



California Regional Water Quality Control Board

San Diego Region



Alan C. Lloyd, Ph.D.
*Secretary for
Environmental
Protection*

Over 50 Years Serving San Diego, Orange, and Riverside Counties
Recipient of the 2004 Environmental Award for Outstanding Achievement from USEPA

Arnold Schwarzenegger
Governor

9174 Sky Park Court, Suite 100, San Diego, California 92123-4340
(858) 467-2952 • Fax (858) 571-6972
[http:// www.waterboards.ca.gov/sandiego](http://www.waterboards.ca.gov/sandiego)

March 27, 2006

Christian Volz
McKenna Long & Aldridge
101 California Street, 41st Floor
San Francisco, California 94111
Attorneys for BAE Systems

William D. Brown
Daley & Heft
462 Stevens Ave. Suite 201
Solana Beach, California 92075
Attorneys for San Diego Unified Port District

Re: BAE Systems' Request to Add the San Diego Unified Port District as a "Discharger" in
Tentative Cleanup and Abatement Order No. R9-2005-0126

This letter addresses BAE Systems San Diego Ship Repair Inc. ("BAE Systems") requests dated December 21, 2005 and January 20, 2006 that the California Regional Water Quality Control Board, San Diego Region ("Regional Board") add the San Diego Unified Port District ("Port District") as a discharger in Tentative Cleanup and Abatement Order No. R9-2005-0126 ("Tentative CAO"), and the Port District's response thereto dated February 7, 2006.

As you know, the Regional Board staff has been separated into two teams for this proceeding. The Cleanup Team prepared the Tentative CAO and will advocate that the Regional Board adopt the Tentative CAO, subject to any revisions proposed by the Cleanup Team. The Cleanup Team is a Designated Party to the proceeding. The Advisory Team is assisting the Presiding Officer and the Regional Board for this proceeding.

The original Tentative CAO prepared by the Cleanup Team does not propose that the Regional Board name the Port District as a responsible party liable for investigation and remediation of contaminated sediments. However, the First Amended Order of Proceedings, dated January 30, 2006, expressly allows any Designated Party to propose that additional responsible parties be added to the Tentative CAO:

The deadline for the Designated Parties to identify any additional potential responsible parties will be 30 days from the distribution of the Cleanup Team's

California Environmental Protection Agency



Christian Velz
William D. Brown

- 2 -

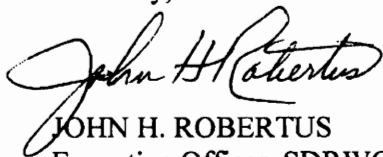
March 27, 2006

Technical Report, in order to provide an adequate opportunity for any additional potential responsible parties to participate in this proceeding.

The Cleanup Team has not yet distributed its Technical Report. Therefore, all of the Designated Parties, including BAE Systems, still have the opportunity to identify additional potential responsible parties for the Regional Board's consideration. Neither the Presiding Officer nor the Regional Board will make any final determinations regarding the liability of any of the Designated Parties until after the hearing, of course.

Incidentally, the Advisory Team recommended to the Presiding Officer that the Port District be added as a Designated Party to the proceeding in the August 29, 2005 Notice of Pre-Hearing Conference. No party objected to the addition of the Port District as a Designated Party. However, the Order of Proceedings dated October 18, 2005, inadvertently failed to reflect this addition. The Order of Proceedings will be amended at the next appropriate opportunity to clarify that the Port District is a Designated Party to the proceeding.

Sincerely,



JOHN H. ROBERTUS
Executive Officer, SDRWQCB