Sierra Pacific Industries

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April 23, 2015 via electronic mail: RB5S-NPDES-Comments@waterboards.ca.gov

Mr. James Marshall
Senior Engineer
Central Valley Regional Water Quality Control Board
11020 Sun Center Drive #200
Rancho Cordova, CA 95870

Subject: **COMMENTS REGARDING TENTATIVE WASTE DISCHARGE REQUIREMENTS FOR SIERRA PACIFIC INDUSTRIES, QUINCY DIVISION SAWMILL AND COGENERATION FACILITY, PLUMAS COUNTY**
WDID 5A321016001, NPDES No. CA0080357

Dear Mr. Marshall:

This letter presents Sierra Pacific Industries' (SPI) comments regarding the above referenced tentative Order. We appreciate the opportunity to review and provide comments on the tentative Order and thank you in advance for your consideration of the comments in preparing the final permit.

Background

The tentative Order authorizes the discharge of process water and stormwater from a portion of the SPI Quincy Division Facility. The tentative Order represents the renewal of the NPDES permit historically held by SPI to authorize discharges of process water comingled with stormwater and additionally serves as an individual stormwater permit that authorizes stormwater discharges from specific portions of the mill. As partially described the Report of Waste Discharge associated with the tentative Order, SPI has completed a number of significant improvements to the water management system at the mill since the prior permit was issued, including the following:

1. Installed four sand filters and a building to enclose filters and associated piping, allowing reuse of treated storm water within the Facility.
2. Enlarged the biomass fuel storage building, thereby reducing the amount of biomass material coming in contact with storm water runoff.
3. Removed the storm water course that was adjacent to the biomass fuel storage building, thereby reducing fines in storm water runoff.
4. Covered the biomass fuel conveyors, thereby reducing the likelihood of woody debris becoming entrained in storm water runoff.
5. Constructed an ash storage building to reduce the likelihood of ash becoming entrained in storm water if ash were to be stored on site (ash is currently direct loaded and rarely stored on site).
6. Reconfigured the ash conveyors to deliver ash directly into a hopper and transport trucks, thereby reducing the likelihood of ash becoming entrained in storm water.

7. Added two additional culverts into the bark separator to decrease water velocity, thereby improving the efficiency of the bark separator.
8. Added additional paving at the log-truck gate entry and north of the planer around the truck tarping station, thereby reducing turbidity and settleable matter from becoming entrained in storm water.
9. Redirected cogeneration-sump process water to the fire pond, thereby eliminating all cogeneration process water from commingling with storm water.
10. Installed paving on four acres of previously unpaved log deck area in the southwest corner of facility adjacent to Bell Lane and Lee Road, thereby improving stormwater quality and the effectiveness of best management practices.
11. Combined Ponds 2 and 3 into one larger pond (now designated Pond 2) to increase retention volume and settling effectiveness and minimize discharges to surface water.
12. Acquired 51 acres of adjacent property and constructed an irrigation pond, from which collected stormwater can be used for summer irrigation of pasture.
13. Conducted soils investigation of the 51-acre property, including test pits, percolation testing, and shallow water-level measurement via piezometers
14. Replaced the former large log sawmill with a new, modern large log sawmill, entirely contained under one roof with zero water discharge, low impact (low zinc) roofing material, and new stormwater drainage system. This project resulted in approximately 3 to 4 acres of hardscape that was previously unpaved.
15. Installed new culverts, piping and valves to segregate stormwater flows from an approximate 34 acre area of the site, thereby significantly reducing the volume of stormwater comingled with process water.
16. Obtained coverage under the State Water Resources Control Board General Industrial Stormwater Permit, NPDES Permit No. CAS00001 (General Permit) for the 34 acre segregated area, prepared an updated Stormwater Pollution Prevention Plan (SWPPP), and implemented associated monitoring, and best management practices (BMP).

Of the above improvements, all have been completed and are in operation with the exception that the conveyance system required to deliver collected stormwater to the new irrigation pond is in progress and is expected to be complete this summer.

As a result of SPI's significant investments in water management improvements, discharges of process water comingled with stormwater now only infrequently occur during and following heavy rain events, generally during portions of one or two months out of the year, with the remaining 10 to 11 months having zero discharge to surface water.

