

**STATE WATER RESOURCES CONTROL BOARD  
RESOLUTION NO. 2014-0011**

ALLOCATE FUNDS FROM THE CLEANUP AND ABATEMENT ACCOUNT (CAA) TO THE LAHONTAN REGIONAL WATER QUALITY CONTROL BOARD (LAHONTAN WATER BOARD) AND AUTHORIZE THE EXECUTIVE DIRECTOR OR DESIGNEE TO EXECUTE AN AGREEMENT BETWEEN THE U.S. GEOLOGICAL SURVEY (USGS) AND THE LAHONTAN WATER BOARD FOR THE INVESTIGATION OF BACKGROUND LEVELS OF CHROMIUM IN THE HINKLEY VALLEY (PROJECT)

WHEREAS:

1. The Lahontan Water Board is requesting \$4,486,800 from the CAA to fund a contract with the USGS to conduct environmental investigations in the Hinkley Valley, San Bernardino County. The funding source for the amount requested from the CAA is the Pacific Gas and Electric Company (PG&E).
2. Under the terms of a Memorandum of Understanding between the Lahontan Water Board and PG&E signed February 2014, PG&E has provided funds for the Lahontan Water Board to enter into a contract with the USGS to develop workplans and conduct groundwater investigation activities in the Hinkley area to assess background levels of chromium in groundwater.
3. Since 1952, PG&E has operated a natural gas compressor station in the Hinkley Valley of San Bernardino County, just southeast of the town of Hinkley. From 1952 to 1965, a hexavalent chromium-based corrosion inhibitor was added to water used in the cooling towers, and the untreated cooling tower water was discharged to unlined evaporation ponds. Waste chromium percolated to the groundwater aquifer, resulting in a chromium plume affecting a large area of the Hinkley Valley.
4. The Lahontan Water Board is the lead agency for the environmental investigation and cleanup of waste chromium in Hinkley area groundwater. The Lahontan Water Board is requiring PG&E to conduct remedial actions to clean up waste chromium in this groundwater.
5. State Water Resources Control Board (State Water Board) [Resolution No. 92-49](#) requires that dischargers clean up waste to either background water quality, or the best water quality that is reasonable if background levels of water quality cannot be restored, while at the same time restoring water quality to support existing and future beneficial uses.
6. The Lahontan Water Board must establish, based on information provided by the discharger, background levels of chromium. Established background levels are one factor that the Lahontan Water Board must consider when setting cleanup goals for the Hinkley site.
7. Establishing accurate background levels of chromium is also important to the residents of Hinkley.

8. The USGS is a federal agency, and is generally restricted from accepting funds from private entities. However, the USGS may accept funds from State agencies to conduct investigations. PG&E, as the discharger, is required to clean up waste discharges consistent with applicable requirements of the California Water Code and State Water Board policy, and in a manner that promotes the attainment of either background water quality, or the best water quality which is reasonable if background levels of water quality cannot be restored. PG&E has provided funding to conduct investigations to determine accurate background levels.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Approves the allocation of \$4,486,800 from the CAA to the Lahontan Water Board for the purposes of the Project.
2. Approves the funding with the understanding that PG&E has contributed \$4,486,800 to the CAA for the Project.
3. Approves the funding with the understanding that the USGS will provide \$892,500 in federal matching funds for the Project.
4. Authorizes the Executive Director or designee to execute, on behalf of the Lahontan Water Board, an agreement with the USGS to conduct the Project.

#### CERTIFICATION


The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on March 4, 2014.

AYE: Vice Chair Frances Spivy-Weber  
Board Member Tam M. Doduc  
Board Member Steven Moore  
Board Member Dorene D'Adamo

NAY: None

ABSENT: Chair Felicia Marcus

ABSTAIN: None

  
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Jeanine Townsend  
Clerk to the Board