



# COMMONWEALTH of VIRGINIA

## DEPARTMENT OF ENVIRONMENTAL QUALITY

VALLEY REGIONAL OFFICE

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L. Preston Bryant, Jr.  
Secretary of Natural Resources

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Regional Director

## STATE AIR POLLUTION CONTROL BOARD ENFORCEMENT ACTION

### ORDER BY CONSENT ISSUED TO

**Trex Company, Inc.**  
**Registration #: 81164**

#### **SECTION A: Purpose**

This is a Consent Order issued under the authority of Va. Code §§ 10.1-1187, -1184, -1307(D), -1309, and -1316(C), between the State Air Pollution Control Board and Trex Company, Inc., for the purpose of resolving certain alleged violations of environmental law and regulations.

#### **SECTION B: Definitions**

Unless the context clearly indicates otherwise, the following words and terms have the meaning assigned to them below:

1. "Board" means the State Air Pollution Control Board, a permanent citizens' board of the Commonwealth of Virginia as described in Code §§ 10.1-1301 and 10.1-1184.
2. "CFR" means Code of Federal Regulations.
3. "Department" or "DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia as described in Va. Code § 10.1-1183.
4. "Director" means the Director of the Department of Environmental Quality.
5. "Facility" means Trex's composite wood manufacturing facility located at 3229 Shawnee Drive in Winchester, Virginia.

6. "Order" means this document, also known as a Consent Order, and incorporates the additional terms and conditions as set out in Appendix A to this document.
7. "Regulation" means the Virginia Regulations for the Control and Abatement of Air Pollution, 9 VAC 5-10-10 et seq.
8. "Trex" means Trex Company, Inc., a company authorized to conduct business in the Commonwealth of Virginia.
9. "VRO" means the Valley Regional Office of DEQ, located at 4411 Early Road, P.O. Box 3000, Harrisonburg, Virginia 22801.
10. "Va. Code" means the Code of Virginia (1950), as amended.

**SECTION C: Findings of Facts and Conclusions of Law**

1. Trex is the owner and operator of the Facility, which is the subject of a Notice of Violation issued on June 22, 2007. On May 29, June 05, and June 08, 2007, DEQ staff visited Trex to conduct compliance inspections, including observing Method 9 Visible Emissions Evaluations (VEEs) on the Osprey rotary filter and plastic recovery oven.
2. A diesel emergency generator had been installed at Building 3 on the approximate date of January 05, 2006. This unit is rated at 1750 KW and was operated for 85 hours using off-road diesel. This unit appears to have been installed without first obtaining an air permit. Trex subsequently submitted a permit application for the generator on October 17, 2007.
3. The distillate oil-fired plastic recovery oven was permitted in Trex's Stationary Source Permit to Modify and Operate, dated February 17, 2006. According to correspondence from Trex, the plastic recovery oven had been installed on September 01, 2005, and was operated prior to the date of permit issuance.
4. Virginia Regulations for the Control and Abatement of Air Pollution state: No owner or other person shall begin actual construction, reconstruction or modification of any stationary source without first obtaining from the board a permit to construct and operate or to modify and operate the source. (9 VAC 5-80-1120 A)
5. The VEE on the Osprey rotary filter was conducted on June 05, 2007, 212 days after the reported start-up date of Lines 224-226 (November 5, 2006). VEEs on the plastic recovery oven were initiated and aborted on June 05 and 08, 2007, 642 days after the reported start-up date of September 01, 2005. To date, a VEE on the plastic recovery oven has not been completed, though the company has represented to DEQ that this unit has since been taken out of service.
6. Pursuant to Condition 57 of Trex's Stationary Source Permit to Modify and Operate dated October 12, 2006, VEE in accordance with 40 CFR Part 60, Appendix A, Method 9, shall be

conducted by the Permittee on the Osprey rotary filter (RF2) and the plastic recovery oven (PRO). Each test shall consist of ten sets of 24 consecutive observations (at 15 second intervals) to yield a six minute average. The details of the tests are to be arranged with the Director of the Valley Region. The evaluation shall be performed and demonstrate compliance within 60 days after achieving the maximum production rate at which each process will be operated but in no event later than 180 days after start-up of the permitted equipment. One copy of the test result shall be submitted to the Director of the Valley Region, within 45 days after test completion and shall conform to the test report format enclosed with this permit. (9 VAC 5-50-30 G and 9 VAC 5-80-1180)

