

July 20, 2020

Mr. Erik Ekdahl
Deputy Director
Division of Water Rights
State Water Resources Control Board (SWRCB)
PO Box 100
Sacramento, CA 95812

Via Email

Subject: WR 2016-0016 Cease and Desist Order

Dear Mr. Ekdahl,

As one of the Applicants¹ for extension of the Cease and Desist Order (CDO) that resulted in Order WR 2016-0016, the Monterey Peninsula Water Management District respectfully requests the State Water Resources Control Board (SWRCB) to engage with our community on two matters:

First, consider suspension of any reduction in the Effective Diversion Limit (EDL) under Condition 3.b.vi of the CDO as a result of the likely failure to meet the Water Year 2019-2020 construction Milestone this upcoming September 30th; and

Second, begin discussion with the Applicants on an additional extension of the CDO beyond December 31, 2021.

On April 29, 2020 California American Water (Cal-Am) filed with you its 2nd Quarterly Report for the 2019-2020 Water Year Addressing Operations for the Period of January 1, 2020 to March 31, 2020. In the report, Cal-Am stated that it is unlikely to meet Milestone 5 under Condition 3.b.v of the CDO due to reasons outside of Cal-Am's control. It is obvious to all in our community that the Milestone will be missed. It is also clear that no permanent water supply project will likely be completed by December 31, 2021.

Under Condition 3.b.viii of the CDO, if the SWRCB determines that the cause is beyond the Applicants' control, it may suspend any corresponding reductions under Condition 3.b.vi until such time as the Applicants can reasonably control progress towards the Milestone. We believe it would be punitive to the citizens and businesses of the Monterey Peninsula to invoke a 1,000 acre-foot reduction in the EDL given the economic hardships already being endured as a result of

¹ As defined in footnote 16, page 20, of the CDO

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the coronavirus pandemic. Further, actual progress toward a permanent water supply is visibly happening, but delays have been outside the control of the Applicants.

The December 31, 2021 deadline for substantial completion of the Cal-Am Components of the MPWSP Desalination Plant is also very likely to be missed. Although it can be argued that, based on recent pumping history, Cal-Am could be at or very close to its legal limit today, the District believes a new permanent water supply project is needed and should continue to be pursued. To do so without undue burden on the community warrants an extension to Order WR 2016-0016. When the original 2009 CDO was extended at SWRCB's July 2016 hearing, it was the culmination of 22 months of meetings and correspondence between the Applicants and SWRCB staff. Clearly, the time is ripe to begin thoughtful discussion about extending the final deadline.

Thank you for bringing these issues to your staff and Board.

Sincerely yours,

David J. Stoldt

General Manager

On behalf of the Monterey Peninsula Water Management District

cc: SWRCB members
Steven Westhoff

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