



Supplement to July 21, 2025 MPWMD Board Packet

A list of letters sent to and/or received by the Board Chair and/or General Manager between June 11, 2025, and July 16, 2025, is included in the Board meeting packet under the section titled “Letters Received and Sent.” A summary of these correspondences is provided in the table below for reference.

Author	Addressee	Date	Topic
Melodie Chrislock	MPWMD Board	6/11/2025	The water supply/demand question
Melodie Chrislock	MPWMD Board	6/27/2025	NYT on water in CA
Michael DeLapa	Dave Stoldt	7/1/2025	ExParte Presentation on Proposed Phase 2 Decision of Administrative Laws Robert Haga and Jack Chang Approving Demand and Supply Estimates for the Monterey Peninsula Water Supply Project (“MPWSP”) which was issued in A.21-11-024 on May 9, 2025

The water supply/demand question.

From mwchrislock@redshift.com <mwchrislock@redshift.com>

Date Wed 6/11/2025 5:59 PM

To Alvin Edwards <alvinedwards420@gmail.com>; Amy Anderson <carmelcellogal@comcast.net>; George Riley <georgetriley@gmail.com>; Karen Paull <karenppaull@gmail.com>; Kate Daniels <daniels.kate@gmail.com>; Rebecca Lindor <bekkalindor@gmail.com>; Ian Oglesby <ioglesby@ci.seaside.ca.us>; Dave Stoldt <dstoldt@mpwmd.net>; Sara Reyes <Sara@mpwmd.net>; Mike McCullough <mike@mpwmd.net>

[Email not displaying correctly?](#)

Daily news for Wed, Jun 11, 2025 from Monterey County NOW



ETC. Photo of the day by Sandie McCafferty. These eroded bluffs along River Road south of Salinas tell a geological story. Photographed with an iPhone

16. [Submit your best horizontal photos](#). (Please include the location where the photo was taken in the caption.)

How much water will we need by 2050?

Good afternoon.

David Schmalz here. Having reported on water on the Monterey Peninsula for the better part of the last decade, it's remarkable to reflect on what has transpired in that time: A political movement for public water, a political movement to stop Cal Am's desal project in Marina, an innovative recycled water project and its expansion, and a conditional approval for Cal Am's desal project, which is still being litigated on multiple fronts.

The Peninsula's water demand has steadily dropped over that time while its legal supply continued to increase. Cal Am was finally able to stop its illegal overpumping of the Carmel River, and with the completion of Pure Water Monterey's expansion coming later this year, the Peninsula's annual supply will be over 12,000 acre-feet, according to the Monterey Peninsula Water Management District's estimates.

How much supply there is, and how much demand there will be by 2050, are among the things still being debated regarding Cal Am's desal project (per a condition of approval from the California Coastal Commission). It was finally scheduled to be voted upon by the California Public Utilities Commission at a meeting in Sacramento tomorrow, June 12. Late yesterday, Commissioner Darcie Houck, who's presiding over the proceeding, pulled it from tomorrow's meeting and rescheduled it for June 26.

To circle back to what the CPUC is being asked to approve regarding the supply and demand: On May 9, after about a year of deliberation and analysis of public testimony, CPUC Administrative Law Judges Robert Haga and Jack Chang issued a [proposed decision](#) that largely [sides with Cal Am's estimates](#), and that puts the annual water demand for Cal Am's service area at 13,732 acre-feet in 2050 and the current supply at 11,204 acre-feet.

The Peninsula's demand in the last water year was shy of 9,000 acre-feet. If our current demand is at least 2,000 acre-feet less than our current supply, why build a desal project?

The judges, in their proposed decision, believe the Peninsula's annual water demand will grow nearly 5,000 acre-feet—from just under 9,000 acre-feet now—in the next 25 years. Plenty of observers are skeptical about that growth projection, including Public Water Now Managing Director Melodie Chrislock, who submitted testimony asking the commission to adopt a lower projected demand figure of 10,500 acre-feet.

"Growth happens slowly over decades," she wrote. "It is not realistic to expect that 49,400 people or 52-percent more population will be added to the 95,000 that currently live and work on the

Peninsula in the next 25 years. This simple observation should serve as a reality check on Cal Am's³ inflated 2050 demand forecast."

Watchdog groups are encouraging people to call in to the CPUC's meeting tomorrow—even though considering supply and demand has been moved to June 26—to speak up during general public comment to oppose the proposed decision's estimates (English: 1-800-857-1917, passcode: 9899501#; Spanish: 1-800-857-1917, passcode: 3799627#, queue starts at 10:30am).

The whole purpose behind these efforts has been to lift the state's cease-and-desist order that prohibits Cal Am from setting new water meters. But it's the State Water Control Board that decides that, and maybe the supply and demand proceeding will impact that somehow.

Who knows. I'll just say, that as someone who's covered this for so long, the layers of bureaucracy, and all the twists and turns, don't become less confusing over time, and it's perhaps even the



opposite.

