



Lee, Karen <leeka@dhec.sc.gov>

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## Klausner Holdings, USA

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**Sam Coker** <sam@scpole.com>  
To: leeka@dhec.sc.gov

Mon, Oct 22, 2012 at 9:54 AM

Dear Mrs Lee,

Due to the magnitude and quantity of raw timber usage that the proposed Klausner sawmill will consume from our state I highly recommend that there be a public hearing concerning the PSD application of Klausner Holdings, USA.

Thank you for your consideration,

Sam R Coker

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Sam Coker  
Owner/President  
SC Pole & Piling  
PO Box 3309  
Leesville, SC 29070  
(803) 532-5806 phone

(803) 532-1168 fax  
www.scpole.com  
sam@scpole.com



Lee, Karen <leeka@dhec.sc.gov>

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## Public Notice #12-109-PSD-ECP Klausner Holding USA, Inc.

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Joey Ferguson <JFerguson@resourcemt.com>  
To: "leeka@dhec.sc.gov" <leeka@dhec.sc.gov>

Mon, Oct 22, 2012 at 11:28 AM

It is with open arms that I would welcome Klausner to South Carolina. Klausner has long been known in Europe as a responsible corporate citizen, and there is no evidence to indicate that they would run their business any differently here in our state. They would have nothing to gain by not precisely following DHEC's environmental requirements pertaining to emissions and reporting. SC men and women will run this plant and that's great news.

Besides bringing more jobs and commerce into Orangeburg county, Klausner will provide markets for pine sawtimber desperately needed by timber growers in this part of SC. Timber prices have fallen over the past 6 years to record lows. Some of this depression is certainly related to the housing slump, but an equal part of the depression in prices is due to a lack of spirited competition between and among pine sawtimber mills in the state. Klausner's mill is a welcomed and very needed consumer of our pine sawtimber products. The timber resources are there and plentiful. Only those mills that are afraid of competition will go into desperation mode by declaring that the resource is not there and that other, smaller mills will go out of business. This is simply not true and can easily be refuted based on historical data related to new forest industry that has come to SC in the past. Simply put, more demand for forest products equals a better managed and a more productive forest resource. That's good for people, the environment, water quality, clean air, wildlife management, and the economy.

Strong and steady demand for our forest products in SC is key. The forest industry (timber owners, sawmills, paper mills, OSB mills, converting mills, and other related forest industry business segments) slightly outperforms agriculture and has become SC's leading economic contributor. Bringing Klausner to Orangeburg county will help to expand and retain the economic engine that is the forest industry, thus creating new high-paying jobs, retaining existing jobs, and strengthening our overall economy as a state.

Thank you for the opportunity to comment.

**Joey Ferguson**

Manager, South Carolina Region

O: 843-546-4276 x4

C: 843-240-2149

[jferguson@resourcemgt.com](mailto:jferguson@resourcemgt.com) | [www.resourcemgt.com](http://www.resourcemgt.com)

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Resource Management Service, LLC  
9418 High Market Street  
Georgetown, SC 29440

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Lee, Karen <leeka@dhec.sc.gov>

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## PSD permit for Klausner

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**Lin Houck** <linhouck@yahoo.com>  
Reply-To: Lin Houck <linhouck@yahoo.com>  
To: "leeka@dhec.sc.gov" <leeka@dhec.sc.gov>

Mon, Oct 22, 2012 at 6:23 PM

Dear Mrs. Lee,

I am concerned about the proposal of Klausner Holdings to build a huge sawmill in our area.

I would like to request a public hearing to voice concerns about how a mill like this may negatively impact our area.

Thank You

Lin Houck  
843-908-3641



Lee, Karen <leeka@dhec.sc.gov>

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## Klausner Public Hearing

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**Amy Scott** <ajscott22@gmail.com>  
To: leeka@dhec.sc.gov

Wed, Oct 24, 2012 at 7:19 PM

Ms Lee

I would like to see DHEC schedule a public hearing regarding the Klausner PDS permit so that I may find out more info. As I understand it this is a massive facility that will require a large amount of resource and will produce massive amounts of VOCs.

Thanks



Lee, Karen <leeka@dhec.sc.gov>

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## Klausner hearing

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**Mallory Groves** <mallorygroves@gmail.com>  
To: "leeka@dhec.sc.gov" <leeka@dhec.sc.gov>

Fri, Oct 26, 2012 at 3:50 PM

Ms. Lee,

I am writing to request a public hearing concerning Klausner holdings. From what I understand, South Carolina does not have the natural resources available to support such a large sawmill and I would like to voice my concern. Thank you very much.

Mallory Groves

Sent from my iPhone



Lee, Karen <leeka@dhec.sc.gov>

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## Klausner

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Mac <wmrhodesco@gmail.com>

Mon, Oct 29, 2012 at 7:50 AM

To: "leeka@dhec.sc.gov" <leeka@dhec.sc.gov>

As a timberland owner and registered forester, I urge approval of Klausner's air permits. In S.C., we have had many sawmills close over the past 20 years. It is a positive development for a new sawmill to open. Thank you.

Sincerely, W. McLeod Rhodes



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## Public Hearing Request

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**Micky Scott** <MScott@collumlumber.com>  
To: "leeka@dhec.sc.gov" <leeka@dhec.sc.gov>

Thu, Nov 1, 2012 at 10:46 AM

October 30, 2012

Karen Lee  
SCDHEC  
Region 5 Aiken EQC Office  
206 Beaufort Street, Northeast  
Aiken, SC 29801

Dear Ms. Lee:

I am writing as to the Klausner Holding, USA draft PSD air permit.

Due to the magnitude of this mill nobody, not DHEC, Orangeburg County Development or anybody else can conceive of the impacts or demands that a mill of this size will incur on the resource and infrastructure of the surrounding area. This will be the largest mill in North America, yes North America, three times bigger than any other mill in the South. The impacts from dust, truck traffic (500/day) and noise on the local community and Methodist Oaks Retirement Community, their neighbor to the North, to be considered.

Let me be clear, the size is the issue. Klausner only asked the Forestry Commission to look at the availability of 1.5 million tons of wood. That amount of wood will not even supply a mill of half the size they are proposing. Timber resources, landscapes and the quality of life around this state will be affected by a mill of this ridiculous size.

All of these things must be considered; and the obvious solution is to reduce the mill size by half to 350 million board feet. This is the size they have been promoting over the past years in meeting with landowners and industrial developmental groups; keep them honest.

I would also like to request a public hearing on this permit. The public needs a chance to hear the truth about the impacts that a 700 million board feet mill will have.

Sincerely,

Mitchell Scott  
President Collum's Lumber Products, LLC



October 31, 2012

Ms. Karen Lee  
South Carolina Department of Health and Environmental Control  
Bureau of Air Quality  
2600 Bull Street  
Columbia, South Carolina 29201

RECEIVED

NOV 02 2012

BUREAU OF AIR QUALITY

Re: Public Notice #12-109-PSD-ECP

Dear Ms. Lee:

As the Executive Director of the South Carolina Wildlife Federation, representing over 8,000 families around the state of South Carolina, I am writing to ask that a public hearing be held on the application for a Prevention of Significant Air Deterioration permit by Klausner Holdings USA, Inc.

The applicant proposes to build a lumber production facility near Rowesville, SC. It is my understanding that not only would this facility be the largest such lumber operation in the southeast, it would be the largest lumber production facility in North America. A lumber operation of this magnitude raises a number of questions and concerns and it is important that the impacts not be looked at piecemeal. A serious study of the cumulative impacts must be performed if we are to protect the resources of our state.

We have serious concerns about the impacts to air quality of such a massive lumber operation, and whether such a large facility is sustainable given the forest resources of our state. In addition the State of South Carolina should consider the impacts such a large operation would have on the adjacent Edisto River and its associated wetlands, and the quality of life issues for surrounding residents.

