



State of Utah

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Department of
Environmental Quality

Alan Matheson
Executive Director

DIVISION OF WATER QUALITY
Erica Brown Gaddis, PhD
Director

FILE COPY
DWQ-2018-011935^{BLJ}

November 2, 2018

Mr. Robert Cunliffe
Sr. Environmental Engineer
Western Zirconium Plant
Westinghouse Electric Company
10000 West 900 South
Ogden, Utah 84404-9760

Subject: Issuance of Ground Water Discharge Permit UGW570002

Dear Mr. Cunliffe:

The 30-day public comment period closed on October 15, 2018 for draft Ground Water Discharge Permit UGW570002 for Western Zirconium's wastewater lagoons. No comments were received during the comment period. The final Ground Water Discharge Permit and Statement of Basis are enclosed. An invoice is also enclosed for the legislative mandated fee of \$100/hour for 105 hours of staff time preparing the permit (total cost \$10,500). Please remit this fee to Susan Woepfel of the Division of Water Quality.

The Division of Water Quality values your feedback to help us improve the permitting process to better meet your needs. Please go to <http://www.waterquality.utah.gov/> and take a few minutes to complete our customer feedback form (*Give Feedback* on the lower left side of the web page).

If you have any questions or comments about the permit, please contact Mark Novak at mnovak@utah.gov or (801) 536-4358.

Sincerely,

Dan Hall, P.G., Manager
Ground Water Protection Section

DJH/MN/blj

Enclosures (3): 1. Statement of Basis (DWQ-2018-009873)
2. Permit (DWQ-2018-009872)
3. Invoice

cc: Michela Harris, Weber-Morgan Health Department, via email

DWQ-2018-011935

STATE OF UTAH
DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF WATER QUALITY
SALT LAKE CITY, UTAH 84114-4870

Ground Water Discharge Permit
Permit No. UGW570002

In compliance with the provisions of the Utah Water Quality Act, title 19, Chapter 5, Utah Code Annotated 1953, as amended, the Act,

Westinghouse Electric Company LLC
10,000 West 900 South
Ogden, Utah 84404-9760

is granted a Ground Water Quality Discharge Permit for the operation of a facility consisting of wastewater evaporation ponds and a subsurface barrier wall in Weber County, Utah.

The facility is located in the NE $\frac{1}{4}$ of Section 18, T. 6 N., R. 3 W., Salt Lake Base and Meridian.

This permit is based on representations made by the permittee and other information contained in the administrative record. It is the responsibility of the permittee to read and understand all provisions of this permit.

The facility shall be constructed and operated in accordance with the conditions set forth in the ground water discharge permit and the construction permit of May 18, 2012, and the Utah Ground Water Quality Protection Rules (R317-6).

This permit shall become effective on Nov. 1, 2018.

The permit and authorization to operate shall expire on October 31, 2023.



Erica Gaddis
Director

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I. SPECIFIC PERMIT CONDITIONS

A. Ground Water Classification

Based on data from sentry monitoring wells located in uncontaminated ground water around the site, ground water varies naturally from Class II Drinking Water Quality Ground Water to Class IV Saline Ground Water across the Western Zirconium site.

B. Background Ground Water Quality

Based on data gathered before first permit issuance in 2013, background ground water quality in existing sentry monitoring wells (located immediately outside the plume of contaminated ground water) is provided in Table 1. Background levels of additional parameters to be used for compliance monitoring, starting with this permit term (fluoride and thiocyanate as SCN), will be defined after eight samples for these parameters have been taken over the next year. Ground water quality as revealed by the third quarter, 2012 (before the start of barrier wall construction) and third quarter, 2017 monitoring events in monitoring wells located within the contaminated plume is provided in Table 2. Parameters in these tables include contaminants of environmental concern identified in the 2008 Environmental Risk Assessment.

C. Ground Water Protection Levels

Ground water protection levels for uncontaminated sentry monitoring wells are provided in Table 3. Protection levels are defined as the greater of the mean plus two standard deviations from the background monitoring data or potentially harmful contaminant concentrations identified by the 2008 Ecological Risk Assessment. Protection levels for nitrate + nitrite and radium 226 + 228 are the greater of the mean plus 2 times the standard deviation of the background data, or the ground water quality standard from UAC R317-6-2. Because of the variable saline nature of shallow ground water at this site, ground water protection levels will not be established for total dissolved solids.

The intent of compliance monitoring in these wells is to track any expansion of the plume of contaminated ground water in areal extent. If protection levels are exceeded in any sentry well for four consecutive quarterly monitoring events, Western Zirconium shall install a new sentry well in uncontaminated ground water immediately outside of the new plume boundary, if required by the Director after a review of existing data indicates that the contaminant plume has reached the sentry well. The existing contaminated sentry well will continue to be monitored as a plume monitoring well.

Table 1
Background Ground Water Quality in Existing Sentry Monitoring Wells

Well	S4	S5	S6	S7	S9	S10	S11	S12
Parameter								
Ammonia (mg/l)	7.3	5.3	5.9	3.2	3.3	4.9	9.6	3.3
Total Cyanide (mg/l)	0.0031	0.0029	0.0033	0.0043	0.0039	0.0028	0.0024	0.0044
Total Barium (mg/l)	0.15	0.19	0.10	0.24	0.19	0.49	0.16	0.20
Dissolved* Cadmium (mg/l)	0.00006	0.00008	0.00006	0.00006	0.00009	0.00004	0.00023	0.00012
Dissolved* Selenium (mg/l)	0.015	0.010	0.019	0.003	0.002	0.001	0.004	0.001
Dissolved Uranium (mg/l)	0.00048	0.00026	0.00096	0.00387	0.00008	0.00063	0.00062	0.00072
Total Zirconium (mg/l)	0.0048	0.0029	0.0075	0.0035	0.0030	0.0034	0.0153	0.0028
Nitrate +Nitrite (mg/l)	0.07	0.08	0.08	0.04	0.08	0.12	0.06	0.03
Radium 226 + 228 (pCi/l)	2.0	2.3	2.8	0.9	0.9	2.6	3.6	0.9
TDS (mg/l)	8,767	7,333	29,000	1,467	737	3,267	33,833	
pH (units)	8.0	8.1	8.1	8.3	8.1	8.1	7.8	

* Preliminary values based on available data

Table 2
Water Quality in Plume Monitoring Wells in the Third Quarter, 2012 and 2017 Sampling Events

Well Parameter	N1		N2		R1		S2		S3		S8	
	2012	2017	2012	2017	2012	2017	2012	2017	2012	2017	2012	2017
Ammonia	4.4 ¹	0.98 ¹	6.8 ¹	5.3 ¹	4.3 ¹	3.3 ¹	7.5 ¹	5 ¹	9.4 ¹	7.5 ¹	<0.1	2.6 ¹
Total Cyanide	0.026 ¹	0.02	<0.01	<0.0031	0.0046 ¹	0.0032 ¹	0.0056 ¹	0.0053 ¹	<0.01	0.0076 ¹	⁽²⁾	<0.0031
Total Barium	0.29	0.22	0.078	0.088	0.073	0.068	0.11	0.099	0.37	0.59	0.11	0.14
Dissolved Cadmium	0.00024 ¹	<0.00027	<0.001	<0.00027	<0.001	<0.00027	0.00079 ¹	0.0018	<0.00036 ¹	<0.00027	0.0002 ¹	<0.00027
Dissolved Selenium	0.009 ¹	<0.0007	0.019 ¹	<0.0007	<0.0002	<0.002	0.058 ¹	<0.02	0.013	<0.0007	<0.01	<0.0007
Dissolved Uranium	<0.001	0.00024	0.0011	0.0012	0.0003 ¹	0.0002	0.029	0.037	0.00042 ¹	0.00016	0.054	0.02
Total Zirconium	<0.015	<0.0024	<0.015	<0.0024	<0.015	<0.0024	<0.015	<0.0024	<0.015	<0.0024	<0.015	<0.0024
Nitrate & Nitrite	0.03 ¹	0.019 ¹	0.092 ¹	0.038 ¹	<0.1	<0.019	33	53 ¹	0.1	<0.019	22	1.4 ¹
Radium 226 & 228	1.83 ±0.14	0.91	2.03 ±0.15	2.40	2.02 ±0.15	1.80	3.85 ±0.30	4.53	1.91 ±0.16	2.58	2.19 ¹ ±0.18	2.22
TDS	6600	4500	18000	21000	28000	2300	4900	40000	4900	4400	9900	13000
PH	7.76 ¹	7.7 ¹	8.09 ¹	8.1 ¹	7.62 ¹	8 ¹	8.2 ¹	7.5 ¹	8.2 ¹	8.3 ¹	7.47 ¹	7.8 ¹

(a) Estimated quantity

(b) Current data unusable; the analyte may or may not be present.