-David Schmalz, staff writer, david@montereycountynow.com





Outlook

NYT on water in CA

From mwchrislock@redshift.com <mwchrislock@redshift.com>

Date Fri 6/27/2025 11:02 AM

To Alvin Edwards <alvinedwards420@gmail.com>; Amy Anderson <carmelcellogal@comcast.net>; George Riley <georgetriley@gmail.com>; Karen Paull <karenppaull@gmail.com>; Kate Daniels <daniels.kate@gmail.com>; Rebecca Lindor <bekkalindor@gmail.com>; Ian Oglesby <IOglesby@ci.seaside.ca.us>; Dave Stoldt <dstoldt@mpwmd.net>; Sara Reyes <Sara@mpwmd.net>; Mike McCullough <Mike@MPWMD.net>

New York Times
June 27, 2025

For the Future of Water Conservation, Look to ... Los Angeles?

“The current goal for Los Angeles County is that, by 2045, [80 percent](#) of its water will come from recycling, increased storm-water capture and conservation.”

<https://www.nytimes.com/2025/06/27/headway/water-conservation-los-angeles.html>

California should be looking to the Peninsula. We're way ahead on this! With the Pure Water Monterey Expansion approximately 64% of our water supply will come from recycled water.

Melodie Chrislock
Managing Director
PUBLIC WATER NOW
<http://www.publicwaternow.org>
mwchrislock@redshift.com

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of California-American Water Company (U210W) to Obtain Approval of the Amended and Restated Water Purchase Agreement for the Pure Water Monterey Groundwater Replenishment Project, Update Supply and Demand Estimates for the Monterey Peninsula Water Supply Project, and Cost Recovery.	Application 21-11-024 (Filed November 29, 2021)
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**LANDWATCH MONTEREY COUNTY'S NOTICE
OF EX PARTE COMMUNICATION**

JOHN H. FARROW
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 San Francisco, CA 94104
 Telephone: 650 245 0509
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ATTORNEYS FOR LANDWATCH MONTEREY COUNTY

July 1, 2025

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of California-American Water Company (U210W) to Obtain Approval of the Amended and Restated Water Purchase Agreement for the Pure Water Monterey Groundwater Replenishment Project, Update Supply and Demand Estimates for the Monterey Peninsula Water Supply Project, and Cost Recovery.	Application 21-11-024 (Filed November 29, 2021)
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**LANDWATCH MONTEREY COUNTY'S NOTICE
OF EX PARTE COMMUNICATION**

Pursuant to Rule 8.4 of the Commission's Rules of Practice and Procedure, LandWatch Monterey County ("LandWatch") hereby timely provides notice of ex parte communication with Commissioner Douglas' advisors Kourtney Vacarro and Cristina Lizarraga on Monday June 30, 2025 at 1:30 pm. The communication was oral and written and took place remotely by Webex provided by the Commission's office at 505 Van Ness Avenue, San Francisco, California 94102. The communication was for the purpose of discussing the Proposed Phase 2 Decision of Administrative Laws Robert Haga and Jack Chang Approving Demand and Supply Estimates for the Monterey Peninsula Water Supply Project ("MPWSP"), which was issued in A.21-11-024 on May 9, 2025 ("Phase 2 Proposed Decision"). The written material provided is appended and incorporated hereto as Attachment 1.

The communication was initiated by Michael D. DeLapa, Executive Director of LandWatch. Also present was John Farrow, attorney for LandWatch. In the communication, LandWatch challenged Cal Am's claims regarding future water demand. LandWatch pointed out that the Proposed Decision does not adequately reflect the facts that population growth has slowed and that per capita water demand has declined as a secular trend in response to increased water prices, conservation efforts, and customer education. LandWatch pointed out that the Proposed Decision mistakenly accepts Cal Am's double counting of

demand from lots of record, tourism bounceback, and the Pebble Beach entitlements because that demand was already included in the underlying AMBAG forecasts of population and economic activity. LandWatch pointed out that the demand projections made by Cal Am, a financially interested party, are counter to the demand projections made by experts for two local public water supply agencies and by the CPUC's Ratepayer Advocates. LandWatch urged that the Commission adopt a lower 2050 demand estimate of 11,200 AFY, consistent with the local public agencies and the Public Advocates office.

LandWatch pointed out that Cal Am also understates available supply by incorrectly denying that the Pure Water Monterey recycled water supply, for which Cal Am has contracted, will be fully available, contrary to the Commission's decision in Phase 1 of these proceedings.

LandWatch pointed out that the Commission need not act on the demand and supply determination immediately because no credible demand and supply projections demonstrate a need for additional supply in the near term.

LandWatch reminded the Advisors that any Commission decision finding that demand and supply projections justify proceeding with the desalination facility would require that the Commission revisit its approvals because the Commission's 2018 CPCN expressly rejected the 4.8 MGD facility Cal Am now proposes, finding it to be environmentally more damaging and economically infeasible,¹ and because Cal Am has not met the requirement in the 2018 CPCN to propose operating restrictions to avoid imposing excess capacity costs on ratepayers in the event Cal Am contracted for the Pure Water Monterey supplies while still proceeding with the desalination facility².

In further compliance with the Commission's Rules of Practice and Procedure and the instructions included in the Commissioners' Meeting Request forms, this notice of the ex

¹ CPUC Decision D.18-09-017, pp. 69-70, 128-130.

