

Exhibit CAW-030L



# California-American Water Company

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

August 10, 1998

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

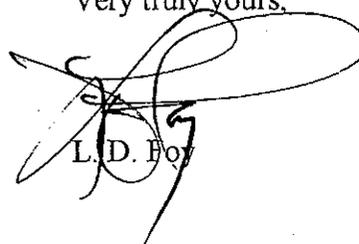
RE: SWRCB Order No. WR 95-10

Dear Mr. Pettit:

As a condition of the subject order, we are filing herewith our *quarterly* report for the period of May 1, 1998 through July 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. Almond

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

Exhibit CAW 030L

SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 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 (b):

Expanding upon the previously reported conditions and quarter of February/April 1998, specifically continuing the reporting requested in the SWRCB's letter dated April 17, 1998, we are providing production graphs and charts from our Carmel Valley wells not to exceed 11,285 AF and a total system goal of not to exceed 15,285 AF, including the Seaside Basin.

For the ten months of the water year October 1997 through July 1998, the established goal through July for the Carmel Valley was 8,915 AF. Actual production for the water year to date from both surface and well diversions was 7,999 AF, a reduction of 916 AF, or 10.2% below the Carmel Valley goal. Assuming consumption in August and September 1998 does not exceed the maximum consumption for the months August/September 1997, it is projected that the diversion from the Carmel Valley system will be in the area of 10,000 AF, well below the projected goal. The overall system goal, including the Seaside Basin is 15,285 AF for the water year October 1997 through September 1998. The ten-month year-to-date goal was 12,142.2 AF and the ten months production year-to-date for the total system was 11,162.7 AF, a reduction of 979.5 AF, or 8% below that projected goal. See enclosed graphs and charts.

Cal-Am continues to maximize its Seaside Basin for the remainder of this water year, having produced 3,167 AF. Cal-Am will continue that maximization through the August/September 1998 period to reach the 4,000 AF goal established under the Memo of Understanding with the Monterey Peninsula Water Management District and the California Department of Fish and Game.

8/7/98  
Revised

SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 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 a part of this quarterly report the requirement to provide monthly production data for July 1998 from specific sub-units in the Carmel Valley via Carmel Valley wells.

Carmel Valley Filter Plant produced 161.1 AF, with 0 production from Aquifers No. 1 and No. 2; Water West - 10.6 AF; Aquifer No. 3 - 473.4 AF; Aquifer No. 4 - 237.5 AF. Total production for the month of July was 876.1 AF. However, applying an adjustment of 2.7 AF for the Begonia Iron Removal Plant Backwash, brings the net production to 873.4 AF. See charts in exhibit attached to Condition 3(b) for detail.

Cal-Am, MPWMD and CDF&G have entered into a Memo of Agreement for the period May 1998 through December 1998 which establishes the releases that will be made through the reservoir system into the Carmel River and the diversion of surface water through Cal-Am's Carmel Valley Filter Plant. This document has been approved and executed by all parties and adopted by the MPWMD's board of directors as part of the overall water supply strategy. Copy of the agreement is attached.



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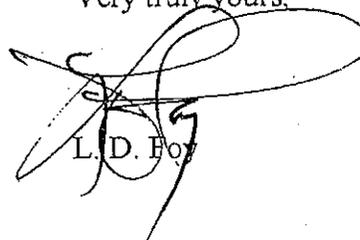
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SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 1998

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 - May/July 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 (a):

All information reported in the previous quarter, February/April 1998, remains the same as it pertains to the responses for this quarter.

On July 27, 1998 on the recommendation of assigned Commissioner Henry Duque and assigned ALJ Steven Kotz, the California Public Utilities Commission issued the following statement:

"There is no need for a hearing in these applications. Instead, we intend to place on the August 6, 1998 agenda for the Commission consideration a decision making the following disposition:

- (a). The applicant would be authorized on an ex parte basis to establish a memorandum account for the current water year (ending September 1998) and for the water year ending September 30, 1999, to record any fines imposed on the applicant for excessive withdrawal from the Carmel River system during those water years. Cost recovery of any recorded amount would be subject to a reasonableness review.
- (b) Except as indicated above in (A) above the application would be dismissed without prejudice. The applicant would be directed to pursue the requested relief in the next general rate case, which is scheduled to begin early in 1999."

8/7/98

SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 1998

ORDER CONDITION NO. 3

RESPONSE NO. 3 (a) (Continued):

Cal-Am is continuing with full emphasis on its Phase IV Mandatory Conservation Plan as previously outlined. The resulting benefits are reported in the following conditions of the order.

SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 1998

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SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 1998

ORDER CONDITION NO. 3

RESPONSE NO. 3 (b) (Continued):

The community continues to show its response to Cal-Am's Phase IV Mandatory Conservation, its continued advertising and community involvement programs. Although it is projected that the remainder of this summer season will be hot and dry. We are optimistic that the conservation efforts of the community and the Company will keep us within the projected goals.

All production facilities in the Carmel Valley are operational. Production is taken from the lowermost wells with operation in the upper Carmel Valley, but only on a maintenance pumping session of no more than eight hours in a day for a five-day period.