7. On June 05, 2007, the VEE on the plastic recovery oven yielded opacity readings as high as 35% before the test was aborted, with 21% as the highest 6-minute average. Condition 54 of Trex's Stationary Source Permit to Modify and Operate dated October 12, 2006 states: Visible Emission Limit - Visible emissions from the plastic recovery oven (PRO) exhaust, each process vent with an inherent filter, each fabric filter exhaust, and each Osprey rotary filter exhaust (RF1 and RF2) shall not exceed 5% opacity as determined by the EPA Method 9 (reference 40 CFR 60, Appendix A). This condition applies at all times except during startup, shutdown, and malfunction. (9 VAC 5-50-80, 9 VAC 5-50-260 and 9 VAC 5-80-1180)
8. Trex representatives met with DEQ officials on October 04, 2007 to discuss the allegations of violation and remedial measures taken up to the date of the meeting and agreed in principle to the corrective action terms set out in Appendix A to this Order, to include outstanding items from the Letter of Agreement between DEQ and Trex dated January 22, 2007, and to the payment of a civil penalty in accordance with regulations set out by the State Air Control Board.
9. Trex representatives met with a DEQ official on-site on November 01, 2007, to discuss revisions to the current permit and upcoming plans to revise the reclaim grinding system located in Building 1. The proposed plans include installation of a blower, reclaim grinder and filter receiver after each of the two Zeno grinders. The purpose of said change is to provide two stage grinding of reclaimed material prior to extrusion. Neither the Building 1 nor the Building 4 reclaim systems had previously been permitted for two stages of grinding. To that end, Trex representatives plan to modify the Building 1 system first because it is the older of the two reclaim systems. During a tour of the facility, it was noted by a Trex representative, that although the proposed modifications to the Building 1 reclaim system had not begun, it appeared that the Building 4 reclaim grinder (R-4) was operating with an additional reclaim grinder prior to the filter receiver (RIFR-4). This additional grinder does not appear to be identified in Trex's current air permit.
10. Trex representatives met with DEQ officials on January 28, 2008, to discuss permitting issues with regard to Appendix A of this Order.

**SECTION D: Agreement and Order**

By virtue of the authority granted State Air Pollution Control Board pursuant to Va. Code §§ 10.1-1186(2), 10.1-1309, and 10.1-1316(C), orders Trex, and Trex voluntarily agrees to the following conditions in settlement of the violations cited in this Order:

1. Trex agrees to a civil charge of **\$66,014.00** in settlement of the violations cited in this Order, to be paid as follows: Trex shall pay **\$16,503.50** of the civil charge within 30 days of the effective date of this Order. Payment must indicate that the civil charge is paid pursuant to this Order, and shall include Trex's Federal Identification Number. Payment shall be by check, certified check, money order, or cashier's check payable to "**Treasurer of the Commonwealth of Virginia**" and sent to Receipts Control, Department of Environmental Quality, Post Office Box 1104, Richmond, Virginia 23218. In addition, Trex shall satisfy the remaining **\$49,510.50** of the civil charge by satisfactorily completing the Supplemental Environmental Project (SEP) described in Appendix B of this Order.
2. Trex shall comply with the terms and conditions as set out in Appendix A of this Order.
3. The net project cost of the SEP to Trex shall not be less than the amount set forth in Paragraph D.1. If it is, Trex shall pay the remaining amount in accordance with Paragraph D.1. of this Order, unless otherwise agreed to by the Department. "Net project costs" means the net present after-tax cost of the SEP, including tax savings, grants, and first-year cost reductions and other efficiencies realized by virtue of project implementation. If the proposed SEP is for a project for which the party will receive an identifiable tax savings (e.g., tax credits for pollution control or recycling equipment), grants, or first-year operation cost reductions or other efficiencies, the net project cost shall be reduced by those amounts. The costs of those portions of SEPs that are funded by state or federal low-interest loans, contracts, or grants shall be deducted.
4. By signing this Order, Trex certifies that it has not commenced performance of the SEP.
5. Trex acknowledges that it is solely responsible for completing the SEP project. Any transfer of funds, tasks, or otherwise by Trex to a third party, shall not relieve Trex of its responsibility to complete the SEP as described in this Order.
6. In the event it publicizes the SEP or the SEP results, Trex shall state in a prominent manner that the project is part of a settlement for an enforcement action with DEQ.
7. The Department has the sole discretion to:
  - a. Authorize any alternate, equivalent SEP proposed by the Facility; and
  - b. Determine whether the SEP, or alternate SEP, has been completed in a satisfactory manner.
8. Should the Department determine that Trex has not completed the SEP, or alternate SEP, in a satisfactory manner; the Department shall so notify Trex in writing. Within 30 days