² Id., p. 44

parte communication has been electronically served on the A.21-11-024 service list and Administrative Law Judges; Kourtney Vaccaro (Kourtney.Vaccaro@cpuc.ca.gov), Cristina Lizarraga (Cristina.Lizarraga@cpuc.ca.gov); and on douglas_exparte@cpuc.ca.gov, as required by the Commissioners' meeting forms.

Respectfully submitted,

July 1, 2025 /s/ JOHN H. FARROW

John H. Farrow
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San Francisco, CA 94104
Telephone: 650 245 0509
Email: jfarrow@mrwolfeassociates.com

ATTACHMENT 1

Presentation by LandWatch to Advisors June 30, 2025

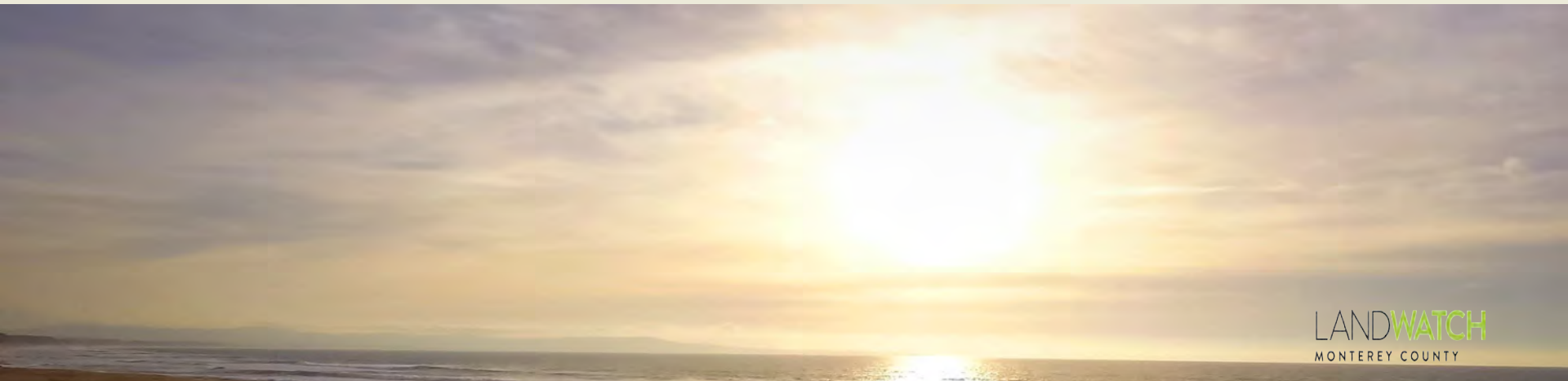
LandWatch Support for Revisions to CPUC Proposed Decision (A2111024)

Data Refutes Inflated Water Demand Estimates and Supply Underestimates

Michael DeLapa
Executive Director
LandWatch Monterey County

John Farrow
Legal Counsel to LandWatch

1. Introductions
2. About LandWatch
3. Factual errors in PD
 - Inflates water demand growth by a factor of 4x
 - Double-counts water demand growth
 - Underestimates supply
4. Additional background, issues and problems



- Mission: create a blueprint for sustainability, using Monterey County as a model.
- Founded in 1997
- Focus on land and water use, sustainable water supplies, climate, and affordable housing
- Deep bench in law, science, economics, business, public policy, and Monterey County



- There are **factual errors** in the PD
 - Population growth slowing
 - Water use declining
 - Demand growth double-counted
- Water demand = population growth x per capita water use - **both declining!**
- With correct data, the CPUC should **adopt a lower demand estimate** of 11,200 AFY
- Alternatively, the CPUC could **defer Phase II decision** until it has actual demand data
- **No urgency** to decide now and reward Cal Am at the expense of ratepayers
- CPUC should **inform the SWRCB** no risk of “trespass” again, which will lift the CDO and remove the moratorium

Proposed Decision is Factually Wrong

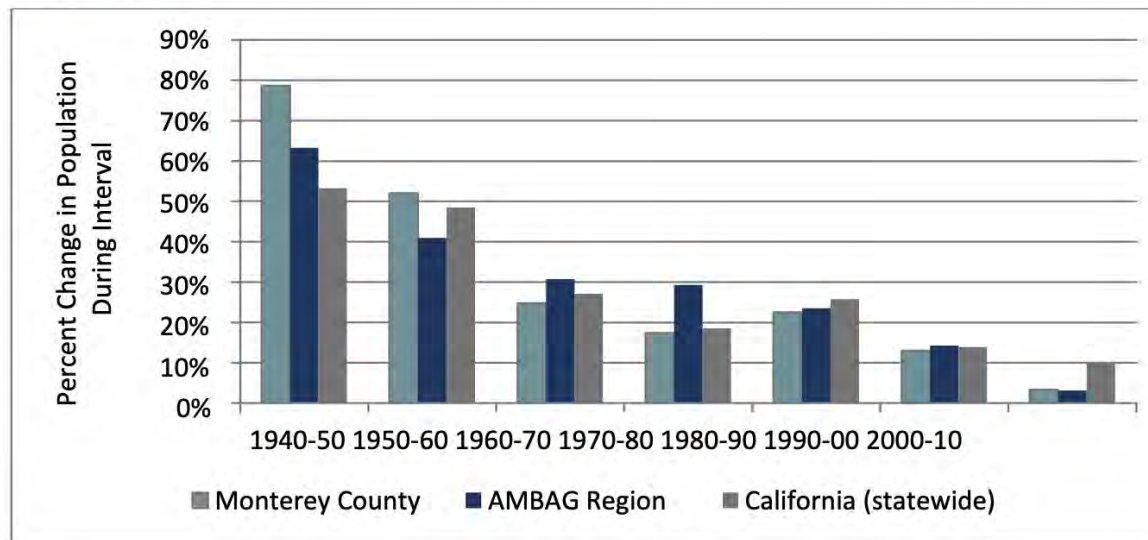
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- PD assumes unrealistic water demand
- Demand growth disconnected from AMBAG population growth forecasts
 - Population growth slowing
 - Per capita water use declining
 - Overall water use declining
- Counts demand growth twice
- Underestimates supply



