



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD

CHICAGO, IL 60604-3590

SEP 23 2010

REPLY TO THE ATTENTION OF:

(AE-17J)

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Todd Schmidt, Environmental Manager
NewPage Corporation
7100 County Road 426
Escanaba, Michigan 49829

Re: Finding of Violation
NewPage Corporation
Escanaba, Michigan

Dear Mr. Schmidt:

This is to advise you that the U. S. Environmental Protection Agency finds that NewPage's facility in Escanaba, Michigan is in violation of the Clean Air Act (CAA) and associated pollution control requirements. A list of the requirements violated is provided below. We are today issuing a Finding of Violation (FOV) to you for these violations.

The CAA requires EPA to develop National Emission Standards for Hazardous Air Pollutants (NESHAP) to protect the public health and welfare. To attain and maintain these standards, EPA promulgated Maximum Achievable Control Technology (MACT) standards to address Hazardous Air Pollutant (HAP) emissions from various source categories. NewPage is in violation of the MACT standards that regulate HAP emissions from the Pulp and Paper Industry, 40 C.F.R. Part 63, Subpart S (Subpart S) and the MACT standards that regulate HAP emissions for Chemical Recovery Combustion Sources at Kraft, Soda, Sulfite, and Stand-Alone Semicemical Pulp Mills, 40 C.F.R. Part 63, Subpart MM (Subpart MM).

Section 113 of the CAA gives us several enforcement options to resolve these violations. The options include issuing an administrative compliance order, issuing an administrative penalty order, and bringing a judicial civil action.

We are offering you the opportunity to request a conference 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, any 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 take part in these discussions. You may have an attorney represent you at this conference.

The EPA contact in this matter is Constantinos Loukeris. You may call him at (312) 353-6198 to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Cheryl L. Newton" with a small "for CLN" written to the right.

Cheryl L. Newton
Director
Air and Radiation Division

Enclosure

cc: Brian Brady, MDNRE

**United States Environmental Protection Agency
Region 5**

In the Matter of:)	
)	
NewPage Corporation)	Finding of Violation
Escanaba, Michigan)	
)	EPA-5-10-MI-10
)	
Proceedings Pursuant to)	
the Clean Air Act,)	
42 U.S.C. §§ 7401 et seq.)	

Finding of Violation

NewPage owns and operates a pulp and paper mill at 7100 County Road 426, Escanaba, Michigan. This facility includes a kraft pulp mill that is a major source of Hazardous Air Pollutants (HAP).

The U.S. Environmental Protection Agency (EPA) is issuing this Finding of Violation (FOV) to you to address the alleged violations identified below. The underlying statutory and regulatory requirements include provisions of the Clean Air Act (CAA) and its implementing regulations.

Explanation of Violations

NESHAP from the Pulp and Paper Industry (Subpart S)

1. On April 15, 1998, EPA promulgated the National Emission Standards for Hazardous Air Pollutants for the Pulp and Paper Industry at 40 C.F.R. Part 63, Subpart S (63 Fed. Reg. 18617).
2. Subpart S, at 40 C.F.R. § 63.441, defines a “Low Volume, High Concentration or LVHC system” as the collection of equipment including the digester, turpentine recovery, evaporator, steam stripper systems, and any other equipment serving the same function as those previously listed.
3. Subpart S, at 40 C.F.R. § 63.441, defines a “Digester System” as each continuous digester or each batch digester used for the chemical treatment of wood or non-wood fibers. The digester system equipment includes associated flash tank(s), blow tank(s), chip steamer(s) not using

fresh steam, blow heat recovery accumulator(s), relief gas condenser(s), prehydrolysis unit(s) preceding the pulp washing system, and any other equipment serving the same function as those previously listed. The digester system includes any of the liquid streams or condensates associated with batch or continuous digester relief, blow, or flash steam processes.

4. Subpart S, at 40 C.F.R. § 63.443(a)(1)(i), requires that Hazardous Air Pollutant (HAP) emissions from each Low Volume High Concentration (LVHC) system be controlled.
5. Subpart S, at 40 C.F.R. § 63.443(c), requires equipment systems listed in paragraphs (a) and (b) of Section 63.443 to be enclosed and vented into a closed-vent system and routed to a control device that meets the requirements specified in paragraph (d) of Section 63.443. The enclosures and closed-vent system must meet the requirements specified in § 63.450.
6. Subpart S, at 40 C.F.R. § 63.450(a), requires each enclosure and closed-vent system specified in §§ 63.443(c), 63.444(b), and 63.445(b) for capturing and transporting vent streams that contain HAP to meet the requirements specified in paragraphs (b) through (d) of Section 63.450.
7. Subpart S, at 40 C.F.R. § 63.453(k)(1), requires for each enclosure opening used to comply with § 63.450(a), a visual inspection of the closure mechanism specified in § 63.450(b) be performed at least once every 30 days to ensure the opening is maintained in the closed position and sealed.
8. Subpart S, at 40 C.F.R. § 63.450(d)(1), provides that, for each bypass line in the closed vent system that could divert vent streams to the atmosphere without meeting the emission limitations in §§ 63.443, 63.444, or 63.445, the owner or operator must install, calibrate, maintain, and operate according to the manufacturer's specifications a flow indicator that is capable of taking periodic readings as frequently as specified in § 63.454(e). The flow indicator must be installed in the bypass line in such a way as to indicate flow in the bypass line.
9. Subpart S, at 40 C.F.R. § 63.446(d)(2)(i), requires the fixed roof and all openings (e.g., access hatches, sampling ports, gauge wells) of a condensate tank used in the closed collection system to be designed and operated with no detectable leaks as indicated by an instrument reading of less than 500 parts per million above background, and vented into a closed-vent system that meets the requirements in §63.450 and routed to a control device that meets the requirements in § 63.443(d).
10. Subpart S, at 40 C.F.R. § 63.450(c), requires that each component of the closed-vent system used to comply with §§63.443(c), 63.444(b), and 63.445(b) that is operated at positive pressure and located prior to a control device be designed for and operated with no detectable leaks as indicated by an instrument reading of less than 500 parts per million by volume above background, as measured by the procedures specified in §63.457(d).

