California Regional Water Quality Control Board
Santa Ana Region

Alan C. Lloyd, Ph.D.
Agency Secretary

3737 Main Street, Suite 500, Riverside, California 92501-3348
Phone (951) 782-4130 - FAX (951) 781-6288
http://www.waterboards.ca.gov/santaana

Arnold Schwarzenegger
Governor

February 14, 2005

William A. Morris, Manager of Operations
Aera Energy LLC
20101 Golden West Street
Huntington Beach, Ca 92648

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

MANDATORY PENALTIES COMPLAINT NO. R8-2005-0005 FOR VIOLATIONS OF WASTE DISCHARGE REQUIREMENTS ORDERS NO. 96-5 AND R8-2002-0078 FOR AERA ENERGY LLC, HUNTINGTON BEACH CRUDE OIL AND GAS PRODUCTION FACILITIES (NPDES NO. CAS618001)

Dear Mr. Morris:

We are enclosing a certified copy of Complaint No. R8-2005-0005 proposing mandatory penalties of $15,000. The complaint is issued pursuant to California Water Code Section 13385(h) for violations of Waste Discharge Requirements Orders No. 96-5 and R8-2002-0078, NPDES No. CAS618001. An invoice for this amount is also enclosed.

A public hearing on this matter is scheduled for the Regional Board meeting on April 15, 2005. The staff report regarding this complaint and a meeting agenda will be mailed to you not less than 10 days prior to the Board meeting.

You have the option to waive your right to a hearing. Should you waive your right to a hearing and pay the proposed assessment, the Regional Board may not hold a public hearing on this matter. If you choose to waive your right to a hearing, please sign the enclosed waiver form and submit the form with a check or money order for $15,000. The check or money order should be made payable to the State Water Resources Control Board. The waiver form, the bottom portion of the invoice, and the check or money order should be mailed to Sacramento in the enclosed pre-printed envelope.

If you do not wish to waive your right to a hearing, a pre-hearing meeting with Board staff is recommended. Should you wish to schedule a pre-hearing meeting, please contact us prior to March 18, 2005. At that time, you may submit information that may not have been previously available to staff regarding these violations. This information should address the accuracy of the findings in the complaint.

If you have any questions regarding this complaint, you may contact Michael Adackapara at (951) 782-3238, or Patrice Copeland at (951) 321-4576. All legal questions should be referred to our legal counsel, Jorge Leon, at (916) 341-5180.

Sincerely,

Gerard J. Thibeault
Executive Officer

Enclosures: Complaint No. R8-2005-0005, Waiver Form, Invoice and envelope

cc w/o enclosures:
Regional Board
State Water Resources Control Board, Division of Water Quality - Bruce Fujimoto
State Water Resources Control Board, Office of Chief Counsel - Jorge Leon
U.S. Environmental Protection Agency, Region 9 (WTR-7) - Kathi Moore
Orange County Resources & Development Management Dept. - Chris Crompton
City of Huntington Beach, NPDES Coordinator - Geraldine Lucas

STATE OF CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD
SANTA ANA REGION

IN THE MATTER OF:

Aera Energy LLC)
20101 Goldenwest Street)
Huntington Beach, CA 92648)

Complaint No. R8-2005-0005
for
Mandatory Penalties

YOU ARE HEREBY GIVEN NOTICE THAT:

1. Aera Energy LLC is alleged to have violated provisions of law for which the California Regional Water Quality Control Board, Santa Ana Region (hereinafter Board), must impose liability under Section 13385(h) of the California Water Code.

2. A hearing concerning this Complaint will be held before the Board within 90 days of the date of issuance of this complaint, unless Aera Energy LLC waives its right to a hearing. Waiver procedures are specified on Page 2, Item 9, of this complaint. If the hearing in this matter is not waived, the hearing will be held during the Board's regular meeting on **April 15, 2005, at the City Council Chambers, City of Loma Linda, 25541 Barton Road, Loma Linda, California**. The meeting will begin at 9:00 a.m. Aera Energy LLC or its representatives will have an opportunity to appear and be heard and to contest the allegations in this Complaint and the imposition of mandatory penalties by the Board. An agenda for the meeting will be mailed to you not less than 10 days prior to the hearing date.

3. If the April 15, 2005 hearing is held, the Board will consider whether to affirm, reject or modify the proposed mandatory penalties or whether to refer the matter to the Attorney General for recovery of judicial civil liability.

4. This Complaint is based on the following facts:

   a. On October 11, 1996, the Board adopted Waste Discharge Requirements Order No. 96-5 (NPDES No. CAS 618001) for Aera Energy LLC. This order was renewed on October 25, 2002 as Order No. R8-2002-0078. These requirements regulate the discharges of storm water associated with industrial activities at the Aera Energy LLC, Huntington Beach facility.

   b. Aera Energy LLC submitted annual reports for storm water discharges collected from its site, which show effluent limit violations for total suspended solids. These violations are summarized on Attachment A, which is Page 3 of this Complaint.

