

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of California-American Water
Company (U210W) for Approval of the
Monterey Peninsula Water Supply Project and
Authorization to Recover All Present and Future
Costs in Rates.

A.12-04-
(Filed April 23, 2012)

DIRECT TESTIMONY OF KEVIN THOMAS

Lori Anne Dolqueist
Jack Stoddard
Manatt, Phelps & Phillips, LLP
One Embarcadero Center, 30th Floor
San Francisco, CA 94111
(415) 291-7400
ldolqueist@manatt.com

Sarah E. Leeper
California-American Water Company
333 Hayes Street
Suite 202
San Francisco, CA 94102
(415) 863-2960
sarah.leeper@amwater.com

Attorneys for Applicant
California-American Water Company

Attorneys for Applicant
California-American Water Company

April 23, 2012

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

TABLE OF CONTENTS

	Page
I. WITNESS INFORMATION	1
II. PERMITS AND APPROVALS	4
III. ENVIRONMENTAL REVIEW INFORMATION.....	6

1 **BEFORE THE PUBLIC UTILITIES COMMISSION**
2 **OF THE STATE OF CALIFORNIA**

3
4 Application of California-American Water
5 Company (U210W) for Approval of the
6 Monterey Peninsula Water Supply Project and
7 Authorization to Recover All Present and Future
8 Costs in Rates.

Application
(Filed April 23, 2012)

9 **DIRECT TESTIMONY OF KEVIN THOMAS**

10 **I. WITNESS INFORMATION**

11 Q1. Please provide your name, position, and business address.

12 A1. My name is Kevin Thomas. I have been employed by RBF Consulting (RBF) since
13 November 1985, and currently serve as Environmental Services Manager. RBF is a
14 wholly-owned Company of Michael Baker Corporation. I work primarily from RBF's
15 Temecula Office, located at 40810 County Center Drive, Suite 100, Temecula, CA,
16 92591.

17
18 Q2. What is your educational background and training?

19 A2. I have a B.A. in Environmental Engineering from the University of California at Los
20 Angeles. I am also a Certified Environmental Professional (CEP # 00383) from the
21 National Association of Environmental Professional's Academy of Board Certified
22 Environmental Professionals and as such, am required to maintain minimum continuing
23 education.

24
25 Q3. Please state your expertise relative to this proceeding.

26 A3. I have over 26 years' experience with the California Environmental Quality Act (CEQA),
27 National Environmental Policy Act (NEPA) and regulatory permitting. Over the past 10
28 years, a large portion of my professional time has been devoted to the CEQA/NEPA

1 compliance and regulatory permitting of desalination projects. I have served as Project
2 Manager or Project Director for CEQA or NEPA documents associated with the following
3 desalination projects, all located in California:

- 4
- 5 1) Chino I Expansion and Chino II Desalter Supplemental Environmental Impact
- 6 Report (EIR)
- 7 2) Arlington Desalter Expansion Initial Study/Mitigated Negative Declaration
- 8 3) Regional Seawater Desalination Plant at Encina Program EIR
- 9 4) Huntington Beach Desalination Facility EIR and Recirculated EIR
- 10 5) Long Beach Under Ocean Desalination Demonstration Project Initial
- 11 Study/Environmental Assessment
- 12 6) West Basin Municipal Water District Temporary Ocean Water Desalination
- 13 Demonstration Project EIR
- 14 7) West Basin Municipal Water District Full-scale Desalination Siting Study
- 15 8) Camp Pendleton Seawater Desalination Feasibility Study
- 16 9) Camp Pendleton Seawater Desalination Environmental Technical Studies
- 17 10) Cambria Community Services District Desalination Plant EIR
- 18 11) Coastal Water Project Proponent's Environmental Assessment
- 19 12) City of San Bernardino "Clean Water Factory" EIR/EIS
- 20

21 I also receive training and stay current on related technical and regulatory matters through
22 active participation in the California Association of Environmental Professionals (having
23 served in multiple past Association positions at the local and State level, including
24 chairing the 2010 Annual Conference), National Association of Environmental
25 Professionals (participating on the NEPA Working Group), American Council of
26 Engineering Consultants (serving as Chair of the California Chapter's Committee on Land
27 Use and Environment), American Road and Transportation Builders (serving as co-chair
28 of the Environmental Committee and Chair of the NEPA Subcommittee), and CalDesal

1 (serving on the Executive Committee as Secretary, and serving as Chair of the Regulatory
2 Affairs Working Group).