CALIFORNIA-AMERICAN WATER COMPANY  
 Monterey Division 443  
 DAILY PRODUCTION (AF)  
 Carmel Valley & Seaside Wells

JULY 1998

Monthly Target      1628  
 Days in Month        31  
 Daily Target         52.5

	Daily Target	Actual Daily Pumpage	WYTD-Target	WYTD Actual Pumpage	12 Mos. Target Pumpage	12 Mos. Actual Pumpage
07/01/98	52.5	42.6	10,566.6	9,773.1	15,285.0	14,628.3
07/02/98	52.5	44.4	10,619.1	9,817.5	15,285.0	14,612.3
07/03/98	52.5	41.3	10,671.7	9,858.8	15,285.0	14,593.1
07/04/98	52.5	40.6	10,724.2	9,899.4	15,285.0	14,578.9
07/05/98	52.5	39.5	10,776.7	9,938.8	15,285.0	14,562.4
07/06/98	52.5	42.0	10,829.2	9,980.8	15,285.0	14,549.7
07/07/98	52.5	42.6	10,881.7	10,023.4	15,285.0	14,538.7
07/08/98	52.5	43.3	10,934.3	10,066.7	15,285.0	14,527.9
07/09/98	52.5	42.6	10,986.8	10,109.3	15,285.0	14,518.3
07/10/98	52.5	46.8	11,039.3	10,156.1	15,285.0	14,510.0
07/11/98	52.5	46.0	11,091.8	10,202.0	15,285.0	14,500.6
07/12/98	52.5	45.7	11,144.3	10,247.8	15,285.0	14,492.7
07/13/98	52.5	47.0	11,196.9	10,294.8	15,285.0	14,486.8
07/14/98	52.5	47.4	11,249.4	10,342.2	15,285.0	14,479.7
07/15/98	52.5	53.0	11,301.9	10,395.2	15,285.0	14,480.1
07/16/98	52.5	56.7	11,354.4	10,451.9	15,285.0	14,484.2
07/17/98	52.5	48.7	11,406.9	10,500.6	15,285.0	14,477.5
07/18/98	52.5	47.6	11,459.5	10,548.2	15,285.0	14,471.6
07/19/98	52.5	47.0	11,512.0	10,595.2	15,285.0	14,466.3
07/20/98	52.5	49.3	11,564.5	10,644.5	15,285.0	14,465.4
07/21/98	52.5	47.5	11,617.0	10,691.9	15,285.0	14,460.3
07/22/98	52.5	43.0	11,669.5	10,734.9	15,285.0	14,451.6
07/23/98	52.5	47.4	11,722.1	10,782.4	15,285.0	14,447.0
07/24/98	52.5	48.7	11,774.6	10,831.1	15,285.0	14,441.3
07/25/98	52.5	45.8	11,827.1	10,876.9	15,285.0	14,432.3
07/26/98	52.5	46.4	11,879.6	10,923.2	15,285.0	14,423.6
07/27/98	52.5	45.7	11,932.1	10,968.9	15,285.0	14,414.9
07/28/98	52.5	46.5	11,984.7	11,015.4	15,285.0	14,405.8
07/29/98	52.5	49.6	12,037.2	11,064.9	15,285.0	14,403.9
07/30/98	52.5	47.4	12,089.7	11,112.3	15,285.0	14,397.2
07/31/98	52.5	50.4	12,142.2	11,162.7	15,285.0	14,389.0
Monthly Total	1,628.1	1,432.1				14,389.0

&lt; 196 &gt;

&lt; 979.6 &gt;

&lt; 896 &gt;

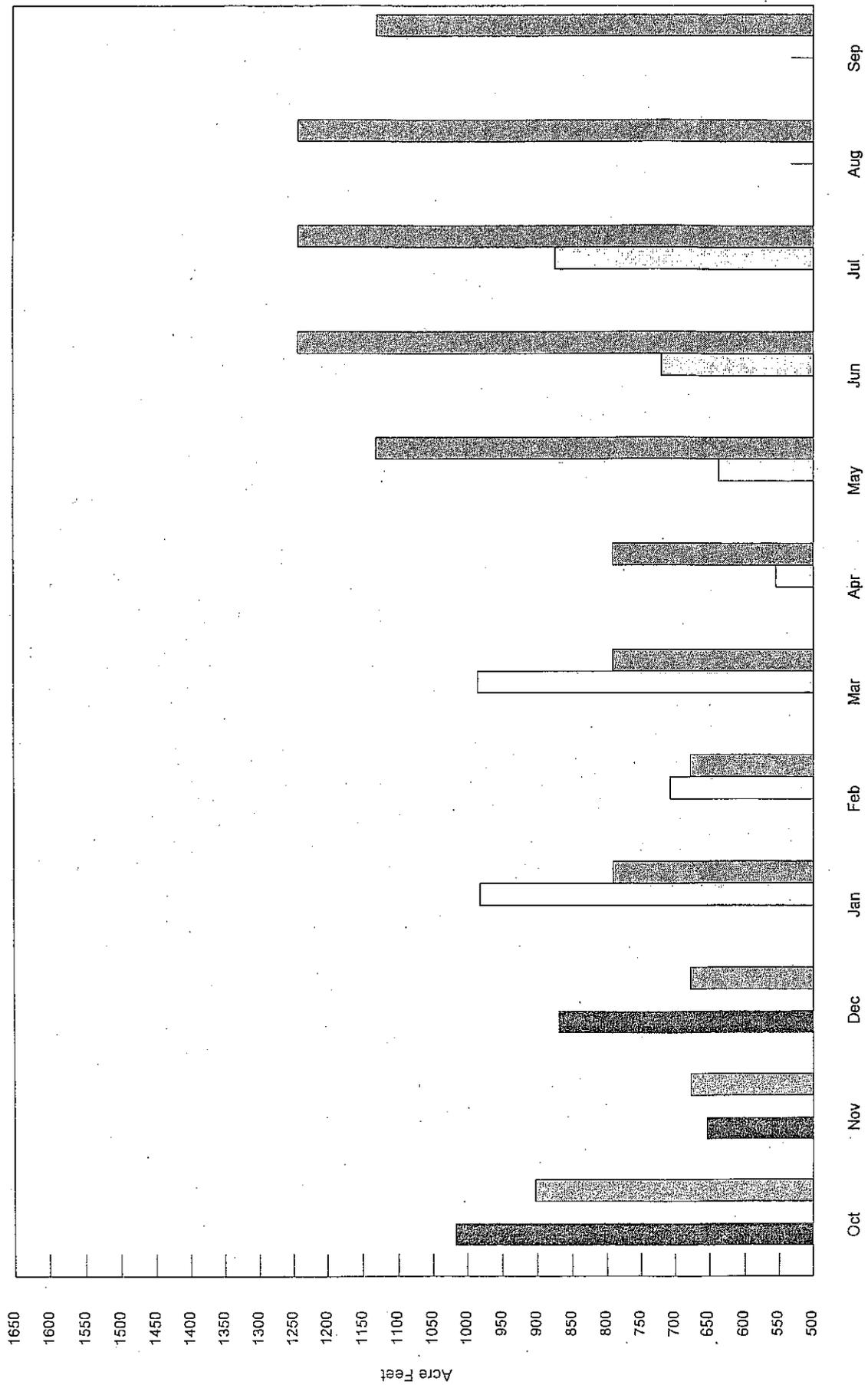
CALIFORNIA-AMERICAN WATER COMPANY  
 Monterey Division 443  
 CARMEL VALLEY WELLS  
 Production Water Year (AF)  
 1997-98