- Population growth in Monterey County, the AMBAG region, and the state has slowed considerably since the 1940s
- Monterey County growth rates declined from over 50% in 1940-1950 to less than 5% in 2010-2020

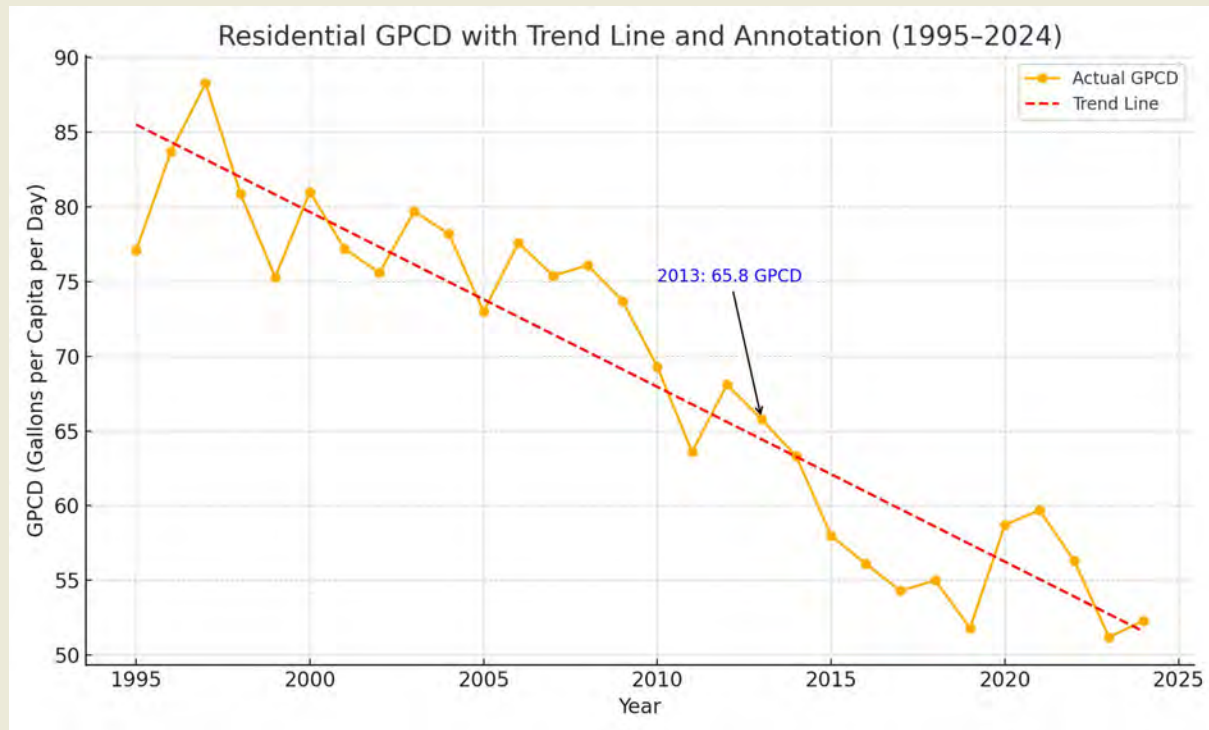
Figure 20: Population Growth Rate in Monterey County, AMBAG Region and California (statewide) 1940-2010



