



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

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March 24, 2023

Warren Snyder, Senior Manager, Environmental Projects
Rayonier Advanced Materials, Inc.
Rayonier A.M. Properties LLC
1301 Riverplace Blvd., Suite 2300
Jacksonville, FL 32207

Re: Revised Preliminary Determination of Liability for Release of Hazardous Substances at the following Contaminated Site:

- **Site Name:** Former Grays Harbor Pulp and Paper Mill
- **Site Address:** 801 23rd Street, Hoquiam, WA
- **Cleanup Site IDs:** 2498, 577, 2676, 2614, 1172, 2262, 10440, 1255, 2282.
- **Facility/Site IDs:** 36, 86233618, 34, 34737386, 68393196, 44124741, 76276679, 37438132, 33
- **County Assessor's Parcel Number(s):** 056400200300, 056400200100, 051202800000, 056400100400, 055206200000, 055206100002, 055205600400, 055206000002, 055206400002, 056400200202, 056400200201, 056411300000, 056409000000, 517101311000.

Dear Warren Snyder:

The Department of Ecology (Ecology) is revising the letter previously issued to you on May 18, 2017, titled "Preliminary Determination of Liability for Release of Hazardous Substances" for the site denominated "Rayonier AM Properties". Based on a more thorough review of historical documents, Ecology has determined that the former pulp mill parcels, under Rayonier A.M. Properties LLC's ownership, and the former paper mill parcels, under the current ownership of Peter and Irene Sing, constitute a single, indivisible facility under the Model Toxics Control Act (MTCA), Chapter 70.105D RCW.

Ecology has also determined that there is credible evidence that hazardous substance releases occurred on Rennie Island, which is currently under Rayonier A.M. Properties LLC's ownership, that operations on Rennie Island were in conjunction with the pulp and paper mill facilities, and that Rennie Island is also part of the site.

Ecology therefore makes the following revisions to the “site” described in the May 18, 2017 preliminary determination of liability:

1. The addition of the following Gray’s Harbor County Assessor’s Parcel Numbers: 056400200202, 056400200201, currently owned by Peter and Irene Sing.
2. The addition of the following Gray’s Harbor County Assessor’s Parcel Numbers which make up Rennie Island: 056411300000, 056409000000, 517101311000.
3. The removal of facility/site ID 3374381324. Ecology has not found documentation of any such Facility/Site ID and believes the previous inclusion of the number was in error.
4. The addition of facility/site ID 44124741, which corresponds to cleanup site ID 2262, the addition of facility/site ID 37438132, which corresponds to cleanup site ID 1255, and the additional of facility/site ID 33, which corresponds to cleanup site ID 2282.

Based on credible evidence, Ecology is proposing to find Rayonier Advanced Materials and Rayonier A.M. Properties LLC (“Rayonier”) liable under MTCA for the release of hazardous substances at the Former Grays Harbor Pulp and Paper Mill (Site). Any person whom Ecology finds, based on credible evidence, to be liable is known under MTCA as a “potentially liable person” or “PLP.”

This letter identifies the basis for Ecology’s proposed finding and your opportunity to respond to that finding. This letter also describes the scope of your potential liability and next steps in the cleanup process at the Site.

Proposed Finding of Liability

Ecology is proposing to find Rayonier liable under MTCA for the release of hazardous substances at the above-described Site. This proposed finding is based on the following evidence, as more thoroughly described in the attached “Legal and Factual Bases for Determination that the Former Hoquiam Pulp and Paper Mill Constitute a Single Site under MTCA” memorandum and the evidence cited therein:

1. Rayonier is the current owner of portions of the Site where the former pulp mill was operated (County Assessor’s Parcel Nos. 056400200300, 056400200100, 051202800000, 056400100400, 055206200000, 055206100002, 055205600400, 055206000002, and 055206400002).
2. Based on historical records located at the Grays Harbor County Assessor’s Office in Montesano, Washington, and other historical records, Rayonier (or its predecessors) was a past owner or operator of the approximately 4-acre area where the former paper mill was operated (County Assessor’s Parcel Nos. 056400200202, 056400200201) at the time of release of hazardous substances.

