



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

PIEDMONT REGIONAL OFFICE

4949-A Cox Road, Glen Allen, Virginia 23060

(804) 527-5020 Fax (804) 527-5106

www.deq.virginia.gov

L. Preston Bryant, Jr.
Secretary of Natural Resources

David K. Paylor
Director

Gerard Seeley, Jr.
Regional Director

AIR POLLUTION CONTROL BOARD ENFORCEMENT ACTION ORDER BY CONSENT ISSUED TO QUEBECOR WORLD RICHMOND, INC. Registration No. 50880

SECTION A: Purpose

This is a Consent Order issued under the authority of Va. Code §10.1-1309 and §10.1-1316, between the Air Pollution Control Board and Quebecor World Richmond, Inc., for the purpose of resolving certain alleged violations of environmental law and/or regulations.

SECTION B: Definitions

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

1. "Va. Code" means the Code of Virginia (1950), as amended.
2. "Air Pollution Control Law" means Va. Code § 10.1-1300 *et seq.*
3. "Board" means the State Air Pollution Control Board, a permanent collegial body of the Commonwealth of Virginia as described in Code §§ 10.1-1301 and 10.1-1184.
4. "Department" or "DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia as described in Va. Code § 10.1-1183.
5. "Director" means the Director of the Department of Environmental Quality.

6. "Order" means this document, also known as a Consent Order.
7. "Quebecor" means Quebecor World Richmond, Inc., certified to do business in Virginia and its affiliates, partners, subsidiaries, and parents.
8. "Facility" means the Quebecor rotogravure printing business located at 7400 Impala Drive Richmond, Virginia.
9. "PRO" means the Piedmont Regional Office of DEQ, located in Glen Allen, Virginia.
10. "Permit" means the Virginia Title V Operating Permit, which became effective on December 1, 2003.
11. "Regulations" means the State Air Pollution Control Board Regulations for the Control and Abatement of Air Pollution 9 VAC 5-10-10 *et seq.*
12. "HAP" means hazardous air pollutant.
13. "VOC" means volatile organic compound.
14. "NOV" means notice of violation.
15. "Solvent Recovery A" means Quebecor's carbon adsorption solvent recovery system which captures VOCs from their printing presses and equipment.

SECTION C: Findings of Fact and Conclusions of Law

1. Quebecor operates a rotogravure printing business located at 7400 Impala Drive in Richmond, Virginia. This Facility is subject to the Title V Operating Permit registration No. 50880 which became effective on December 1, 2003, and was amended on February 27, 2004.
2. On May 22, 2006, Quebecor submitted documentation to the Department indicating that the facility did not achieve 92% overall control efficiency for HAPs used in the month of April 2006 as required by their Permit. This permit condition requires they achieve an overall control of organic HAPs used, by a combination of capture, control technologies and substitution of materials. They reported their overall control efficiency for the month of April to be 88%. The reason for the failure to achieve the required 92% overall control was due to a low (83%) VOC control efficiency in their Solvent Recovery A train (which consists of two carbon adsorption solvent recovery beds). A post investigation indicates there was a mechanical malfunction in one of the beds.

3. The Department was notified in a letter dated August 15, 2006, of a second failure to achieve the required 91% overall control efficiency for Solvent Recovery A.
4. During the month of July 2006, the Solvent Recovery A train achieved an overall control efficiency of 90%.
5. On September 14, 2006, the Department issued a NOV to Quebecor citing them for failure to achieve the required control efficiency of 91% for the Solvent Recovery A train for the months of April and July 2006, and for failure to achieve 92% overall control of organic HAPs used for the month of April 2006.
6. On October 11, 2006, a meeting was held between the Facility and the Department to discuss the issues cited in the above NOV.

SECTION D: Agreement and Order

By virtue of the authority granted it pursuant to Va. Code §62.1-44.15 and upon consideration of Va. Code § 10.1-1186.2, the Board orders Quebecor, and Quebecor agrees, to perform the actions described below and in Appendices A and B of this Order. In addition, the Board orders Quebecor, and Quebecor voluntarily agrees, to a civil charge of \$16,400 in settlement of the violations cited in this Order, to be paid as follows:

1. Quebecor shall pay \$4,100 of the civil charge within 30 days of the effective date of this Order. Payment shall be made by check, certified check, money order or cashier's check payable to the "Treasurer of Virginia," delivered to:

Receipts Control
Department of Environmental Quality
Post Office Box 1104
Richmond, Virginia 23218

The payment shall include Quebecor's Federal ID number and shall identify that payment is being made as a result of this Order.

2. Quebecor shall satisfy \$12,300 of the civil charge by satisfactorily completing the Supplemental Environmental Project (SEP) described in Appendix B of this Order.
3. The net project cost of the SEP to Quebecor shall not be less than the amount set forth in Paragraph D.2. If it is, Quebecor 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 Quebecor certifies that it has not commenced performance of the SEP.
5. Quebecor acknowledges that it is solely responsible for completing the SEP project. Any transfer of funds, tasks, or otherwise by Quebecor to a third party, shall not relieve Quebecor of its responsibility to complete the SEP as described in this Order.
6. In the event it publicizes the SEP or the SEP results, Quebecor shall state in a prominent manner that the project is part of a settlement of an enforcement action.
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.

