1 2 3 4 5 6	PARSONS BEHLE & LATIMER Jim B. Butler, NSB# 8389 John R. Zimmerman, NSB# 9729 50 West Liberty Street, Suite 750 Reno, NV 89501 Telephone: (775) 323-1601 Facsimile: (775) 348-7250 Attorneys for Rockview Farms, Inc.		
7 8 9 10	BEFORE THE STATE ENVIRONMENTAL COMMISSION STATE OF NEVADA		
11 12 13	In re: Amargosa Citizens for the Environment, Petition for Declaratory Order or Advisory Opinion filed January 8, 2009.		
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17 18	Comes now, Rockview Farms, Inc., as operator of the Ponderosa Dairy, by and through its attorneys of record, Parsons, Behle & Latimer, and hereby files its opposition to the Petition for a Declaratory Order and an Advisory Opinion filed by the Amargosa Citizens for the Environment		
19 20 21	(ACE) on January 8, 2009. Rockview Farms' opposition is supported by the following memorandum of points and authorities, all relevant documents on file with the Commission or the		
22 23	Nevada Division of Environmental Protection (NDEP), and any oral argument the Commission may request.		
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26 27			
28 Parsons Behle & Latimer	17423.001/4830-0001-6643.1		

#### MEMORANDUM OF POINTS AND AUTHORITIES

### **Introduction**

ACE's Petition should not be considered by the Commission because it is not authorized under NRS 233B.120. Likewise, because ACE failed to timely file an appeal of Rockview's Permit, it has no standing to challenge the terms of the Permit at the Commission. Accordingly, the Commission should dismiss ACE's Petition.

Even if the Commission considers ACE's Petition, it is clear that there is no basis for 8 ACE's request for the Commission to declare that the Director of the Department of Conservation 9 10 and Natural Resources should require groundwater quality monitoring of all existing wells in 11 close proximity to the Ponderosa Dairy or a groundwater monitoring program at the Ponderosa 12 Dairy. Moreover, the Permit already requires groundwater monitoring and there is no evidence 13 that more extensive monitoring is necessary. Lastly, ACE's request for a declaratory order that 14 sewage, as defined under NAC 445A.107, includes dairy wastewater is based on incorrect 15 conclusions regarding the process wastewater that is stored in dairy lagoons and applied to land as 16 17 fertilizer. Lastly, ACE's request for an advisory opinion that groundwater monitoring is the only 18 way to adequately protect groundwater is not supported by the law or the facts. ACE's Petition is 19 simply an improper attempt to circumvent the appeal process set forth in NRS 445A.605 and 20 should be dismissed or denied by the Commission.

### <u>Facts</u>

The Nevada Division of Environmental Protection, Bureau of Water Pollution Control
 renewed Rockview Farms' Permit NV0023027 on October 25, 2007. The Permit became
 effective November 4, 2007 and expires on November 3, 2012. NDEP issued the Permit pursuant
 to the Clean Water Act as amended, 33 U.S.C. 1251 *et seq.*, and the Nevada Water Pollution
 Control Law, NRS 445A.300 – NRS 445A.730. The Permit allows Rockview Farms to discharge

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manure solids and process wastewater (green water) from the Ponderosa Dairy and apply it to approximately 865 acres of crop lands. All manure solids generated onsite are removed from the production area and composted and sold under NDEP Compost Plant Permit #SW289REV00. The rate at which nitrogen compounds in the green water are applied to crops is limited to the annual crop nitrogen uptake rate.

The record shows that NDEP's decision to renew Rockview Farms' Permit was the result of a lengthy review within the agency and extensive public comment. During the review process NDEP reviewed and responded to numerous written comments and those made at a public hearing on June 12, 2007. ACE's president, secretary, and treasurer all participated in the public comment process, but did not timely appeal the Permit to the Commission.

Only two individuals (John Bosta and Antonio Guerra Martinez) appealed NDEP's decision to renew Rockview Farms' Permit, which appeal is currently pending before the Commission. ACE, however, failed to timely file an appeal of the Permit and instead is now attempting to challenge the Permit through an administrative declaratory order or advisory opinion under NRS 233B.120. For the reasons set forth below, however, ACE's Petition is procedurally improper, not supported by the law or the facts, and untimely.

