

**REGIONAL WATER QUALITY CONTROL BOARD  
SAN DIEGO REGION**

**EXECUTIVE OFFICER SUMMARY REPORT  
October 10, 2018**

**ITEM 5**

**SUBJECT**

NPDES Permit Reissuance: Waste Discharge Requirements for the Liquid Stone Holdings, LLC, Stone Brewing Co. LLC Discharge to the Pacific Ocean through the San Elijo Ocean Outfall (Tentative Order No. R9-2018-0063, NPDES No. CA0109258). (*Joann Lim*)

**STAFF RECOMMENDATION**

Adoption of the Revised Tentative Order No. R9-2018-0063 (Tentative Order, **Supporting Document No. 1**) is recommended.

**KEY ISSUE**

The Tentative Order increases the effluent monitoring frequency for several parameters to assess any changes to the effluent quality discharged through the San Elijo Ocean Outfall, to determine compliance with the effluent limitations, and to ensure a sufficient dataset for performing a more statistically-sound reasonable potential analysis (RPA) for the next NPDES reissuance.

**PRACTICAL VISION**

Consistent with the mission of the *Strategy for Healthy Waters* chapter of the Practical Vision, the Tentative Order integrates all applicable technology-based requirements, water quality-based effluent limitations, and receiving water quality standards to optimize protection of water quality and beneficial uses in the Pacific Ocean. Additionally, the Tentative Order has provisions allowing for participation in regional monitoring and assessment programs in keeping with San Diego Water Board Resolution No. R9-2012-0069, *Resolution in Support of a Regional Monitoring Framework*.

**DISCUSSION**

Liquid Stone Holdings, LLC (Discharger) is the owner and operator of Stone Brewing Co. LLC (Facility), a brewery located at 1999 Citracado Parkway, Escondido, CA 92029. The Facility discharges brine wastewater and cooling tower blowdown to the Pacific Ocean, a water of the United States (U.S). The location of the Facility is shown in **Supporting Document No. 2**.

The Facility includes an industrial waste pretreatment and water reclamation system that currently treats up to 90,000 gallons per day (GPD) of the following industrial wastewater produced at the Facility to a level suitable for reuse within the Facility: wash down and cleaning of tanks (clean-in-place), wash water from bottling operations and kegs, cooling tower and boiler flows, and various other processes that discharge wastewater to the floor drains within the brewery. The industrial waste pretreatment and water reclamation system includes a sump, a 250-micron rotary drum screen, an equalization tank, three aeration tanks, membrane bioreactors (MBRs) with a 0.04-micron rating, ultra-filtered tank (reverse osmosis (RO) feed water), and two RO units. The product water is reused throughout the brewery. The brine wastewater from the RO units is discharged to the brine tank, along with the brine wastewater from the potable water treatment system and cooling tower blowdown.

The City of Escondido owns and operates the Industrial Brine Collection System (IBCS) and issued Industrial User Discharge (IUD) Permit No. 11017 for the Facility to discharge to the ICBS. Up to 100,000 GPD of the brine wastewater and cooling tower blowdown is discharged to the IBCS, which connects to the Escondido Land Outfall (ELO). The Facility discharge is conveyed through the ELO to the San Elijo Ocean Outfall (SEOO). The SEOO also receives wastewater from four other facilities which are regulated under separate NPDES permits: the City of Escondido's HAARF and Membrane Filtration/Reverse Osmosis (MFRO) Facility, the San Elijo

Joint Powers Authority's San Elijo Water Reclamation Facility, and the San Diego Gas and Electric Company's Palomar Energy Center. The combined flow from all of these facilities is discharged through the SEOO to the Pacific Ocean at a point approximately 6,800 feet offshore at a depth of approximately 110 feet.

The Discharger is currently regulated by Order No. R9-2012-0006 (current Order). As required by the current Order, the Discharger submitted an application for permit reissuance on September 26, 2016. The current Order, which has an expiration date of March 31, 2017, was administratively extended pursuant to California Code of Regulations (CCR), title 23, section 2235.4, which provides that the terms and conditions of an expired permit are automatically continued pending reissuance of the permit if the Discharger complies with all federal NPDES requirements for continuation of expired permits (see Code of Federal Regulations, title 40, section 122.6). The Tentative Order will, if adopted, supersede the current Order. The Tentative Order was developed based on information in the Discharger's permit reissuance application, self-monitoring reports, and other available sources (e.g. facility inspection reports).

The Tentative Order was noticed and released for public review and comment for a 30-day period on August 10, 2018. The public comment period closed on September 10, 2018. The San Diego Water Board did not receive any comments on the Tentative Order. In the Revised Tentative Order, Pat Tiernan, Chief Operating Officer, was removed from the Fact Sheet, Table F-1, page F-3 to reflect the Discharger's current management. No other changes were made to the Tentative Order.

### **SIGNIFICANT CHANGES**

The following are the significant differences between the Tentative Order (**Supporting Document No. 1**) and the current Order:

1. The Tentative Order requires the Discharger to evaluate the chronic toxicity in the discharge using USEPA's 2010 Test of Significant Toxicity (TST) hypothesis testing approach at the discharge "in-stream" waste concentration (IWC), as described in the Tentative Order, Attachment E, section III.C, pages E-7 through E-12.
2. The Tentative Order increases monitoring for total dissolved solids from semiannually to monthly to evaluate whether the dilution credit established in 2005 is still applicable and appropriate and to re-assess the dilution credit if the brine discharges from the Facility changes the effluent quality discharged at Discharge Point No. 001.
3. The Tentative Order increases the monitoring for pH, oil and grease, total suspended solids, settleable solids, and turbidity from semiannually to monthly to demonstrate if effluent limitations have been met.
4. The Tentative Order increases monitoring for the Ocean Plan Table 1 parameters from once per permit cycle to semiannually to ensure a sufficient dataset for performing a more statistically-sound RPA for the next NPDES reissuance.

### **COMPLIANCE RECORD**

Between April 2012 and June 2018, the Discharger reported one deficient monitoring violation (2013), one effluent violation for pH (September 2015), and one effluent violation for flow (October 2016). These violations are summarized in the Tentative Order, Attachment F, section II.D, page F-6 (**Supporting Document No. 1**). The San Diego Water Board issued three staff enforcement letters to the Discharger in response to these violations. The Discharger reported that it believes the monitoring results for the pH and flow were analytical errors and did not accurately represent the discharge.

### **PUBLIC NOTICE**

The Tentative Order was noticed and released for public review and comment on August 10, 2018, with comments due September 10, 2018. A public notice was published in the San Diego Union Tribune on August 10, 2018, which announced the October 10, 2018 public hearing and availability of the Tentative Order, and provided instructions on submittal of comments on the Tentative Order. Notice of the October public hearing on the Tentative Order was also provided in the Meeting Notice and Agenda for the October 10, 2018 San Diego Water Board meeting, which was posted on the San Diego Water Board website. Notice of the availability of the Tentative Order for public review and comment was sent to all known interested parties by email on August 10, 2018 and posted on the San Diego Water Board website. A copy of the public notice is provided in **Supporting Document No. 3**.

### **SUPPORTING DOCUMENTS**

1. Revised Tentative Order
2. Location Map
3. Notice of Public Hearing