

Exhibit CAW-030M



California-American Water Company

Monterey Division
50 Ragsdale Dr., Suite 100, P.O. Box 951 • Monterey, CA 93942-0951

Judith L. Almond
Manager

443-151

November 18, 1998

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

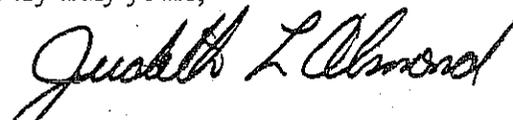
RE: SWRCB Order No. WR 95-10

Dear Mr. Pettit:

As a condition of the subject order, we are filing herewith our *quarterly* report for the period of August 1, 1998 through October 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,


Judith L. Almond

JLA/mh
Enclosure

cc: K. Aasen
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SWRCB - ORDER NO. WR 95-10
Quarterly Report - August/October 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.

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Quarterly Report - August/October 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.²³ 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 14,106²⁴ 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, May/July 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."

SWRCB - ORDER NO. WR 95-10
Quarterly Report - August/October 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.

Cal-Am has filed with the California Public Utilities Commission a request for the calendar year 1999 to allow the Company to recover from customers' proposed expenditures for various conservation measures, such as water audits and a census of all customers. Water audits will be performed on all large turf irrigated areas, including large residential users (then using over 513,000 gallons annually). The census is to be used to develop a rate design adaptive to each customer and their specific needs while ensuring compliance with the Order's limitation on water production.

In addition, the Monterey Peninsula Water Management District has approved an initial version of a water conservation and rationing plan which will satisfy a three-fold purpose: 1) compliance with the production goal of the order; 2) adopting an emergency plan in case of a actual water shortage; and 3) adopting a water emergency plan which will provide relief in case a short-term curtailment is necessary. Adoption of the Ordinance should occur in December.

The Company's proposal to the CPUC and MPWMD's Ordinance were tailored to correspond with each other, and in fact the Company's request for authorization to expend funds for audits and the census are integral portions of the District's overall Ordinance.

SWRCB - ORDER NO. WR 95-10
Quarterly Report - August/October 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.²³ 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 14,106²⁴ 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 May/July 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 first month of the water year October 1998 through September 1999, the established goal for the Carmel Valley was 903 AF. Actual production for the water year to date from both surface and well diversions was 968.9 AF, an increase of 65.9 AF, or 7.3% over the Carmel Valley goal. The overall system goal, including the Seaside Basin is 15,285 AF for the water year October 1998 through September 1999. The first-month year-to-date goal was 903 AF and production year-to-date for the total system was 968.9 AF, an increase of 65.9 AF, or 7.3% below the projected goal. See enclosed graphs and charts.

Commencing a new water year, Cal-Am began to pump from its Seaside Basin with the goal of reaching 4,000 AF throughout the water year. The 4,000 AF goal is established under the Memo of Understanding with the Monterey Peninsula Water Management District and the California Department of Fish and Game.

SWRCB - ORDER NO. WR 95-10
Quarterly Report - August/October 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
 Net System Production
 Water Year to Date 98-99

Month	San Clemente Dam Surface Water	Carmel Valley Wells	Water West Wells	Seaside Wells	Ryan Ranch Wells	Hidden Hills Wells	NET SYSTEM PRODUCTION	Net System (less RR & HH)
10/98	5,942,012	32,967,205	2,290,350	13,973,598	258,693	682,899	57,114,757	
1000 G	51,930	246,612	17,133	104,530	1,935	5,109	427,249	
AF	159.4	756.8	52.6	320.8	5.9	15.7	1,311.2	1,289.6
Y-T-D	6,942,012	32,967,205	2,290,350	13,973,598	258,693	682,899	57,114,757	
1000 G	51,930	246,612	17,133	104,530	1,935	5,109	427,249	
AF	159.4	756.8	52.6	320.8	5.9	15.7	1,311.2	1,289.6

California-American Water Company
 Monterey Division
 Net System Production
 Year to Date 1998

