State Water Resources Control Board

Dear Board Members:

The article below appeared in today's Herald. The underlined sentence ("A dozen or so people warned that the [EIR/EIS] delay needed to be truncated or a violation of the Carmel River cutback order would devastate the Peninsula's economy and impact the river's steelhead") indicates a widespread local view encouraged by Cal Am and the regional water authority that your board would cut back the water available to us if Cal Am did not meet proposed milestones or your current 31 December deadline.

As advocates for local ratepayers, our Water Plus membership urges you to make clear just what the CDO implies. Does it imply a cutback immediately following 31 December of this year? If so, by what means and by how much? If not, what does it imply? Does it imply a fine imposed on Cal Am for failing to meet the CDO deadline of 31 December? If so, could you prevent Cal Am from recovering that fine from ratepayers? Or does the CDO imply a cutback of 1,000 acre-feet next year for Cal Am's failure to meet the first proposed milestone?

As you may know, Monterey Peninsula residents are already using less than 20 percent of an acre-foot of water per household per year. Cutting that back further could create a public health problem.

Water Plus has previously requested, and continues to request, now urgently, that you <u>not</u> adopt the CDO change proposed by Cal Am and the regional water authority

because it would put the onus on ratepayers rather than Cal Am when Cal Am is solely responsible for the delays of its project and for abandoning the regional project, which very well might have met the 31 December CDO.

Please let me know if you have any questions about these urgent requests. Thank you.

Most respectfully,

Ron Weitzman President, Water Ratepayers Association of the Monterey Peninsula (aka Water Plus)

DESALINATION PLANT

PUC vows to seek expedited review

'I get your frustration' says representative

By Jim Johnson

jjohnson@montereyherald.com jimjohnson_MCH on Twitter

MONTEREY >> State Public Utilities staff told Monterey Peninsula leaders the delayed environmental review process for the California American Water desalination project has already been shortened and is "the best we can do at this time," but also promised to look for ways to expedite the process.

CPUC water division director Rami Khalan faced pointed questions from the Peninsula mayors water authority board members and terse comments from community representatives during a workshop at Thursday night's authority meeting at Monterey City Hall. Khalan said staff had "spent a lot of time looking at compression" of the timeline for issuing a draft combined state and federal environmental report for the long-awaited desal project in December. A final report would be issued by September 2017, several months after local officials were expecting the critical reports. "We hear you loud and clear," Khalan said in response to Thursday's comments.

<u>A dozen or so people warned that the delay needed to be truncated or a</u> <u>violation of the Carmel River cutback order would devastate the Peninsula's</u> <u>economy and impact the river's steelhead.</u>

"I get your frustration," Khalan said. "This is not a situation any of us want to be in. (But) that's our schedule."

Last month, the CPUC issued a notice announcing the environmental review schedule, which would push a final CPUC decision into 2018. That would cause missed milestones under a pending revised river cutback order and, according to Cal Am, result in a one-year delay in project completion.

Local officials responded by demanding the CPUC find ways to cut the delay and asked staff to visit Monterey to address the community's concerns.

Authority president Jason Burnett, who will step down soon after being replaced as Carmel mayor, voiced the local frustrations, noting the latest delay put local officials in an awkward position with the state water board by having to explain why the project has been delayed again. "It makes it look like we don't know what we're doing," Burnett said.

Khalan and fellow staff members later promised to search for ways to speed up the environmental review process — perhaps including a shorter public comment period — while still producing a legally defensible document. Counsel Jason Reager noted the failed regional desal project's EIR was challenged in court and lost.

At the same time, the staff noted the "positive news" that the CPUC would consider supporting the Peninsula's bid with the state water board to extend the river cutback order. A pending application will likely have to be changed to request a fiveyear rather than a four-year extension. The CPUC is also open to considering approval of the Pure Water Monterey groundwater replenishment project before the delayed desal project, offering a portion of the needed replacement water supply.

Staff members also took full responsibility for the delay, and said the community was blameless, a point locals asked them to make to the state water board. Reager said last summer's conflict of interest associated with the previously released draft EIR stalled progress on a new combined document for several months and hiring a new hydrological expert took

more time with a third party consultant hire still in progress, while "extensive comments" on the draft EIR also took staff time to develop responses