Monitoring of the more frequent stormwater discharges under the General Permit shows that BMPs are effective in achieving stormwater quality that meets numeric action levels (NAL) established by the new General Permit, effective July 1, 2015.

General Comments on the Tentative Order

In general, SPI believes that the investments made into the facility have demonstrated significant and continual water quality improvements, and should result in a corresponding reduced regulatory burden (e.g., reduced monitoring and less overall resource commitment to studies or other requirements that are no longer reasonable or necessary). The tentative Order does the opposite,

by increasing monitoring requirements, increasing the number of required studies and reports, and generally increasing the burden of administering compliance with the permit. As described further in the specific comments herein, the increased regulatory burden associated with the permit is, with a few exceptions, disproportionate to the State's approach regarding the regulation of industrial storm water, without appropriate justification, not required by applicable State or Federal law or regulation, and is without commensurate benefit to water quality. SPI urges the Water Board to consider the reasonableness of added or tightened requirements versus water quality improvements that are expected, and to weigh the cost/benefit of imposed requirements, particularly for those added requirements that are without sound regulatory basis.

The Order serves as an individual stormwater discharge permit in lieu of coverage under the General Permit. The Order states that the reason for authorizing the stormwater discharges under an individual permit, as opposed to the General Permit, is "due to the complexity of the Facility and unique threats to water quality." While SPI acknowledges that the stormwater generated in the log deck area of the site can be susceptible to contamination with wood derivatives, such as chemical oxygen demand (COD), this circumstance is no different than the many similarly situated facilities who continue to be solely regulated by the General Permit, or facilities of other types that have the potential to create stormwater of a more problematic character. Notwithstanding this circumstance, given its commitment to environmental stewardship, SPI is willing to accept enhanced monitoring and reporting requirements and more rigorous requirements for evaluation and best management practices (BMPs). However, SPI objects to the Water Board's new inclusion of several inappropriate NALs for non-stormwater related pollutants and the ratcheting down of values for constituent-appropriate NALs for storm water to well below what is applicable to the rest of the industry via the General Permit and the balance of this same site. The establishment of overly stringent, and unnecessary, requirements places unnecessary burden upon SPI, sets up SPI for failure, and may subject SPI to third party action liability and/or Water Board enforcement.

SPI does appreciate the Water Board's thorough and time-consuming efforts in preparing the tentative Order. We believe that our comments and concerns raised herein are well justified, manageable, and can be resolved in a Final Order without sacrifice to environmental protection or water quality.

Specific Comments on the Tentative Order

Section IV.A.1.a. – Table 4 unnecessarily tightens already extremely stringent discharge limits applicable to process water discharges for copper and adds effluent limitations for chemical oxygen demand (COD), and zinc.

The new limits for copper are 2.2 micrograms per liter (ug/L) as a monthly average and 4.5 ug/L as a daily maximum, which are over 30% lower than the prior permit's final effluent limits for copper, based almost entirely upon the difference in the lowest hardness value used (the prior permit used effluent hardness of 45 mg/L, whereas the new permit uses receiving water hardness of 30 mg/L). The derivation of the new, more stringent copper limits is explained in the Fact Sheet, and uses California Toxics Rule (CTR) criteria implemented via the State Implementation Plan, coupled with the unnecessarily and unreasonably conservative interpretation of State Water Board orders regarding the hardness value to use in calculations, which is inconsistent with the mandates of Water Code section 13000. See Fact Sheet at F-19. The derivation of the copper limit is based on USEPA's chronic criteria for aquatic organisms, even though the discharge is intermittent, even more so than stormwater discharges; and the limit is based on a receiving water hardness of 30 mg/L, which is the lowest value in the dataset presented in the Order. The limit assumes no assimilative capacity, assumes a water effect ratio of 1, assumes zero dilution, and uses conservative EPA translators to convert dissolved limits to total recoverable limits. These layers of