Month	San Clemente Dam Surface Water	Carmel Valley Wells	Water West Wells	Seaside Wells	Ryan Ranch Wells	Hidden Hills Wells	NET SYSTEM PRODUCTION	Net System (less RR & HH)
September	6,564,810	44,327,829	396,120	8,247,568	330,375	785,601	60,552,303	
	49,108	331,596	2,963	61,696	2,472	5,877	453,712	
	150.7	1,017.6	9.1	189.3	7.6	18.0	1,392.3	1,366.7
Y-T-D	55,511,647	264,944,468	11,113,264	130,751,622	1,670,496	4,812,454	468,803,951	
	415,255	1,981,923	83,132	978,091	12,498	36,001	3,506,900	
	1,274.4	6,082.3	255.1	3,001.6	38.3	110.3	10,762.0	10,613.4
October	6,942,012	32,967,205	2,296,350	13,973,598	258,693	682,899	57,114,757	
	51,940	246,612	17,133	164,530	1,935	5,109	427,249	
	159.4	756.8	52.6	320.8	5.9	15.7	1,311.2	1,289.6
Y-T-D	62,453,659	297,911,673	13,403,614	144,725,220	1,929,189	5,495,353	525,918,708	
	467,185	2,228,535	100,265	1,082,621	14,433	41,110	3,934,149	
	1,433.8	6,839.1	307.7	3,322.4	44.2	126.0	12,073.2	11,903.0

California-American Water Company
 Monterey Division
 Net System Production
 Year to Date 1998

Month	San Clemente Dam Surface Water	Carmel Valley Wells	Water West Wells	Seaside Wells	Ryan Ranch Wells	Hidden Hills Wells	NET SYSTEM PRODUCTION	Net System (less RR & HH)	
May	CF 1000 G AF	10,190,044 76,227 233.9	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	1,164.2
Y-T-D	CF 1000 G AF	28,827,471 215,644 661.8	130,144,394 973,548 2987.8	9,279,295 69,413 213.0	49,338,854 369,081 1132.7	527,948 3,950 12.1	1,708,454 12,780 39.1	219,826,416 1,644,416 5,046.5	4,995.3
June	CF 1000 G AF	6,853,966 51,271 157.3	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
Y-T-D	CF 1000 G AF	35,681,437 266,915 819.1	154,085,566 1,152,640 3,537.4	9,796,344 73,281 224.9	74,010,805 553,640 1,699.1	764,147 5,717 17.5	2,281,754 17,069 52.3	276,620,053 2,069,262 6,350.3	6,280.5
July	CF 1000 G AF	6,733,050 50,367 154.6	30,845,482 230,740 708.1	462,999 3,464 10.6	24,330,256 182,003 558.5	249,506 1,867 5.7	811,232 6,069 18.6	63,432,525 474,510 1,456.1	1,431.8
* Adjustment: .23 AF deducted from Water West (Garzas #4) for 6/30/98.									
Y-T-D	CF 1000 G AF	42,414,487 317,282 973.7	184,931,048 1,383,380 4245.5	10,259,343 76,745 235.5	98,341,061 735,643 2257.6	1,013,653 7,584 23.2	3,092,986 23,138 70.9	340,052,578 2,543,772 7,806.4	7,712.3
August	CF 1000 G AF	6,532,350 48,865 150.0	35,685,591 266,947 819.2	457,801 3,424 10.5	24,162,993 180,752 554.7	326,468 2,442 7.5	933,867 6,986 21.4	68,099,070 509,416 1,563.3	1,534.4
Y-T-D	CF 1000 G AF	48,946,837 366,147 1,123.7	220,616,639 1,650,327 5,064.7	10,717,144 80,169 246.0	122,504,054 916,395 2,812.3	1,340,121 10,026 30.7	4,026,853 30,124 92.3	408,151,648 3,053,188 9,369.7	9,246.7

California-American Water Company
 Monterey Division
 Net System Production
 Year to Date 1998