11. Subpart S, at 40 C.F.R. § 63.457(d)(i), requires the owner or operator to measure detectable leaks for closed-vent systems as specified in §63.450 or for pulping process wastewater collection systems as specified in §63.446(d)(2)(i) using Method 21, of part 60, appendix A.
12. Subpart S, at 40 C.F.R. § 63.445(b), requires the equipment at each bleaching stage, of the bleaching systems listed in paragraph (a) of Section 63.445, where chlorinated compounds are introduced to be enclosed and vented into a closed-vent system and routed to a control device that meets the requirements specified in paragraph (c) of Section 63.445. The enclosures and closed-vent system must meet the requirements specified in §63.450.
13. Subpart S, at 40 C.F.R. § 63.445(c)(2), requires the control device used to reduce chlorinated HAP emissions (not including chloroform) from the equipment specified in paragraph (b) of Section 63.445 to achieve a treatment device outlet concentration of 10 parts per million or less by volume of total chlorinated HAP.

NESHAP for Chemical Recovery Combustion Sources at Kraft, Soda, Sulfite, and Stand-Alone Semicheical Pulp Mills (Subpart MM)

14. On January 12, 2001, EPA promulgated the NESHAP for Chemical Recovery Combustion Sources at Kraft, Soda, Sulfite, and Stand-Alone Semicheical Pulp Mills at 40 C.F.R. Part 63, Subpart MM (66 Fed. Reg. 3193).
15. Subpart MM, at 40 C.F.R. § 63.867(c), requires the owner or operator of each kraft, soda, sulfite or stand alone semicheical pulp mill that is a major source of hazardous air pollutants to report quarterly if measured parameters meet any of the conditions specified in paragraph (k)(1) or (2) of § 63.864. This report must contain the information specified in § 63.10(c) of Part 63 as well as the number and duration of occurrences when the source met or exceeded the conditions in § 63.864(k)(1), and the number and duration of occurrences when the source met or exceeded the conditions in § 63.864(k)(2). Reporting excess emissions below the violation thresholds of § 63.864(k) does not constitute a violation of the applicable standard.
16. Subpart MM, at 40 C.F.R. § 63.864(k)(1)(ii), requires owners or operators of all affected sources or process units to implement corrective action if, for a new or existing kraft or soda recovery furnace, kraft or soda smelt dissolving tank, kraft or soda lime kiln, or sulfite combustion unit equipped with a wet scrubber, any 3-hour average parameter value is outside the range of values established in paragraph (j) of Section 63.864.
17. Subpart MM, at 40 C.F.R. § 63.864(k)(2)(iii), states that owners or operators of all affected sources or process units are in violation of the standards of §63.862 if, for a new or existing kraft or soda recovery furnace, kraft or soda smelt dissolving tank, kraft or soda lime kiln, or sulfite combustion unit equipped with a wet scrubber, six or more 3-hour average parameter

values within any 6-month reporting period are outside the range of values established in paragraph (j) of Section 63.864.

18. Subpart MM, at 40 C.F.R. § 63.864(j)(1), requires the owner or operator of any affected source or process unit to establish operating ranges for the monitoring parameters in paragraphs (e)(10) through (14) of Section 63.864, as appropriate, during the initial performance test specified in §63.865.
19. Subpart MM, at 40 C.F.R. § 63.864(k)(3)), requires for purposes of determining the number of nonopacity monitoring exceedances, no more than one exceedance be attributed in any given 24-hour period.
20. Subpart MM, at 40 C.F.R. § 63.862(a)(1), requires each owner or operator of an existing kraft or soda pulp mill to comply with the requirements of paragraph (a)(1)(i) or (ii) of Section 63.862.

