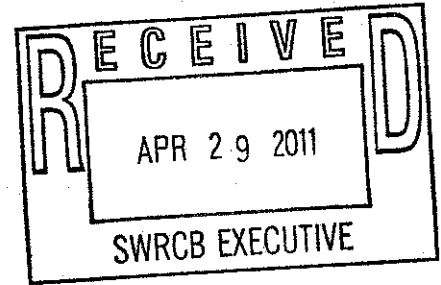




STATE OF CALIFORNIA AUTO DISMANTLERS ASSOCIATION

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April 29, 2011

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Subject: Comments on Draft NPDES General Permit for Industrial Stormwater Discharges

Dear Members of the State Water Resources Control Board:

The State of California Auto Dismantlers Association (SCADA) is pleased to submit for the State Water Resources Control Board's consideration the following comments on the draft Statewide National Pollutant Discharge Elimination System (NPDES) General Permit for the Discharge of Stormwater Associated with Industrial Activities (Industrial Stormwater Permit). SCADA has also joined the WATER Coalition, which is an organization of businesses, industries, trade associations, and local governments that supports cost-effective stormwater regulations and practices. We support and agree with the WATER Coalition's comments on the draft permit, which are being conveyed to the Water Board separately.

SCADA is the statewide trade association for the auto dismantling and recycling industry. Our six local chapters and a direct membership area include approximately 200 professionally licensed and industry-leading auto dismantling facilities. SCADA was founded in 1959 to serve the members by providing high quality education, government affairs, business, and networking opportunities. The professional auto dismantling industry processes and dismantles salvage vehicles for the purpose of selling used recycled parts for a cost up to 80% less than new parts. SCADA members employ thousands of people statewide, and we generate millions of dollars in payroll taxes, income taxes, sales taxes, property taxes, business taxes, and numerous license fees.

All SCADA members participate in our award-winning compliance program called "Partners in the Solution®". The Partners program, which was developed through a unique collaboration of industry, state and federal regulatory agencies, and the environmental community, requires that members meet or exceed specified business, licensing, environmental, and safety standards. The program includes professional oversight and training, a guidance manual, independent auditors, and annual reports. The Partners program has been recognized with several awards, including the prestigious Governor's Environmental and Economic Leadership Award.

SCADA is deeply concerned about the cost, complexity, and achievability of the draft industrial stormwater permit. We believe that the draft permit contains many provisions that will make compliance extremely difficult, if not impossible, for the auto dismantling industry. If compliance cannot consistently be achieved, our members will increasingly be susceptible to regulatory enforcement actions and third-party lawsuits authorized under the Clean Water Act. We fear that the draft permit would undo the success we have achieved over the past decade, drive many companies out of business, and direct hundreds of thousands of salvage vehicles toward a growing abundance of unregulated, unlicensed operators that avoid regulatory oversight, fail to use proper environmental and safety practices, and result in millions of dollars in lost tax revenue. We would expect membership in SCADA to decline and participation in the Partners in the Solution® program to suffer as member companies divert their financial and employee resources to try to comply with this permit and remain in business. Many of our member companies are very small businesses, often with fewer than five employees. The administrative, compliance, and monitoring requirements will be overwhelming and prohibitively expensive.

We would like to highlight the following substantive concerns about the draft industrial stormwater permit:

1. Numeric Action Levels and Numeric Effluent Limits

The proposed numeric action levels (NALs) and numeric effluent limits (NELs) are inconsistent with, and extend well beyond, the US Environmental Protection Agency's Multi-Sector General Permit (MSGP, 2008), and the State Water Board's Blue Ribbon Panel Report on *The Feasibility of Numeric Effluent Limits Applicable to Discharges of Stormwater Associated with Municipal, Industrial, and Construction Activities* (2006). EPA specifically states that the MSGP benchmarks (which the draft permit adopts as both NALs and NELs) are not to be used as effluent limits. The Blue Ribbon Panel recommended that the State Water Board re-examine existing data sources, collect new data, and determine whether numeric limits would be prudent, practical, and necessary – before proceeding to implement such limits. The State Water Board has not acted on these recommendations, and instead has proposed stringent numeric limits that are not directly related to protecting the water quality of receiving water bodies. We believe that consistently achieving these numeric limits would, at best, be extremely costly and offer few water quality benefits. The draft permit offers allowances for dealing with atmospheric deposition, run-on, and background levels that may exceed NALs or NELs. However, the burden of proving these exceptions is confusing and excessive. In some cases, expensive stormwater treatment systems may be dictated as a way to meet these effluent limits. However, these treatment systems or may not be needed to protect the water quality of the receiving water bodies. Spending hundreds of thousands of dollars to install a treatment system should be justified by a distinct water quality need, not just to meet an arbitrary effluent limit that has little scientific basis.

2. Increased Inspections and Monitoring

The draft permit would greatly increase the number of inspections that must be conducted and documented. Similarly, baseline sampling would double the number of storm events that need to be sampled, and representative sampling would be prohibited. The proposed elimination of Group Monitoring Programs (GMPs) would further increase sampling efforts and costs. There are at least three GMPs that currently serve the auto dismantling industry. The current GMP approach assists participants with compliance, streamlines the reporting process, and significantly reduces the sampling requirements and associated costs. The increased inspection and sampling requirements called for in the draft permit will not provide any water quality benefits, and instead will greatly increase costs and

divert resources away from important best management practices (BMPs) that would protect water quality.

3. Industrial QSDs and QSPs

The list of pre-requisite registrations or certifications for Qualified SWPPP Developers (QSDs) would unnecessarily require that all auto dismantlers retain the services of a professional consultant or service provider. This expense is not needed, and will be particularly burdensome for small businesses. Every permitted facility already has a SWPPP, and in many cases these SWPPPs can be modified without the services of a professional consultant. Trade associations such as SCADA may also be able to assist members with making the necessary changes. Formal, state-certified training should not be required for Qualified SWPPP Practitioners (QSPs). Again, associations such as SCADA could help prepare facility employees to properly implement their SWPPPs.

4. Inviting Enforcement Actions and Third-Party Lawsuits

The complexity of the permit, the increased need to document inspections, the posting of sensitive information online, the increased sampling, and the application of numeric limits will expose auto dismantlers to an increased risk of enforcement actions and third-party lawsuits. The strict liability and mandatory penalties included in the draft permit will preclude professional judgment and discourage reasonable and cooperative attempts to resolve differences. Litigation and settlement costs will reduce the available funds that can be invested in effective BMPs, and impair the industry's ability to be profitable, competitive, and create new jobs.

In summary, SCADA believes that the draft industrial stormwater permit would entail extremely high compliance costs that would not offer commensurate water quality benefits. The burden of the excessive complexity and cost would affect all auto dismantlers, but be greatest on small dismantlers with few employees. We recommend that the State Water Board engage stakeholders such as SCADA to consider options to reduce the monitoring and documentation requirements, eliminate numeric limits in favor of a BMP-based approach, and avoid unnecessarily placing businesses at risk of an enforcement action or costly lawsuit. SCADA looks forward to working together with the State Water Board staff to develop a stormwater permit that is reasonable and achievable for the auto dismantling industry, and that provides meaningful water quality benefits for California's lakes, streams, estuaries, and coast.

Should you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,



Martha Cowell
Executive Director

