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October 2, 2014

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Julie Vergeront
Assistant Regional Counsel
U.S. Environmental Protection Agency
1200 Sixth Avenue, Suite 900
Seattle, WA 98101

Re: Clearwater Paper Corporation

Dear Julie:

Representatives of Clearwater Paper Corporation (Clearwater) and the Environmental Protection Agency (EPA) are scheduled to meet in Seattle on November 5, 2014. In anticipation of that meeting, please review the enclosed materials: *Source Evaluation Report for M&D Digesters No. 1 and No. 2 Cyclone (Kone Bin) Outlets*, dated June 24, 2014; and *M&D Digester Slides.*

Clearwater representatives with me at the next meeting include Marv Lewallen (Vice-President), Michael Gadd (General Counsel), Bob Pernsteiner (Retired, consultant), and Beth Ginsberg (Stoel Rives). For our meeting next month we propose the following agenda:

- Overview of M&D Digester claims and regulatory basis (EPA)
- Discussion of interpretations and litigation risks (EPA, Clearwater)
- Presentation of Kone Bin results (Clearwater)
- Options for settlement: equivalency determination; collection of purge steam for treatment in the existing system (EPA, Clearwater)
- Status of related components of EPA's action: washers (EPA)
- Path forward to resolution (EPA, Clearwater)

Thank you for arranging another meeting to review status and options to resolve EPA's allegations. In the meantime, please don't hesitate to call me in preparation for November 5.

Sincerely,

Krista

Krista McIntyre

cc: Elizabeth Loeb (DOJ)
Marv Lewallen
Michael Gadd

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