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July 15, 2013

VIA E-MAIL

Attn: Adam Laputz
Central Valley Regional Water Quality Control Board
11020 Sun Center Drive, #200
Rancho Cordova, CA 95670-6114
awlaputz@waterboards.ca.gov

Re: Comments Regarding the Draft WDRs for the Western San Joaquin River Watershed

Dear Mr. Laputz and Members of the Board:

The Central Valley Regional Water Quality Control Board ("Board") recently released for public review the draft Waste Discharge Requirements General Order for Growers Within the Western San Joaquin River Watershed That Are Members of the Third Party Group ("Draft WSJ Order"). Paramount Land Company, LLC and Paramount Pomegranate Orchards, LLC ("Paramount") own property located along the northeastern border of the San Joaquin River, just upstream from the Mendota Pool and downstream from the historic Whitehouse Gauging Station, known as the New Columbia Ranch. Paramount Farming Company, as Paramount's representative, submits the below comments requesting a correction on the Draft WSJ Order.

In addition to the New Columbia Ranch, Paramount has land throughout the Central Valley that is within the boundaries of the Board and subject to various General Orders (GO) developed or being developed by the Board under the long-term Irrigated Lands Regulatory Program ("ILRP"). Paramount, and we believe California agriculture, supports a solution to the nitrate problem, including, when necessary, regulation. To date however, the GO process for the Central Valley has been a rush to regulate without a meaningful public input process, without proper scientific justification and peer review and without an adequate cost benefit analysis. Paramount, along with others effected, has consistently communicated this position in formal comment letters, public workshops, various Board public meetings and in informal meetings with Board members and staff to all of which there has been no significant response. Paramount's position has not changed. We believe significant scientific analysis needs to occur prior to continuing the GO process and certainly prior to any implementation to ensure the program achieves its goal of reducing nitrates in groundwater and to ensure the costs incurred by the growers are scientifically justified.

Stakeholders, at their own expense, have presented significant comments, questions and suggestions supported by scientific research that question many aspects of Board's GO's, which have all been substantially similar. These include, but are not limited to: the ineffectiveness of the monitoring and reporting program, the need to address site specific conditions to determine the potential to discharge nitrates to groundwater and the transit time for the discharges to reach groundwater and the need to

identify legacy impacts so as to not burden current growers whose practices are protective of groundwater with costly requirements that achieve no benefit. The Board has ignored this information in favor of getting a GO in place irrespective of its effectiveness or scientific basis.

The State Water Resources Control Board (“SWRCB”) and the California Department of Agriculture (“CDFA”), the two leading bodies of the state for water quality and agriculture, have both recognized the need for scientific research and expert analysis to develop and guide a successful plan for addressing the nitrate issues in California and are undergoing expedited processes to do so. Paramount is hopeful the Board will seek to include the recommendations from these panels in the GO’s and forgo further progress until the time the results can be incorporated.

Recently the SWRCB released a draft Order in the Matter of Review of the Conditional Waste Discharge Requirements Order No. R3-2012-0011 for Discharges from Irrigated Lands (“SWRCB Draft WQ Order”), which was in response to the SWRCB’s review of the Central Coast Regional Board’s GO. The SWRCB recognizes in the SWRCB Draft WQ Order that significant program aspects need to be further analyzed and scientifically justified and that the SWRCB does not have the expertise to do so. The SWRCB commits to convening an Expert Panel to address the issues and provide recommendations. Page 4, paragraph 2, of the SWRCB Draft WQ Order states, “...many of the groundwater issues contested in the petitions are best addressed by the Expert Panel... While we have not delayed arriving at some resolution of the contested provisions of the Agricultural Order, we have in a number of instances indicated in this Order that we will pose the issue to the Expert Panel. We expect the panel to conduct a more thorough analysis and to provide long-term recommendations that may be applied statewide. Broadly, the issues we will request the Expert Panel to consider include: the indicators and methodologies for determining risk to surface and groundwater quality, the appropriate targets for measuring progress in lowering that risk, and the efficacy of groundwater and surface water discharge monitoring in evaluating practice effectiveness... Answers to these broad and specific questions will inform the development of the agricultural regulatory program in the Central Valley and elsewhere in the State. We therefore emphasize... that this Order constitutes only an interim determination... pending the Expert Panel’s more thorough examination of the underlying issues.”

The SWRCB Draft WQ Order provides more specific questions and detailed guidance for the Expert Panel, however the above includes the key elements to any successful ILRP. To its credit, the SWRCB recognizes that to date, the GO’s have failed to address these issues and that they are best addressed by an Expert Panel. The SWRCB also states the Expert Panel results will inform the agricultural regulatory programs throughout the state. The Board should not therefore move forward or adopt GO’s until these results can be incorporated.

The California Department of Agriculture (“CDFA”) has also convened an Interagency Task Force on Nitrogen Tracking and Reporting Systems (“CDFA Task Force”). As stated in the Charter for the Task Force, CDFA “houses the state’s expertise on nitrogen fertilizing materials... and funds research to advance the environmentally safe and agronomically sound use of fertilizing materials.” The purpose of the Task Force stated in the Charter is to, “determine appropriate nitrogen mass balance tracking and reporting systems in nitrate high risk areas... that would provide meaningful, high-quality data to help better understand groundwater quality.”

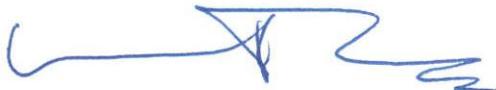
With the SWRCB and CDFA each convening panels of experts to develop recommendations on program elements of the GO, it is premature and irresponsible to continue a timeline for implementation that does not wait for the panel results. These are not small issues; in fact they are

critical components of a successful program. Implementing untested and trial processes, reporting and monitoring only serve to burden growers with unnecessary expense.

The current GO timing will necessitate growers spending significant resources to achieve compliance. For the aspects of the GO that are changed as a result of the SWRCB and CDFA panels and other scientific evidence presented to, but not yet taken into account by the Board, this will be a sunk cost without any benefits. From the implementation cost estimates provided by the Board, which we feel are extremely low, this will be a significant expense. We ask the Board to stop the progression of the GO process, including the Draft WSJ Order, until the much needed technical analysis can guide the structure of the program. Growers, including Paramount, fully support solutions to the nitrate issue but cannot support unsubstantiated regulations with no scientific basis.

If you have any questions, please do not hesitate to contact Kimberly Brown or me at the contact information listed above.

Sincerely,



William D. Phillimore
Executive Vice President