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**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

In the Matter of the Application of California-American  
Water Company (U210W) for an Order Authorizing  
Collection and Remittance of the Monterey Peninsula  
Water Management District User Fee

Application No. 10-01-012  
(Filed January 5, 2010)

**ALL-PARTY MOTION FOR ORDER AUTHORIZING  
COLLECTION AND REMITTANCE OF THE MONTEREY  
PENINSULA WATER MANAGEMENT DISTRICT USER  
FEE**

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Attorneys for Monterey Peninsula Water  
Management District

Dated: October 25, 2016

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

In the Matter of the Application of California-American Water Company (U210W) for an Order Authorizing Collection and Remittance of the Monterey Peninsula Water Management District User Fee

Application No. 10-01-012  
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**ALL-PARTY MOTION FOR ORDER AUTHORIZING  
COLLECTION AND REMITTANCE OF THE MONTEREY  
PENINSULA WATER MANAGEMENT DISTRICT USER  
FEE**

Pursuant to Rule 11.1 of the Commission’s Rules of Practice and Procedure, the Monterey Peninsula Water Management District (“MPWMD” or “District”), the Office of Ratepayer Advocates (“ORA”) and California-American Water Company (“Cal-Am”) (collectively “the Parties”), move for the issuance of an order authorizing Cal-Am to resume collecting the Monterey Peninsula Water Management District User Fee (“User Fee”) on behalf of the District and remitting the proceeds to the District.<sup>1</sup>

**I. INTRODUCTION**

The Parties believe the issuance of the order described above is reasonable following the California Supreme Court’s filing of its opinion and order in *Monterey Peninsula Water Management Dist. v. Public Utilities Com.* (2016) 62 Cal.4th 693 2016 Cal. LEXIS 45.

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<sup>1</sup> On December 7, 2011, the Sierra Club moved for party status in order to “urge that the PUC take immediate steps to approve the All-Party Settlement and grant the District’s Petition...” which would have the effect of reinstating the User Fee. (Sierra Club Motion at p. 4.)

<http://docs.cpuc.ca.gov/PublishedDocs/EFILE/MOTION/156434.PDF>

The Sierra Club’s Motion for party status was granted on January 26, 2012. While the Sierra Club has not been an active party since then, it has advised the Parties that it supports the instant motion.

(“*Monterey*”) The issuance of the requested order will not only permit Cal-Am to resume collection of the User Fee but to also bring to an end balancing accounts originally established only because of the interruption of the collection of the User Fee.

In light of the significant amount of time that has passed since the User Fee last appeared on the bills of Cal-Am, the Parties recognize that the Commission may harbor concerns that customers may not understand the presence of the new District charge on their Cal-Am bill. Accordingly, the Parties propose that 30 days prior to Cal-Am’s resumption of the collection and remittance of the User Fee, Cal-Am provide a notice to its customers and provide contact information at the District so that those customers may obtain answers to any questions they may have with respect to the resumed collection of the User Fee. The Parties also propose in this proceeding a reasonable wind down of the Carmel River Mitigation Program Balancing Account and MPWMD Conservation Balancing Account and removal of the related surcharges at the time the User Fee is reinstated.

## **II. PROCEDURAL HISTORY**

For roughly 30 years the District imposed a User Fee on water users in the District to fund various District activities. The User Fee was promulgated by the District’s Board of Directors, a body elected by voters in Monterey County pursuant to the Monterey Peninsula Water Management District Law<sup>2</sup>. The User Fee was collected for the District as a line-item on Cal-Am ratepayers’ bills. Cal-Am collects other government charges (such as utility taxes for cities in Monterey County) on the same bill.

In 2009, the Commission issued D.09-07-021 expressing concern over the District’s User Fee and declining to permit Cal-Am to continue to collect the User Fee. D.09-07-

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<sup>2</sup> Statutes of 1977, Chapter 527, found at West’s Water Code Appendix, Chapter 118.

021 instead directed Cal-Am to present some alternate proposal for assuming responsibility for the District's activities or performing them as a "joint project."<sup>3</sup>

In early 2010, Cal-Am submitted a proposal resulting in the above-captioned docket. All active parties in that proceeding, Cal-Am, ORA and the District, then moved for approval of an All-Party Settlement pursuant to which Cal-Am would resume collecting the User Fee. By D.11-03-035, the Commission rejected the settlement and, by D.13-01-040, denied the District's application for rehearing of D.11-03-035.<sup>4</sup> The District sought review in the California Supreme Court. The Commission closed the proceeding in D.13-05-001.

In *Monterey*, the resulting decision, the Court held that the Commission had exceeded its jurisdiction by reviewing the User Fee<sup>5</sup>. The Court's January 25, 2016 opinion and order vacated D.11-03-035 and D.13-01-040 and remanded the matter to the Commission for "further proceedings consistent with the views expressed herein."<sup>6</sup>

The Assigned Commissioner and Assigned Administrative Law Judge have issued a series of rulings with respect to the appropriate procedural course for the Commission in response to the remand from the Court. On March 30, 2016, the Assigned Commissioner and Assigned Administrative Law Judge issued a ruling (the "March 30, 2016 Ruling") seeking the views of the parties regarding the procedural posture of A. 10-01-012 in light of the remand.<sup>7</sup>

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<sup>3</sup> *Monterey, supra*, 62 Cal. 4<sup>th</sup> at 697, 2016 Cal. LEXIS 45\*5.

<sup>4</sup> *Monterey, supra*, 62 Cal. 4<sup>th</sup> at 698, 2016 Cal. LEXIS 45\*6.

<sup>5</sup> *Monterey, supra*, 62 Cal. 4<sup>th</sup> at 695, 699-700, 2016 Cal. LEXIS 45\*4, 6-7.

<sup>6</sup> *Monterey, supra*, 62 Cal. 4<sup>th</sup> at 702, 2016 Cal. LEXIS 45\*8.

<sup>7</sup> Joint Ruling Of Assigned Commissioner And Administrative Law Judge Seeking Comment On Remand From California Supreme Court.

