

Extension of Bear Island Paper Company Water and Sewer Agreement

Public Utilities
March 12, 2014

Hanover: People, Tradition & Spirit

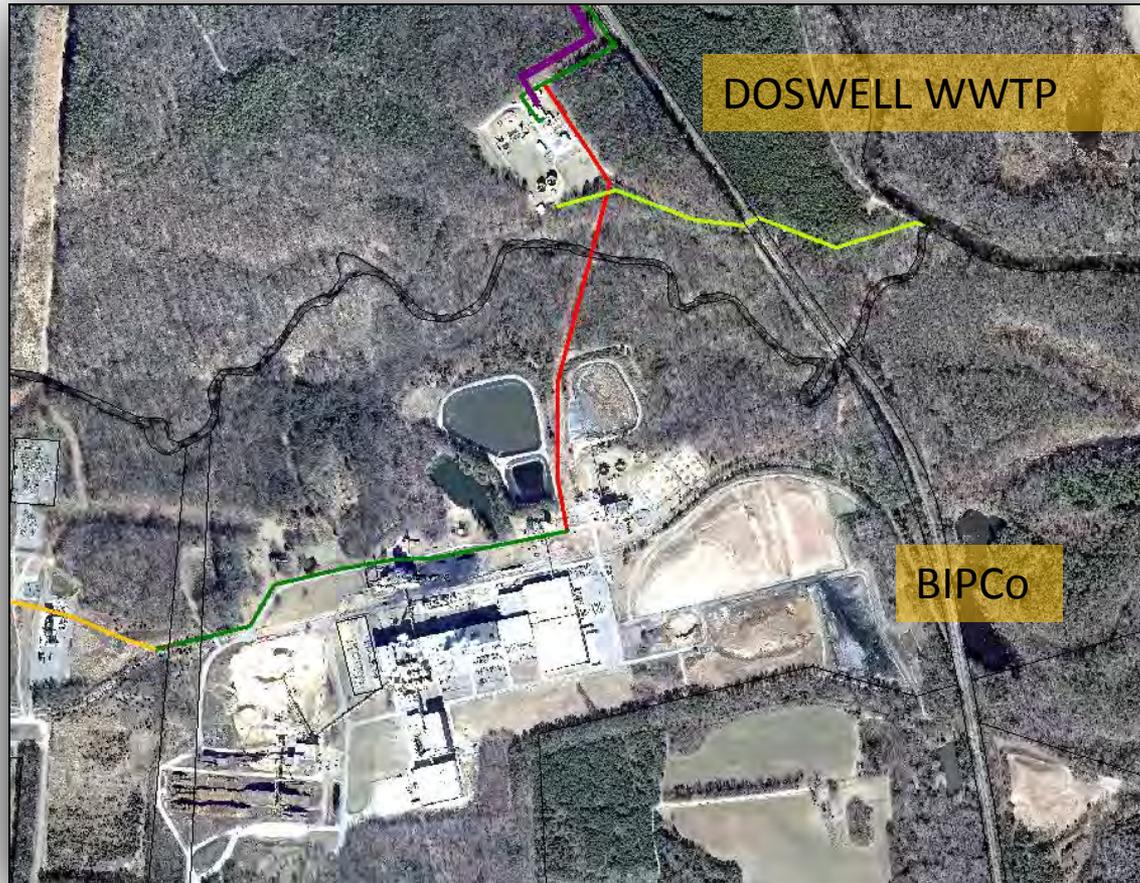


BIPCo Contract Extension

- Bear Island Paper has shared an outfall with Hanover's Doswell Wastewater Treatment Plant since beginning operation in 1978



BIPCo Contract Extension



BIPCo Contract Extension

- Condition #3 of Hanover's VPDES requires that Hanover and BIPCo have a contract for BIPCo to utilize Hanover's outfall
- We are currently operating under a 10 year contract that expires April 30, 2014

3. Hanover County shall not permit Bear Island to discharge wastewater through its outfall pursuant to Part I, Paragraphs A.1., A.3., and A.4. of this permit unless Hanover County and Bear Island continue to have in effect a binding contract, approved by the DEQ staff, providing for the enforcement by Hanover County against Bear Island of all requirements contained in the permit for its duration, and any reissuance thereof, including any testing or monitoring requirements made necessary by this permit, and including termination of all or part of the Bear Island discharge at any time Hanover County determines that the Bear Island discharge is causing or threatening to cause any violation of the permit.



BIPCo Contract Extension

- Condition #30 of the VPDES requires that the stream model be updated and submitted to the DEQ by February 8, 2015

30. The facility's water quality stream sanitation model is to be updated during the term of this permit. The updated model shall utilize either the most current DEQ Regional Water Quality Model for Free Flowing Streams, or a calibrated and verified water quality model approved for use in advance by DEQ. The model shall evaluate conventional pollutant effluent limitations necessary to maintain applicable ambient Virginia dissolved oxygen water quality criteria under permit design conditions and in accordance with current DEQ anti-degradation guidance. The selected model shall establish no more than two tiers of effluent limitations corresponding to: a) current annual 7Q10 low flows (required); and b) current seasonal low flows during the wet season (optional).



BIPCo Contract Extension

- Public Utilities and BIPCo are currently working on a new model
- Depending on the results, the limits contained in the permit may be changed
- Current contract allocates loadings between Hanover and BIPCo
- A two year extension is being proposed to allow some of today's unknowns to be resolved



BIPCo Contract Extension

- The contract extension has been approved by the DEQ
- Extension keeps the terms of the current contract in place and
 - Recognizes BIPCo's recent legal name change
 - Updates the monthly payment due from BIPCo for costs associated with Public Utilities operating the shared outfall
 - Extends contract to April 30, 2016



BIPCo Contract Extension

- Recommendation:
 - Approve the Extension to the Water and Sewer Service Agreement between County of Hanover and Bear Island Paper WB LLC