I think a public hearing would be helpful as it would give SCDHEC staff a chance to explain to the community the process they will use in evaluating this permit application and the standards that the applicant must meet. In addition, it would allow the applicant to detail how they intend to meet these standards, and it would provide an opportunity for the community to respond to these presentations and to express their concerns in a public forum.

Thank you for your consideration and I hope to hear from you soon concerning the requested public hearing.

Sincerely,

Ben Gregg, Executive Director

Ryan Black  
Climate & Energy Project Manager  
South Carolina Coastal Conservation League  
1001 Washington Street, Suite 300  
Columbia, SC 29201

November 5, 2012

Ms. Karen A. Lee  
Public Information Specialist  
Engineering Services Division  
Bureau of Air Quality  
South Carolina Department of Health and Environmental Control

RE: KLAUSNER HOLDING USA, INC.  
3374 ROWESVILLE ROAD  
ROWESVILLE, SOUTH CAROLINA  
(ORANGEBURG COUNTY / REGION 5 AIKEN EQC OFFICE)  
AIR PERMIT NO. 1860-0128-CA

Dear Ms. Lee:

The South Carolina Coastal Conservation League (CCL) seeks to promote the development of appropriately-scaled, sustainable biomass facilities, whether they be for timber production, energy generation or otherwise. We view such biomass facilities as a means to invigorate our state's working rural landscapes and to keep forest land forested. However, CCL also recognizes the environmental challenges and risks associated with developing such facilities, particularly those of industrial-scale. The permitting process for the proposed lumber mill in Rowesville raises the following points that we would like DHEC to address and/or clarify regarding the mill:

- I. Pg. 40 – The current March 21, 2011 EPA rule, or “boiler MACT”, sets the BAQ proposed BACT filterable limit at 0.014 lbs per million BTU and the total PM limit of 0.030 lbs per million BTU heat input. If this rule remains effective when the facility begins operation of the biomass boilers, how does the Klausner intend to comply?
- II. The proposed mill appears to be out of scale relative to other mills in South Carolina, the Southeast, the remainder of the United States, and even throughout North America. Based on preliminary research, one would have to travel to British Columbia to find a comparable facility on this continent. If our focus is trained back on the Southeast, we find only five so-called “super mills” in the region, and even the largest of such facilities only approaches 300M board feet of annual capacity. The mill proposed for Rowesville would have a capacity of 700M board feet per year. The sheer scale of this facility raises the following questions:

- a. Will the surrounding woodshed be able to support the necessary logging operations to maintain sufficient inputs for this facility without the risk of overcutting?
- b. If overcutting is a realistic concern, would the widespread depletion of CO<sub>2</sub>-absorbing trees reduce the background air quality levels against which this permit application has been based? (Pg. 81 – “B. Additional Impacts Analysis – Growth, Soils and Vegetation, and Visibility Impairment PSD review...also requires an analysis of the air quality impact projected for the area as a result of general commercial, residential, industrial, and other growth associated with the expansion.)
- c. It is also widely understood that the disturbance of soils in the logging process is a source of CO<sub>2</sub>. While such a source of emissions would not normally be taken into consideration when permitting a lumber mill, we once again have to refer back to the scale of this facility and wonder whether the added demand for trees needed to supply this mill could lead to reduced air quality standards within the surrounding woodshed based on secondary environmental impacts related to industrial-scale logging. While such sources have not traditionally been examined or included, emissions from vehicles traveling in and out of sites have been examined, and these sources at scale could be seen as “process related emissions,” (“...this project triggers BACT for CO<sub>2</sub> and CO<sub>2e</sub>...there are no process related CO<sub>2e</sub> emissions,”) which might lead to a deterioration in air quality. (Pg. 81 – “**B. Additional Impacts Analysis – Growth, Soils and Vegetation, and Visibility Impairment** PSD review requires an analysis of any potential impairment to visibility, soils, and vegetation that may occur as a result of the proposed or modified facility/sources.)

III. A cursory survey of forestry professionals found that the state’s 18 existing sawmills possess a combined production capacity of about 1.4B board feet annually when housing is at normal levels. Subsequently, the proposed mill represents a 50% increase in capacity for the state . However, those existing mills are operating below capacity due to the downturn in real estate markets here and abroad. Some SC professionals suggested that these mills might be operating between 55 and 65% capacity. It is true that a significant increase in demand for sawtimber would be welcomed by private landowners, in addition to positively impacting harvesting levels, prices and tree planting in the short-term. However, the SC Coastal Conservation League is concerned that such a dramatic increase in demand would be unsustainable as mature sawtimber gets extensively harvested and the lack of younger trees fails to meet demand.

- a. Has an independent forestry consultant analyzed the surrounding woodshed to determine if overcutting is unlikely, avoidable or inevitable?
- b. What will impacts be if the Klausner mill becomes operational as domestic and foreign real estate markets recover?

Thank you for considering these points. We look forward to hearing more from DHEC on these issues as the permitting process continues.

Sincerely,

Ryan Black



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4

ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

Ms. Jo Anna Cunningham  
Permitting Section  
South Carolina Department of Health & Environmental Control  
2600 Bull Street  
Columbia, South Carolina 29201

Dear Ms. Cunningham:

Thank you for the submission of the Prevention of Significant Determination (PSD) draft permit and preliminary determination for a proposed project for Klausner Holding USA Inc., located in Orangeburg County, South Carolina. The proposed mill will include a log receiving and storage area, log debarkers, saw mill, drying kilns, six boilers, planer mill, and a lumber load-out area. It has been determined that the project is subject to PSD review for Nitrogen Oxides (NO<sub>x</sub>), Carbon Monoxide (CO), Volatile Organic Compounds (VOC), and Particulate Matter (PM, PM<sub>10</sub>, and PM<sub>2.5</sub>), and Greenhouse Gases (GHG).

Based on the EPA Region 4 review of the PSD application, preliminary determination, draft PSD permit, and modeling review document, we have the following comment in addition to those already addressed informally in the current draft PSD permit conditions submitted to the EPA Region 4.

Draft permit condition 5.b.4 provides for BACT limits of 0.032 lb/MM Btu for PM, PM<sub>10</sub>, and PM<sub>2.5</sub> with a footnote that states, "If the current March 21, 2011, 40 CFR 63 Subpart DDDDD is effective upon startup of the biomass boilers the above BACT limit shall remain as is. Subpart DDDDD is under reconsideration. If the reconsideration becomes final, the BACT limit for filterable PM, PM<sub>10</sub>, and PM<sub>2.5</sub> will be 0.015 lb/MM Btu (each) or the filterable PM limit established under Subpart DDDDD whichever is most stringent." The EPA Region 4 recommends the more stringent of these limits resulting from the 40 CFR 63 Subpart DDDDD reconsideration be listed first to reflect the 0.015 lb/MM Btu emission limit. SCDHEC could then have the footnote for the higher limits in the event the reconsideration is not finalized.

If you have any questions about these comments or require additional information, please contact James Purvis at (404) 562-9139 or Richard Monteith at (404) 562 9139 for information related to modeling.

Sincerely,

A handwritten signature in black ink that reads "Gregg M. Worley".

Gregg M. Worley, Chief  
Air Permits Section



Lee, Karen <leeka@dhec.sc.gov>

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## Klausner Holdings proposed lumber production

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**dzbonnett@aol.com** <dzbonnett@aol.com>

Fri, Dec 7, 2012 at 10:04 AM

To: leeka@dhec.sc.gov

I am a resident of Rowesville, SC and I am concerned about air pollution and run off of any chemicals into the Edisto River.

Also the close proximity to a church and the noise associated with production.

I am also concerned about the noise level that will be heard in the town of Rowesville.

