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ILLINOIS POLLUTION CONTROL BOARD

May 11, 2005

IN THE MATTER OF:)
)
PETITION OF SCA TISSUE NORTH) AS 05-04
AMERICA, LLC, FOR AN ADJUSTED) (Adjusted Standard
STANDARD FROM: 35 Ill. Adm.) Air)
Code 218.301 and 218.302 (c))

TRANSCRIPT OF PROCEEDINGS had in the
above -entitled cause on the 17th day of May, A.D.
2005, at 1:00 p.m.

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1 MR. HALLORAN: Hello. Good afternoon.
2 My name is Bradley Halloran. I'm a hearing
3 officer with the Illinois Pollution Control
4 Board, and I'm also assigned to this matter
5 entitled "In the matter of petition of SCA
6 Tissue North America LLC, for an adjusted
7 standard from 35 Ill. Adm. Code 218.302(c).
8 Again, it's an adjustment standard, and our
9 documents reflect it as AS 5-4, adjusted
10 standard for air.

11 It's May 17, approximately
12 1 o'clock. I don't see any members of the
13 public here that aren't affiliated with the
14 parties, so we will move on. We are going to
15 run this hearing pursuant to Section 104,
16 Subpart D, and Section 101, Subpart F of the
17 board's procedural provisions.

18 I also want to note for the
19 record that this hearing was properly noticed
20 up. The hearing is intended to develop a
21 record for the Illinois Pollution Control
22 Board. I will not be making the ultimate
23 decision in the case. That is left up to the
24 five members of the board. I am only here on

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1 rule on any evidentiary matters and to make
2 sure that the hearing goes without a hitch.

3 And just a brief note. On
4 April 28, 2005, I forwarded, I believe, 24
5 questions from our technical units to the
6 respective parties. On May 13, 2005, the
7 petitioner filed its responses, written
8 responses to the technical unit's questions.

9 With that said, Mr. Privitera,
10 would you like to introduce yourself, please?

11 MR. PRIVITERA: Thank you, Judge. My
12 name is John Privitera on behalf of the
13 petitioner SCA Tissue North America. I am
14 from the McNamee law firm in Albany, New
15 York.

16 I am here today with two
17 representatives of SCA. To my immediate left
18 is Joe Yech, Y-E-C-H. He is a process
19 engineer at the Alsip facility that is at
20 issue in these proceedings, familiar with the
21 operations there, has been at the facility
22 for a number of years, and he is available
23 for any specific process related questions.

24 Also with me today is Mr. Marty

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1 Straumburger. Marty is a consulting engineer
2 who has been involved in the preparation of
3 the technical elements of the petition and is
4 also the person who put together the answers
5 to the technical questions that your Honor
6 referenced dated April 28 as to which we have
7 replied.

8 Today's petition is prompted by an
9 extended process by which the Alsip facility,
10 the SCA Alsip facility, has sought to reduce
11 emissions from a solvent cleaning operation
12 and to bring the facility into compliance.
13 The Alsip mill is a 100 percent paper
14 recycling mill that produces usable paper
15 products from recycled paper.

16 The proceeding before the Board
17 was commenced after through the adversarial
18 process of an enforcement proceeding brought
19 by the Illinois Environmental Protection
20 Agency and the Attorney General's Office. It
21 was determined that the pending petition was
22 a fair and reasonable process to document the
23 progress that Alsip had made toward
24 compliance with the Clean Air Act and

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1 Illinois law.

2 Specifically, what we seek today
3 is an adjustment from Title 35 218.302(c).
4 It's 218, decimal point, 302, peren, c. That
5 is the alternative standard rule sometimes
6 known in conjunction with 218.301, as
7 Subpart G.

8 It specifically provides that a
9 facility in the situation such as Alsip's
10 must apply pollution controls on the process
11 that is used by Alsip for cleaning the paper
12 machine to achieve an 85 percent reduction in
13 volatile organic emissions from that process.

14 The listed subparts in 302(c)
15 contemplate different technical
16 postapplication kind of controls, engineering
17 controls, on emissions as suggested
18 alternatives to achieve compliance with the
19 85 percent rule.

20 After an exhaustive effort and
21 the process that I have described with the
22 enforcement proceeding, the Illinois EPA
23 determined that SCA Tissue is achieving the
24 lowest available emission rate that it can

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1 for the process of cleaning the paper
2 machine, and we further documented in the
3 adversarial proceeding and also in the
4 petition now before the Board a 93 percent
5 reduction, that is to say an 8 percent
6 increase above the 85 percent minimum
7 contemplated by the rule and a 93 percent
8 reduction in the amount of volatiles that are
9 produced by the cleaning process.