of being notified, Trex shall pay the amount specified in Paragraph D.1., above, as provided in Paragraph D.1., above.

**SECTION E: Administrative Provisions**

1. The Board may modify, rewrite, or amend the Order with the consent of Trex, for good cause shown by Trex, or on its own motion after notice to Trex and its opportunity to be heard.
2. This Order addresses and resolves only those violations specifically identified herein. This Order shall not preclude the Board or the Director from taking any action authorized by law, including but not limited to: (1) taking any action authorized by law regarding any additional, subsequent, or subsequently discovered violations; (2) seeking subsequent remediation of the Facility as may be authorized by law; or (3) taking subsequent action to enforce this Order. This Order shall not preclude appropriate enforcement actions by other federal, state, or local regulatory authorities for matters not addressed herein.
3. For purposes of this Order and subsequent actions with respect to this Order, Trex admits the jurisdictional allegations, factual findings, and conclusions of law contained herein.
4. Trex consents to venue in the Circuit Court of Frederick County for any civil action taken to enforce the terms of this Order.
5. Trex declares it has received fair and due process under the Administrative Process Act, Va. Code §§ 2.2-4000 *et seq.*, and the Air Pollution Control Law and it waives the right to any hearing or other administrative proceeding authorized or required by law or regulation, and to any judicial review of any issue of fact or law contained herein. Nothing herein shall be construed as a waiver of the right of Trex to any administrative proceeding for, or to judicial review of, any action taken by the Board to enforce this Order.
6. Failure by Trex to comply with any of the terms of this Order shall constitute a violation of an order of the Board. Nothing herein shall waive the initiation of appropriate enforcement actions or the issuance of additional orders as appropriate by the Board or the Director as a result of such violations. Nothing herein shall affect appropriate enforcement actions by any other federal, state, or local regulatory authority.
7. If any provision of this Order is found to be unenforceable for any reason, the remainder of the Order shall remain in full force and effect.
8. Trex shall be responsible for failure to comply with any of the terms and conditions of this Order unless compliance is made impossible by earthquake, flood, other acts of God, war, strike, or such other occurrence. Trex shall show that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. Trex shall notify the DEQ Regional Director in writing when circumstances are anticipated to occur, are occurring, or have occurred that may delay compliance or cause noncompliance with any requirement of the Order. Such notice shall set forth:

- a. the reasons for the delay or noncompliance;
- b. the projected duration of any such delay or noncompliance;
- c. the measures taken and to be taken to prevent or minimize such delay or noncompliance; and
- d. the timetable by which such measures will be implemented and the date full compliance will be achieved.

Failure to so notify the Regional Director within 24 hours of learning of any condition above, which Trex intends to assert will result in the impossibility of compliance, shall constitute a waiver of any claim to inability to comply with a requirement of this Order.

