

Exhibit CAW-030J



California-American Water Company

~~RM~~  
2620 (27-01)

Monterey Division  
50 Ragsdale Dr., Suite 100, P.O. Box 951 • Monterey, CA 93942-0951  
(408) 373-3051 FAX (408) 375-4367

Lawrence D. Foy  
Vice President & Manager

443-151

February 18, 1998

Mr. Walter Pettit  
Chief, Division of Water Rights  
State Water Resources Control Board  
901 P Street  
Sacramento, CA 95814-2000

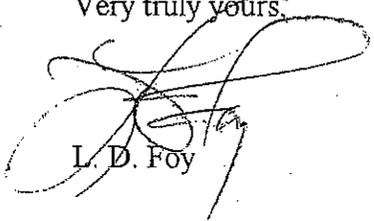
RE: SWRCB Order No. WR 95-10

Dear Mr. Pettit:

As a condition of the subject order, we are filing herewith our *quarterly* report for the period of November 1, 1997 through January 31, 1998 updating the status of Condition Nos. 2, 3(a), 4, 5, 6, 7, 8, and 12, including the supporting backup information for each condition.

Enclosed and made part of this report is the monthly report required under Condition Nos. 3(b) and 5.

Very truly yours,

  
L. D. Foy

LDF/mh  
Enclosure

cc: K. Aasen  
P. Coulston  
D. Fuerst  
G. Haas  
T. Jones, Jr.  
J. Carrasco

J. Driscoll, Esq.  
L. Weiss, Esq.  
D. Laredo, Esq.  
F. Farina, Esq.  
D. Armanasco  
M. Lucca

Exhibit CAW 030J

**SWRCB - ORDER NO. WR 95-10**  
**Quarterly Report - November 1997/January 1998**

**ORDER CONDITION NO. 2**

*Cal-Am shall diligently implement one or more of the following actions to terminate its unlawful diversions from the Carmel River: (1) obtain appropriate permits for water being unlawfully diverted from the Carmel River, (2) obtain water from other sources of supply and make one-for-one reductions in unlawful diversions from the Carmel River, provided that water pumped from the Seaside aquifer shall be governed by Condition 4 of this Order, not this condition, and/or (3) contract with another agency having appropriate rights to divert and use water from the Carmel River.*

**RESPONSE 2.1:**

**See response to Order Condition No. 12(a) below.**

SWRCB - ORDER NO. WR 95-10  
Quarterly Report - November 1997/January 1998

ORDER CONDITION NO. 3

- (a) *Cal-Am shall develop and implement an urban water conservation plan. In addition, Cal-Am shall develop and implement a water conservation plan based upon best irrigation practices for all parcels with turf and crops of more than one-half acre receiving Carmel River water deliveries from Cal-Am. Documentation that best irrigation practices and urban water conservation have already been implemented may be substituted for plans where applicable.*
- (b) *Urban and irrigation conservation measures shall remain in effect until Cal-Am ceases unlawful diversions from the Carmel River. Conservation measures required by this Order in combination with conservation measures required by the District shall have the goal of achieving 15 percent conservation in the 1996 water year and 20 percent conservation in each subsequent year.<sup>23</sup> To the extent that this requirement conflicts with prior commitments (allocations) by the District, the Chief, Division of Water Rights shall have the authority to modify the conservation requirement. The base for measuring conservation savings shall be 14,106<sup>24</sup> AFA. Water conservation measures required by this order shall not supersede any more stringent water conservation requirement imposed by other agencies.*

**RESPONSE NO. 3 (a):**

In response to 3(a), Cal-Am filed its "Monterey Division Urban Water Management and Water Storage Contingency Plan - 1995-2000" as part of its July 1996 quarterly report and awaits the State Water Resources Control Board's response.

On December 19, 1997, the SWRCB responded to the above-indicated report and found it in compliance, except in three areas—supply and demand comparisons for 1975 to 2015 and water use history and forecast 1975-2015, specifically, comprehensive water balance to 2015, water use history by customer sector, and future water use by customer sectors.

We feel that presently we cannot respond to that until we have received the responses to the Supplemental Environmental Impact Report that is being prepared on the Carmel River Dam and Reservoir Project, and the compliance and mitigations that will be imposed as part of the permits from the State Water Resources Control Board, the Army Corps of Engineers and the impending hearings with the California Public Utilities Commission.

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SWRCB - ORDER NO. WR 95-10  
Quarterly Report - November 1997/January 1998

ORDER CONDITION NO. 3  
(Continued)

RESPONSE NO. 3(a) (Continued):

3316  
Cal-Am and the MPWMD continue to participate jointly in the Toilet Replacement Refund Program. Cal-Am has made its financial commitment into the year 1998, and as of December 31, 1997 the program has obtained the replacement of 2,3316 toilets for an estimated water savings of 53.27 acre feet. See the enclosed excerpts from the MPWMD's December 31, 1997 Staff Report.

