

ALABAMA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

IN THE MATTER OF:)
International Paper – Riverdale Mill)
Selma, Dallas County, Alabama) CONSENT ORDER NO. 26-XXX-CAP
ADEM Air Facility ID No. 104-0003)

PREAMBLE

This Special Order by Consent is made and entered into by the Alabama Department of Environmental Management (“Department” or “ADEM”) and International Paper – Riverdale Mill (“Permittee”) pursuant to the provisions of the Alabama Environmental Management Act, Ala. Code §§ 22-22A-1 through 22-22A-17, as amended, the Alabama Air Pollution Control Act, Ala. Code §§ 22-28-1 through 22-28-23, as amended, and the regulations promulgated pursuant thereto.

STIPULATIONS

- 1. The Permittee operates a pulp and paper mill, Air Division Facility No. 104-0003 (“Facility”), located at 601 County Road 78, Selma, Dallas County, Alabama.
2. The Department is a duly constituted department of the State of Alabama pursuant to Ala. Code §§ 22-22A-1 through 22-22A-17, as amended.
3. Pursuant to Ala. Code §§ 22-22A-4(n), as amended, the Department is the state air pollution control agency for the purposes of the federal Clean Air Act, 42 U.S.C. §7401 et seq., as amended. In addition, the Department is authorized to administer and enforce the

provisions of the Alabama Air Pollution Control Act, Ala. Code §§ 22-28-1 through 22-28-23, *as amended*.

4. The Department issued the current Major Source Operating Permit (MSOP) No. 104-0003 (“Permit” or “MSOP”) to the Permittee on February 15, 2023. An Administrative Modification to the Permit was issued on June 20, 2023, and a Significant Modification to the Permit was issued on March 13, 2024.

5. Permit Proviso No. 5 of the Emission Standards Section for the Process Condensates states: *“At mills that perform bleaching, treat the pulping process condensates to remove 5.1 kilograms or more of total [hazardous air pollutants] HAP per megagram (10.2 pounds per ton) of [oven-dried pulp] ODP, or achieve a total HAP concentration of 330 parts per million or less by weight at the outlet of the control device.”*

6. Permit Proviso No. 7b. of the Emission Monitoring Section for the Process Condensates states: *“A parameter excursion is not a violation of the applicable emission standard if the results of the performance test conducted using the procedures in this paragraph demonstrated compliance with the applicable emission limit in 40 CFR 63.446(e)(2).”*

DEPARTMENT’S CONTENTIONS

7. On September 4, 2025, the Department was notified by the Permittee of an exceedance of the five-day rolling surrogate parameter used to demonstrate continuous compliance with the pulping process condensate treatment limit of the Permit. Subsequently, the Permittee began a five-day performance test on September 4, 2025, to demonstrate compliance with the treatment limit of the Permit. Pursuant to the Permit, if a performance test demonstrates compliance with the treatment limit, the parameter excursion would not be considered a violation.

8. On September 10, 2025, the Permittee notified the Department of a failure of the performance test conducted during the period of September 4-8, 2025. The results showed a removal of 9.2 pounds of HAP per ton of ODP (lbs/ODTP), a violation of the minimum treatment level of 10.2 lbs/ODTP.

9. On November 3, 2025, the Department issued a notice of violation (NOV) for the failure to meet the minimum pulping process condensates treatment limit of the Permit.

10. On November 25, 2025, the Department granted an extension of the due date for the NOV response.

11. On December 11, 2025, the Department received a response to the NOV indicating multiple factors caused the failure of the condensate performance test. These issues included the release of inhibitory compounds from a turpentine loop seal drain and a soap release from the tall oil reactor, an outage of the No. 2 Clarifier, and dredging in the five-day pond that allowed inhibitory compounds to enter the biological treatment system.

12. The Permittee failed to comply with the Permit as follows:

- A. Surrogate monitoring parameter excursion with subsequent failure of a condensate treatment performance test.
- B. Failure to meet the minimum pulping process condensates treatment limit.

13. Pursuant to Ala. Code § 22-22A-5(18)c., *as amended*, in determining the amount of any penalty, the Department must give consideration to the seriousness of the violation, including any irreparable harm to the environment and any threat to the health or safety of the public; the standard of care manifested by such person; the economic benefit which delayed compliance may confer upon such person; the nature, extent, and degree of success of such person's efforts to minimize the effects of such violation upon the environment; such

person's history of previous violations; and the ability of such person to pay such penalty. Any civil penalty assessed pursuant to this authority shall not exceed \$25,000.00 for each violation, provided however, that the total penalty assessed in an order issued by the Department shall not exceed \$250,000.00. Each day such violation continues shall constitute a separate violation. In arriving at this civil penalty, the Department has considered the following:

A. SERIOUSNESS OF THE VIOLATION: The Department considers the Permittee's failure to meet the requirements of the Permit to be serious violations.

B. THE STANDARD OF CARE: The Permittee has performed nine unscheduled condensate performance tests in 2025 due to surrogate parameter exceedances, indicating the Permittee has not exhibited the required standard of care to meet the requirements of the Permit.