#### <u>Argument</u>

## I. The Commission should dismiss ACE's Petition because it is not authorized by NRS 233B.120 and ACE failed to timely appeal the Permit.

The only basis for ACE's Petition is NRS 233B.120. But Ace's Petition does not seek the Commission's decision regarding the applicability of a statute, or agency regulation or decision. Thus, NRS 233B.120 does not apply and the Commission should not consider the Petition. In addition, ACE lacks standing to challenge the terms of the Permit because it failed to timely file an appeal as allowed under NRS 445A.605. Because ACE failed to timely appeal NDEP's decision, it has waived any objection to the Permit. Accordingly, the Commission should dismiss 17423.001/4830-0001-6643.1 - 3 -

PARSONS Behle & Latimer ACE's Petition.

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# a) The Petition is not Authorized Under NRS 233B.120 and should be dismissed.

Any interested person may petition the Commission for a declaratory order or an advisory 4 opinion as to the applicability of any statutory provision, or Commission regulation or decision. 5 6 NRS 233B.120; NAC 445B.888. The procedure for obtaining an agency decision regarding the 7 applicability of a statute, or agency regulation or decision is designed to promote the process of 8 obtaining a decision regarding an agency's position on a particular matter rather than challenging 9 a determination already made. Women Aware v. Reagen, 331 N.W.2d 88, 92 (Iowa 1983) (citing 10 Wisconsin Fertilizer Assn. v. Karns, 158 N.W.2d 294, 300 (Wis. 1968)); see also, Hill v. State 11 Employees Retirement Commn., 851 A.2d 320, 325 (Conn. App. 2004). The procedure was not 12 intended to "allow review of concrete agency decisions for which other means of review are 13 14 available." Citizens Against Reckless Dev. v. Zoning Bd. of App., 159 P.3d 143, 156 (Haw. 2007).

15 Here, ACE is not seeking the Commission's input regarding the applicability of any 16 statute, or Commission regulation or decision, but is attempting to appeal NDEP's decision to 17 renew Rockview Farms' Permit by asking the Commission to add a new provision to the Permit. 18 The first two issues in ACE's Petition that concern NAC 445A.250(1) do not request the 19 Commission to decide the applicability of any statute, or Commission regulation or decision. 20 21 NAC 445A.250(1) states that any discharge authorized by the Nevada Water Pollution Control 22 Law may be subject to such monitoring requirements as may be reasonably required by the 23 Director of the Department of Conservation and Natural Resources. There is no question that the 24 monitoring requirements authorized under NAC 445A.250(1) were applicable, and in fact were 25 applied, to Rockview Farms' Permit. Section I.A.2(a) of the Permit mandates that groundwater 26 samples shall be collected from a monitoring well (MW-1) to confirm the effective protection of 27 groundwater. Therefore, clearly ACE is challenging the groundwater quality monitoring program 28 - 4 -17423.001/4830-0001-6643.1

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1	that NDEP designed and imposed in the Permit terms, not the applicability of the regulation. If	
2	ACE believed NDEP should have required monitoring of all existing groundwater wells in	
3	proximity to the Ponderosa Dairy or instituted a groundwater monitoring program, then it could	
4	have appealed the Permit to the Commission under NRS 445A.605.	
5	Throughout the Petition, ACE repeatedly raises policy issues and concerns regarding the	
6 7	"shortcomings" of the current regulatory system for reviewing and issuing water pollution control	
8	discharge permits. But none of the policy issues raised by ACE may be considered under NRS	
9	233B.120 because they do not relate to the applicability of a statute, or agency regulation or	
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11	decision. Accordingly, the Petition is not proper and should be dismissed by the Commission.	
12	b) ACE failed to appeal NDEP's decision to renew Rockview's Permit and should be barred from challenging the decision under NRS	
13	233B.120.	
14	As stated above, NDEP issued the Permit in October 2007 and ACE did not file an appeal	
15	with the Commission. Thus, ACE should not be allowed to challenge the terms of the Permit	
16	under NRS 233B.120 because it failed to appeal the Permit under NRS 445A.605 and its	
17	challenge is untimely. Allowing a party to circumvent the administrative appeal process over a	
18	year after a Permit is issued would render the time limits for an appeal meaningless and would	
19	subject NDEP to endless review of its permits. Therefore, the Commission should dismiss ACE's	
20	Petition as an improper and untimely appeal of an agency decision.	
21	II. The Commission should not issue any declaratory order or advisory opinion	
22	based on ACE's Petition because Nevada law does not require all existing wells to be monitored or a groundwater monitoring program.	
23 24	The Nevada Water Pollution Control Law does not mandate groundwater monitoring.	
24 25	Concentrated Animal Feeding Operations (CAFOs) are regulated based primarily on nutrient	
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27	application rates, which are a function of nutrient concentration and crop uptake rates. The	
28	nutrient application rates are set forth in an approved nutrient management plan (NMP) and based	
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Parsons Behle & Latimer on best management practices as described by the U.S. Department of Agriculture, Natural Resources Conservation Service. Contrary to ACE's assertion, groundwater monitoring is not required by NDEP if a CAFO has synthetically-lined process wastewater storage facilities that are designed, constructed, and operated to achieve current State of Nevada standards and green water is land applied in accordance with an approved NMP.

