

June 29, 2022

Mr. Randolph R. Lowell, Esq. 133 River Landing Drive, Suite 200 Charleston, SC 29492 rlowell@willoughbyhoefer.com

RE: Order to Correct Undesirable Level of Air Contaminants

New-Indy Catawba, LLC facility located at 5300 Cureton Ferry Rd.

Dear Mr. Lowell:

Pursuant to its authority under S.C. Code §48-1-120, the South Carolina Department of Health and Environmental Control ("Department") issued an Order to New-Indy Catawba, LLC ("New-Indy") on May 5, 2021, determining that the above-referenced facility is the source of an undesirable level of air contaminants. While considerable progress has been made to reduce and minimize the potential for emissions, additional actions as set forth in this letter must be taken promptly.

First and foremost, New-Indy must address stripper design capacity and redundancy. Strippers are commonly used at paper mills to reduce odor. The last 3 quarterly tests and reports of non-compliance with Subpart S demonstrate that biological treatment of HAPs and TRS compounds in the ASB is not sufficient for compliance with Subpart S (or to minimize odors) when the existing stripper is not operating or is not operating properly. For these reasons and because the existing stripper is regularly shut down for maintenance:

- New Indy must install, operate, and maintain a primary stripper that is adequately sized to collect and treat all condensate streams in accordance with 40 CFR 63.446(b) and (c) of Subpart S.
- New Indy must optimize, operate, and maintain the existing stripper to be used as a back-up unit during periods of primary stripper upsets and maintenance downtime. The back-up stripper shall collect and treat most streams defined in 40 CFR 63.446(b) of Subpart S to minimize streams being sent directly to the ASB when the newly installed primary stripper is out of service.

Additionally, the following must also be addressed:

- compliance with the Consent Order dated June 29, 2022, regarding the facility's wastewater treatment facility, along with additional action related to the wastewater treatment facility as determined necessary to minimize air contaminants;
- · characterization of onsite emission sources under current operating conditions;
- onsite monitoring;
- offsite monitoring;
- a defined process for receiving and responding to citizen odor reports; and
- notification regarding unplanned releases that may have offsite impact.

The actions to remedy the undesirable levels of air contaminants should be selected so as not to interfere with the current and ongoing obligations pursuant to the Voluntary Cleanup Oversight

Contract, 18-6120-VOC. However, please be advised that the Department will continue to determine noncompliance and issue enforcement orders to address emissions when appropriate.

Please coordinate with your client and contact the Department to schedule a meeting to be held prior to July 29, 2022. After the meeting, the Department will provide a draft consent order to amend the Order to Correct Undesirable Level of Air Contaminants issued by the Department on May 5, 2021. Should you fail to enter into this consent order, the Department intends to pursue its remedies against New-Indy which may include the issuance of an amended order without your consent and/or other legal proceedings as necessary to achieve compliance with the Pollution Control Act, S.C. Code Ann. §48-1-10 et. seq.

Please contact me as soon as possible to schedule a conference with the Department. I can be reached at (803) 898-0288.

Sincerely,

Sara V. Martinez, Esq.

Chief Counsel for Environmental Affairs