Deborah Bonnett  
Rowesville, SC

JAMES M. SIMONS & CO., INC.  
CONSULTING FORESTER  
7684 OLD STATE ROAD  
POST OFFICE BOX 335  
HOLLY HILL, SOUTH CAROLINA 29059

JAMES M. SIMONS, ACF, CF

(803) 496-3573 OFFICE  
(803) 496-9495 FAX

December 12, 2012

Ms. Karen Lee  
SCDHEC  
2600 Bull St.  
Columbia, SC 29201

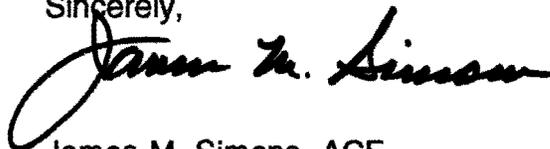
Dear Ms. Lee,

I am writing in support of Klausner Holdings USA, Inc.'s permit application, and I respectfully urge your approval.

I am a timberland owner myself, and as a Consulting Forester, I help manage the timber resources on many acres of other landowners property in the market area where this mill would operate. We have lost many sawmills in this area over the last 20 or so years and timber prices have dropped significantly as competition has disappeared. Many of my clients depend on money from timber sales to educate their children and help pay for retirement. If they can no longer make enough money from their timber, they will consider converting their timberland to more lucrative alternatives such as development.

In my opinion, Klausner Holdings would make an excellent addition to our market and community, and I respectfully ask you to please look favorably upon their Permit request. Thank you very much for this consideration.

Sincerely,

A handwritten signature in black ink that reads "James M. Simons". The signature is written in a cursive style with a large, looping initial "J".

James M. Simons, ACF  
SC Registered Forester #586

**12-13-2012 at Orangeburg, SC**

**My name is Mac Lupold; I am a Forest Products Consultant from Camden. A part of my services includes forest resource analysis to forest landowners, industry and trade associations on projects from VA to TX and numerous studies applicable to every county in SC on biomass, pulpwood and sawtimber availability during the past 10 years.**

**My concern here tonight is the sustainable health of our forest today, tomorrow and in the future to maximize forestry and forest products value to SC's economy. I'm no stranger to Orangeburg County having lived in Holly Hill for 22 years, responsible for operations and environmental issues at Holly Hill Lumber Company, then Orangeburg County's largest employer and served on the County Industrial Development Board in the late 1980's.**

**In 2008, after several major wood-using plant location studies, I warned state forestry leaders that the USFS, Forest Inventory Analysis (FIA) growth-removal-mortality data was over 12 years old due to changes in plot methodology (GA 16 years) and expressed concern as to a steep decline in excess small pine trees. The historical plot dating of FIA is seldom applied correctly; in SC standing inventory is always 3-4 years old and annual growth-removal 5-6. Requests to the FIA in Knoxville as to questionable web outputs during the summer 2011 revealed that annual growth distributed by individual pulpwood and sawtimber tree sizes, dbh's, was incorrect on the web – maybe, corrected by early 2013. During 2011, I advised forestry leaders and attendees at the SC Forestry Assoc annual meeting (presentation on SCFA website), that pine pulpwood in SC by**

**2005 was being overcut and at the same time tree planting since 2000 was in serious decline – our next forest. Today we are tree planting at mid-1950's level.**

**Every year SC's forest is becoming more and more imbalanced in age classes and products – primarily due to the tree planting/natural regeneration decline and the sawtimber size and volume from CRP plantations. For 75 miles around Rowesville (and most of SC follows this trend), the current young growth forest acres is only 55% of similar sawtimber working forest acres. Projections out 30 years show SC's pine pulpwood forest will be at 50-55% of today's stocking level by 2039. Pulpwood delivered to paper, OSB and pellet users show that 45% of all delivered wood is pine sawtimber and in some southern states approaching 60%. Paper, OSB and pellet businesses provide over 65% of SC's economic output and this major small wood segment needs this housing recession to end just as much as landowners and sawmills, so sawtimber trees can be harvested, chips generated and a new forest planted for the future. Businesses seeking pine small wood for new manufacturing facilities should carefully evaluate this dwindling resource condition.**

**Pine sawtimber projections by me until 2024 for SC, with a large "what if" sawmill included, shows sufficient pine volume available until 2023 at which time removal exceeds growth (chip volume reduced small wood requirements). Fifteen years later, by 2039, sawtimber inventory will be reduced by over a 1/3 (with final harvest areas replanted all along). This leaves no resource for SC's 18 sawmills that could expand to be more efficient but cautiously wait until the housing crisis is fully defined and headed in a positive direction.**

Today the total standing inventory of pine species on private lands is around 300 million green tons. When all the existing mills, new plants and current announcements are in place the standing inventory will need to be around 400 million tons based on anticipated annual roundwood use and average annual growth rates for sawtimber and pulpwood. Projections to 2039 (including all the new announcements for pellets and lumber) reveals pine inventory will be around 240 million, <sup>40</sup>20% short of where we need to be. Intense tree planting and silvicultural treatments could return the forest to 300, but not to the 400 million level required. Coastal plain counties will incur the greatest impact. SC Forestry has a long road ahead to re-balance its forest output to match the raw material needs of its existing industry and others that want to jump into the fray!

A project of this magnitude, unprecedented in size for the South, largest in North America, should present in detail to the forest community of SC how the overall forest resources will not be over-used over the next 30 years and longer.

Mac Lupold, Lupold Consulting, Inc., Camden, SC 803-669-0783

[macc@truvista.net](mailto:macc@truvista.net)

**Proposed 700 million BF/year Pine Sawmill near Rowesville, SC**  
**Personal Evaluation by HM Lupold, Forest Products Consultant, Camden, SC**  
**November 27, 2012**

The proposed 700 million BF/year pine sawmill near Rowesville, SC demands unique scrutiny since it would be the largest sawmill in all of North America, placing unprecedented impacts on the forest resource, lumber market, logging force and existing long-term forest products industry cluster. Forest inventory data for average year 2006 (*the most current for Rowesville 75-mi circle*) reveals annual growth in pine sawtimber no longer continues to expand annually and the younger seedling/sapling/pulpwood acres in pine are only 55% of the current same acre/older age grouping found in the working forest sawtimber stands. Once the excess in sawtimber annual growth over removals (2006) is adjusted for both existing and new wood-using facilities in the area not in the inventory base, the annual growth/removal appears slightly below break-even as of 2006; but ..... what about the impact 10, 20 and 30 years from now on the forest and existing industry? Until a detail 30 year model is developed in which the forest is grown forward using all known FIA area, tree, age, volume, growth and removal trend data, TPO (Timber Products Output) facts and trends, industry economic forecast reports and SC forestry/industry peer group input is completed, the viability of this project is highly questioned and forest resource sustainability impact long-term on SC a major concern.

**Mill Size**

**The proposed Rowesville, SC sawmill, to produce 700 million BF annually of Southern Pine lumber, if built, will be the largest sawmill in North America.** Today in SC, 18 pine sawmills produce lumber at an annual capacity of 1.4 billion BF (77 million BF/mill average), compared to Rowesville at 700 (9 times larger). Since 2006 and even today, these long-term SC mills have been severely impacted with significantly reduced output and unprofitable unit sale price levels due to the continuing weak demand from the extended housing crisis. Today across the South, only five super-size mills, located in NC, AL, MS and AR, operate at design capacity from 240 to 300 million BF (about 1/3 the Rowesville design) and all 5 mills obtain a majority of their logs from their own timberlands. By far the largest sawmills in the US and Canada are located in the western States and Provinces around large, mostly natural forest complexes with few open spaces or cities. In the US four states (ID (2), CA (2), OR (9) and WA (9)), operate 22 large mills ranging from 235-510 and average 320 million BF and in Canada three Provinces (BC (19), Alberta (3) and Saskatchewan (1)) run 23 large mills from 245-610, average 350 million/mill (1/2 size of Rowesville). Of 891 sawmills in 2009 in North America only four are designed to operate at 500-610 million BF/year. Source: Profile 2009: Softwood Sawmills in the US and Canada, USFS, Spelter.