Date	CVFP	Aquifer 1	Aquifer 2	Water West	Aquifer 3	Aquifer 4	Total Production	BIRP Backwash	Net Production
Oct 1997	157.7	1.0	0.0	9.5	629.6	227.1	1,018.9	(1.2)	1,017.7
Oct 1996	206.6	1.0	0.2	9.4	535.4	242.0	994.6	0.1	994.7
Nov 1997	24.6	83.9	0.0	0.0	372.1	222.5	653.1	1.1	654.2
Nov 1996	168.0	10.2	1.1	11.2	236.1	226.9	653.5	(3.8)	649.7
Dec 1997	98.9	24.4	0.0	5.8	514.4	221.9	865.4	3.3	868.7
Dec 1996	227.3	18.8	0.5	11.8	251.3	174.0	683.7	(2.6)	681.1
Jan 1998	145.4	18.3	0.0	11.7	591.5	214.3	981.2	(0.6)	980.6
Jan 1997	226.4	24.6	11.2	11.8	647.0	0.0	921.0	(4.6)	916.4
Feb 1998	20.5	26.3	0.0	12.4	661.6	7.2	708.0	(1.9)	706.1
Feb 1997	446.6	0.0	19.1	10.1	435.1	0.0	910.9	(3.4)	907.5
Mar 1998	190.0	6.5	18.7	45.9	722.0	0.0	983.1	0.6	983.7
Mar 1997	486.4	0.1	69.7	10.9	598.5	120.5	1,286.1	(4.2)	1,281.9
Apr 1998	92.0	14.1	57.1	100.9	292.5	0.0	556.6	(1.4)	555.2
Apr 1997	451.1	2.7	57.8	10.2	394.4	260.0	1,176.2	(4.6)	1,171.6
May 1998	233.9	0.0	4.3	42.1	358.0	0.0	638.3	(1.5)	636.8
May 1997	253.7	0.0	6.6	11.0	670.8	235.2	1,177.3	(1.6)	1,175.7
Jun 1998	157.3	0.0	0.0	11.9	486.0	63.1	718.3	0.5	718.8
Jun 1997	161.1	0.0	0.0	10.7	706.1	235.9	1,113.8	(3.9)	1,109.9
Jul 1998	154.6	0.0	0.0	10.6	473.4	237.5	876.1	(2.7)	873.4
Jul 1997	179.3	1.0	0.0	10.8	718.9	230.7	1,140.7	(8.2)	1,132.5
Aug 1997	180.4	1.4	0.3	10.6	1,023.6	178.1	1,394.4	(4.3)	1,390.1
Aug 1996	275.3	1.0	1.6	10.0	704.2	236.3	1,228.5	(1.6)	1,226.9
Sep 1997	173.5	1.0	0.4	10.2	1,056.9	192.8	1,434.8	1.3	1,436.1
Sep 1996	246.2	1.0	1.5	11.0	644.1	229.7	1,133.5	4.4	1,137.9
<b>Total</b>	<b>1,100.3</b>	<b>124.5</b>	<b>80.1</b>	<b>240.2</b>	<b>4,621.7</b>	<b>956.1</b>	<b>7,122.9</b>	<b>(1.1)</b>	<b>7,121.8</b>

Figures Shaded - 97/98 Water Year

# CARMEL VALLEY WELLS

Production Water Year



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**

California-American Water Company  
 Monterey Division  
 Net System Production  
 Water Year 97-98

