SUSQUEHANNA RIVER BASIN COMMISSION
1721 North Front Street • Harrisburg, Pennsylvania 17102-2391
Phone (717) 238-0423 • Fax (717) 238-2436
Web http://www.srbc.net

Docket No. 20050307
Approval Date: March 29, 2005

GLENN O. HAWBAKER, INC.
PLEASANT GAP FACILITY
(WHITE ROCK QUARRY, BROOKS QUARRY & ASSOCIATED FACILITIES)

Consumptive Water Use of Up to 0.375 mgd,
for the Mining and Processing of Limestone,
Spring Township, Centre County, Pennsylvania

Review Authority

This project is subject to review pursuant to Article 3, Section 3.10 of the Susquehanna River Basin Compact, P.L. 91-575, 84 Stat. 1509 et seq., and Commission Regulations §803.4, relating to projects requiring review and approval, and §803.42, relating to the consumptive use of water. The Commission received the application on September 4, 2003 and revisions on November 3, 2004.

Description

Purpose. The purpose of the application is to request approval for the consumptive use of water associated with limestone mining and processing operations.

Location. The project is located in the West Branch Susquehanna Subbasin, HUC 02050204, Bald Eagle Creek Watershed, Spring Township, Centre County, Pennsylvania.

Background. The Glenn O. Hawbaker, Inc. (Hawbaker) facility consists of two open-pit limestone mines, known as the White Rock Quarry and the Brooks Quarry, and associated mineral processing facilities for production of fine and coarse crushed-stone aggregate and asphaltic or "bituminous" concrete. Property ownership, the holders of the mining permits, and ownership of the mineral reserves at these two quarries are split between three companies, although Hawbaker is the operator of both quarries and related aggregate-production facilities.

The Hawbaker facility is part of a complex of open-pit and deep mines that exists in the area to the northeast of Pleasant Gap, which is collectively referred to as the *Pleasant Gap Mine Complex*. Historically, this assemblage of mines had a number of owners and operators. Adjoining the Hawbaker facility to the northeast is the deep mine and associated mineral processing facilities owned by Graymont (PA) Inc. (Graymont). The Graymont mine was previously owned by Centre Lime and Stone Company, Inc. Virtually all of the mines in the Pleasant Gap Mine Complex were started for manufacture of lime, although all or some of the

output of certain mines, such as the Brooks and White Rock Quarries, have been redirected to the production of crushed limestone aggregate.

The White Rock Quarry has been in operation since approximately 1912 under various owners. The White Rock Quarry property is currently owned by Centre Lime and Stone Company, while the quarry is permitted by and operated by Hawbaker.

The Brooks Quarry has been in operation since the early 1980s. The Brooks Quarry was started by Marblehead Lime Company. The property included in the Brooks Quarry mining permit consists of two tracts, one currently owned by Centre Lime and Stone Company, Inc. and one currently owned by Graymont. Beyond split land ownership, ownership of the mineral reserves within the Brooks Quarry permit area is divided based on geology (rock quality). Mineral reserves suitable for lime production are owned by Graymont, while mineral reserves suitable only for crushed-stone aggregate production are owned by Centre Lime and Stone Company, Inc. Hawbaker is the contract mine operator of the Brooks Quarry site. Graymont refers to the portion of the Brooks tract owned by Hawbaker as the "Hawbaker Easement."

Glenn O. Hawbaker, Inc. and Centre Lime and Stone Company, Inc. are two separate Pennsylvania Domestic Business Corporations, though they have the same principal.

An application submitted to the Commission by Graymont on June 28, 2001 included the adjacent Hawbaker Easement, within the Brooks Quarry. Review of that application indicated that the consumptive water use on the Easement property is controlled by Hawbaker, and in May 2003, Commission staff contacted Hawbaker to inform the project sponsor that a separate application should be filed for the Hawbaker property.

Project Features. The project sponsor has requested approval for the consumptive use of water up to 0.375 million gallons per day (mgd). Based on estimated water use data from January 2001 through December 2003 submitted by the project sponsor, the project's current peak-day consumptive water use is approximately 0.369 mgd. The requested quantity of consumptive water use includes evaporative losses from ponds, sumps or flooded portions of the pits at the facility; evaporated water lost in dust control, both in haul road wetting and at spray nozzles at crushing portions of the processing facility, and water lost in wetted crushed fine and coarse aggregate product.