<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M159/K697/159697831.PDF>

The District, Cal-Am, and ORA responded to the March 30, 2016 Ruling by urging the Commission to permit Cal-Am to resume collection of the User Fee for the District.<sup>8</sup>

On August 3, 2016, the Assigned Commissioner and Assigned Administrative Law Judge issued another Ruling to “adopt... a process for California-American Water Company (Cal-Am) to obtain Commission authorization to provide billing and collection service to the Monterey Peninsula Water Management District.”<sup>9</sup> That ruling (the “August 3, 2016 Ruling”) invited Cal-Am to amend A. 10-01-12 to seek approval for resuming its prior practice.

The parties have conferred with each other and with persons at the Commission to explore how to address the concerns expressed in the August 3, 2016 Ruling while remaining faithful to the *Monterey* Court’s holding with respect to the limits of the Commission’s jurisdiction. This All Party Motion proposes such a course.

### **III. ELEMENT OF PROPOSED ORDER**

The Parties seek an order of the Commission that provides as follows:

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<sup>8</sup> *Opening Comments Of The Monterey Peninsula Water Management District On The Status Of A.10-01-012*

[“ The Commission should issue an order advising the parties that in light of the recent decision of the California Supreme Court in *Monterey Peninsula Water Management District v. Public Utilities Commission*, Cal-Am may resume collection of the User Fee.”]

<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M161/K631/161631860.PDF>

*Reply Comments Of California-American Water Company* [“Consistent with the recent Supreme Court decision, California American Water requests that the Commission issue an order authorizing reinstatement of the MPWMD user fee without delay.”]

<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M162/K358/162358049.PDF>

*Reply Comments Of The Office Of Ratepayer Advocates Regarding The Matters Raised In The March 30, 2016 Joint Ruling Of The Assigned Commissioner And Administrative Law Judge* [“ORA continues to support the position that Cal-Am should be permitted to resume collection of the MPWMD User Fee”.]

<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M162/K003/162003567.PDF>

<sup>9</sup> *Joint Ruling Of Assigned Commissioner And Administrative Law Judge Adopting Procedural Process For Third-Party Billing Contract As Required By Remand From California Supreme Court* (August 3, 2016.)

<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M165/K844/165844318.PDF>

**A. Re-Opens A. 10-01-012 for the Limited Purpose of Granting the Instant Motion**

By Decision 13-05-001, the Commission closed this matter on May 13, 2013.

Although the Assigned Commissioner and Administrative Law Judge have subsequently issued rulings, it is unclear whether the proceeding has been formally reopened. Out of an abundance of caution, the order issued in response to this motion should formally re-open the matter for the limited purpose of ruling on this motion.

**B. Authorize Cal-Am To Resume Collecting The User Fee On Behalf Of The District And Remitting The Proceeds To The District.**

During the proceedings before the California Supreme Court, the Commission advised the Court that that “Government Fees” were “free from Commission regulation”<sup>10</sup> and that “[a]s a local government entity, the District has the power to levy fees, taxes, and charges.”<sup>11</sup> The Commission also confirmed to the Court that (1) the District was authorized to collect the User Fee through Cal-Am’s bills<sup>12</sup> and (2) any dispute over the propriety of the promulgation of the tax or fee<sup>13</sup> lies with the Superior Court.<sup>14</sup>

In 1989, the Commission explained its regulatory responsibilities with regard to local government taxes and fees in *Investigation on the Commission’s Own Motion to Establish Guidelines for the Equitable Treatment of Revenue Producing Mechanisms Imposed by Local Government Entities on Public Utilities* (D.89-05-063). The Commission stated that its primary role was to ensure that government charges are only billed to utility customers that are actually

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<sup>10</sup> Supplemental Answer of Commission in *Monterey Peninsula Water Management Dist. v. Public Utilities Com.* California Supreme Court Case No. S208838, p. 3.

<sup>11</sup> *Id.* at p. 17. *Monterey, supra*, 62 Cal. 4<sup>th</sup> at 698, 2016 Cal. LEXIS 45\*6.

<sup>12</sup> Supplemental Answer of Commission in *Monterey Peninsula Water Management Dist. v. Public Utilities Com.* California Supreme Court Case No. S208838, p. 17.

<sup>13</sup> Prior to Proposition 218 and other ballot initiatives, the distinction between “taxes” and “fees” was of little importance and it remains of no relevance to the manner in which any tax or fee is collected. When the Commission examined the propriety of various methodologies for collecting government charges on utility bills, the Commission referred to the term “taxes” and “fees” interchangeably and in concert. (“[L]ocal governmental entities impose a considerable array of taxes and fees which are collected from and/or through public utilities . . . .”) The Commission drew no distinction between the two government revenue sources. *Investigation on the Commission’s Own Motion to Establish Guidelines for the Equitable Treatment of Revenue-Producing Mechanisms Imposed by Local Government Entities on Public Utilities*, D.89-05-063, 1989 Cal. PUC LEXIS 890, p. \*5.

<sup>14</sup> Commission’s Answer, in *Monterey Peninsula Water Management Dist. v. Public Utilities Com.* California Supreme Court Case No. S208838, p. 13.

constituents of the government body promulgating the tax or fee so that (1) customers lying outside the boundaries of the political subdivision at issue do not pay the tax or fee and (2) any costs incurred by the utility in the collection process are borne (through the rate-making process) by customers that lie within those boundaries.<sup>15</sup>

Accordingly, permitting Cal-Am to resume collecting the User Fee for the District is consistent with both the *Monterey* decision and Commission precedent.<sup>16</sup> The order sought by this motion would simply authorize Cal-Am to add a special condition to its tariff to restore the reference to the User Fee that was removed in 2009.

The Parties recognize, however, the User Fee has not appeared on Cal-Am bills on the Monterey Peninsula for many years. Accordingly, in Part III.C. *infra*, the Parties describe steps Cal-Am and the District will take to inform water users of the reason for the restoration of the User Fee to Cal-Am's bills.