At the end of this quarter and at the end of four months of the water year, October 1997 through September 1998, Monterey Division customers have exceeded the projected goals on a monthly basis that have been defined. Therefore, under the Mandatory Water Conservation Program approved by the California Public Utilities Commission, we have exceeded our 12-month rolling average for an additional two months which automatically triggers Phase IV of the Conservation Program that has been submitted to the CPUC for their review. Once that approval twenty days notice to the Commission, ten days notice to the customers, it is projected that Phase IV will go into effect March 16, 1998. This notification has not been sent to customers at this time, nor has there been any extensive publication or articles in the newspapers.

SWRCB - ORDER NO. WR 95-10  
Quarterly Report - November 1997/January 1998

ORDER CONDITION NO. 3

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- (b) *Urban and irrigation conservation measures shall remain in effect until Cal-Am ceases unlawful diversions from the Carmel River. Conservation measures required by this Order in combination with conservation measures required by the District shall have the goal of achieving 15 percent conservation in the 1996 water year and 20 percent conservation in each subsequent year.<sup>23</sup> To the extent that this requirement conflicts with prior commitments (allocations) by the District, the Chief, Division of Water Rights shall have the authority to modify the conservation requirement. The base for measuring conservation savings shall be 14,106<sup>24</sup> AFA. Water conservation measures required by this order shall not supersede any more stringent water conservation requirement imposed by other agencies.*

RESPONSE NO. 3 (b):

Total production from the Carmel Valley, both surface and well diversion, for the 4 months of water year October 1997 through January 1998 was 474 AF or 15.8% above the goal of 3,047 AF for the 4-month period. Based on a ten-year average production by month, the goal for January 1998 for the Carmel Valley wells was 790 AF. The net production for January 1998 was 981.2 AF. This overage is based on the fact that there was no production from the Seaside Basin during this period as directed by the MPWMD and the CDF&G to allow the basin to recharge. Using the Carmel Valley surface diversion and wells when excess water is flowing to the ocean and having no effect on the public trust allows saving the allocation in the Seaside Basin so it can be taken in the summer months to assist in providing greater flows in the Carmel River during that period.

When examining the total goal of 15,285 AF for the Monterey Division in both Carmel Valley and Seaside, the production is 4,430.6 AF with a goal of 4,126 AF, or 304.6 AF, 7.3% above the overall goal. Enclosed is production by sub-areas, 4-month year-to-date bar graphs for Carmel Valley well system goals and total system goals, in addition to production reports by wells and

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**SWRCB - ORDER NO. WR 95-10**  
**Quarterly Report - November 1997/January 1998**

**ORDER CONDITION NO. 3**  
**(Continued)**

**RESPONSE NO. 3 (b) (Continued):**

surface diversion, in addition to rainfall report for San Clemente Dam through January 1998.

CALIFORNIA-AMERICAN WATER COMPANY  
 Monterey Division 443  
 CARMEL VALLEY WELLS  
 Production Water Year 1997-98

Date	CVFP	Aquifer 1	Aquifer 2	Water West	Aquifer 3	Aquifer 4	Total Production AF	BIRP Backwash AF	Comments
Oct 1997	157.7	1.0	0.0	9.5	623.6	227.1	1,018.9	(1.2)	
Oct 1996	206.6	1.0	0.2	9.4	535.4	242.0	994.6	0.1	
Nov 1997	24.6	33.9	0.0	0.0	372.1	222.5	653.1	(1.1)	
Nov 1996	168.0	10.2	1.1	11.2	236.1	226.9	653.5	(3.8)	
Dec 1997	98.9	24.4	0.0	5.8	514.4	221.9	865.4	3.3	
Dec 1996	227.3	18.8	0.5	11.8	251.3	174.0	683.7	(2.6)	
Jan 1998	145.2	18.8	0.0	11.7	591.5	214.3	981.2	(0.6)	
Jan 1997	226.4	24.6	11.2	11.8	647.0	0.0	921.0	(4.6)	
Feb 1997	446.6	0.0	19.1	10.1	435.1	0.0	910.9	(3.4)	
Feb 1996	119.6	27.0	0.0	8.8	351.4	225.4	732.2	5.3	
Mar 1997	486.4	0.1	69.7	10.9	598.5	120.5	1,286.1	(4.2)	
Mar 1996	325.5	(8.0)	0.0	10.4	472.4	242.5	1,042.9	0.7	
Apr 1997	451.1	2.7	57.8	10.2	394.4	260.0	1,176.2	(4.6)	
Apr 1996	430.8	13.7	0.1	9.4	494.8	220.5	1,169.3	2.4	
May 1997	253.7	0.0	6.6	11.0	670.8	235.2	1,177.3	(1.6)	
May 1996	592.6	3.6	1.1	10.0	427.9	237.8	1,273.1	5.2	
Jun 1997	161.1	0.0	0.0	10.7	706.1	235.9	1,113.8	(3.9)	
Jun 1996	375.4	0.7	1.4	10.8	538.9	249.7	1,176.9	(2.4)	
Jul 1997	179.3	1.0	0.0	10.8	718.9	230.7	1,140.7	(8.2)	
Jul 1996	268.6	1.3	0.6	10.3	745.3	229.7	1,255.8	(2.1)	
Aug 1997	180.4	1.4	0.3	10.6	1,023.6	178.1	1,394.4	(4.3)	
Aug 1996	275.3	1.0	1.6	10.0	704.2	236.3	1,228.5	(1.6)	
Sep 1997	173.5	1.0	0.4	10.2	1,056.9	192.8	1,434.8	1.3	
Sep 1996	246.2	1.0	1.5	11.0	644.1	229.7	1,133.5	4.4	
AF Backwash Total	426.6	77.6	0.0	27.0	2,101.6	885.8	3,518.6	2.6	
							2.6		
							3,521.2		

