

Submitted by General Manager Stoldt at 9/16/19 Board Meeting
Item 9

MPWMD Response to Claims in
Coalition of Peninsula Businesses
Letter of September 16, 2019

Citation of CPUC Findings: We do not dispute those findings were made by the CPUC. We are simply presenting the facts about supply and demand as they exist at this time. One could assert that the CPUC knows less about local demand than the District. The CPUC did not present any findings about market absorption, nor when future demand will require new supply.

Objective Standard of CPUC General Order 103b: We believe it is intended to have said 103A. GO 103A only speaks to maximum daily demand (MDD) and peak hourly demand (PHD), and does not refer to average annual demand. Hence, there is no requirement to look back 10 years on annual demand (which if you did, is still over 1,000 AF below the current sizing assumption.) Our analysis does consider trending 10-year MDD and PHD, and asserts that the additional well capacity included in the Pure Water Expansion will be more than sufficient for a 15-16 MGD MDD. Because the trending MDD is in decline, the 10-year Max-Month was 10-years ago, so may require over 21-22 MGD MDD. Use of the Carmel River legal rights in summer months or additional well capacity would be required – still inexpensive – to meet the higher MDD values.

How can the District assert the CDO would be lifted? Both supply scenarios are “permanent.” Both scenarios allow Carmel River pumping to stay below the legal rights.

“the downward trend in water use in the District will continue” The District report does not contend this at all. The report says where do we go from here?... assuming no continued downward trend in annual use. The price elasticity and legislative action discussion underpins the District claim that water use per person is not likely to increase.

Legal lots of record: Yes, there was a typo. The point is the sum of several “trivial” reassessed assumptions can be significant.

Tourism Bounceback: This figure was labeled ‘tourism bounceback’ by Cal-Am in its April 14, 2016 and September 27, 2017 testimony and tied to tourism occupancy rates in their April 23, 2012 and January 11, 2013 testimony.

Pebble Beach Company entitlement: We do not dispute the Company’s legal right to the entitlement. We helped create the entitlement and monitor permits pulled against it. The report discussed how much water is actually envisioned for actual use against the entitlement. The items identified in the EIR are discussed as “known” water uses. Once a new water supply is on-line it is unlikely that future residential users will purchase an entitlement, rather simply get a new connection to Cal-Am. Hence, that demand is addressed in the legal lots of record.