conservatism, taken in total, are unrealistic and do not provide any additional protections to water quality as compared to the prior effluent limits for copper, which already contained many of the same layers of conservatism, save for the hardness value. Moreover, the receiving water quality, with one exception, meets the acute and chronic CTR standards for copper in both upstream and downstream samples based on sampling results presented in the Fact Sheet. The one time that the CTR standards were not met (downstream value of 4.6 ug/L on April 26, 2012), the upstream copper concentration appeared to be the primary cause, not SPI's discharge, and the hardness was the lowest recorded (30 mg/L) in the data set. This condition appears to be an anomaly compared to the remaining data, and all data demonstrate that the discharge does not actually cause or contribute to exceedance of CTR criteria in the receiving water. For all the reasons stated above, SPI requests that the Water Board consider retaining the existing limits for copper of 3.3 ug/L as a monthly average and 6.6 ug/L as a daily maximum by using discretion to use a more appropriate hardness value, or simply impose a limit based solely on the CTR acute criteria.

It is noted here that the effluent limits for lead are equally conservative to those for copper, relying exclusively on the CTR chronic criteria and a hardness of 30 mg/L, with the same unreasonable and overly conservative interpretations applied. Given the intermittent nature of the discharges, and that discharges are only expected during significant storm events that would exhibit hardness values above the average of 45 mg/L, the process water lead limits would be more appropriately based on the CTR acute criteria and at a design hardness of 45 mg/L. Note that the long term (since 2008) average receiving water hardness at location RSW2 is 53 mg/L.

The tentative Order unnecessarily adds new effluent limitations applicable to process water discharges for COD and zinc. The availability of zinc data is limited to 3 effluent samples and 1 set of upstream/downstream receiving water samples. The Water Board has established reasonable potential based on one of three effluent samples exceeding the CTR criteria applicable to the receiving water, which we understand is consistent with implementing the SIP. However, the establishment of a new effluent limit based on such limited data is premature and unnecessary, especially since the limited receiving water data available suggest that zinc concentrations are not even remotely a concern in the receiving water. SPI does not contest monitoring for zinc during the term of the permit, but establishment of an effluent limit should be deferred until enough data is available to reasonably and appropriately demonstrate reasonable potential. If a new limit is adopted, the selection of the hardness value should consider the circumstances of the discharge, which would suggest a limit based hardness value of 45 mg/L.

The Water Board is also establishing a new COD limit for process water discharges in this permit. The effluent limit is derived from the EPA Multi-Sector General Permit for *stormwater* discharges, and the sole basis cited for its inclusion is the Regional Water Board staff's "best professional judgment." The imposition of this limit is unreasonable, in contravention of Water Code section 13000, and is not supported by findings and evidence in the administrative record. The General Permit imposes the same requirement for COD as an action level for stormwater discharges; however, that Permit is applicable only to stormwater discharges, and specifically states that NALs are not derived from either BAT/BCT requirements or receiving water objectives. Yet the Regional Water Board seems to be tying this limit to BAT requirements of 40 CFR 125.3 by claiming that a best professional judgement (BPJ) effluent limit is required for COD. This unreasonably subjects SPI to a limit that, unlike stormwater circumstances, carries with it the imposition of mandatory minimum penalties and other potential enforcement action if compliance is not consistently attained. The EPA has previously established BCT/BAT for sawmills (40 CFR 429), and adopted effluent limitation guidelines, which are already incorporated into the tentative Order. The COD NAL in the California General Permit and the benchmark in the EPA multi-sector permit is clearly not intended to be used as an effluent limitation in the context of regulating a process water discharge via an

individual NPDES permit, and must be removed. Moreover, the tentative Order already establishes a COD NAL for stormwater discharges from the log deck area, which does implement requirements in the way intended by both EPA and the State of California through adoption of stormwater regulations. The effluent limit is not required by any State or Federal requirements or required to protect water quality. SPI asks that the Water Board remove the COD effluent limitation for process water discharges.