Hawbaker manufactures coarse and fine crushed-stone aggregate and asphaltic or "bituminous" concrete. The project sponsor mines limestone in the two (2) active open-pit mines (White Rock and Brooks Quarries).

Water for production at the facility comes from several sources, the largest of which is the currently flooded southwestern portion of the White Rock Quarry. Water from White Rock Quarry is pumped to a "clean water" storage tank at the No. 2 plant adjacent to the Brooks Quarry and used for processing at the No 2 Plant. A supply well located at the No. 2 Plant also supplies some of the water used at this plant. Turbid water from the No. 2 Plant is treated in clarifiers and ponds, and some is reused at the plant. Water trucks used for dust control are also filled at the No. 2 Plant. During wet-weather periods (typically spring), some of the make-up

water at the No. 2 Plant is derived from a small intermittent stream that flows between the White Rock and Brooks Quarries.

Water for wet processing at the No. 11 Plant is withdrawn from a supply well located near the plant. Water from the supply well is pumped to a clean-water tank, then withdrawn for wet processing at the plant. Turbid water is clarified and reused in the wet processing.

Some water at the Brooks Quarry maintenance shop is taken from a tank that is used to store collected surface runoff.

No groundwater or surface water is available for pumpage from the Brooks Quarry, as it is within the cone of depression of the adjacent Graymont deep mine.

Groundwater inflow and surface-water runoff at the active (northeastern) part of White Rock Quarry is pumped to the flooded (southwestern) part of the pit. Other than water withdrawn for processing operations or evaporated, water is discharged from White Rock Quarry to a bedrock conduit system at one of two active discharge points: the North Cave or the Gap Run Sinkhole.

Most water from the quarry discharges through overflow to an exposed cave, located on the northwestern quarry wall at approximate elevation 940 feet, designated as mine discharge point GOH#2 or the "North Cave." Hawbaker also has the ability to pump water from the pit into the North Cave if the water level in the pit falls below the level of the cave. Currently, there is no means of measuring the gravity or overflow discharge to the North Cave (GOH#2).

During extreme wet-weather, water from the bedrock conduit system will flow into White Rock Quarry from the North Cave. During these times, Hawbaker pumps water to the Gap Run Sinkhole, designated mine discharge point GOH#1. A flume currently exists to measure the flow discharged to the Gap Run Sinkhole (GOH#1).

The third possible point of discharge (designated mine discharge point GOH#3) is an injection well, located at the southwestern end of White Rock Quarry that was developed to intercept the conduit system. This injection well currently is not used because of turbidity problems at the Pleasant Gap Springs associated with its use. The well may be used in the future if the turbidity issue can be resolved.

At full stage to the elevation of the North Cave (940 feet msl), the flooded volume of the southwestern portion of the White Rock Quarry is approximately 228 million gallons (mg) or 700 acre-feet. A northeast-southwest oriented causeway, the top of which is near elevation 930 feet, breaks the flooded portion of the pit. Approximately one-third of the flooded volume is on the northwest side of this causeway from the pit floor to elevation 930 feet, approximately one-third is on the southeast side of the causeway from the pit floor to elevation 930 feet, and the remaining one-third is above the causeway over the entire flooded area between elevation 930 and 940 feet.

Coordination. Commission staff has coordinated with the Pennsylvania Department of Environmental Protection (PADEP). PADEP approved the project's withdrawal of groundwater for quarry and mine dewatering during its review of the mining operation. PADEP Bureau of Mining, Moshannon District Office staff has reviewed this docket for consistency with its Surface Mining Permits No. 14900301 (White Rock Quarry) and No.14810401 (Brooks Quarry).

The PADEP permit(s) held by Graymont and agreements between Graymont, Hawbaker, and Centre Lime and Stone Company require that water be released from the Graymont mining facility in the headwaters of Logan Branch to mitigate adverse impacts to the Pennsylvania Fish and Boat Commission (PFBC) fish hatchery at Pleasant Gap. Graymont has discharge points separate from those of Hawbaker for conveyance of water to the hatchery.

