

From: George Riley [<mailto:georgetriley@gmail.com>]
Sent: Tuesday, July 12, 2016 1:36 PM
To: Quint, Matthew@Waterboards
Subject: Comment on the SWRCB staff rationale re CDO WR 2009-0060.

Public Water Now files this additional comment which appeared in the Monterey Herald on Sunday July 10th. It further explains why Cal Am needs to be penalized by SWRCB, rather than holding the water consumers hostage to Cal Am milestones.

MONTEREY HERALD

parallel universes on local water

By George T. Riley, Guest commentary

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[1 COMMENT](#)

There are parallel universes in the local water picture, both wanting a reliable and affordable water supply.

One I call Universe A, which praises Cal Am's progress toward its desal project. It has continuing accolades for the proposed CDO modification that penalizes water users if Cal Am misses milestones. It has the print media demeaning other opinions that Cal Am is not a prince.

The other universe, Universe B, remembers history. It has Cal Am overdrafting the Carmel River that led to the infamous cease and desist order in 1995 to reduce pumping. It remembers Cal Am overdrafting the Seaside basin, resulting in a court adjudication that restricts Cal Am pumping there. It remembers that Cal Am has had more than 20 years to produce a new water supply, and has failed to do so. It remembers Cal Am stranding \$35 million on three failed water supply projects between 2000 and 2012, with the ratepayers paying every penny of it.

Shareholders paid zero. And still no water.

Universe A apparently accepts the fact that desal projects around the world cost much less than half the cost of Cal Am's proposed desal at about \$4,400 per acre-foot, without a good explanation. It ignores the fact that Cal Am exports 65 percent of its revenue, about \$30 million annually, out of the community.

Universe B is criticized by Universe A for pointing out Cal Am shortcomings. Universe B discovered Cal Am's conflict of interest with contractor Dennis Williams and Geoscience. It pointed out the misinformation about Cal Am's slant well, promoted to be drawing water from under the bay, but instead pumping directly from the intruded Salinas River Groundwater Basin, without entitlement. Universe B remembers that as the entire Peninsula conserved at record levels, there has never been proof that Cal Am fixed enough leaks to claim it conserved much at all. It remembers that Cal Am accounting and management systems waited years before announcing it would seek reimbursement of \$51 million for revenue lost from conservation.

Universe A is critical of Universe B for not rallying to Cal Am, the adopted child of Universe A.

Universe A thinks Universe B is impeding Cal Am progress. Universe B response is that Cal Am is its own worse enemy. Universe B remembers it was Cal Am that violated the county ordinance requiring public ownership of desal. It was Cal Am that decided to install its slant well without getting prior approval for water rights in the Salinas Basin. It was Cal Am's minders, the California Coastal Commission and the county, that may have failed to enforce its responsibility for local coastal plans, according to new litigation.

Universe A has blinders on, is solidly glued to Cal Am and accepts Cal Am skirting the law, but calls into question others who think a violation needs enforcement action.

Universe B worries that the cost of Cal Am operations, its desal project and its demand to rake in profits, are getting sky high. It wants to see a comparative analysis of the Moss Landing desal options (Deep Water and People's), since both are projected to cost half of Cal Am's \$4,400 per acre-foot. It can see additional options in more reclaimed water in the future.

And the simplest potential option of all (other than political will), is to extend the Aquifer Storage and Recovery project, currently drawing from the Carmel River, to draw also from the Salinas River near the rubber dam. More than 250,000 acre-feet runs to the bay in winter time, unused and not claimed. If a mere 3 percent of this surplus

water, useless to anyone else, were diverted to the Seaside Aquifer, the Monterey Peninsula's water problems would largely be solved, in a simple and economical way.

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