### **C. Notice to Water Users**

Within 30 days of the effective date of a Commission order authorizing Cal-Am to resume collecting the User Fee, Cal-Am will provide a one-time notice in its bills to affected customers stating as follows:

*Within the next 30 days your bill from Cal-Am will include a User Fee imposed by the Monterey Peninsula Water Management District ("MPWMD"). While the amount of the User Fee MPWMD will assess to you will be equal to 8.325% of the water charges billed by Cal-Am, the User Fee is not a charge by Cal-Am but is a government fee collected by Cal-Am on behalf of MPWMD. The MPWMD User Fee previously appeared on Cal-Am bills from 1983 to 2009 but collection was interrupted between 2009-2016 due to regulatory and court proceedings. MPWMD employs revenues from the User Fee for a variety of programs, including funding its environmental mitigation, water supply,*

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<sup>15</sup> Neither concern is implicated by Cal-Am's collection of the District's User Fee because Cal-Am has only billed the User Fee to water customers within the District's boundaries.

<sup>16</sup> *Investigation on the Commission's Own Motion to Establish Guidelines for the Equitable Treatment of Revenue-Producing Mechanisms Imposed by Local Government Entities on Public Utilities*, D.89-05-063, 1989 Cal. PUC LEXIS 890.

*conservation and other activities. More information with regard to MPWMD and its User Fee may be found at [www.mpwmd.net](http://www.mpwmd.net) or by contacting Suresh Prasad at [suresh@mpwmd.net](mailto:suresh@mpwmd.net) or by telephone at 831-658-5600.*

*Resumption of the MPWMD User Fee may result in a downward adjustment of the future rates charged by Cal-Am in amounts that are not presently known.*

**D. Adjustment of Cal-Am Rates**

Cal-Am presently funds certain activities undertaken by MPWMD through surcharges on its bills to customers in its Monterey District. Revenues from those surcharges as well as (1) payments to MPWMD and (2) direct payments to fund those projects are recorded in Cal-Am's Carmel River Mitigation Program Balancing Account and the MPWMD Conservation Balancing Account.<sup>17</sup>

In Cal-Am's pending general rate case ("GRC") for test year 2018, A.16-07-002, Cal-Am anticipated that it would remove the surcharge associated with Cal-Am's Carmel River Mitigation Program Balancing Account if MPWMD commenced funding the cost of the mitigation program through its own user fee before the 2018 year. The Parties propose here that the Commission authorize in this proceeding a reasonable wind down of Carmel River Mitigation Program Balancing Account and related surcharge. More specifically, the Parties propose that within 30 days of the last day of Cal-Am's first billing cycle that reflects the resumed collection of the MPWMD User Fee and removal of the surcharge (pursuant to the

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<sup>17</sup> The Commission directed Cal-Am to enter into an interim implementation agreement with MPWMD for mitigation costs and recover such costs through a balancing account and surcharge. Following the Commission's initial authorization in D.12-06-020 of mitigation funding through December 2014, the Commission authorized mitigation funding for 2015, 2016, and 2017 in D.15-04-007. The Commission authorized the continuation of the MPWMD Conservation Balancing Account and MPWMD conservation funding in D.15-04-007.



order sought herein), MPWMD will submit any remaining invoices against the Carmel River Mitigation Program Balancing Account and Cal-Am will remit payment of those invoices. The Parties propose that the Carmel River Mitigation Program Balancing Account surcharge be removed from customer bills within 30 days of the required notice via Tier 1 advice letter, at the same time the User Fee is placed on the customer bills. Thus, if the order sought herein is issued by the end of the year, the Parties anticipate that the User Fee will be reinstated and the surcharge removed in February 2017, with invoices submitted in March 2017. Cal-Am will then file a Tier 1 information-only compliance advice letter to close the Carmel River Mitigation Program Balancing Account and provide information on the final balance associated with this account. The Parties agree the final balance of the Carmel River Mitigation Program Balancing Account will be transferred to the Monterey Consolidated Expense Balancing Account (CEBA) so that it can be addressed through the current Cal-Am GRC, A.16-07-002, which will establish rates and surcharges beginning 2018.

The order granting this motion should authorize Cal-Am to pursue the course described above.

The parties propose a similar course with respect to the MPWMD Conservation Balancing Account. Within 30 days of the last day of Cal-Am's first billing cycle that reflects the resumed collection of the MPWMD User Fee and removal of the surcharge (pursuant to the order sought herein). MPWMD will submit any remaining invoices against the MPWMD Conservation Balancing Account and Cal-Am will remit payment of those invoices. The Parties propose that the Conservation Balancing Account surcharge be removed from customer bills 30 days after the required notice via Tier 1 advice letter, at the same time the User Fee is placed on the customer bills. Cal-Am will then file a Tier 1 information-only compliance advice letter to

close the MPWMD Conservation Balancing Account and provide information on the final balance associated with this account. The Parties agree the final balance of the MPWMD Conservation Balancing Account will be transferred to the Monterey CEBA so that it can be addressed through the current Cal-Am GRC, A.16-07-002, which will establish rates and surcharges beginning 2018.

The order granting this motion should authorize Cal-Am to pursue the course described above.

#### **IV. SUMMARY OF ORDER SOUGHT BY THIS MOTION**

ORA, MPWMD, and Cal-Am seek an order which provides that:

- A.10-01-012 is reopened for the sole purpose of granting this motion.
- Within thirty days after the beginning of the billing cycle that includes the notice described in III.C. *supra*, Cal-Am is authorized to resume collecting the Monterey Peninsula Water Management District User Fee (“User Fee”) on behalf of the District and remitting the proceeds to the District.
- Within 30 days of the last day of Cal-Am’s first billing cycle that reflects the resumed collection of the MPWMD User Fee, MPWMD will submit any remaining invoices against the Carmel River Mitigation Program Balancing Account and the MPWMD Conservation Balancing Account. Cal-Am will remit payment of those invoices. Cal-Am will then file Tier 1 information-only compliance advice letters to close these two balancing accounts and provide information on the final balances associated with these accounts. The final balances of the Carmel River Mitigation Program Balancing Account and MPWMD Conservation Balancing Account will be transferred to the Monterey

CEBA so that they can be addressed in the current Cal-Am GRC, A.16-07-002, which will establish rates and surcharges beginning 2018.

