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Board Meeting 7-19-16--Item 7 California-American Water Company Deadline: 7/13/16 by 5:00pm

July 13, 2016

Felicia Marcus, Board Chair Tom Howard, Executive Director State Water Resources Control Board 1001 I Street Sacramento, CA 95814

Mr. Matthew Quint State Water Resources Control Board Division of Water Rights P.O. Box 2000 Sacramento, CA 95812-2000



RE: State Water Resources Control Board Staff's Preliminary Recommendation regarding California-American Water Request to Modify Cease and Desist Order WR 2009-0060

Dear Ms. Marcus, Mr. Howard, and Mr. Quint:

I am writing in support of the request from California-American Water (Cal Am) to revise the preliminary recommendation by State Water Resources Control Board (SWRCB) staff to modify Cease and Desist Order WR 2009-0060 (CDO).

The SWRCB staff recommendation to extend the December 31, 2016 CDO deadline is greatly appreciated by the agencies who have been pursuing alternative sources of water to support the Monterey Peninsula. I respectfully request that staff revise key aspects of the preliminary recommendation consistent with the requests made in the June 29, 2016 letter submitted by Cal Am and other applicants. Allowing for increased effective diversion limit, flexibility in carryover credits, and the ability to pursue supplemental water rights will help encourage conservation and ensure resilience in this region's water management.

Since the CDO was issued, this region's reliance on water from the Carmel River has been reduced by 46%, demonstrating Monterey County's dedication to meeting the required cutback. Losing additional water as suggested by SWRCB staff, combined with the ongoing drought in California, poses a substantial threat to the tourism and agriculture sectors that drive the economic health of the County.

Remarkable progress has been made in revitalizing the Carmel River, including the removal of the San Clemente Dam and restoration of its historic steelhead fishery. Agreements have been brokered with other large water users along the river to leave additional water flowing through this sensitive habitat. The community has been diligently working to establish alternative water supply projects; the pipeline to deliver water from the groundwater replenishment project is on target to be in operation in 2017. Cal Am also continues to work with local agencies to move their desalination plant forward toward completion.

I urge you to accept the changes Cal Am, Monterey Peninsula Water Management District, and the Monterey Peninsula Regional Water Authority have proposed to SWRCB staff's preliminary recommendation. The changes requested by these agencies are the result of two years of negotiation with numerous stakeholders and have earned the support of environmental and community groups. This carefully crafted compromise will protect the river and the people of the Monterey Peninsula.

Thank you for your consideration of this request. If you have any questions, please feel free to contact me at (831) 649-2832.

Sincerely,

Mark Stone

Assemblymember

Twenty-Ninth District