



Woodland Pulp LLC

144 Main Street
Baileyville, Maine 04694-9656

207-427-3311
www.woodlandpulp.com

Mr. Jeff Crawford

Maine Department of Environmental Protection

Bureau of Air Quality

State House Station # 17

Augusta, Maine 04333

July 30, 2018

Re: ME DEP's Clean Air Act Sect. 176(a)(2) Petition

Good afternoon Mr. Crawford.

My name is Scott Beal. I am the Environmental and Security Manager for Woodland Pulp LLC in Baileyville, Maine. I'm here today representing over 400 employees of Woodland Pulp and our sister organization, St. Croix Tissue, Inc., to fully support the Department's petition to the US EPA calling for the redesignation of the majority of the state from the Ozone Transport Region.

In our view, this petition is long overdue. In our geographic region of the state we have never been in actual nonattainment of the applicable ozone standards. But the regulatory framework of being in the OTR has summarily ignored this. We in Baileyville have worked very hard to remain viable as a mill in order to attract capital investment, which in a capital-intensive industry such as ours, is truly our life blood. We were fortunate to be able to do this with our change in ownership in 2010 by initially converting our mill from oil to natural gas, then again in 2014 where we announced the creation of St. Croix Tissue Inc. This provided for the installation of two new tissue machines and which now employs over 90 people. We worked very hard to keep this new project a minor modification to avoid the need for off sets and were able to do this, in part, because of the permanent shutdown of our fine paper machine in 2007 where we lost 150 employees. We benefited from a past hardship.

This past winter we started working on a modification to our Title V air emission license to provide for the installation of two more Tissue Machines. During the process, we determined that we needed to obtain 185 tons of NOX and/or VOC offsets in order for this project to move forward because Maine is in

the OTR. We obtained them locally as a result of my company agreeing to surrender the associated air emission license for the former Oriented Strand Board, Stud Mill and associated boiler. Thus, we obtained them locally, if you will, only because over 200 people had lost their jobs in Baileyville a few years back. Again, we benefited from a past hardship. How does anyone characterize this as progress for our state?

I offer this as a bit of background to illustrate what we would've had to have done if those emission offsets weren't available to us.

In mid-March, when we were assessing our options, we had a discussion with an emissions broker in Texas. At the time he was aware of 70 tons of VOC's and 100 tons of NOx emissions available on the open market. The cost quoted to us was "in the range of \$4,500 to \$6,000 per ton." So \$765,000.00- if we could have gotten everything for the bargain basement price of \$4,500/ton. The other broker quoted us a price range of \$8,500 to \$10,000/ ton. The point being, we were looking at needing hundreds of thousands of dollars simply to get to a point where we could develop a pathway to actually obtain the necessary air emissions license for sources in the Ozone Transport Region.

In contrast, this was not a licensing requirement of Sofidel for them to obtain the necessary licenses to construct their two tissue machines in Ohio for example. Or any other similar project outside of the Ozone Transport Region for that matter.

Now, my question to everyone in this room, is who in the state of Maine would have benefitted from my company paying these fees to obtain the OTR required emission off sets? The honest answer, sadly, is no one. We would have been just as well off by taking ¾'s of a million dollars out in the parking lot and burning it for all the good such a transaction would have accomplished for the residents of the State of Maine.

I said at the start of my testimony that this petition has been a long time coming and I'm very glad to be here today to support it. Further, I believe everyone here today should feel equally as good about this petition as I do and support it moving forward. The science is indisputable and it's been said that, "Facts are stubborn things." The facts are clear, this petition doesn't undermine the strong body of environmental regulations that will remain firmly in place.

The fact remains that this petition will not cause or contribute to Maine's air quality being degraded. That said, this action will not result in an increase in various respiratory maladies that you might hear

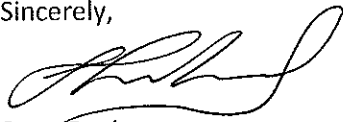
today.

The fact remains that this simply helps to level the playing field and gives Maine an opportunity to better create and retain jobs without compromising air quality.

Those are the facts and those facts are backed up and supported by science.

I thank you for the opportunity to comment on this petition.

Sincerely,

A handwritten signature in black ink, appearing to read 'Scott Beal', with a stylized, cursive script.

Scott Beal

Environmental Manager

Woodland Pulp LLC