Part B, of the PADEP Industrial Minerals Surface Mining Permit No. 14980301 (revised October 11, 2002), states that a flow rate of 3,500 gpm is pumped from Graymont. It should be noted that this is equivalent to 2,500 gpm at the junction box for Raceway Series 11-14 (i.e., at the fish hatchery). Under an agreement among Centre Stone and Lime Company, Inc., Hawbaker and Graymont, Center Lime and Stone Company, Inc. and Hawbaker agree to cooperate with Graymont to satisfy this requirement. When flow rates at the Hatchery Springs fall below the 3500-gpm level, the project sponsor and Graymont are contacted by PADEP or PFBC and the project sponsor is required to transfer water to the fish hatchery by a discharge to either the North Cave (GOH#2) or the Gap Run Sinkhole (GOH#1). These discharge points have a direct hydrologic connection to the main springs at the fish hatchery and water travels the approximate 1½ mile distance to the southernmost hatchery springs within one hour. Water from the PFBC fish hatchery flows into Logan Branch.

In accordance with Part B of the PADEP Industrial Minerals Surface Mining Permit No. 14810401 (revised March 25, 2004), no water may be withdrawn from the White Rock Quarry (for mineral processing or other uses) during conservation periods in "Low Water Years" when the water level in the flooded southwestern portion of the quarry is at or below elevation 935 feet. This permit condition also preserves a quantity of water in storage for low-flow releases.

Findings

The project is subject to Commission approval and reporting requirements, as per Commission Regulation §803.42.

All water that is retained in aggregate, trucked off-site, used for the control of fugitive emissions, used for road wetting for dust control, used for equipment washing, as well as water evaporating from the sump and flooded portion of the White Rock Quarry, and the treatment ponds or open water tanks, is considered to be used consumptively. Water evaporation from the sump and flooded portion of the White Rock Quarry, treatment ponds, and uncovered storage or treatment tanks will be calculated by the project sponsor using a method acceptable to the Commission. Commission staff recommends that the project's total daily consumptive water use be calculated by summing the daily consumptive water use from these categories of use.

The project sponsor currently calculates consumptive water use as follows: Evaporative loss from dust control at the No. 2 Plant crusher is based on spray nozzle specifications and operating schedule. Evaporative loss from road wetting is based on the volume of the tanker trucks used for wetting and the number of loads of water applied. Evaporative loss from treatment ponds, open tanks, and the pit sumps is based on water surface area and established probable seasonal evaporative rates. Water lost to wetted product is based on production tonnages and measured average water content. Commission staff recommends that the project sponsor install appropriate metering to allow for an accurate measurement of the groundwater withdrawal and the discharge from the on-site ponds to calculate the total consumptive water use at the facility.

To meet the standards of the regulation regarding the reporting of the actual quantity of consumptive use while acknowledging the inherent complexity of a mining facility that has operated for more than 90 years, Commission staff recommends the project sponsor submit a metering plan to the Commission for review and approval within 60 days of the date of this approval. The plan should account for all water withdrawn from wells, the White Rock Quarry Sump, and the minor surface-water sources, and the total consumptive water use at the facility, as well as account for water discharged from the facility. Water transferred via the North Cave or the Gap Run Sinkhole to PFBC should be separately measured and recorded. The project sponsor should propose an accounting methodology based on metering or other flow measurement devices such as flumes or weirs, rather than engineering estimation.

The project sponsor has requested a consumptive water use approval of up to 0.375 mgd. Commission staff is recommending approval of the requested amount, which is less than 2 percent greater than their current peak consumptive use of 0.369 mgd. Should the project's future consumptive water use be expected to exceed 0.375 mgd, the project sponsor must apply for a modification to this docket at that time.

Water was being consumptively used at the facility before January 23, 1971, the effective date of Commission Regulation §803.42. Based on the information submitted by the project sponsor, Commission staff has determined a pre-1971 water use of 45,700 gallons per day (gpd) and, for purposes of this docket, this quantity of water is considered "grandfathered" and is exempt from water compensation requirements.

The project's consumptive use of water in excess of the grandfathered quantity is subject to water compensation requirements, as per Commission Regulation §803.42. To satisfy these requirements, the project sponsor proposes to maintain a release of stored water to Logan Branch.

The project sponsor operates a groundwater withdrawal related to its mining activities. Under the terms of the Memorandum of Understanding between the Commission and the PADEP, the project has been reviewed and approved for this groundwater withdrawal. Commission staff recommends that the project sponsor install and maintain metering, accurate to within five (5) percent, on the groundwater withdrawal, and report the data to the Commission annually. The project sponsor could propose alternative flow measurement devices instead of

metering, such as flumes or weirs, particularly at the large mine discharge points (North Cave and Gap Run Sinkhole) for Commission staff's review and approval.