- 9. This Order is binding on the parties hereto, their successors in interest, designees and assigns, jointly and severally.
- 10. This Order shall become effective upon execution by both the Director or his designee and Trex. Notwithstanding the foregoing, Trex agrees to be bound by any compliance date which precedes the effective date of this Order.
- 11. This Order shall continue in effect until:
  - a. Trex petitions the Director or his designee to terminate the Order after it has completed all requirements of the Order and the Director or his designee approves the termination of the Order; or
  - b. The Director, his designee, or the Board may terminate this Order upon completion of the terms of the Order upon his or its own initiative, following 30 days written notice to Trex; or for cause in accordance with § 2.2-4019 of the Virginia Administrative Process Act.

Termination of this Order, or of any obligation imposed in this Order, shall not operate to relieve Trex from his obligation to comply with any statute, regulation, permit condition, other order, certificate, certification, standard, or requirement otherwise applicable.

- 12. By appropriate signature below, Trex voluntarily agrees to the issuance of this Order.

And it is so ORDERED this 24<sup>th</sup> day of April, 2008.



Amy Thatcher Owens, Regional Director  
Valley Regional Office  
Department of Environmental Quality

Trex voluntarily agrees to the issuance of this Order.

By: Wesley Reid  
Date: April 16, 2008

Commonwealth of Virginia  
City/County of WINCHESTER, VA

The foregoing document was signed and acknowledged before me this 16<sup>th</sup> day of  
APRIL, 2008, by WESLEY REID, who is  
(name)

DIRECTOR OF MFG of Trex, on behalf of Trex.  
(title)

Bill C. Coff  
Notary Public ID 7081391

My commission expires: April 30, 2011

## APPENDIX A

In addition to the foregoing, the Virginia State Air Pollution Control Board orders Trex, and Trex voluntarily agrees, to implement this corrective action plan as an additional provision to this Order.

1. At the request of DEQ, Trex submitted a Form 7 air permit application on **March 12, 2008**. Trex shall respond in a timely manner to subsequent information requests by DEQ, if any, to ensure a complete application. Such requests may include, but not be limited to, information requested in the Letter of Agreement dated January 22, 2007.
2. **Within 30 days of DEQ notification of a complete air permit application**, Trex shall submit dispersion modeling results for PM-10 to demonstrate compliance with the National Ambient Air Quality Standards. The modeling report shall contain a table listing each emission unit included in the modeling analysis, along with its corresponding stack ID, emission rate, stack parameters, and UTM coordinates.
3. **Within 30 days of DEQ notification of a complete air permit application**, Trex shall submit dispersion modeling results for formaldehyde to demonstrate compliance with the formaldehyde hourly and annual Significant Ambient Air Concentrations. For the modeling analysis, Trex shall use formaldehyde emission rates derived from the most recent test results. The modeling report shall contain a table listing each emission unit included in the modeling analysis, along with its corresponding stack ID, emission rate, stack parameters, and UTM coordinates.
4. **No later than April 30, 2008**, Trex shall submit a request for a mutual shutdown letter for the plastic recovery oven (and any other shutdown existing emissions units) that will not be included in Trex's most current permit application.

## APPENDIX B

### **Section A: General Environmental Management System (EMS) Provision:**

A comprehensive compliance-focused EMS shall be developed, implemented, and maintained by the organization. The EMS shall address, at minimum, the twelve (12) key elements listed in Section D below, and shall be described in an "Environmental Management System Manual."

### **Section B: Definitions**

1. Action Plan – means a comprehensive plan for bringing the facility as defined below, into full conformance with the EMS provisions specified in Section D., of this Appendix and fully addressing all Audit Findings identified in the Audit Report.
2. Audit Finding – means a written summary of all instance of non-conformance with the provisions specified in Section D., of this Appendix noted during the EMS audit, and all areas of concern identified during the course of the Audit merits further review or evaluation for potential EMS, Environmental, or Regulatory impacts.
3. Audit Report – means a report setting forth the Audit Findings resulting from the Audit of a facility by the Auditor, which meets all of the requirements set forth in Section E.8., of this Appendix.
4. Initial Auditor – means individuals meeting the requirements of Section C.1., below, who are selected and/or contracted to perform the Initial EMS Review and Evaluation.
5. Auditor – means the appropriately trained company personnel or independent third-party hired by Trex to conduct an EMS Audit at the facility, and who meets the requirements set forth in Section E.3., of this Appendix.
6. Corrective Measures – means those measures or actions appropriate to bring the facility it full conformance with the EMS provisions of Section D., of this Appendix.
7. Environmental Requirements – means all applicable federal, state, and local environmental statutes and regulations, including permits and enforceable agreements between Trex and the respective Department.
8. Facility – means Trex's Composite Wood Manufacturing Facility located at 3229 Shawnee Drive in Winchester, Virginia.