3. Rayonier is the current owner of Rennie Island (County Assessor's Parcel Nos 056411300000, 056409000000, 517101311000), where spent pulping chemicals were stored in an unlined lagoon between 1980 and 1982, likely causing the release of hazardous substances on the subject parcels as a result of the leaching of low pH liquid into underlying soil, before being discharged to the Chehalis River.
4. The March 20, 2017 Current Environmental Conditions Report provides evidence that releases have occurred at several locations including the Paper Machine Area, Gasoline and Maintenance Area, and Fuel Oil Tank/Utility Chase Area and that these releases have likely commingled and come to be located on parcels currently owned by Peter and Irene Sing and on parcels currently owned by Rayonier.
5. Several releases exceed MTCA cleanup levels and thus may pose a threat to human health or the environment.

Opportunity to Respond to Proposed Finding of Liability

In response to Ecology's proposed finding of liability, you may either:

1. Accept your status as a PLP without admitting liability and expedite the process through a voluntary waiver of your right to comment. This may be accomplished by signing and returning the enclosed form or by sending a letter containing similar information to Ecology; or
2. Challenge your status as a PLP by submitting written comments to Ecology within thirty (30) calendar days of the date you receive this letter; or
3. Choose not to comment on your status as a PLP.

Please submit your waiver or written comments to the following address:

Emily Toffol, P.E.
Industrial Section
Solid Waste Management Program
PO Box 47600
Olympia, WA 98504-7600

Also, provide a copy of your waiver or written comments to the following email address:

emily.toffol@ecy.wa.gov

After reviewing any comments submitted, or after 30 days if no response has been received, Ecology will make a final determination regarding your status as a PLP and provide you with written notice of that determination.

Identification of Other Potentially Liable Persons

Ecology notified the following additional persons that they are potentially liable for the release of hazardous substances at the Site:

1. Peter and Irene Sing (Ecology's Revised Preliminary Determination of Liability for Release of Hazardous Substances letter dated March 23, 2023.

If you are aware of any other persons who may be liable for the release of hazardous substances at the Site, Ecology encourages you to provide us with their identities and the reason you believe they are liable. Ecology also suggests you contact these other persons to discuss how you can jointly work together to most efficiently clean up the Site.

Responsibility and Scope of Potential Liability

Ecology may either conduct or require PLPs to conduct remedial actions to investigate and clean up the release of hazardous substances at a site. PLPs are encouraged to initiate discussions and negotiations with Ecology and the Office of the Attorney General that may lead to an agreement on the remedial action to be conducted.

Each liable person is strictly liable, jointly and severally, for all remedial action costs and for all natural resource damages resulting from the release of hazardous substances at a site. If Ecology incurs remedial action costs in connection with the investigation or cleanup of real property and those costs are not reimbursed, then Ecology has the authority under RCW 70.105D.055 to file a lien against that real property to recover those costs.

Next Steps in Cleanup Process

In response to the release of hazardous substances at the Site, Ecology intends to conduct the following actions under MTCA:

1. Continue drafting Agreed Order.

For a description of the process for cleaning up a contaminated site under MTCA, please refer to the enclosed fact sheet.

Ecology's policy is to work cooperatively with PLPs to accomplish the prompt and effective cleanup of contaminated sites. Please note that your cooperation in planning or conducting remedial actions at the Site is not an admission of guilt or liability.

Warren Snyder
March 24, 2023
Page 5

Contact Information

If you have any questions regarding this letter or if you would like additional information regarding the cleanup of contaminated sites, please contact me at (360) 790-8363 or emily.toffol@ecy.wa.gov. Thank you for your cooperation.

Sincerely,



Emily Toffol, P.E.
Industrial Section
Solid Waste Management Program

Enclosures (3)

1. FOCUS: MODEL TOXICS CONTROL ACT CLEANUP REGULATION: PROCESS FOR CLEANUP OF HAZARDOUS WASTE SITES (#94-129)
2. PLP WAIVER FORM TEMPLATE
3. LEGAL AND FACTUAL BASES FOR DETERMINATION THAT THE FORMER HOQUIAM PULP AND PAPER MILLS CONSTITUTE A SINGLE SITE UNDER MTCA (due to its large size, instructions for downloading this document and linked source documents are attached)

By certified mail: 9489-0090-0027-6086-6095-77

cc: James DeMay, Ecology
Jonathan Thompson, Office of the Attorney General