Southwest Regional Office

Via Facsimile and Certified Mail No. 7006 0810 0005 4565 3527

400 Waterfront Drive
Pittsburgh, PA 15222-4745
October 23, 2008

[Address]

Re: Administrative Order
Charleroi Sewage Treatment Plant
NPDES PA0026891
Charleroi Borough
Washington County

Dear Permittee,

Enclosed is an Order of the Department of Environmental Protection. You should immediately read the entire document.

Failure to comply with the requirements of an Order of the Department of Environmental Protection constitutes unlawful conduct under the Clean Streams Law. If you do not understand any portion of the Order or have any questions regarding the requirements of this Order, please contact Kevin Halloran at 412-442-4064.

Sincerely,

[Signature]

Kenneth T. Bowman
Regional Director
Southwest Region

Enclosure

cc: r
R. Schwartz
S. Harper
K. Halloran w/encl.
H. Tevis
H. Humphreys
B. Herschlag – OCC w/encl.

J. Jones
D. Leone
C. Brethauer
K. Mileic
H. Dunn - California w/encl.
R. Redinger – Uniontown w/encl.
COMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

IN THE MATTER OF:

Authority of the Borough of Charleroi
Charleroi Sewage Treatment Plant
Washington County

Clean Streams Law
Sewage

ORDER

The Commonwealth of Pennsylvania, Department of Environmental Protection
(hereinafter "Department") has determined the following findings of fact:

A. The Department is the agency with the duty and authority to administer and enforce the
Pennsylvania Clean Streams Law, the Act of June 22, 1937, P.L. 1987, as amended, 35 P.S.
§ 691.1 – 691.1001 ("Clean Streams Law"); Section 1917-A of the Administrative Code, the Act
of April 9, 1929, P.L. 177, as amended, 71 P.S. § 510-17 ("Administrative Code") and the rules
and regulations promulgated thereunder ("Rules and Regulations").

B. The Authority of the Borough of Charleroi ("hereinafter Authority") is an authority
formed pursuant to the Municipality Authorities Act of May 2, 1945, P.L. 382, as amended, 53
P.S. §301, whose mailing address is 325-327 McKean Avenue, Charleroi, PA 15022.

C. The Authority owns and operates the Charleroi Sewage Treatment Plant ("Plant"), which
discharges to the Monongahela River, a water of the Commonwealth.

D. On September 29, 2008, the Department issued NPDES Permit No. PA0026891 to the
Authority ("NPDES Permit"). The NPDES Permit authorized the discharge of treated sewage
from the Plant to the Monongahela River, a water of the Commonwealth, and set specific
effluent limitations, monitoring requirements for the discharges, and other permit conditions.
Impact on Total Dissolved Solids Level in the Monongahela River

E. The Plant is currently accepting wastewater from oil and gas well operations, which may include but is not limited to brine, fracturing wastewater, and coal bed methane wastewater ("oil and gas wastewater") for treatment and discharge to the Monongahela River.

F. The Department has determined that the effluent from the Plant has elevated levels of Total Dissolved Solids ("TDS"), which is defined as a "pollutant" under Section 92.1 of the Rules and Regulations, 25 Pa. Code § 92.1.

G. Oil and gas wastewater and TDS are industrial wastes as defined at Section 1 of the Clean Streams Law, 35 P.S. § 691.1.

H. Section 93.4 of the Rules and Regulations, 25 Pa. Code § 93.4 established Statewide water uses to be protected, including use as a Potable Water Supply ("PWS").

I. Section 93.6 of the Rules and Regulations, 25 Pa. Code § 93.6 prohibits the discharge of pollutants from the Plant in concentration or amount to be harmful to the protected water uses of the receiving stream.

J. Section 96.3 (a) of the Rules and Regulations, 25 Pa. Code § 96.3 (a) requires that all designated surface water uses be protected. Section 93.6 (d) of the Rules and Regulations, 25 Pa. Code § 93.6 (d) requires that the water quality criteria for TDS shall be met at least 99% of the time at the point of all existing or planned surface potable water supply withdrawals.

