FACT SHEET

U.S. Environmental Protection Agency, Region 9 Draft Class I Underground Injection Control Permit #CA10500002 To California Specialty Cheeses

Location:

California Specialty Cheeses 14253 South Airport Way Manteca, CA 95336

Permittee Contact:

Mr. Scott Pendergrass, Plant Manager California Specialty Cheeses 14253 South Airport Way Manteca, CA 95336

Plant phone: 209-858-9696 Cell phone: 530-301-5611

Regulatory Contact:

Dave Basinger, Environmental Engineer U.S. Environmental Protection Agency, Region 9 Ground Water Office, Mail Code WTR-9 75 Hawthorne Street San Francisco, CA 94105-3901

Telephone: (415) 972-3506

Fax: (415) 972-3545 (include name and mail code from above)

Email: basinger.davd@epa.gov

I. Purpose of the Fact Sheet

Pursuant to the Underground Injection Control (UIC) regulations in Title 40 of the Code of Federal Regulations (CFR), §124.8, the purpose of this fact sheet is to briefly describe the principal facts and the considerations that went into preparing the draft permit. To meet these objectives, this fact sheet contains background information on the permit process, a description of the facility, a brief discussion of the permit conditions, and the reasons for these permit conditions.

II. Permit Process

Application and Review Period

The U.S. Environmental Protection Agency, Region 9 (EPA) Director has authority to issue permits for underground injection activities under 40 CFR §144.31. California Specialty Cheese (CSC) is applying for a UIC permit to operate a Class I injection well to dispose of a portion of non-hazardous wastewater from its cheese manufacturing plant's

wastewater treatment system. EPA received an individual permit application from CSC dated October 19, 2005, for two (2) Class I nonhazardous UIC wells from CSC. In a letter dated November 18, 2005, EPA requested additional materials to complete the administrative review. CSC provided these on December 14, 2005, at which point the application was considered administratively complete. Following this, EPA began the technical review. Following a thorough technical review, EPA determined that the information provided was sufficient to complete a draft UIC permit. EPA has now completed a draft Class I nonhazardous UIC permit that would authorize the construction of one (1) injection well, and depending on site specific hydrogeologic testing, the construction and operation of up to two (2) injection wells in total. The draft permit contains numerous construction, operation, maintenance, monitoring, reporting, and abandonment requirements.

Based on our review of the proposed well construction, operation standards, monitoring requirements, and the existing geologic setting, EPA believes the activities allowed under the proposed draft permit are protective of Underground Sources of Drinking Water as required under the Safe Drinking Water Act.

Public Participation

The public has thirty (30) days to review and comment on the Class I UIC draft permit (40 CFR §124.10). The draft permit and this fact sheet are available at the following locations:

Stockton-San Joaquin County Public Library Manteca Branch 320 W. Center Manteca, CA 95336-4539

U.S. Environmental Protection Agency, Region 9 Ground Water Office Attn: Dave Basinger, Mail Code WTR-9 75 Hawthorne Street San Francisco, CA 94105

The draft permit and fact sheet are also available at the EPA Region 9 web page: http://www.epa.gov/region09/water/groundwater/uic-permits.html

The public comment period begins on November 12, 2006 and ends on December 13, 2006. During this period, all written comments on the draft permit can be sent, faxed, or e-mailed to Dave Basinger using the contact information listed on the first page of this fact sheet. Dave Basinger is also available by phone for any questions regarding the draft permit.

All persons, including the applicant, who object to any condition of the draft permit or EPA's decision to prepare a draft permit must raise all reasonably ascertainable issues and submit all reasonable arguments supporting their position by the close of the comment period (40 CFR §124.13). The public comment period may be reopened if this

could expedite decision making (40 CFR §124.13). If requested, a public hearing may be held (40 CFR §\$124.11 and 124.12).

Final Decision Making Process

After the close of the public comment period, EPA will review and consider all comments relevant to the UIC permit and application. A response to comments will be sent to the applicant and each person who has submitted written comments or requested notice of the final permit decision. The response to comments will contain: a response to all significant comments of the draft permit; EPA's final decision; any permit conditions that are changed and the reasons for the changes; and procedures for appealing the decision. The final decision shall be to either Issue or Deny the permit. The final decision shall become effective no sooner than thirty (30) days after the service of the notice of decision. Within thirty (30) days after the final permit decision has been issued, any person who filed comments on the draft permit, participated in any Public Hearing on this matter, or takes issue with any changes in the draft permit, may petition the Environmental Appeals Board to review any condition of the permit decision. Commenters are referred to 40 CFR §124.19 for procedural requirements of the appeal process.

III. Description of the Facility

CSC purchased the facility in 2003, which consists of approximately 60 acres including nine buildings, with the southern 18 acres containing the main plant. Prior to that time, cheese processing operations were conducted by previous owners DeGroot and Sons and Suprema Specialties West, Inc.

The CSC cheese manufacturing facility is not currently generating wastewater and will not be in full operation until manufacturing and wastewater treatment equipment, including the proposed injection well, have been designed and installed. Therefore, minor modifications to the proposed system may be necessary as the design and installation process proceeds.

Wastewater from the CSC plant will be generated during cheese-manufacturing activities, including cheese and whey production and cleaning operations. According to CSC's proposed design, before final discharge to the UIC disposal well, wastewater will pass through a wastewater treatment system, including oil removal, screening, equalization, and filtering. The filtrate will be equalized and will then be pumped into the UIC disposal well. Sanitary wastewater will be treated separately and will not be combined with food-processing wastewater.