**Mill Design, Tree Properties Processed**

The mill design proposed for Rowesville is typical of sawmills operating in Europe and observed by the writer in 2003 and 2008. Logs are scanned, cut-to-length and then stored by small end diameter size for batch processing. Log break-down sawing can be with fixed saws or with minimum scan-set movement. Equipment allows for a minimum of forced curve sawing. The main operating difference involves the softer wood property of spruce-pine-fir in Europe to the heavier, harder wood properties of Southern pine plus the larger knot configuration and major sweep differences (most Southern pine contains significant sweep and crook). After four years of operating a Rowesville type system at Ayden, NC, Weyerhaeuser, in the early 1990's, removed their total system in favor of the commonly used sharp chain and curve sawing approach. **Only a few pre-sorted log size systems operate in North**

**America, several recently were removed and the Rowesville design is not accepted at least in the South due to the tree property differences between Southern pine and S-P-F.**

**Understanding FIA (Forest Inventory Analysis) Data**

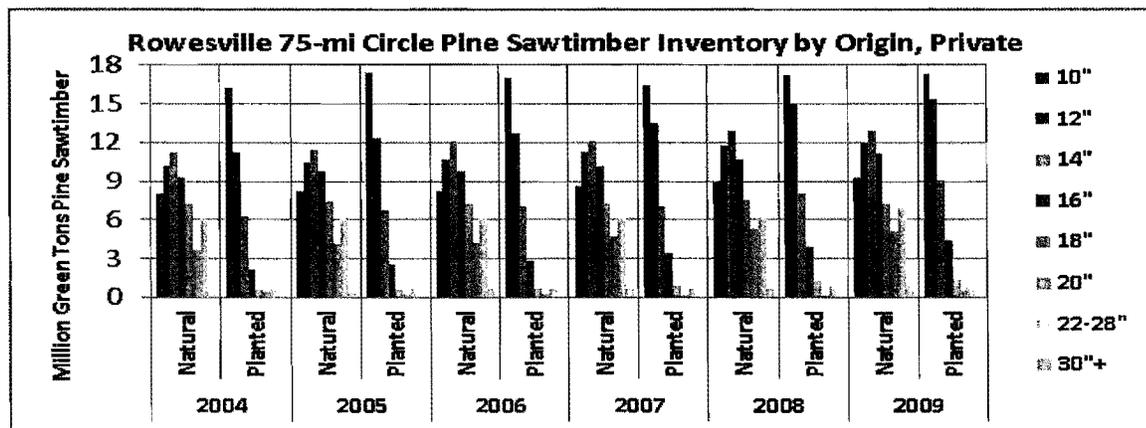
Resource conditions for this analysis were derived from the USFS FIA (Forest Inventory Analysis) SC Panel 2011. Due to the FIA sampling plot date format, the following average years are applicable: **Standing Forest volumes and conditions - 2009, Annual Growth & Removal volumes and conditions - 2006, 0-5 age group year - 2006.** Few preparers of FIA data clearly define the average forest year condition based on time field plots are taken. No FIA data is grown forward or are future projections provided. Only private timberlands are evaluated, since public provides minimal annual removals in the market place and this approach considers some of the availability questions by industry.

**Mill Raw Material and Production Volumes**

To convert the 700 million bf of finish lumber to raw material as tree-length logs required, the industry uses “tons of green logs/mbf finish lumber produced” factor. Average log size processed will dictate the final factor with small and large log sizes varying. For this evaluation 4.4 tons was used (700,000 mbf x 4.4 = 3,080,000 tons required annually). This factor is not the same as “green tons in sawlog portion of tree/MBF tree scale Scribner or Int ¼ Rule (used by FIA)”. The tons received could vary from over 3.4 million tons using small logs to under 2.9 on a large log mix.

**Standing Forest Condition**

The Rowesville 75-mi circle standing pine sawtimber inventory on private timberlands in 2009 contained 114 million tons, 57% in natural stands, with a 22% increase from 2004 to 2009. Most dbh’s increased volume during this period except for planted 10” which continues to be heavily used by paper/OSB.



**Annual Growth & Annual Removal Condition, Excess Availability**

The Rowesville 75-mi pine forest in average forest year 2006 contained 4.8 million excess annual growth tons before allowance for new wood-using industries that process part of or all pine sawtimber in the circle evaluated and without consideration of the future productive capacity of pine seedling, sapling and pulpwood stand acres in 2006 to replace today’s sawtimber forest represented below. No FIA data is projected forward - average year 2006 is best available, unless the SRTS model at NC State is utilized.

**Rowesville 75-mi Excess Pine Sawtimber Growth to Drain, Tons, by Forest Year**

	Natural		Planted		Total All Origins		Available in 2006
	AG	AR	AG	AR	AG	AR	Excess AG
<b>2001</b>	3,557,115	2,957,170	5,108,993	1,943,994	8,666,108	4,901,164	3,764,944
<b>2002</b>	3,760,808	3,009,749	5,596,763	2,292,227	9,357,570	5,301,976	4,055,594
<b>2003</b>	3,611,538	3,334,827	5,756,349	2,526,395	9,367,887	5,861,222	3,506,665
<b>2004</b>	3,926,827	3,501,313	5,846,052	2,667,360	9,772,879	6,168,673	3,604,206
<b>2005</b>	<b>4,251,827</b>	<b>3,328,501</b>	<b>6,276,821</b>	<b>2,726,056</b>	<b>10,528,648</b>	<b>6,054,557</b>	<b>4,474,091</b>
<b>2006</b>	<b>4,274,690</b>	<b>2,956,103</b>	<b>6,250,946</b>	<b>2,760,690</b>	<b>10,525,636</b>	<b>5,716,793</b>	<b>4,808,843</b>
	<b><u>% Change in Annual Volumes by Stand Condition</u></b>						
<b>2001-2006</b>	<b>20.2%</b>	<b>0.0%</b>	<b>22.4%</b>	<b>42.0%</b>	<b>21.5%</b>	<b>16.6%</b>	
<b>%/Yr (5)</b>	<b>4.0%</b>	<b>0.0%</b>	<b>4.5%</b>	<b>8.4%</b>	<b>4.3%</b>	<b>3.3%</b>	
<b>2005-2006</b>	<b>0.5%</b>	<b>-11.2%</b>	<b>-0.4%</b>	<b>1.3%</b>	<b>0.0%</b>	<b>-5.6%</b>	

**This forest as of average year 2006 (plots from 2002 to 2011 compared) had reached equilibrium in annual growth (AG).** Removals (AR) in planted up 2005-06 due to strong paper market using 45% of roundwood delivered as sawtimber 10" dbh & larger. Annual removal (AR) declined in natural and overall due to reduced demand for lumber & panels during the housing crisis, 2006-2011.

