

San Clemente Dam Removal Project Collaboration Statement

We, the undersigned, recognize:

- California American Water owns the San Clemente Dam ("the dam"), located on the Carmel River in Monterey County approximately 18 miles upstream from the mouth of the river in Monterey Bay.
- The Carmel River and the area surrounding the dam constitute valuable watershed area and habitat for many species of plants and animals.
- California American Water and the California Department of Water Resources (DWR) Division of the Safety of Dams (DSOD) have determined the dam is inadequate for seismic stability and flood safety. DSOD is requiring California American Water to alleviate the dam safety hazards.
- In December 2007, DWR completed the San Clemente Dam Seismic Safety Project Final Environmental Impact Report/Environmental Impact Statement ("EIR/EIS"), under the California Environmental Quality Act and the National Environmental Policy Act, analyzing alternatives for addressing the safety issues. Alternatives that meet DSOD safety requirements include Dam Strengthening (buttressing) and the Carmel River Reroute, which includes removal of San Clemente Dam. DWR certified the Final EIR on December 31, 2007.
- The California State Coastal Conservancy has recently funded several studies and has determined that the River Reroute and Dam Removal Project is a feasible alternative.
- The California State Coastal Conservancy, NOAA's National Marine Fisheries Service, the California Department of Fish and Game, and multiple non-governmental organizations believe that removing San Clemente Dam will result in multiple public environmental benefits, including improving access to 25 miles of spawning and rearing habitat for steelhead trout, restoring the ecological connectivity of the river and riparian corridor, and restoring river functions and sediment transport.
- The South-Central California Coast steelhead trout and the California red-legged frog are listed as threatened species under the Federal Endangered Species Act. The Carmel River has been designated critical habitat for both of these species.
- California American Water has determined that implementation of the Reroute and Dam Removal alternative would cost more than the Dam Strengthening alternative.
- California American Water is obligated to resolve the safety risk posed by the dam at the least cost possible to its ratepayers.
- California American Water is amenable to removal of the dam instead of buttressing it, provided the project will satisfy the safety concerns of DSOD in a timely manner and will not unduly burden California American Water's ratepayers and shareholders.
- The California State Coastal Conservancy, NOAA's National Marine Fisheries Service, and California American Water have been working collaboratively since 2007 along with other federal, state, and local organizations to develop a reasonable and prudent solution for San Clemente Dam that would meet the requirements and constraints of the undersigned.
- California American Water has implemented risk reduction measures for the dam's operation as requested by DSOD while California American Water and resource agencies develop a plan.

In recognition of these facts, we, the undersigned, are committed to:

Working collaboratively over the next year to develop a project plan by June 2010 for the Carmel River Reroute and San Clemente Dam Removal Project such that it can be compared to the project plan for the San Clemente Dam Strengthening Project with regard to costs and liabilities, and to making a good faith effort between now and November 2010 to find funding sources and a governmental or non-profit entity to take over the dam site before or after Dam Removal.

HON. SAM FARR



Date 1-11-10

Representative Sam Farr
Member, House of Representatives,
California 17th District

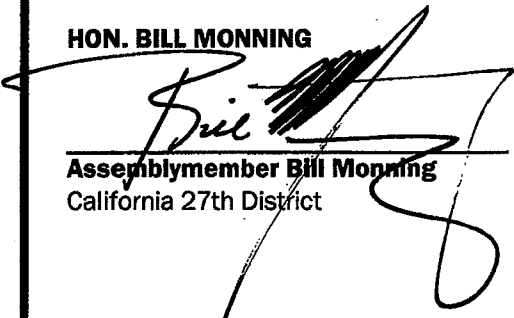
HON. ABEL MALDONADO



Date 1-8-10

Senator Abel Maldonado
California 15th District

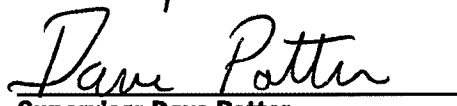
HON. BILL MONNING



Date 1-07-2010

Assemblymember Bill Monning
California 27th District

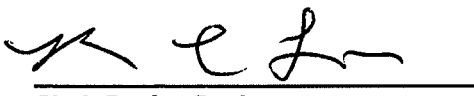
HON. DAVE POTTER



Date 1-19-2010

Supervisor Dave Potter
Monterey County Board of Supervisors

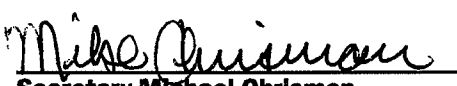
HON. REGINA DOYLE



Date 1-19-2010

Chair Regina Doyle
Monterey Peninsula Water Management District

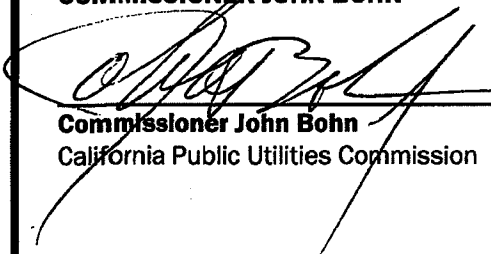
SECRETARY MICHAEL CHRISMAN



Date 1/11/10

Secretary Michael Chrisman
California Department of Natural Resources

COMMISSIONER JOHN BOHN




Commissioner John Bohn
California Public Utilities Commission

1/11/10

Date

NOAA'S NATIONAL MARINE FISHERIES SERVICE

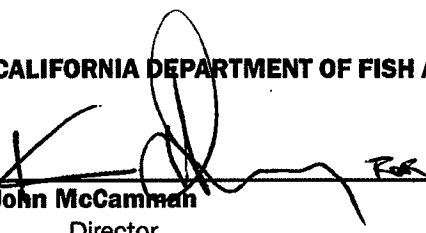


Rodney R. McInnis
Southwest Regional Administrator

1-11-10

Date

CALIFORNIA DEPARTMENT OF FISH AND GAME

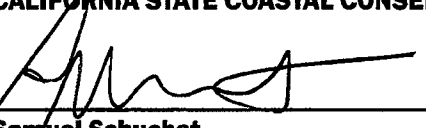


John McCamman
Director

1-11-10

Date

CALIFORNIA STATE COASTAL CONSERVANCY

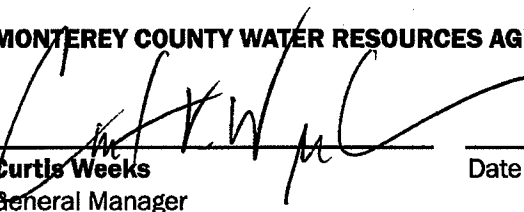


Samuel Schuchat
Executive Officer

1/11/10

Date

MONTEREY COUNTY WATER RESOURCES AGENCY

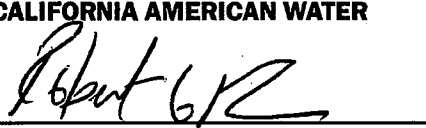


Curtis Weeks
General Manager

1/11/10

Date

CALIFORNIA AMERICAN WATER



Robert MacLean
President

1/11/10

Date

