STATE OF NEW MEXICO WATER QUALITY CONTROL COMMISSION

IN THE MATTER OF PROPOSED AMENDMENTS TO GROUND AND SURFACE WATER PROTECTION REGULATIONS, 20.6.2 NMAC



No. WQCC 17-03 (R)

LOS ALAMOS NATIONAL SECURITY, LLC'S NOTICE OF INTENT TO PRESENT TECHNICAL TESTIMONY

Los Alamos National Security, LLC ("LANS"), pursuant to 20.1.6.202 NMAC and the Revised Procedural Order, issued June 2, 2017, submits this Notice of Intent to Present Technical Testimony.

1. <u>Identify the person for whom the witness(es) will testify.</u>

Los Alamos National Security, LLC

2. <u>Identify each technical witness the person intends to present and state the qualifications of that witness including a description of their educational and work background.</u>

LANS expects to offer the following technical witness at the hearing:

Robert S. Beers Los Alamos National Security, LLC

Mr. Beers' qualifications and background are described in detail in his direct testimony.

3. <u>Include a copy of the direct testimony of each technical witness and state the estimated duration of the direct testimony of that witness.</u>

A copy of Mr. Beers' direct testimony is attached to this Notice. LANS anticipates that the duration of Mr. Beers' direct testimony will be approximately 30 minutes.

4. <u>Include the text of any recommended modification to the proposed regulatory change.</u>

LANS submitted proposed modifications to the New Mexico Environment Department's proposal on July 17, 2017. It submitted corrections to those modifications on August 7, 2017. LANS does not propose any further modification to the Department's proposal.

6. <u>List and attach all exhibits to be offered by the person at the hearing.</u>

LANS does not expect to offer any exhibits at the hearing.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By

Lows W. Rose Wari Olson

Post Office Box 2307

Santa Fe, New Mexico 87504-2307

(505) 982-3873

lrose@montand.com

kolson@montand.com

Timothy A. Dolan
Pranava Upadrashta
Office of Laboratory Counsel
Los Alamos National Laboratory
P.O. Box 1663, MS A187
Los Alamos, NM 87545
(505) 667-7512
tdolan@lanl.gov
pranava@lanl.gov

Attorneys for Los Alamos National Security LLC

CERTIFICATE OF SERVICE

I hereby certify that on September 11, 2017, a true and correct copy of the foregoing Los Alamos National Security, LLL's Notice of Intent to Present Technical Testimony was served via electronic mail or hand-delivered to the following:

Jaimie Park

John Verheul
Lara Katz
Assistant General Counsel
Office of General Counsel
New Mexico Environment Department
Post Office Box 5469
Santa Fe, NM 87502-5469
John.verheul@state.nm.us
Lara.katz@state.nm.us

Douglas Meiklejohn
Jonathan Block
Eric Jantz
New Mexico Environmental Law Center
1405 Luisa Street, Ste. 5
Santa Fe, NM 87505
jpark@nmelc.org
dmeiklejohn@nmelc.org
jblock@nmelc.org
ejantz@nmelc.org

Dalva L. Moellenberg Gallagher & Kennedy, PA 1239 Paseo de Peralta Santa Fe, NM 87501-2758 DLM@gknet.com

Rachel Conn
Projects Director
Amigos Bravos
Post Office Box 238
Taos, NM 87571
rconn@amigosbravos.org

Pete Domenici, Jr.
Lorraine Hollingsworth
Reed C. Easterwood
Domenici Law Firm, P.C.
320 Gold Ave, SW, Suite 1000
Albuquerque, NM 87102
pdomenici@domenicilaw.com
lhollingsworth@domenicilaw.com
reasterwood@domenicilaw.com

William C. Olson
14 Cosmic Way
Lamy, NM 87540
Billjeanie.olson@gmail.com

William Brancard
Cheryl Bada
Energy, Minerals and Natural Resources
Department
1220 South St. Francis Drive
Santa Fe, NM 87505
Bill.brancard@state.nm.us
Cheryl.bada@state.nm.us

Russell Church, President NMML EQA Subsection New Mexico Municipal League Post Office Box 846 Santa Fe, NM 87504-0846 rchurch@redriver.org