General Allegations

21. NewPage is the owner and operator of a plant site that is a major source of HAP, as defined in 40 C.F.R. § 63.2 of Subpart A. NewPage's plant site uses the kraft pulping process to produce wood pulp; therefore NewPage's operations are subject to the requirements of 40 C.F.R. Part 63, Subpart S.
22. NewPage is the owner and operator of a kraft pulp mill that is a major source of HAP; therefore NewPage's operations are subject to the requirements of 40 C.F.R. Part 63, Subpart MM.
23. From September 28, 2009 through October 1, 2009, EPA conducted a Clean Air Act investigation of NewPage.
24. In response to questions raised by EPA during the investigation the week of September 28, 2009, NewPage submitted two written responses, one dated October 30, 2009 and a follow-up on November 13, 2009.

Alleged Violations

25. Based on information submitted to EPA in NewPage's November 13, 2009 letter, EPA ascertained that NewPage does not perform monthly visual inspections on the digester's closure mechanism. Under the definition of LVHC and digester system, a capping valve is part of the digester's closure mechanism. NewPage failed to perform monthly visual inspections on the digester's closure mechanism. This is a violation of 40 C.F.R. § 63.453(k)(1).

26. During the EPA inspection in 2009, EPA identified 38 bypass lines that do not have a calibrated flow indicator. This is a violation of 40 C.F.R. § 63.450(d)(1).
27. During the EPA inspection in 2009, EPA learned that NewPage performed only visual inspections on the following condensate collections tanks: 1) Foul Condensate Tank; 2) Combined Condensate Storage Tank; 3) Condensate Accumulator Tank; and 4) Steam Stripper Column Feed Tank. NewPage therefore failed to conduct monitoring per Method 21, of part 60, appendix A. This is a violation of 40 C.F.R. §§ 63.446(d)(2), 63.450(c), and 63.457(d)(i).
28. Based on information provided to EPA during the 2009 inspection, EPA determined that NewPage failed to report the four (4) exceedances listed below in its excess emissions reports for the Smelt Dissolving Tank Scrubber System. This is a violation of 40 C.F.R. § 63.867(c).
- i. December 26, 2006
 - ii. March 13, 2007
 - iii. September 14, 2008
 - iv. April 21, 2009
29. Based on information provided to EPA during the 2009 inspection, EPA determined that NewPage failed to report the twenty-one (21) exceedances listed below in its excess emissions reports for the Lime Kiln Scrubber Exhaust System. This is a violation of 40 C.F.R. § 63.867(c).
- i. October 18, 2006
 - ii. November 16, 2006
 - iii. December 29, 2006
 - iv. April 23, 2007
 - v. April 25, 2007
 - vi. June 18, 2007
 - vii. August 28, 2007
 - viii. September 24, 2007
 - ix. October 5, 2007
 - x. November 16, 2007
 - xi. December 2, 2007
 - xii. January 15, 2008
 - xiii. March 21, 2008
 - xiv. June 3, 2008
 - xv. June 8, 2008
 - xvi. June 10, 2008
 - xvii. July 23, 2008
 - xviii. July 12, 2008
 - xix. August 11, 2008

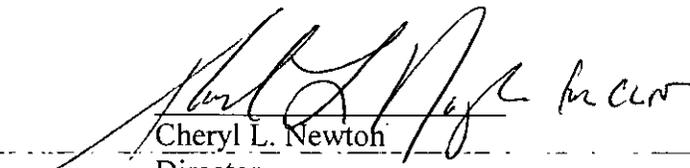
- xx. September 25, 2008
- xxi. March 19, 2009

- 30. Based on information provided to EPA during the 2009 inspection, EPA found that during the semiannual period of January 1, 2008 through June 30, 2008, six 3-hour average parameter values for NewPage's lime kiln scrubber exhaust system were outside the range of values established in Section 63.864(j). This is a violation of 40 C.F.R. §§ 63.864(k)(2)(iii) and 63.862(a)(1).
- 31. Based on a review of NewPage's semi-annual reports, EPA found that on November 15, 2008, NewPage's Bleaching System Scrubber failed to achieve a treatment device outlet concentration of 10 parts per million or less by volume of total chlorinated HAP for 480 minutes. This is a violation of 40 C.F.R. §§ 63.445(b) and 63.445(c)(2).

Environmental Impact of Violations

- 32. These violations have caused or can cause excess emissions of HAPs. Violation of the NESHAP standards can result in excess HAP emissions that may cause serious health effects, such as birth defects and cancer, and harmful environmental and ecological effects.

Date: 9/23/2010


Cheryl L. Newton
Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Tracy Jamison, certify that I sent a Finding of Violation, No. EPA-5-10-MI-10, by Certified Mail, Return Receipt Requested, to:

Todd Schmidt, Environmental Manager
NewPage Corporation
7100 County Road 426
Escanaba, Michigan 49829

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

Brian Brady, District Supervisor
Upper Peninsula District Office
420 5th Street
Gwinn, Michigan 49841

on the 23 day of Sept, 2010.



Tracy Jamison, Office Automation Assistant
PAS, Air Enforcement Branch

CERTIFIED MAIL RECEIPT NUMBER: 7009 11080 0000 76674409