Section IV.A.1.d; This section adds a new effluent limitation for total iron based on the secondary maximum contaminant level (MCL) drinking water standard of 300 mg/L. The secondary MCL is derived from desired aesthetic qualities of drinking water such as color, taste, and odor. The receiving water, Mill Creek, carries a designated beneficial use as drinking water; and therefore it is understandable to strive to achieve secondary drinking water standards in this surface water. However, the establishment of an effluent limit on iron does nothing to help achieve this goal. The total recoverable iron concentrations vary widely in the upstream receiving water, the downstream receiving water, and the effluent. We suspect this may be because total iron results can be very sporadic, for example, a flake of iron suspended in the water column, whether from natural or anthropogenic sources, will drastically alter the results. On several occasions, the effluent is lower in iron than both receiving water sampling locations, at times it is higher; there is no way to predict the impact of the effluent iron concentration on receiving water quality based on the data set evaluated. Reviewing the available data set between 2010 and 2015, iron concentrations exceed the secondary MCL in the upstream receiving water samples 53% of the time and downstream receiving water samples 58% of the time; however, there is no correlation with effluent iron concentration. For example, the effluent concentration exceeded the secondary MCL in all 4 samples collected between 12/5/2012 and 2/9/2012, while the receiving water, in both upstream and downstream locations, was significantly below the secondary MCL in all 4 samples. The exact opposite is true for samples collected on 3/12/2012, 12/6/2010, and 1/31/2011, where the effluent did not exceed the secondary MCL, but both receiving water samples did. Accordingly, establishing an iron limitation based on the reasonable potential of the effluent to cause or contribute to an exceedance of the secondary MCL sets up the discharger for failure and there is no meaningful relationship between effluent concentration and receiving water concentration. SPI urges the Water Board to consider removing the new effluent limitation for iron, or minimally defer setting a limitation until additional data is available.

Section VI.C.2.b: This section imposes a requirement to conduct a log yard flushing study. SPI does not believe further study is needed at this time. We agree with collecting at least two inches of rain fall for the assurance that there is no process water in the discharge; however, the collection system is set up to collect as much rainwater as possible, which is greater than the first 2 inches after cessation of sprinkling. With the completion of additional improvements noted above, the volume of precipitation that can be captured will be even greater (we are currently assessing the actual volume that can be collected with the new system). Thus, there are ample measures, updated since the last permit's issuance, to ensure that no process water is entrained in the stormwater discharge from this area. Additionally, the tentative Order already contains required procedures and certifications for demonstrating separation of process water from stormwater. The study appears to be designed to determine the effectiveness of a stormwater BMP (rainfall capture) at meeting established NALs for stormwater. If this is indeed the intent, it will be necessary to conduct the study while the log yard is not operating so that additional variables and BMPs are not introduced. However, the tentative Order already requires SPI to meet the NALs, or else improve BMPs, up to and including treatment. Rainfall capture is only one of several BMPs that could be implemented to meet the NALs and the results of any flushing study will not affect the volume of rainwater collected

anyway since SPI is already collecting the maximum amount possible in an effort to minimize any discharge of stormwater from the log deck area.

Section VI.C.2.c Table 6 establishes new, numeric NALs in this permit. In general, SPI agrees with establishing action levels in lieu of effluent limitations for industrial pollutants that may affect industrial-related stormwater discharges. However, SPI disagrees with establishing NALs for pollutants that are not prescribed as a concern for sawmills and log yards. Rather, the NAL should be based on the new General Permit, which specifically applies to industrial stormwater discharges from the Quincy facility. We understand that the Water Board is choosing to issue an individual permit with added effluent limitations, monitoring, reporting, and related requirements; however, we do not believe that the issuance of an individual stormwater permit justifies adding NALs for non-stormwater pollutants with action levels significantly below what would otherwise be applicable to all other stormwater discharges under the General Permit. Each proposed action level is discussed further below:

Total Suspended Solids: The action level is appropriately set at 100 mg/L provided that the TSS limit is modified to be an annual average, consistent with the General Permit and the standard applicable to all other regional industrial stormwater discharges.

Copper, Total Recoverable: The storm water action level for copper is being imposed based upon a review of process (EFF-001) and receiving water data (with the one exceedance due largely to upstream conditions rather than discharges). The need for any NAL for copper should not be evaluated using this data set; instead, the Regional Water Board staff should evaluate storm water monitoring undertaken under this permit before making any decisions regarding the imposition of an NAL for copper. Further, copper is not an industrial stormwater pollutant applicable to sawmills and log yards, and we request that the action level for copper be removed. There are no known industrial sources of copper in the log yard area, the receiving water meets applicable water quality objectives (save for the one data point largely related to upstream conditions), and no reasonable potential analysis for copper based on stormwater discharges has been properly conducted (or is even necessary or applicable in this context). If the Water Board were to set an action level for copper, which it should not, the appropriate action level would be 33.2 ug/L, consistent with the General Permit and consistent with the action level that would apply to other regional sawmill facilities, if they happen to have an action level for copper, which based on our review, they do not.