Michael L Casillo Litigation Attorney AFLOA/JACE 1500 West Perimeter Road, Suite 1500 Joint Base Andrews, MD 20762 Michael.l.casillo2.civ@mail.mil

John Grubesic
Assistant Attorney General
Office of the Attorney General
Post Office Drawer 1508
Santa Fe, NM 87504-1508
jgrubesic@nmag.gov

Michael Bowen
Executive Director
New Mexico Mining Association
1470 St. Francis Drive
Santa Fe, NM 87505
nmma@comcast.net

*Pam Castaneda, Administrator Water Quality Control Commission Room N-2168, Runnels Building 1190 St. Francis Drive Santa Fe, NM 87505 Pam.castaneda@state.nm.us

Stuart R. Butzier
Christina C. Sheehan
Modrall, Sperling, Roehl Harris & Sisk
Post Office Box 2168
Albuquerque, NM 87103-2168
Stuart.butzier@modrall.com
Christina.sheehan@modrall.com

Louis W. Rose

^{*} by hand delivery

STATE OF NEW MEXICO BEFORE THE WATER QUALITY CONTROL COMMISSION

IN THE MATTER OF PROPOSED AMENDMENTS TO GROUND AND SURFACE WATER PROTECTION REGULATIONS, 20.6.2 NMAC

No. WQCC 17-03 (R)

DIRECT TESTIMONY OF ROBERT S. BEERS LOS ALAMOS NATIONAL SECURITY, LLC.

LOUIS W. ROSE KARI OLSON Montgomery & Andrews, P.A. P.O. Box 2307 Santa Fe, NM 87504-2307 (505) 982-3873

TIMOTHY A. DOLAN PRANAVA UPADRASHTA Office of Laboratory Counsel Los Alamos National Laboratory P.O. Box 1663, MS A187 Los Alamos, NM 87545 (505) 667-7512

Attorneys for Los Alamos National Security, LLC

1		I. INTRODUCTION
2	Q.	Please state your name and business address.
3	A.	Robert S. Beers. My business address is Los Alamos National Laboratory, Mail Stop
4		K490, Los Alamos, New Mexico 87545.
5	Q.	On whose behalf are you submitting direct testimony?
6	A.	I am submitting this direct testimony on behalf of Los Alamos National Security, LLC
7		("LANS").
8	Q.	By whom are you employed and what is your position?
9	A.	I am currently employed by LANS as Environmental Professional 4.
10	Q.	What are your responsibilities as Environmental Professional 4?
11	A.	I support oversight and management of Los Alamos National Laboratory's ("LANL" or
12		"Laboratory") ground water discharge permit programs. In this capacity, I provide
13		advice, analysis, and assistance to plan, coordinate, and track groundwater discharge
14		applications and compliance. My responsibilities include support in the preparation and
15		management of LANL's ground water discharge permit applications to the New Mexico
16		Environment Department ("NMED" or the "Department"). Once the permit is issued, I
17		am also responsible for monitoring and reporting compliance with the terms set forth in
18		LANL's groundwater discharge permits. I interact with the staff from the NMED
19		Ground Water Quality Bureau regarding questions, issues, or compliance with permit
20		requirements. I currently manage four of LANL's ground water discharge permits and
21		one pending ground water discharge permit application.
22	Q.	Please describe your experience with groundwater management before becoming
23		Environmental Professional 4.

A.

In total, I have approximately 22 years of experience as a staff member in environmental project management at LANL. While I was a Masters student at the University of New Mexico, I was employed by LANL as a Graduate Research Assistant. In this role, I supported technical staff with Safe Drinking Water Act compliance. Upon graduation, I obtained a technical staff position at LANL.

For the first several years of my career at LANL, I focused on the Safe Drinking Water Act and New Mexico Water Quality Act compliance. At that time, DOE owned and operated the water supply system for the County of Los Alamos. I was responsible for sampling and reporting to the NMED Drinking Water Bureau. In this role, I gained extensive experience with the federal Environmental Protection Agency's Maximum Contaminant Levels and their implementation.

