

# KINGSPORT PACKAGING MILL UPDATE

KINGSPORT ECONOMIC DEVELOPMENT BOARD  
JULY 9, 2024

# ALTERNATIVE WASTEWATER SYSTEM



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- Since last update we have expedited Domtar's 3-stage capital project process by receiving leadership approval to accelerate from Stage 1 directly to Stage 3. As such we have:
  - Advanced engineering to move up timeline
  - Narrowed-down equipment vendors and began early equipment engineering with most-likely supplier.
  - Issued purchase orders to consultants to begin applications for air and water permit modifications
  - Selected a detailed design engineering partner
  - Working towards purchase-ready ancillary equipment specifications
- **To accelerate successfully and accomplish this Project must:**
  - **SCOPE:** Develop a final firm scope or will risk poor project execution and delays
  - **FUNDING:** Have a funding plan completed to support total project cost.
  - **PERMITS:** Have TDEC air and water permits approved before we finalize design or break ground.
  - **DESIGN:** Our current effluent system processes all collected water on the site (150+ acres) including stormwater. This creates significant swings in flow that make equipment design capacity impractical. Scope must include redirecting these stormwater flows for stable flow.
  - **OPERATING PARAMETERS:** It is also imperative during design to identify and ensure that the system can handle any process upsets and continue operations without disruption.

# NEXT STEPS – ANAEROBIC DIGESTER PROJECT BANDIT



- **Approve FEL1 Gate and begin FEL3.**
- Issue POs to Engineering Service Providers:
  - Isomer for Engineering
  - All 4 Aire Permit Support
  - Arcadis for effluent flow validation
  - Survey contractors to establish FEL3 basis
- The Bandit FEL3 is estimated to cost ~\$1,000,000
- Continue working with Major Equipment Supplier to support early engineering efforts.
- Schedule on-site Kick-Off meeting with Isomer and Major Equipment Supplier for FEL3 Engineering.
- Schedule remote Kick-Off meeting with Atlas to support Incentive Package investigation.

# WATER TREATMENT IMPROVEMENTS



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- Continuing treatments with chemical oxidants and odor control
- Trialing a mobile water clarifier
  - Improves overall water treatment system
  - Reduces the solids loading in the lagoon settling zone
  - Recycles some of the biological solids back to the start of biological treatment in the lagoon aerated zone.
  - Improves the biological treatment through the aerated lagoon via running a higher bacteria concentration with more mature bugs
  - Delivers the week of July 15
- Evaluating additional aeration options such as oxygen injection or additional mechanical aeration



# DREDGING UPDATE



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- Continuing to develop plans for removal of solids from the Settling Zone of the wastewater lagoon
- Planning to remove solids during the cooler months to reduce odor potential (i.e., winter 2024/2025)
- Currently going through vendor selection process to verify qualifications and ability to meet project requirements, including meeting permit limits and odor management objectives
- Conducted an onsite meeting with several potential dredging contractors on June 19
- Interested contractors currently submitting 1<sup>st</sup> round of bids this month



# WE ARE WORKING PARALLEL PATHS TO ADDRESS ODOR ISSUES



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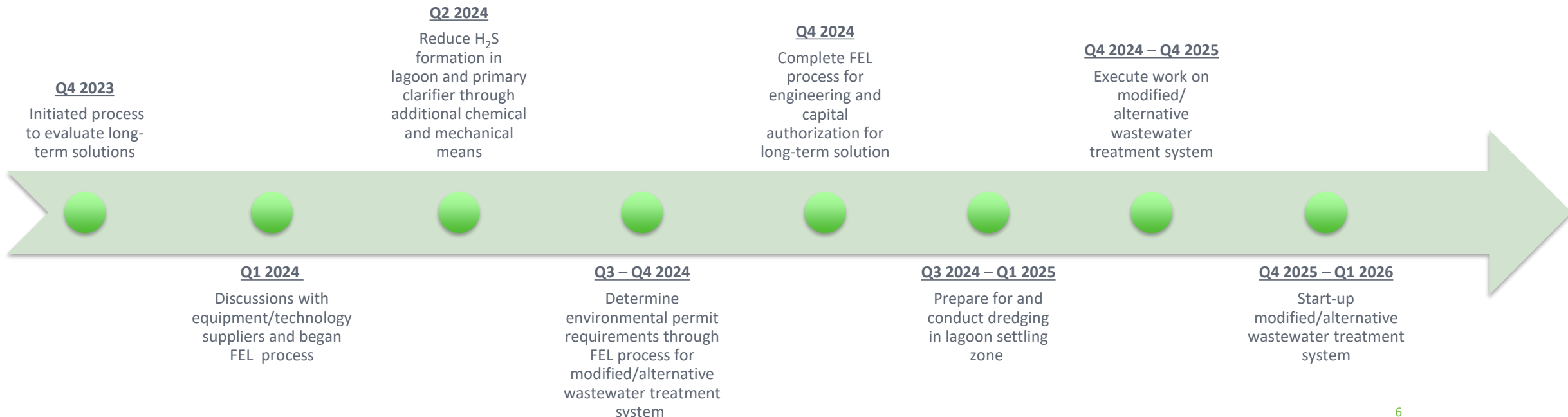


## Short and Medium-Term: 0-12 months

- Continue to reduce mill material losses and flow
- Optimize current wastewater treatment system
- Engineering/capital gate process for long-term solution
- Environmental permitting for long-term solution

## Long-Term Solution: ~ 18 months

- Implement modified or alternative wastewater treatment system/technology







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