\* Values Shaded - 97/98 Water Year

California-American Water Company  
 Monterey Division  
 Net System Production  
 Water Year (10/97 to 9/98)

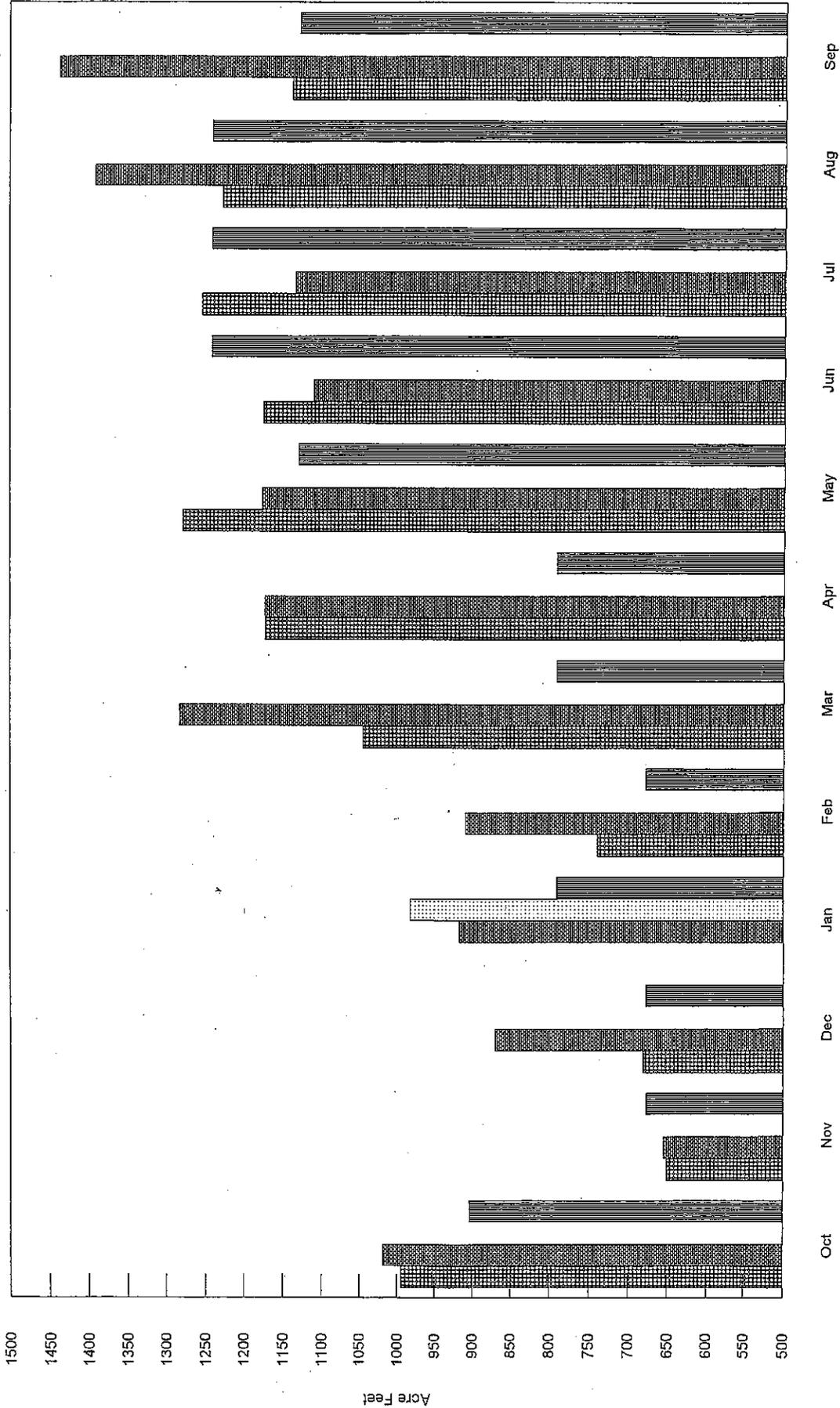
Month		San Clemente Dam	Carmel Valley Wells	Water West Wells	Seaside Wells	Ryan Ranch Wells	Hidden Hills Wells	NET SYSTEM PRODUCTION	Washwater 1000 Gal.	Total Production
10/97	CF	6,867,640	37,044,207	413,984	17,078,693	326,914	641,834	62,373,272		
	1000 G	51,374	277,110	3,097	127,757	2,445	4,801	456,584		
	AF	157.7	850.4	9.5	392.1	7.5	14.7	1,431.9		
Washwater	1000 G	5,630	396	0	0	42	0	6,068	6,068	472,652
11/97	CF	1,069,857	27,430,226	0	18,274,926	184,990	410,369	47,370,368		
	1000 G	8,003	205,192	0	136,706	1,384	3,070	354,655		
	AF	24.6	629.7	0.0	419.5	4.2	9.4	1,087.4		
Washwater	1000 G	1,120	(371)	0	0	(3)	0	746	746	355,101
12/97	CF	4,309,328	33,284,514	254,776	4,262,221	108,295	329,249	42,548,383		
	1000 G	32,236	248,985	1,906	31,884	810	2,463	318,284		
	AF	98.9	764.1	5.8	97.8	2.5	7.6	976.7		
Washwater	1000 G	2,858	(1,076)	0	0	32	0	1,814	1,814	320,098
01/98	CF	6,333,175	35,868,858	511,092	0	86,603	321,049	43,120,777		
	1000 G	47,375	268,318	3,823	0	648	2,402	323,556		
	AF	145.4	823.4	11.7	0.0	2.0	7.4	989.9		
Washwater	1000 G	4,920	189	0	0	11	0	5,120	5,120	327,686
02/98	CF							0	0	0
	1000 G							0	0	0
	AF							0	0	0
Washwater	1000 G							0	0	0
03/98	CF							0	0	0
	1000 G							0	0	0
	AF							0	0	0
Washwater	1000 G							0	0	0
04/98	CF							0	0	0
	1000 G							0	0	0
	AF							0	0	0
Washwater	1000 G							0	0	0
05/98	CF							0	0	0
	1000 G							0	0	0
	AF							0	0	0
Washwater	1000 G							0	0	0
06/98	CF							0	0	0
	1000 G							0	0	0
	AF							0	0	0
Washwater	1000 G							0	0	0
07/98	CF							0	0	0
	1000 G							0	0	0
	AF							0	0	0
Washwater	1000 G							0	0	0
08/98	CF							0	0	0
	1000 G							0	0	0
	AF							0	0	0
Washwater	1000 G							0	0	0

