

STATE OF NEVADA
Department of Conservation & Natural Resources
DIVISION OF ENVIRONMENTAL PROTECTION

Brian Sandoval, Governor
Leo M. Drozdoff, P.E., Director
Colleen Cripps, Ph.D., Administrator

January 7, 2015

Jay A. Steinberg
Nevada Environmental Response Trust
35 East Wacker Drive, Suite 1550
Chicago, IL 60601

Re: Tronox LLC (TRX) Facility
Nevada Environmental Response Trust (Trust) Property
NDEP Facility ID #H-000539
Requirements for Continued Optimization of GWETS System

Dear Mr. Steinberg,

The Nevada Division of Environmental Protection (NDEP) has determined that the Nevada Environmental Response Trust (the "Trust" or "NERT") is required to initiate a continuous optimization program for the Groundwater Extraction Treatment System (GWETS) in parallel with the current Remedial Investigation and Feasibility Study (RI/FS) activities already in progress at the NERT site (Site). This program will enable modifications to be made to the current GWETS removal action to increase mass removal prior to the selection of, as well as contribute to the efficient performance of, a final remedy. Only modifications that do not require modification to the FBR plant to increase load limits or require modifications to the effluent pipeline to increase hydraulic capacity will be implemented through this program (the "Program").

The NDEP has determined that this Program is consistent with and supported by the NDEP's July 11, 2011 Action Memo for removal actions; in accordance with the NERT Interim Consent Agreement Exhibit B (Scope of Work); and has been developed in accordance with CERCLA and is consistent with the National Contingency Plan as set forth in federal regulations 40 C.F.R. Part 300.

- 1. The following tasks have been identified as requirements to be completed prior to the implementation of the Program:

Table 1

Table with 3 columns: Task, Description, Preliminary Timeline. Row 1: GWETS 2014 Enhanced Operational Metrics, The 2014 Enhanced Metrics Project will establish the foundation necessary to implement a successful Program. Before modifications can be implemented, sufficient baseline data must be obtained through these metrics., In-progress; Complete in Q2 2015



External Policy	Preparation of an external policy with NDEP (BCA and BWPC) to establish and define the Program's optimization goals, benchmarks for additional contaminant mass removal, priorities, and procedures, including, but not limited to, agency approvals, budget (i.e. task or annual) and monthly progress reporting. This will include a review of all existing GWETS permits.	March 1, 2015
Internal Policy	Preparation of an internal policy to identify roles and responsibilities between NERT (Trustee and RPM), NERT's consultants and Envirogen. This will include detail on how individual Program tasks will be detailed in work plans and tracked through completion and reporting.	March 1, 2015
Envirogen O&M Agreement Amendment	As NERT's contract is based upon the current system and extraction well network in a static state, implementation of the Program will require a new framework to define the process by which Program tasks are requested and managed, including a mechanism to implement these tasks and a revised cost structure for both one-time and recurring costs.	April 1, 2015
Program Policy for Concurrence with RI/FS	Preparation of a document to determine how the Program will coexist with the ongoing RI/FS, including how Program tasks will impact existing or require the modification of tasks in-progress and be consistent with the approved Remedial Action Objectives and consistent with the National Contingency Plan.	April 1, 2015
Program Policy for Concurrence with Existing Performance Reporting	Preparation of a document to determine how the Program will coexist with the Trust's existing performance reporting requirements. This will include suggested modifications to the existing reports to streamline implementation of the Program.	April 1, 2015

The NDEP requests that the Trust confirm the timelines associated with the preparation of these framework documents by February 15, 2015.

2. The NDEP has determined that a baseline assessment of the GWETS is required to determine if additional modifications to the GWETS are necessary beyond those addressed within the existing 2014 Enhanced Metrics Project to support the Program. This assessment will include an evaluation regarding component upgrades and/or replacements (extraction wells, lift station pumps, etc.) of the current GWETS system as a baseline to increase contaminant mass removal. The NDEP requests that the Trust complete this task and presents a report summary, project scope and implementation budget to the NDEP at least 15 days prior to the Stakeholder Annual Meeting.

3. Through dialogue with the Trust, the following tasks have been identified by the NDEP to be conducted by the NERT RPM prior to issuing any directives to support the objectives of the Program:
 - a. Review of historical geologic and hydrogeologic reports prepared for the site;
 - b. Identify or produce geologic cross sections at each extraction system using existing data;
 - c. Identify or produce cross sectional isopleth maps of the perchlorate and chromium plumes at each extraction system using existing data;
 - d. Review well construction details and determine depth to groundwater, screened interval (length and relationship to geologic units), presence of pump, and pump specifications;
 - e. Inspection of the extraction wells;
 - f. Review historical pump test data and evaluations;
 - g. Review historical capture zone evaluations;
 - h. Review of groundwater model developed for the site;
 - i. Run multiple simulations with the groundwater model to evaluate the impact of modifications on groundwater extraction at each well field; and,
 - j. Evaluate the impact of additional loading on the FBR and potential impacts from AP-5.

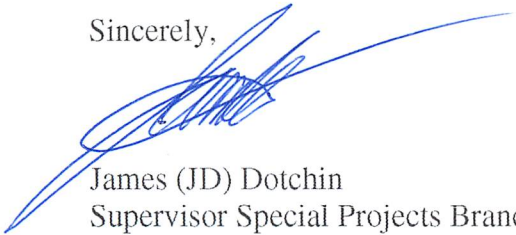
The NDEP requests that the Trust present a timeline and budget for the above-identified tasks to the NDEP by February 15, 2015.

The NDEP requests a meeting with the NERT on January 14, 2105 to discuss the above matters as well as to discuss the following priority tasks:

1. NERT participation in the NDEP lead supplemental RI/FS process;
2. A modification to the NERT Remedial Investigation Work Plan to evaluate and account for the impact of potential utility pipe leaks on Site remediation;
3. GW-11 status and priorities for the next three years (i.e. maintaining operational status through the completion of the AP-5 project); and,
4. The AP-5 Solids Removal project.

Please contact the undersigned with any questions at jdotchin@ndep.nv.gov or 702-486-2850 x235.

Sincerely,



James (JD) Dotchin
Supervisor Special Projects Branch
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