- A. 10-01-012 is closed.

Respectfully submitted October 25, 2016 at San Francisco, California.

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By /s/ Thomas J. MacBride, Jr.

Thomas J. MacBride, Jr.

Attorneys for Monterey Peninsula Water  
Management District



**Submitted by Staff at 10/31/16 Committee Meeting - Item 4**  
**CALIFORNIA AMERICAN WATER**

PO Box 7150, Pasadena, CA 91109-7150

00010152100195018850000000000082616013

**For Service To:** 27390 SCHULTE RD IRRIG

Check this box for address changes and note new address on back.

Account Number	1015-210019501885
Due Date	October 27, 2016
Total Due	\$826.16
If Paid After Due Date	\$838.30 after 10/27/16

Amount Enclosed \$



008807 1 AB 0.395 08808/008807/009138 31 01 ACU38N 003

REC'D

1D



MPWMD  
P.O. BOX 85  
MONTEREY, CA 93942-0085

OCT 19 2016

**CALIFORNIA AMERICAN WATER**  
PO BOX 7150  
PASADENA, CA 91109-7150

MPWMD



Please tear along the dotted line and return this portion with your payment.

**BILLING PERIOD AND METER READINGS**

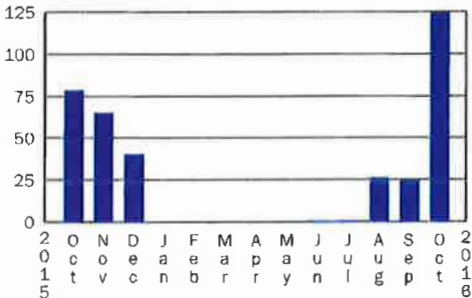
- Billing date: October 5, 2016
- Due Date: **October 27, 2016**
- Billing period: Sep 02 to Oct 03 (32 Days)
- Next reading on or about: Nov 01, 2016
- Customer Type: Commercial
- Meter Reading Measurement:
- 1 unit = 10 CF or 74.8 gallons of water
- Billing Measurement: 100 gallons (CGL)

Meter No.	70187531
Size of meter	2"
Current Read	9,381 (Actual)
Previous Read	9,215 (Actual)
Total water used this billing period	166 units (12,416 gallons)

**Total Water Use Comparison** (in 100 gallons)

- Current billing period 2016: 124.16 CGL
- Same billing period 2015: 78.54 CGL

**Billed Use Graph (100 gallons)**



**BILLING SUMMARY**

**For Service To:** 27390 SCHULTE RD IRRIG  
**For Account** 1015-210019501885

**Prior Balance**

• Balance from last bill	158.85
<b>Total Prior Balance - DUE IMMEDIATELY</b>	<b>158.85</b>

**Current Water Service**

• Water Service Charge	160.92
• Water Usage Charge (\$3.5600000 x 124.16)	442.01
• <b>Total Water Service Related Charges</b>	<b>602.93</b>

**Other Charges**

• Carmel River Mitigation Surcharge (602.93 x 4.64%)	27.98
• Conservation Surcharge (\$0.02450000 x 124.16)	3.04
• Payment Assistance Surcharge Water	1.86
• Consolidated Expense Balancing Account (\$0.09340000 x 124.16)	11.60
• Water Late Payment Charge	2.34
• MPWMD Cnsvn Surcharge	1.19
• Seaside Basin BA Surcharge	2.93
• <b>Total Other Charges</b>	<b>50.94</b>

**Taxes**

• County Franchise Taxes	6.19
• Commission Surcharge	7.25
• <b>Total Taxes</b>	<b>13.44</b>

**TOTAL CURRENT CHARGES 667.31**

**TOTAL AMOUNT DUE → \$826.16**

**Important messages from California American Water**

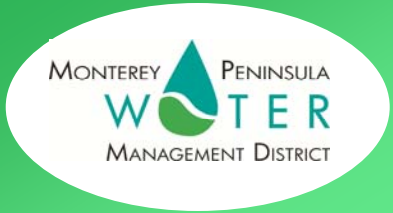
- AVERAGE DAILY USE FOR BILLING PERIOD = 388.00 GALLONS
- \*\*\*IMPORTANT WATER QUALITY MESSAGE: Your annual Water Quality Report can be viewed electronically at [www.amwater.com/ccr/monterey.pdf](http://www.amwater.com/ccr/monterey.pdf). If you prefer a paper copy to be sent to you, please contact our Customer Service Center at 888-237-1333.
- Su informe anual de la calidad de agua puede consultarse electrónicamente en [www.amwater.com/ccr/monterey.pdf](http://www.amwater.com/ccr/monterey.pdf). Si prefiere una copia, por favor pongase en contacto al cliente con nuestro centro de servicio en 888-237-1333.
- Contact California American Water's local conservation department at 831.646.3205 to take advantage of rebates, water wise house calls and more. For more information visit [www.montereywaterinfo.org](http://www.montereywaterinfo.org).
- We want to help you better understand your water bill - why you are paying the amount you are, and where the money is going. A large part of your water bill is invested directly into the water system to make sure it is reliably delivering quality water when you need it. To learn more, visit [www.californiaamwater.com/aboutyourbill](http://www.californiaamwater.com/aboutyourbill).