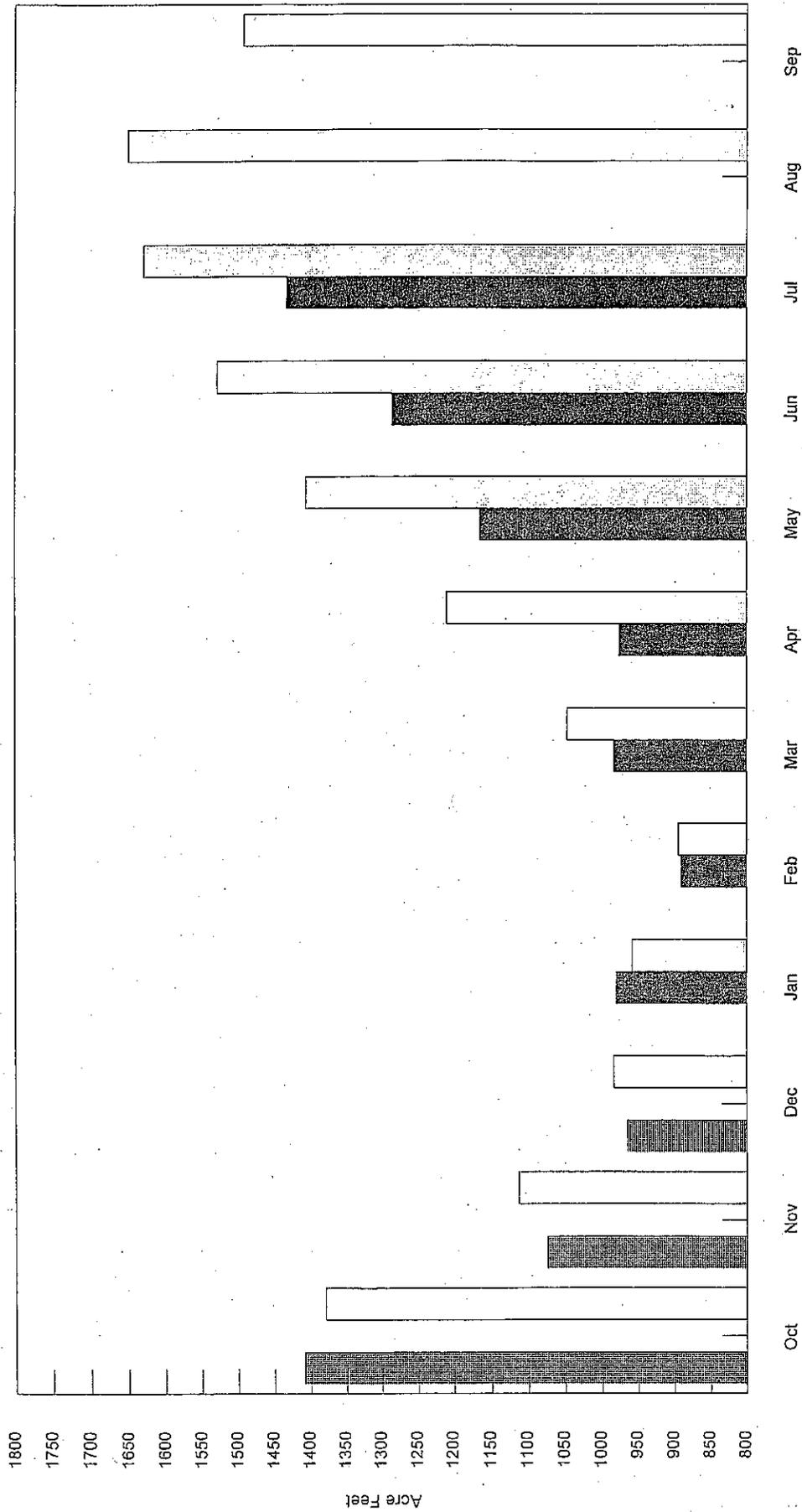
Month	San Clemente Dam	Carmel Valley Wells	Water West Wells	Seaside Wells	Ryan Ranch Wells	Hidden Hills Wells	NET SYSTEM PRODUCTION	Net System (less RR & HH)	Net System YTD (less RR & HH)
10/97	6,867,640 1000 G 51,374 AF 157.7	37,044,207 277,110 850.4	413,984 3,097 9.5	17,078,693 127,757 392.1	326,914 2,445 7.5	641,834 4,801 14.7	62,373,272 466,584 1,431.9	1,409.7	1,409.7
11/97	1,069,857 1000 G 8,003 AF 24.6	27,430,226 205,192 629.7	0 0 0.0	18,274,926 136,706 419.5	184,990 1,384 4.2	410,369 3,070 9.4	47,370,368 354,355 1,087.4	1,073.8	2,483.5
12/97	4,309,328 1000 G 32,236 AF 98.9	33,284,514 248,985 764.1	254,776 1,906 5.8	4,262,221 31,884 97.8	108,295 810 2.5	329,249 2,463 7.6	42,548,383 318,284 976.7	966.6	3,450.1
01/98	6,333,175 1000 G 47,375 AF 145.4	35,868,858 268,318 823.4	511,082 3,823 11.7	0 0 0.0	86,603 648 2.0	321,049 2,402 7.4	43,120,777 322,566 989.9	980.5	4,430.6
02/98	20,118 1000 G 150 AF 0.5	30,197,974 225,897 693.3	542,243 4,056 12.4	8,040,647 60,148 184.6	71,944 538 1.7	297,236 2,224 6.8	39,170,162 293,013 899.3	890.8	5,321.4
03/98	8,275,764 1000 G 61,907 AF 190.0	32,573,563 243,667 747.8	1,998,432 14,949 45.9	0 0 0.0	87,900 658 2.0	293,467 2,195 6.7	43,229,126 323,376 992.4	983.7	6,305.1
04/98	4,008,370 1000 G 29,985 AF 92.0	15,780,860 118,049 362.3	4,395,263 32,879 100.9	18,334,242 137,150 420.9	109,720 821 2.5	340,301 2,545 7.8	42,968,756 321,429 986.4	976.1	7,281.2
05/98	10,190,044 1000 G 76,227 AF 233.9	15,723,139 117,617 361.0	1,832,265 13,706 42.1	22,963,965 171,783 527.2	171,781 1,285 3.9	456,401 3,414 10.5	51,337,595 384,032 1,178.6	1,184.2	8,445.4
06/98	6,853,966 1000 G 51,271 AF 157.3	23,941,172 179,092 549.6	517,049 3,868 11.9	24,671,951 184,559 566.4	236,199 1,767 5.4	573,300 4,289 13.2	56,793,637 424,846 1,303.8	1,285.2	9,730.6
07/98	6,733,050 1000 G 50,367 AF 154.6	30,845,482 230,740 708	462,999 3,464 10.6	24,330,256 182,003 558.5	249,506 1,867 5.7	811,232 6,065 18.6	63,432,524 474,510 1,456	1,431.6	11,162.4
*Adjustment: 23 A/F deducted from Water West (Garzas #4) for 5/30/98.									

