

ITEM: 11

SUBJECT: Big Valley Power, Sawmill and Cogeneration Facility, Lassen County

BOARD ACTION: Consideration of new Waste Discharge Requirements

BACKGROUND: Big Valley Power, LLC is proposing to restart a wood burning steam power plant and sawmill formerly operated by Big Valley Lumber. Big Valley Lumber Company operated a sawmill at the site from the mid-1950's to 2001. The power plant facility was added in 1983. The sawmill and power plant facility most recently operated under Board Order No. 98-232/NPDES No. CA0081451. The facility ceased operations in 2001 and the sawmill properties and equipment were auctioned in November 2001 to meet creditor debt. The Regional Board rescinded Board Order No. 98-232 on January 30, 2004.

The project consists of restarting the power plant and sawmill. A projected 50,000 dry tons of wood waste will be burned each year at this steam powered plant to produce 7.5 megawatts (MW) of electrical power for sale to a utility company. The plant includes a boiler feed water treatment system, a boiler, a turbine, a condenser, and a two-cell evaporative cooling tower. The sawmill equipment is still incomplete though it is anticipated that sawmill operations will be similar to the historic sawmill operation.

Most cooling tower water will be discharged to two retention ponds to the north of the power plant. A portion of the cooling tower water may be used to wet the logs on the log deck.

Domestic wastewater is discharged through Bieber's municipal water works system to the Lassen County Waterworks Sewage Treatment ponds located to the south of the town of Bieber.

Approximately five cubic yards of ash will be generated each day. Fly ash and bottom ash are stored in the central portion the property. In case of outdoor storage, ash will be placed in metal bins and stored in covered areas of the site.

Storm water will be directed to the disposal ponds or routed through existing drainage ditches to the Babcock Ditch. Precipitation falling in the fuel storage log deck and truck unloading areas will be contained in the log deck ponds. The facility is currently regulated under a General Industrial Storm Water Permit.

Basis of Order Conditions

Groundwater Limitations and Provisions E.2 and E.3. The California Department of Health Services Recommended Electrical Conductivity Secondary Maximum Contaminant Level (MCL) is 900 umhos/cm and

the Agricultural Water Quality Goal is 700 umhos/cm. Electrical conductivity in the discharged waters was found to be 698 umhos/cm during the October 5, 2006 test run sample and 817 umhos/cm in the June 29, 2005 test run sample. As this is higher than anticipated background groundwater levels, the Discharger is required to install monitoring wells up and downgradient of the disposal ponds to assess the impact the facility will have on local groundwater. The results of the groundwater monitoring will be used to in evaluating the discharge with respect to State Water Resources Control Board Resolution No. 68-16, Statement of Policy with Respect to Maintaining High Quality Waters in California.

Interim background groundwater limitations have been established because it has not been demonstrated that degradation of groundwater quality above background conditions resulting from activities at the facility is consistent with maximum benefit to the people of the State, will not unreasonably affect beneficial uses, and will not result in water quality less than that described in the Board's policies. Under Provision E.2, should the Discharger propose final groundwater limitations other than background, the Discharger may provide economic, water quality, and water use evaluations to show that groundwater limitations other than background are consistent with the Antidegradation Policy. Under Provision E.3, the Regional Board may reopen this Order to establish numerical groundwater limitations based on information provided by the Discharger.

Upgradient groundwater well(s) will be sampled to establish background levels. Downgradient wells will be sampled to assess impact of the ponds to groundwater.

ISSUES

This item is uncontested at this time.

RECOMMENDATION: Adopt the proposed order.

Mgmt. Review_____

Legal Review_____

21/22 June 2007

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