Table 3
Protection Levels for Existing Sentry Wells
(units in mg/l unless noted otherwise)

Well \ Parameter	S4	S5	S6	S7	S9	S10	S11	S12
Ammonia	9.5	6.9	8.0	4.5	4.2	7.0	11.7	3.7
Nitrate+ Nitrite	10 ²	10 ²	10 ²	10 ²	10 ²	10 ²	10 ²	10 ²
Radium 226+228 (pCi/l)	5.0 ²	5.0 ²	5.0 ²	5.0 ²	5.0 ²	5.6	6.6	5.0 ²
Total Cyanide	0.0087	0.0082	0.0079	0.0078	0.0103	0.0094	0.0051 ¹	0.01
Thiocyanate as SCN	1.15 ³	0.62 ³	1.62 ³	0.89 ³	0.19 ³	1.26 ³	2.47 ³	TBD ³
Fluoride	0.96 ³	1.36 ³	1.34 ³	1.37 ³	1.08 ³	1.22 ³	2.44 ³	TBD ³
PH (units)	6.5-8.5 ²	6.5-8.5 ²	6.5-8.5 ²	6.5-8.5 ²	6.5-8.5 ²	6.5-8.5 ²	6.5-8.5 ²	6.5-8.5 ²

1. Ecological Risk Assessment risk-based protection level
2. Utah Ground Water Quality Standard
3. Preliminary value based on existing data

D. Waste Containment and Discharge Minimization Technology

1. Authorized Discharge

Only wastewater from Western Zirconium's manufacturing process, as described in the permit Statement of Basis, may be discharged into the wastewater evaporation ponds.

2. Waste Containment

Western Zirconium constructed a subsurface barrier wall around the existing wastewater evaporation ponds in accordance with a Division of Water Quality Construction Permit issued May 18, 2012. The subsurface barrier wall has a hydraulic conductivity of 1×10^{-7} cm/sec or less, and will inhibit lateral flow of wastewater that has infiltrated into the subsurface from the existing wastewater evaporation ponds. The barrier wall is keyed into a layer of low-permeability clay identified in previous geotechnical investigations. The low-permeability clay, in combination with the upward hydraulic gradient caused by ground water rising from deeper aquifers, will inhibit vertical flow of wastewater from the ponds.

3. Discharge Minimization Technology

Performance of the wastewater containment system provided by the new subsurface barrier wall, in combination with the underlying clay layer and the upward vertical hydraulic gradient, will be monitored under the provisions of this permit. If a comprehensive review of permit monitoring data indicates that the system is not performing as anticipated, Western Zirconium will be required to develop alternative plans to minimize discharge of wastewater to waters of the state.

This discharge minimization technology is part of Western Zirconium's response to a Notice of Violation and Order issued by the Division of Water Quality in 1999. Ground water at this site has very limited beneficial uses due to its high salinity and low yield to wells; however, the main threat to waters of the state is contamination of surface water at the site by upwelling ground water. The long-term goal of this remedial action is to decrease concentrations of contaminants of concern in surface water to levels identified as harmless to wildlife in Western Zirconium's 2008 Ecological Risk Assessment. These cleanup goals, based on ecological risk and Utah ground water standards, are listed in Table 4. Due to natural background, previous uses of the land, and other factors beyond Western Zirconium's control, some cleanup goals may not be attainable at this site.

Table 4
Cleanup Goals for Surface Water

Parameter	Cleanup Goal	Source
Ammonia, mg/l	0.34	1
Total Cyanide, mg/l	0.0052	2
Total Barium, mg/l	0.004	1
Dissolved Cadmium, mg/l	0.00064	1
Dissolved Selenium, mg/l	0.0046	1
Dissolved Uranium, mg/l	0.0026	1
Total Zirconium, mg/l	0.017	1
Nitrate + Nitrite, mg/l	10	3
Radium 226 + 228, pCi/l	5	3
pH (units)	6.5-8.5	3

Sources for Cleanup Goals:

- 1 Ecological Risk Assessment Mud Flat Area Cleanup Goals (2008)
- 2 Ecological Risk Assessment Cleanup Goal for Free Cyanide
- 3 Utah Ground Water Standards

E. Compliance Monitoring Requirements

1. Purpose and Nature of Compliance Monitoring

The purpose of compliance monitoring for this permit is to monitor the natural attenuation of an existing plume of contaminated ground water, and to monitor the performance of the discharge minimization technology authorized under this permit.

Most ground water discharge permits issued under UAC R317 are for new facilities located over uncontaminated ground water, and compliance monitoring is based on detection of ground water contamination above the permit protection levels. This type of compliance monitoring has limited usefulness in this case. Instead, compliance with the terms of this permit will be based on evaluation of several types of evidence to demonstrate that the site's permitted discharge minimization technology is functioning as anticipated.

Compliance monitoring for the permit will be done under Western Zirconium's "Evaporation Pond Area Ongoing Monitoring Plan" dated August, 2018 and incorporated as Appendix A of this permit. The Plan lists procedures for taking ground and surface water samples, the analytical methods to be used, and their detection limits. Analytical methods listed in the Plan may only be changed with approval by the Director. Analysis of all ground water and surface water samples shall be performed by laboratories certified by the State Health Laboratory. Analytical method detection limits must be equal to or lower than permit protection levels.

2. Compliance Monitoring Points

Several different types of monitoring points will be used to collect data needed to demonstrate that Western Zirconium's discharge minimization technology is performing as anticipated:

- a) Eight sentry monitoring wells (S4, S5, S6, S7, S9, S10, S11 and S12) will be sampled quarterly to monitor any expansion in the area of the plume of contaminated ground water. Analytical results from this sampling will be compared to permit protection levels. Ground water elevations will also be measured in sentry wells. Analytical parameters for all ground water monitoring are listed in Table 1 of Appendix A. Parameters used to define permit compliance will be ammonia, fluoride, nitrate + nitrite, total cyanide, thiocyanate, radium 226 + 228, and field pH. Other parameters listed in Table 6 of Appendix A were identified as parameters of environmental concern in Western Zirconium's 2008 Environmental Risk Assessment, which are unsuitable as wastewater tracers, and are monitored for informational purposes
- b) Plume monitoring wells N1, N2, R1, S2, S3, S8 (existing in 2012) and PW1, PW2, PW3, PW4, PW5, PW6, PW7 and PW8 (constructed with the barrier wall) will be sampled annually in the third quarter for the parameters listed in Table 1 of Appendix A, to monitor trends in contaminant concentrations within the plume of contaminated ground water, for informational purposes. Analytical results from wells existing in 2012 will be compared to the results of the third quarter 2012 monitoring event as listed in Table 2 (conditions before start of barrier wall construction); results from new plume wells will be compared to the first monitoring event from each well. Ground water elevations will also be measured in plume monitoring wells.
- c) Six surface water bodies (SWB-3, SWB-7, SWB-8, SWB-9, SWB-10 and SWB-11) will be sampled quarterly (when water is present) for informational purposes. Parameters for surface water monitoring are the same as the parameters for ground water monitoring listed in Table 6 of Appendix A. The land surface slopes very gently from south to north, so SWBs 3, 9, 10 and 11 are downstream from Western Zirconium's ponds.
- d) Ground water elevations will be measured quarterly at piezometers outside the subsurface barrier (P1, P2, P3, P4, P5, P6, P7, P8, P9, P10, P11, P12, P14, P15, TP2, TP4, TP5, TP6, TP7, TP8, TP9, TP10, TP11, TP12 and TP34); at existing nested piezometers (NP1R, NP2R, NP3, NP4, and NP5); and at twelve sets of paired piezometers installed on either side of the subsurface barrier wall around its perimeter (PP 1 through 12, A and B). Ground water elevations from piezometers and monitoring wells will be used to construct a potentiometric surface contour map. Ground water elevations from nested piezometers will be used to evaluate the vertical hydraulic gradient. Ground water elevations from the paired piezometers will be used to evaluate the effectiveness of the subsurface barrier wall in blocking ground water flow.