California-American Water Company  
 Monterey Division  
 Net System Production  
 Water Year 97-98

Month	San Clemente Dam	Carmel Valley Wells	Water West Wells	Seaside Wells	Ryan Ranch Wells	Hidden Hills Wells	NET SYSTEM PRODUCTION	Net System (less RR & HH)	Net System YTD (less RR & HH)
08/98	CF 1000 G AF						0 0 0.0	0.0	11,162.4
09/98	CF 1000 G AF						0 0 0.0	0.0	11,162.4
TOTAL	CF 1000 G AF	54,661,312 408,895 1,254.9	282,689,995 2,114,667 6,489.7	10,928,103 81,748 250.8	137,956,901 1,031,990 3,167.0	1,633,852 12,223 37.4	4,474,438 33,472 102.7	492,344,601 3,682,995 11,302.5	11,162.4

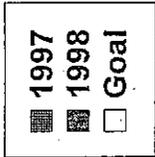
# TOTAL SYSTEM PRODUCTION

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	1,379
Nov	1,113
Dec	984
Jan	958
Feb	894
Mar	1,047
Apr	1,209
May	1,405
Jun	1,527
Jul	1,628
Aug	1,649
Sep	1,492

**15,285 AF**

CALIFORNIA CAN WATER COMPANY  
 of Division 443  
 CV WELLS - PRODUCTION  
 July 1998

Date	Russell #2 (upper)	Russell #4 (upper)	Robles (upper)	LL #5 (upper)	LL #5 (upper)	Scarlett #8 (lower)	Barwick #7 (lower)	Barwick #8 (lower)	Begonia (lower)	Mancor (lower)	Schulte (lower)	Pearce (lower)	Cypress (lower)	San Carlos (lower)	Rancho Calnada (lower)	Backwash CF	TOTAL CF
1	0	0	0	0	0	0	0	0	0	245,100	9,000	97,100	284,700	89,100	324,200	(2,080)	1,023,060
2	0	0	0	0	0	0	0	0	0	131,800	0	74,000	290,900	102,700	371,675	3,170	967,705
3	0	0	0	0	0	0	0	0	0	0	0	0	290,900	102,700	371,675	3,100	967,705
4	0	0	0	0	0	0	0	0	0	0	0	0	290,900	102,700	371,675	800	762,175
5	0	0	0	0	0	0	0	0	0	0	0	0	290,900	102,700	371,675	2,900	762,375
6	0	0	0	0	0	0	0	0	0	0	0	91,200	293,000	94,100	338,400	790	815,910
7	0	0	0	0	0	0	0	0	0	4,700	19,400	141,600	283,100	80,400	317,800	(24,580)	881,580
8	0	0	0	0	0	0	0	0	0	0	3,700	203,200	330,300	91,600	308,600	29,120	908,280
9	0	0	0	0	0	0	0	0	0	0	0	112,900	243,600	99,300	336,600	(44,500)	835,100
10	0	0	0	0	0	0	0	0	0	0	85,900	193,333	335,033	98,067	331,067	35,300	1,008,000
11	0	0	0	0	0	0	0	0	0	0	0	193,333	335,033	98,067	331,067	990	956,510
12	0	0	0	0	0	0	0	0	0	0	0	193,333	335,033	98,067	331,067	3,740	953,760
13	0	0	0	0	0	0	0	0	0	0	52,800	260,900	279,500	99,200	333,600	8,040	1,017,960
14	0	0	0	0	0	0	0	0	0	25,600	31,700	194,300	326,100	97,200	334,700	(10,710)	1,020,310
15	0	0	0	0	0	0	0	0	0	53,700	123,500	360,300	364,800	85,900	289,100	1,430	1,275,870
16	0	0	0	0	0	0	0	0	0	39,400	197,000	421,600	373,700	91,200	305,200	4,080	1,452,420
17	0	0	0	0	0	0	0	0	0	48,600	68,400	229,067	284,533	98,200	335,133	(1,680)	1,075,563
18	0	0	0	0	0	0	0	16,400	0	0	68,400	229,067	284,533	98,200	335,133	1,660	1,039,773
19	0	0	0	0	0	0	0	0	0	0	68,400	229,067	284,533	98,200	335,133	2,200	1,023,133
20	0	0	0	0	0	0	0	0	0	0	79,600	283,400	333,300	96,400	332,300	1,370	1,123,630
21	0	0	0	0	0	0	0	0	0	0	38,000	175,200	298,000	98,600	340,100	1,790	948,110
22	0	0	0	0	0	0	0	0	0	20,200	26,000	162,400	284,700	84,600	324,400	8,330	903,970
23	0	0	0	0	0	0	0	0	0	0	67,300	287,200	296,900	98,700	335,400	2,990	1,052,510
24	0	0	0	0	0	0	0	0	0	0	77,300	212,433	344,367	99,733	338,300	29,370	1,042,763
25	0	0	0	0	0	0	0	0	0	0	0	-212,433	344,367	99,733	338,300	26,850	967,983
26	0	0	0	0	0	0	0	0	0	0	0	212,433	344,367	99,733	338,300	3,480	991,353
27	0	0	0	0	0	0	0	0	0	2,000	78,000	279,500	185,700	95,500	328,600	(2,930)	972,780
28	0	0	0	0	0	0	0	0	0	18,600	38,500	226,200	310,100	96,000	336,600	510	1,038,390
29	0	0	0	0	0	0	0	0	0	0	68,500	226,300	386,600	93,000	312,900	6,710	1,080,590
30	0	0	0	0	0	0	0	0	0	0	33,800	230,700	356,100	94,900	324,600	17,180	1,024,820
31	0	0	0	0	0	0	0	0	0	0	91,267	273,167	379,800	93,567	324,733	8,910	1,153,624
CF	0	550	0	0	0	0	0	16,400	123	669,600	1,314,167	5,985,666	9,677,599	3,064,967	10,345,933	118,700	30,845,482
1000 G	0	4	0	0	0	0	0	0	0	4,410	9,831	44,776	72,383	22,479	77,400	889	230,740
AF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.7	13.5	30.2	137.4	222.2	69.0	237.5	2.7	706.1

SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 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:**

As indicated in the response to Condition 3(b), Cal-Am is maximizing its production from the Seaside Basin based on the Memo of Agreement between the MPWMD, Cal-Am and the CDF&G, adopted as part of the MPWMD's Water Supply Strategy by their board of directors. The agreement includes the relaxation of the basin during the winter months to allow recharge and maximization during the summer months. The projected goal is to extract 4,000 AF of water from the basin. As of the ten months year-to-date, October 1997 through July 1998, production was 3,167 AF. Cal-Am will continue maximization of this basin which will assist in maintaining the production goal limits for the Carmel Valley Basin and assist with the continuation of river flows to the Lagoon.

Cal-Am continues working with the U. S. Fish and Wildlife and National Marine Fisheries to develop an acceptable conservation agreement between the Company and these agencies for the protection of the red-legged frog and the steelhead trout for operation in the Carmel Valley Basin during the water year 1998-1999. Also, in cooperation with the MPWMD, the Company will be preparing a Habitat Conservation Plan (HCP) for long-term production of the species in the Carmel River.

SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 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 a part of this quarterly report the requirement to provide monthly production data for July 1998 from specific sub-units in the Carmel Valley via Carmel Valley wells.

Carmel Valley Filter Plant produced 161.1 AF, with 0 production from Aquifers No. 1 and No. 2; Water West - 10.6 AF; Aquifer No. 3 - 373.4 AF; Aquifer No. 4 - 237.5 AF. Total production for the month of July was 876.1 AF. However, applying an adjustment of 2.7 AF for the Begonia Iron Removal Plant Backwash, brings the net production to 873.4 AF. See charts in exhibit attached to Condition 3(b) for detail.

Cal-Am, MPWMD and CDF&G have entered into a Memo of Agreement for the period May 1998 through December 1998 which establishes the releases that will be made through the reservoir system into the Carmel River and the diversion of surface water through Cal-Am's Carmel Valley Filter Plant. This document has been approved and executed by all parties and adopted by the MPWMD's board of directors as part of the overall water supply strategy. Copy of the agreement is attached.

**MEMORANDUM OF AGREEMENT  
BETWEEN THE CALIFORNIA-AMERICAN WATER COMPANY,  
THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT,  
AND THE STATE OF CALIFORNIA DEPARTMENT OF FISH AND GAME  
TO RELEASE WATER INTO THE CARMEL RIVER FROM SAN CLEMENTE RESERVOIR**

1. THIS AGREEMENT, made this 1st day of May 1998, between the Monterey Peninsula Water Management District, hereinafter called the District, California-American Water Company, hereinafter called Cal-Am, and the California Department of Fish and Game, hereinafter called the Department, represented by the respective officers executing this Agreement.

EXPLANATORY RECITALS

2. WHEREAS, the Department is required to conserve and protect the fish and wildlife resources of this state and it is the Department's objective to maximize surface flows in the Carmel River below San Clemente Dam; and

3. WHEREAS, Cal-Am supplies water to the citizens of the communities of the Monterey Peninsula, Monterey County; and

4. WHEREAS, the District, through its rules and regulations, establishes a quarterly water supply strategy and budget for the Monterey Peninsula.

NOW THEREFORE, IT IS HEREBY AGREED:

DEFINITIONS

5. "Minimum pool at Los Padres Reservoir" means a surface water elevation of 980 feet above mean sea level, or 212 acre feet of storage.

6. For operational purposes in 1998, "Minimum pool at San Clemente Reservoir" means a surface water elevation of 515 feet above mean sea level, or 124 acre feet of storage.

7. "Water Release by Cal-Am at San Clemente Dam" into the Carmel River may occur from seepage through the dam, direct release from the "blow-off pipe," spillage over the crest of the dam or gates, leakage around the gates, releases through the fish ladder or any combination thereof.

DESIGNATION OF RESPONSIBILITIES  
CAL-AM

8. Cal-Am shall make water releases into the Carmel River channel beginning May 1, 1998 as follows:

Cal-Am shall maintain no less than 10.0 CFS (cubic feet per second) May through September, 9.5 CFS during October, and 9.0 CFS November and December 1998 at the Sleepy Hollow Weir.

9. Cal-Am shall operate the Carmel Valley Filter Plant to produce no more than 4.0 CFS in May and 3.0 CFS from June through December from San Clemente Reservoir as measured by a thirty-day mean average until otherwise amended. Instantaneous diversion from San Clemente Reservoir in a particular month may exceed the specific maximum to satisfy the demand.

10. In the event that a significant change in runoff occurs in the basin during the duration of this Agreement, the parties will meet to discuss modifications to the scheduled reservoir releases and diversion.

11. Cal-Am shall limit operation of its wells in the Carmel Valley above the Narrows per Exhibit A, effective May 1, 1998.