Zinc, Total Recoverable: This is a known stormwater pollutant for sawmills and planning mills, however, it is not a stormwater pollutant for log storage areas. We do not disagree with establishing an action level for zinc because of its listing as a stormwater pollutant under the mill's SIC code. However, the General Permit establishes an action level for zinc of 260 ug/L, as an annual average. This level currently applies to the balance of the facility not covered under this individual permit and other sawmills. The derivation of this permit's substantially reduced NAL for zinc is the use of the average receiving water hardness to recalculate the NAL. However, it is clear that the regulation of stormwater in California does not typically consider site-specific hardness of the receiving water. In the 2014 Response to Comments document regarding the new General Permit, the Water Board states, "…this Permit does not require that hardness be considered when evaluating whether NAL exceedances have occurred, hardness might be considered for discharges to impaired water bodies or when TMDLs are adopted into this Permit." The receiving water here is not impaired and there are no applicable TMDLs. We request that the NAL be set consistent with the NAL applicable to the rest of the industry through the General Permit.

Chemical Oxygen Demand: This is a known stormwater pollutant for the facility and the action

level is appropriately set at 120 mg/L. We request that the COD limit be an annual average consistent with the General Permit and the requirement applicable to all other sawmills.

Iron, Total Recoverable: The storm water action level for iron is being imposed based upon a review of process (EFF-001) and receiving water data, not stormwater data from SW-001; the need for any NAL for iron should not be evaluated using process water/effluent data. Further, the Water Board has not allowed SPI to yet perform an updated assessment of potential pollutant sources as required by Section VI.C.3.e of the Order. If a potential source of iron to stormwater is identified, SPI could then add iron to the monitoring requirements described in the Storm Water Pollution Prevention Plan (SWPPP). SPI requests that establishment of an NAL for iron be deferred until completion of the pollution source assessment and any SWPPP revisions.

Tannins and lignins: We do not object to monitoring for tannins and lignins, although we believe it is not necessary given the required monitoring and NAL for COD, which has similar industrial sources as tannins and lignins. It is noted that the General Permit does not contain NALs for tannins and lignins at saw mills, planning mills, or log yards; and we are unaware of any other sawmills that have action levels for tannins and lignins. Further, as noted in the Fact Sheet, no numeric criteria or objectives for tannins and lignins have been developed. See Fact Sheet at F-32. However, the NAL is established by the Water Board at 30 mg/L which the Fact Sheet purports is, "Based on the levels of tannins and lignins in the effluent and the nature of runoff from sawmill operations." For the reasons set forth here, establishing a NAL for tannins and lignins is not necessary to protect water quality (as the imposed requirements for COD are adequately protective), is not required by any applicable regulations, is not applied to any other sawmills that we are aware of, and the proposed numeric value of the NAL is arbitrarily chosen. SPI requests that the Water Board remove the NAL for tannins and lignins.

Chronic Toxicity: SPI objects to the inclusion of an NAL for chronic toxicity for several reasons. First, as noted in the Fact Sheet, the State Implementation Plan contains implementation gaps regarding the appropriate form and implementation of chronic toxicity limits. Therefore, new Central Valley Regional Board NPDES permits do not contain numeric chronic toxicity limits pending resolution. However, the inclusion of a numeric TUc NAL effectively imposes an effluent limitation since accelerated chronic toxicity monitoring and TRE requirements could be triggered and exceedance of the NAL could result in Regional Water Board and/or third party lawsuit liability. Moreover, the stormwater discharge from the Quincy facility is intermittent, as is the nature of stormwater discharges. Chronic toxicity for intermittent stormwater discharges is not meaningful and should not be applied as a NAL. Further, with the operation of the new stormwater retention pond, discharges are expected to be so infrequent that the chronic toxicity test, which requires daily renewals, will not be able to be conducted. The Order establishes NALs for zinc, COD, and TSS, and includes a stormwater effluent limitation for pH and settleable solids. These NALs and limitations on stormwater discharges are fully indicative of BMP performance and fully protective of water quality. Stormwater discharges to inland surface waters under the General Permit are not required to monitor for toxicity and we are not aware of any sawmills conducting chronic toxicity testing on stormwater discharges. SPI respectfully requests that the NAL for chronic toxicity be removed.

