

Jeremiah W. (Jay) Nixon, Governor • Sara Parker Pauley, Director

DEPARTMENT OF NATURAL RESOURCES

www.dnr.mo.gov

AUG 0.5 2013

Peaceful Valley Service Co. ATTN: Mr. Hoernschemeyer 3408 B Peaceful Valley Rd. Owensville, MO 65066 FILED

SEP 3 0 2014

Missouri Public Service Commission

Dear Mr. Hoernschemeyer:

Thank you for your letter dated July 24, 2013 in which you expressed your concerns with the draft Missouri State Operating Permit for the Peaceful Valley Service Company Wastewater Treatment Facility. According to 10 CSR 20 – 7.015(1)(A)7., the stream that the effluent flows into is "Waters of the State" and must be protected as such. This permit renewal requires final effluent limitations for Ammonia as N based on Missouri Water Quality Standards 10 CSR 20-7.031(4)(B)7.C. and the Clean Water Act. Ammonia (NH₃) is toxic to early stages of aquatic life. NH₃ removal prevents damage to aquatic life and enables the receiving stream to support a healthier and more diverse aquatic life community.

In receiving your letter I understand that you believe your facility has no reasonable potential to affect Water Quality Standards. A Reasonable Potential Analysis was conducted during the draft phase of your NPDES permit, as noted in the "RPA Results" appendix to the Fact Sheet. An RPA is a statistical evaluation of the performance of your facility, and provides a prediction of possible impacts to water quality.

Once it has been determined that the facility does in fact have reasonable potential to cause an excursion above a water quality standard, the Department of Natural Resources is required to place effluent limits into the permit. However, based on your description of the situation, there may be another option for you. Your engineering consultant can conduct a Time of Travel Study, which documents how long it takes for a discharge to reach the first classified stream and how much ammonia remains in the water at that point. This could raise the effluent limits in your permit. There are two water quality standards for ammonia, an acute standard (immediately lethal) and a chronic standard (unhealthy, but not immediately lethal). The chronic standard is protected at the first classified stream, but the acute standard applies to all waters of the state. So if very little ammonia remains in water before it reaches Cedar Branch as your preliminary efforts suggest, effluent limits could be based on acute standards and therefore be raised significantly. I recommend you ask your consultant to conduct such a study using the Department of Natural Resources guidance.

Exhibit No. 7

Date 9/21/14 Reporter R. Brewer

File No. 5R - 2014-0153

WR-244-0154

23 Recycled Paper GOBAT TO INTECRITY

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If you have further questions or comments regarding this letter please feel free to contact me at Water Protection Program, P.O. Box 176, Jefferson City Mo, 65102-0176, or by telephone at (573) 751-9391.

Sincerely,

WATER PROTECTION PROGRAM

Lacey Hirschvogel

Environmental Specialist

LH:jb