

COMMITTEES  
CHAIR: LEGISLATIVE ETHICS  
BUDGET & FISCAL REVIEW  
BUDGET SUBCOMMITTEE 3  
ON HEALTH & HUMAN SERVICES  
HEALTH  
JUDICIARY  
NATURAL RESOURCES & WATER  
PUBLIC SAFETY  
  
WEB  
SD17.SENATE.CA.GOV

# California State Senate



**WILLIAM W. MONNING**  
MAJORITY LEADER  
SEVENTEENTH SENATE DISTRICT

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

CAPITOL OFFICE  
STATE CAPITOL, ROOM 313  
SACRAMENTO, CA 95814  
(916) 651-4017

MONTEREY DISTRICT OFFICE  
99 PACIFIC STREET, SUITE 575-F  
MONTEREY, CA 93940  
(831) 657-6315

SAN LUIS OBISPO DISTRICT OFFICE  
1026 PALM STREET, SUITE 201  
SAN LUIS OBISPO, CA 93401  
(805) 549-3784

SANTA CRUZ DISTRICT OFFICE  
701 OCEAN STREET, SUITE 318-A  
SANTA CRUZ, CA 95060  
(831) 425-0401

SANTA CLARA COUNTY  
TELEPHONE NUMBER  
(408) 847-6101

July 11, 2016

Felicia Marcus, Chair  
State Water Resources Control Board  
P.O. Box 100  
Sacramento, CA 95812-0100



Dear Chair Marcus:

On June 29, 2016, the Monterey Peninsula Regional Water Authority (MPRWA) joined the California-American Water Company (Cal Am), the Monterey Peninsula Water Management District, the City of Pacific Grove, and the Pebble Beach Company in a comment letter about the State Water Resources Control Board (SWRCB) Preliminary Staff Recommendation (Preliminary Recommendation) to Modify Cease and Desist Order WR 2009-0060 (CDO) seeking to revise the effective diversion limit (EDL), carryover credits, and supplemental water rights acquisitions.

While the MPRWA and the Monterey Bay community appreciate the recommendation to extend the CDO's deadlines, the Preliminary Recommendation creates a considerable risk that the EDL will be exceeded and that subsequent enforcement will occur, and this risk is unwarranted and counterproductive.

The CDO extension application included severe supply restrictions and a "stair-step" elimination of unauthorized Carmel River withdrawals if project milestones are missed. The restrictive EDL only had a small degree of flexibility and provides incentives for additional conservation through the use of carryover credits and the pursuit of supplemental water rights.

The Preliminary Recommendation's parameters are far more restrictive and state that if existing water demands return to 2014-15 levels, the EDL will be immediately exceeded. The demands of the 2014-15 Water Year would have been greater than proposed in the EDL if the 2017-18 Water Year Seaside Basin reductions are taken into consideration. By removing the opportunity to establish a small buffer in the context of carryover credits and new water rights acquisitions, the Preliminary Recommendation further increases the risks of an EDL exceedance.

While there are obvious downsides of exceeding the EDL, which include subsequent enforcement proceedings, there is no evident benefit in the severe restrictions proposed in the Preliminary Recommendation. Regardless of the parameters in the CDO extension, the moratorium will continue, as will the existing conservation programs, which are some of the most aggressive in the state.

Felicia Marcus, Chair  
State Water Resources Control Board  
July 11, 2016  
Page 2

The overly stringent restrictions in the Preliminary Recommendation do not further the water solution in the Monterey Peninsula region. They do, however, increase the risk of a CDO violation and subsequent enforcement action, and this would be counterproductive.

For these reasons, I respectfully request the EDL be revised and that other key aspects of the Preliminary Recommendation be made consistent with the recommendations made in in the June 29, 2016 letter submitted by MPRWA, Cal Am, and the other applicants.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Monning', with a stylized flourish at the end.

WILLIAM W. MONNING  
Senator, 17th District

WWM:nc