Source: California Department of Finance

Per Capita Water Use Declining in the District 18

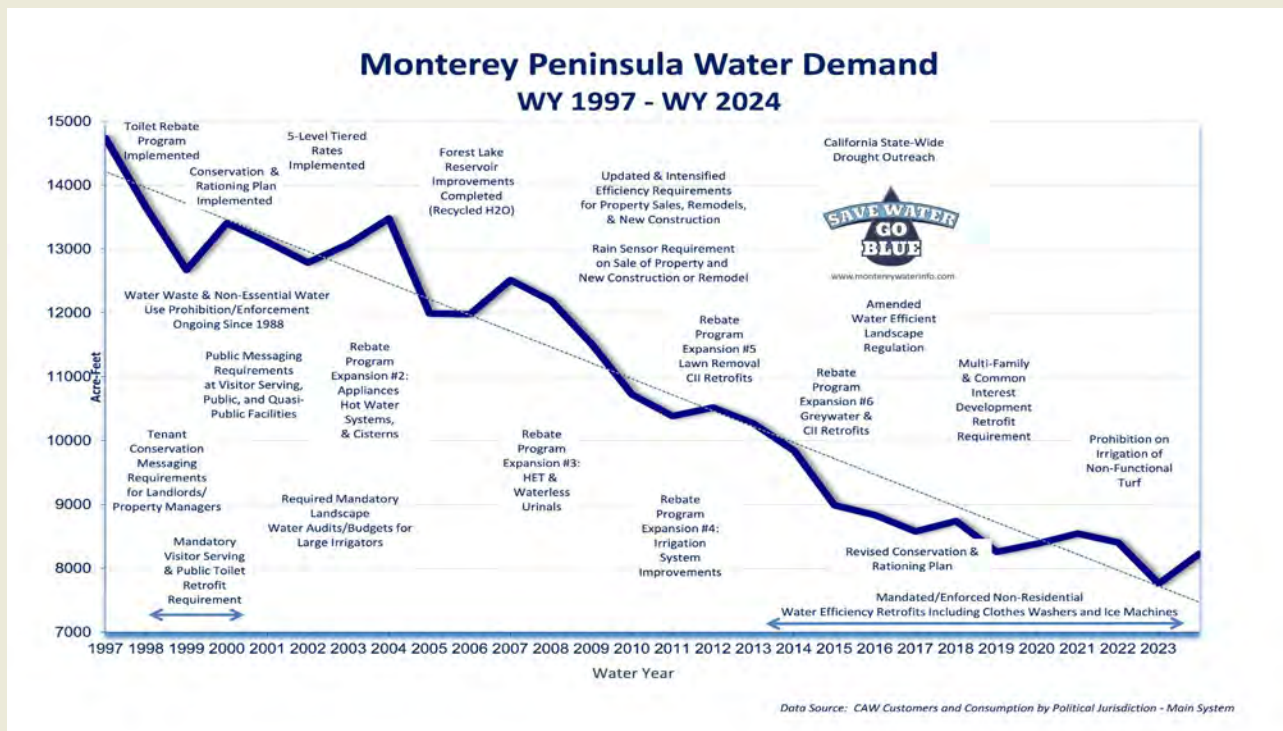
- PD water demand forecasts also ignores declining per capita water use
- Between 1995-2024 residential per capita water use (GPCD) declined by about 30%



Gross Water Use Declining in the District

19

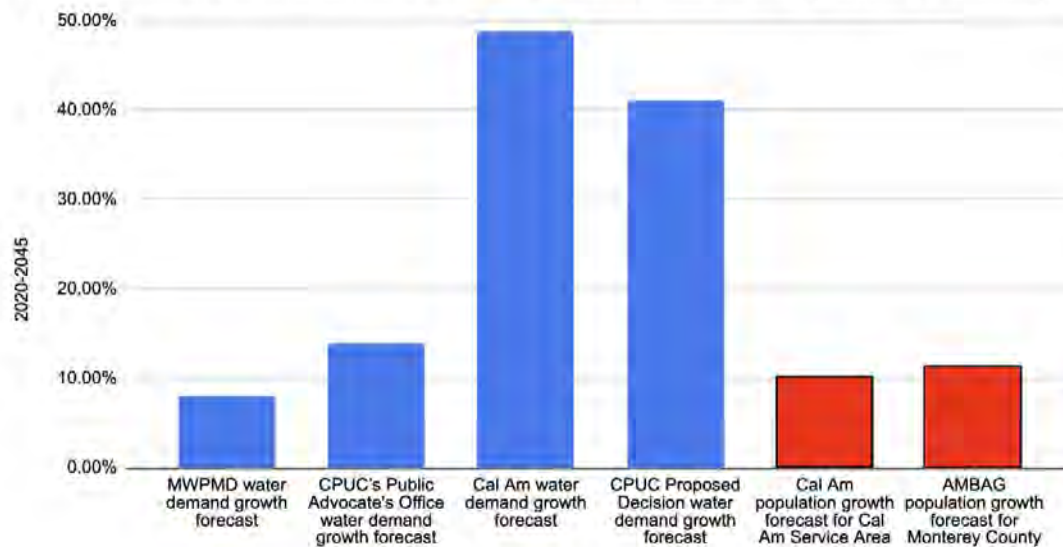
- Between 1997-2023 gross water use (residential + commercial) declined by about 50%
- As water prices increase and conservation measures continue, gross water use will continue to decline



PD Assumes Unrealistic Population Growth and Ignores Declining Water Use

- PD assumes the Peninsula will use about 50% more water by 2050, jumping from 9,000 to 13,732 AFY
- Unsupported by historic or projected population growth data
- Ignores declining per capita water use

Water Demand and Population Growth Forecasts 2020-2045 (Percent Increase)



Water Demand and Population Growth Forecasts

Cal Am demand forecast	CPUC PD demand forecast	AMBAG population growth forecast	Cal Am population growth forecast
~49%	~41%	~11%	~ 10%

- The PD 13,732 AFY forecast is inflated by 2,005 AFY due to double-counting.
- PD double counts demand from legal lots of record, Pebble Beach entitlements, and “tourism rebound”
 - AMBAG forecasts already take into account development of legal lots of record and entitlements
 - “Tourism rebound” has already occurred.



