

04 May 2017

Attn: LARWQCB

Company: Stellar Biotechnologies, Inc. CI Number: 7219 NPDES Permit Number: CA0063070 Document Title: Comments on the Tentative Waste Discharge Requirements for NPDES Discharge Permit CA0063070

To Whom It May Concern,

Through this letter Stellar Biotechnologies, Inc., (Stellar), is providing official comments on the revisions to its NPDES waste discharge permit proposed by the RWQCB pursuant to the 5-year renewal of our NPDES discharge permit CA0063070. It is our understanding that the current permit (order #R4-2012-0054) has been extended until the proposed draft permit is adopted. We would like these comments to be considered in preparation of the final 5-year review and revision.

1. Harmonization of the effluent limitations in the proposed revisions to the company's two permits (CA0063070 and CA0064131):

The two permits are for similar aquaculture operations located on the same contiguous property utilizing the same source water and receiving water. We feel that significant differences in permit format and differences in effluent limitations for specific constituents was an oversight in the permit review process and does not have valid technical justification.

The adoption of permits for the same operation with different constituent effluent limitations will cause an undue hardship and expense for the company and will complicate review and oversight by the RWQCB. Our request is that the two permits be harmonized to facilitate effective administration except in areas where differences can be technically justified.

2. Inclusion of Intake Credits for chlorine and ammonia WQBELs:

The source water for the Stellar Biotechnologies, Inc. facility is Port Hueneme Harbor, an active commercial port with multiple businesses contributing to discharge and surface water runoff affecting source water quality. The inclusion of ammonia and chlorine effluent limitations is acceptable to Stellar, but we request that Intake Credits be included in the permits for these constituents.

3. The inclusion of monitoring requirements and for Cyanide and Silver WQBELs:

Silver and Cyanide are not constituents that would be contributed to the effluent discharge by Stellar's operation but have been included in the proposed permit revisions as a result of the reported presence of these constituents in both the receiving water and effluent discharge from a single grab sample.

The inclusion of sampling requirements and effluent limitations is problematic because the WQBEL is below the quantitative detection limit (for cyanide) and below the practical quantitation limit (for both silver and cyanide) of the assay method, making compliance with the requirement impractical if not impossible.

It is our request that these constituents, Cyanide and Silver be dropped from the proposed permit revisions.

4. Change from Acute Toxicity testing to Chronic Toxicity testing:

The inclusion of a requirement for Chronic Toxicity testing is excessive for a marine aquaculture operation. The company's business is the cultivation of live marine invertebrates, which represents an on-going real-time toxicity evaluation. We request that the toxicity testing requirement remain as an Acute Toxicity test, consistent with the previous 17 years of the company's operating history under its NPDES permits.

Stellar has an extensive history of cooperation and compliance under the oversight of the RWQCB and is fully invested in the support of the objectives of the Basin Plan. We feel that these comments and requests are consistent with those objectives and reasonable in the effort to adopt requirements that are meaningful yet do not impose an unnecessary regulatory burden on the permit holder.

If you have any questions, please contact Frank Oakes at (805) 488-2800 or at <u>foakes@stellarbiotech.com</u>

Sincerely,

Frank Oakes President / CEO Stellar Biotechnologies, Inc.