Locations of these monitoring points are shown in Figure 2 of Appendix A.

3. Protection of Monitoring Points

All monitoring wells and surface water monitoring sites must be protected from damage or from contamination due to surface spills. They shall be maintained in full operational condition for the life of this permit. Any monitoring point that becomes damaged beyond repair or is rendered unusable by any cause shall be replaced by the permittee within 90 days or as required by the Director.

4. Monitoring Requirements

Sampling of ground and surface water, measurement of ground water elevations, monitoring parameters, frequency and all other monitoring and analytical procedures will conform to the provisions of the August 2018 Evaporation Pond Area Ongoing Monitoring Plan contained in Appendix A, or the most recently-approved version of the monitoring plan.

5. Accelerated Background Monitoring

The permittee shall collect at least eight independent samples over a one-year period from all new sentry monitoring wells and eight quarterly independent samples from all new plume monitoring wells, and analyze them for the parameters listed in the monitoring plan contained in Appendix A. The permittee shall collect samples quarterly in sentry wells for the new monitoring parameters thiocyanate as SCN and fluoride until there are a total of eight samples to define background variability.

F. Reporting Requirements

1. Routine Reporting

The permittee shall submit to the Director quarterly reports of compliance monitoring. The reports shall include the following information:

- a) Field data sheets or copies thereof, including records of measurement of field parameters, and other pertinent data, such as monitoring point name, date and time, names of sampling crew, depth to ground water, type of sampling pump or bailer, calculated casing volume and volume of water purged before sampling.
- b) Copies of lab reports showing the results of analyses of surface and ground water samples required under the monitoring plan in Appendix A, including date sampled, date received and results of analysis for each parameter including: value or concentration, units of measurement, method detection limit for the examination, analytical method and date of analysis. The analytical methods and method detection limits for every parameter must

conform to those in the Evaporation Pond Area Ongoing Monitoring Plan in Appendix A, or the most currently-approved monitoring plan. The report must include error terms and Lower Limit of Detection (LLD) for Radium 226 + 228 analyses and other radiologic analyses, as applicable.

- c) Reports of ground water elevations measured in monitoring wells and piezometers and at the Western Zirconium site, a potentiometric contour map of the water table aquifer generated from these data, and the value of the vertical hydraulic gradient as measured at all nested piezometers required by this permit.
- d) Analytical results of sampling the sentry wells for the parameters required under this permit plotted on a map of the site showing sentry well locations.
- e) Current and all past analytical values for all required monitoring parameters and field measurements for all points required to be monitored that quarter compiled on Excel spreadsheets, one spreadsheet for each monitoring point.
- f) Routine quarterly monitoring shall be reported according to the schedule below, unless modified by the Director.

<u>Monitoring Period</u>	<u>Report Due Date</u>
Jan., Feb., March	May 1
Apr., May, June	August 1
July, Aug., Sept.	November 1
Oct., Nov., Dec.	February 1

2. Other Reporting

- a) When background monitoring has been completed for any new sentry well, the permittee shall submit an Excel spreadsheet listing all the background monitoring data for that particular well. The report may be submitted as part of a regular quarterly monitoring report.
- b) Any new construction or modification to facilities covered under this permit or used for monitoring under this permit shall be reported in the next regular quarterly monitoring report.
- c) Any exceedance of permit protection levels in a sentry monitoring well shall be reported in the next regular quarterly monitoring report.

3. Electronic Filing Requirements

Quarterly monitoring reports will be submitted electronically to the Division of Water Quality electronic submissions portal at:

<https://deq.utah.gov/water-quality/water-quality-electronic-submissions>

G. Expansion of Plume Area and Noncompliance Status

1. Expansion of Plume Area Revealed by Protection Level Exceedance

If permit protection levels are exceeded in any sentry monitoring well for four consecutive quarters, the permittee shall locate and construct a new sentry well immediately outside the new boundary of the plume of contaminated ground water if required by the Director after a review of existing data indicates that the contaminant plume has reached the sentry well, and upon completion of well development, begin accelerated monitoring procedures according to Part I.E.5, above. The replaced existing sentry well shall be monitored as a plume well according to Part I.E.2.b) above. Before formal protection levels are designated for thiocyanate as SCN and fluoride, this standard shall not apply to those parameters.

2. Noncompliance Status

If, after a review of quarterly monitoring data, including but not limited to ground water elevations, contaminant concentration trends in plume and sentry monitoring wells, and contaminant concentrations in surface water, the Director concludes that Western Zirconium's discharge minimization technology is not functioning as designed, the Division of Water Quality shall notify Western Zirconium of the noncompliance status based on the monitoring results for that quarter.

After four consecutive quarters of notified noncompliance status, the Director shall require Western Zirconium to submit a plan within 180 days to determine the source of the noncompliance and bring the facility back into compliance. The goal for this plan shall be to minimize discharge of contaminants to the subsurface and the eventual reduction of surface water contamination to contaminant levels equal to or below the cleanup goals identified in the 2008 Ecological Risk Assessment.

H. Compliance Schedule

1. Monitoring Well As-Built Report

If new monitoring well construction is required, the permittee shall submit a report on the well construction, including surveyed location, elevation of water level measuring point, well construction and screening detail and a log of the geologic materials encountered during drilling. The report is due within 30 days of well completion.

2. Existing North Surface Water Barriers Evaluation

Within one year of permit renewal, Western Zirconium shall report to DWQ on the existing surface barriers on the north side of its property, which are intended to limit surface water flow from the property. The report shall evaluate the water quality in surface water north of the barriers, and also on the efficacy of the barriers

in limiting surface water flow and ground water flow paths. The report shall propose methods to improve the effectiveness of these barriers if necessary. Construction activities on these improvements will begin after DWQ approval and obtaining a Construction Permit from DWQ and any other necessary permits.

II. REPORTING REQUIREMENTS

A. REPRESENTATIVE SAMPLING

Samples taken in compliance with the monitoring requirements established under Part II shall be representative of the monitored activity.

B. ANALYTICAL PROCEDURES

Water sample analysis must be conducted according to test procedures specified under UAC R317-6-6.3L, unless other test procedures have been specified in this permit.

C. PENALTIES FOR TAMPERING

The Act provides that any person who falsifies, tampers with, or knowingly renders inaccurate, any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than six months per violation, or by both.

D. REPORTING OF MONITORING RESULTS

Monitoring results obtained during each quarterly reporting period specified in the permit, shall be submitted to the Director of the Utah Division of Water Quality at the following address according to the schedule in Part I.F.1(e):

State of Utah
Division of Water Quality
P.O. Box 144870
Salt Lake City, Utah 84114-4870
Attention: Mark Novak - Ground Water Protection Program

The due dates for reporting are defined in Part II.G of this permit.

E. COMPLIANCE SCHEDULES

Reports of compliance or noncompliance with, or any progress reports on interim and final requirements contained in any Compliance Schedule of this permit shall be submitted no later than 14 days following each schedule date.

F. ADDITIONAL MONITORING BY THE PERMITTEE

If the permittee monitors any pollutant at a compliance monitoring point more frequently than required by this permit, using approved test procedures as specified in this permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted. Such increased frequency shall also be indicated.