California-American Water Company  
 Monterey Division  
 Net System Production  
 Water Year (10/97 to 9/98)

Month	San Clemente Dam	Carmel Valley Wells	Water West Wells	Seaside Wells	Ryan Ranch Wells	Hidden Hills Wells	NET SYSTEM PRODUCTION	Wastewater 1000 Gal.	Total Production
09/98							0	0	0
Wastewater							0		
09/98							0		0
Wastewater							0		0
TOTAL	18,580,000	133,627,805	1,179,852	39,615,840	706,802	1,702,501	195,412,800		
	138,988	999,605	8,826	296,347	5,287	12,736	1,461,899		
	426.6	3,067.6	27.0	909.4	16.2	39.1	2,185.9		
Wastewater	14,528	(862)	0	0	82	0	13,748	13,748	1,475,537

# CARMEL VALLEY WELLS

Production Water Year



	1996
	1997
	1998
	Goal

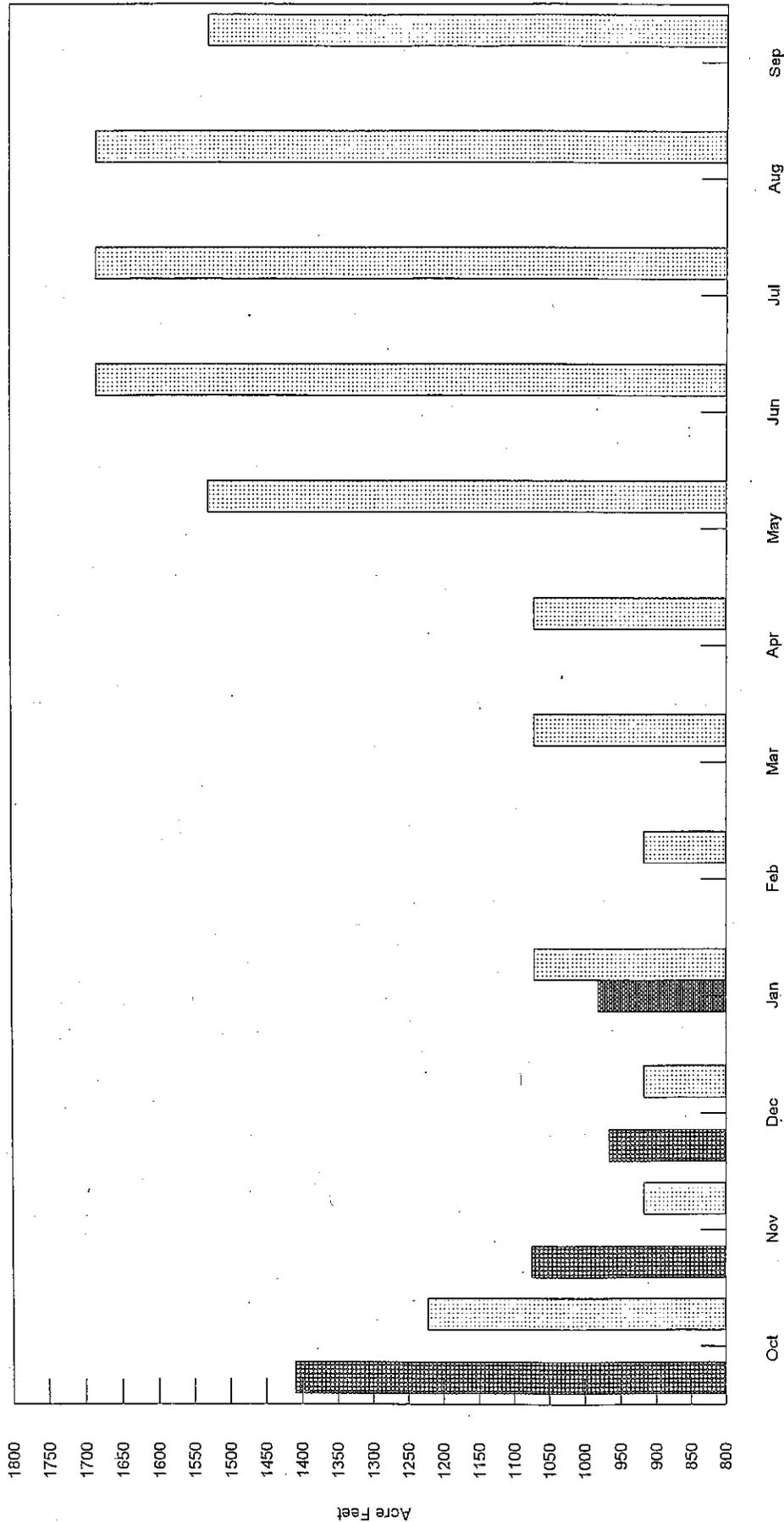
**GOAL FOR CARMEL VALLEY WELLS**

Oct	903
Nov	677
Dec	677
Jan	790
Feb	677
Mar	790
Apr	790
May	1,129
Jun	1,241
Jul	1,241
Aug	1,241
Sep	1,129

**11,285 AF**

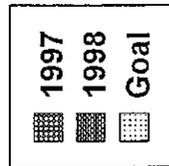
# TOTAL SYSTEM PRODUCTION

1997-98 Water Year



TOTAL SYSTEM PRODUCTION

Goal for Water Year - 15,285 AF



Total Production less Ryan Ranch & Hidden Hills

GOAL FOR TOTAL SYSTEM PRODUCTION

Oct	1,222
Nov	917
Dec	917
Jan	1,070
Feb	917
Mar	1,070
Apr	1,070
May	1,528
Jun	1,682
Jul	1,682
Aug	1,682
Sep	1,528
	<u>15,285 AF</u>













CALIFORNIA-AMERICAN WATER COMPANY  
 Monterey Division 443  
 RAINFALL - INCHES

SAN CLEMENTE DAM

Season 1997-1998