The Graymont and Hawbaker mining projects already release water to the headwaters of Logan Branch from their mine dewatering activities and to mitigate adverse impacts to the PFBC fish hatchery at Pleasant Gap. PADEP has determined that the mining activities have reduced the flow rates at the hatchery's main springs, located approximately 3 miles downgradient from the mining operation. Graymont has agreed to pump at least 3,500 gpm during extreme drought events, which is equivalent to at least 2,500 gpm at the junction box for Raceway Series 11-14, in accordance with its Mining Permit No. 14980301. When flow rates fall below this level, Graymont is contacted by PADEP or PFBC, and transfers water to the fish hatchery via the pipeline or the Whiterock sinkhole on its property. Hawbaker and Graymont cooperatively discharged water to the hatchery during recent drought events, at flow rates as low as 500 gpm according to limited records and anecdotal information. Water from the PFBC fish hatchery flows into Logan Branch.

Logan Branch (HUC 02050204010) is a high quality cold-water fishery (HQCWF) (Title 25, Chapter 93, Pennsylvania Code). Based on the stream's classification, its geographic location in the watershed and the anticipated associated fishery of trout, and combined species of fish, the Pennsylvania/Maryland Instream Flow model was used to determine an appropriate passby flow. Commission staff has determined that a minimum passby flow of 41 percent of the annual average daily flow (ADF), which equals 8.24 cfs or 3,700 gpm, is required at the point immediately downstream from the Pleasant Gap fish hatchery to prevent loss of aquatic habitat in the stream.

Since the project sponsor intends to continue its operation and consumptively use water during times when streamflow is less than 41 percent ADF, Commission staff recommends and the project sponsor has agreed to maintain a conservation release at all times when flow in Logan Branch downstream from the PFBC hatchery is less than 8.24 cfs or 3,700 gpm. Commission staff recommends that the Spring Creek Watershed Association gage, located directly downstream from the PFBC hatchery, be used to monitor flows in Logan Branch. The gage should be rated on a consistent basis, and its accuracy verified and maintained. If the gage is found to be inadequate, Commission staff recommends that a new gage be installed.

The amount of the conservation release should be based on the calculated drought year base flow contribution, absent mining, from the area impacted by operations at the Pleasant Gap Mine Complex. Commission staff calculates a combined contribution from both the Graymont and Hawbaker mining operations to be 960 gpm; and that the part from the groundwater basin impacted by Hawbaker to be 0.51 cfs or 230 gpm.

Commission staff recommends that the project sponsor maintain a conservation release of 230 gpm (0.33 mgd) when streamflow in Logan Branch is less than 41 percent ADF, which equals 8.24 cfs or 3,700 gpm at the point of compliance downstream from the PFBC hatchery. The project sponsor should submit designs of devices to accomplish the release, and associated measurement devices required to monitor the release for Commission staff's review and approval.

Commission staff recommends that the actual groundwater inflow should be reevaluated based on metering after 3 years of monitoring, and that the conservation release be revised accordingly. In this regard, the project sponsor should submit a metering plan for measurement of all withdrawals, including those previously approved under the MOU, and all discharges. The plan should be submitted to the Commission for staff's review and approval, and the project sponsor should submit data summary reports and a map of the seasonal low water table annually.

Following review of these data, Commission staff will reevaluate and recalculate the conservation release required for the protection of the Pleasant Gap fish hatchery and to prevent loss of aquatic habitat in the stream. Based on the findings of the monitoring, Commission staff recommends that this approval be modified, as necessary.

The conservation release during low flow periods must be made from water stored during high flow periods to satisfy the regulation. The White Rock Quarry stores an estimated 228 million gallons of water that is available for release when at full capacity, as currently operated. Commission staff finds the quantity of stored water is sufficient to provide for the releases.

