

*Submitted by staff
at 9/4/12 Meeting.
Item 2*

3.2. Post-Workshop Guidance and Directions

The July 26-27, 2012 Technical Workshop,²³ facilitated by Peter Allen of the Legal Division and Ravi Kumra of the Division of Water and Audits, addressed a wide range of issues, some of which are best further explored sooner than later.

3.2.1. Potential for Public Agency Role in Project

While the Application contemplates some complementary public agency projects (groundwater replenishment and aquifer storage and recovery), there may be opportunities for one or more public agencies to have a direct role in the Monterey Peninsula Water Supply Project itself. The idea of a private-public partnership in the area of financing was floated in the Workshop, for example. Other areas of possible collaboration may exist, and it is reasonable to consider those to the extent that they are feasible and sufficiently developed to allow implementation in a timely manner. While Cal-Am may believe that the window for altering the project to include public agency participation has closed, Cal-Am should be open to and seriously consider in good faith any public agency proposal for direct participation in the MPWSP made to it no later than October 1, 2012. Any such proposals must be adequately detailed to show that they are technically, legally and economically feasible. Cal-Am shall file a progress compliance report by October 26, 2012 on any public agency participation proposals.

²³ Topics covered were demand projections; available water supply; project sizing, costs and ratepayer impacts; project governance; and contingency planning in light of possible impediments to project completion and to meeting the December 2016 deadline. The workshop was video-taped and is viewable by scrolling down to "CPUC Workshop – Technical Issues in Cal-Am Request for Water Supply Project, July 26 and 27, 2012" at this website address: <http://www.californiaadmin.com/cpuc.shtml>.