10 The permits that are in place for
11 SCA Alsip, particularly the Title 1 permit,
12 sometimes known as the FESOP. That is one
13 word, F-E-S-O-P, federally enforceable permit
14 conditions, require that we continue to meet
15 LAER, that we continue to apply the process
16 that is in place to achieve that reduction.

17
18 And effectively, what we seek
19 from the Board is a ruling that the
20 alternative that we are now using is the
21 functional equivalent of what is listed under
22 Alternative Standard Rule; and therefore, the
23 petition ought to be granted to embrace the
24 reduction that Alsip has achieved.

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1 Essentially, the petition
2 establishes that there are no alternative
3 substances that can be used to clean the
4 paper machine other than the low volatile
5 material that is currently being used and
6 also establishes that the standard that we
7 seek is not substantially more adverse than
8 the effects considered when the general rule
9 was adopted, which is the standard under
10 28.1(c) of the rules. And that is because
11 we've achieved more than 85 percent reduction
12 by the detailed process methodologies that
13 embraced and enforced by the permit.

14 We have answered a series of
15 technical questions that were posed on
16 April 28, that respond to some of the very
17 specifics as to the production controls and
18 other matters. The papers before the Board
19 right now show that the Illinois
20 Environmental Protection Agency supports the
21 recommendation that we seek and that is to
22 embrace our current process controls as an
23 adjusted standard.

24 Because our petition is detailed

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1 and provides the alternatives analysis and we
2 think it is consistent with all of the
3 requirements of the rules, we did not
4 anticipate the need today to go through it
5 all again today particularly in light of the
6 sworn statement by Mr. Straumburger that
7 responded to the April 28 questions.

8 However, Mr. Yech is here.
9 Mr. Straumburger is here, and they are both
10 available for questions, should you
11 determine, your Honor, or any of the parties
12 that further evidence is required in support
13 of the rule. But upon that, we did not
14 anticipate further testimony today, and we
15 ask that the petition be considered on the
16 merits as submitted.

17 MR. HALLORAN: Thank you,
18 Mr. Privitera.

19 Mr. Layman.

20 MR. LAYMAN: Thank you. My name is
21 Robb Layman. I am the assigned attorney for
22 the Illinois EPA in this case. The Illinois
23 EPA filed its formal recommendation in this
24 matter with the Board on March 22, 2005. In

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1 that recommendation, the Illinois EPA urged
2 the Board to conditionally grant the adjusted
3 standard relief sought by SCA Tissue under
4 the requirements of both Section 218.301 and
5 Section -- primarily Sections 218.302(c) of
6 Title 35 of the Illinois Administrative Code.

7 Based on a review of the posted
8 petition and other information, the Illinois
9 EPA believed that SCA Tissue has satisfied
10 the criteria by which the Board generally
11 evaluates this type of requested relief.

12 Namely, that:

13 One, that SCA Tissue's situation
14 surrounding Subpart B compliances are
15 substantially and significantly different
16 from those considerations originally
17 underlying the Board as promulgation of the
18 Subpart G requirement;

19 Two, that the infrequent and
20 limited nature of the emissions from the
21 solvent cleaning operations together with the
22 past and continuing obligation to achieve a
23 level of control beyond that required by
24 Subpart G will not cause an adverse impact on

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1 the environment or public health;

2 And three, that the grant of
3 adjusted standard relief is consistent with
4 federal law.

5 For these reasons, the Illinois
6 EPA supports SCA Tissue's request for relief
7 subject to the usual conditions that normal
8 accompany the Illinois EPA's recommendations
9 in these types of cases, the most significant
10 of which is the company's ongoing obligation
11 to investigate alternatives to the use of
12 existing cleaning solvents and were
13 practicable to substitute its cleaning
14 solvents with lower VOM containing or
15 photochemically reacting materials.

16 I should note that no testimony
17 will be heard today from the Illinois EPA's
18 technical staff as both the petition and
19 other information previously applied by the
20 Illinois EPA were believed at that time to be
21 sufficient to form the basis for our
22 recommendation. And no additional issues
23 capable of generating any serious controversy
24 were anticipated at today's hearing.

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1 That's all I have.

2 MR. HALLORAN: Thank you, Mr. Layman.
3 You will have no questions of Mr. Privitera's
4 witnesses here today?

5 MR. LAYMAN: I don't anticipate any.
6 To the extent that there are some, perhaps,
7 clarifying in nature, there is no objection,
8 I trust, for me to pose those?

