

March 6, 2018

Cindy Huwe  
Water Quality – CRO  
WA State Department of Ecology  
15 West Yakima Avenue, Suite 200  
Yakima, WA 98902

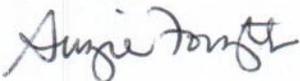
RE: Permit ST-9263, Mercer Wine Estates Discharge Monitoring Quarterly Reporting, 4<sup>th</sup> quarter 2017

Dear Cindy,

For the months of October and the fourth quarter DMR reporting, Mercer Estates was over the limit for BOD<sub>5</sub>. We reviewed cellar work orders, weather and other avenues to see what could have caused the high BOD<sub>5</sub> measurements on certain days and the only thing we could find was the struggles we have had with the bins for transport of our pomace and heavy lees. When replacing the bin from the full to empty container there has sometimes been some leakage, which we try to minimize, but on occasion the containers have not sealed well. We do try to use best practices for water conservation and waste water removal from the winery and are concerned when we have spikes like these.

Mercer Wine Estates desires to both comply with state and local agreements and to stand out as an environmentally responsible company. We understand the importance of the situation and are continuing to improve our processes for waste water management for our facility.

Sincerely,



Suzie Forsyth  
Production Coordinator/ Compliance Manager