Month	San Clemente Dam Surface Water	Carmel Valley Wells	Water West Wells	Seaside Wells	Ryan Ranch Wells	Hidden Hills Wells	NET SYSTEM PRODUCTION	Net System (less RR & HH)
January	CF	6,333,175	35,868,858	511,092	0	321,049	43,120,777	980.5
	1000 G AF	47,375 145.4	268,318 823.4	3,823 11.7	0 0.0	2,402 7.4	322,566 989.9	
Y-T-D	CF	6,333,175	35,868,858	511,092	0	321,049	43,120,777	980.5
	1000 G AF	47,375 145.4	268,318 823.4	3,823 11.7	0 0.0	2,402 7.4	322,566 989.9	
February	CF	20,118	30,197,974	542,243	8,040,647	297,236	39,170,162	890.8
	1000 G AF	150 0.5	225,897 693.3	4,056 12.4	60,148 184.6	2,224 6.7	293,013 899.2	
Y-T-D	CF	6,353,293	66,066,832	1,053,335	8,040,647	618,285	82,290,939	1,871.3
	1000 G AF	47,525 145.9	494,215 1,516.7	7,879 24.1	60,148 184.6	4,626 14.1	615,579 1,889.1	
March	CF	8,275,764	32,573,563	1,998,432	0	293,467	43,229,126	983.7
	1000 G AF	61,907 190.0	243,667 747.8	14,949 45.9	0 0.0	2,195 6.7	323,376 992.4	
Y-T-D	CF	14,629,057	98,640,395	3,051,767	8,040,647	911,752	125,520,065	2,855.0
	1000 G AF	109,432 335.9	737,882 2,264.5	22,828 70.0	60,148 184.6	6,821 20.8	938,955 2,881.5	
April	CF	4,008,370	15,780,860	4,395,263	18,334,242	340,301	42,968,756	976.1
	1000 G AF	29,985 92.0	118,049 362.3	32,879 100.9	137,150 420.9	2,545 7.8	321,429 986.4	
Y-T-D	CF	18,637,427	114,421,255	7,447,030	26,374,889	1,252,053	168,488,821	3,831.1
	1000 G AF	139,417 427.9	855,931 2,626.8	55,707 170.9	197,298 605.5	9,366 28.6	1,260,384 3,867.9	

CALIFORNIA-A. WATER COMPANY
 Monterey Division 443
 CV WELLS - PRODUCTION
 October 1988