### **Section C: Environmental Management System**

1. Initial Auditor Selection
  - A. **Within 60 days** of the effective date of this Order, Trex shall submit to DEQ in writing:
    1. The name and affiliation of the Initial Auditor(s) selected by the Facility to conduct the Initial EMS Review and Evaluation;
    2. Evidence that each Initial Auditor(s) has a working process knowledge of the Facility or similar operations, and has a working knowledge of federal and state environmental requirements which apply to the Facility;
    3. A schedule, including milestones, for conducting the Initial EMS Review and Evaluation.

2. Initial Environmental management System Review and Evaluation
  - A. Trex shall direct the Initial Auditor(s) identified pursuant to Section C.1., above, to conduct and complete an Initial EMS Review and Evaluation (commonly referred to as a “gap” analysis) for Trex.
  - B. The designated Initial Auditor(s) shall review and evaluate the current EMS or environmental auditing system, using the elements set forth in Section D., below to identify where systems or subsystems have not been adequately developed or implemented.
  - C. The results of the Initial EMS Review and Evaluation shall be documented in a report prepared by the Initial Auditor(s) and provided to the Facility.
  
3. Comprehensive Environmental Management System
  - A. Based on the Initial EMS Review and Evaluation results and other information, the Facility shall develop a Comprehensive EMS for the Facility addressing, at a minimum, the twelve key elements presented in Section D., below.
  - B. The purpose of developing the Comprehensive EMS is to assist Trex in its efforts to comply with federal, state, and local environmental requirements.
  
4. Environmental Management System Manual
  - A. **Within two hundred seventy (270) days of the effective date of this Order**, Trex shall complete the preparation of an “EMS Manual” which shall describe and document the Comprehensive EMS and contain an EMS implementation schedule for each of the described systems and subsystems not already implemented. For each of the elements identified in Section D., below, as appropriate, the manual shall describe the EMS, in detail, by explaining how the activity or program is or will be:
    1. Established as a formal system, subsystem, or task;
    2. Integrated into ongoing department operations;
    3. Continuously evaluated and improved.

**Section D: The Environmental Management System Manual:**

Shall describe respective management systems and tasks for the following elements:

1. Environmental Policy
  - A. This Environmental Management System (EMS) policy must clearly communicate management commitment to achieving compliance with environmental requirements and continual improvement in environmental performance. The policy should also state management’s intent to provide adequate personnel and other resources for the EMS.
    1. Definition: Environmental Requirements – Compliance with applicable federal, state, and local environmental statutes, regulations, enforceable agreements, and permits.
  
2. Organization, Personnel, and Oversight of EMS
  - A. Describes, organizationally, how the EMS is implemented and maintained.
  - B. Includes organization charts that identify units, line management, and other individuals having environmental performance and regulatory compliance responsibilities.