G. RECORDS CONTENTS.

1. Records of monitoring information shall include:
 - a) The date, exact place, and time of sampling or measurements:
 - b) The individual(s) who performed the sampling or measurements;

- c) The date(s) and time(s) analyses were performed;
- d) The name of the certified laboratory which performed the analyses;
- e) The analytical techniques or methods used; and,
- f) The results of such analyses.

H. RETENTION OF RECORDS

The permittee shall retain records of all monitoring information, including all calibration and maintenance records and copies of all reports required by this permit, and records of all data used to complete the application for this permit, for a period of at least five years from the date of the sample, measurement, report or application. This period may be extended by request of the Director at any time.

I. NOTICE OF NONCOMPLIANCE REPORTING

1. The permittee shall verbally report any noncompliance which may endanger public health or the environment as soon as possible, but no later than 24 hours from the time the permittee first became aware of the circumstances. The report shall be made to the Utah Department of Environmental Quality 24 hour number, (801) 536-4123, or to the Division of Water Quality, Ground Water Protection Section at (801) 536-4300, during normal business hours (Monday thru Friday 8:00 am - 5:00 pm Mountain Time).
2. A written submission shall also be provided to the Director within five days of the time that the permittee becomes aware of the circumstances. The written submission shall contain:
 - a) A description of the noncompliance and its cause;
 - b) The period of noncompliance, including exact dates and times;
 - c) The estimated time noncompliance is expected to continue if it has not been corrected; and,
 - d) Steps taken or planned to reduce, eliminate, and prevent reoccurrence of the noncompliance.
3. Reports shall be submitted to the addresses in Part II.D, Reporting of Monitoring Results.

J. OTHER NONCOMPLIANCE REPORTING

Instances of noncompliance not required to be reported within 5 days, shall be reported at the time that monitoring reports for Part II.D are submitted.

K. INSPECTION AND ENTRY

The permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

1. Enter upon the permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of the permit;

2. Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;
3. Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and,
4. Sample or monitor at reasonable times, for the purpose of assuring permit compliance or as otherwise authorized by the Act, any substances or parameters at any location.

III. COMPLIANCE RESPONSIBILITIES

A. DUTY TO COMPLY

The permittee must comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application. The permittee shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

B. PENALTIES FOR VIOLATIONS OF PERMIT CONDITIONS

The Act provides that any person who violates a permit condition implementing provisions of the Act is subject to a civil penalty not to exceed \$10,000 per day of such violation. Any person who willfully or negligently violates permit conditions is subject to a fine not exceeding \$25,000 per day of violation. Any person convicted under Section 19-5-115(2) of the Act a second time shall be punished by a fine not exceeding \$50,000 per day. Nothing in this permit shall be construed to relieve the permittee of the civil or criminal penalties for noncompliance.

C. NEED TO HALT OR REDUCE ACTIVITY NOT A DEFENSE

It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

D. DUTY TO MITIGATE

The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit which has a reasonable likelihood of adversely affecting human health or the environment.

E. PROPER OPERATION AND MAINTENANCE

The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance also includes adequate laboratory controls and quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems which are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit.

IV. GENERAL REQUIREMENTS

A. PLANNED CHANGES

The permittee shall give notice to the Director as soon as possible of any planned physical alterations or additions to the permitted facility which could significantly change the nature of the facility or increase the quantity of pollutants discharged.

B. ANTICIPATED NONCOMPLIANCE

The permittee shall give advance notice of any planned changes in the permitted facility or activity which is anticipated may result in noncompliance with permit requirements.

C. PERMIT ACTIONS

This permit may be modified, revoked and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

D. DUTY TO REAPPLY

If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for and obtain a new permit. The application should be submitted at least 180 days before the expiration date of this permit.

E. DUTY TO PROVIDE INFORMATION

The permittee shall furnish to the Director, within a reasonable time, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.

F. OTHER INFORMATION

When the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or any report to the Director, it shall promptly submit such facts or information.

G. SIGNATORY REQUIREMENTS

All applications, reports or information submitted to the Director shall be signed and certified.

1. All permit applications shall be signed as follows:

- a) For a corporation: by a responsible corporate officer;
- b) For a partnership or sole proprietorship: by a general partner or the

proprietor, respectively.

- c) For a municipality, State, Federal, or other public agency: by either a principal executive officer or ranking elected official.
2. All reports required by the permit and other information requested by the Director shall be signed by a person described above or by a duly authorized representative of that person. A person is a duly authorized representative only if:
 - a) The authorization is made in writing by a person described above and submitted to the Director, and,
 - b) The authorization specified either an individual or a position having responsibility for the overall operation of the regulated facility or activity, such as the position of plant manager, operator of a well or a well field, superintendent, position of equivalent responsibility, or an individual or position having overall responsibility for environmental matters for the company. (A duly authorized representative may thus be either a named individual or any individual occupying a named position.)
 3. Changes to Authorization. If an authorization under Part IV.G.2 is no longer accurate because a different individual or position has responsibility for the overall operation of the facility, a new authorization satisfying the requirements of Part IV.G.2 must be submitted to the Director prior to or together with any reports, information, or applications to be signed by an authorized representative.
 4. Certification. Any person signing a document under this section shall make the following certification:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

H. PENALTIES FOR FALSIFICATION OF REPORTS

The Act provides that any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than six months per violation, or by both.

I. AVAILABILITY OF REPORTS

Except for data determined to be confidential by the permittee, all reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Director. As required by the Act, permit applications, permits, effluent data, and ground water quality data shall not be considered confidential.

J. PROPERTY RIGHTS

The issuance of this permit does not convey any property rights of any sort, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations.

K. SEVERABILITY

The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.

L. TRANSFERS

This permit may be automatically transferred to a new permittee if:

1. The current permittee notifies the Director at least 30 days in advance of the proposed transfer date;
2. The notice includes a written agreement between the existing and new permittee containing a specific date for transfer of permit responsibility, coverage, and liability between them; and,
3. The Director does not notify the existing permittee and the proposed new permittee of his or her intent to modify, or revoke and reissue the permit. If this notice is not received, the transfer is effective on the date specified in the agreement mentioned in paragraph 2 above.

M. STATE LAWS

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, penalties established pursuant to any applicable state law or regulation under authority preserved by Section 19-5-117 of the Act.

N. REOPENER PROVISIONS

This permit may be reopened and modified (following proper administrative procedures) to include the appropriate limitations and compliance schedule, if necessary, if one or more of the following events occurs:

1. If new ground water standards are adopted by the Board, the permit may be reopened and modified to extend the terms of the permit or to include pollutants

covered by new standards. The permittee may apply for a variance under the conditions outlined in R317-6.4(D)

2. Changes have been determined in background ground water quality.

GROUND WATER QUALITY DISCHARGE PERMIT UGW570002

STATEMENT OF BASIS

Western Zirconium
Wastewater Evaporation Ponds
12 Miles West of Ogden, Utah

Introduction

The Division of Water Quality (DWQ) under the authority of the Utah Ground Water Quality Protection Rules ¹(Ground Water Rules) issues ground water discharge permits to facilities which have a potential to discharge contaminants to ground water². As defined by the Ground Water Rules, such facilities include mining operations. ³The Ground Water Rules are based on an anti-degradation strategy for ground water protection as opposed to non-degradation; therefore, discharge of contaminants to ground water may be allowed provided that current and future beneficial uses of the ground water are not impaired and the other requirements of Rule 317-6-6.4.A are met.⁴ Following this strategy, ground water is divided into classes based on its quality⁵; and higher-quality ground water is given greater protection⁶ due to the greater potential for beneficial uses.

DWQ has developed permit conditions consistent with R317-6 and appropriate to the nature of the mined materials, facility operations, maintenance, best available technology⁷ (BAT) and the hydrogeologic and climatic conditions of the site, to ensure that the operation would not contaminate ground water.

