STATEMENT OF BASIS

American Pacific Corporation (AMPAC)
Ground Water Discharge Permit Renewal
Permit No. UGW210002

October 21, 2008

Introduction

American Pacific Corporation’s (AMPAC) ground water discharge permit UGW210002 is being renewed. Original permit UGW21002 was issued on July 20, 1992.

Description of Facility

The purpose of Permit UGW210002 is to cover the operation of a wastewater lagoon at AMPAC’s sodium azide manufacturing plant 12 miles northwest of Cedar City, Utah. The lagoon contains contact process wastewater from the sodium azide manufacturing process. This wastewater contains sodium ions, nitrate and nitrite ions, impurities from the commercial grade sodium supply, and iron hydroxides from the corrosion of piping. At present, much less wastewater is being discharged to the lagoon than its design capacity, due to market conditions. Starting with this permit term, wastewater from deionization resin regeneration at the nearby WECCO oxidizer plant will be discharged into the sodium azide plant’s lagoon. This waste stream contains the natural dissolved solids from the plant’s water supply, and these constituents will not have any harmful effects on the HDPE primary liner. Other unanticipated constituents may also be present in the wastewater at de minimis concentrations.

Operation of Facility

The wastewater lagoon is operated as a no discharge impoundment for process wastewater. After the manufacturing process, the wastewater will contain sodium azide. Sodium azide, when disposed of in its commercially pure form, is a listed hazardous waste. Although the sodium azide in the wastewater stream will not be commercially pure, American Azide prevents discharge of sodium azide to the lagoon by treating the wastewater from the azide plant in batches until no sodium azide is detected. Records will be kept of the test results for each batch of wastewater treated. Salts and sediments, which accumulate in the lagoon, will be removed upon closure.

Site Hydrogeology

The site is located in an alluvial fan area draining toward the Escalante Desert. As such, it is probably a recharge zone for alluvial aquifers to the north and west. Ground water also flows into the Escalante Desert from Cedar City Valley through Iron Springs Gap, about three miles southwest of the site. Regional water level data suggests that the hydraulic gradient slopes to the west-northwest at the plant site. AMPAC has constructed an upgradient monitor well, MW-1, approximately 600 feet east of the east boundary of the sodium azide plant site. Materials encountered during drilling of this well were predominantly clays and silts with minor sand and gravel lenses. Moist soil was first encountered at 170-190 feet during drilling, and the static water
level measured after well completion was about 140 feet below land surface. This indicates that the uppermost ground water under the site is underneath confining layers and under artesian pressure. Under these conditions, ground water monitoring would probably be an ineffective means to demonstrate compliance with the BAT containment technology standard of this permit.

**Background Ground Water Quality**

Water quality data from the upgradient monitor well indicates that groundwater at the site has an average dissolved solids content of 543 mg/l. Mean concentrations of other constituents derived from monitoring this well over one year are contained in Table 1 of the revised permit. Because AMPAC has chosen source monitoring rather than ground water monitoring as a mechanism to insure compliance with the terms of the permit, downgradient monitoring to demonstrate that protection levels are being met will not be required for this permit. Permit compliance is demonstrated by compliance with Best Available Treatment Technology.

**Ground Water Classification**

Based on monitoring results from well MW-1, ground water at the site is classified as Class II.

**Best Available Technology**

AMPAC is using best available technology to achieve a no discharge situation. The liner technology used in the wastewater lagoon is described below (top to bottom):

- 80-mil HDPE liner
- Drainage net
- 40-mil HDPE liner
- Drainage net
- 40-mil VLDPE liner
- 12 inches of clay with hydraulic conductivity $1 \times 10^{-7}$ or less

Drainage nets between the flexible membrane liners shall slope to sumps, which can be monitored for leaks.

**Monitoring Procedures for Leak Detection**

AMPAC is to monitor any flows entering the sumps on a daily basis for the upper leak collection and removal layer (head break system) and the lower leak detection layer. Flow information for the head break layer is informational only. The lower leak detection system will be the compliance monitoring mechanism for the permit. The presence of wastewater in the leak detection sump will constitute failure of BAT and the permittee will be considered out-of-compliance with the permit unless affirmative defense is established in accordance with Part I E 1 (b). AMPAC will be required to take the steps outlined in I E 1 (b) of the permit if wastewater is detected in the leak detection sump.
Corrective Action Plan

If seepage of wastewater is confirmed in the lower leak detection sumps pursuant to the procedure outlined in Part I E 1 (b) of this permit, AMPAC is required to evaluate whether contaminants have been released to the environment. If releases from the pond or any other source on the site are confirmed, the company shall develop a plan to fully evaluate the extent of the contamination and identify the measures that will be taken to protect existing ground water quality. The plan will be submitted within 30 days of the date that release of contaminants is confirmed and implemented upon approval by the Executive Secretary.