C. ECONOMIC BENEFIT WHICH DELAYED COMPLIANCE MAY HAVE CONFERRED: The Department is not aware of any economic benefits the Permittee may have gained as a result of the violations referenced herein.

D. EFFORTS TO MINIMIZE OR MITIGATE THE EFFECTS OF THE VIOLATION UPON THE ENVIROMENT: The Permittee subsequently demonstrated compliance with the condensate treatment limit on September 9, 2025. In the NOV response, the Permittee stated a number of actions have been taken to reduce the number of unscheduled performance tests and improve the biological system performance. These actions include reviewing best management practices (BMPs) and equipment upgrades related to liquor, soap, and turpentine management, reviewing standard operating procedures (SOPs) taken during liquor, soap, or turpentine process upsets, enhancing facility monitoring and reporting alarms, implementing a checklist startup process for the turpentine and evaporator systems, rebuilding the No. 2 primary clarifier rake drive, and repairing sewer monitoring probes.

E. HISTORY OF PREVIOUS VIOLATIONS: The Permittee was previously issued Consent Order 22-065-CAP on April 7, 2022, and Consent Order 23-090-CAP on July 27, 2023, for similarly failing to treat the minimum pulping process condensates as required by the Permit and 40 CFR Part 63, Subpart S. Consent Order 22-126-CAP was issue on September 29, 2022, for multiple 12-hour total reduced sulfur exceedances and violating the low volume high concentration gases excess emissions allowance under the Permit and 40 CFR Part 63, Subpart S.

F. THE ABILITY TO PAY: The Permittee has not alleged an inability to pay the civil penalty.

G. OTHER FACTORS: It should be noted that this Special Order by Consent is a negotiated settlement and, therefore, the Department has compromised the amount of the penalty to resolve this matter amicably without incurring the unwarranted expense of litigation.

14. The Department has carefully considered the six statutory penalty factors enumerated in Ala. Code § 22-22A-5(18)c., *as amended*, as well as the need for timely and effective enforcement and, based upon the foregoing and attached contentions, has concluded that the civil penalty is appropriate (*See* “Attachment A”, which is hereby made a part of Department’s Contentions).

15. The Department neither admits nor denies Permittee’s Contentions, which are set forth below. The Department has agreed to the terms of this Consent Order in an effort to resolve the alleged violations cited herein without unwarranted expenditure of State resources in prosecuting the above violations. The Department has determined that the terms contemplated in this Consent Order are in the best interests of the citizens of Alabama.

PERMITTEE’S CONTENTIONS

16. The Permittee neither admits nor denies the Department's contentions. The Permittee consents to abide by the terms of this Consent Order and pay the civil penalty assessed herein.

ORDER

THEREFORE, the Permittee, along with the Department, desires to resolve and settle the compliance issues cited above. The Department has carefully considered the facts available to it and has considered the six penalty factors enumerated in Ala. Code § 22-22A-5(18)c., *as amended*, as well as the need for timely and effective enforcement and has determined that the following conditions are appropriate to address the violations alleged herein. Therefore, the Department and the Permittee agree to enter into this Consent Order with the following terms and conditions:

A. The Permittee agrees to pay the Department a civil penalty in the amount of \$50,000.00 in settlement of the violations alleged herein within forty-five days from the effective date of this Consent Order. Failure to pay the civil penalty within forty-five days from the effective date may result in the Department's filing a civil action in the Circuit Court of Montgomery County to recover the civil penalty.

B. The Permittee agrees that all penalties due pursuant to this Consent Order shall be made payable to the Alabama Department of Environmental Management by certified or cashier's check and shall be remitted to:

Office of General Counsel
Alabama Department of Environmental Management
P.O. Box 301463
Montgomery, Alabama 36130-1463

Or, in the alternative, payment of the civil penalties assessed herein shall be made in the form of a wire transfer payable to the Alabama Department of Environmental Management pursuant to the wire transfer instructions to be provided to the Permittee by the Department.

C. The Permittee agrees to submit a final Engineering Plan for the condensate treatment system subject to explicit approval by the Department that identifies the changes necessary and timeline for the Permittee to achieve continued compliance with the Permit. The Engineering Plan shall be submitted not later than sixty days after the effective date of this Consent Order. At a minimum, the Engineering Plan must address the need for changes in maintenance and operating procedures and any need for modification of treatment system. The Permittee shall submit modifications to the Engineering Plan, if required, so that they are received by the Department no later than thirty days after the Permittee becomes aware a modification is necessary.

D. The Permittee agrees to comply with all requirements of ADEM Administrative Code Div. 335-3 and the Permit immediately upon the effective date of this Order and continuing every day thereafter.

E. The parties agree that this Consent Order shall apply to and be binding upon both parties, their directors, officers, and all persons or entities acting under or for them. Each signatory to this Consent Order certifies that he or she is fully authorized by the party he or she represents to enter into this Consent Order, to execute the Consent Order on behalf of the party represented, and to legally bind such party.

