



770 L Street, Suite 800
Sacramento, California 95814
main 916.447.0700
fax 916.447.4781
www.stoel.com

MICHAEL A. CAMPOS
macampos@stoel.com

September 27, 2007

Ms. Pamela Creedon
Executive Officer
Regional Water Quality Control Board
11020 Sun Center Drive #200
Rancho Cordova, CA 95670-6114

Re: Musco Family Olive Company's Comments on Revised Tentative Cease and Desist Order

Dear Ms. Creedon:

On August 1, 2007, Musco submitted detailed comments on the Tentative Cease and Desist Order provided for its review on June 20, 2007. On September 17, 2007, Musco received a copy of the revised Tentative Cease and Desist Order, which incorporated many of Musco's proposed revisions to the Tentative Cease and Desist Order. Attached are redlined and smooth copies of the revised Tentative Cease and Desist Order with our proposed revisions indicated therein.

As discussed at our September 24, 2007 meeting, there are several outstanding critical issues that still need to be addressed in the Tentative Cease and Desist Order. As you are aware, the Regional Board's and Kennedy/Jenks' (Musco's consultants) hydrogeologists have been working together to develop a consensus on the hydrogeology at the Musco site. It appears that a consensus has been reached on the site hydrogeology and on the further characterization needed to prove or disprove the hypothesis on the site hydrogeology. Furthermore, a decision process has been agreed upon by the respective hydrogeologists in assessing the data to be gathered. In order to ensure that this information is fully considered, we have proposed revisions to Paragraphs 14 and 15 of the Order.

Also, relative to the Interim Effluent Limitations and Monthly Average Mass Load in Paragraph 6 of the Order, the Monthly Average Mass Load as proposed by staff appears to have been developed based on the proposed concentration limits and the average flow in the period January-June 2007. During this period, the facility was operating at approximately 45% of full capacity, due to the extremely short crop year. The 2006 statewide olive crop was approximately 17 tons (the lowest crop yield in history), in contrast to a statewide average annual crop of about 100,000 tons. The Monthly Average Mass Load in Paragraph 6 has been revised to reflect the

Oregon
Washington
California
Utah
Idaho



Ms. Pamela Creedon
September 27, 2007
Page 2

full capacity production rate, the proposed concentration limits and the highest monthly average water use for the January-June 2007 period expressed in gallons per ton.

As indicated in our August 1, 2007 comments, the data set used to establish the Interim Effluent Limits is small and highly variable, due to the recent implementation of the new olive process, modifications made to that process after implementation and the early production shutdown caused by the extremely short crop in 2006. During the time period (January-June 2007) that the data used to determine the proposed Effluent Limits was gathered, production was only 45% of normal, with sub-optimal product mix because of the short crop. As might be expected, low production rates and product mix affect water and chemical use efficiency, as well as effluent characteristics. Also, the unusual production schedule of 2007 resulted in unsustainable loading rates in the time period for which the data to determine Effluent Limits was collected, and this time period does not reflect the wastewater characteristics during the autumn harvest period. In view of this, Musco's technical staff plans to meet with your staff on October 3, 2007, to discuss the variability in discharge characteristics and possible adjustment to the Interim Effluent Limits, to account for this variability.

Also, relative to the Interim Effluent Limitations, Provision C.4 of the Waste Discharge Requirements limits the pH wastewater discharge to land application areas to an average of 6.5 to 8.5, consistent with Water Quality Objectives, but Provision B.5.c of the Waste Discharge Requirements limits pH of water stored in the reservoir to 7.5 to 8.5. As we discussed at the September 24, 2007 meeting, in view of the fact that Waste Discharge Requirements provide for maintaining a dissolved oxygen level of 2 mg/l in the top two feet of the reservoir, there is ample protection that odor and nuisance conditions will not occur in the reservoir. In view of this, we have proposed a new Paragraph 7 for the Cease and Desist Order, which would provide a pH limit for water stored in the reservoir from 6.5 to 8.5. As you will note, we have also made other revisions to the revised Tentative Cease and Desist Order to address other compliance issues by Musco.

Finally, we have also proposed revisions to the Findings of the Order, which we believe are necessary to reflect the actual factual basis upon which the Cease and Desist Order is based. Also, as indicated in Musco's August 1, 2007 comments on the Tentative Cease and Desist Order, we believe there are mitigating circumstances on the cited violations, which we have called to the Regional Board's attention, that are not reflected in the Findings of the Order. Nonetheless, we have reached the point where we are prepared to move forward with the Cease and Desist Order, with the limited revisions indicated in the redlined version of the revised Tentative Cease and Desist Order attached for your consideration.



Ms. Pamela Creedon
September 27, 2007
Page 3

If you have any questions regarding any of our comments, please do not hesitate to give me a call.

Very truly yours,



Michael A. Campos

MAC:ms

Enclosure

cc: Wendy Wyels
Frances McChesney
Philip Wyels
Felix Musco
Ben Hall
Gary Carlton
Meredith Durant