DATE	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
1						0.06						
2							0.33					
3							0.18					
4						0.10	0.79					
5						2.13	0.12					
6						0.19						
7				0.02	T	0.24	0.05					
8						1.27						
9						0.12	0.04					
10				0.01	0.17		0.91					
11				0.30	0.52		0.03					
12							0.08					
13					0.04		0.40					
14					0.20	0.58						
15					0.54	0.22	0.38					
16					0.33		0.45					
17					0.29		0.02					
18						0.02						
19					0.08		1.63					
20		0.15					0.16					
21						0.04	T					
22					T							
23					0.10							
24												
25												
26					1.94							
27					0.97							
28												
29							1.19					
30					0.58		0.07					
31							0.30					
Month Total	0.00	0.15	0.00	0.33	5.76	4.97	7.13	0.00	0.00	0.00	0.00	0.00
Month Mean	0.03	0.04	0.16	0.68	2.08	3.76	4.39	0.00	0.00	0.00	0.00	0.00
Depart.	(0.03)	0.11	(0.16)	(0.35)	3.68	1.21	2.74	0.00	0.00	0.00	0.00	0.00
Season Total	0.00	0.15	0.15	0.48	6.24	11.21	18.34	18.34	18.34	18.34	18.34	18.34
Season Mean	0.03	0.07	0.23	0.91	2.99	6.75	11.14	11.14	11.14	11.14	11.14	11.14
Depart.	(0.03)	0.08	(0.08)	(0.43)	3.25	4.46	7.20	7.20	7.20	7.20	7.20	7.20

MEAN: The period from beginning of records through the previous season.  
 Records began at Forest Lake, January 1896; San Clemente, November 1921;  
 Los Padres Dam, October 1948; Pacific Grove, July 1943.