9 MR. HALLORAN: Correct. And I feel
10 terrible I did not introduce our two
11 technical personnel here today. And one is
12 Anand Rao, and the other is Alisa Lui. At
13 this point I don't know if Mr. Rao or Ms. Liu
14 have any questions of the witnesses.

15 MS. LIU: Yes.

16 MR. HALLORAN: You do. And which one
17 would that be, Ms. Liu?

18 MS. LIU: SCA Tissue as a panel.

19 MR. HALLORAN: We will swear you both
20 in, the witnesses. I think that would be the
21 proper way to do it. Laurie, if you could
22 swear them in. Raise your right hands.

23 (WHEREUPON, the witnesses were duly
24 sworn.)

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1 MR. RAO: Can I enter this as an
2 exhibit?

3 MR. HALLORAN: Yes, we can do that.
4 Mr. Rao just asked me if I could enter their
5 written responses. Actually, it looks like
6 overnight, but I think we received them
7 May 13. I will accept that into evidence.
8 If there is no objection, and just mark it as
9 Hearing Officer Exhibit 1.

10 MR. LAYMAN: No objection.

11 MR. HALLORAN: Thank you.

12 MR. PRIVITERA: No objection.

13 MR. HALLORAN: Thank you.

14 (WHEREUPON, a certain document was
15 marked name name Deposition
16 Exhibit No. 1 for identification
17 as of 05/17/05.)

18 MR. HALLORAN: Ms. Liu.

19 MS. LIU: Good afternoon. As part of
20 the Agency's recommendation to grant the
21 adjusted standard, they have included some
22 suggested conditions. I was wondering how
23 SCA Tissue feels about those conditions.

24 MR. PRIVITERA: Well, I am looking at

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1 the paperwork here, and consistent and with
2 what Mr. Layman just said, the recommendation
3 is there's really only one, I think, broadly
4 written. It says, quote on Page 17 of IEPA's
5 response, "SCA Tissue shall continue to
6 investigate alternatives to the use of
7 existing cleaning solvents including possible
8 substitutions that have a lower VOM content
9 or that are nonphotochemically reactive.

10 Where practical SCA Tissue shall
11 substitute currently used cleaning solvents
12 with available substitutes, as long as such
13 substitution does not result in a net
14 increase in VOM emissions. SCA tissue shall
15 agree to conduct any emission testing as may
16 be requested by the IEPA in this regard.

17 A written report shall be
18 prepared that summarizes any testing of
19 potential substitutes in cleaning solvents as
20 well as any actual substitutions that were
21 implemented by SCA Tissue on an annual basis.
22 The report shall be prepared by SCA Tissue
23 and submitted to the IEPA air compliance and
24 enforcement section."

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1 I see that as sort of one
2 continuing duty although it has been broken
3 up into a series of tasks. And certainly,
4 you can pose the question directly to
5 Mr. Yech, and I will defer. But we've had
6 these discussions. We are engaged in this
7 ongoing effort anyway because -- I think what
8 is important for the Board to understand and
9 for staff to understand generally -- this is
10 not a process that we sort of make money at.
11 It's not a production process. It's a
12 cleaning process. And when we are cleaning,
13 we are not making paper, which is not a good
14 thing. So increasing the efficiency of the
15 application because it is a cleaning item,
16 not a production ingredient, increasing the
17 time with which it is done, and trying to
18 have it involve fewer emissions, all of these
19 things were an ongoing duty anyway that we
20 impose on ourselves based on the overall
21 policy of SCA worldwide.

22 It's a European based company, and
23 there are a lot of perspectives in Europe,
24 ISO 14,000 type standards and concepts that

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1 are always embraced by SCA in a process of
2 always analyzing what we can do better in
3 terms of reducing emissions and frankly
4 controlling costs and making more paper per
5 application.

6 So I can speak for the company
7 having been involved in the process that we
8 embrace this as a condition because it is an
9 ongoing commitment and condition that we have
10 by our own policies anyway. And I don't know
11 if Joe can fill that in any further, but I
12 think it is a question more appropriate for
13 Joe rather than Marty because it is really
14 specifically a company commitment and
15 condition, not a technical question for an
16 outside consulting engineer. Joe.

17 MR. YECH: Yes. We do support that
18 ongoing effort to reduce the amount of times
19 we have to shut down for the cleaning because
20 that downtime is detrimental to our business.
21 And we have examined new alternatives to the
22 solvent cleaning as was specified in the
23 questions. We have tried additional products
24 that aren't solvent in the chemistry that

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1 you, I think, referred to in the
2 questionnaire as one of them that we
3 currently use, and we do an ongoing practice
4 of trying to do that.