The CSC facility will produce mozzarella, provolone, and ricotta cheese. The facility is expected to operate twenty-four hours per day. Design will be for 208 gpm of wastewater injection.

All potential injection wells will be located on property near CSC's facility on South Airport Way in Manteca, California.

IV. Brief Summary of Specific Permit Conditions

In order to protect public health and the environment, the following conditions for injection well construction, corrective action, operation, monitoring and reporting, plugging and abandonment, and financial responsibility have been included in the draft California Specialty Cheese Draft Class I UIC Permit:

Well Construction (Part II, Section A of the Draft Permit)

No injection well drilling, testing, construction, or operation may commence without prior written approval from EPA. Authority to drill and construct any well will not be given until a \$180,000 surety bond with a Standby Trust Agreement (STA) has been posted by CSC and approved by EPA. Well design specifications include a Conductor casing (24 inch diameter) to approximately 40 feet below ground surface (ft bgs), Surface casing (13-3/8 inch diameter) from ground surface to approximately 650 ft bgs, Long String casing (8-5/8 inch diameter) from ground surface to approximately 10 feet below the top of the target injection zone (approximately 2,020 feet for a Miocene Valley Sands formation completion, or approximately 5,245 feet for a Cretaceous 2nd Tracy Sand formation completion) and tubing (4-1/2 inch diameter) from the surface to approximately 1,900 ft bgs for the Miocene sand, or to approximately 5,100 ft bgs for the Cretaceous 2nd Tracy sand completion. The conductor pipe, surface casing, and long string casing are all designed to be cemented to the surface. The injection zone is designed to be under-reamed with installation of a 5.5 inch liner and gravel pack screen. Complete well schematics are included in Appendix B.

EPA will require open-hole logs over the entire open hole sequence, to evaluate USDWs, to directly measure water salinity for the injection zone, and to determine lithology, and porosity for the confining and injection zones.

EPA will require cased-hole logging to evaluate cement bonds after casing is installed, and will require mechanical integrity testing after completion and regularly while operating, to ensure that injection fluid is properly contained.

Corrective Action (Part II, Section B of the Draft Permit)

The applicant completed preliminary calculations of the Zone of Endangering Influence, based on reasonable assumptions and EPA has confirmed that these appear to be within the ½ mile Area of Review. After assumptions are confirmed or replaced by field test data obtained through hydrogeologic testing required under the proposed permit, the ZEI will be recalculated, and if the recalculated ZEI extends beyond the Area of Review, corrective action may be required. Corrective action may include, but is not limited to reentering, plugging, and abandoning any production or exploratory wells which penetrate the injection zone and are located within the permit's Area of Review.

Well Operation (Part II, Section C of the Draft Permit)

Prior to receiving authorization to inject, CSC will conduct mechanical integrity testing, step-rate testing, injection zone parameter testing, a hazardous waste determination of the injectate, and ground water sampling. No hazardous waste may be injected into any of the proposed injection wells. Injectate volume and pressure limitations are proposed to be determined following the testing required under the permit. The permit requires annual mechanical integrity and pressure transient testing to ensure protection of underground sources of drinking water. Mechanical integrity must be demonstrated by means of an annular pressure test in the tubing/casing annulus and an evaluation of cement integrity in the casing/borehole annulus. Formation pressure data will be measured and monitored annually to ensure that pressure buildup is limited to the AOR.

The injection well will be operated so as to not initiate or propagate fractures in the injection formation. A maximum surface injection pressure (pumping pressure) will be calculated based on formation test data.

Monitoring, Record Keeping, and Reporting (Part II, Section D of the Draft Permit)

CSC is required to continuously monitor injection rate, total injection volume, injection pressure, annular pressure, and injection fluid temperature. CSC is required to sample the injectate on a quarterly basis to determine the following: Inorganics (Appropriate USEPA Methods for Major Anions and Cations, including an Anion/Cation balance); Solids (USEPA Methods 160.1 and 160.2 for Total Dissolved Solids and for Total Suspended Solids); General and Physical Parameters (Appropriate USEPA Methods for Turbidity, pH, Conductivity, Hardness, Specific Gravity, Alkilinity, and Biological Oxygen Demand (BOD)); Trace Metals (USEPA Method 200.8); Volatile Organic Cmpounds, or VOCs (USEPA Methods 8010/8020 or 8240); and Semi-VOCs (USEPA Method 8270).

All sampling analyses must be performed at a laboratory approved by EPA. CSC is required to maintain all operational and monitoring records, and to submit quarterly summary reports to EPA.

Well Plugging and Abandonment (Part II, Section E of the Draft Permit)

Upon determination that any injection well regulated by this permit is to be permanently abandoned, CSC would be required to abandon the injection well according to the Plugging and Abandonment Plans in Appendix E. EPA reserves the right to change the manner in which a well will be plugged if the well is modified during its permitted life or if the well is not consistent with EPA requirements for construction or mechanical integrity.

Financial Responsibility (Part II, Section F of the Draft Permit

Authority to drill and construct any well will not be granted until financial resources sufficient to properly close, plug, and abandon the well are posted and approved by EPA. Failure to submit an acceptable financial demonstration will result in the termination of the permit.

Duration of Permit (Part II, Section G of the Draft Permit)

The proposed permit and the authorization to inject would be issued for a period of up to ten (10) years unless terminated under the conditions set forth in Part III, Section B.1 of the proposed permit.