The project sponsor must maintain sufficient storage to make required releases and supply the project's consumptive water use, and demonstrate its ability to reliably deliver the water to the headwaters of Logan Branch. In this regard, Commission staff recommends that the project sponsor submit an operations plan describing the proposed sources, necessary storage volume, water handling practices, possible release delivery pathways and their efficiencies, schedules including refilling storage reserves, and other factors required to provide for the conservation release. Copies of the agreements to provide for storage for other users also must be documented. As requested by PADEP and PFBC, the plan should set forth a strategy to reserve 189 mg of storage (the approximate volume at White Rock Quarry flooded to an elevation of 935 feet) for the protection of the PFBC hatchery during extreme droughts.

Though currently adequate, the project sponsor should be required at all times to maintain sufficient water storage in order to meet the demand for production water, as well as provide for the release to Logan Branch. Commission staff recommends that the project sponsor submit to Commission staff documentation (including copies of any pertinent agreements) to demonstrate that it has acceptable available on-site storage every five years. Any proposed revisions to the operations plan should be submitted for Commission staff's review and approval annually.

In order to insure that the conservation releases will provide adequate protection to Logan Branch during critical low flow periods, the project sponsor needs to verify the suitability of the various pathways used for transmission of water from the facility to the headwaters of Logan Branch and the PFBC fish hatchery at Pleasant Gap. Commission staff recommends that the project sponsor submit a plan to evaluate the efficiency, using metered data, of the Gap Run Sinkhole, the North Cave, and the injection well.

Commission staff finds that the previous releases by the project sponsor and Graymont to the PFBC fish hatchery related to their approvals from PADEP Mining do not meet the

Commission's consumptive water use compensation requirements. These releases were made primarily from mine dewatering, not from water stored during high flow periods to be released during low flow periods, as required by the regulation. Commission staff recommends that the Commission accept payment as the method of compensation for the project's prior consumptive water use.

The project sponsor operates a groundwater withdrawal related to its open-pit mining activities. Under the terms of the Memorandum of Understanding between the Commission and the PADEP, the project has been reviewed and approved for this groundwater withdrawal. Commission staff recommends that the project sponsor install and maintain metering, accurate to within five (5) percent, on the groundwater withdrawal, and report the data to the Commission quarterly. The project sponsor could propose an alternative to metering for Commission staff's review and approval.

The project's groundwater withdrawal from the well at the No. 11 plant began after 1978 (well drilled in 1999), and is not metered. Commission staff recommends that the withdrawal be metered and recorded. Commission staff finds that the well is currently utilized at less than 100,000 gpd on a 30-day average and, thus, the withdrawal is not subject to review and approval under Commission Regulation §803.43. If withdrawal from the well is expected to exceed 100,000 gpd on a 30-day average (3,000,000 gallons in any consecutive 30-day period), the project sponsor must submit a groundwater withdrawal application to the Commission.

The project is subject to the Commission's water conservation requirements, as per Commission Regulation 804.20(b).

The project sponsor has paid the appropriate application fee, in accordance with Commission Regulation §803.28, and in accordance with Commission Resolution 98-19, as amended by Commission Resolution 2000-06. The project sponsor has provided all proofs of notification, as required by Commission Regulation §803.25.

The project is physically feasible, does not conflict with or adversely affect the Commission's Comprehensive Plan, and does not adversely influence the present or future use and development of the water resources of the basin.

Compliance Incentive Program

Commission staff has determined that the project sponsor is eligible to participate in the Commission's Compliance Incentive Program (CIP). Therefore, the project sponsor would not be subject to penalties for water consumed in violation of Commission Regulation §803.42 prior to January 1, 2001. In accordance with the CIP, payment to the Commission as a method of compensation for the project's consumptive water use shall be effective and applicable to all consumptive water used by the project beginning January 1, 2001, until the date of this approval.

Decision

1. The project's consumptive water use of up to 0.375 mgd is approved pursuant to Article 3, Section 3.10 of the Compact.

2. The foregoing findings are hereby adopted and shall be incorporated into and made a part of this decision.

3. The project sponsor shall comply with all Commission regulations, including consumptive water use reporting requirements, as per Commission Regulation §803.42.

4. Within sixty (60) days from the date of this approval, the project sponsor shall submit a metering plan to the Commission for review and approval by Commission staff that accounts for all water withdrawn, discharged, and consumptively used at the facility. The project sponsor shall propose a methodology to account for their consumptive water use based on metering, rather than estimation. Following approval, the project sponsor shall execute the plan and complete any installation of meters in accordance with the approved schedule, and shall certify to the Commission that the monitoring plan has been implemented. The project sponsor shall notify the Commission in writing when the meters are installed. The project sponsor shall maintain any meters, accurate to within five (5) percent.