Should the Department determine that Quebecor has not completed the SEP, or alternate SEP, in a satisfactory manner, the Department shall so notify Quebecor in writing. Within 30 days of being notified, Quebecor shall pay the amount specified in Paragraph D.2., 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 Quebecor, for good cause shown by Quebecor, or on its own motion after notice and opportunity to be heard.
2. This Order only addresses and resolves the alleged violations specifically identified herein, including those matters addressed in the Notice of Violation issued to Quebecor by DEQ on September 14, 2006. 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 the Order. This Order shall not preclude appropriate enforcement actions by other federal, state, or local regulatory authorities for matters not addressed herein.

3. Quebecor consents to venue in the Circuit Court of the City of Richmond for any civil action taken to enforce the terms of this Order.
4. Quebecor acknowledges 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 to any administrative proceeding for, or to judicial review of, any action taken by the Board to enforce this Order.
5. Failure by Quebecor 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.
6. 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.
7. Quebecor 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. Quebecor shall show that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. Quebecor 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.

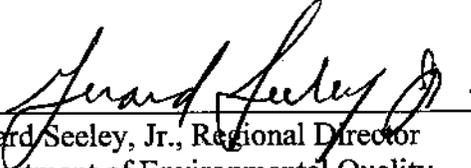
Failure to so notify the Regional Director within 24 hours of learning of any condition above, which the parties intend to assert will result in the impossibility of compliance, shall constitute a waiver of any claim to inability to comply with a requirement of this Order.

8. This Order is binding on the parties hereto, their successors in interest, designees and assigns, jointly and severally.
9. This Order shall become effective upon execution by both the Director or his designee and Quebecor.
10. This Order shall continue in effect until:
 - a. Quebecor petitions the Director or his designee to terminate the Order after it has completed all of the requirements of the Order and the Director or his designee approves the termination of the Order; or
 - b. The Director or Board terminates the Order in his or its sole discretion upon 30 days notice to Quebecor.

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

11. By its signature below, Quebecor voluntarily agrees to the issuance of this Order.

And it is so ORDERED this day of April 19, 2007.



Gerard Seeley, Jr., Regional Director
Department of Environmental Quality

Quebecor voluntarily agrees to the issuance of this Order.

By: Jack E. Hines

Date: 4-16-07

Commonwealth of Virginia
City/County of Henrico

The foregoing document was signed and acknowledged before me this 16th day of
April, 2007, by Jack E. Hines, who is

JACK E. HINES of Quebecor, on behalf of the Corporation.
~~President~~ SITE MANAGER

[Signature]
Notary Public

My commission expires: 6/30/2007

Appendix A

Quebecor shall:

1. Commencing on or before June 30, 2007, conduct weekly system calibration checks on the VOC analyzers associated with Solvent Recovery-A and Solvent Recovery-B in accordance with 40 CFR 60.13(d) and 40 CFR 60, Appendix F. Written calibration procedures must be submitted to the DEQ for approval by May 30, 2007.
2. On or before June 1, 2007, submit a permit amendment request to the Department to incorporate the above requirements into the Facility's Permit.
3. In the time period between the effective date of this Order and June 30, 2007, conduct bi-monthly system calibrations on the VOC analyzers.

APPENDIX B

Quebecor shall perform the SEP identified below in the manner specified in this Appendix.

1. The SEP to be performed by Quebecor is to install a calibration system that will allow weekly analyzer system calibrations as opposed to monthly
2. The SEP shall be completed by June 30, 2007.
3. Quebecor shall submit a written final report on the SEP, verifying that the SEP has been completed in accordance with the terms of this Order, and certified either by a Certified Public Accountant or by a responsible corporate officer or owner. Quebecor shall submit the final report and certification to the Department within 90 days from the effective date of the Order.
4. If the SEP has not or cannot be completed as described in the Order, Quebecor shall notify DEQ in writing no later than July 10, 2007. Such notification shall include:
 - a. an alternate SEP proposal, or
 - b. payment of the amount specified in Paragraph D.2 as described in Paragraph D.1.
5. Quebecor hereby consents to reasonable access by DEQ's staff to property or documents, for verifying progress or completion of the SEP.
6. Quebecor shall submit to the Department written verification of the final overall and net project cost of the SEP in the form of [a certified statement itemizing costs, invoices and proof of payment, or similar documentation] within 30days of the project completion date. For the purposes of this submittal, net project costs can be either the actual, final net project costs or the projected net project costs if such projected net project costs statement is accompanied by a CPA certification or certification from Quebecor's Chief Financial Officer concerning the projected tax savings, grants or first-year operation cost reductions or other efficiencies.

Documents to be submitted to the Department, other than the civil charge payment described in Section D of the Order, shall be sent to:

Frank Lupini
Department of Environmental Quality
Piedmont Regional Office
4949-A Cox Road
Glen Allen, Virginia 23060

Quebecor shall confirm, in writing, completion of the Order requirements to the above address **within five (5) days of completion.**