

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION
895 Aerovista Place, Suite 101
San Luis Obispo, California 93401-7906**

CLEANUP OR ABATEMENT ORDER NO. R3-2006-0112

AMENDING CLEANUP OR ABATEMENT ORDER NO. R3-2005-0014

**Issued to
Olin Corporation and Standard Fusee Corporation
425 Tennant Avenue, Morgan Hill
Santa Clara County**

The California Regional Water Quality Control Board, Central Coast Region (hereafter Central Coast Water Board) finds:

1. The Central Coast Water Board issued Cleanup or Abatement Order No. R3-2005-0014 (Cleanup Order No. 0014) on **March 10, 2005**. Cleanup Order No. 0014 requires Olin Corporation (Discharger) and Standard Fusee Corporation to conduct basin characterization and groundwater monitoring, propose an off-site groundwater cleanup level, and evaluate offsite short and long-term plume migration and cleanup alternatives. Cleanup Order No. 0014 specifically applies to groundwater south and southeast of Olin Corporation's 425 Tennant Avenue site (Site) that is degraded or threatened by perchlorate discharged as a result of the Dischargers' past Site activities. Cleanup Order No. 0014 establishes time-frames for offsite groundwater monitoring and cleanup, and requires submission of technical reports to support those activities.
2. Standard Fusee Corporation later contended that it did not cause or permit the discharge of waste at the Site. On **July 19, 2005** the Executive Officer notified the Discharger and Standard Fusee Corporation that Standard Fusee Corporation was removed without prejudice from all existing orders, including Cleanup Order No. 0014.
3. On **May 2, 2006**, the Central Coast Water Board issued a letter concerning responsibility determinations for perchlorate detections northeast of the Olin Site, which states, "There is some evidence that Olin could be a source of perchlorate northeast of the Olin Site. We know a large mass of perchlorate discharged from the Olin Site and groundwater flow in the deep aquifer zone has been demonstrated to flow in a northerly direction under certain conditions." A groundwater northerly flow component occurs at certain times of the year, due to the operation of the City of Morgan Hill water supply wells located north and northeast of the Site. This information has been reported in previous Olin reports. The Site is a viable source of perchlorate to groundwater in the deep aquifer northeast of the Olin Site. The extent of the perchlorate plume northeast of the Olin Site has not been characterized.

4. On July 24, 2006, the Central Coast Water Board issued a response letter concerning Olin's April 30, 2006 *First Quarter 2006 Groundwater Monitoring Report, Olin/Standard Fusee Site, 425 Tennant Avenue, Morgan Hill, California* (Monitoring Report). In the response letter, the Central Coast Water Board required Olin (pursuant to Water Code Section 13267) to conduct quarterly monitoring of all MP/PZ wells (MP/PZ-1, MP/PZ-2, MP/PZ-3 and MP/PZ-4), and to submit a work plan to perform the additional characterization activities necessary to fully characterize the lateral and vertical extent of perchlorate impacts in the area immediately east of the Olin Site and north of Tennant Avenue. The response letter states, "... at this time and until it is confirmed with data, we must assume that the former Olin Site is the primary source of perchlorate detections south of Tennant Avenue and immediately east and northeast of the Site." The required characterization activities will help evaluate how much of the detected perchlorate concentrations in this area originate from the Olin Site and confirm the existence of a possible increasing trend in perchlorate concentrations at several well locations.
5. On September 25, 2006, Central Coast Water Board rescinded (without prejudice) a Central Coast Water Board December 8, 2004 13267 Order requiring Olin to install groundwater-monitoring piezometers and conduct perchlorate sampling of private wells and a forensic chemistry investigation in the "Northeast Study Area."¹ "Without prejudice" means that the Central Coast Water Board may issue new requirements to Olin requiring the same work described in the rescinded 13267 Order, or any related work or other investigation that may be necessary to complete the investigation and cleanup of the Site. The Central Coast Water Board rescinded the 13267 Order (subject to a conditional stay (Stay) since February 10, 2005) because Olin has satisfactorily complied with all of the conditions of the Stay, with the exception of the forensic chemistry investigation. The Santa Clara Valley Water District has secured federal funding to undertake a basin-wide forensic chemistry investigation covering an area much larger than the Discharger had been directed to address and plans to complete the investigation by late 2007. Notwithstanding the results of the Water District's forensic investigation, it remains Olin's responsibility to provide evidence (data) to characterize the full vertical and lateral extent of the waste plume emanating from the Site.
6. This Order amends Cleanup Order No. 0014 to reflect Central Coast Water Board staff's determination that at least some of the perchlorate concentrations detected to the northeast of the Site are attributable to the former Olin Site. The available evidence (as defined in Water Code Section 13267(e))² is adequate to require Olin to continue to investigate the northeast area as a discharger or suspected

¹ The "Northeast Study Area" is the area northeast of the Olin Site and bounded by Tennant, Murphy, Diana and Railroad Avenues.

² Water Code Section 13267 (e): "As used in this section, "evidence" means any relevant evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of the evidence over objection in a civil action."

discharger and constitutes substantial evidence that Olin caused or permitted the discharge of waste that has migrated to this area.

7. The purpose of this amendment is to make clear that the Discharger must characterize and clean up the full vertical and lateral extent of all waste that originated at the Site and must determine the contours of the waste plume that has its source at the Site, regardless of the direction in which the waste has migrated.
8. This action does not constitute "approval" of a "project" under California Environmental Quality Act (Public Resources Code Section 13000 et seq.) (CEQA), since the amendment clarifies existing requirements under applicable law, and the scope of additional clean up that will be required in the future based on the current investigation, if any, is speculative at this time. In addition, even if it were "approval" of a "project," this action would be exempt from CEQA pursuant to CEQA Guidelines sections 15061(b)(3), 15301, 15306, 15307 and 15308.

IT IS HEREBY ORDERED, pursuant to Sections 13267 and 13304 of the California Water Code:


1. Cleanup Order No. 0014 is hereby amended to delete the paragraph immediately following "IT IS HEREBY ORDERED, ...," as shown below:

***IT IS HEREBY ORDERED**, pursuant to Sections 13267 and 13304 of the California Water Code that the Discharger shall clean up or abate the effects of the perchlorate discharge from the Site as follows:*

~~*The following Ordering Paragraphs do not currently apply to areas (aquifer zones) to the north or northeast of the Site (Northeast Groundwater Flow Study Area; see Finding 28). The Regional Board or Executive Officer will revise this Order or issue a separate order requiring the Dischargers to clean up and/or abate and/or further investigate perchlorate in aquifer zones serving the City of Morgan Hill's wells and other wells to the north or northeast of the Site, if the Regional Board or Executive Officer concludes that the Dischargers caused or permitted the discharge of waste, or threaten to cause or permit the discharge of waste, that has impacted or threatens these aquifer zones.*~~

2. Cleanup or Abatement Order No. R3-2005-0014, as amended above, remains in full effect.

ORDERED BY:



 for Roger W. Briggs
 Executive Officer



 Date