F. The parties agree that, subject to the terms of these presents and subject to provisions otherwise provided by statute, this Consent Order is intended to operate as a full resolution of the violations which are cited in this Consent Order.

G. The Permittee agrees that it is not relieved from any liability if it fails to comply with any provision of this Consent Order.

H. For purposes of this Consent Order only, the Permittee agrees that the Department may properly bring an action to compel compliance with the terms and conditions contained herein in the Circuit Court of Montgomery County. The Permittee also agrees that in any action brought by the Department to compel compliance with the terms of this Agreement, the Permittee shall be limited to the defenses of *Force Majeure*, compliance with this Agreement and physical impossibility. A *Force Majeure* is defined as any event arising from causes that are not foreseeable and are beyond the reasonable control of the Permittee, including its contractors and consultants, which could not be overcome by due diligence (i.e., causes which could have been overcome or avoided by the exercise of due diligence will not be considered to have been beyond the reasonable control of the Permittee) and which delays or prevents performance by a date required by the Consent Order. Events such as unanticipated or increase costs of performance, changed economic circumstances, normal precipitation events, or failure to obtain federal, state, or local permits shall not constitute *Force Majeure*. Any request for a modification of a deadline must be accompanied by the reasons (including documentation) for each extension and the proposed extension time. This information shall be submitted to the Department a minimum of ten working days prior to the original anticipated completion date. If the Department, after review of the extension request, finds the work was delayed because of conditions beyond the control and without the fault of the Permittee, the Department may extend the time as justified by the circumstances. The Department may also grant any other additional time extension as justified by the circumstances, but it is not obligated to do so.

I. The Department and the Permittee agree that the purpose of this Consent Order is to resolve and dispose of all allegations and contentions stated herein concerning the factual circumstances reference herein. Should additional facts and circumstances be discovered concerning current allegations and contentions which would constitute violations not addressed in this Consent Order, then such violations may be addressed in Orders as may be issued by the Director, litigation initiated by the Department, or such other enforcement action as may be appropriate. The Permittee shall not object to such future orders, litigation, or enforcement action based on the issuance of this Consent Order.

J. The Department and the Permittee agree that this Consent Order shall be considered final and effective immediately upon signature of all parties. This Consent Order shall not be appealable, and the Permittee does hereby waive any hearing on the terms and conditions of the same.

K. The Department and the Permittee agree that this Order shall not affect the Permittee's obligation to comply with any Federal, State, or local laws or regulations.

L. The Department and the Permittee agree that final approval and entry into this Order are subject to the requirements that the Department give notice of proposed Orders to the public, and that the public has, at a minimum, a thirty-day comment period for the proposed Order.

M. The Department and the Permittee agree that, should any provision of this Order be declared by a court of competent jurisdiction or the Environmental Management Commission to be inconsistent with Federal or State law and therefore unenforceable, the remaining provisions hereof shall remain in full force and effect.

N. The Department and the Permittee agree that any modifications of this Order must be agreed to in writing signed by both parties. Any modification would require an additional public notice and comment period.

O. The Department and the Permittee agree that, except as otherwise set forth herein, this Order is not and shall not be interpreted to be a permit or modification of an existing permit under Federal, State, or local law, and shall not be construed to waive or relieve the Permittee of its obligations to comply in the future with any permit.

Executed in duplicate, with each part being an original.

INTERNATIONAL PAPER

ENVIRONMENTAL MANAGEMENT

Michah Evans
(Signature of Authorized Representative)

Edward F. Poolos
Director

Michah Evans
(Printed Name)

Mill Manager
(Printed Title)

3/11/2026
(Date)

(Date Executed)

Attachment A

**International Paper - Riverdale Mill
Facility ID No. 104-0003
Selma, Dallas County**

Violation¹	Number of Violations	Seriousness of Violation¹	Standard of Care¹	History of Previous Violations¹	Total of Three Factors²
Surrogate monitoring parameter excursion and subsequent failure of condensate treatment test.	1	\$12,500	\$12,500	\$25,000	\$50,000
Failure to meet minimum pulping process condensates treatment limit as required by Title V Permit.	1	\$12,500	\$12,500	\$25,000	\$50,000
<i>SUBTOTAL</i>					<i>\$100,000</i>

Adjustments to Amount of Initial Penalty

Mitigating Factors (-)	\$0
Ability to Pay (-)	\$0
Other Factors (+/-)	\$0
Total Adjustments (+/-)	\$0

Economic Benefit (+)	
Amount of Initial Penalty	\$100,000
Total Adjustments (+/-)	\$0
Adjustment for Statutory Cap ²	\$(50,000)
FINAL PENALTY	\$50,000

¹ See the "Department's Contentions" portion of the Order for a detailed description of each violation and the penalty factors.

² Pursuant to Ala. Code §22-22A-5(18)c., as amended, the penalty for each individual violation is limited to \$25,000.00.

³ Pursuant to Ala. Code §22-22A-5(18)c., as amended, the total assessed penalty is limited to \$250,000.00.