Basis for Permit Renewal

This Permit is being renewed in accordance with R317-6-6.8 which states that a permit may be terminated or a renewal denied if any one of the four items below applies:

- A. Noncompliance by the permittee with any condition of the Permit where the permittee has failed to take appropriate action in a timely manner to remedy the Permit violation;
- B. The permittee's failure in the application or during the Permit approval process to disclose fully all significant relevant facts at any time;
- C. A determination that the permitted facility endangers human health or the environment and can only be regulated to acceptable levels by plan modification or termination; or

¹ Utah Admin. Code Rule 317-6

² https://deq.utah.gov/ProgramsServices/programs/water/groundwater/docs/2008/08Aug/GWQP_PermitInfo.pdf

³ Utah Admin Code Rule 317-6-6.1A

⁴ Preamble to the Ground Water Quality Protection Regulations of the State of Utah, sec. 2.1, August, 1989

⁵ Utah Admin. Code Rule 317-6-3

⁶ Utah Admin. Code Rule 317-6-4

⁷ Utah Admin. Code Rule 317-6-1(1.3)

D. The permittee requests termination of the Permit.

Description of Facility

Western Zirconium is an operating unit of the Nuclear Fuels Business Unit of Westinghouse Electric Company. The facility is located at the eastern base of Little Mountain, approximately 12 miles west of Ogden, Utah. The total Western Zirconium site encompasses 1,100 acres of land. Wastewater evaporation ponds cover approximately 110 acres of the site. The Western Zirconium's wastewater evaporation ponds qualified as an existing facility under the Utah Ground Water Protection Regulations, and a ground water discharge permit was not required until construction of new containment facilities in 2013.

Western Zirconium extracts zirconium and hafnium metals from raw materials, and then fabricates these metals into products used primarily by the nuclear fuels industry. The plant process can be divided into three sections; 1) Extraction, 2) Reduction/Melting, and 3) Fabrication.

1. Extraction

The extraction portion of the process produces pure zirconium chloride from the starting raw material, zirconium oxychloride crystals. The first step is to dissolve zirconium oxychloride crystals in water to produce a zirconyl chloride solution. At this point the zirconyl chloride solution contains approximately 10% hafnium, an element that is considered an impurity in zirconium products. The hafnium content must be reduced to below 25 ppm in order for zirconium to be suitable for nuclear use. The zirconium and hafnium are separated in the second step of the extraction process.

In the next step of the extraction process the zirconyl chloride solution, containing significant hafnium, is processed through a multi-stage liquid chemical separation process which utilizes methyl iso-butyl ketone (MiBK), ammonia, nitric acid, and sulfuric acid to separate the zirconium and hafnium. The zirconium, which now exists as a sulfate, is fed into a rotary kiln which produces a zirconium oxide powder which becomes the feed for the final extraction step, Chlorination.

In the chlorination step, zirconium oxide is combined with chlorine gas in a fluidized reactor at high temperature to produce zirconium tetrachloride, which becomes the starting raw material feed for the Reduction/Melting portion of the Western Zirconium process.

Four aqueous waste streams are produced in the extraction process and are eventually sent to the evaporation/holding ponds. The first stream is produced in the separation step and contains ammonia chloride, zirconium, hafnium, and methyl isobutyl ketone (MiBK). This stream is first sent to an elementary neutralization station where pH correction is made utilizing liquid ammonia prior to entering the Plant Ammonia Drain (PAD) and eventual discharge into either Ammonia Chloride pond #1 or #2 (A1, A2). The second stream is produced by the air pollution control equipment scrubbing the offgas of the

rotary kiln where zirconium sulfate is changed to zirconium oxide. This stream is a sodium sulfate solution that is discharged through the Plant Upset Drain (PUD) to either Ammonia Chloride pond #1 or #2 (A1, A2). The third and fourth aqueous waste streams are produced from the air pollution control equipment scrubbing offgas from the chlorine fluidized reactors. The first of the scrubbers use water to remove zirconium particulate from the offgas and this stream is sent to an elementary neutralization unit where the pH is adjusted using lime. This stream is then discharged through the Plant Calcium Drain (PCD) to evaporation/holding ponds Calcium Chloride #1 and #2 (C1, C2). The second scrubbers use sodium hydroxide to remove residual chlorine from the offgas stream. This aqueous sodium hypochlorite stream is discharged through the Plant Sulfate Drain (PSD) to the Sodium Chloride Pond (S1).

2. Reduction/Melting

In the reduction process, zirconium tetrachloride powder from the separation process is placed in a vessel with magnesium metal. The vessel is then heated until the magnesium melts and the zirconium powder turns into a gas. A reaction then occurs where the chlorine is transferred from the zirconium to the magnesium producing zirconium metal and magnesium chloride salt. This zirconium metal is then melted into ingots to serve as the raw material for the fabrication process.

Offgas from the reduction vessels is scrubbed with water to remove zirconium particulate. The effluent from the scrubbers is first sent to the lime elementary neutralization unit for pH adjustment and then discharged through the PCD drain to evaporation/holding Ponds C1 and C2.

3. Fabrication

The fabrication process takes the zirconium ingots produced by the reduction/melting process and fabricates them into tubes, sheets, and wire for sale in the nuclear power generating industry. Standard metal fabrication processes of forging, extrusion, rolling and wire draw are utilized. Water quenching of heated zirconium as well as acid pickling utilizing nitric and hydrofluoric acid is also performed. Aqueous waste streams from the quenching, pickling, and particulate scrubbers are sent to the lime elementary neutralization unit before being discharged to ponds C1 and C2.

4. Additional Discharges

Additional materials, such as debris, soils and ground and surface water contaminated by Western Zirconium's process, and that have characterized through applicable investigations, may be placed inside the subsurface barrier wall if authorized by DWQ and any other relevant regulatory agency.

Characteristics of Wastewater

All industrial waste water at the plant is presently neutralized and transferred to one of the six operational ponds in the pond system. The operational pond system (shown in Figure 2 of the Evaporation Pond Area Ongoing Monitoring Plan) consists of two Ammonium Chloride Ponds (A1 and A2), two Calcium Chloride Ponds (C1 and C2), one sodium Chloride Pond (S1), and an emergency or upset pond (U1). Ponds C1 and C2 receive waste waters from the Chlorination, Reduction, and Fabrication processes. Ponds A1 and A2 receive waste water from the Separation Department. Pond S1 receives waste water from the Chlorination process caustic scrubber and blow down from the plant cooling towers. Pond U1 presently does not receive any direct discharges. However, liquid from the other evaporation ponds can be transferred to this pond if additional holding/evaporation space is needed. Wastewater may also be sent to other ponds as well. Wastewater discharges from other manufacturing processes, equipment wash-downs and cleaning operations are also sent to the wastewater ponds.

The average daily discharge to the ponds is 166,900 gallons per day (gpd). The largest amount of effluent comes from the Plant Calcium Drain (PCD) which discharges on average 127,072 gpd to ponds C1 and C2. The largest constituents of this effluent stream are calcium chloride salt, nitrate-nitrite, and fluoride. There are also trace amounts of zirconium and hafnium metal, radionuclides, and some trace organics from the chlorination process. The Plant Ammonia Drain (PAD) discharges on average 28,942 gpd to ponds A1 and A2. The largest constituents of this effluent stream are ammonium chloride salt, zirconium and hafnium, and trace amounts of methyl iso-butyl ketone (MiBK). The Plant Sulfide Drain (PSD) discharges on average 9768 gpd to the S1 pond. The largest constituent of this effluent stream is sodium hypochlorite (bleach) from the caustic scrubbing of chlorine gas by the chlorination scrubbers. This drain also receives blow down from the plant cooling towers.

The ponds were sampled from 2002 to 2004. The analytical data is summarized in DWQ's files. Only minor changes have occurred to the plant's process since that time, and pond constituents should not have changed since that sampling. Note that effluent is transferred among ponds during the year to keep a constant level across the ponds to promote evaporation.