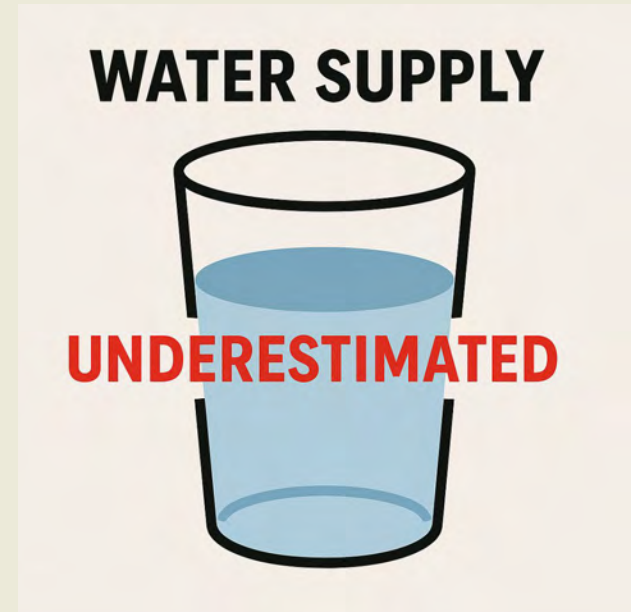
Consensus on Lower Demand Growth

22

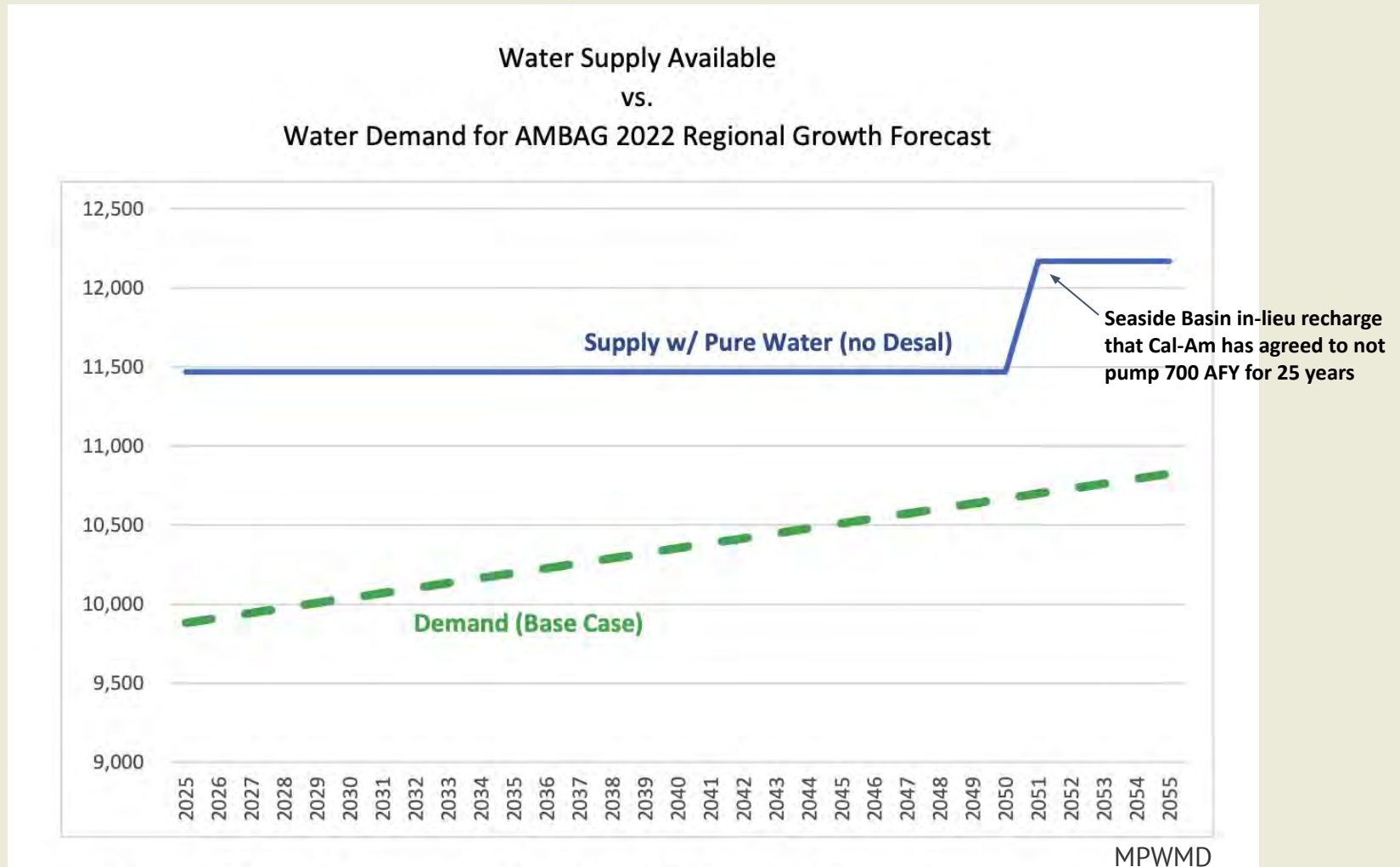
- There is consensus among three public agencies and the CPUC Public Advocate's Office that future demand ranges 10,599–11,203 AFY.
- These figures reflect permanent conservation and population-based forecasting—unlike Cal Am's unsupported assumptions.