**New Mill Competition and Future Projections**

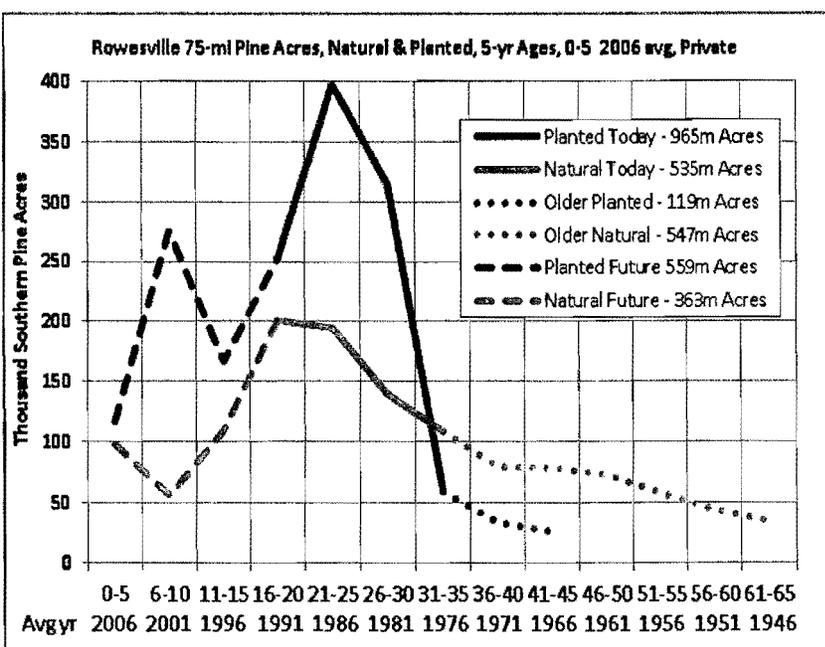
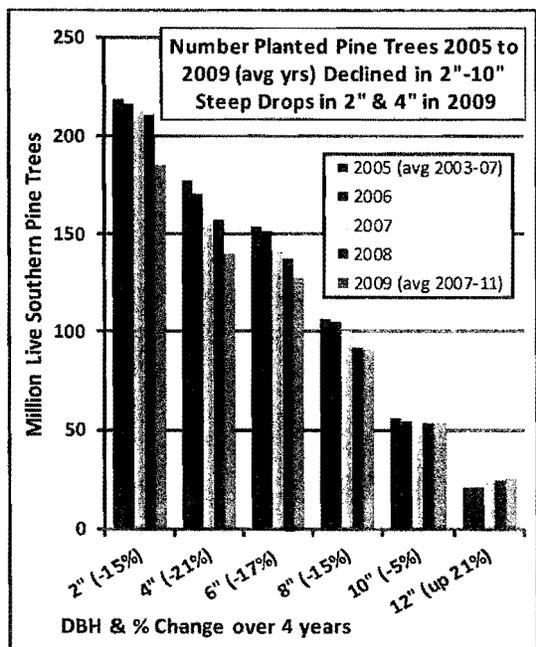
The following table illustrates a slightly negative break-even pine sawtimber condition as of average year 2006 with new and proposed plants using some pine sawtimber; however, until the forest and market demands are grown forward for 30 years, the long-term viability and impact is unknown.

**Updating Volume Not in FIA - New Plants Using Traditional Paper Mill Pulpwood**

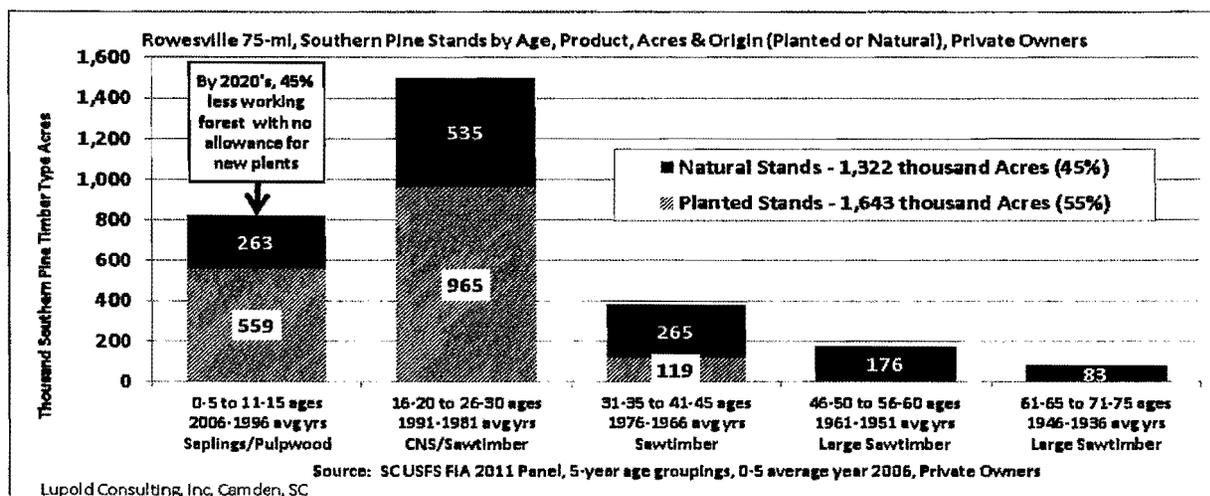
<b><u>SOURCE FROM SC:</u></b>	<b><u>ANNUAL</u></b>		
	<b><u>TONS NOT IN</u></b>	<b><u>% TONS IN</u></b>	<b><u>PINE SAWTIMBER</u></b>
	<b><u>FIA PANEL</u></b>	<b><u>ROWESVILLE 75-</u></b>	<b><u>IN PAPER/OSB</u></b>
	<b><u>2011</u></b>	<b><u>MI CIRCLE</u></b>	<b><u>2009 TPO AT 45%</u></b>
<b>GP OSB to Original Design:</b>			
Allendale (not in all 10 yrs FIA plots)	1,000,000	75%	337,500
Manning	1,500,000	60%	405,000
Export In-woods Chips, Savannah	300,000	85%	114,750
Paper Mill Mix Changes	500,000	50%	112,500
Pellet Under Construction, Announced	2,000,000	55%	495,000
SC Sawmill Use Back to 2004, FIA Data	<u>452,000</u>	100%	<u>452,000</u>
	5,752,000		1,916,750
Rowesville Sawmill at 700 million BF			<u>3,080,000</u>
2013 Actual/Under Construction New Mill Use - 10" dbh & larger			4,996,750
Excess Available, Average Year 2006 - 10" dbh & larger			<u>4,808,850</u>
Available: Forest in 2006, New Mills in 2013			-187,900
<b>Growth/Removal Change 2006 to 2013</b>	Requires Detail Rowesville Area SRTS Model		
<b>Growth/Removal Change to 2028</b>	Requires Detail Rowesville Area SRTS Model		
<b>Growth/Removal Change to 2043</b>	Requires Detail Rowesville Area SRTS Model		

**Can Today's Young Forest Adequately Replace the Current Sawtimber Working Forest?**

FIA inventory data can provide number of trees and acres in natural and planted by 5-year age groups to determine if the forest is being managed on a similar basis by age groupings and if future forest conditions will be different. The next two graphs provide clear evidence that the 2"-10" dbh tree count is declining, validating that SC tree planting in 2012 was approaching its mid-1950's level; and acres for the future are trending lower, 21-25 years to 0-5 down 71% in planted and 40% in natural. **In 2009 planted stands provided 60% of annual growth in sawtimber, reduced overall growth for the first time from 2008 to 2009 and tree planting is seriously falling short as a replacement for the current sawtimber working forest.** Pine tree removal for paper/OSB in 6-10" dbh exceeded growth in 2006.



The next graph illustrates by early 2020's, 45% less working forest acres will be available to grow and harvest pine sawtimber. SC in general has a 15 year tree planting gap from 2000 to 2015, at which time the housing demand for lumber and panels should provide "final harvest acres" to create space to plant for the future – in the 2030's. SC could normally reduce or even overcut standing sawtimber annually to provide logs to existing industry from 2020-30. Thus the need for a long-term projection for the Rowesville site that would utilize 1/2 the saw logs used in SC during a normal housing market.



