Water Ratepayers Association of the Monterey Peninsula P. O. Box 146, Carmel, CA 93921

California Water Resources Control Board

23 November 2015

Re: California-American Water Petition to Relax Carmel River CDO

Dear Board Members:

On behalf of the Water Ratepayers Association of the Monterey Peninsula (WRAMP), I am writing in direct and firm opposition to the petition by California-American Water (Cal Am) to relax your cease-and-desist order (CDO) limiting pumping from the Carmel River basin. At the November 12 meeting of the Monterey Peninsula Regional Water Authority (mayors' authority), Carmel Mayor Jason Burnett urged his fellow mayors to co-sign the petition because it would present "a united front to the state water board." Five of the six mayors co-signed the petition. That hardly represents "a united front" because most of Cal Am's Monterey District revenue comes from customers in the City of Monterey, whose mayor declined to sign, and Monterey County, which has no representative on the mayors' authority. When that was brought to the authority's attention at the meeting, one of the mayors acknowledged that it was a matter of "optics" to provide the state water board justification to adopt the petition. Even Mayor Burnett seemed to imply that all your board needed was sufficient justification because, in his words at the meeting as reported in the Monterey Herald, it "wouldn't do any good to argue that Cal Am should be held solely responsible for fines as a result of not meeting the current or extended river cutback deadlines in lieu of cutting the Peninsula's water supply . . . because the state water board isn't interested in 'fines for fines' sake' and simply wants water returned to the river to help restore endangered steelhead and critical habitat." You hardly need reminding that extending the CDO deadline four years would have precisely the opposite effect.

That Herald quote attributed to Mayor Burnett reveals a pervasive misunderstanding of your CDO deadline: that the fine would be "in lieu of cutting the Peninsula's water supply." Wouldn't the fine be because of Cal Am's 20-year failure to find another water supply to augment its permissible draw from the Carmel River basin? Certainly, Cal Am is responsible for that failure and as such deserves the fine. The Regional Desalination Project could have provided the water needed to meet the CDO. It is indisputable that Cal Am pulled out of that project of its own free will and is pursuing its current project at substantially greater profit to its shareholders. WRAMP is in profound disagreement with Mayor Burnett and the four other mayors who co-signed Cal Am's petition. Cal Am is responsible for the ongoing ravaging of the Carmel River and deserves the fine rather than a counter-productive extension of the deadline.

For more than a year now, Cal Am has misdirected the attention of local government officials to your board rather than to itself as the locus of the decision to cut back our local water supply. Your adoption of Cal Am's petition would make that misdirection true. Currently, Cal Am has the choice to cut back our water or pay a fine. If you should adopt the petition, Cal Am would be relieved from the threat of a fine and you would be responsible for cutting back our water by determining the company had failed to reach a milestone. In that case, you would be punishing local ratepayers rather than Cal Am. We believe that is not your intent.

Besides, cutting back our water supply is not a realistic option for either Cal Am or you because we are already using so little water on the Monterey Peninsula (five households on an acre-foot per year

when the United States average is between one and two) that any mandated decrease in our water supply would endanger public health.

The focus should properly be on getting a new water supply and not on punitively cutting back the water supply of people who are not responsible for Cal Am's missteps. Cal Am has tried to misdirect you from those missteps by showing not only "a united front" (no matter how spurious) but also due diligence in the pursuit of a new water supply. When the disclosure of a conflict of interest delayed Cal Am's proposed desal project by another full year, the attempt to show due diligence moved its focus from desal to recycling, the so-called "Phase 2" or "Variant" of its project. Unfortunately, Phase 2 (recycling) has no greater chance of success than Phase 1 (desal).

Phase 1 depends on the viability of slant wells. Of the 14,000 desal plants in the world, none uses slant wells. So, the odds are less than 14,000-to-1 that slant wells will work here. If the word "optics" applies to the show of a united front, it applies equally to the show of due diligence. Instead of testing slant wells over a period of years to see if they will work, Cal Am has prematurely decided to use them to draw water from under the seafloor because the company has no water rights in the Salinas Valley. To justify its decision to use slant wells without long-term testing, the company is operating a short-term test well to confirm long-term predictions by a model of the well's environmental impacts. In addition to the problem of conflict of interest in the design and evaluation of the test well, the well itself fails to draw water from under the seafloor, its intake pipe ending at the shoreline. Speculation is that is because mining (water, oil, or whatever) from under the seafloor may be forbidden in the Monterey Bay National Marine Sanctuary. Whatever the reason, the test well is not testing what it should test. Instead, it is drawing water illegally from Salinas Valley aquifers and by so doing is exacerbating the very saltwater intrusion that local growers have spent a considerable amount of money to deter.

Phase 2 also faces a debilitating problem. The recycling project began with the goal of using reverse osmosis to turn Monterey Peninsula sewer water into drinking water during winter months. Growers have paid to treat that water for irrigation use in the remainder of the year, while retaining rights to the winter water. In return for using those rights, project proponents have expanded their water source to include agricultural run-off in the valley that contains substantial DDT and other contaminants that without treatment make the water unusable to growers. No one knows if reverse osmosis would succeed in eliminating the contaminants, particularly the DDT. That may not matter because if it did succeed the DDT and other contaminants would be expelled in the effluent to the Marine Sanctuary where, via fish that consume them, they could become a menace to public health.

Optics are not real. Cal Am's failure to find a new water supply in twenty years is real. For these reasons, WRAMP urges you to enforce your CDO deadline and fine Cal Am for not meeting it.

Most respectfully,

Ron Weitzman President, Water Ratepayers Association of the Monterey Peninsula

P. S. Also known as Water Plus, particularly as a party to three ongoing PUC proceedings, WRAMP has been meeting weekly since 2010 advocating for adequate, low-cost water from a publicly-owned regional desal plant.