- Pure Water Monterey Phase 1 and 2 provides 5750 AFY
- More than adequate supply even if all housing and commercial development that is projected to occur by 2050 actually occurs
- Pure Water Monterey will generate excess water for the next several decades
- Water stored in underground aquifers will provide even more water security if there is extraordinary demand



Water Supply Meets Demand Until at Least 2050²⁴



Water Supply Meets Demand Until at Least 2050

26

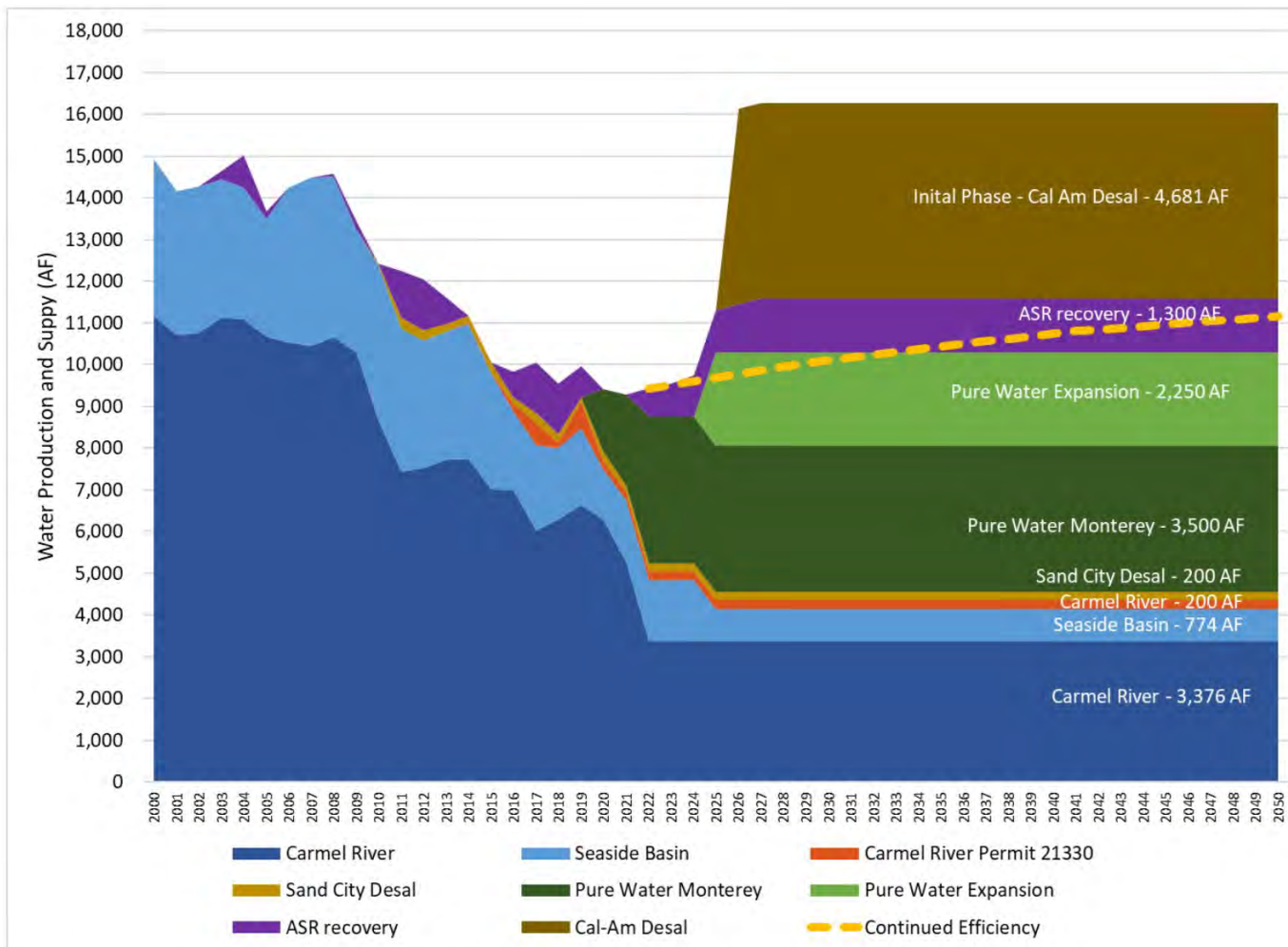
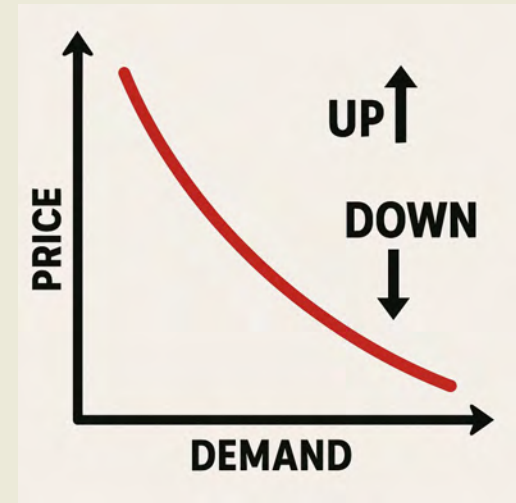