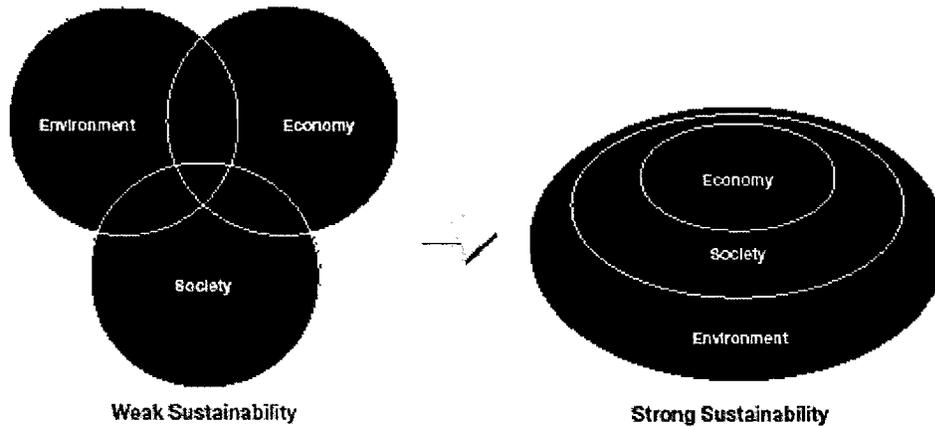
Since the Rowesville site would be a long-term sawtimber user, the fact that SC has since 2005 been overcutting pine pulpwood (6-8" dbh trees per FIA) must be jointly considered. The latest SC TPO shows of all the pine roundwood delivered to paper and OSB mills in 2009, 45% was sawtimber 10" dbh & larger. Recent resource studies prepared by this writer for sites up and down the SC coastal plain for trees 6-10" dbh, the FIA data averaged .70 growth/removal ratio or harvesting 43% more than annual growth. This negative condition will not improve until trees are planted adequate to sustain the current and new roundwood usages. To meet raw material needs more and more sawtimber trees are

utilized by paper, OSB and pellets each FIA survey year. Normally 20-25% of Southern pine lumber production is for 2x4's, derived from the smaller sawtimber trees, and in the housing recovery paper, OSB, small log sawmills and pellets will be competing for the same declining trees.

**Sustainability**

All of the examples of overcutting annual growth above in pulpwood and potential negative trends in sawtimber, demand a closer consideration of the sustainability of SC's forest resources. The recent US Forest Service model below illustrates that a "strong sustainability" position means the environmental outer ring (forest condition) over-rides the wishes of society and the economy. **An example today involves all of the European interest currently seeking wood pellets (and possibly lumber) from the US southeast Southern pine forest.** This writer has been in the woods in Sweden when a local regional forester related how all landowners (public and private) are subject the national allowable cut where each desired harvest type and volume is registered and the harvest year scheduled within allowable annual levels. All of the northern European countries require this provision while retaining more standing inventory than a straight 1.0 growth/removal ratio (growth equals removal). Thus, wood pellets at the volumes European power facilities need to meet EU emission standards are not available in Europe who has roughly the same standing forest volume as North America. In the US private timber landowners are not required to operate within any state or national growth to removal restrictions.

**Figure I-1.** Triple Bottom Line: interconnected and interdependent benefits.



Source: Maureen Hirt—Sustainable Measures

National Report on Sustainable Forests—2010

Thirty-year SRTS projections, by Bob Abt, Director NC State SOFAC program, released to-date for various southern states to the public have not contained adjustments for paper/OSB roundwood containing sawtimber, nor have any new wood-using plant raw material requirements as pulpwood and/or sawtimber been included as illustrated in tables on page 3 for just Rowesville area.

**Logging Force Shortfall**

The Wood Supply Research Institute, that represents timberland owners and forest product industries across the US, has over the past 5 years published research studies concerning logging capacity and regional logger profiles as to current posture and future availability. Most in the industry see logger availability and expansion as the most important issue today as the housing economy recovers and

demand for solid wood increases toward 2005-06 levels. SC's delivered roundwood peaked at 23.1 million tons in 2006 (see SC TPO), down to 20.6 in 2009 with today's level slightly above 2009; now add the 2006-12 gap of 2.5mm, plus the new and proposed plants noted on page 3 of 8.3mm and the current logging force must increased by over 52% (20.6 million tons in 2006 to 31.4 in the near future).

### **A Few Comments on Sales and Marketing**

The Rowesville sawmill lumber market is reported to be all export except for the lower #3 and #4 grades (usually 15-20% total volume) with all lumber dimensions to be in metric. Other than the huge SC impact on the logs required and logger capacity, if all lumber is shipped export this volume would not flood the current depressed housing market, however export markets are not always robust and consistent. Will the lumber then end up in the eastern US? Today in China, as construction continues to slow, all log and lumber imports have dropped 19% during first eight months of 2012, US lumber dipped 41% compared to 2011 (Wood Resource Quarterly 10/2012). The European economy for solid wood products is even more depressed than the US and Canada.

### **20x15 SCFC and SCFA Task Force**

Supporting existing industry is one of the major objectives of the \$20 billion of economic value to SC from forestry/forest products by 2015 (\$17.4 billion in 2006). Canada's ability to compete in the US, Europe and the Pacific Rim in the past has been through economy of scale and multiple break-down lines not normally found in the South. Saw millers of SC fully understand this concept and desire to expand their current operations (top 10 mills average 128mm bf, could grow to 163mm bf by utilizing 50% of the 700 million bf from Rowesville). No sawmill ownership or financial institution will commit to major capital today until the housing recovery and current economic conditions are better defined and sustained for a year or two. The Mountain Pine Beetle devastation in BC and inter-mountain USA, plus reduced allowable cuts in eastern Canada, will mean most wood construction materials in the East for housing and repair/remodeling will come from the US South in the future. The long wait has been tough on all segments of the SC forestry/forest products supply chain and will continue for a while yet!

**Why not let SC's existing industry expand as proven economic conditions allow using SC's own trees?**

**Conclusion: review all of the pertinent issues raised within each of the topics presented above to become better informed on the facts in order to reach realistic decisions for SC's forest future.**

This writer spent his first 15 years in the woods of SC as a consulting forester and industry forest land manager followed by 43 years in wood products manufacturing (lumber, MDF, plywood, millwork/components and treated lumber, timbers and piling), procurement, sales, marketing, product development and consulting from Virginia to Texas.

Hugh McColl (Mac) Lupold, Forest Products Consultant  
224 Chestnut Ferry Road, Camden, SC 29020 Cell: 803-669-0783 Email: macc@truvista.net



December 13, 2012

Ms. Karen Lee  
South Carolina Department of Health and Environmental Control  
Bureau of Air Quality  
2600 Bull Street  
Columbia, South Carolina 29201

Re: Public Notice #12-109-PSD-ECP

Dear Ms. Lee:

Thank you for holding a public hearing on the application by Klausner Holdings USA, Inc. for a Prevention of Significant Air Deterioration permit and for allowing me to express my concerns about this proposed operation.

The South Carolina Wildlife Federation was founded in 1931. Our mission is to advocate for wildlife habitat and the environment, educate citizens in the conservation ethic and support outdoor traditions. I am writing on behalf of more than 10,000 supporters throughout South Carolina.

It is my understanding that this lumber production facility near Rowesville would not only be the largest such lumber operation in the southeastern United States but in all of North America. We have serious concerns about the impacts to air quality of such a massive lumber operation, and whether such a large facility is sustainable given the forest resources of our state. In addition the State of South Carolina should consider the impacts such a large operation would have on the adjacent Edisto River and it's associated wetlands, and the quality of life issues for surrounding residents.

South Carolina has a thriving forestry industry and it would be a mistake to allow one massive operation to put that in jeopardy. What impact is this facility going to have on the viability of those existing operations and the communities that depend on them?

Another obvious concern is whether our already stressed roads and bridges around the state can sustain the heavier truck traffic that would accompany a project of this magnitude.

In fact a lumber operation of this magnitude raises a number of questions and concerns of statewide significance, and it is important that the impacts not be looked at piecemeal. A serious study of the cumulative impacts is necessary if we are to protect the resources of our state. A full environmental assessment of these cumulative impacts should be performed and citizens around the state should be given a chance to review the assessment and comment before the current application is processed by DHEC.

Sincerely,

Ben Gregg, Executive Director



Lee, Karen <leeka@dhec.sc.gov>

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## major concerns concerning Klausner Mill, 29133

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Charles Nightingale <nightingalece@bellsouth.net>  
Reply-To: Charles Nightingale <nightingalece@bellsouth.net>  
To: "leeka@dhec.sc.gov" <leeka@dhec.sc.gov>

Fri, Dec 14, 2012 at 12:56 PM

To whom it may concern:

I am a retired public school teacher in close proximity to this "monster mill." I regret I could not attend last night due to just getting the flu shot, I was feeling complications. I have perused [klausner-group.com](http://klausner-group.com) and am impressed with the friendly corporate image but feel sure the air and water quality will be greatly degraded. As an avid kayaker, mountain biker, trekking poler with two dogs, I am outside the better part of most days and am already experiencing uncomfortably high traffic loads for my rural portion of Rowesville, due in part by the exisiting Dempsey Wood Works mill in town. I estimate we see 2 twenty log 16 wheelers an hour for only the day light hours, This monster mill ill greatly increase this load. I do support sustainable development, but this is in the extreme, in my view.

