Order WR 2009-0060 Resolution of Condition 2 for Existing Service Addresses Revised January 26, 2017

Proposed Interpretive Language – Revised 1-26-17

Recognizing that the District's regulatory framework is aligned with the CDO and "no new water", the District has proposed that the CDO be applied on the "macro" level ensuring that the effective diversion limits (EDL) are met, but flexibility be allowed at the "micro" level using the District's existing permit process to determine how existing service addresses are evaluated. The CDO does not need to be amended, however new interpretive language should be adopted. Proposed language, including footnotes, is as follows:

" increased use of water at existing service addresses shall mean an increase in the capacity to use water at an existing residential or non-residential site in excess of the pre-project capacity to use water¹, credit from water saved on a site², and/or a debit to a jurisdiction's allocation of water³ each as permitted and authorized by the Monterey Peninsula Water Management District under its Rules and Regulations.⁴ "

¹ Water Use Capacity, Capacity, Site, Water Use Credit, Jurisdiction, and Allocation are all defined terms in District Rule 11.

² Residential credits cannot be transferred. Although District Rule 28 addresses commercial and industrial credits, none have been transferred since the Court of Appeal opinion in *Save Our Carmel River v. Monterey Peninsula Water Management District* (2006) 141 Cal.App.4th 677 which held that a cumulative impacts analysis of a water credit transfer must be performed under CEQA. The proposed language does not change existing transfer rules or allow additional transfers without CEQA compliance.

³ Pursuant to District rules, water for a site within a Jurisdiction may only come from that Jurisdiction's allocation created pursuant to District Rule 30.

⁴ District Rule 23 governs Water Permits, Rule 24 the calculation of Water Use Capacity, and Rule 25.5 credits for investment in water savings.