Sample Result Averaging: As noted above, SPI believes that the NALs that are retained in a final permit should apply averaging times consistent with the General Permit (*e.g.* annual average for both COD and TSS). In addition, SPI notes that the General Permit allows for averaging the results from multiple stormwater discharge points. Accordingly, results of sampling the discharge of industrial stormwater discharged from Pond 4 would be averaged with the industrial stormwater

discharged from Pond 2. Alternatively, under the General Permit, the stormwater discharge from Ponds 1 and/or 2 could be discharged to Pond 4, and the resulting discharge from Pond 4 would be representative of all the stormwater being discharged from the site. This individual permit essentially prohibits the comingling of industrial stormwater flows, which is otherwise available to all other stormwater dischargers covered by the General Permit. In many circumstances, the comingling of industrial stormwater from Ponds 1 or 2 with Pond 4 would be an effective BMP for meeting NALs, particularly if the volume of discharge from Pond 2 were significantly less than the volume generated from Pond 4. Moreover, this approach would offer a much more accurate representation of the total industrial stormwater being discharged from the site. SPI requests operational flexibility to comingle industrial stormwater (after the first flush) from Pond 1 or 2 with industrial stormwater from Pond 4 and monitor that combined discharge under both the General Permit and this Order at our discretion, as an industrial stormwater BMP.

Section VI.C.3.a. This section requires update and submittal of a Salinity Evaluation and Minimization Plan and requires an annual report on implementation and performance. As noted in the Fact Sheet regarding the Water Board's evaluation of salinity, "Based on the relatively low reported salinity, the discharge does not have reasonable potential to cause or contribute to an in-stream excursion of the water quality objectives for salinity…". Since there is no reasonable potential to discharge salinity, it does not make sense for the permit to require implementation of a salinity reduction plan and require annual monitoring and reporting pursuant to such plan, just simply to continue an earlier effort under the previous permit. We request this requirement be removed.

Comments on the Monitoring and Reporting Program

Section IV.B: This section sets forth monitoring requirements for industrial stormwater discharges at Location SW-001. The monitoring requirements are identical to the monitoring requirements applicable to the discharge of process water at Location EFF-001. As described above, SPI made significant investments in facility infrastructure to segregate industrial stormwater from process water, and the tentative Order, therefore, contains separate requirements applicable to industrial stormwater. If we were to seek coverage under the General Permit for the industrial stormwater discharges, which we understand the Water Board is preempting with this individual permit, the monitoring requirements would include a minimum of four samples per year, for pH, TSS, COD, Zinc, Oil and Grease, and whatever additional pollutants may be listed as the result of a pollutant evaluation. These are the monitoring requirements for all other stormwater discharges not covered by an individual permit. However, Section IV.B does not recognize at all that the monitoring is for industrial stormwater discharges, and instead, applies the process discharge monitoring requirements verbatim. SPI requests that monitoring of industrial stormwater should not include, copper, lead, chronic toxicity, or all priority pollutants. For example, there are no known sources of priority pollutants in the log yard area that would warrant monitoring the stormwater for those pollutants. If the pollutant evaluation required by section IV.C.3.e. of the Order identified a priority pollutant as a potential stormwater pollutant from industrial operations, monitoring would be appropriate. For reasons already presented above, SPI opposes chronic toxicity monitoring for stormwater discharges. Moreover, a recent 2014 Water Board-issued NPDES permit for a near identical stormwater discharge, stated that, "…. three species chronic toxicity monitoring has not been retained from Order R5-2007-0061 due to the intermittent nature of the storm water discharge and the infeasibility of continuous (i.e., multi-day) sample collection, which is required of the analysis." That same reasoning, plus the reasoning provided above, applies to this stormwater discharge, and suggests chronic toxicity monitoring should not be required. The tentative Order includes an effluent limitation and monitoring requirements for acute toxicity, which SPI accepts,

even though such limits and monitoring requirements are rarely applied to industrial stormwater discharges.