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SWRCB - ORDER NO. WR 95-10  
Quarterly Report - November 1997/January 1998

ORDER CONDITION NO. 4

*Cal-Am shall maximize production from the Seaside aquifer for the purpose of serving existing connections, honoring existing commitments (allocations), and to reduce diversions from the Carmel River to the greatest practicable extent. The long-term yield of the basin shall be maintained by using the practical rate of withdrawal method.*

**RESPONSE NO. 4:**

Condition No. 4 mandates the maximization of the Seaside Basin. However, we have been directed by the MPWMD and the CDF&G to relax any pumpage in this basin to allow recharge and the maximize our production in the Carmel Valley, both from surface and well diversions, while excess flows are going to the ocean. In the enclosed production reports that the Seaside Basins has produced 909.4 AF for the 4 months of the water year October 1997 to September 1998 of its 4,000 AF allocation. It is the intent of the agencies and the Company under a memo of understanding to use this remaining allocation in the summer months, thereby reducing its pumpage in the Carmel Valley and its river diversion at a time when the inflow has receded and thereby maintaining greater flows in the river for the public trust.

The Company continues to work with the U. S. Fish and Wildlife and the National Marine Fishery regarding the redlegged frog and the steelhead trout that have been listed as endangered species. Meetings have been held to make a determination about filing a Section 7, Habitat Conservation Plan, with these agencies for the 1998 summer season. These meetings and consultations have been ongoing.



California-American Water Company  
 Monterey Division  
 Net System Production  
 Water Year (10/97 to 9/98)

Month		San Clemente Dam	Carmel Valley Wells	Water West Wells	Seaside Wells	Ryan Ranch Wells	Hidden Hills Wells	NET SYSTEM PRODUCTION	Washwater 1000 Gal.	Total Production
08/98	CF							0	0	0
	1000 G							0		
	AF							0		
Washwater	1000 G							0		
09/98	CF							0	0	0
	1000 G							0		
	AF							0		
Washwater	1000 G							0		
TOTAL	CF	18,580,000	133,627,805	1,179,852	39,615,840	706,802	1,702,501	5,957,429,000	13,748	1,475,537
	1000 G	138,988	999,605	8,826	296,347	5,287	12,736	11,467,839		
	AF	426.6	3,067.6	27.0	909.4	16.2	39.1	2,385.9		
Washwater	1000 G	14,528	(862)	0	0	82	0	13,748		

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**SWRCB - ORDER NO. WR 95-10  
Quarterly Report - November 1997/January 1998**

**ORDER CONDITION NO. 5**

*Cal-Am shall satisfy the water demands of its customers by extracting water from its most downstream wells to the maximum practicable extent, without degrading water quality or significantly affecting the operation of other wells.*

**RESPONSE No. 5:**

**Cal-Am is making part of this quarterly report the requirement to provide monthly production data for January 1998 from specific sub-units in the Carmel Valley via Carmel Valley wells.**

**Carmel Valley Filter Plant produces 145.3 AF; Aquifer No. 1 produced 18.3 AF; Aquifer No. 2 - 0.0 AF; Water West - 11.7 AF; Aquifer No. 3 - 591.5 AF; Aquifer No. 4 - 214.3 AF. Total production for the month of January was 981.2 AF.**

**Cal-Am continues to take its production from its lowermost wells as indicated in this report and is further specified in detailed production reports found in Condition 3(b).**

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SWRCB - ORDER NO. WR 95-10  
Quarterly Report - November 1997/January 1998

ORDER CONDITION NO. 6

*Cal-Am shall conduct a reconnaissance level study of the feasibility, benefits, and costs of supplying water to the Carmel Valley Village Filter Plant from its more nearby wells downstream of the plant. The objective of supplying water from the wells is to maintain surface flow in the stream as far downstream as possible by releasing water from San Clemente Dam for maintenance of fish habitat. The results of the study and recommendations shall be provided to the District and DF&G for comment.*

**RESPONSE NO. 6:**

Copy of the report "Reconnaissance-Level Hydrogeologic Study Alternative Source of Water Supply to the Carmel Valley Filter Plant" dated September 1996 was provided to the SWRCB, the MPWMD and the CDF&G. SWRCB staff has requested a response from MPWMD and CDF&G, which we were advised have been provided. Cal-Am has also made a presentation to the SWRCB for moving forward with the study and implementation of this program as outlined in a letter dated September 15, 1997 from attorney Lenard G. Weiss on behalf of Cal-Am. This proposal is offered in settlement of ACL's complaint No. 262-10-03 in lieu of proposed fine of \$168,000 as set forth in the SWRCB's letter dated October 20, 1997.

