



The cornerstone of the Coastal Water Project is a desalination plant proposed for construction on an industrial site east of the Moss Landing Power Plant.

Next steps

The CPUC will now conduct an independent analysis of California American Water's environmental assessment and will hire an expert consultant to help it prepare an Environmental Impact Report.

The CPUC will also follow its normal procedures for processing a Certificate of Public Convenience and Necessity (CPCN) and consider company requests to recover costs for developing the proposed water project. The CPUC process will include public hearings, analyses, formal investigations, and scrutiny by a government watchdog group, the Office of Ratepayer Advocates. The CPCN process may conclude in about one year.

Meanwhile, California American Water will operate a pilot plant for one year to test water quality produced by desalination.

California American Water officials and technical experts will continue to cooperate and collaborate with many local, state, and federal agencies on various aspects of the Coastal Water Project.

More than 40 reviews and approvals will be required by local, state and federal agencies before the Coastal Water Project can be built.

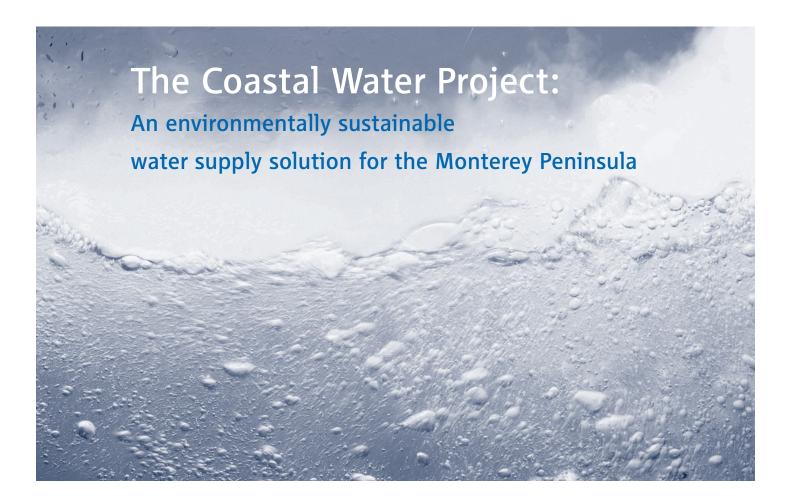
Local = 17 State = 16 Federal = 9

Permits & Reviews Required = 42

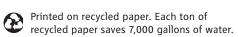
Proponent's Environmental Assessment

Executive Overview

A Proponent's Environmental Assessment (PEA) is similar to an Environmental Impact Report. It investigates environmental impacts on land, ocean, air, and other factors. California American Water's PEA includes more than 1,700 pages of scientific and engineering data used to analyze the potential environmental effects of California American Water's proposed Coastal Water Project.



To learn more about the Coastal Water Project, please visit www.coastalwaterproject.com or visit our Coastal Water Project Library, 3180 Imjin Rd, Marina, CA 93933 or call (831) 883-8187. Open from 8 to 5 Monday - Thursday and 8 to noon Friday.





Proponent's

Environmental Assessment

California American Water has submitted a Proponent's Environmental Assessment as part of an application to the California Public Utilities Commission (CPUC) for a Certificate of Public Necessity and Convenience. This Certificate is an essential first step to build the proposed Coastal Water Project (CWP).

A PEA is similar to an Environmental Impact Report. It investigates environmental impacts on land, ocean, air, and other factors. California American Water's PEA includes more than 1,700 pages of scientific and engineering data used to analyze the potential environmental effects of the Coastal Water Project.

Among the major topics studied were: water supply and quality; air quality; marine biology; plants and animals near project facilities; impacts on nearby properties; disposal of material used in the desalination process; population and housing; traffic; possible archeological sites; handling of hazardous materials; impacts on groundwater and storm water runoff; and public services.

The report provides the foundation for many county, state, and federal reviews and permits that are required before California American Water can even begin to design, construct, and implement the Coastal Water Project.

"This project will preserve and enhance the Carmel River, keep the Seaside Basin as a reliable water source, and help protect the Peninsula from droughts that have plagued the community since it was founded."

> Steve Leonard, Vice President & Manager California American Water's Coastal Division

Why the Monterey Peninsula needs the Coastal Water Project

The Coastal Water Project will produce 11,730 acre feet of water per year (AFY) - about 3.8 billion gallons annually.

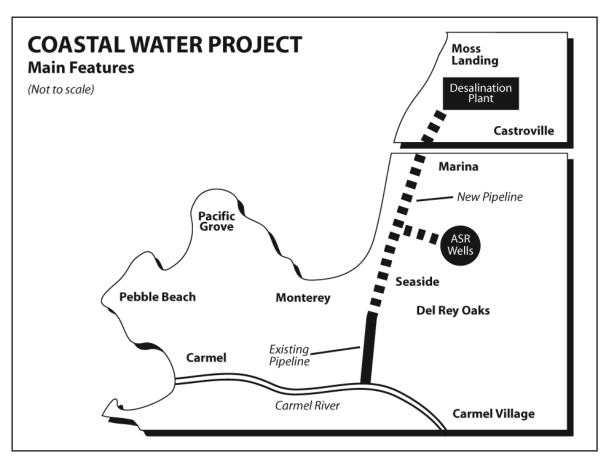
- The Carmel Valley Aquifer is the main water source for more than 100,000 Monterey Peninsula residents. A 1995 order from the State of California restricts its use and mandates a replacement source for 10,730 AFY.
- The second major local water source is the Seaside Aquifer. Overuse threatens its future, and Monterey Peninsula needs to replace 1,000 AFY annually to the Seaside Aquifer.



Community involvement

This environmental assessment has been an inclusive public effort. Over 70 public workshops and presentations with various communities and non-governmental organizations were held in order to hear local input and concerns about the project and to educate residents on its necessity.

The transparency in communications was carried through other outreach efforts as well. California American Water created a web site, www.coastalwaterproject.com, for the public to review all materials at their convenience. The company also established a Permit Coordination Center to enable examination of all reports, presentation materials, detailed engineering and environmental analyses, and maps.



The Coastal Water Project includes a desalination plant, an aquifer storage and recovery (ASR) system, and miles of related pipelines and other facilities.

Seawater desalination plant

- Location: East of the Moss Landing Power Plant (MLPP), 19 miles north of the Monterey Peninsula, near Dolan Road, 1.5 miles inland from Highway 1.
- Desalination Technology: Reverse Osmosis; converts seawater into drinkable fresh water, returning diluted brine to the ocean through existing MLPP outfall pipes 1,000 feet from the shore at a depth of 40 feet.
- Fresh Water Production: Maximum of 10 million gallons per day; capable of meeting state order to replace Carmel Valley Aguifer water by 10,730 AFY
- Fresh Water Storage: 3 million gallons in two 1.5 million gallon circular concrete storage tanks.

Aquifer storage and recovery

• Location: In Seaside, near existing ASR wells.

- Facilities: Three wells, 800 foot depth
- Water Source: Maximum of 3,739 AFY (1.1 billion gallons) from excess winter water from the Carmel River (pending water rights).

Water transport

- Total new pipeline = 149,000 linear feet or 28.3 miles.
- Fresh water pipeline diameter = 30 inches.
- Average pipeline installation will be about 200 feet per day.

New Water Supply: The CWP will produce 11,730 AFY equaling 3.8 billion gallons of water per year. (1 AFY = 326,000 gallons.)