Description of Hydrogeology

The Western Zirconium site is located in western Weber County, in a salt flats area near the shore of the Great Salt Lake and at the eastern foot of Little Mountain, an isolated hill composed of Precambrian bedrock. Little Mountain is almost certainly the surface expression of a Basin and Range fault block, and there are indications that a concealed fault occurs in the subsurface along its eastern base, adjacent to the Western Zirconium site.

In a hydrogeologic sense, the site is part of the East Shore area of the Great Salt Lake. Like most areas along the Wasatch Front, ground water flow is controlled by geologic structure, elevation differences between recharge and discharge areas, and stratigraphy of the thick valley-fill sediments that underlie the East Shore area. Ground water recharge

takes place primarily in areas of higher elevation in the Wasatch Mountains and particularly in the coarse-grained sediments that underlie the bench areas at the foot of the mountains. Low-lying areas to the west of the mountain front are underlain by generally fine-grained lake sediments of low permeability. However, coarse-grained alluvial deposits were deposited underneath the lake sediments and they extend far to the west of the mountain front. These coarse-grained sedimentary layers are contiguous with, and at lower elevation than, the coarse-grained mountain front deposits. As a result, they form confined aquifers in the East Shore area that are under artesian pressure because of the higher elevation of the recharge areas. In much of western Weber County, two main confined aquifers are recognized, the Sunset Aquifer and the underlying Delta Aquifer. Near the Great Salt Lake, the aquifers are composed of thin alternating layers of silt, clay and sand, and are difficult to differentiate. (Clark, et. al., 1990)

The ground water affected by the facility is a shallow, unconfined aquifer contained in the fine-grained lake sediments immediately underlying the evaporation ponds. The sources of the ground water in this aquifer are upward leakage from deeper confined aquifers, infiltration of precipitation and possibly recharge from Little Mountain. Ground water at the site occurs at depths ranging from 0 to 20 feet below ground surface. Ground water from the shallow unconfined aquifer is not used due to its high dissolved solids concentration, poor quality and low yield. (Western Zirconium RFI Phase I Report, 2003) Ground water elevations are higher on the western side of the site, near Little Mountain, possibly from enhanced upward flow from deeper confined aquifers due to the concealed fault in the subsurface along the base of Little Mountain. Leakage from the evaporation ponds resulted in a ground water mound centered on the ponds, which is documented in potentiometric contour maps contained in Western Zirconium's quarterly monitoring reports. Since construction of the subsurface barrier wall, the mound has diminished.

Ground water movement in the fine-grained sediments of the shallow unconfined aquifer is very slow, as seen by the fact that significant contamination has not reached the "sentry" monitor wells located approximately 700 to 1000 feet from the perimeter of the evaporation ponds after over thirty years of pond operation. However, because the water table is very shallow and intersects the land surface at times, the shallow ground water can discharge to and become surface water in the salt flats environment east of the plant site. Partial erosion of the sedimentary surface east of Little Mountain has produced knob-and-swale topography. The swales were former erosional channels that have been modified by construction of the wastewater ponds, embankments and other features at the plant site. These swales often hold surface water bodies, particularly during the colder part of the year. The main source of the surface water is storm runoff and snowmelt, but water quality has been affected by upwelling shallow ground water and possibly by leaching from contaminated soils. Overland flow of contaminated surface water is the dominant contaminant migration pathway to areas away from the ponds. (Western Zirconium Phase II RFI Report, 2004). This contaminated surface water may also recharge shallow ground water at locations far away from the ponds.

Because of the limited usefulness of shallow ground water at the site, the primary threat posed by Western Zirconium's wastewater evaporation ponds to waters of the state is the discharge of contaminated surface water to the Great Salt Lake ecosystem.

Discharge Minimization Technology

The existing evaporation ponds were constructed in the late 1970s and early 1980s, under a Construction Permit issued on June 22, 1978 by the Bureau of Water Pollution Control. As such, they are considered "existing facilities" under the Utah Ground Water Protection Regulations, adopted in 1990. Initially, the first ponds had flexible membrane liners (FMLs) installed to line the ponds, but because of upwelling ground water under the site, large bubbles or "whales" formed under the FMLs and the liners had to be removed. The existing ponds were constructed by building 12 foot high dikes upon the existing ground surface forming the ponds. The ponds are surrounded by a dike system that is mostly composed of silty sands and gravels, and with a gravel-surfaced road with little if any surface vegetation. The dike crest ranges from a minimum width of about 12 feet to a maximum width of about 16 feet. The original pond drawings and specifications called for 1 to 2 feet of compacted impervious silt to line the bottom of the ponds and to extend to form the body of the dikes. A 3 foot wide cutoff trench constructed of the same material was to extend from the bottom of the dike into the existing gumbo clays underlying the dike.

Since 1992, monitor wells located adjacent to the ponds have shown significantly elevated levels of ammonia, radium and other constituents found in the pond water. As a result of this, on June 14, 1999 the Division of Water Quality issued a Notice of Violation and Order to Western Zirconium. The Order required Western Zirconium to conduct a Contaminant Investigation, according to the provisions of UAC R317-6-6.15(D), and to repair the pond and liner to come into compliance with UCA 19-5-107(2) and the 1978 Construction Permit.

After investigation and consideration of alternatives, Western Zirconium proposed a subsurface barrier wall surrounding the evaporation ponds to minimize discharge to ground and surface water. In combination with a low-permeability clay layer underneath the ponds, this wall should significantly cut off subsurface flow of wastewater from the ponds. Existing contamination outside the wall should decrease by natural attenuation over time. This subsurface barrier is classified as a new facility under the Ground Water Protection Regulations, and this ground water discharge permit was first issued to construct and operate it. DWQ issued a Construction Permit for the subsurface barrier on May 18, 2012. Construction of the barrier began in October, 2012 after Western Zirconium received approval from the Army Corps of Engineers to fill wetlands in the project area.

The composite subsurface barrier wall was constructed to have hydraulic conductivity of 1×10^{-7} cm/sec or less, and it surrounds the evaporation ponds to cut off horizontal flow of wastewater that could impact shallow ground water and surface water. Western Zirconium's site investigations documented the presence of low-permeability clay layers

underneath the pond site. (WZ Phase I RFI Report, Sec. 6, Figures 6-1 and 6-2, 2003; WZ Phase II RFI Report, Sec. 2, Figures 2-2 through 2-3, 2004) This low-permeable layer inhibits vertical subsurface flow from the evaporation ponds.

New structures constructed as part of this wastewater containment system include a 10,800 foot long, 40 foot wide work pad, the composite subsurface barrier wall, a new dike system and access road surrounding the evaporation ponds. There is sufficient volume in the space between the new dike and existing pond dikes to provide for secondary containment in the event of a pond dike breach.

Soil improvement was done under the work pad to provide seismic foundation support for the new exterior dike and wall that are underlain by liquefiable soils. The soil improvement consisted of shallow soil-cement mixing where a Portland Cement grout was injected underneath the working pad and mixed with the native soils to a depth of approximately 3 to 5 feet.

Following installation of the work pad, the composite barrier wall was installed using slurry trench technology. A 3-foot wide slurry trench was excavated through the work pad and underlying soils. The trench was kept full of slurry during the entire excavation operation to maintain trench stability. The slurry trench was extended through a minimum of 10 feet to low-permeability soils that underlie the pond area. The trench bottom ranged from an elevation of 4180 to 4200 feet above mean sea level (msl), corresponding to a depth of between 15 and 40 feet below the then-existing ground surface, averaging 25 feet.

Excavated soils were placed on the work pad and mixed with the slurry and sepiolite clay to produce a low permeability backfill. The backfill was placed back into the trench in a controlled fashion to displace the slurry and produce a continuous barrier around the evaporation ponds. Following backfill placement, interlocking high density polyethylene (HDPE) sheet piles were inserted through the soil-sepiolite backfill. The HDPE sheeting extends above the former work pad surface is incorporated into the new dike section, providing containment of any seepage or ponded water to elevation 4219 feet above msl. This composite barrier wall construction has been shown to meet long-term permeability requirements when subjected to the contaminated pond water.

