STATE WATER RESOURCES CONTROL BOARD BOARD MEETING SESSION - DIVISION OF WATER RIGHTS JUNE 4, 2013

ITEM 7

SUBJECT

WORKSHOP ON STATE WATER BOARD REVISED DRAFT REPORT THAT EXAMINES THE LEGAL AND TECHNICAL CONSIDERATIONS ASSOCIATED WITH CALIFORNIA AMERICAN WATER COMPANY'S PROPOSAL TO EXTRACT DESALINATION FEEDWATER FOR THE MONTEREY PENINSULA WATER SUPPLY PROJECT

DISCUSSION

On September 26, 2013, the California Public Utilities Commission (Commission) asked the State Water Resources Control Board (State Water Board) whether the California American Water Company (Cal-Am) has the legal right to extract desalination feedwater for the proposed Monterey Peninsula Water Supply Project (MPWSP).

On November 16, 2012, the State Water Board informed the Commission that State Water Board staff would prepare an initial report for the Commission and for public review. On December 21, 2012, the State Water Board provided the Commission an initial draft of the report and on February 14, 2013, the Commission provided the State Water Board comments on the initial draft report. The Commission's February 14, 2013 correspondence also contained additional information for the State Water Board to evaluate, specifically, a revised design of the feedwater intake system for the MPWSP.

On April 3, 2013, the State Water Board released a revised report as well as a notice of opportunity for public comment. Written comments on the revised draft report were due at 12:00 noon on May 3, 2013. Staff reviewed all of the timely comments and made revisions to the draft as necessary. The draft report and additional information concerning this matter are available electronically at:

http://www.waterboards.ca.gov/waterrights/water_issues/programs/hearings/caw_mpws/index.shtml

The report concluded that Cal-Am could legally pump groundwater for the MPWSP so long as the quantity and method of extraction are not detrimental to the conditions in the Salinas Valley Groundwater Basin (Basin) and other Basin users' rights. So long as overlying groundwater users are protected from injury, appropriation of water consistent with the principles discussed in the report should be possible. Cal-Am must show any desalinated water it produces is developed water that is surplus to the current uses in the Basin. If Cal-Am has to provide replacement water to avoid injuring other Basin groundwater users, replacement water methods must be effective and feasible. State Water Board staff also provided recommendations for additional studies to further define the hydrogeologic conditions at the site in order to determine the potential effects the MPWSP would have on the Salinas Basin and overlying groundwater users.

POLICY ISSUES

This is a workshop item only.

FISCAL IMPACT

This is a workshop item only.

REGIONAL BOARD IMPACT

This is a workshop item only.

STAFF RECOMMENDATION

No action is required by the Board, however, the Board may provide general direction to staff.

State Water Board action on this item will assist the Water Boards in reaching Goal 6 of the Strategic Plan Update: 2008-2012 to Enhance consistency across the Water Boards, on an ongoing basis, to ensure our processes are effective, efficient, and predictable, and to promote fair and equitable application of laws, regulations, policies, and procedures.