Figure 1: Cal-Am supply and demand 2000 – 2021, forecasted supply and demand 2022 – 2050

MCWD, Peter Mayer, P.E./WaterDM

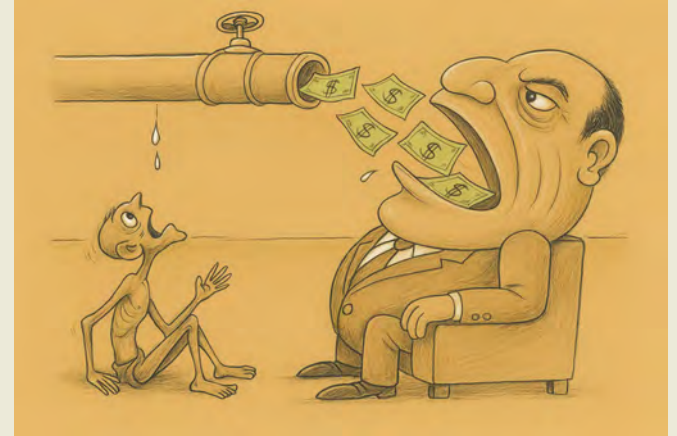
PD Ignores Fundamental Economic Principles ²⁶

- PD fails to account for price elasticity.
- As water becomes more expensive demand naturally declines.
- Cal Am desalinated water could cost 3-7x or more than recycled water, depending on excess capacity.



PD Ignores Financial Motive Behind Overestimates²⁷

- Inflated demand projections only serve Cal Am's shareholders' financial interest in constructing a desalination plant
- This expensive and unnecessary project would raise rates
- With desal water estimated at 3-7x cost of PWM, water rates will skyrocket
- Peninsula water rates already highest in the nation
- Affordable housing requires affordable water



- Future phases or new proceedings not set or scoped
- California Coastal Commission has conditionally approved only a 4.8 mgd project, only IF the CPUC agrees
- BUT the CPUC expressly rejected Cal Am's 4.8 mgd plant or a phased project
- Subsequent CEQA review of changed project and circumstances is required
- CPUC must determine new costs and who bears excess capacity risk

There's No Urgency to Decide Now

29

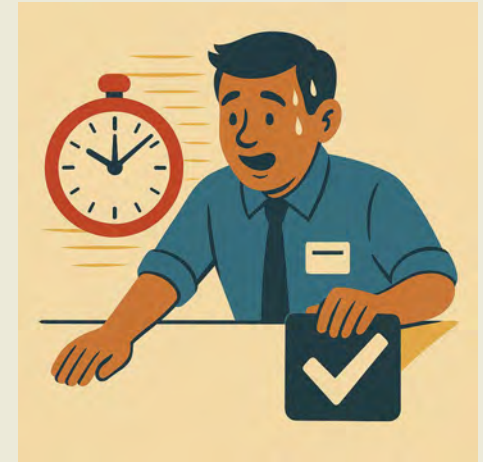
- Pure Water Monterey Phases 1 and 2 offer sufficient supply for decades
- No need to lock in inflated demand projections today
- If actual demand exceeds forecasts, the CPUC should revisit desal and other supply options, including further expansion of water recycling
- Cal Am claims it can build a desal plant within 3 years
- The CPUC should
 - Collect a minimum of 5-10 years of actual demand data before making irreversible and expensive decisions
 - Inform the SWRCB there is no risk of “trespass” again, which will lift the CDO and remove the moratorium



The Peninsula Had Made Great Progress: Then Versus Now

30

- Since the SWRCB CDO in 2009, the CPUC has said there is an urgent need for an alternative water supply.
- In 2018 the CPUC said, “*time is of the essence.*”
- **Public agencies have responded!**



What	Then	Now
Carmel River	8310 AFY (2018)	3376 AFY (Legal Limit)
Seaside Groundwater Basin	3849 AFY (2018)	1474 AFY (Legal Limit)
Public Agency Water Supply Project	Pure Water Monterey (PWM) Authorized (2016)	3500 AFY (2020)
Public Agency Water Supply Project	PWM Expansion Authorized (2022)	2250 AFY (2025)

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- With correct data, the CPUC should **adopt a lower demand estimate** of 11,200 AFY
- Alternatively, the CPUC could **defer Phase II decision** until it has 5-10 years of actual demand data
- **No urgency** to decide now and reward Cal Am at the expense of ratepayers
- **Inform the SWRCB** no risk of “trespass” again, which will lift the CDO and remove the moratorium





Thank You

LANDWATCH
MONTEREY COUNTY