5. The project sponsor shall keep daily records of the project's consumptive water use, and shall report the data to the Commission quarterly, and as otherwise required. Quarterly monitoring reports are due within thirty (30) days after the close of the preceding quarter. The daily quantity of water consumptively used shall be the quantity of water retained in aggregate, trucked off-site, used for the control of fugitive emissions, used for road wetting for dust control, used for equipment washing, and evaporation from the sump and flooded portion of the White Rock Quarry and the treatment ponds or open water tanks, as calculated in accordance with the approved plan described under Condition "4," above.

6. The project sponsor shall keep daily records of all the project's withdrawals and all of its discharges as measured in accordance with the approved plan described under Condition "4," above, and shall report the data to the Commission quarterly, and as otherwise required. Quarterly monitoring reports are due within thirty (30) days after the close of the preceding quarter.

7. The project sponsor shall prepare an analytical report and a map of the seasonally low water table with a delineation of mining related drawdown annually for the project area based on groundwater monitoring data and submit it to the Commission within sixty (60) days after the close of the preceding year, and as otherwise required.

8. To satisfy the Commission's current compensation requirements for consumptive water use set forth in Commission Regulation §803.42, or upon notice from the Commission during periods of low flow, the project sponsor shall release water at the rate determined in accordance with Conditions "12" and "13" from the White Rock Quarry to the North Cave, the Gap Run Sinkhole or to an acceptable alternate discharge point, in accordance with

Condition "9." The project sponsor shall make the release at all times when a flow equal to, or less than, the 41 percent ADF flow of 8.24 cfs or 3,700 gpm is recorded at the stream gage located on Logan Branch downstream from the PFBC fish hatchery. The project sponsor shall monitor this stream gage, make the release, as necessary, and report these data to the Commission quarterly, and as otherwise required.

9. Within sixty (60) days from the date of this approval, the project sponsor shall submit a monitoring plan to the Commission for review and approval by Commission staff that evaluates the efficiency, using metered data, of the possible transmission pathways for the release of water to Logan Branch, in accordance with Condition "8." Following approval, the project sponsor shall execute the plan and complete the evaluation in accordance with the approved schedule. The project sponsor shall report to the Commission the results of the study, and the respective pathway efficiencies, for review and approval of acceptable pathways for the release of water by Commission staff.

10. The project sponsor shall submit a description of the methodology and a design of the devices to be used to accomplish the release of water from the quarry and the design of the outflow measurement device(s) that will be used to monitor the release during passby periods within ninety (90) days from the date of this approval for review and approval by Commission staff prior to any construction. Following approval, the project sponsor shall complete construction in accordance with the approved schedule and shall certify to the Commission that construction has been completed in accordance with the approved design.

11. The project sponsor shall use the existing stream gage on Logan Branch downstream from the PFBC fish hatchery, to determine the occurrence of passby flow periods. Within ninety (90) days from the date of this approval, the project sponsor shall document to the Commission that it has access to the gage and can verify the gage's accuracy. If the gage is found to be inadequate, or otherwise unavailable, the project sponsor shall be required to develop alternate gaging, subject to review and approval by Commission staff.

12. To satisfy the Commission's current requirements for consumptive water use set forth in Commission Regulation §803.42, or upon notice from the Commission during periods of low flow, the project sponsor shall release water at a rate of at least 0.51 cfs or 230 gpm from the White Rock Quarry to the North Cave, the Gap Run Sinkhole or to an acceptable alternate discharge point, in accordance with Condition "9." The project sponsor shall make the release at all times when a flow equal to, or less than, the 41 percent ADF flow of 8.24 cfs or 3,700 gpm is recorded at the stream gage to be established in accordance with Condition "11" on Logan Branch downstream from the PFBC fish hatchery. The project sponsor shall monitor this stream gage, make the release, as necessary, and report these data to the Commission annually, and as otherwise required. This interim compensation and protective measure shall expire four (4) years from the date of this approval.

13. The project sponsor shall report the groundwater inflow based on the metering described under Condition "4" to the Commission annually, for the purpose of reevaluating and revising the required conservation release after three (3) years of monitoring.