- C. Identifies and defines specific duties, roles, responsibilities, and authorities of key environmental program personnel in implementing and sustaining the EMS.
    - 1. Includes position descriptions and performance standards for all environmental department personnel.
    - 2. Includes descriptions of other positions having environmental responsibilities as well.
  - D. Describes ongoing means of communicating environmental issues and information to all employees and to all contractors at the site.
    - 1. Includes methods of receiving and addressing their concerns as well.
3. Accountability and Responsibility
- A. Specifies the accountability and responsibilities of managers and contractors for environmental practices, ensuring compliance, required reporting to DEQ, and corrective actions implemented in their areas of responsibility.
  - B. Describes incentive program, if one exists, for managers, employees, and contractors.
  - C. Describes potential consequences for departure from specified operating procedures.
    - 1. Includes liability for civil or administrative penalties imposed as a result of noncompliance.
4. Environmental Requirements
- A. Describes the process for communicating environmental requirements to managers, employees, and contractors.
    - 1. Includes methods of ongoing compliance monitoring.
    - 2. Identifies methods for communicating changes to managers, employees, and contractors.
    - 3. Identifies methods for incorporating changes into the EMS.
  - B. Describes the process established to ensure communication with regulatory agencies regarding compliance with environmental requirements.
5. Assessment, Prevention and Control
- A. Describes the process for preventing and controlling releases, ensuring environmental protection, and maintaining compliance with statutory and regulatory requirements.
    - 1. Describes methods of monitoring to ensure sustained compliance.
    - 2. Identifies operations and waste streams where equipment malfunctions, equipment deterioration, operator errors may lead to violations of environmental requirements.
  - B. Describes Standard Operating Procedures (SOPs) necessary to prevent potential emissions or violations.
    - 1. Defines the Controlled Document process for developing, approving and implementing SOPs.
  - C. Describes a system for conducting routine, objective self inspections by employees especially at operations or waste streams that may lead to emissions or violation of environmental requirements.
  - D. Describes the process of change management where environmental requirements are included in planning, design, and operation of new or altered equipment, or processes.

6. Environmental Incident and Noncompliance Investigations
  - A. Describes procedure for reporting potential or actual emission events.
  - B. Describes procedure for investigation to the root cause of the incident and corrective action procedure.
  - C. Describes a system for tracking of environmental incidents.
  - D. Describes corrective action effectiveness verification procedure.
  
7. Environmental Training, Awareness, and Competence
  - A. Identifies training required for managers, employees, and contractors and process for documenting training provided.
  - B. Provides a summary of the training provided to managers, employees, and contractors, which ensure the company's environmental policies, procedures, and environmental requirements, are communicated.
    1. Includes their roles and responsibilities in the EMS.
  - C. Describes methods used to ensure competence when it comes to maintaining compliance with environmental requirements (education, training and testing, and/or experience).
  
8. Environmental Planning and Organizational Decision Making
  - A. Describes how environmental planning is integrated into organizational decision making.
    1. Includes planning and decisions on capital improvements, process design, training programs, and maintenance activities.
  
9. Maintenance of Records and Documentation
  - A. Identifies the records and documentation that supports the EMS, who maintains them and where.
  - B. Describes the data management system for tracking environmental data and hazardous waste determinations.
  - C. Describes document control procedures.
  
10. Pollution Prevention Program
  - A. Describes internal processes or programs for preventing, reducing, recycling, reusing, and minimizing waste and emissions.
    1. Includes methods for identifying candidate materials to be addressed by processes or programs.
  
11. Continuing Program Evaluation and Improvement
  - A. Describes EMS program evaluation process.
    1. Includes incorporating the results of the assessment into:
      - a. Program improvements,
      - b. Revisions to the manual,
      - c. Communicating findings to managers, employees, and contractors,
      - d. Communicating action plans to managers, employees, and contractors.
  - B. Describes a program for annual audits of facility compliance with environmental requirements by an independent auditor.

1. Audit results to be reported to upper management and potential violations are addressed through the process described in element 6 above.

12. Public Involvement and Community Outreach

- A. Describes a program for ongoing community education and involvement in the environmental aspects of the organization's operations and/or products as well as general environmental awareness.

**Section E:**

1. Environmental Management System Manual.

- A. **Within three hundred (300) days** of the effective date of this Order, Trex shall submit a complete EMS Manual to the Department.