Date	Russell #2 (upper)	Russell #4 (upper)	Robles (upper)	LL #5 (upper)	LL #6 (upper)	Scarlett #8 (lower)	Berwick #7 (lower)	Berwick #8 (lower)	Begonia (lower)	Manor (lower)	Schulte (lower)	Pearce (lower)	Cypress (lower)	San Carlos (lower)	Rancho Canada (lower)	Backwash CF	TOTAL CF
1	0	0	0	0	0	233,100	0	0	0	68,100	158,100	324,900	360,100	0	283,600	1,320	1,426,780
2	0	0	0	0	0	73,882	0	0	0	65,067	209,833	333,733	345,900	0	276,767	12,900	1,292,882
3	0	0	0	0	0	73,882	0	0	0	65,067	209,833	333,733	345,900	0	276,767	(3,140)	1,308,322
4	0	0	0	0	0	73,882	0	0	0	26,300	165,900	291,500	367,700	0	285,400	3,850	1,301,332
5	0	0	0	0	0	73,882	0	0	0	13,000	174,400	326,300	373,500	0	283,900	5,190	1,205,492
6	0	0	0	0	0	80,880	0	0	0	29,800	197,800	342,700	386,600	0	287,100	1,690	1,244,202
7	0	0	0	0	0	71,250	0	0	0	12,000	124,200	286,600	290,200	0	272,200	1,160	1,323,190
8	0	0	0	0	0	76,928	0	0	0	56,150	176,025	236,250	313,975	0	291,800	(560)	1,055,290
9	0	0	0	0	0	76,928	0	0	0	56,150	176,025	236,250	313,975	0	291,800	580	1,151,688
10	0	0	0	0	0	76,928	0	0	0	56,150	176,025	236,250	313,975	0	291,800	480	1,150,548
11	0	0	0	0	0	81,420	0	0	0	37,100	111,900	285,900	374,600	0	287,600	(11,130)	1,162,258
12	0	0	0	0	0	71,640	0	9,500	0	20,200	61,300	203,300	311,400	0	285,100	3,480	1,194,320
13	0	0	0	0	0	77,530	0	0	0	27,100	139,900	319,800	381,300	0	290,600	670	959,480
14	0	0	0	0	0	74,723	0	0	0	33,367	110,133	251,600	308,733	0	287,067	(19,830)	1,245,360
15	0	0	0	0	0	74,723	0	0	0	33,367	110,133	251,600	308,733	0	287,067	(19,830)	1,086,453
16	0	0	0	0	0	74,723	0	0	0	33,367	110,133	251,600	308,733	0	287,067	(7,040)	1,073,653
17	0	0	0	0	0	73,450	0	0	0	41,800	102,800	292,400	304,800	0	287,067	(11,980)	1,078,603
18	0	0	0	0	0	77,150	0	0	0	72,300	16,800	306,200	355,900	0	285,800	15,610	1,094,240
19	0	0	0	0	0	23,070	0	0	0	10,900	116,900	237,700	286,000	0	291,500	61,070	1,062,660
20	0	0	0	0	0	61,070	0	0	0	46,900	104,700	215,900	301,200	0	291,500	(64,690)	1,091,360
21	0	0	0	0	0	69,237	0	0	0	0	87,333	207,800	290,900	0	298,800	33,960	958,610
22	0	0	0	0	0	69,237	0	0	0	0	87,333	207,800	290,900	0	298,800	(5,990)	987,960
23	0	0	0	0	0	69,237	0	0	0	0	87,333	207,800	290,900	0	298,800	11,940	923,130
24	0	0	0	0	0	77,170	0	1,400	900	0	4,000	207,800	290,900	0	279,800	(28,280)	965,650
25	0	0	0	0	0	75,970	0	0	0	0	0	129,000	294,900	0	305,100	47,330	727,940
26	0	0	0	0	0	78,050	0	0	0	0	0	72,900	249,200	0	304,700	(54,560)	813,430
27	0	0	0	0	0	74,070	0	0	0	0	0	63,800	191,500	0	287,000	16,470	612,980
28	0	0	0	0	0	77,817	0	0	0	40,567	34,333	155,767	248,700	0	321,500	9,870	590,100
29	0	0	0	0	0	77,817	0	0	0	40,567	34,333	155,767	248,700	0	304,833	(13,850)	875,867
30	0	0	0	0	0	77,817	0	0	0	40,567	34,333	155,767	248,700	0	304,833	(950)	862,967
31	0	0	0	0	0	77,817	0	0	0	40,567	34,333	155,767	248,700	0	304,833	(950)	862,967
CF	0	9,700	0	0	2,189,465	233,100	0	10,900	10,600	1,066,035	3,473,364	7,429,233	9,651,659	0	8,990,668	9,650	32,967,205
1000 G	0	73	0	0	16,378	1,744	0	82	79	7,989	25,983	56,575	71,526	0	67,255	72	246,612
AF	0.0	0.2	0.0	0.0	50.3	5.4	0.0	0.3	0.2	24.5	79.7	170.6	219.5	0.0	205.4	0.2	756.8

CALIFORNIA-AMERICAN WATER COMPANY
 Monterey Division 443
 WATER WEST - PRODUCTION
 October 1998