Following barrier wall installation, a new dike was constructed along the alignment to elevation 4220 feet above msl, providing 1 foot of freeboard above the elevation 4219 barrier wall. The average height of the dike is about 5 feet above ground surface, and a 10-foot wide access road was constructed along its exterior. The interior side of the dike consists of select low-permeability core material placed and compacted against the HDPE sheet pile to protect above-grade portions of the sheet pile and maintain composite construction similar to that installed in the slurry trench. The exterior of the dike consists of compacted granular soils with erosion protection rock on the inboard (pond) side. The dike provides 48 acre-feet of spill containment in the event of a breach of a pond dike, meeting state Dam Safety regulations.

Surface water that has been affected by surfacing shallow ground water flows northward from the evaporation pond site in two swales that are impounded against a railroad grade to form surface water bodies, designated SWB-3 and SWB-9. To prevent contaminated surface water from flowing off the property, Western Zirconium has expanded the on-site storm water ponds. Contaminated ground water can still flow under the railroad grade, but this will be at a much slower rate than surface water flow.

Basis for Permit Issuance

Ground water contamination has already occurred at this site and the permitted facilities are intended to cut off the source of the contamination. Compliance with permit conditions will be demonstrated through monitored natural attenuation in the site's ground water, and no contamination in surface water off of Western Zirconium's property boundary that poses a risk to the Great Salt Lake ecosystem. The compliance monitoring plan is contained in the document "Evaporation Pond Area Ongoing Monitoring Plan", dated August, 2018, which is attached as Appendix A to the permit.

After completion of the barrier wall, if discharge of wastewater from the evaporation ponds to the subsurface has been effectively cut off, several changes should be observed in the ground water surrounding the ponds. The existing ground water mound should dissipate, and ground water elevations outside the barrier wall should drop compared to ground water elevations within the area enclosed by the wall. Contaminant concentrations within the existing plume of contaminated ground water should decrease. It may still be possible that the plume boundary could expand outward, but by itself, that would not demonstrate that the contaminant source has not been cut off. Also, because of the very low permeability of the sediments surrounding the evaporation ponds, any changes caused by the cutoff wall may happen very slowly.

This permit is founded on the concept that Western Zirconium has constructed a barrier wall that effectively isolates the evaporation ponds from the surrounding ground and surface water. To demonstrate that the barrier wall is functioning as designed, it will be necessary to review different types of monitoring data from many different points, and get an idea of site-wide conditions. Because of this, permit compliance will not be tied to numeric levels of contaminant concentrations or ground water elevations, but rather on a review of all relevant data needed to demonstrate barrier wall effectiveness.

Western Zirconium has constructed "sentry" monitor wells in uncontaminated ground water immediately outside of the plume of contaminated ground water. Ground water protection levels have been determined for these wells based on past monitoring data. Other monitoring wells ("plume wells") are constructed within the plume.

Under anticipated conditions after the source of ground water contamination has been cut off, contaminated ground water may still migrate to the sites of the sentry wells and affect the water chemistry observed in them. Therefore, if monitoring reveals that contaminated water from the wastewater ponds has influenced one of these wells for longer than four consecutive quarterly monitoring events, Western Zirconium shall enter into discussion

with DWQ as to whether the contaminant plume has reached the sentry well in question. If this has happened, DWQ will require Western Zirconium to locate and construct a new sentry monitoring well in uncontaminated ground water as close as practical to the contaminated sentry well. This will monitor any expansion of the contaminated ground water plume, and the old sentry well will continue to be monitored as a plume well. Contamination of a sentry well will not be considered noncompliance with permit conditions, as long as the well is replaced in a timely fashion.

The following sources of information shall be monitored under this permit, and taken into consideration to determine whether Western Zirconium's subsurface barrier wall is performing in such a way as to minimize further releases of process water from the evaporation ponds:

1. Ground water elevation data from paired piezometers on either side of the subsurface barrier should eventually show significantly higher ground water static levels inside the area enclosed by the barrier wall as compared to the levels outside the barrier. Ground water elevations within the existing ground water mound outside the barrier should become lower over time.
2. Levels of contaminant concentrations in plume monitor wells should decrease over time in general, although levels in some wells may increase temporarily due to migration of existing contaminated ground water.
3. Monitored surface water bodies, particularly those north of the evaporation ponds, should show results that are consistent with the source of contaminants being cut off by the subsurface barrier. Existing contaminated surface water bodies on Western Zirconium's property should show a decrease in levels of contaminants associated with the wastewater.
4. Monitoring of sentry wells shows no significant increase in the areal extent of the existing plume of contaminated ground water.

To evaluate effectiveness of the subsurface barrier wall and natural attenuation of the existing ground and surface water contamination, monitoring required in the first permit term included quarterly sampling of sentry monitor wells, semi-annual sampling of surface water sampling points, annual sampling of plume monitor wells and quarterly collection of ground water elevation data from the monitor wells and also from piezometers associated with the barrier wall.

The 2008 Ecological Risk Assessment identified concentrations of several parameters in surface water that would pose minimal risk for the ecology of the mud flats area where the evaporation ponds are located. These parameters include ammonia, total cyanide, total barium, dissolved cadmium, dissolved selenium, dissolved uranium, total zirconium, nitrate + nitrite, radium 226 + 228, total dissolved solids and pH. The first version of this permit tied ground water protection levels to these concentrations, under the assumption that shallow ground water would recharge surface water in the mudflats area under the prevailing upward hydraulic gradient. However, not all of these parameters are present in high concentrations in Western Zirconium's wastewater, and not all of them

are conservative tracers that would be the best indicators of wastewater migrating in the subsurface. Barium, one of these compliance parameters, exceeded its protection level in sentry well S5 starting in the third quarter of 2014. Subsequent investigation [1] revealed that barium is not particularly concentrated in Western Zirconium's wastewater, and the observed changes in its concentration were due to changes in the ground water flow system. Protection level exceedances for some other compounds related to ecological risk may not be related to leakage of wastewater or contaminant plume expansion, and may be difficult to investigate and explain. In this permit version, compliance parameters will be used that would be directly related to plume expansion, and would not be retarded in their movement in ground water by interaction with the aquifer matrix. These parameters are at high concentrations in the wastewater or at low or undetectable concentrations in the uncontaminated ground water, and would serve as best possible indicators of plume expansion. Compliance parameters will be ammonia, fluoride, nitrate + nitrite, total cyanide, thiocyanate as SCN, radium 226 + 228, and field pH. Monitoring for the Contaminants of Ecological Concern (COEC) parameters of total barium, dissolved cadmium, dissolved selenium, dissolved uranium, and total zirconium will be done semiannually, but these parameters will be monitored for informational purposes only, and will not be used to evaluate permit compliance. Total dissolved solids and field eH will be monitored quarterly, for informational purposes

Monitoring Results During the Previous Permit Term

Ground water elevation measurements in the paired piezometers on either side of the subsurface barrier wall have shown consistently higher static ground water levels within the area enclosed by the barrier wall, except on the western side where ground water coming from the higher elevations of Little Mountain impinges on the barrier.[Paired Piezometer Data Compilation] These measurements are consistent with containment of wastewater provided by the combination of the subsurface barrier wall and the low-permeability clay layer underlying the wastewater evaporation ponds.

Contaminant levels in plume wells have not risen significantly since 2013. [Permit Table 2] This is consistent with no significant additional release of contaminants to ground water.

For the most part, contaminant levels in sentry wells remained below their protection levels. [Sentry Well Data Compilation] Well S5 was out of compliance for barium, as described above. Well S12 had four quarters out of compliance for ammonia as of the first quarter, 2018, and Western Zirconium is currently investigating whether these levels are due to influence from wastewater. No sentry wells have been replaced according to permit conditions since the permit was first issued in 2013. In general, monitoring of sentry wells is consistent with no significant increase in the area of the plume of contaminated ground water.