K. The Department has determined that concentrations of TDS on the Monongahela River exceeds the established water quality criteria for TDS as established under Section 93.7 of the Rules and Regulations, 25 Pa. Code § 93.7. The TDS criteria are established for the use and protection of the Monongahela River, a water of the Commonwealth, as a potable water supply.
L. The Authority's discharge of TDS from the Plant, as a result of accepting oil and gas wastewaters, has contributed to the exceedence of the water quality criteria and impacted the use of the Monongahela River as a PWS.

M. The Authority's discharges of TDS contributing to exceedences of the water quality criteria constitutes violations of Section 93.6, 93.7, and 96.3 of the Rules and Regulations, 25 PA Code § 93.6, 93.7, and 96.3; and Sections 301, 307, and 401 of the Clean Streams Law, 35 P.S. §§ 691.301, 691.307, and 691.401.

N. The violations described in Paragraphs K, L, and M, above, constitute statutory nuisances under Sections 3, 307(c), 401, and 402 of the Clean Streams Law, 35 P.S. §§691.3, 691.307(c), 691.401, and 691.402; and unlawful conduct under Section 611 of the Clean Streams Law, 35 P.S. § 691.611.

Failure to Report Acceptance of Oil and Gas Wastewaters

O. Under Section 92.3 of the Rules and Regulations, 25 Pa. Code § 92.3, a municipal authority may not discharge pollutants from a point source except as authorized under an NPDES Permit.

P. Section 92.7 of the Rules and Regulations, 25 Pa. Code § 92.7; requires that any Plant with new or increased discharges must report the change to the Department and that the Department must evaluate the effects of the wastewater on the operation of the facility and any adverse effects on the receiving stream.

Q. In an October 20, 2008 letter the Department advised the Authority, pursuant to Section 92.7 of the Rules and Regulations, 25 Pa. Code § 92.7, to notify the Department of all new or increased pollutants and waste streams in its discharge that had not been previously identified by the Authority or evaluated by the Department.
R. The Authority’s failure to report to the Department that it is accepting industrial waste, in the form of oil and gas wastewaters, constitutes violations of the NPDES Permit, Section 92.7 of the Rules and Regulations, 25 PA Code § 92.7, and Sections 301 and 307 of the Clean Streams Law, 35 P.S. §§ 691.301 and 691.307; a statutory nuisance under Sections 3, 307(c) and 402 of the Clean Streams Law, 35 P.S. §§ 691.3, 691.307(c), and 691.402; and unlawful conduct under Section 611 of the Clean Streams Law, 35 P.S. § 691.611.

THEREFORE, this 23rd day of October, 2008, the Department, pursuant to Sections 5, 316, 402, 501, and 610 of the Clean Streams Law, 35 P.S. §§691.5, 691.316, 691.402, 691.501, and 691.610; and Section 1917-A of the Administrative Code, 71 P.S. 510-17, hereby ORDERS the Authority of the Borough of Charleroi as follows:

1. Immediately restrict the volume of oil and gas wastewaters accepted at the Plant to a flow rate no greater than one (1) percent of the average daily flow.

2. Within thirty (30) days of the date of this order, the Authority shall submit to the Department a written technical evaluation of the impact of oil and gas wastewaters on the treatment process, that shall include:

   a) an evaluation of the effect on each of the major unit processes, including an estimate of the maximum TDS that will occur in each unit process or reactor,

   b) a description of measures that will be taken to monitor and minimize adverse effects on biological unit processes,

   c) quantitative estimates of anticipated changes in effluent characteristics for all new or increased pollutants,
d) a description of how the Authority will assure that the STP sludge will not be classified as hazardous waste as a result of accepting oil and gas wastewaters at the Plant, and

e) any resulting constraints on sludge treatment and disposal.

