

**EXHIBIT 2-A**

**Summary of September 2017 CPUC Testimony**

**Demand Issues**

<b>Cal-Am</b>	<b>District</b>	<b>Authority</b>	<b>Business Coalition</b>	<b>Marina Coast</b>	<b>City of Marina</b>	<b>Surfrider/PCL</b>
<b>What is Long-Term Demand Planning Value</b>						
14,355 AF Based on average of historical (below) and population adjusted based on Urban Water Management Plan (12,971 AF), plus legal lots of record, Pebble Beach entitlement, and economic recovery or "bounce back"	13,142 AF Based on historical (below), plus legal lots of record representing population growth, Pebble Beach entitlement, and economic recovery or "bounce back", losses to the system, and Salinas Valley return flows	14,000 AF Based on historical (below), plus legal lots of record, Pebble Beach entitlement, and economic recovery or "bounce back", below	15,000 AF Based on historical (below), plus legal lots of record, Pebble Beach entitlement, and economic recovery or "bounce back", below	10,210 AF Based on historical (below), plus legal lots of record, Pebble Beach entitlement, and economic recovery or "bounce back", below	10,599 AF Based on historical (below), plus legal lots of record, Pebble Beach entitlement, and economic recovery or "bounce back", below	9,698 AF A 15 <sup>th</sup> year number including 300 AF for growth
<b>What Average Annual Historical Demand is Planning Target?</b>						
11,745 AF Based on an average of 10-year, 4 recent years, and year with recent maximum month.	10,400 AF Based on last 5-years average and assumptions about existing levels of conservation	12,000 AF As representative of a 5- to 8-year historical period	13,000 AF As representative of current peak demand	9,285 AF 2016 demand	9,300 AF Reflecting price elasticity and continuing conservation policies	9,398 AF Past 36-month average
<b>Legal Lots of Record</b>						
1,180 AF No change	1,181 AF No change	1,180 AF No change	1,200 AF No change, rounded	600 AF	974 AF Adjust to "current"	300 AF Growth to 15 <sup>th</sup> year
<b>Pebble Beach Entitlement</b>						
325 AF No change	325 AF No change	325 AF No change	325 AF No change	325 AF No change, but slow	325 AF No change	N/A
<b>Economic Bounce-Back</b>						
500 AF No change	250 AF Reduced by 50% due to permanent conservation regulations	500 AF No change (however, total is reduced by 5 AF for rounding)	500 AF No change	0 AF Fully recouped since 2008 downturn	0 AF Fully recovered	0 AF Fully recovered

Cal-Am	District	Authority	Business Coalition	Marina Coast	City of Marina	Surfrider/PCL
<b>Other Factors to Consider</b>						
<ul style="list-style-type: none"> <li>• Maximum Month = 1.23 x Normal Month;</li> <li>• Should run at lower capacity factor – 86%</li> <li>• Provide protection against extended drought/no ASR</li> </ul>	<ul style="list-style-type: none"> <li>• Maximum Month = 1.215 x Normal Month;</li> <li>• Should run at lower capacity factor – 80% - 85%</li> <li>• Provide protection against extended drought/no ASR</li> <li>• Buffer for health and safety concerns</li> <li>• Losses (303 AF) and Salinas Valley return flows (683 AF)</li> <li>• Distinguish between long-term need and near-term demands</li> </ul>	<ul style="list-style-type: none"> <li>• Historical demand number includes “contingency buffer” of 20% over recent drought year demands.</li> <li>• 1.6 MGD increments in adding or reducing size</li> </ul>		<ul style="list-style-type: none"> <li>• Need to consider long-term effects of conservation</li> </ul>	<ul style="list-style-type: none"> <li>• Need to consider long-term effects of conservation and price elasticity</li> </ul>	<ul style="list-style-type: none"> <li>• Need to consider long-term effects of conservation and slow market absorption of legal lots and Pebble Beach</li> </ul>

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### Supply Issues

Cal-Am	District	Authority	Business Coalition	Marina Coast	City of Marina	Surfrider/PCL
<b>What Size Desalination Plant is Warranted?</b>						
6.4 MGD	6.4 MGD	6.4 MGD	9.6 MGD	0 MGD	1,555 AF from somewhere	654 AF from somewhere
<b>Can Pure Water Monterey be Expanded?</b>						
N/A	Refer to Monterey One Water; Supports in the event desalination is delayed or deferred.	Supports, subject to conditions	Concerns about the long-term reliability and viability of Pure Water Monterey	Yes, and MCWD is willing to sell its output for a period of at least 10 years	N/A	Yes, should be evaluated and SWRCB should consider an alternate milestone under the CDO
<b>Is Water Available from Marina Coast Water District?</b>						
Not aware & unlikely to enter into agreement	Yes, on an interim basis (10 years); 1,000 AFY at \$2,200/AF and 700 AFY at \$2,800/AF	N/A	N/A	Yes, on an interim basis (10 years); 1,000 AFY at \$2,200/AF and 700 AFY at \$2,800/AF	N/A	Understanding is "yes"