3
4 I have either served as a moderator or speaker on more than 20 conference and workshop
5 panels related to CEQA, NEPA, regulatory permitting or desalination, including chairing
6 a 2005 Desalination Conference in Santa Barbara, and currently serving on the Programs
7 Committee for the 2012 CalDesal Conference.

8
9 Q4. What is your role with California American Water relative to a Monterey water supply
10 project?

11 A4. For Application (“A.”) 04-09-019, I served as Principal Technical Manager in preparation
12 of the Proponent’s Environmental Assessment for the Coastal Water Project. In addition,
13 I served in a technical oversight role for the regulatory permitting of the Moss Landing
14 Pilot Plant, and initiated the regulatory agency consultation, both relative to the Coastal
15 Water Project. I have also, as directed by California American Water and/or as requested
16 by the California Public Utilities Commission (“CPUC”) and its CEQA consultant,
17 provided technical assistance relative to the CEQA process and regulatory permitting
18 issues.

19
20 Q5. Have you ever appeared before or provided testimony to this Commission?

21 A5. Yes, I provided testimony on behalf of California American Water as part of A.04-09-019.

22
23 Q6. Have you provided testimony or appeared before other regulatory commissions?

24 A6. Yes, I have provided testimony to the California Energy Commission related to power
25 projects, and have provided testimony or served as the Applicant’s Agent for projects
26 before the California Coastal Commission.

27
28 Q7. What will you be addressing in your testimony?

1 A7. My testimony will focus on the proposed Monterey Peninsula Water Supply Project,
2 including modifications to the North Marina Project, as they relate to CEQA/NEPA
3 compliance and regulatory permitting, as well as addressing specific questions required by
4 the CPUC relative to recreation and park areas, historic and aesthetic values, and influence
5 upon the environment.

6
7 **II. PERMITS AND APPROVALS**

8 Q8. What are the primary regulatory permits required and are these of concern?

9 A8. As noted in Mr. Richard Svindland's testimony, the Coastal Development Permit,
10 required from the California Coastal Commission, is likely the most complex and
11 challenging of the Monterey Peninsula Water Supply Project's required regulatory
12 permits. There are approximately 20 different regulatory or discretionary agreements,
13 approvals or permits required for the Project, as set forth in the Final EIR the CPUC
14 certified in D.09-12-017 (a list of the necessary permits and approvals, which is derived
15 from Table 3-14 in the Final EIR, is included with the Monterey Peninsula Water Supply
16 Project application). Each has its own unique process with associated legal, technical and
17 regulatory requirements to meet. However, these regulatory permits are similar for any
18 new water supply project, particularly for one located on the Monterey Peninsula.

19
20 Because many agencies are empowered to exercise discretion in issuing permits, the
21 permitting process for any project can be unpredictable. For projects that require a large
22 number of permits and where the project is the subject of some controversy – such as a
23 coastal desalination facility – there are more opportunities for unpredictable results.

24 These concerns are common to water supply projects in general, and to desalination
25 projects in particular. In addition, the CPUC's Division of Ratepayer Advocates
26 ("DRA"), together with California American Water, invested considerable time, energy
27 and funds in pursuing the Regional Desalination Project, adopted in D.10-12-016.

28 Although the Regional Desalination Project is no longer being pursued by California

1 American Water, the Regional Desalination Project process resulted in a certified Final
2 EIR for the North Marina Project. In that Final EIR, the North Marina Project was
3 identified as the Environmentally Superior Alternative by the CPUC. California
4 American Water's Project includes modifications to the North Marina Project that further
5 reduce the environmental impacts, which directly respond to regulatory permitting and
6 stakeholder concerns, making the Monterey Peninsula Water Supply Project the most
7 viable new water supply alternative available to California American Water. The
8 Monterey Peninsula Water Supply Project is designed to produce less desalinated product
9 water (which reduces greenhouse gas emissions and growth concerns), and incorporates
10 additional flexibility in the design and phasing to allow incorporating the groundwater
11 replenishment into the overall water supply solution (drawing upon the intent of the
12 Regional Desalination Project). Although project opponents will likely express
13 "concerns" through the CEQA and regulatory permitting process, the Project has been
14 designed as the most environmentally sound coastal desalination plant feasible. The
15 Monterey Peninsula Water Supply Project will likely have an extensive commitment to
16 environmental protection and mitigation as set forth in the CPUC's Final EIR (these
17 commitments will be enforced through the Certificate of Public Convenience and
18 Necessity ("CPCN") conditions of approval and the Final EIR's Mitigation Monitoring &
19 Reporting Program, as well as regulatory agency permit conditions of approval). In my
20 opinion, the Monterey Peninsula Water Supply Project is the most viable alternative
21 available to California American Water and will allow it to respond to the pending CDO,
22 with the recognized significant environmental benefit of reducing California American
23 Water's use of Carmel River water and associated environmental protection afforded to
24 federally protected species and sensitive habitat.

