



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD

CHICAGO, IL 60604-3590

DEC 18 2005

REPLY TO THE ATTENTION OF

(AE-17J)

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

David S. Ulrich
Superintendent, Environmental Services
Domtar Industries Inc.
100 Wisconsin River Drive
Port Edwards, Wisconsin 54469

Re: Finding of Violation
Port Edwards Mill
Port Edwards, Wisconsin

Dear Mr. Ulrich:

The United States Environmental Protection Agency (U.S. EPA) is issuing the enclosed Finding of Violation (FOV) to Domtar Industries Port Edwards Mill (Domtar, you). We find that you are violating Sections 112 and 502 of the Clean Air Act, 42 U.S.C. § 7412, and 42 U.S.C. § 7661a, at your Port Edwards, Wisconsin facility.

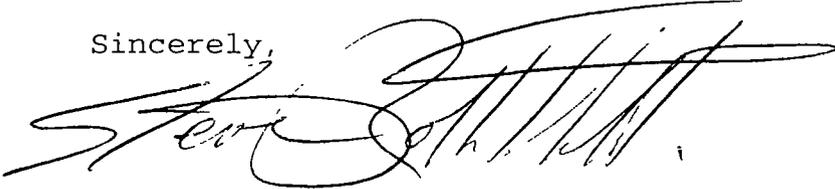
We have several enforcement options under Section 113(a) of the Clean Air Act, 42 U.S.C. § 7413(a). These options include issuing an administrative compliance order, issuing an administrative penalty order, and bringing a judicial civil or criminal action. The options we select may depend on, among other things, the length of time you take to achieve and demonstrate continuous compliance with the rules cited in the FOV.

We are offering you an opportunity to confer with us about the violations alleged in the FOV. The conference will give you the opportunity to present information on the specific findings of violation, the efforts you have taken to comply, and the steps you will take to prevent future violations.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The U.S. EPA contact in this matter is Farro Assadi. You may call him at (312) 886-1424 to request a conference. You should make the request as soon as possible, but no later than 10 calendar days after you receive this letter. We should hold any conference within 30 calendar days of your receipt of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen Rothblatt". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Stephen Rothblatt, Director
Air and Radiation Division

Enclosure

cc:

Mark Palermo, ORC
William Baumann, WDNR
Joseph Ancel, WDNR

**United States Environmental Protection Agency
Region 5**

IN THE MATTER OF:)
)
Domtar Industries Inc.) **FINDING OF VIOLATION**
Port Edwards, Wisconsin)
) **EPA-5-06-WI-03**
)
Proceedings Pursuant to)
the Clean Air Act,)
42 U.S.C. §§ 7401 et seq.)

FINDING OF VIOLATION

The United States Environmental Protection Agency (U.S. EPA) finds that Domtar Industries Inc. (Domtar) is violating Sections 112 and 502 of the Clean Air Act, 42 U.S.C. § 7412 and § 7661a. Specifically, Domtar is violating the National Emission Standards for Hazardous Air Pollutants (NESHAP) from the pulp and paper industry, at 40 C.F.R. Part 63, Subpart S, and its Title V Permit issued by the State of Wisconsin, as stated below:

Regulatory Authority

1. The NESHAP for Pulp and Paper Industry applies to pulping systems sulfite processes.
2. The NESHAP at 40 C.F.R. § 63.444(a)(1) states that at existing sulfite affected sources, the total HAP emissions from the following equipment shall be controlled:
 - (i) Each digester system vent
 - (ii) Each evaporator system vent
 - (iii) Each pulp washing system
3. The NESHAP at 40 C.F.R. § 63.444(b) states that equipment listed in paragraph (a) shall be enclosed and vented into a closed vent system and routed to a control device that meets the requirements in paragraph (c) of this section. The enclosures and closed-vent system required under this section shall meet the requirements specified in 40 C.F.R. § 63.450.
4. The NESHAP at 40 C.F.R. § 63.444(c) requires that the total

HAP emissions from both the equipment systems listed in paragraph (a) of this section and the vents, wastewater, and condensate streams from the control device used to reduce HAP emissions shall be controlled as follows:

(2) Each magnesium-based or ammonium based sulfite pulping process shall:

(i) Emit no more than 2.2 pounds of total hazardous air pollutant (HAP) or methanol per ton of oven dried pulp (ODP);

or

(ii) Remove 87 percent or more by weight of the total HAP or methanol.