5 MR. RAO: This practice you implement
6 at your company, is there also like some kind
7 of a corporate strategy for all of your other
8 mills where there are people researching
9 this, or is it just company specific?

10 MR. YECH: We do have a corporate
11 structure where we can get feedback on ideas,
12 you know, ideas, how they have worked at
13 other facilities. Yes, we do communicate
14 that way.

15 MR. RAO: Thank you.

16 MS. LIU: Are there other SCA plants
17 that are producing paper that's recycled out
18 of stock?

19 MR. YECH: Yes.

20 Q.

21 MR. PRIVITERA: Several. I think five
22 or six on the continent.

23 MR. YECH: There are. Yes, we have
24 five or six in the United States, and there

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1 are some outside of the United States in
2 North America Continent as well, yes.

3 MR. PRIVITERA: Exhibit H in the
4 record is the solvent trial results which is
5 the process that we went through because IEPA
6 had asked the same questions you are asking
7 now. To what extent are alternatives
8 possible? What have you explored in terms of
9 other substances and other possibilities?

10 That was written by Kai Harmon
11 who is no longer with the company. But
12 Exhibit H documents a fairly extensive
13 process of examining other substances that I
14 know included seeing what other mills were
15 doing within the overall organization.

16 And because Exhibit H is laid out
17 so well and because the vendors that tend to
18 sell these kinds of products are known to us
19 and new ones certainly make themselves known,
20 we have a pretty good template for
21 continuing the process of investigating. So
22 Exhibit H is really sort of a living document
23 at this point.

24 MS. LIU: So as part of your annual

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1 report, you will include some sort of
2 approach similar to what you have in
3 Exhibit H to describe your investigation into
4 alternatives?

5 MR. YECH: I haven't -- I am not
6 familiar with Exhibit H myself. I didn't
7 prepare that but --

8 MS. LIU: You do intend to keep trials
9 like this going as well as communications
10 with the product suppliers and other
11 facilities on how they are handling cleaning
12 control?

13 MR. YECH: Yes. If another facility
14 finds a method that is very beneficial and it
15 is communicated, we will exam that.

16 MR. PRIVITERA: Anything else?

17 MR. RAO: I think you have done a
18 pretty good job of responding to the
19 questions.

20 MR. PRIVITERA: Thank you.

21 MR. RAO: It is very helpful.

22 MR. PRIVITERA: Thank you. I think
23 it's -- you know, it's hard to, you know,
24 even when you put these things together, you

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1 don't know what you might have missed. So we
2 appreciated helping everyone understand the
3 process and what we have done. We took those
4 questions in stride. I am glad it helped the
5 Board.

6 MR. HALLORAN: Any other questions,
7 Mr. Layman?

8 MR. LAYMAN: No.

9 MR. HALLORAN: I don't suspect we'll
10 be doing closings. All right. We talked off
11 the record prior to the hearing that the
12 posthearing brief, I think we established
13 that the transcript will be filed with the
14 Board May 27, 2005; however, it may not be
15 online until the following Tuesday.

16 I think Monday is the holiday as
17 Mr. Rao pointed out. But in any event, I am
18 setting public comment on June 10, public
19 comment must be filed. And the parties
20 agreed that simultaneous briefs are due on or
21 before June 30. And Mr. Layman had expressed
22 the desire, if need be, that he respond to
23 the written responses filed by the petitioner
24 on May 13. And he will respond to those in a

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1 posthearing brief.

2 Anything else? I do want to
3 thank the parties for their civility and
4 upmost professionalism, and I wish Mr.
5 Privitera and company a safe plane ride back
6 to Albany and Mr. Layman a safe train/car
7 trip back to Springfield.

8 Thank you very much. That
9 concludes this hearing. And I guess I am
10 supposed to say though before, the
11 credibility determination and based on my
12 experience and observations, I find no
13 credibility issues with the witnesses that
14 testified here today, so thank you very much.

15 (WHEREUPON, the proceedings were
16 adjourned.)

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1 STATE OF ILLINOIS)
2) SS:
3 COUNTY OF COOK)
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5 I, LAURIE KEELING, a Certified Shorthand
6 Reporter of the State of Illinois, do hereby certify
7 that I reported in shorthand the proceedings had at
8 the hearing aforesaid, and that the foregoing is a
9 true, complete, and correct transcript of the
10 proceedings of said hearing as appears from my
11 stenographic notes so taken and transcribed under my
12 personal direction.

13 IN WITNESS WHEREOF, I do hereunto set my
14 hand at Chicago, Illinois, this 26th day of
15 May 2005.

16

17

18 Certified Shorthand Reporter

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20 CSR Certificate No. 84-4507

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