2. Quarterly Reports.

- A. Trex shall submit implementation status reports to the Department on a quarterly basis (i.e., reports for periods of January – March, April – June, July – September, and October – December). The status reports shall be **due within thirty (30) days after the quarter and every quarter thereafter until the Audit set forth in Section E.6., is completed.**

3. Auditor Section.

- A. Trex will select an independent Auditor who:
  1. Was not involved in the Initial EMS Review and Evaluation,
  2. Has expertise and competence in the regulatory programs under federal and state environmental laws,
  3. The Auditor shall be paid by Trex in an amount sufficient to fully carry out the provisions of this Appendix.
    - a. The Auditor must not directly own any stock in Trex or in any parent or subsidiary, and must have no other direct financial stake in the outcome of the EMS audit conducted pursuant to this Order.
    - b. The Auditor must be capable of exercising the same independent judgment and discipline that a certified public accounting firm would be expected to exercise in auditing a publicly held corporation.
    - c. If Trex has any other contractual relationship with the Auditor, Trex shall disclose to DEQ such past or existing contractual relationships.
  4. Trex shall identify any and all site specific safety and training requirements for the Initial Auditor(s), and shall ensure that the requirements are met prior to conducting the audit.

5. Audit Plan

- A. Trex shall require the Initial Auditor to prepare and EMS Audit Plan.

6. Audit

- A. Trex shall require the Auditor to conduct an EMS Audit **twelve (12) months after the completion of the EMS Manual**, to evaluate the adequacy of the EMS implementation, from top management down, throughout each major organizational

unit at the facility, and to identify where further improvements should be made to the EMS.

- B. The Auditor shall assess conformance with the twelve (12) elements specified in Section D., above and with the EMS Manual, and shall determine the following:
1. Whether there is a defined system, program, or planned task for the respective EMS element;
  2. To what extent the system, program, or task has been implemented, and is being maintained,
  3. Adequacy of each operation's internal self assessment procedures for programs and tasks composing EMS,
  4. Whether the facility is effectively communicating environmental requirements to affected parts of the organization, and contractors;
  5. Whether further improvements should be made to the EMS;
  6. Whether there are observed deviations from the facility's written requirements or procedures; and
  7. Whether continuous improvement is occurring or is necessary.

7. Designated representatives from the Department and other environmental regulatory agencies may participate in the EMS audit as observers. Trex shall make timely notification to designated regulatory contacts regarding audit scheduling in order to make arrangements for observers to be present. Trex personnel or consultants may also participate in the on-sit audits as an observer(s), but may not interfere with the independent judgment of the Auditor.

8. Audit Reports

- A. Trex shall direct the Auditor to develop and concurrently submit an Audit Report to the facility and the Department for the EMS Audit as required by this Order, within sixty (60) days following the completion of the on-site portion of the Audit.
- B. The Audit Report shall present the Audit Findings and shall, at a minimum, contain the following information:
1. Audit Scope, including the period of time covered by the audit;
  2. The date(s) the on-site portion of the audit was conducted;
  3. Identification of audit team members;
  4. Identification of any company, facility, or consulting representatives and regulatory agency personnel observing the audit;
  5. The distribution for the EMS Audit Report;
  6. A summary of the audit process, including any obstacles encountered;
  7. Detailed Audit Findings, including the basis for each finding and each area of concern identified;
  8. Identification of any Audit Findings corrected or Areas of concern addressed during the Audit,
    - a. Include a description of the corrective measures and when they were implemented; and
  9. Certification by the Auditor that the EMS Audit was conducted in accordance with the provisions of this Appendix.

9. Follow Up, Corrective Measures, and Action Plan
  - A. Upon receiving the Audit Report, the facility shall conduct a root cause analysis of the identified Audit Findings, as appropriate, investigate all areas of concern and develop an Action Plan for expeditiously bringing the facility into full conformance with the EMS provisions in Section D, of this Appendix and the EMS Manual.
  - B. The Action Plan shall include the result of any root-cause analysis, specific deliverables, responsibility assignments, and an implementation schedule.
  - C. **The Action Plan shall be submitted to the DEQ within forty five (45) days of receiving the Audit Report.**
  
10. Action Plan Completion Certification
  - A. **Within forty five (45) days** of completing all items or activities outlined in the Action Plan, Trex shall submit a written Completion Certification to the Department.