12. Cal-Am shall provide, upon request by the Department or the District, records of the Carmel Valley Filter Plant operation showing compliance with the provisions of this Agreement and/or documentation of water releases made through the "blow-off pipe" at San Clemente Dam.

13. Cal-Am shall notify the District and the Department when the water elevation reaches 990 feet at Los Padres Reservoir or 520 feet at San Clemente Reservoir. Cal-Am shall not draw either reservoir below minimum pool elevation without obtaining specific written approval from the Department.

14. Cal-Am shall make reasonable effort to operate the Lower Carmel Valley production wells in the sequence from the most downstream well and progress upstream as wells are needed and available for production.

15. Cal-Am shall make reasonable effort to operate Los Padres and San Clemente Dams conjunctively to maintain a spill rate of approximately 1.0 CFS at San Clemente Reservoir for the duration of this Agreement.

#### DISTRICT

16. The District shall take direct measurements of inflow to Los Padres Reservoir on a monthly basis through the duration of this Agreement.

#### ALL PARTIES

17. This Agreement is revocable upon ten days' written notice to all parties signatory to this Agreement.

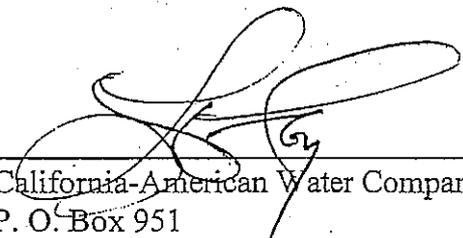
18. This Agreement is entered into without prejudice to the rights and remedies of any party to the Agreement.

EFFECTIVE DATE AND TERM  
OF AGREEMENT

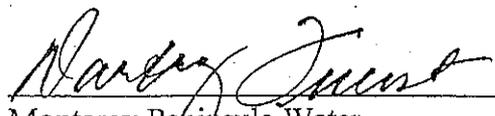
19. This Agreement shall become effective upon signature by the respective parties and shall remain in force until December 31, 1998. This Agreement may be modified or extended by mutual consent of all the parties.

EXECUTION

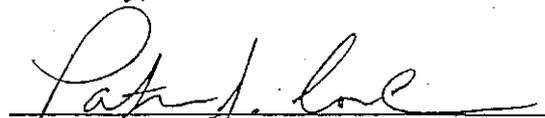
IN WITNESS WHEREOF, each party hereto has caused this Memorandum of Agreement to be executed by an authorized official on the day and year set forth opposite their signature.

  
\_\_\_\_\_  
California-American Water Company  
P. O. Box 951  
Monterey, CA 93942-0951

6-8-98  
Date

  
\_\_\_\_\_  
Monterey Peninsula Water  
Management District  
P. O. Box 85  
Monterey, CA 93942-0085

5.22.98  
Date

  
\_\_\_\_\_  
California Department of Fish and Game  
P. O. Box 47  
Yountville, CA 94599

6/4/98  
Date

**EXHIBIT A**

1998 Memorandum of Agreement

**Pumping Schedule for Maintenance of California-American Water Company Production Wells  
Upper Carmel Valley Aquifer: January - December 1998**

Cal-Am Production Well	River Mile	Pumping Capacity (gpm)	Pumping Capacity (cfs)	(Date of operation in each month)												
				JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
Scarlett No. 8	9.11	1400	3.1	6	3	3	7	5	2	2	7	4	1	6	3	1
Los Laureles No. 5	10.94	325	0.7	7	4	4	8	6	3	3	8	5	2	7	4	2
Los Laureles No. 6	11.14	408	0.9	8	5	5	9	7	4	4	9	6	3	8	5	3
Garzas No. 4	12.11	157	0.3	<div style="border: 1px solid black; padding: 5px;">                     Production from these four former "Water West" wells is limited to one well for eight hours per day for seven consecutive days. After seven days, production will be rotated to a different well to minimize local impacts. Production from these wells is limited until streamflow in the Carmel River at the Garland Park gaging station exceeds 20 cubic feet per second. For management purposes in 1998, production from the Garzas No. 3 well will be limited during the period from June 1 until zero flow is measured at the MPWMD Garzas Creek streamflow gage.                 </div>												
Garzas No. 3	12.52	157	0.3													
Panetta No. 2	12.91	244	0.5													
Panetta No. 1	12.92	157	0.3													
Robles No. 3	14.45	900	2.0													13
Russell No. 4	16.20	196	0.4	14	11	11	15	13	10	10	15	12	9	14	11	9
Russell No. 2	16.25	394	0.9	15	12	12	16	14	11	11	16	13	10	15	12	10

Source: California-American Water Company, May 1, 1998

Notes:

- (1) Unless noted otherwise, each well is scheduled to be operated on the day of the month indicated for a maximum duration of eight hours.
- (2) River miles are measured upstream from the mouth of the Carmel River at Carmel Bay.
- (3) Scarlett No. 8 well is in the upstream portion of subunit 3 of the Lower Carmel Valley Aquifer and may be operated at times to meet system demand.

SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 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:**

As reported in the February/April 1998 quarterly report, Cal-Am was advised in a letter dated April 30, 1998 from the executive director of SWRCB to proceed with the implementation of the study. Cal-Am is preparing a scope of work as part of its plan to hire a consultant to proceed with the study. The SWRCB and other interested parties will have the opportunity for comment on this scope of work prior to solicitation of proposals. This study should be available to all parties during August 1998.

SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 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 CDF&G for comment.*

**RESPONSE NO. 7:**

Cal-Am entered into a contract with MPWMD to complete the *Bypassing Early Storm Runoff Feasibility Study*. This study was initiated under contract on July 11, 1996. Although anticipating to complete this work at an earlier date, The District has not been able to do so for various reasons. Enclosed is a copy of the letter dated May 6, 1998 from MPWMD indicating that the final report should be available by September 30, 1998.



