California Regional Water Quality Control Board
Central Coast Region

Terry Tamminen
Secretary for Environmental Protection

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Arnold Schwarzenegger
Governor

March 1, 2004

Mr. Richard W. McClure
Olin Corporation
Environmental Remediation Group
PO Box 248
Charleston, TN 37310-0248

Mr. Jay McLaughlin
President and CEO
Standard Fusee Corporation
PO Box 1047
Easton, MD 21601

Dear Mr. McClure and Mr. McLaughlin:

SLIC: 425 TENNANT AVENUE, MORGAN HILL; CLARIFICATION TO FEBRUARY 19, 2004 LETTER AND PERMISSION TO DISCHARGE GROUNDWATER STORED IN ONSITE BAKER TANKS.

This letter clarifies our February 19, 2004, Groundwater Flow Assessment Work Plan approval letter (Letter) regarding a due date for the final groundwater flow assessment findings and authorizes you to discharge treated groundwater from onsite holding tanks to the Butterfield Retention Pond. Our February 19, 2004, letter cites April 16, 2004, as the due date for the final assessment details. As we understand, your intent is to submit preliminary Phase I findings for discussion and Regional Board staff input. Further, Olin has proposed to meet on May 5, 2004, to present the findings rather than April 16, 2004. This is acceptable to Regional Board staff and we look forward to meeting with you on May 5th to discuss your preliminary findings.

On another matter, according to an email we received on February 25, 2004, Olin is requesting permission to discharge groundwater that is stored in onsite baker tanks. As we understand, this water was derived from onsite well testing and is from the same water bearing formation as groundwater being treated in the recently constructed onsite treatment plant. We authorize the Discharge of the stored groundwater to the Butterfield Retention Basin as long as it is treated and complies with the requirements of your Waiver of Waste Discharge Requirements Order No. R3-2003-0168 and Monitoring and Reporting Program No. R3-2003-0168 for treated ground water.

Pursuant to Section 13267 of the California Water Code, Olin is required to provide the above-requested Phase I Groundwater-Flow Assessment information or technical justification for not including it, by May 5, 2004. Failure to submit adequate or complete information may subject you to a Regional Board enforcement action. The Regional Board requires Olin Corporation to submit the final findings and well location report in accordance with Section 13267 of the Water Code to determine the concentrations and movement of the perchlorate plume in the vicinity of the Olin site. We

require Olin Corporation to submit the information as the owner of the property and one of the previous operators of a flare manufacturing facility that caused soil and groundwater perchlorate contamination at and in the vicinity of the Olin site at 425 Tennant Avenue, Morgan Hill.

Any person affected by this action of the Regional Board may petition the State Water Resources Control Board (State Board) to review the action in accordance with section 13320 of the California Water Code and Title 23, California Code of Regulations, Section 2050. The State Board must receive the petition within 30 days of the date of this order. Copies of the law and regulations applicable to filing petitions will be provided upon request.

Should you have any questions, please contact **David Athey at (805) 542-4644** or Eric Gobler at (805) 549-3467.

Sincerely,

Roger W. Briggs
Executive Officer

cc via E-mail:

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Office of the Chief Counsel
State Water Resources Control Board

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City of Morgan Hill

Rich Chandler
Komex

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San Martin County Water

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