14. The project sponsor shall maintain sufficient storage to make the required releases and to meet consumptive water use needs at the site. In this regard, the project sponsor shall submit an operations plan that accounts for sources, storage volume, water handling for releases and refilling of storage, and other factors. The plan shall be submitted to the Commission within three (3) years for staff's review and approval. The project sponsor shall provide the Commission with documentation every five (5) years certifying that sufficient water storage exists in the flooded part of the White Rock Quarry used for storage. Within sixty (60) days from the date of this approval, the project sponsor shall provide to the Commission an interim plan that identifies the source(s) that shall be used to make the required release and other appropriate factors.

15. The project sponsor shall comply with the water conservation requirements specified in Commission Regulation §804.20(b).

16. The project sponsor is eligible to participate in the Commission's Compliance Incentive Program (CIP). Therefore, the project sponsor is not subject to penalties for its prior noncompliance. In accordance with the CIP, payment to the Commission as a method of compensation for the project's consumptive water use shall be effective and applicable to all water consumptively used by the project beginning January 1, 2001. The daily quantity of water consumptively used shall be the quantity retained in aggregate, trucked off-site, used for the control of fugitive emissions, used for road wetting for dust control, used for equipment washing, as well as water evaporated from the sump and flooded portion of the White Rock Quarry and the treatment ponds or open water tanks. The project sponsor shall provide records of its consumptive water use and make a payment to the Commission based on the rate of $0.14 per 1,000 gallons of water consumptively used in excess of the grandfathered quantity of 0.0457 mgd during the period from January 1, 2001, until the effective date of this approval. Payment amounts shall be calculated by applying this rate to the daily amount of water used consumptively by the project, less the grandfathered quantity of 0.0457 mgd. If the daily grandfathered quantity exceeds the project's daily consumptive water use, that day's consumptive water use is considered to be zero. This payment shall be calculated and made by the project sponsor on or before June 30, 2005.

17. Commission approval shall not be construed to exempt the project sponsor from obtaining all necessary permits and/or approvals required for the project from other federal, state, or local government agencies having jurisdiction over the project. The Commission reserves the right to modify, suspend, or revoke this action if the project sponsor fails to obtain or maintain such approvals.

18. The Commission reserves the right to inspect or investigate the project facility, and the project sponsor shall allow authorized employees or agents of the Commission, without advance notice or a search warrant, at any reasonable time and upon presentation of appropriate credentials, and without delay, to have access to and to inspect all areas where the project is being constructed, operated, or maintained. Such employees or agents shall be authorized to conduct tests or sampling, to take photographs, to perform measurements, surveys, and other tests, to inspect the methods of construction, operation, or maintenance, to inspect all measurement equipment, to audit, examine, and copy books, papers, and records pertinent to any

matter under investigation, and to take any other action necessary to assure that the project is constructed, operated, or maintained in accordance with the terms and conditions of this approval or any other rule, regulation, or order of the Commission.

19. If the project sponsor fails to comply with the provisions of the Compact or any rule, regulation or order of the Commission, or any term or condition of this docket, the Commission may suspend, modify, or revoke its approval of same, and may impose appropriate penalties. Upon written notice by the Commission, the project sponsor shall have thirty (30) days to correct such noncompliance, unless an alternate period is specified in the notice. Nothing herein shall preclude the Commission from exercising its authority to immediately modify, suspend, or revoke this approval where it determines exigent circumstances warrant such action, or from imposing fines and penalties, regardless of the period of noncompliance.

20. The Commission reserves the right to reopen any project docket or issue such additional orders, as may be necessary, to mitigate or avoid adverse impacts or otherwise to protect public health, safety, welfare, or the environment.

21. Commission approval confers no property rights upon the project sponsor. The securing of all rights necessary and incident to the project sponsor's development and operation of the project shall be the sole and exclusive responsibility of the project sponsor, and this approval shall be subject thereto.

22. This approval is effective until March 29, 2030. The project sponsor shall submit a renewal application by September 29, 2029, and obtain Commission approval prior to continuing operation beyond March 29, 2030.

23. If the project is discontinued for such a period of time and under such circumstances that an abandonment of the project may reasonably be inferred, the Commission may rescind the approval of the project unless a renewal is requested by the project sponsor and approved by the Commission.

By the Commission:

Dated: March 29, 2005

Kendl P. Philbrick, Chair
Maryland Commissioner