5. Section 502(a) of the Act, 42 U.S.C. § 7661a(a), and 40 C.F.R. § 70.7(b) provide that, after the effective date of any permit program approved or promulgated under Title V of the Act, no source subject to Title V may operate except in compliance with a Title V permit.

6. U.S. EPA granted final interim approval to the Wisconsin Title V operating permit program on March 6, 1995. 60 Fed. Reg. 12128. The program became effective on April 5, 1995. The Wisconsin Title V program was granted final full approval by U.S. EPA, effective November 30, 2001. 66 Fed. Reg. 62951. See 40 C.F.R. Part 70, Appendix A.

7. 40 C.F.R. § 70.1(b) provides that all sources subject to the regulations at Part 70 shall have a permit to operate that assures compliance by the source with all applicable requirements.

8. Section 113(a)(3) of the Act, 42 U.S.C. § 7413(a)(3), authorizes the Administrator to initiate an enforcement action whenever, among other things, the Administrator finds that any person has violated or is in violation of a requirement or prohibition of Title V of the Act, or any rule promulgated, issued or approved under Title V of the Act.

Factual Background

9. Domtar owns and operates a magnesium-based sulfite pulping process at its pulp mill located at 100 Wisconsin River Drive, Port Edwards, Wisconsin.

10. Domtar's Port Edward facility is a major source of HAPs, and therefore is subject to the NESHAP for the Pulp and Paper

Industry, 40 C.F.R. Part 63, Subpart S, §§ 63.440 - 63.459.

11. On July 14, 2004, the Wisconsin Department of Natural Resources (WDNR) issued Title V Operation Permit #772010580-P01 to Domtar. This permit covers several processes including: Sulfite Recovery process (P30/S11), #1 Red Liquor Washer (P33/S16), #2 Red Liquor Washer (P33/S17), and Red Liquor Washer Filtrate Tanks (P35/S18).

Violations

12. Based upon information submitted by Domtar, the digester system, the evaporator system and the pulp washing system at the Port Edward facility are not equipped with an enclosure and closed vent system that complies with the requirements specified by 40 C.F.R. §§ 63.444(b) and 63.450.

13. Based upon emissions tests conducted on August 15, 2001 and August 17, 2005, Domtar exceeds the 2.2 pounds of methanol per ton of ODP emission limit 40 C.F.R. § 63.444(c)(2) and has not demonstrated that it removes 87 percent or more by weight of the total HAP or methanol. Therefore, Domtar is in violation of the limit prescribed by 40 C.F.R. § 63.444(c)(2).

14. Based upon the August 15, 2001 and August 17, 2005 test results methanol emissions exceed the limit provided by Domtar's Title V Operation Permit #772010580-P01, Part I Condition D(4) .

15. Domtar's operation in violation of its Title V permit constitutes violations of Section 502 of the Act and of 40 C.F.R. § 70.7(b).

12/5/2005

Date



Stephen Rothblatt, Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Shanee Rucker, certify that I sent a Finding of Violation, No. EPA-05-06-WI-03, by Certified Mail, Return Receipt Requested, to:

David S. Ulrich
Superintendant, Environmental Services
Domtar Industries Inc.
100 Wisconsin River Drive
Port Edwards, Wisconsin 54469

and

Michael McCauley
Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-4497

I also certify that I sent copies of the Finding of Violation by first class mail to:

William Baumann, Chief
Combustion Process
Bureau of Air Management
Wisconsin Department of Natural Resources
101 S. Webster Street
P.O. Box 7921
Madison, Wisconsin 53707

Joseph Ancel, Supervisor
Wisconsin Department of Natural Resources
473 Griffith Avenue
Wisconsin Rapids, Wisconsin 54494

on the 8th day of December, 2005.

Shanee Rucker
Shanee Rucker, Secretary
AECAS, MI/WI Section

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 000614479437