3. Subject to the limitations of Paragraph 1 of this order, within forty-five (45) days of the date of this order, the Authority shall submit to the Department sample results for a representative grab sample of the oil and gas wastewater for each individual facility or well site accepted at the Plant for the following parameters: Aluminum, Arsenic, Barium, Beryllium, Cadmium, Chromium, Copper, Iron-Dissolved, Iron-Total, Lead, Magnesium, Manganese, Mercury, Nickel, Silver, Strontium, Zinc, Lithium, Sodium, pH, Total Kjeldahl Nitrogen, Ammonia Nitrogen, Oil & Grease, MBAS (Surfactants), Chemical Oxygen Demand, Biochemical Oxygen Demand, Calcium, Chlorides, Sulfates, Osmotic Pressure, Specific Conductance, Hardness (Total as CaCO3), Alkalinity (Total as CaCO3), TDS, Total Suspended Solids, Acidity, Gross Alpha, Gross Beta, Total Phenolics, Toluene, Benzene, Ethylene Glycol.

4. Subject to the limitations of Paragraph 1 of this order, within forty-five (45) days of the date of accepting oil and gas wastewaters from any new facility or well site, not included in the sampling detailed in Paragraph 3, above, the Authority shall submit to the Department sample results for a representative grab sample of the oil and gas wastewater for the parameters listed in Paragraph 3, above.

5. Commencing the first day of the month following the date of this order, and continuing as long as oil and gas wastewaters are accepted during a given month,
the Authority shall collect a daily grab sample of the Plant effluent for TDS and
Chlorides and report to the Department the results of the sampling with its monthly
Discharge Monitoring Report (“DMR”).

6. Commencing the first month following the date of this order, and continuing as
long as oil and gas wastewaters are accepted during a given month, the Authority
shall submit to the Department a report with its monthly DMR containing the
following information:

a) the name of the originating company and well site for each entity
   contributing oil and gas wastewater to the Plant,

b) the volume of oil and gas wastewater accepted at the Plant on each day
during the month,

c) the average daily flow at the Plant,

d) the maximum flow rate of oil and gas wastewater discharged or added to the
   wastewater stream at the Plant, and

e) a statement that all oil and gas wastewater accepted at the Plant is not
   classified as Hazardous waste,

7. All correspondence with the Department concerning this Order shall be addressed
to:

Kevin Halloran
Water Quality Specialist Supervisor
Water Management
Department of Environmental Protection
400 Waterfront Drive
Pittsburgh, PA 15222-4745.
Phone: 412-442-4000  Fax: 412-442-4194
8. If the Department requires additional information to review and/or approve any submission required by this order, the Authority shall submit the requested information within the time frame set forth by the Department, which shall be reasonable.

Any person aggrieved by this action may appeal, pursuant to Section 4 of the Environmental Hearing Board Act, 35 P.S. Section 7514, and the Administrative Agency Law, 2 Pa. C.S., Chapter 5A, to the Environmental Hearing Board, Second Floor, Rachel Carson State Office Building, 400 Market Street, P.O. Box 8457, Harrisburg, PA 17105-8457, 717-787-3483. TDD users may contact the Board through the Pennsylvania Relay Service, 800-654-5984. Appeals must be filed with the Environmental Hearing Board within 30 days of receipt of written notice of this action unless the appropriate statute provides a different time period. Copies of the appeal form and the Board's rules of practice and procedure may be obtained from the Board. The appeal form and the Board's rules of practice and procedure are also available in Braille or on audiotape from the Secretary to the Board at 717-787-3483. This paragraph does not, in and of itself, create any right of appeal beyond that permitted by applicable statutes and decisional law.
IF YOU WANT TO CHALLENGE THIS ACTION, YOUR APPEAL MUST REACH THE BOARD WITHIN 30 DAYS. YOU DO NOT NEED A LAWYER TO FILE AN APPEAL WITH THE BOARD. IMPORTANT LEGAL RIGHTS ARE AT STAKE, HOWEVER, SO YOU SHOULD SHOW THIS DOCUMENT TO A LAWYER AT ONCE. IF YOU CANNOT AFFORD A LAWYER, YOU MAY QUALIFY FOR FREE PRO BONO REPRESENTATION. CALL THE SECRETARY TO THE BOARD (717-787-3483) FOR MORE INFORMATION.

FOR THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF ENVIRONMENTAL PROTECTION

Kenneth T. Bowman
Regional Director
Southwest Region

6/25/08

Date