarily by input from natural salt springs and seeps in Oklahoma and Texas;
- TDS and sulfate criterion in the Red River are spatially inconsistent because of the criteria separately established on the same segments of the river by Oklahoma, Texas and Arkansas;
- The TDS and sulfate criterion in the Red River makes no sense and has no rational connection to the longstanding historical reality in the river;
- The Summary Rationale collaboratively developed by Domtar and ADEQ, spiked toxicity tests of the Red River, and Buchanan, *et al.* Study (2003) which were attached to Domtar's Petition as Exhibit F;
- There is no current economically feasible treatment technology for the removal of the minerals to meet the current criteria. Reverse osmosis treatment technology does exist; however, this technology is not cost effective and generates a concentrated brine which is environmentally difficult to dispose of. The technology is not required to meet the designated uses and would produce no significant additional environmental protection.

Respectfully submitted,

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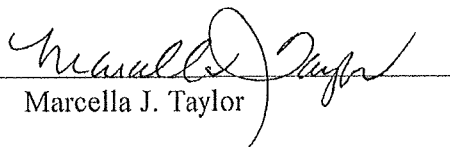
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Counsel for Domtar A.W. LLC

CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of May, 2015, I served a copy of the foregoing Statement of Basis and Purpose on the following by electronic service:

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