Section VI.A. This section adds several monitoring requirements for the ponds that have not been required in previous Orders. Specifically, electrical conductivity, pH, total dissolved solids, dissolved oxygen, arsenic, and manganese have been added, and monitoring of Pond 5 has been added. The Fact Sheet provides no technical or regulatory basis for the new monitoring requirements, but simply states the added monitoring is necessary to assess impacts of the discharge on groundwater. Since the tentative Order already requires a groundwater characterization study, and an anti-degradation analysis for groundwater, and a Title 27 exemption evaluation for groundwater, and additionally contains increased groundwater monitoring and reporting requirements, the addition of weekly and quarterly pond monitoring requirements is excessive. SPI requests that any new pond monitoring requirements be deferred to the conclusion of the required groundwater studies, which will provide information regarding any contaminants of concern in groundwater – information which is not currently available to justify the added monitoring.

Section VIII.A. This section contains receiving water monitoring requirements. The list of analytes and monitoring frequency is appropriate and consistent with past requirements. However, as discussed in the comments above regarding Section V.B, there is no recognition that the regulation of industrial stormwater discharges is substantially different than the regulation of process water or process water comingled with storm water. There is no regulatory basis to require receiving water monitoring during discharges of exclusively industrial stormwater. The General Permit, applicable to all other discharges of industrial stormwater, does not require receiving water monitoring. The enhanced stormwater monitoring already required, numeric action levels, and BMP evaluations and improvements already required are fully protective of the receiving water and ensure stormwater is being managed. During past discussions with Water Board staff regarding proposed improvements to segregate all storm water, one of the distinct advantages discussed was reduced monitoring requirements. The tentative Monitoring and Reporting Program does not provide any meaningful reduction in monitoring for the industrial stormwater as compared to process water or compared to the prior Order.

Section VIII.B: This section contains required monitoring for groundwater. The Water Board has increased monitoring for some parameters from annual to quarterly, which seems necessary to support the three groundwater studies required by the Order. SPI requests that a monitoring reduction provision be added, similar to the prior Monitoring and Reporting Program, that would allow for a reduction of monitoring to annual after 12 consecutive quarters and dependent on the results.

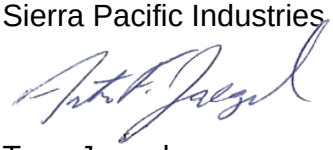
Section IX.B.1: This section adds additional monitoring parameters for ash, increases the frequency of monitoring, and increases the reporting requirements. The Fact Sheet explains that the monitoring of ash is to "ensure proper handling of the material." While proper handling of the material, when used as a soil amendment, is already regulated by CalRecycle and the CA Department of Food and Agriculture, we do not object to conducting monitoring because SPI is already performing similar monitoring. We do request that the monitoring frequency remain annual, except for dioxin, which should be once during the permit term. The ash quality is fairly consistent and there is no justification provided for increasing the monitoring frequency.

Section IX.B.2. Please note that ash may be sold to intermediate soil amendment producers that use ash as an ingredient in proprietary soil blends that are packaged for sale on the open market. In such cases, the application area will not be available to SPI. Further, Cal Recycle has promulgated

an ash reporting requirement in Public Resources Code Section 44107 through Senate Bill 498, effective January 1, 2015. This regulation requires an annual report, including information on ash disposition, be submitted by April 1st of each year for the preceding year. The requirement acknowledges that final disposition information may be unavailable to the producer. SPI requests that the reporting requirements for ash be consistent with the Cal Recycle requirement at PRC 44107.

Thank you again for the opportunity to provide comments on the tentative Order. If you have any questions or require further information, or would like to schedule a meeting to further discuss our comments, please call me at (530) 378-8179, or Mr. Chris Skinner, Quincy Division Manager, at (530) 283-2820.

Sincerely,
Sierra Pacific Industries



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