Customer Service: **1-888-237-1333**

M-F 7am to 7pm Emergency: 24/7

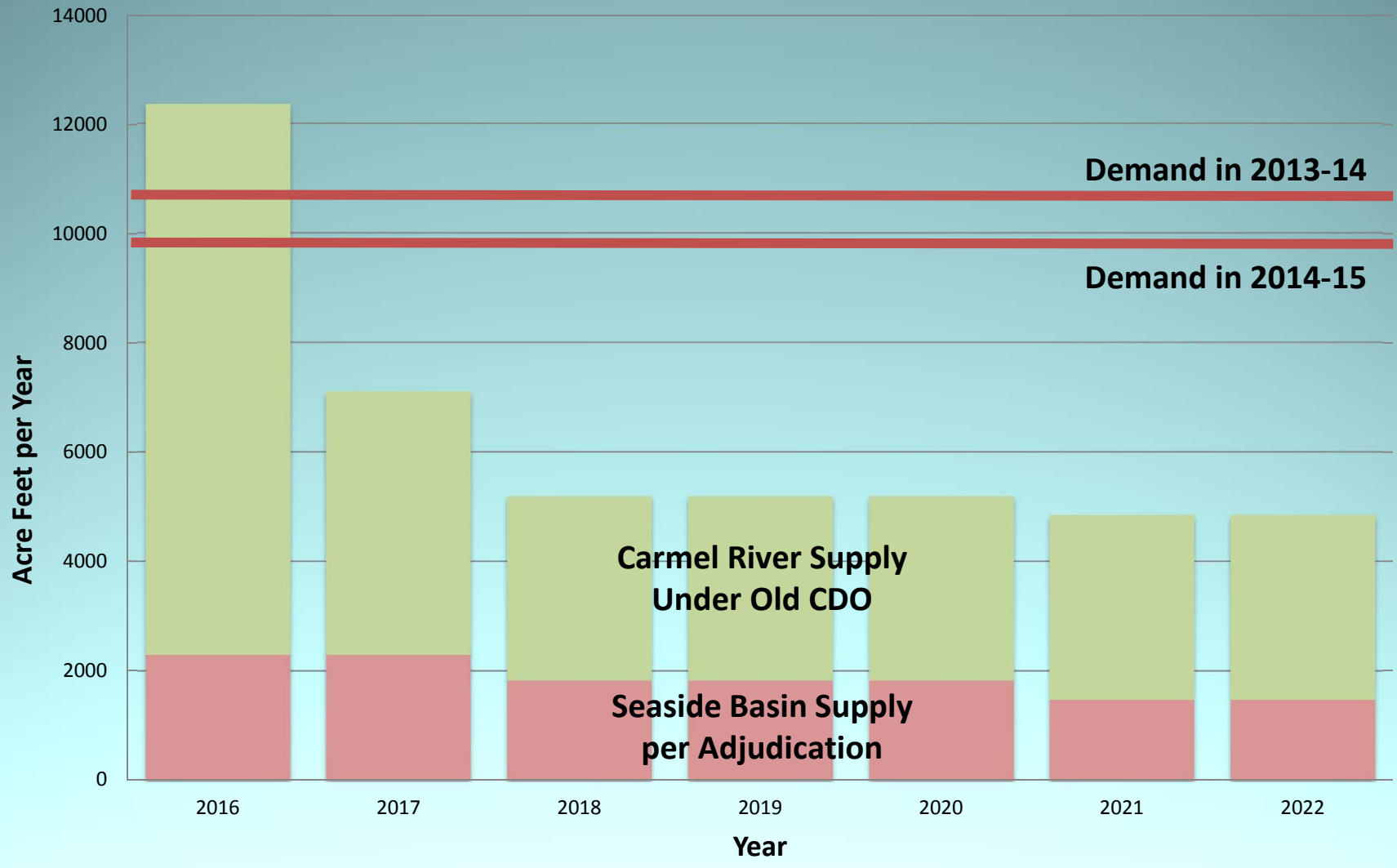
[www.californiaamwater.com](http://www.californiaamwater.com)



# *Water Supply Update*

Ordinance 152 Panel  
October 31, 2016

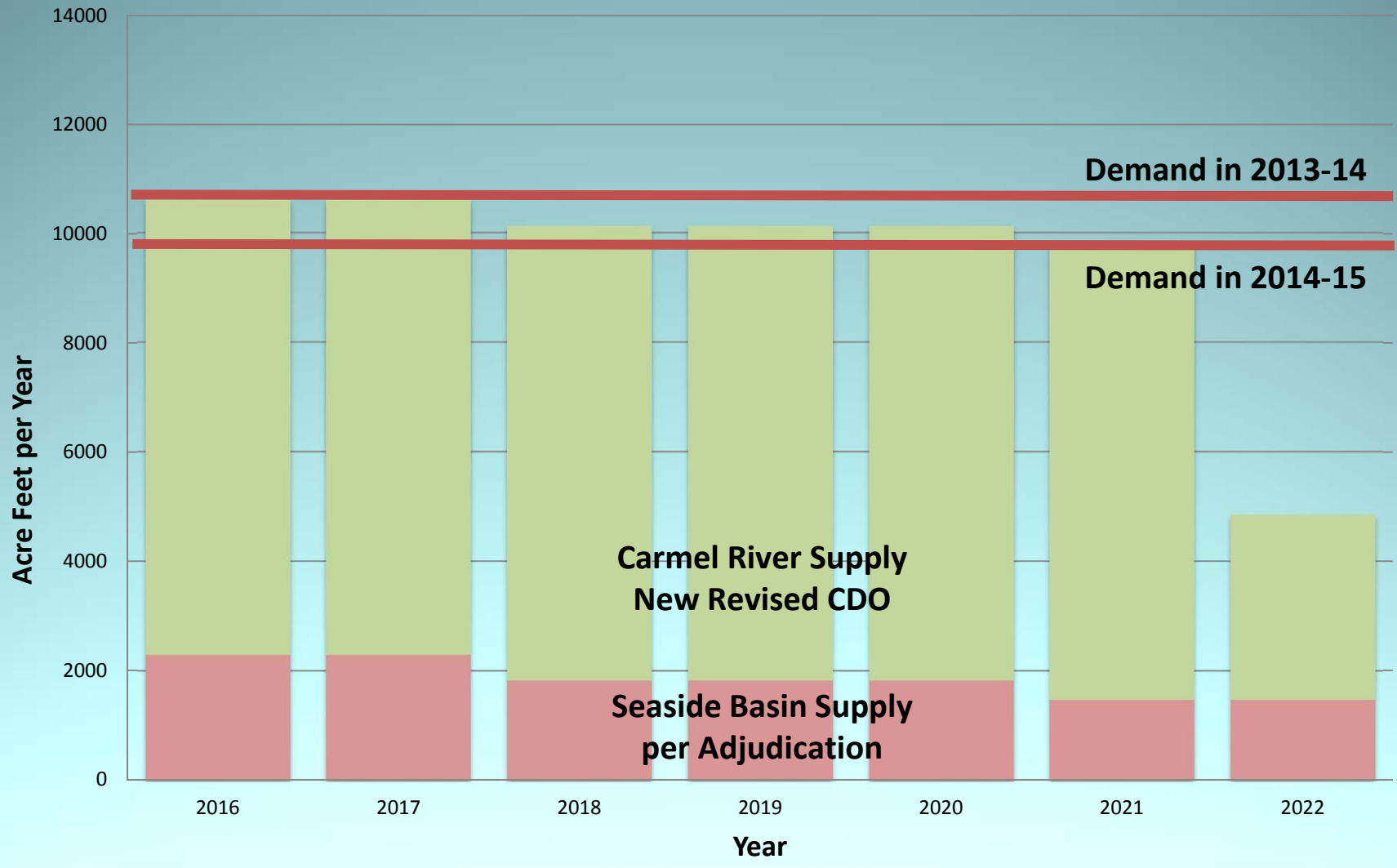
# Legally Available Water Supply in MPWMD Territory Compared to Consumer Water Demand in MPWMD Territory