Moreover, ACE fails to recognize that Rockview Farms' Permit requires groundwater 7 monitoring. ACE is not seeking to determine whether NAC 445A.250(1) applies to discharge 8 9 permits, or even if the Ponderosa Dairy should be subject to any monitoring requirements. ACE 10 instead is seeking to impose more stringent groundwater monitoring policies on the Ponderosa 11 Dairy based on its unsubstantiated<sup>1</sup> allegations regarding groundwater pollution. ACE also fails 12 to recognize that Rockview Farms, at significant expense, constructed synthetically-lined lagoons 13 in reliance on NDEP's policy not to require monitoring wells if the CAFO has a synthetically-14 lined lagoon. Rockview Farms could have expended substantially less money to construct clay-15 lined lagoons and installed monitoring wells, but chose to be proactive and install synthetically-16 17 lined lagoons that are more protective of groundwater quality.

In addition, ACE simply fails to understand or ignores the fact that compliance with an
approved NMP adequately protects groundwater quality and satisfies the requirements of the
Nevada Water Pollution Control Law. ACE's mistrust of NDEP's ability to effectively monitor
and enforce compliance with Rockview Farms' Permit and its skepticism regarding the current
permitting process is not a proper subject for a Petition under NRS 233B.120. Accordingly, the
Commission should deny ACE's Petition.

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<sup>1</sup> ACE consistently mischaracterizes the Permit and the operating record of the Ponderosa Dairy. The Petition shows why the Commission should not allow a party to indirectly appeal a Permit decision through a petition under NRS 233B.120—because the entire permitting record, specific permit terms, and operating record of the permittee should be before the Commission if it is reviewing an NDEP permit.

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### III. ACE's request that sewage includes dairy feedlots should be denied because it fails to distinguish between animal waste and process wastewater.

ACE requests the Commission to declare that sewage, as defined under NAC 445A.107, includes dairy feedlots, but fails to offer any evidence that the term includes, or was intended to 4 include, process wastewater from a dairy. Further, ACE's request is not authorized by NRS 5 6 233B.120 because it does not concern the applicability of a statute, or Commission regulation or 7 decision.

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## IV. ACE's request regarding an advisory opinion is not allowed under NRS 233B.120.

10 As stated above, a person may not Petition an agency for an advisory opinion unless it 11 relates to the applicability of a statute, or agency regulation or decision. Here, ACE's request for 12 an advisory opinion is improper because it seeks an overly broad policy statement from the 13 Commission that is not based supported by Nevada law or the facts. Groundwater monitoring is 14 discretionary under the Nevada Water Pollution Control Law because the level of monitoring 15 required for discharge permits varies depending on site specific conditions. Further, 16 synthetically-lined lagoons, soil sampling, monitoring, and reporting requirements adequately 17 18 protect groundwater and allow NDEP to detect whether excess nutrients are being applied to the 19 land. Accordingly, ACE's request is not supported by Nevada law or the facts. 20 Conclusion 21 Based on the foregoing, Rockview Farms respectfully requests the Commission to dismiss 22 or deny ACE's Petition.

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1	AFFIRMATION		
2	Pursuant to NRS 239B.030, the undersigned hereby affirms that the preceding document		
3	does not contain the Social Security number of any person.		
4		PARSONS BEHLE & LATIMER	
5	DATED this 5th day of February, 2009	By: A. J.	
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