

EXHIBIT 9-A



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TO: MPWMD Board of Directors

FROM: Dave Laredo, Fran Farina

RE: A.21-11-024 Phase 2 Status

This memo provides a status update on Phase 2 of California-American Water Company's (Cal-Am) Application 21-11-024 to "address the most recent supply and demand data" Cal-Am has available as directed by the Commissioner's Scoping Memo and Ruling of February 9, 2022.

Background

California-American Water Company (Cal-Am) filed an application with the Commission in November of 2021 seeking authorization to enter into the Amended and Restated Water Purchase Agreement (Amended WPA) for the Pure Water Monterey (PWM) Project Expansion. The proceeding was divided into two phases. The first phase authorized Cal-Am to enter into the Amended WPA together with construction of certain facilities and rate recovery pursuant to Decision (D.) 22-12-001. Once constructed and online, the PWM Expansion Project will increase Cal-Am's water supply by an additional 2,250 acre-feet per year (AFY).

Phase 2 of the proceeding enabled the CPUC to revisit long-term water supply and demand estimates previously made in the Commission's 2018 decision that approved the Monterey Peninsula Water Supply Project (MPWSP).¹ A Phase 2 evidentiary hearing took place from March 11 to March 15, 2024. Opening and reply briefs were filed and the record was submitted on May 28, 2024.

The Proposed Decision (PD) was served on May 9, 2025. The parties were allowed twenty (20) days to file comments and an additional five (5) days thereafter to file reply comments. Cal-Am and others began scheduling ex parte meetings with the Commissioners' staff advisors.

The PD supports the full 5,750 acre-feet per year (AFY) supply from PWM and PWM Expansion and 1,210 AFY from ASR. The PD underestimates other available supplies from Cal-Am's legal rights in

¹ In 2012, Cal-Am filed Application 12-04-019 for approval of the Monterey Peninsula Water Supply Project (MPWSP). This project has three components: groundwater replenishment (GWR) now referred to as the Pure Water Monterey (PWM) Project, Aquifer Storage and Recovery (ASR), and a 6.4 million gallons per day (MGD) desalination facility. Commission approval was granted in Decision (D.) 18-09-017.

the Seaside Groundwater Basin, Sand City's desalination plant, and other water rights or entitlement project water available to Cal-Am. On the demand side of the equation, the PD continues to support Cal-Am's overestimated demand forecast that would have its service area population increase by 40,000 to 50,000 people in the next 25 years contrary to forecasts from the public agency parties and the independent Association of Monterey Bay Area Governments (AMBAG).

Recent Commission Activity

MPWMD, Marina Coast Water District (MCWD), the City of Marina, and Public Water Now scheduled additional ex parte meetings objecting to aspects of the PD while Cal-Am's meetings argued for even more support. The assigned Commissioner in this proceeding, Darcie Houck, held an All-Party meeting on June 5 after which the PD appeared on the Commission's June 12, 2025 meeting agenda as a *consent* item. This meant the PD would be adopted as written. Fortunately, the item appeared on the "Hold List" on June 10th by Commissioner Houck "for further review" and was rescheduled to the June 26th meeting date. Nevertheless, we organized many speakers who participated in the June 12th public comment portion of the meeting via telephone.

Prior to the June 26th meeting, Cal-Am, MCWD, and the City of Marina scheduled additional ex parte meetings. When this meeting agenda was published, it again showed the PD as a consent item. No revision had been circulated, which indicated there were no changes.

The Hold List was published on June 16th, but the PD was not on it. On Tuesday, June 17th, a letter from Senator Laird was distributed requesting the PD be removed from the calendar so that revisions could be made "including a more reasonable demand estimate for 2050." By late afternoon when the Hold List was published, the PD appeared as held "for further review" by Commissioner Houck to the July 24th meeting in San Francisco.

At the June 26th meeting, our supporters participated once again during public comment but this time Cal-Am had speakers in person and by phone urging approval of the PD and supporting the need for the desalination plant.