# Legally Available Water Supply in MPWMD Territory

Compared to

## Consumer Water Demand in MPWMD Territory



# Project Sizing

Demand	Supply
13,290 AF 5-year customer demand	3,376 AF legally from Carmel River (2017)
500 AF for economic recovery	1,474 AF legally from Seaside Basin (2021)
325 AF for Pebble Beach buildout	(700) AF Cal-Am intends to leave in the Seaside Basin for recharge for 25 years
1,181 AF for legal lots of record	94 AF available from Sand City long term
-----	1,300 AF assumed available from ASR
15,296 AF total demand	3,500 AF from GWR
	6,252 AF from small Desal
	-----
	15,296 AF total supply



# Pure Water Monterey

## Where Does the Water Come From?



**Wastewater**



**Storm Water**



**Produce Wash Water**



**Irrigation Return Water**

# Agricultural Produce Wash Water



# Pure Water Monterey

## Progress to Date

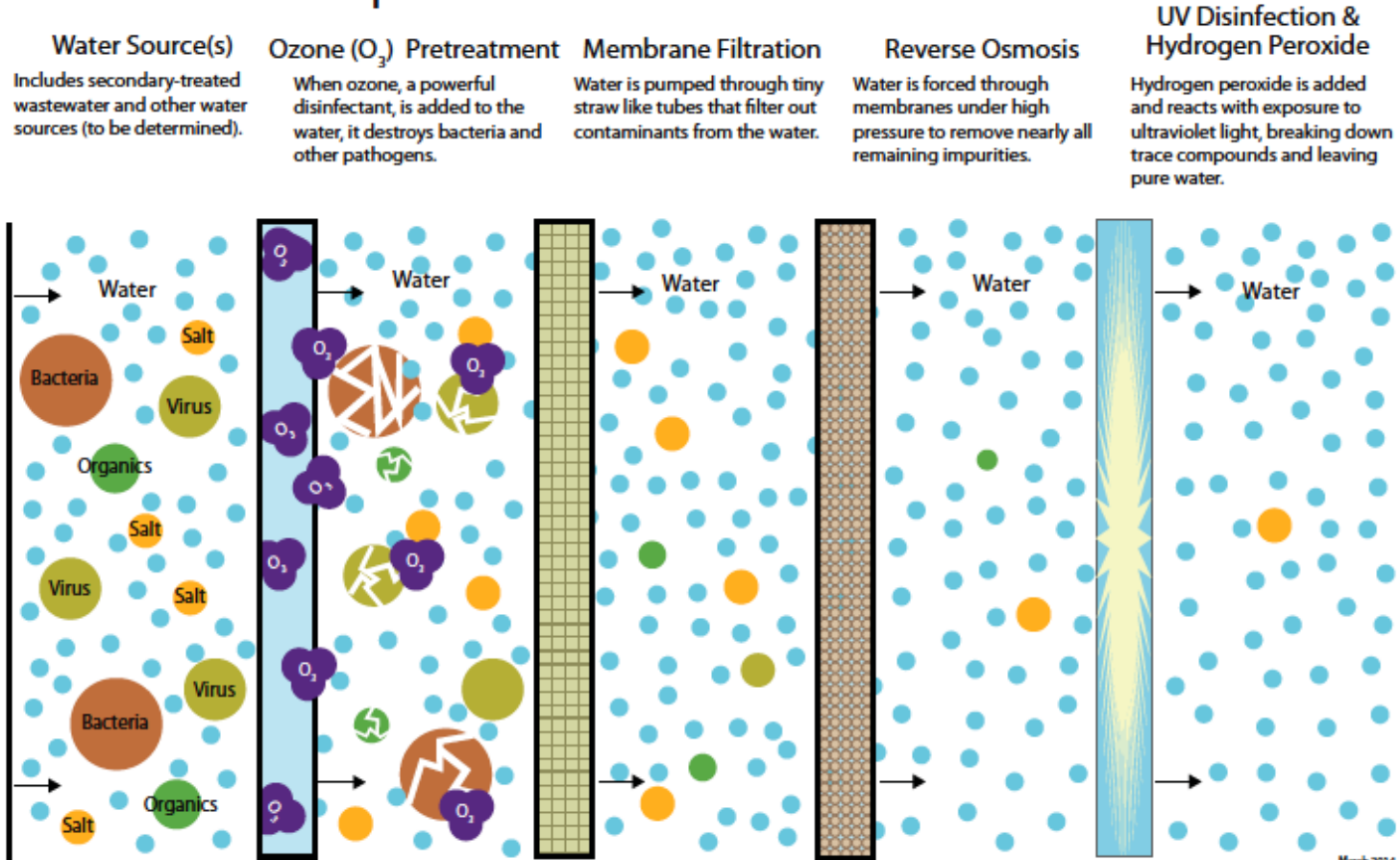
- CPUC Approved Water Purchase Agreement September 15th
- Salinas Produce Wash Water and Storm Water Connection Completed
- Blanco Drain and Reclamation Ditch Water Rights Approved; Design at 95%
- Advanced Treatment Equipment bids secured; 60% design by October 3<sup>rd</sup>.
- NMFS and SRF staff tour on the 22nd
- State Revolving Fund (and Grants) Available in December
- Draft USFWS Biological Opinion is behind
- Working on 12 remaining of 26 Permits
- Go, Go, Go....