**MONTEREY PENINSULA  
WATER MANAGEMENT DISTRICT**

187 ELDORADO STREET • POST OFFICE BOX 85  
MONTEREY, CA 93942-0085 • (408) 649-4866  
FAX (408) 649-3678 • <http://www.mpwmd.dst.ca.us>

May 6, 1998

**RECEIVED**

MAY 11 1998

Mr. Larry Foy  
Vice President & Division Manager  
California-American Water Company  
P.O. Box 951  
Monterey, California 94942-0951

**CAL-AM WATER CO.**

**Subject: Status of Bypassing Early Storm Runoff Feasibility Study -- SWRCB Order No. WR 95-10, Condition No. 7**

Dear Larry:

This letter provides an update on the status of the Bypassing Early Storm Runoff Feasibility study being conducted by District staff for Cal-Am. This study is described in the District's proposal dated June 19, 1996, and was authorized by Cal-Am on July 11, 1996. As originally proposed, the study consisted of five tasks with a draft report scheduled for completion by August 31, 1996 and a final report by September 30, 1996.

Completion of this study has been delayed due to staffing constraints, but District has completed several tasks, including:

- 1) Staff met with Cal-Am representatives to develop information on the range of flows that could be safely bypassed at Los Padres Dam without increasing turbidity levels below the dam. Based on this information, it appears that a maximum release of about 70 cubic feet per second (cfs) could be made, but at this bypass flow sediment may be entrained into the water with the reservoir drawn down below elevation 1,000 feet (665 acre-feet of storage). A determination of maximum safe bypass levels should probably be made by carefully releasing flows and monitoring turbidity levels under actual field conditions.
- 2) Experimental bypasses of stored water at Los Padres Dam during fall 1997. Beginning November 28, 1997, and continuing through December 8, 1997, MPWMD and Cal-Am personnel initiated a bypass of 20 cfs to keep the lower Carmel River from retreating. This bypass of approximately 250 acre-feet of storage water percolated into the riverbed and provided protection to juvenile steelhead in the reach between San Carlos and Valley Greens bridges.

Letter to Larry Foy  
Status Study SWRCB Order No. 95-10, Condition No. 7  
May 6, 1998

Work on the remainder of the proposal is now scheduled for early Summer 1998 with a draft report completed in August and a final report submitted by September 30, 1998. I apologize for the delay.

If you have any questions regarding the study, please let me know. I appreciate your cooperation and patience.

Sincerely,



Darby Fuerst  
General Manager

cc: . David Dettman

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SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 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:**

Cal-Am entered into a contract on July 11, 1998 with MPWMD to perform a study, *Modifying Critical Stream Reaches Feasibility Study*, within the Carmel River. The District has done a number of preliminary activities. However, this work has not been completed. The final report is anticipated on September 1, 1998. I refer you to the enclosed letter dated May 6, 1998 from the District.



**MONTEREY PENINSULA  
WATER MANAGEMENT DISTRICT**

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MONTEREY, CA 93942-0085 • (408) 649-4866  
FAX (408) 649-3678 • <http://www.mpwmd.dst.ca.us>

**RECEIVED**

MAY 11 1998

CAL-AM WATER CO.

May 6, 1998

Mr. Larry Foy  
Vice President & Division Manager  
California-American Water Company  
P.O. Box 951  
Monterey, California 94942-0951

**Subject: Status of Modifying Critical Stream Reaches Feasibility Study -- SWRCB  
Order No. WR 95-10, Condition No. 8**

Dear Larry:

This letter is to update you on the status of the Modifying Critical Stream Reaches Feasibility study being conducted by District staff for Cal-Am. This study is described in the District's proposal dated June 19, 1996, and was authorized by Cal-Am on July 11, 1996. As proposed, the study consisted of seven tasks with a draft report scheduled for completion by April 30, 1997 and a final report by June 30, 1997.

To date, District staff has conducted a reconnaissance of 29 potential sites for selection as critical reaches, selected five sites for further study, and completed a topographic survey of ground and water surface elevations at two critical riffles in the lower Carmel Valley (Girl Scout Crossing in DeDampierre Park and Rancho Canada riffle and within the inundation zone of San Clemente Reservoir. Most field measurements and observations have been made at the remaining sites (Old Carmel Dam and Sleepy Hollow Ford).

Due to work on the Supplemental EIR for the New Carmel River Dam, work on the data analysis is behind schedule. Considering that staff time in June and July should be available to work on the remaining tasks, the District has rescheduled delivery of a draft report on August 1, 1998 and a final report on September 1, 1998. If you have any questions regarding the study, please let me know. I appreciate your cooperation and patience.

Sincerely,

  
Darby Fuerst  
General Manager

cc: David Dettman

SWRCB - ORDER NO. WR 95-10  
Quarterly Report - May/July 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):**

The Administrative Draft Report of the environmental document being prepared for the Carmel River and Reservoir Project is due to be circulated to the agencies and other interested parties for review during August 1998. The final draft report will be made available to the public in October 1998. A 45-day comment period will be allowed.

The California Public Utilities Commission held a prehearing conference on June 22, 1998 with Commissioner Duque and ALJ Kotz in attendance. After much public comment and input, Cal-Am was directed to prepare a Plan B supplemental to its current application for the Carmel River Dam and Reservoir Project to provide a list of alternatives that would be a fall-back measure if the reservoir project is not approved.

With respect to the work being done under the environmental document—which includes ten items developed during the PUC workshops as additional alternatives to be studied—it is the Company's position that they will be studied in greater depth, along with all the alternatives that were part of the original EIR. This will provide the initial work to be reviewed under Plan B.