My exclusive focus for approximately the last twenty years has been on ground water discharge permits issued by NMED. In this capacity, I support permit applications, analysis of monitoring and sampling results, and preparation of reports submitted to NMED. Recent permit applications I have been involved with are the applications for DP-1793 (LANL's land application permit), DP-1835 (LANL's permit to operate injection wells), and the pending application for DP-1132 (the discharge permit relating to LANL's Radioactive Liquid Wastewater Treatment Facility). I also supported the recent renewal of DP-857 (LANL's permit for domestic and industrial wastewater facilities) and provide ongoing support of DP-1589 (LANL's permit for active septic systems). My work on the applications for these permits, as well as my ongoing compliance and reporting responsibilities, have given me a sound understanding of the

1		Water Quality Control Commission's ("WQCC" or "Commission") regulations and how
2		they are implemented within the regulated community.
3	Q.	Please summarize your educational experience.
4	A.	I have a Bachelor of Science degree in biology from Cornell University in Ithaca, New
5		York, as well as a Masters degree in Water Resources Administration from the University
6		of New Mexico.
7	Q.	Have you previously provided testimony before this Commission?
8	A.	Yes. I have provided testimony before this Commission in a proceeding involving a
9		challenge to DP-1793. I have also presented testimony before the NMED Secretary in
10		DP-1835, a public hearing involving a groundwater discharge permit application.
11		II. PURPOSE OF TESTIMONY
12	Q.	What is the purpose of your testimony?
13	A.	The purpose of my testimony is to provide the Commission with the technical bases for
14		LANS' proposed amendments to 20.6.2 NMAC.
15		III. SUMMARY OF AND BASIS FOR LANS' PROPOSED CHANGES
16		1. Inclusion of CAS Numbers
17	Q.	Please summarize LANS' proposed amendments to 20.6.2.7.T.2 (definition of toxic
18		pollutant) and 20.6.2.3103 (numeric standards for ground water).
19	A.	LANS proposes to add the Chemical Abstract Service Registry Number ("CAS
20		Number") for each pollutant currently listed at 20.6.7.WW and 20.6.2.3.3103, and those
21		proposed by NMED to be listed at 20.6.2.7.T.2 NMAC to create consistency and ease of
22		identification and reference. This proposed amendment is set forth in detail in numbered
23		paragraphs 1 and 3 of LANS' proposed changes and statement of reasons.

1	Ų.	Please explain what a CAS number is, including how it ensures consistency and
2		assists with ease of identification and reference.
3	A.	The CAS Registry is comprised of scientific data from patents, journals, and chemical
4		catalogs dating from 1957 to the present. The database is updated daily and considered
5		the most comprehensive collection of disclosed chemical substance information in the
6		world. Each substance in the CAS Registry is assigned a CAS Registry Number, a
7		unique, unmistakable, and, universally recognized identifier for every known chemical
8		substance.
9		Reference to the CAS number, as opposed to the generic name provides an
10		unambiguous way to identify a chemical substance or molecular structure when there are
11		many possible alternative systematic, generic, proprietary or trivial names for that
12		substance. Inclusion of the unique CAS Number for each contaminant identified in the
13		regulations will serve to standardize references throughout the regulations. Using the
14		CAS number will also ensure for the Department, as well as the regulated community,
15		that regulated contaminants are properly and consistently identified and regulated. The
16		Commission identifies contaminants by CAS Number in the surface water standards in
17		20.6.4.900.J NMAC, the use-specific numeric criteria.
18		2. Incorporation of Statutory Exemptions Into Regulations
19	Q.	Please summarize and provide the basis for LANS' proposed additions to 20.6.2.10
20		NMAC and 20.6.2.3105 NMAC related to statutory exemptions.
21	A.	The current regulations do not conform to the exemptions provided under federal statutes
22		and, in certain instances, fail to provide exemptions for certain activities and conditions
23		that are expressly exempted from the Commission's authority under the Water Quality

Act, NMSA 1978, Section 74-6-12 (1999). To rectify this, LANS has set forth two proposed changes. The basis for these proposals is set forth in paragraphs 2 and 4 of LANS proposed changes and statement of reasons and summarized below.