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**SWRCB - ORDER NO. WR 95-10**  
**Quarterly Report - November 1997/January 1998**

**ORDER CONDITION NO. 7**

*Cal-Am shall evaluate the feasibility of bypassing early storm runoff at Los Padres and San Clemente Dams to recharge the subterranean stream below San Clemente Dam in order to restore surface water flows in the river at an earlier date. The results of the study and recommendations shall be provided to the District and DF&G for comment.*

**RESPONSE NO. 7:**

**The Monterey Peninsula Water Management District is under contract to Cal-Am to provide studies for Bypass Early Storm Runoff Feasibility. We have been advised by the District that due to work on the Supplemental Environmental Impact Report on the Carmel River Dam and Reservoir Project and other constraints upon their staff due to weather conditions, the update status report will not be available until the end of February 1998.**

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SWRCB - ORDER NO. WR 95-10  
Quarterly Report - November 1997/January 1998

ORDER CONDITION NO. 8

*Cal-Am shall conduct a study of the feasibility, benefits, and costs of modifying critical stream reaches to facilitate the passage of fish. The study shall be designed and carried out in consultation with DF&G and the District. The results of the study and recommendations shall be provided to the District and DF&G for comment.*

**RESPONSE NO. 8:**

The Monterey Peninsula Water Management District is under contract to Cal-Am to provide a study for Critical Stream Reach Feasibility. Sites have been selected. However, the District staff has advised that due to their involvement in the preparation of the Supplemental Environmental Report on the Carmel River Dam and Reservoir Project and weather conditions that have taxed their staff's time, the update status report will not be available until the end of February 1998.

**SWRCB - ORDER NO. WR 95-10**  
**Quarterly Report - November 1998/January 1998**

**ORDER CONDITION NO. 12**

*Within 90 days of the date of this order, Cal-Am shall submit for the approval of the Chief, Division of Water Rights:*

- (a) A compliance plan detailing the specific actions which will be taken to comply with condition 2 and the dates by which those actions will be accomplished;*
- (b) An urban water conservation plan;*
- (c) An irrigation management plan.*

**RESPONSE 12(a):**

Work by the consultant Jones & Stokes and the Monterey Peninsula Water Management District staff has been proceeding in preparation of Supplemental Environmental Impact Report on the Carmel River Dam and Reservoir Project on the sections that are being prepared by that agency. It is anticipated that the Administrative Draft Report will be available for circulation to key agencies the end of February 1998 and circulated for public review and comments in April 1998. Hearings will be held by the Monterey Peninsula Water Management District in the spring of 1998 and hearings are scheduled by California Public Utilities Commission in the fall of 1998.

**NEWS ARTICLES PERTAINING TO  
SWRCB ORDER NO. WR 95-10  
AND  
OTHER PERTINENT INFORMATION  
THROUGH JANUARY 1998.**

PLANT NAME California-American Water Company - Monterey Division  
CLIPPING FROM The Herald DATED 1/28/98 PAGE NO. 1

# Cal-Am seeks approval for rationing

BY LARRY PARSONS  
Herald Staff Writer

California-American Water Co. officials said Tuesday they will seek state approval for a Peninsula water-rationing plan.

Flanked by top company officials at a DoubleTree Hotel news conference, Cal-Am General Manager Larry Foy said the company will move ahead on rationing despite the Peninsula water district's reluctance to take a lead role in the move.

"This plan needs to be implemented sooner, not later," Foy said.

Cal-Am will ask the state Public Utilities Commission to approve a rationing program that would allow the company to comply with a 1995 state order to reduce Carmel River pumping, he said. The company hopes to have a plan in place within the next two months.

The company was fined \$168,000 by the state Water Resources Control Board last fall for failing to reduce Carmel Valley pumping by 20 percent. Water use this year is again running above the state-ordered cap, according to Cal-Am.

"Given the (state) mandate, our current limited water storage, and the excessive rate of water consumption by the community during the past year, we have no other recourse," Foy said.

Last week, Monterey Peninsula Water Management District directors rejected Cal-Am's request to order rationing and a hookup moratorium on an urgency basis.

Instead, they asked district staffers to work with city and county officials to have a rationing plan ready by April 1.

"If Cal-Am is proposing to move forward, we would work with them," district general manager Darby Fuerst said Tuesday.

During the 1970s drought, the PUC put the Peninsula on water rationing. Drought conditions again forced Peninsula residents to ration water from 1989 to 1991.

"In 1989, there was a physical water shortage," Fuerst said. "The difference here is there is a legal constraint Cal-Am is facing."

Cal-Am provides water to most of the Peninsula and part of the Carmel Valley. The company is seeking permission to build a long-debated dam on the Carmel River as a long-term solution to the Peninsula's perennial water woes.

Company directors who met Tuesday reaffirmed their support for the 24,000 acre-foot dam, which would go about a half-mile downstream from the Los Padres Dam, Foy said.

"It is the only viable project," he said, that could satisfy community water needs and repair environmental damage to the

Carmel River.

On other water-related fronts, Foy said Cal-Am will:

■ Offer to sell the Forest Lake reservoir in Del Monte Forest to the Pebble Beach Community Services District for \$900,000. The reservoir would enable more reclaimed wastewater to be used for summer irrigation of Pebble Beach golf courses. Foy said Cal-Am would sink the revenue from the sale into Pebble Beach water system improvements.

■ Seek state water board approval to apply the \$168,000 fine, which Cal-Am is appealing, to a detailed study on how juggling well-water and surface-water use in the upper Carmel Valley could increase river flows. Foy said the project's total cost is \$425,000.

■ Complete studies within six months on how potential well sites offered to Cal-Am in December by Clint and Maggie Eastwood could be used to increase downstream river flows.

