

Testimony of Pixelle Specialty Solutions before the Joint Standing Committee on Environment and Natural Resources In Opposition to LD 676 "An Act to Reclassify Part of the Androscoggin River to Class B" May 3, 2021

Senator Brenner, Representative Tucker and Members of the Environment and Natural Resources Committee, my name is Chuck Kraske. I am the Manager of Environmental Services at the Pixelle Specialty Solution's Androscoggin mill, located in Jay, Maine. I am here to testify in opposition to LD 676. I do not plan on speaking to the many technical and legal issues related to this bill. Others, including the Maine DEP, are submitting detailed information discussing the complications and uncertainty that would be associated with the passage of this legislation. I will instead focus on the direct impact of this legislation on the Androscoggin mill.

As you may be aware, Pixelle's Androscoggin mill lost its wood pulping capacity in the spring of 2020. Prior to that time, the facility was a large fully integrated pulp & paper mill. Operations included two pulping lines, consisting of digesters, bleach plants, liquor concentration units, recovery boilers and recausticizing operations, a biomass fuel boiler, and three paper machines. Typical pulping operations produced over 1,200 tons/day of bleached or unbleached pulp. However, following the April 2020 event, the mill has been converted to a much smaller non-integrated mill, with two paper machines furnished only by purchased pulp. This transition has completely changed the operational and economic dynamics of the facility. The mill employs approximately 260 hard-working individuals – significantly fewer than in the past – but still a work force that plays a vital part in local communities and Maine's economy. And while the mill no longer procures pulpwood from Maine and the larger New England area, a significant amount of pulp is purchased from other Maine-based mills. We use local construction & maintenance contractors, engineering firms, chemical suppliers, analytical laboratories, and environmental consultants to support ongoing operations. The economic impact of the Androscoggin mill still carries far out across the state of Maine.

Pixelle employees are fully engaged in transitioning the mill to a much smaller, more efficient manufacturing facility. We have achieved major reductions in both energy and water consumption. Conducting our business as we have in the past is not an option – the mill's survival and success depend on all of those involved in the operation being quick to learn and willing to adapt. An example of this is our wastewater treatment operation. Prior to the 2020 event, the facility processed wastewater flows of 30-35 MGD, with wastewater influent BOD loadings of 60,000 – 80,000 lbs/day. The facility operated well, with BOD removal efficiencies ranging from 94 – 98%. This level treatment resulted in BOD effluent discharges well below our current permitted limits. Fast forward to today, wastewater effluent flows average in the 8-10 MGD range, or approximately 30% of previous discharges. In addition, BOD loadings are typically 8,000 – 10,000 lb/day, or 10% of the previous system inputs. Significant efforts have been made to evaluate and update wastewater treatment operations to reduce energy consumption while maintaining environmental performance. In addition, our wastewater discharge permit was voluntarily modified to capture the lower effluent flows, well ahead of the timing required by the normal regulatory process.

However, at the same time effluent flows and BOD loadings have been reduced, mill operations have also become more energy efficient, thus reducing the energy lost to the mill wastewater. As a result, during the winter of 2021, the temperature of the mill effluent discharged to the Androscoggin River dropped to roughly 40 F, as compared to 70 F- 80 F observed in past winters. While the lower temperatures reflect improved energy efficiency of mill operations, they also create operational challenges for the wastewater treatment operations. It is an industry-accepted standard that metabolic activity of the microorganisms used in the activated sludge treatment process doubles with a 10 F increase in wastewater temperature. The corollary of that is also true – that the microorganisms will not be as active in colder wastewater temperatures. From an operational perspective, the result is that although the treatment plant receives lower BOD loadings, other changes in system parameters such as wastewater temperature can result in lower BOD removal efficiencies and more operational challenges to achieve compliance with the existing discharge limits. Lowering the mill's BOD discharge permit limits, a likely outcome if LD 676 is passed,

will create conditions whereby sustainable compliance will be put at risk – with absolutely no guarantee that the intended outcome of the legislation will be achieved.

One of the critical keys for the future of the Androscoggin mill is regulatory stability. However, as DEP has stated in its testimony and various reports, if LD 676 was passed, it would create "significant regulatory uncertainty." Implications for the Androscoggin mill include significantly reduced BOD permit limits at a time when we are already working to transform the plant to a smaller operation. Furthermore, Pixelle and other GIPOP partners would likely face increased spending to inject even more oxygen into the Androscoggin River. This uncertainty is the last thing our mill needs – given that the Maine DEP's river modeling information available to us today does not confirm whether the additional regulatory measures will have any effect whatsoever on water quality in the lower Androscoggin River.

I am proud to have been a member of the Androscoggin mill and I'm proud of the work we have completed over the past 30 years to improve its environmental performance. We've worked cooperatively on environmental projects with the Maine DEP, the US EPA, and many other stakeholders. Those efforts have contributed to the significant improvements achieved in the Androscoggin River observed by all of us. While we support the Maine DEP's triennial water reclassification regulatory process, we cannot support the passage of LD 676 and the upgrade of the Lower Androscoggin River to Class B.

Thank you for your time.

Charles Kraske

Manager, Environmental Services Pixelle Specialty Solutions Androscoggin Mill Phone: 207-897-1336 Chuck.Kraske@pixelle.com