5. Water Code Section 13385(h) requires the Board to assess a mandatory minimum penalty of three thousand dollars ($3,000) for each serious violation.

6. As indicated on Attachment A, there are 5 serious violations that meet the mandatory minimum penalty criteria specified in Section 13385(h). These violations are all effluent limit violations.

7. Pursuant to Section 13385(c) of the California Water Code, the Board may impose administrative civil liability for the violations cited in Attachment A. The maximum administrative civil liability that may be imposed for these violations is $40,000 (for a total of 4 days of violations at $10,000 per day for each day of violation).

8. The Executive Officer proposes that the Board impose mandatory penalties of $15,000 on Aera Energy LLC for the violations cited above.

9. You may waive your right to a hearing. If you waive your right to a hearing, please sign the attached waiver form and mail it, together with a check or money order payable to the State Water Resources Control Board, for the amount of mandatory penalties proposed under paragraph 8 above. These documents should be mailed to Sacramento in the enclosed envelope.

If you have any questions, please contact Michael Adackapara at (951) 782-3238, or Patrice Copeland at (951) 321-4576. For legal questions, contact the Regional Board's legal counsel, Jorge Leon, at (916) 341-5180.

February 14, 2005
Date

Gerard J. Thibeault
Executive Officer

Attachment "A"

Summary of MPC Violations
Aera Energy LLC

Constituent (Pollutant Group Identification)	Effluent Limit	Mandatory Penalty Trigger Limit	Concentration (Date of Violation)	Total Violations Subject to MPC
Total Suspended Solids (Group I)	100 mg/L	140 mg/L	273 mg/L (2/26/01 @ Outfall #2)[1] 284 mg/L (2/26/01@ Outfall #6)[1] 258 mg/L (3/1/01 @ Outfall #1)[1] 220 mg/L (3/15/03@ Outfall #6)[2] 390 mg/L (3/16/03 @ Seapoint Ave.)[2]	5
			Total Violations:	**5**

[1] Violations of Order No. 96-5
[2] Violations of Order No. R8-2002-0078

California Regional Water Quality Control Board
Santa Ana Region

IN THE MATTER OF:		Complaint No. R8-2005-0005 for Mandatory Penalties
William A. Morris, Manager of Operations, LA Basin	)	
Aera Energy LLC	)	
20101 Goldenwest Street	)	
Huntington Beach, CA 92648	)	

WAIVER OF HEARING

Aera Energy LLC agrees to waive its right to a hearing before the Santa Ana Regional Water Quality Control Board with regard to the violations alleged in Complaint No. R8-2005-0005. Aera Energy LLC has enclosed a check or money order, made payable to the State Water Resources Control Board, in the amount of $15,000 for the proposed liability in Paragraph 8 of Complaint No. R8-2005-0005. Aera Energy LLC understands that it is giving up its right to be heard and to argue against allegations made by the Executive Officer in Complaint R8-2005-0005, and against the imposition of, and amount of, the mandatory penalties.

_____ _____

Date William A. Morris, Manager of Operations, LA Basin
For Aera Energy LLC

Please use the enclosed preprinted envelope to mail:

1. This waiver form, signed and dated;
2. Bottom portion of the invoice; and
3. A check for $15,000.00 made out to the State Water Resources Control Board.

State Water Resources Control Board

Alan Lloyd
Secretary for Environmental Protection

The energy challenge facing California is real.
Every Californian needs to take immediate action to reduce energy consumption.
For a list of simple ways you can reduce demand and cut your energy costs, see our website at http://www.swrcb.ca.gov

Arnold Schwarzenegger
Governor

To:
AERA ENERGY LLC
20101 GOLDEN WEST STREET
HUNTINGTON BEACH, CA 92648
ATTN: Mr. William A. Morris

Invoice No: 55641
Invoice Date: 02/11/2005
Enforcement Action ID: 99868
Enforcement Order No: R8-2005-0005

INVOICE

Milestone ID	Description	Amount	Due Date
65957	LIABILITY AMOUNT	$15,000.00	05/16/2005
	TOTAL AMOUNT DUE	**$15,000.00**	

California Environmental Protection Agency

Recycled Paper

Retain above portion for your records

Please return bottom portion with your payment

AERA ENERGY LLC
20101 GOLDEN WEST STREET
HUNTINGTON BEACH, CA 92648
ATTN: Mr. William A. Morris

Milestone ID	Description	Amount	Due Date
65957	LIABDUE	$15,000.00	05/16/2005
	TOTAL AMOUNT DUE	**$15,000.00**	

Make your check payable to:
State Water Resources Control Board

Mail payment to:
SWRCB ACCOUNTING
ATTN: ENFORCEMENT
P. O. Box 100
SACRAMENTO, CA 95812-0100

Amount Enclosed: $_____

PLEASE PRINT THE FOLLOWING INVOICE NUMBER ON YOUR CHECK: **55641**

Invoice Date: 02/11/2005
Enforcement Action ID: 99868
Enforcement Order No.: R8-2005-0005