

Presented by staff at 2/1/11
TAC meeting. Item 4.
DRAFT

A.10-05-020 ALJ/GW2/hkr

8. Cal-Am should return to the SWRCB for guidance with respect to any unresolved issues of interpretation or implementation concerning Condition 2.

9. In the event that the judicial outcome of the consolidated litigation in the Superior Court of Santa Clara (case nos. 1-10-CV-163328, 1-10-CV-183439, and 1-10-CV-183454) clarifies, limits, or nullifies WR 2009-0060 in whole or part in a manner that conflicts with the orders in this decision, Cal-Am should file a petition to modify this decision within 30 days of that judicial outcome.

10. For administrative efficiency, this order should be made effective today.

O R D E R

IT IS ORDERED that:

1. In portions of the Monterey District served, in whole or part, by Carmel River diversions, and subject to the following conditions and restrictions, California-American Water Company shall deny requests for new service connections and prohibit any increased use of water at existing service addresses resulting from a change in zoning or use:

- a. California-American Water Company shall not deny such requests or prohibit such increased use where all necessary written approvals for project construction and connection to California-American Water Company's system had been obtained prior to October 20, 2009; and
- b. California-American Water Company shall not deny the installation of additional meters at an existing service provided that the additional metering does not result in an increase in water use.
- c. This Ordering Paragraph does not authorize California-American Water Company to deny service to:
 - i. holders of Pebble Beach Company entitlements;

- ii. Security National Guarantee, Inc. under its front-loading agreement; and
 - iii. Laguna Seca Subarea.
- d. California-American Water Company shall not deny a request for new service or prohibit the increased use of water at an existing service address if an authorized official of the State Water Resources Control Board has given written approval for such service or increased use.

2. The relief and authority provided in the foregoing ordering paragraph shall expire at the filing by California-American Water Company of an advice letter with the Commission transmitting the written concurrence of the Deputy Director of Water Rights of the State Water Resources Control Board with California-American Water Company's finding that a permanent supply of water is ready to serve as a replacement for the unlawful diversions of Carmel River water.

3. Not later than 30 days after the effective date of this decision, California-American Water Company must file and make effective on five days' notice in accordance with General Order 96-B, a Tier 1 advice letter adding the following special condition in its tariff schedules for public utility water service in its Monterey District:

"Moratorium

In portions of the Monterey District served, in whole or part, by Carmel River diversions, and subject to the following conditions and restrictions, California-American Water Company shall deny requests for new service connections and prohibit any increased use of water at existing service addresses resulting from a change in zoning or use:

- a. California-American Water Company shall not deny such requests or prohibit such increased use where all necessary

written approvals for project construction and connection to California-American Water Company's system had been obtained prior to October 20, 2009; and

- b. California-American Water Company shall not deny the installation of additional meters at an existing service provided that the additional metering does not result in an increase in water use.
- c. This special condition does not authorize California-American Water Company to deny service to:
 - i. holders of Pebble Beach Company entitlements;
 - ii. Security National Guarantee, Inc. under its front-loading agreement; and
 - iii. Laguna Seca Subarea.
- d. California-American Water Company shall not deny a request for new service or prohibit the increased use of water at an existing service address if an authorized official of the State Water Resources Control Board has given written approval for such service or increased use.
- e. The relief and authority provided in this special condition shall expire at the filing by California-American Water Company of an advice letter with the Commission transmitting the written concurrence of the Deputy Director of Water Rights of the State Water Resources Control Board with California-American Water Company's finding that a permanent supply of water is ready to serve as a replacement for the unlawful diversions of Carmel River water."

4. Within 30 days of the effective date of this decision, California-American Water Company shall confer with Monterey Peninsula Water Management District on the subject of how best to serve demonstrated and compelling institutional public health and safety water needs within the Monterey District in light of Condition 2. Within 45 days of the effective date of this decision, California-American Water Company shall request in writing of the State Water

Resources Control Board a process or mechanism that will permit California-American Water Company to serve demonstrated and compelling institutional public health and safety water needs within the Monterey District, notwithstanding Condition 2 of WR 2009-0060. Within 10 days after receipt of a substantive response from the State Water Resources Control Board, California-American Water Company shall file an informational-only advice letter as defined by Section 3.9 and pursuant to Section 6 of General Order 96-B reporting on the response to its request.

5. California-American Water Company shall ask the State Water Resources Control Board for written guidance with respect to any unresolved issues of interpretation or implementation concerning Condition 2 of WR 2009-0060, including any pertaining to requests by holders of water credits and entitlements from the Monterey Peninsula Water Management District.

6. In the event that the judicial outcome of the consolidated litigation in the Superior Court of Santa Clara (case nos. 1-10-CV-163328, 1-10-CV-183439, and 1-10-CV-183454) clarifies, limits, or nullifies WR 2009-0060 in whole or part in a manner that conflicts with the orders in this decision, California-American Water Company shall file a petition to modify this decision within 30 days of that judicial outcome.

7. Application 10-05-020 is closed.

This order is effective today.

Dated _____, at San Francisco, California.

INFORMATION REGARDING SERVICE

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a Notice of Availability of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the Notice of Availability of the filed document is current as of today's date.

Dated January 25, 2011, at San Francisco, California.

/s/ KE HUANG

Ke Huang

NOTICE

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074 or TDD# (415) 703-2032 five working days in advance of the event.