Date	Panetta #1	Panetta #2	Garzas #3	Garzas #4	TOTAL (CF)
1	13,190	0	0	0	13,190
2	39,403	47,210	0	0	86,613
3	39,403	47,210	0	0	86,613
4	39,403	47,210	0	0	86,613
5	38,990	46,520	0	0	85,510
6	40,870	48,830	0	0	89,700
7	41,480	49,550	0	0	91,030
8	36,440	43,500	0	0	79,940
9	39,955	47,748	0	0	87,703
10	39,955	47,748	0	0	87,703
11	39,955	47,748	0	0	87,703
12	39,955	47,748	0	0	87,703
13	43,460	51,890	0	0	95,350
14	38,060	45,620	0	0	83,680
15	59,850	47,730	0	0	107,580
16	31,833	46,033	0	0	77,867
17	31,833	46,033	0	0	77,866
18	31,833	46,033	0	0	77,866
19	39,950	47,590	0	0	87,540
20	5,990	61,710	0	0	67,700
21	41,110	49,410	0	0	90,520
22	37,350	44,500	0	0	81,850
23	12,880	15,327	0	0	28,207
24	12,880	15,327	0	0	28,207
25	12,880	15,327	0	0	28,207
26	34,630	40,860	0	0	75,490
27	0	0	0	0	0
28	40,330	39,930	0	0	80,260
29	38,300	36,680	0	0	74,980
30	40,133	38,447	0	0	78,580
31	40,133	38,447	0	0	78,580
CF	1,042,435	1,247,915	0	0	2,290,350
1000 G	7,798	9,335	0	0	17,133
AF	23.9	28.6	0.0	0.0	52.6

CALIFORNIA-AMERICAN WATER COMPANY

Monterey Division 443

CARMEL VALLEY WELLS

Production Water Year (AF)

1998-99

Date	CVFP	Aquifer 1	Aquifer 2	Water West	Aquifer 3	Aquifer 4	Total Production	BIRP Backwash	Net Production
Oct 1998	159.4	0.2	50.3	52.6	500.2	206.4	969.1	(6.2)	968.9
Oct 1997	157.7	1.0	0.0	9.5	623.6	227.1	1,018.9	(1.2)	1,017.7
Nov 1997	24.6	33.9	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	0.5	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 1998	150.0	0.0	0.0	10.5	632.1	191.0	983.6	(4.0)	979.6
Aug 1997	180.4	1.4	0.3	10.6	1,023.6	178.1	1,394.4	(4.3)	1,390.1
Sep 1998	150.7	0.0	16.1	9.1	821.4	180.8	1,178.1	(0.6)	1,177.5
Sep 1997	173.5	1.0	0.4	10.2	1,056.9	192.8	1,434.8	1.3	1,436.1
Total	159.4	0.2	50.3	52.6	500.2	206.4	969.1	(0.2)	968.9