**Pure Water Monterey**  
A Groundwater Replenishment Project

# How Does It Work?

## Proposed Water Purification Process



# Cal-Am's Proposed Desalination Project

Approximate configuration of Desal



# Desalination Plant

## Progress to Date

- CPUC Approved Monterey Pipeline September 15th
- All Contracts (Except Brine Discharge) Have Been Awarded
- Return Water Settlement Agreement
- Brine Discharge Settlement Agreement
- Test Slant Well Back On-Line; 92% sea water
- Costs and Expenditures to Date (7-31-16):

Intake System and Return Facilities: \$79M (24% spent)

Desalination Plant: \$115M (14% spent)

Pipeline Facilities: \$128M (13% spent)

Pre-Construction Cost\*: \$8M (100% spent)

*NOTE: These figures are based on a 6.4 MGD desalination facility.  
Pre-construction costs are included in the \$322-million project total.*

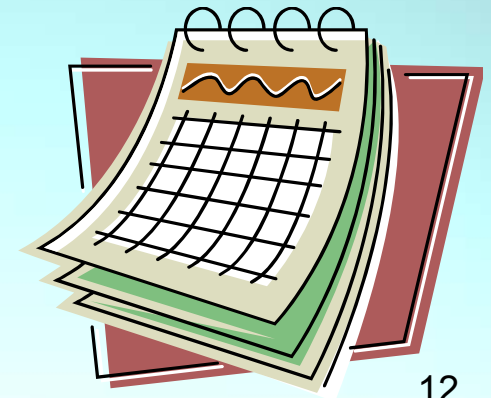


# Cal-Am Monterey Pipeline



# Project Schedule

	Desalination Project	Pure Water Monterey
September 2016	Pipeline Decision	WPA Decision
December 2016	Draft EIR/EIS	
January 2017	Start Construction on Pipeline	Start Construction
November 2017	Final EIR/EIS	
March 2018	Coastal Commission Hearing for Permit	Project Complete - Delivery of Water
April 2018	Start Construction on Desal	
March 2020	Project Complete – Delivery of Water	





# Aquifer Storage and Recovery

## Update

- Ground Lease expected to be approved by Seaside City Council October 20<sup>th</sup>
- Will pave the way for FORA to issue right-of-entry to complete project
- New signage to be installed within month
- Diversion was 699 AF this past season
- Total to date = 5,684 AF

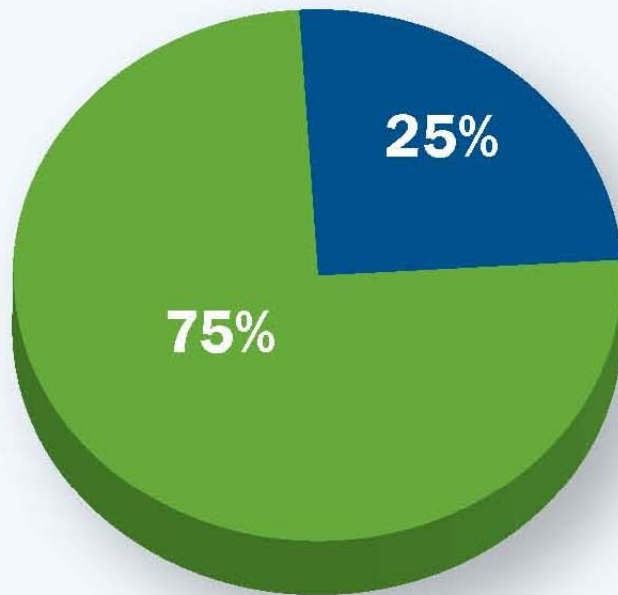


## Local Water Projects

Project	Status
<b>Pacific Grove \$200,000</b>	First \$100,000 spent; Anticipate construction start this fall; Will save 88 AFY
<b>Old Del Monte Golf Course \$80,000</b>	Two wells completed; Awaiting CEQA review of pond; Expect pond construction by February; Will save 40-50 AFY
<b>Monterey Regional Airport \$30,000</b>	Completed study; Identified 104 AFY of non-potable supply; Will attempt to find users in FY 2016-17
<b>City of Monterey \$85,000</b>	Storm water capture study; No expenditures to date; Trying to obtain state grant moneys
<b>City of Seaside \$106,900</b>	Laguna Grande non-potable well; No expenditures to date
<b>Monterey County Fairgrounds \$75,000</b>	Replumb bathrooms to well water; No expenditures to date; Almost 50% reduction in water due to retrofits; Suggest canceling grant

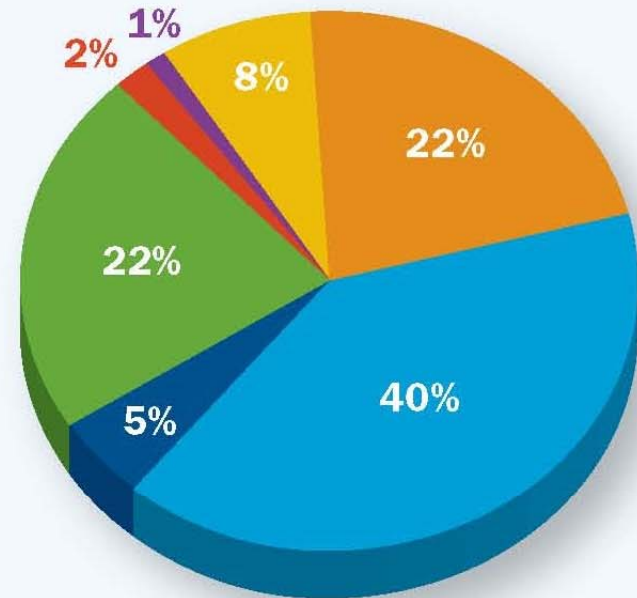
# Changing Sources of Supply on the Monterey Peninsula

## Traditional Sources



- Seaside Basin
- Carmel River

## Proposed Water Sources



- Groundwater Replenishment
- Desalination
- Seaside Basin
- Carmel River
- Sand City
- Pacific Grove
- Aquifer Storage Recovery

The Water Supply Project will diversify the Monterey Peninsula's water supply portfolio. These new sources of water will be sustainable and help protect against drought while also protecting the natural resources of the Carmel River.