(a) Adoption of a new 20.6.2.10 NMAC

First, LANS proposes to adopt a new 20.6.2.10 NMAC, providing that except as set forth in Part 4 of the regulations, activities or conditions subject to the authority of the Environmental Improvement Board under the Hazardous Waste Act, the Ground Water Protection Act, the Solid Waste Act, or the authority of the Oil Conservation Commission under the Oil and Gas Act are exempt from the regulations. This added language would bring the regulations into conformity with the Water Quality Act, as these activities are expressly exempted by statute from the Commission's authority. In addition, separating these specific exemptions from the specific permitting and abatement exemptions, and incorporating them in a separate section will better inform the regulated community and the public on the scope of the regulations, without the need to review the Act, as well as the regulations.

(b) Amending 20.6.2.3105 NMAC

Second, LANS proposes to amend 20.6.2.3105 NMAC by deleting subsections 3105.J and .M and revising subsection 3105.O. LANS' proposed addition of 20.6.2.10 NMAC would incorporate the statutory exemptions of the Water Quality Act (Section 74-6-12). This addition would make the language of 20.6.2.3105.J (exempting leachate from material disposed of under the Solid Waste Management Regulations adopted by the New Mexico Environmental Improvement Board) and 3105.M (exempting effluent or leachate

discharges which are regulated by the Oil Conservation Commission pursuant to 1 2 statutorily-granted exclusive authority) redundant, and therefore, unnecessary. LANS' proposed revision to 3105.0 would clarify that activities regulated under 3 4 (1) the Solid Waste Disposal Act, 42 U.S.C. §§ 6091 to 6992k, and (2) the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 5 42 U.S.C. § 9601 to 9675, are exempt from the regulations because these activities are 6 7 already subject to federal authority. Addition of this language will clarify the exemptions for hazardous waste and solid waste, and also will extend the exemption to activities and 8 conditions already subject to regulation under the federal Solid Waste Disposal Act. 9 Similarly, with respect to federal CERCLA regulation, it is important to clarify that 10 duplicative regulation was not intended. Section 121(e)(1) of CERCLA (42 U.S.C. § 11 12 9621(e)(1)) specifically provides that "[n]o Federal, State, or local permit shall be required for the portion of any removal or remedial action conducted entirely onsite, 13 14 where such remedial action is selected and carried out in compliance with [Section 121]." 15 Adding language to explain that activities conducted under these statutes are not subject to the regulations will bring the regulations into conformity with statutory 16 authority. The added language recognizing statutory exemptions will also provide greater 17 18 clarity to the Department and the regulated community. 19 3. Revisions to Permit Application Procedures Please summarize and provide the basis for LANS' proposed changes to 20.6.2.3106 20 Q. 21 and 20.6.2.3108 NMAC. 22 The objective of these proposed changes is to better allocate the time allowed for review A. 23 of notices of intent and review for administrative completeness of an application for a

discharge permit, limit monitoring and reporting requirements to contaminants that have a reasonable potential to be present in the effluent and provide increased transparency in the permitting process. Based on my experience, I expect that these proposed changes will benefit the Department, the regulated community, and the public by better allocating review time, reducing unnecessary permit requirements, and providing the public and regulated entities a better understanding of the permitting process. The basis for these proposed amendments is set forth in numbered paragraphs 5 and 6 of LANS' proposed changes and statement of reasons and is further elaborated on in turn below.

(a) Determination of discharge permit requirement

First, LANS proposes to reduce the time period in which the Department must make a decision whether a discharge permit is required. The current time period is 60 days; LANS proposes a change to 30 days. Experience has shown that the 60-day time period is unnecessarily long and that, in practice, the determination on whether a permit is required is generally straightforward. Shortening the time period allowed for a decision on a notice of intent will allow entities proposing a discharge for which no permit is required to commence work more quickly. Where a permit is required, the party will be provided notice sooner and can begin preparation of application for a discharge permit, thereby expediting the process.