Smiles,  
Charles

snail mail: Charles Nightingale  
251 Bay Road  
Rowesville, SC 29133  
803 539 2601

"Greater is God than every great one..." Baha'i Scriptures

WRITTEN COMMENTS - PUBLIC HEARING - DECEMBER 13, 2012

Klausner Holdings USA, Inc.

Draft Air Permit No. 1860-0128-CA

S.C. Department of Health and Environmental Control

PLEASE PRINT CLEARLY

NAME JIMMY GUTHRIE

MAILING ADDRESS (include P.O. Box or street, city, zip code):

1461 SIFLY ROAD  
ORANBURG, S.C. 29118

PHONE: 803 533-8224

**COMMENTS MUST BE RECEIVED**

**BY: December 20, 2012**

COMMENTS:

AS A OUTDOORSMAN AND TREE  
FARMER I WELCOME THIS COMPANY

THEY SEEM TO BE A VERY GOOD  
FIT FOR ORANBURG

"THEY SEEMED TO BE  
AWARE OF OUR ENVIRONMENT CONCERNS  
AND READY TO OPERATE IN A WAY  
TO PROTECT THE ENVIRONMENT - HELP  
THE ECONOMY - A WIN-WIN FOR ALL!

Signature:

Jimmy Guthrie 12/17/12

December 14, 2012  
P.O. Box 55  
Rosedale, S.C. 29133

Karen Lee  
SCDHEC, 2600 Bull St.  
Columbia, S.C. 29201

Dear Mrs. Lee,

I am writing you concerning the proposed Klausner sawmill at Rosedale. My brother and I own over 2000 acres of mostly forested land just south of Rosedale, on which we have placed a conservation easement. Even though timber is one of our primary sources of income, I have some concerns about this proposed mill.

My primary concern is the magnitude of the project and its impact on the natural resources and quality of life of the area. I seriously question the ability of our forests to supply the amount of timber called for here. I wonder what impact this would have on wildlife. We also lease our land for deer and turkey hunting, and I question how they and other species would prosper in an area that might well be largely clear-cut. I would think that a project of this size calls for an impact study of the mill's effect.

Another question I have concerns timber prices. We might well see Klausner come in and pay higher prices at first only to cut them after they have driven most regional mills out of business, much like what we have seen with International Paper, Inc. and pulpwood prices.

Another concern is the North Edisto River and its associated wetlands. Our property runs over a mile down the river on the

Romeville side and harbore extensive bottom land hardwoods and drains. The river is already heavily impacted by pollution and industrial and agricultural useage. With our current droughts I do not think it can take much more and remain a healthy river. How might this mill affect the river and its water quality?

And there are other problems of noise, dust, and traffic. A good comparison is the present Dempsey wood products mill that is located less than three miles north of Romeville and adjacent to this proposed mill. Several years ago when Dempsey was going strong, at night I could hear (and still do) their mill. Then there was the problem of trucks entering the highway (US 21) often with large clouds of dust with the dust and dirt turning to a slippery slime when it rained creating a real traffic hazard. This proposed mill will make Dempsey's operations look small, and it will create a horrific traffic problem.

With H. Lawson's present air permit application, one can only imagine what pollution levels a mill of this size might produce. Surely there will be large amounts of heat, water vapor and biological by-products released.

In closing I might note that I taught history and did research at Clemson University for 30 years, and, with the aid of professional foresters, helped manage our woodlands for over 40 years. Therefore, I feel qualified about commenting on this proposed mill. Thank you for considering my concerns.

Sincerely yours,  
John S. Farley, III, Ph.D.

Klausner Holdings Proposed Sawmill Project  
Orangeburg County, SC

South Carolina Forestry Commission  
Forest Resource Comments  
Prepared December 6, 2012

The mission of the SC Forestry Commission is to protect and develop the state's forest resource. The agency protects the forest resource and the lives and property associated with it from threats like wildfire, insects, and diseases. The agency also supports the development of the quality and quantity of the timber produced by the forest resource and the forest industry that utilizes the timber. This function is done in a multiple-use fashion that also enhances water and air quality, scenic beauty, recreation, and wildlife habitat. These actions benefit forest landowners, forest industry, the general public, and the state's economy.

A 2008 economic impact study showed forestry was the leading manufacturing industry in South Carolina in terms of the number of jobs and wages paid to workers. At that time, forestry had a \$17.4 billion economic impact to the state's economy. More recently, the SC Forestry Commission initiated a 20/15 Project to grow the impact of forestry from \$17.4 billion to \$20 billion by 2015. Increasing wood supply, expansion of existing mills, and establishment of new mills are strategies to accomplish the 20/15 goal.

The Forestry Commission's primary role in economic development is in quantifying the status and health of South Carolina's forests. The agency's Forest Inventory and Analysis (FIA) Program measures 3,452 permanent plots on a five-year cycle to provide accurate, up-to-date data in order to address key forest resource issues, such as forest sustainability. The Forestry Commission implements the FIA Program in cooperation with the USDA Forest Service. FIA data is available in written documents and an online database that is utilized as the primary source for most forest resource investigations by both public and private analysts.

Representatives of the Klausner Project approached the Forestry Commission over two years ago with interest in locating their project in Orangeburg County. During initial meetings, representatives told the Commission the project would utilize 1.4-1.5 million tons of softwood saw-

logs primarily procured over a 75-mile radius of a location near Rowesville in Orangeburg County. The proposed sawmill was projected to have a maximum production capacity of 350 million board-feet of lumber per year.

A Forestry Commission analysis conducted in 2010, based on 2009 FIA data, showed that there was adequate, available saw-log supply to meet Klausner's needs for the 350 million board-foot mill. Net softwood volume growth, at that time, exceeded removals by 42% within the 75-mile-radius woodshed. On private timberlands alone, softwood inventory increased by 16% over the previous decade. As a result of these and other data, the Forestry Commission reported that the desired wood supply of 1.4 – 1.5 million tons per year was available within the described woodshed.

In applying for their air quality permit in 2012 to the SC Department of Health and Environmental Control, Klausner stated that at full-scale operation, their mill would have a maximum annual production capacity of 700 million board-feet per year. This is double the size of the initial project scale and would require about 3 million tons of softwood saw-logs annually. This change from the initial project scale led the Forestry Commission to update its wood availability analysis based on recently available 2011 FIA data.

Within a 75-mile radius of the proposed plant site, there are 7.5 million acres of timberland. 3.7 million acres are in southern yellow pine forest types, including 2 million acres of intensively-managed pine plantation. Ninety-one percent of the area's timberland is privately owned. While softwood removals have increased 48% over the past decade, softwood inventory on private timberlands has increased 16.5%. However, the timber inventory is not equally distributed across diameter classes. The volume of small-diameter pines (5-8.9" diameters) has shown a 7% decline while pine saw-log volume has increased 24% between the past two FIA cycles (2006 & 2011).

In the updated analysis, FIA data clearly shows an increase in saw-log volume on private timberlands within a 75-mile-radius of the proposed plant site. However, the woodshed may not be able to support a doubling of the original wood consumption level to 3 million tons annually to supply a 700 million board-foot mill in the long term due to several factors: (1) Additional study is needed on the impact of the declining inventory of small-diameter pines within the woodshed and the impact of this decline on future

wood supply. (2) Study is also needed on the future impact of newly-constructed plants within the woodshed such as the two Georgia-Pacific oriented-strand board plants in Clarendon and Allendale counties and their additional demand on the resource as they come into full production. (3) Existing sawmills that are currently running at less than full capacity due to the economic downturn could also increase production and resource demand in response to an anticipated housing recovery. (4) A decline in tree planting to historically low levels over the past decade will have negative impacts on near and mid-term future timber supply. And, (5) such a large increase in capacity would likely require a woodshed study of a radius larger than 75 miles.