"There might be a great environmental benefit to the community ... but not additional water for allocation," Foy said.

*'If Cal-Am is proposing to move forward, we would work with them.'*

— Darby Fuerst,  
Monterey Peninsula Water  
Management District

- Distribute:
- D. Armanasco
  - L. Banka
  - J. Bajari
  - A. Borrego
  - L. Foy
  - G. Haas
  - M. Iglesias
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PLANT NAME California-American Water Company - Monterey Division  
CLIPPING FROM The Herald DATED 1/23/98 PAGE NO. 1

# Cal-Am calls for rationing

## 2nd request since fine

BY LARRY PARSONS  
Herald Staff Writer

California-American Water Co. asked Peninsula water directors Thursday to immediately impose water rationing.

It was the second call for rationing from Cal-Am, which supplies most of the Peninsula and part of Carmel Valley, since the company was hit by a \$168,000 state fine last October.

"The state water board means business ... and Cal-Am has no intent of suffering a next time," Cal-Am general manager Larry Foy said.

The company's request for rationing and a ban on new water hookups came at the start of a public hearing on water-saving measures before Monterey Peninsula Water Management District directors.

Since Cal-Am first asked for the stringent moves last fall, water board members have expressed reluctance to go along with them.

"Don't you think it's premature?" board member David Pendergrass of Seaside asked Foy. He noted that Cal-Am announced earlier this week that it likely would start cracking down on water-wasters in March by placing "flow restrictors" on their lines.

Foy responded that if the water district doesn't order rationing, then Cal-Am will seek permission from the state Public Utilities Commission to do it.

"We feel it should be done on an urgency basis," Foy said.

Water board members were continuing to hear testimony late Thursday night before making a decision.

Cal-Am's push for water rationing stems from a 1995 order by the state Water Resources Control Board on Carmel Valley water rights. Under the order, Cal-Am is supposed to cut pumping from the Carmel basin by 20 percent.

But Peninsula customers missed that mark last year by 1,600 acre-feet, and usage since Oct. 1 again is running ahead of the state's cap.

"How many months do we play Russian roulette?" Foy said.

Water board chairman Robert Ernst questioned the need for a moratorium on new hookups. District officials say only 20 acre-feet of water could be saved by banning new hookups — a move that the cities of Seaside and Carmel strongly oppose. An acre-foot is enough water to supply four average Peninsula homes for a year.

Foy said a moratorium would help drive home the Peninsula's water predicament to the public. "You have a hard sell to convince the community ... if you don't impose a moratorium," he said.

As a long-term water supply solution, Cal-Am is seeking permission to build a new dam on the Carmel River.

The release of a draft environmental impact report on the proposed dam — billed by Cal-Am as a "no-growth" version of the dam turned down by district voters in 1995 — has been pushed back from February to April.

**NEWSPAPER CLIPPINGS**

PLANT NAME	California-American Water Company - Monterey Division		
CLIPPING FROM	PB Scoreboard	DATED	12/97
			PAGE NO. 1

# PEBBLE BEACH™ RECLAMATION PROJECT MEETS WATER SAVINGS GOAL FOR 1997

## 800 Acre Feet of Potable Water Saved

Water savings from the *Pebble Beach* Wastewater Reclamation Project continue to meet expectations and more. With one month still to go in 1997, the amount of potable water saved by the project exceeded its annual 800 ac. ft. goal. "This year's performance by the Reclamation Project represents an outstanding success story for the Company, our three public agency partners, and the other golf courses in Del Monte Forest," stated Mark Stilwell, Executive Vice President for Pebble Beach Company. "The use of reclaimed water on Del Monte Forest golf courses and recreational open spaces not only conserves potable water resources, but also reflects the Company's commitment to implementing wise environmental policies," he continued.

The Reclamation Project, a joint effort involving Pebble Beach Company, the Monterey Peninsula Water Management District, Carmel Area Wastewater District, and *Pebble Beach* Community Services District, has steadily improved performance each year (see accompanying chart). Although the project is still in its infancy, and adjustments are needed to improve operating efficiency, the savings continue to accrue. Mike Niccum, Engineer for the *Pebble Beach* Community Services District, expressed satisfaction with the water saving program. "We are encouraged by the project's performance this year. We believe improvements under consideration by the project will increase the potential for additional potable water savings and provide benefits for the entire community."

Relative to other projects in the area, the *Pebble Beach* project conserves the most. By contrast, the Marina Coast Water District anticipates an annual

water savings of 300 ac. ft. from their newly constructed \$2.6 million desalination plant. Moreover, the Company continues to look at other options to increase savings. Forest Lake Reservoir remains a serious consideration as a storage facility. If acquired from Cal-Am, the reservoir could store up to 420 ac. ft. of reclaimed water for use during the peak irrigation seasons. With additional storage capacity and other improvements to the reclamation process, the project could save as much as 1,000 ac. ft. of potable water per year. "The Company certainly supports saving as much water as possible," commented Stilwell. "We will continue to work cooperatively with our partners to find ways to maximize the production of the Reclamation Project." □