25
26 Q9. What is California American Water doing to address greenhouse gas emissions?

27 A9. As noted in Richard Svindland's testimony, the CPUC's Supplemental EIR on this Project
28 will address greenhouse gas ("GHG") emissions. Mr. Svindland also noted that

1 California American Water is investigating use of solar photovoltaic power to reduce total
2 energy demand and associated GHG emissions, as well as exploring LEED certification
3 and potential use of natural gas from the nearby municipal landfill. A comprehensive
4 Greenhouse Gas Reduction and Energy Minimization Plan will be required as part of the
5 Monterey Peninsula Water Supply Project's regulatory permitting process, by both the
6 California Coastal Commission and the State Lands Commission. In addition, if
7 California American Water is successful in obtaining federal funding through the State
8 Revolving Fund, the Monterey Peninsula Water Supply Project will be reviewed to ensure
9 it meets federal Clean Air Act requirements, including a Conformity Review. The
10 Project's Supplemental EIR, together with the Greenhouse Gas Reduction and Energy
11 Minimization Plan and State Revolving Fund Conformity Review process, will ensure that
12 the Project minimizes its GHG emissions.

13
14 **III. ENVIRONMENTAL REVIEW INFORMATION**

15 Q10. Please describe the proposed Monterey Peninsula Water Supply Project's effects upon
16 recreation and park areas.

17 A10. The CPUC's Final EIR addresses these issues with respect to the facilities analyzed in that
18 document. The Monterey Peninsula Water Supply Project should not have adverse effects
19 upon recreation and park areas, as all proposed new or modified facilities would either be
20 located within public rights of way, existing easements, or on private land. The slant
21 wells and associated pipelines are all below ground. The slant wells would be on private
22 land and not be visible from nearby public lands or public roads. Although the project
23 would require temporary construction detours on public roads for pipeline installation, any
24 such impacts are addressed in the Final EIR, any changes will likely be analyzed in the
25 Supplemental EIR, and California American Water will comply with all mitigation
26 measures as set forth in the CPCN conditions of approval and the Mitigation Monitoring
27 & Reporting Program.

28

1 Q11. Please describe the Monterey Peninsula Water Supply Project's effects upon historic and
2 aesthetic values.

3 A11. The CPUC's Final EIR addresses these issues for the facilities analyzed in that document.
4 The Monterey Peninsula Water Supply Project should have no adverse effects on known
5 historic resources, as facilities would mostly be within public streets, existing easements
6 or on private land. The CPUC, through its environmental review, will assess potential
7 archaeological, paleontological and historic resources within the areas affected by new or
8 modified facilities.

9
10 The slant wells and associated pipelines would be located below ground and as such are
11 not expected to represent a significant aesthetic impact. Although temporary construction
12 equipment will be visible during slant well and pipeline installation, this will be a
13 temporary condition, and appropriate measures will be taken to minimize any adverse
14 effects. The desalination plant site is on private land, although it will be visible from
15 portions of Highway 1 and other public roads. As such, the known will incorporate
16 appropriate architectural design, lighting restrictions, and landscape screening to avoid or
17 reduce potentially adverse effects. This issue will be addressed in more detail by the
18 CPUC during the environmental review.

19
20 Q12. Please describe the information submitted to the CPUC Energy Division relative to
21 environmental issues associated with the proposed Project.

22 A12. California American Water held multiple pre-application meetings with Energy Division
23 staff to discuss and agree on the necessary documents to meet its needs for environmental
24 review. Consistent with those meetings, California American Water has provided with the
25 application an updated CEQA Project Description for use by the CPUC and its CEQA
26 consultant in preparation of the required CEQA documentation. In light of the fact that
27 the CPUC has previously certified an EIR for a desalination facility near Marina, CA, this
28 is all of the documentation Energy Division staff requested we provide to facilitate

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

environmental review. California American Water has shared a draft of this CEQA Project Description with CPUC staff and its CEQA consultant, met with CPUC staff and its CEQA consultant on April 3, 2012 to review the draft CEQA Project Description and related matters, and has committed to providing CPUC staff and its CEQA consultant with necessary information to adequately evaluate the potential environmental impacts of the proposed Project.

Q13. Does this conclude your testimony?

A13. Yes, it does.