Surface water sampling in the six water bodies sampled since the permit was issued in 2013, all within approximately 1000 feet of the area enclosed within the subsurface barrier wall, reveals that long-term surface water cleanup goals have not been achieved permanently in all of the water bodies. [Surface Water Data Compilation] These results are difficult to interpret, however, and considering the other measures of containment

structure performance described above, this may not be indicative of excessive, continuing discharge of wastewater into the shallow ground water. The presence of wastewater contaminants in surface water may represent continued upwelling of ground water that was affected by wastewater discharges before construction of the barrier wall, or stormwater runoff that was affected by solid waste management units at the plant site that have not been cleaned up yet. In many cases, also, any hydraulic connection between the monitored surface water bodies and ground water previously contaminated by pond seepage is not obvious.

The ground surface in the area of the wastewater ponds slopes generally to the north. Surface water that was potentially affected by contaminated ground water or stormwater runoff ponds against a railroad grade north of the plant site, in two drainages, monitored as SWB-3 (the stormwater pond) and SWB-9. Culverts exist under the railroad grade for these two drainages, and Western Zirconium has installed rock-faced earthen berms to limit surface water flow and protect the culverts. Nevertheless, traces of contaminants have been detected in the monitored surface water bodies north of the railroad grade, SWB-10 and SWB-11. Investigation of surface water quality outside of Western Zirconium's property may be difficult or impossible due to access issues onto the private property downslope (north) of the plant facility and their ephemeral nature.

Two changes will be made in the permit monitoring requirements for surface water in order to better evaluate any impacts on surface water from pond wastewater:

- Monitoring parameters will be changed to include fluoride and thiocyanate as SCN, the same as for well sampling, in order to detect any traces of lagoon wastewater.
- Sampling frequency for surface water sites will be changed to quarterly, when water is present, from the current semiannual schedule.

In addition, Western Zirconium will take the following actions to minimize potential discharge of contaminants to surface water:

- RCRA cleanup actions of historically contaminated areas on the plant site, overseen by the Division of Waste Management and Radiation Control, will be completed according to an schedule agreed with the Division of Waste Management and Radiation Control (DWMRC). This will minimize the potential for the formation of contaminated stormwater from contact of precipitation with contaminated soils or other media. RCRA cleanup materials may be placed within the pond complex after characterization and approval by DWMRC and DWQ.
- Within one year of permit renewal, Western Zirconium will report to DWQ on a study to assess the adequacy of the dikes on the north end of its property to stop surface water flow off the property, and propose modifications to these dikes if needed.

Monitoring Plan for the Revised Permit

Several different types of monitoring points will be used to determine compliance with permit conditions:

1. Sentry monitor wells are located around the downgradient periphery of the site immediately outside the current extent of the plume of contaminated ground water. These wells will be sampled quarterly for compliance parameters, TDS and field eH. Analytical results will be compared to protection levels derived from the greater of the mean plus 2 times the standard deviation from background data or from concentrations determined by the 2008 Ecological Risk Assessment. (Most of these wells have been monitored for several years and significant background data has been collected from them.) Protection levels for fluoride and thiocyanate as SCN will be developed for these wells based on mean plus twice the standard deviation once eight sampling events have taken place, to provide adequate background data. If analytical values exceed the protection levels for four consecutive quarters, Western Zirconium shall locate and construct a new monitor close to the site of the contaminated well and immediately outside the plume of contaminated ground water, as a means to track expansion of the plume. The old sentry well will continue to be monitored as a plume well. Sentry wells will be monitored quarterly for compliance parameters and semiannually in the first and third quarters for COEC parameters.
2. Plume monitoring wells are located within the plume of contaminated ground water originating from the ponds. These wells will be sampled annually in the third quarter for compliance parameters, COEC parameters, TDS and field eH. The purpose of monitoring these wells is to track the natural attenuation of the plume. It is expected that following barrier wall construction and cutoff of subsurface discharge from the ponds, contaminant concentrations in these wells will generally not increase and should show a slow decrease over time, due to the low permeability of the site's soils. Analytical results from this monitoring will be compared to those of the last monitoring event before construction of the barrier wall began, the third quarter of 2012, and also to data collected before then. Analytical results from wells installed after then will be compared to results of the first monitoring event following well completion. In addition, to better define variability of contaminant concentrations, new plume wells will be monitored quarterly for eight quarters following well completion. This comparison is to evaluate dissipation of the contaminant plume and not for permit compliance.
3. Surface water bodies SWB-3, SWB-7, SWB-8, SWB-9, SWB-10, AND SWB-11 (defined in the Evaporation Pond Area Ongoing Monitoring Plan dated February, 2013) will be monitored quarterly, when water is present, for the same parameters as the monitoring wells. Monitoring results for ammonia, total barium, dissolved cadmium and dissolved selenium will be compared to the Ecological Risk-Based Cleanup Goals for the Mud Flat Area as determined in Western Zirconium's January, 2008 Ecological Risk Assessment (ERA). Monitoring results for total

cyanide will be compared to the ERA cleanup goal for free cyanide. Monitoring results for nitrate + nitrite will be compared to the water quality standard of 10 mg/l. When sufficient data has been collected to define background concentrations of fluoride and thiocyanate as SCM are determined (eight samples), future monitoring results will be compared to the mean plus twice the standard deviation of the this data. It is not expected that these cleanup goals will be met immediately in all monitored surface water bodies, but cutoff of the source of contaminated ground water that affects surface water quality should result in a decrease in contaminant concentrations in surface water over time Meeting the cleanup goals in all surface water bodies outside of the subsurface barrier wall and dike is the long-term goal of this remedial action and would define successful containment of Western Zirconium's wastewater. Accordingly, this monitoring will be for informational purposes and will not be tied to permit compliance, but rather, evaluated along with the other types of monitoring data to determine whether the wastewater is being contained successfully.

4. Ground water elevations will be measured quarterly in all monitor wells and piezometers. Twelve pairs of piezometers will be installed at equal distances around the barrier wall, with one of the pair inside the wall and the other piezometer immediately outside the wall. Five existing nested piezometers will continue to be monitored to measure vertical hydraulic gradient. If the subsurface barrier wall is successfully containing the evaporation pond wastewater, ground water elevations measured in the monitor wells should show dissipation of the existing ground water mound over time; the paired piezometers around the barrier wall should show significantly higher ground water elevations inside the area enclosed by the barrier wall compared to outside the wall; and the nested piezometers should show an upward vertical hydraulic gradient which would help to contain the contaminated ground water within the barrier wall.

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STATE OF UTAH

INVOICE

SEND PAYMENT TO:

DEPT OF ENVIRONMENTAL QUALITY
WATER QUALITY
195 N 1950 West
P O Box 144870
Salt Lake City UT 84114-4870

Invoice Number:

1970000401

Original Invoice Date:

11-02-18

Amount Due:

\$10,500.00

Due Date:

12-03-18

BILL TO: WESTERN ZIRCONIUM, INC

10000 W 900 S
OGDEN UT 84404-9760

AMOUNT ENCLOSED

Please write INVOICE NO. on front of check
or money order

MAKE CHECKS PAYABLE TO:

UTAH DIVISION OF WATER QUALITY

AR DEPT: BPRO 480:48070

RETURN THIS PORTION WITH YOUR PAYMENT
RETAIN FOR YOUR RECORDS

Contact : Sharon Schofield (801) 536-4321

STATE OF UTAH



Invoice Number:

1970000401

Original Invoice Date:

11-02-18

Due Date:

12-03-18

Amount Due:

\$10,500.00

Invoice Charges

Line Number	Description	Amount
1	Legislative mandated fee \$100/hr, 105 staff hours	\$10,500.00
Total Invoice Charges		\$10,500.00

Other Charges

Description	Amount
Other Fee	\$0.00
NSF Fee	\$0.00
Total Other Charges	\$0.00

Payments Applied \$0.00

Total Amount Due \$10,500.00

Instructions: