

May 25, 2016

Richard Healey
Enforcement Branch Manager
Water Division
Arkansas Department of Environmental Quality
5301 Northshore Drive
North Little Rock, Arkansas 72118-5317

RE: Annual Progress Report - El Dorado Chemical Company, NPDES No. AR0000752

Dear Mr. Healey

Although no longer required under Part IB, Section B of the referenced NPDES permit, this letter serves as our Annual Progress Report for 2015.

As stated in previous annual reports, during the past year El Dorado Chemical Company (EDCC) has continued its efforts to ensure continued compliance with current permit limitations. The following paragraphs present the details.

1. Hydrologic Study

As related in previous reports, EDCC submitted a hydrologic study plan for the storm water outfalls. This plan was approved by ADEQ and then subsequently revised to modify the location of the background monitor for Outfalls 006 and 007. During the 3rd quarter of 2006 the hydrologic study was completed and the final report submitted to the ADEQ. During the 1st quarter of 2007, EDCC received comments dated January 5, 2007 and met with ADEQ to discuss those comments.

Subsequent to that meeting, GBMc received a permitting options letter for which EDCC responded. During the 1st quarter of 2008, EDCC had discussions with NPDES permitting staff regarding the utilization of the hydrologic study in the permit renewal process. As of the date of this report, ADEQ and EDCC are in the process of discussing the renewal of its NPDES permit which will include utilizing the results of the hydrologic study to establish effluent limitations for outfalls 006 and 007. We anticipate the draft renewal permit will be issued by ADEQ in the 3rd guarter of 2016.

2. Retention Basin Temperature Study

As documented in previous annual reports, pursuant to the requirements of the final NPDES permit, EDCC submitted a temperature study plan for the purpose of determining the influence of ambient conditions on the temperature regime of the retention basin at EDCC. The study report was completed and submitted to the ADEQ during the 4th quarter of 2005. EDCC received approval of

the temperature study in a letter dated January 5, 2007 and the temperature limit will be removed from the permit upon renewal permit. As stated in the previous section, we anticipate that the draft renewal permit will be issued by ADEQ in the 3rd quarter of 2016.

3. Storm Water Outfall Compliance

As stated in last year's Annual Report, there are complex regulatory issues involved in the renewal of the NPDES permit and the modification of the TMDL, both of which address compliance issues at Outfalls 006 and 007. As stated in the previous two sections, we anticipate that the draft renewal permit will be issued by ADEQ in the 3rd quarter of 2016 and we anticipate the modification of the TMDL to be initiated in the same timeframe.

4. Source Reduction and Wastewater Treatment

During the reporting period, source reduction activities have continued to be implemented to reduce waste loading to the wastewater system. These efforts have resulted in major reductions in the ammonia and nitrate concentrations measured in our stabilization basin (Lake Lee). For 2015 Lake Lee ammonia concentrations averaged 15.28 mg/L and nitrate averaged 34.31 mg/L. These source reduction efforts along with continued efficient operation of our wastewater treatment are shown in the Outfall 010 effluent characteristics.

The discharge from our wastewater treatment plant is now discharged through Outfall 010 to the Joint Pipeline. During this reporting period there were no violations of at Outfall 010 for Ammonia-N or Nitrate-N. The charts attached show the source reduction and treatment effectiveness the plant accomplished through 2015.

5. Wastewater System

During the reporting period, EDCC continued use of the AquaMats in Lake Lee and Lake Kildeer. AquaMats are membranes for sustaining colonies of nitrifying and denitrifying bacteria.

6. Wastewater Treatment Bio-augmentation

As discussed in previous reports, during the reporting period, EDCC continued implementation of the alternative wastewater treatment technology. We continue the collection of performance data to determine the efficacy of the organisms in our wastewater treatment system. The data that EDCC has collected so far indicates that the addition of various microbes continues to have a positive impact on the wastewater treatment system.

7. Joint Pipeline Activities

Construction of the joint pipeline began in July of 2012 and was completed on August 29, 2013. EDCC began utilizing the pipeline on September 9 2013 through routing Outfall 001 to Outfall 010. There has not been a discharge through Outfall 001 since that time.

8. Water Quality (4g) Study for Dissolved Minerals

EDCC has suspended its efforts to get full USEPA approval of the amended State of Arkansas Water Quality Standards as approved by the Arkansas Pollution Control and Ecology Commission. It should be noted that USEPA did approve the removal of the drinking water uses from the waterbodies (Outfall 001 tributary through Flat Creek).

However, in 2015 EDCC initiated a formal process to revise the TMDL for its receiving streams in an effort to correct technical efforts and update the TMDL to reflect current discharge and watershed conditions. At the time of this writing the ADEQ Water Quality Planning staff is reviewing the workplan for the TMDL revision study and we anticipate its initiation in the 3rd quarter of 2016.

9. Outfall 002 Discharge Minimization Project

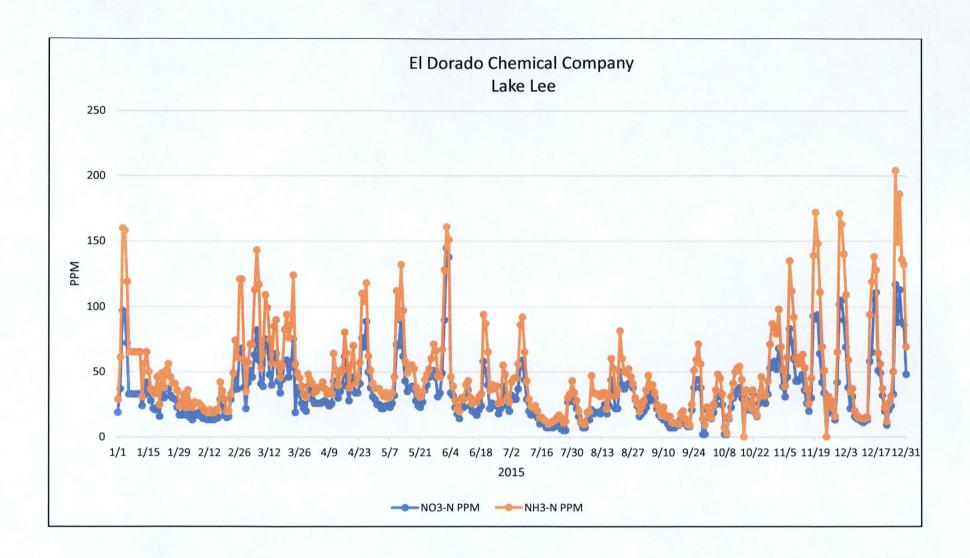
As documented in last year's annual report, EDCC completed the installation of a 7000 gpm pump system to the gravity line to the final treatment unit. This will further minimize the possibility of discharge through Outfall 002. This system remains in place and is operational.

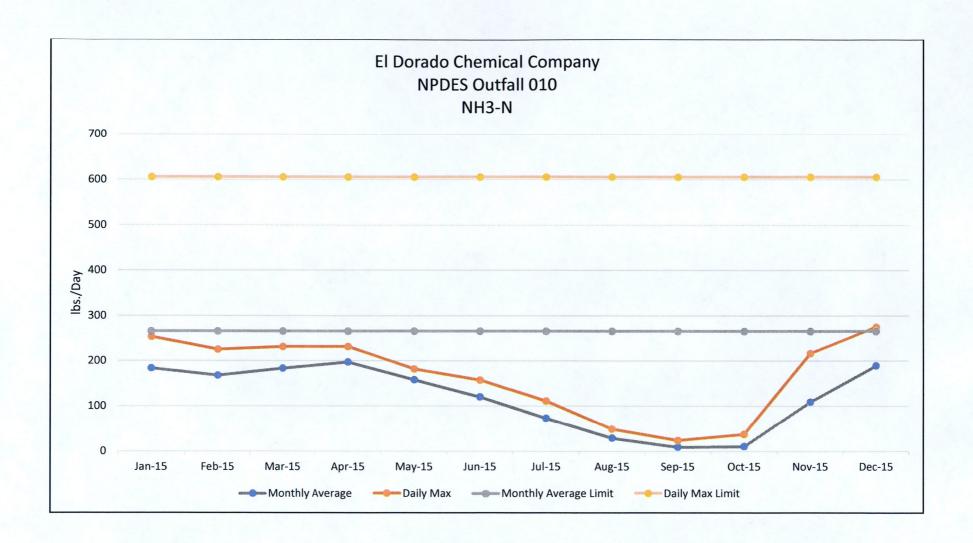
Hopefully, this letter has adequately explained the status of our NPDES efforts over the last year. Should you have any questions, please feel free to call me at (870) 863-1400.

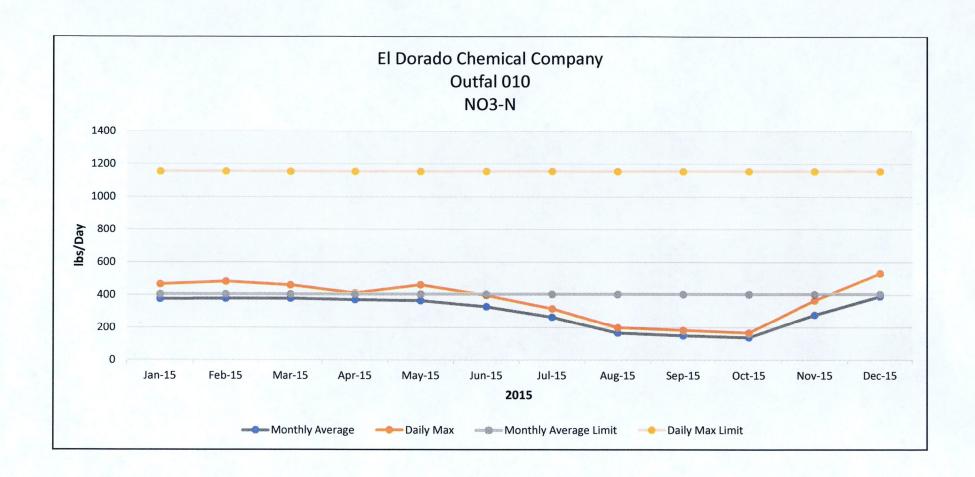
Sincerely.

Kelly Olivier EH&S Manager

El Dorado Chemical Company







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