(b) Determination of administrative completeness of application

The second change that LANS proposes would increase the time allowed for the Department to make a determination on whether an application is administratively complete. LANS proposes increasing this period from 15 to 30 days. LANS believes that 30 days is a more reasonable time period in which to determine whether an

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

application is complete. In practice, the Department often takes longer than 15 days to reach a conclusion on completeness and, accordingly, a longer time period should be provided to reflect practical considerations. Moreover, the 30-day completeness review period is consistent with other Department permitting programs. For example, the Department has 30 days to determine whether an application for a pre-construction air permit is administratively complete. See 20.2.72.207.A NMAC ("The department shall, within thirty (30) days after its receipt of an application for a permit or significant permit revision, review such application and determine whether it is administratively complete."). 4. Limitation of Monitoring and Reporting Requirements Q. Please summarize and provide the basis for LANS' proposed changes to 20.6.2.3108.H. LANS proposes two substantive amendments to 20.6.2.3108.H NMAC. The first A. involves a requirement that the Department prepare a draft permit and that the draft permit includes proposed effluent limitations or other conditions, and all proposed monitoring, recordkeeping and reporting requirements. The second proposed change involves preparation of either a statement of basis or, alternatively, a fact sheet for certain draft permits prepared by the Department. The basis for these changes is set forth in numbered paragraph 6 of LANS' proposed changes and statement of reasons and further elaborated on in turn below. (a) Inclusion of certain conditions and requirements in draft permits The first amendment to this section is to subsection 3108.H(1). LANS proposes to include a requirement that the Department prepare a draft permit, which includes

proposed effluent limitations or other conditions, and all proposed monitoring, recordkeeping and reporting requirements. Importantly, these requirements would only apply "to those pollutants that the Department determines are or may be discharged at a level which will cause, have the reasonable potential to cause, or contribute to an excursion above any standard of 20.6.2.3103 NMAC."

The objective of this proposal is to limit monitoring and reporting requirements to contaminants that have a reasonable potential of being in the permitted effluent. It is LANS' experience that even after submission of detailed process information and data establishing the type and quantity of constituents within a proposed discharge, the Department requires sampling and analysis for all contaminants listed in 20.6.2.3103 and all toxic pollutants as currently defined in 20.6.2.7.WW. A recent example is Discharge Permit DP-1835, issued to LANL on August 31, 2016. The application for that permit identified seven contaminants that had the reasonable potential to be present in the effluent. Those seven contaminants were identified based on extensive sampling, modeling and process knowledge. Nevertheless, the Department required annual sampling for all 48 contaminants listed in Section 3103 and all 93 toxic pollutants listed at Section 20.6.2.7.WW.

Similar requirements are imposed in other ground water discharge permits issued to LANL, and presumably in permits issued statewide. In the case of LANL, the majority of the contaminants and toxic pollutants sampled for are constituents that never have been, nor ever will be, used in any process at the Laboratory. The annual cost of sampling, monitoring and reporting for these contaminants is approximately \$100,000 per year.

Limiting monitoring, recordkeeping and reporting only to contaminants that have a reasonable potential of being present in effluent is more efficient for both the permittee and the Department because it eliminates unnecessary sampling and related analysis of results. At the same time, there is no increased threat to human health or the environment because if there is no reasonable potential for a given contaminant to be present in the effluent, then it is simply not present in the discharge. Overall, this proposed change would create a more cost-effective and streamlined compliance process.

LANS recognizes that for some processes or systems there may be reasonable potential for unexpected toxic pollutants or other contaminants to enter a waste stream. Examples include septic systems or sanitary wastewater treatment facilities that have numerous inputs from diverse sources. For those specific types of systems, including a broad suite of analytes in a discharge permit may be appropriate. However, reasonable potential should nevertheless be evaluated even where that analysis results in sampling requirements for numerous constituents.

(b) Statements of basis or fact sheets

LANS proposes preparation of either a statement of basis or, alternatively, a fact sheet for each draft permit prepared by the Department. LANS' proposal is drafted in such a way that requires a statement of basis for all draft permits for which no fact sheet is prepared. Fact sheets will be prepared by the Department at the discretion of the Secretary or upon request by the applicant. LANS' proposal would conform the discharge permit process to the process currently in place for hazardous waste permits under the Hazardous Waste Act, air permits under the Air Quality Control Act, and federal NPDES permits under the Clean Water Act.