These recent wood supply questions reinforced the need for a forward-looking wood supply study as already planned within the 20/15 Project. FIA timber inventory data are backward-looking. 2011 inventory estimates are based on the 2007 to 2011 period and involve timber growth and removal calculations. As part of the 20/15 Project, the Commission initiated a wood supply study during the summer of 2012 to predict future wood supply. This project will examine future wood supply under low, moderate, and high timber consumption scenarios. The results of this study will help answer the question of whether the woodshed of interest can supply enough wood to support a 700 million board-foot mill over the long term and help answer future wood supply questions.

At the 350 million board-foot level, the proposed Klausner mill would be approximately twice the size of the largest sawmill currently in South Carolina. The mill would significantly increase job numbers and economic activity in the Rowesville and greater Orangeburg county area. The increased timber value that would be created for forest landowners in the woodshed would likely result in increased timberland values, improved returns on investment, and the retention of more working forest acres.

In conclusion, the Forestry Commission's analysis shows that the forest resource can support the proposed Klausner mill at the 350 million board-foot level. However, the Commission cannot confirm that the forest resource can sustainably support the mill at the 700 million board-foot level. Additional study of the proposed 75 mile radius woodshed or another woodshed configuration and the mill's long term effect on wood supply is needed. A wood supply study is currently underway as part of the SC forestry community's 20/15 Project to help answer this question.

# **Klausner Holding USA, Inc. Air-Quality Permit Application**

## A Position Statement of the South Carolina Chapter Association of Consulting Foresters

The South Carolina Chapter Association of Consulting Foresters Executive Committee adopts the following Position Statement on behalf of the Chapter Members under the provisions of Association of Consulting Foresters Bylaws (Article 7, Paragraph 3). This Position Statement expires April 9, 2013 unless replaced by a Policy Statement prior to this date.

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### **Position**

*The South Carolina Chapter of the Association of Consulting Foresters (SCACF) supports South Carolina Department of Health and Environmental Control (DHEC), Bureau of Air Quality (BAQ) approval of a draft Prevention of Significant Deterioration (PSD) permit sought by Klausner Holdings USA, Inc. (Klausner) in furtherance of construction of a lumber production facility in Rowesville, South Carolina.*

*SCACF also supports construction of the proposed sawmill facility, and believes the forest resources of South Carolina can sustainably supply a large sawmill, and that additional markets created by this mill will incentivize good forest stewardship and conservation by improving values of working forested landscapes.*

### **Background**

SCACF is state chapter of The Association of Consulting Foresters, a national organization of professional forestry consultants. Its 56 members manage several hundred thousands of acres of private forest land in *South Carolina*.

Most if not all forest landowners rely on the sale of timber, especially timber grown for and marketed to sawmills, to generate income that allows them to own and manage their forests. In addition to commercial timber these managed forest lands produce and conserve many non-commercial ecosystem services such as wildlife habitat, clean water, and clean air. Without sawmill

markets which allow forest owners to monetize their high value timber, owners often convert their forests to other forms of land use.

The collapse of the American housing market, coupled with global economic problems, has led to substantial declines in southern pine sawtimber prices. Several sawmills in the Southeast including South Carolina have closed since 2008 reflecting the reduced demand for lumber. Consequently, standing pine sawtimber volumes have increased dramatically and tree planting has concurrently spiked downward as well from lack of harvesting and the economic disincentive to invest in reforestation due to poor stumpage prices.

The size of the proposed sawmill, the adequacy of the timber resource to sustainably supply the mill, and the “big box” negative impact on smaller mill competitors have been submitted as arguments in favor of denying the requested air quality permit. Forecasting supply and demand is a mixture of art and science, as is forestry in general and it is far from being a precise endeavor. One thing that is certain is that Forest Inventory and Analysis data indicate the current supply of sawtimber is very large and increasing. Moreover, ongoing improvements in pine tree genetics and forest management offer potential for even significantly greater productivity than what is being achieved today.

Large timber using sawmills, such as the proposed Klausner mill, are constrained by the same factors as are all wood consuming mills. They can only consume what the producer-growers of trees are willing to sell. They can only produce what the free market consumers of its products demand. They can only obtain timber from a certain size area because of the cost of transporting cut trees from the forest to the mill. After building an expensive state of the art mill, they have every incentive to pay forest landowners competitive prices for timber, sell their products at competitive prices to their customers, and promote and encourage a sustainable supply of timber.

The proposed Klausner sawmill will help expand and sustain a struggling timber market. Sawmills in general are relatively low producers of pollutants. The limited and manageable negative impacts of this mill must be weighed against the substantial positive benefits the mill will bring to people in the immediate area of Orangeburg and to the larger landscape of private forest landowners throughout *South Carolina*. This mill will use a raw material that is recyclable, renewable and produced sustainably from *South Carolina* forests along with a host of essential ecosystem services. Viewed in context of the recent severe diminution of pine sawtimber prices due to poor

housing markets, the abundant sawtimber resource on hand, and a now recovering housing industry, the proposed mill comes at an opportune time of need. To disallow construction of a new sawtimber market would be a disservice to the forest landowners of *South Carolina* and the general public.

### **Documents Cited and Referenced**

<sup>1</sup> Public Notice of a Draft Air-Permit. 21-Sep-2012.

Available online at: <http://www.scdhec.gov/environment/baq/publicnote/pubs/12-094-PSD-N-C.pdf>

WRITTEN COMMENTS - PUBLIC HEARING - DECEMBER 13, 2012

Klausner Holdings USA, Inc.  
Draft Air Permit No. 1860-0128-CA  
S.C. Department of Health and Environmental Control

PLEASE PRINT CLEARLY

NAME Beth Richardson

MAILING ADDRESS (include P.O. Box or street, city, zip code):

1550 Henley St  
Suite 200  
Orangeburg SC 29115

PHONE: \_\_\_\_\_

**COMMENTS MUST BE RECEIVED**

**BY: December 20, 2012**

COMMENTS: From DHEC's presentation, it seems that  
they have required every technical means & devices to  
control all aspects of air quality control.

This mill is putting into place monitoring &  
control devices that NO other sawmill or  
logs drying process mill has in SC. Ergo,  
there seems to be no reason or excuse  
for DHEC to delay or refuse a clean air  
permit.

All opposition to the permit was for  
personal reasons to include competition &  
sour grapes. ~~It is not a permit~~

Signature: \_\_\_\_\_

Beth Richardson



Lee, Karen <leeka@dhec.sc.gov>

## Public Notice #12-119-PSD-H

Christopher Hall <ipaddle4fun@gmail.com>  
To: leeka@dhec.sc.gov

Tue, Dec 18, 2012 at 8:48 AM

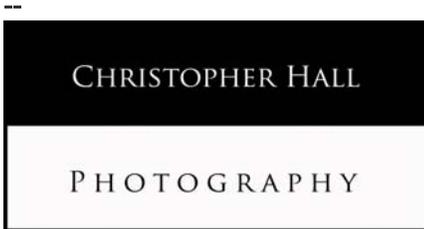
Ms. Lee,

I'm writing to express my concerns about the air quality in the Orangeburg area. I've paddled down the N Edisto River from Orangeburg and had noticed (and reported to DNR) that the air smelled terrible for about an hour on the river heading downstream past Rowesville.

I've recently learned of the public notice and wanted to urge DHEC to address this issue. With the smell as bad as it is, it couldn't be healthy to breathe day in day out. It's my hope that the air quality can't be addressed appropriately.

I would also like notice on DHEC's findings.

Regards,  
Christopher Hall



BLOG: <http://www.hall-photography.com/blog>  
Facebook: <https://www.facebook.com/christopherhallphotography>