# Inside the Soberanes Fire

## Soberanes Fire



## Soberanes Fire



# Soberanes Fire



## Soberanes Fire





## Soberanes Fire



## Back Burn



## Back Burn



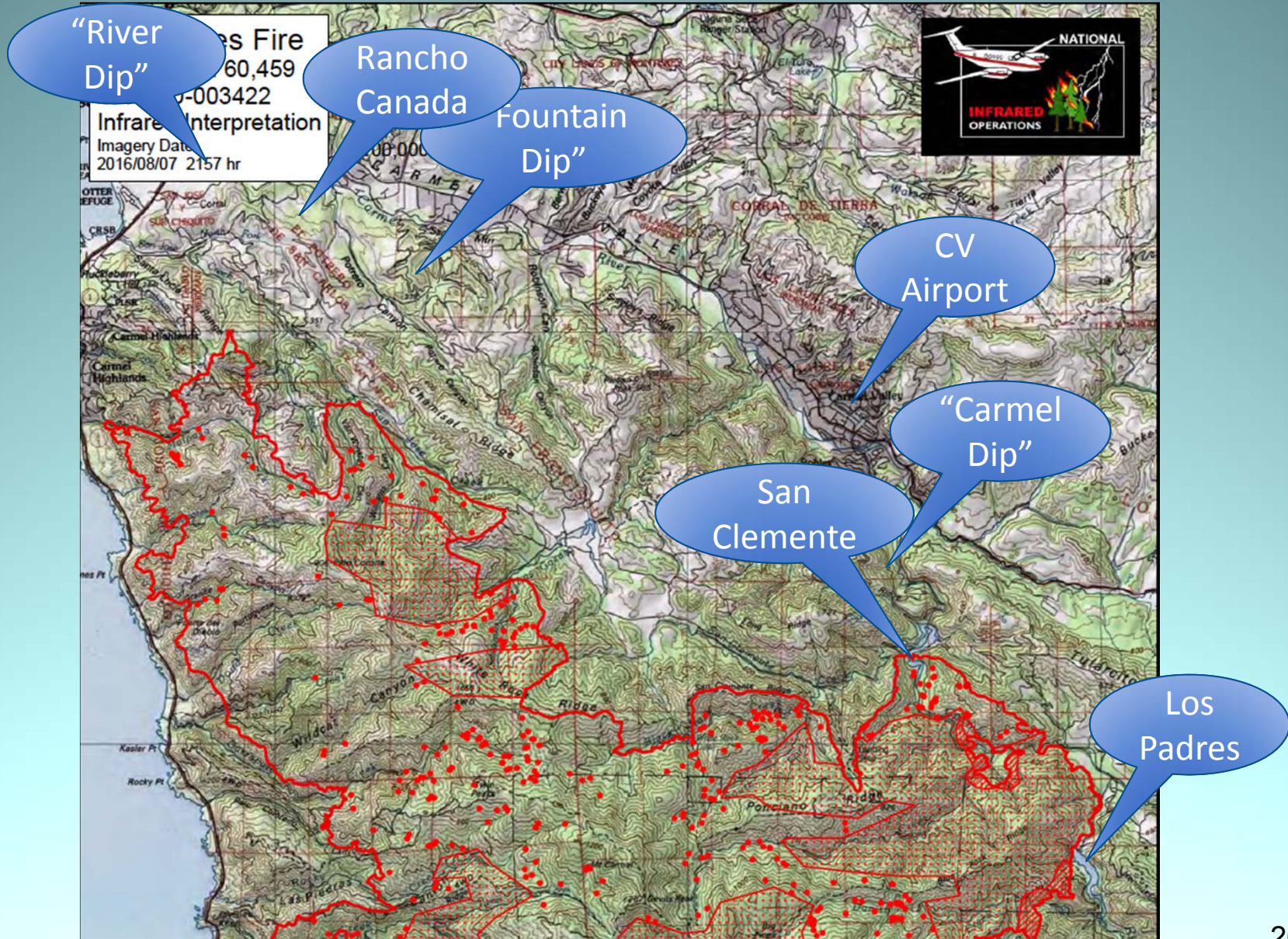
## Fire & Water Concerns

- 1. Water Tenders**
- 2. Dust Control**
- 3. Staging Area Facilities**
- 4. “Dips”**
- 5. Impact on River**

## First Settlement in the Area – Carmel Valley Airport



# Carmel Valley and Burn Area – August 7



## Water From the Los Padres Dip



# North Coast Road





## Setting Up the Staging Area



## Assembly Area



## Eating Area



## Other Staging Area



## People Have Basic Needs



# Mobile Kitchen



## Hand Washing Station at Eating Area



## Brushing Teeth





## Small Hand Washing Station



# Mobile Laundry Unit



## Laundry Truck



# Shower Truck



## End of Shower Truck



## Heating the Showers



## Portable Showers from Behind



## Spent Shower Water





## Spent Shower Water



## Keeping Smokey the Bear Clean



# Water Tender



# Water Tender



## Hydrant Meter at Rancho Staging Area



## Hydrant Meter at Rancho Staging Area



## Hydrant Meter in Hitchcock Canyon



## Collateral Damage





## Towards the Dam Last Month



## Above San Clemente Last Month



## What the Watershed Looks Like... San Clemente Ridge



## What the Watershed Looks Like...



## What the Watershed Looks Like...



## What the Watershed Looks Like...



## What Happens When the Rain Starts...

The Carmel River watershed has 39,810 acres and is projected to contribute:

2.15 tons/acre on a 2 year storm

4.24 tons/acre on a 5 year storm

6.91 tons/acre on a 10 year storm.