The intent of this proposal is that statements of basis be prepared for the majority of draft permits and that fact sheets be prepared for those draft permits that are likely to be of interest to the public, that may be controversial, or that contain numerous and complex conditions. Statements of basis and fact sheets illuminate the Department's reasoning, provide clarity in the process, and clearly delineate the nature of the discharge and the requirements imposed by the proposed permit. In addition to better informing all parties interested in a draft permit, statements of basis and fact sheets will aid in the creation of a more complete and defensible administrative record, which is useful in the event the discharge permit is challenged.

Another benefit of statements of basis or fact sheets is the formalization of the Department's decision making. In the Laboratory's experience as a permit applicant, we frequently receive draft permits that include conditions that require some level of interpretation to determine the nature of the requirement. In practice, these issues have been resolved through informal calls, emails or meetings with the Department. However, the public is not involved in these discussions and, over time, as the permit is implemented and renewed, personnel changes at the Department and at the Laboratory can result in different interpretations of the same conditions. Statements of basis or fact sheets would set forth the Department's reasoning in a way that informs the public and remains consistent regardless of the term of the permit and its subsequent renewals.

Statements of basis and fact sheets will also bring the WQCC's underground injection control (UIC) program (20.6.2.5000-5363 NMAC) into compliance with permitting requirements imposed by federal Safe Drinking Water Act (SDWA) regulations. Those regulations require that states that are delegated authority to implement UIC programs

follow certain permitting protocols, including issuance of statements of basis and fact sheets. 40 CFR § 145.11(a)(26) & (27); 40 CFR §§ 124.6 and 124.8. Currently, the WQCC regulations do not require statements of basis or fact sheets and in practice, those documents are not prepared by NMED. LANS' proposal fills the gap between federal requirements and the WQCC's regulations.

Finally, the requirement to prepare statements of basis or fact sheets would not impose undue burden on the Department. All of the analyses included in either document necessarily are already performed by the Department on all applications because the Department cannot grant or deny any discharge permit application without considering the basis for approval or disapproval, the conditions included in the permit and the reasons for the conditions, or the quantity and quality of the effluent. Providing that information to the public and the applicant should not be overly burdensome, and could ultimately save the Department time and resources by reducing informal contact between the permittee and Department staff.

5. Written response requirement

- Q. Please summarize and provide the basis for LANS' proposed changes to 20.6.2.3109.C NMAC.
- A. LANS' final proposal would require the Department to prepare a written response to comments on a draft permit or proposed disapproval at the time it makes a final decision to approve, approve with conditions or disapprove the permit. The responses would state specifically how the Department evaluated and addressed the comments to create a record of how the Department arrived at its final decision. The basis for this proposed

amendment is set forth in numbered paragraph 7 of LANS' proposed changes and statement of reasons and set forth in detail below.

Requiring the Department to submit a written response serves two primary purposes. First, it conforms the ground water discharge permit process to other New Mexico and federal environmental permitting programs, including the Department's process for hazardous waste permits and EPA's process for NPDES, UIC¹ and RCRA permits. Second, requiring the Department to provide a written response to comments would allow commenters to better evaluate whether to challenge the Department's decision and, if an appeal is pursued, can narrow the issues in dispute.

LANL's recent experience with Discharge Permit DP-1793 serves as an example of how responses to comments may have avoided disputed issues. In that permit proceeding, numerous comments were received, but no response was provided to the commenters. The permit was challenged in an appeal to the WQCC and is now under review by the New Mexico Court of Appeals. Though the focus of the appeal is on whether a hearing should have been held, a written response to comments may have narrowed the issues that may remain in any subsequent proceeding. A response to comments by the Department explaining its reasoning may have avoided the added costs, delays, and other hurdles of the appeal process, which would have benefited all parties involved, including the Department.

- Q. Does this conclude your direct testimony?
- 21 A. Yes.

¹ Like statements of basis and fact sheets, states delegated authority to administer UIC programs are required to respond in writing to comments. 40 CFR §§ 145.11(a)(31) and 124.17.