



New-Indy Statement on S.C. DHEC's Consent Order

The South Carolina Department of Health and Environmental Control (DHEC) has issued its consent order, which requires New-Indy Catawba LLC to comply with the department's requirements to sustain the substantial progress already made at the facility. The company is required in this order to install a new steam stripper, add on-site air monitors, and increase sampling for air contaminants. New-Indy credits DHEC for the professional approach that its staff has taken to protect the community and for providing the procedures and guidelines to ensure that progress made at the facility is maintained.

Excerpts from Consent Order to Correct Undesirable Levels of Air Contaminants

"Based on the available data and evidence, the hydrogen sulfide (H₂S) concentrations at New Indy's and DHEC's air monitors have significantly declined due to improvements being made by New Indy. As New Indy continues to manage the sludge onsite, there could be periods of odor. Facilities like paper mills can emit odors even when operating in full compliance with all applicable standards, laws, and regulations."

"New-Indy must install, operate, and maintain a primary stripper that is adequately sized to collect and treat all foul condensate streams in accordance with applicable state and federal air quality regulations. The primary stripper shall use low pressure steam and must be designed for both methanol and sulfur compound removal with the off gases being treated in the recovery boilers to absorb the sulfur compounds in the stripper off gas."

"New-Indy shall operate and maintain, in accordance with the procedures set forth in a QAPP, two (2) additional monitors on-site solely for additional analysis in the following locations:

- a. At or near the entrance from Highway S.C. 5 to the New-Indy Scale House; and
- b. Southwest of the Facility on the berm south of Holding Pond #2."

"Within sixty (60) days of the execution of this order, New-Indy shall provide a QAPP for sampling utilizing SUMMA canisters ..."

Note: The South Carolina Department of Health and Environmental Control has ordered New-Indy to design, construct and install a new steam stripping system that will operate with a different methodology than the current system. The new steam stripper is designed to allow for treating all foul condensate streams for total reduced sulfur (TRS) and methanol. The system will operate using low-pressure steam, making it less susceptible to disruption.

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The off gases from this steam-stripping process will be sent to recovery boilers and safely incinerated there. The remaining TRS and methanol that is not vaporized and incinerated will be re-introduced to the production system to improve the linerboard stock consistency.

The new steam-stripping system will be designed to stay in full operation nearly 24 hours a day, 7 days a week for at least 18 months before it needs to be serviced. New-Indy will undertake a companion project to modify the existing steam-stripping system to improve its operation.