* Figures Shaded - 98/99 Water Year

CARMEL VALLEY WELLS

Production Water Year

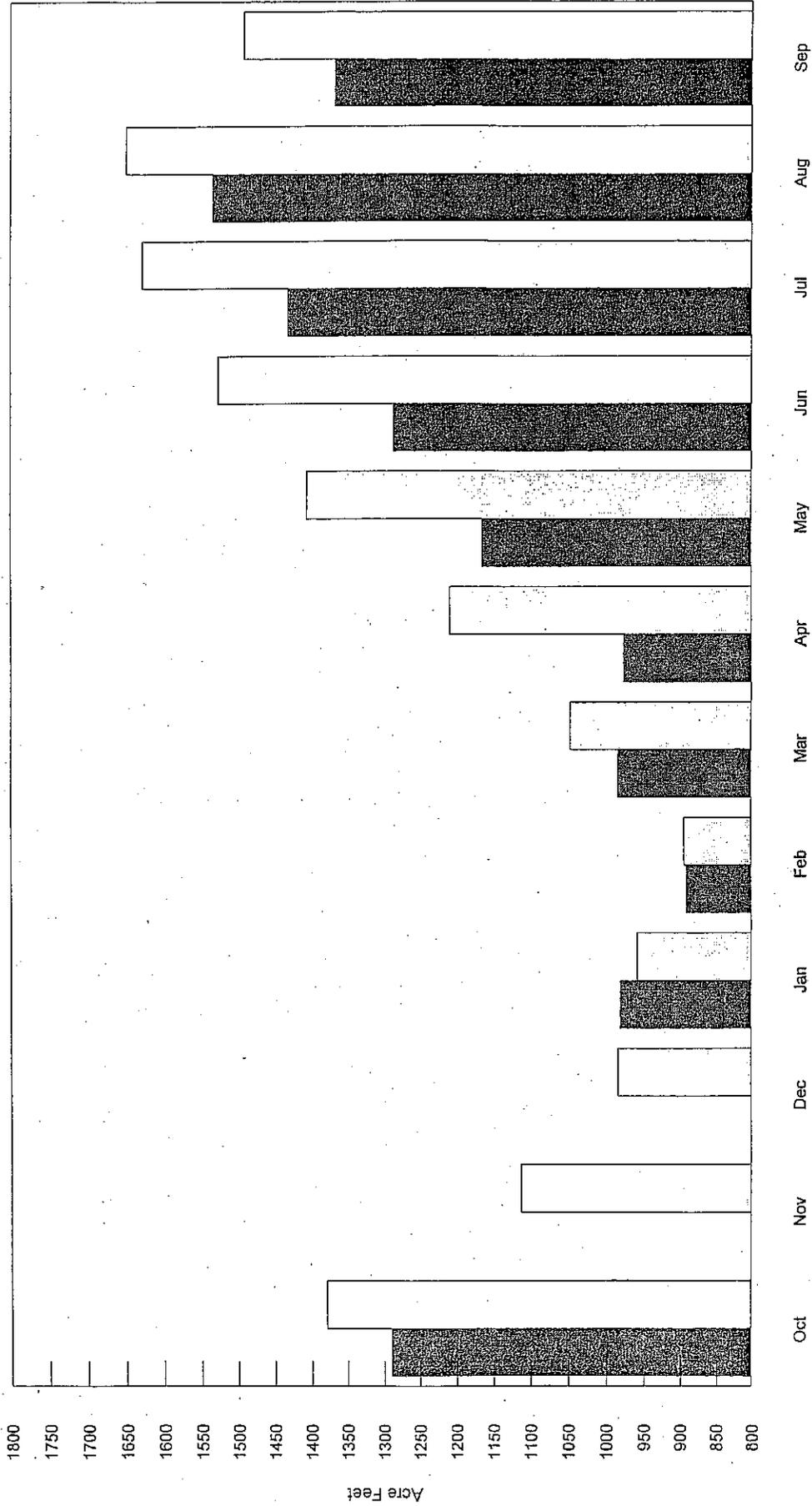


GOAL FOR CARMEL VALLEY WELLS

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
	<u><u>11,285 AF</u></u>

TOTAL SYSTEM PRODUCTION

1998-99 Water Year



TOTAL SYSTEM PRODUCTION

Goal for Water Year - 15,285 AF

1998
 Goal

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
	<u>15,285 AF</u>

MON October, 1998

WELL NAME	REASON OUT OF SERVICE	DATE FROM	DATE TO	IS IT CAUSING A SUPPLY PROBLEM? YES/NO?
1 Benwick #7	Pump bowls or shaft stuck	7-29-98	Present	No
La Salle #2	Motor went to ground	7-2-98	10-14-98	NO
2 La Salle #3	Well water production depleting	10-23-98	Present	No
San Carlos	Well not pumping water, possible bad pump or well collapsed	8-31-98	Present	No
3 Luzern	Temporary pump bad, new pump and motor installed	8-12-98	10-16-98	No

STORAGE TANKS	REASON OUT OF SERVICE	DATE FROM	DATE TO	IS IT CAUSING A SUPPLY PROBLEM? YES/NO?
1 Hilby #2	Tank Maintenance & painting	6-16-98	10-26-98	NO
2 Mt. Devon	Tank Replacement (W.O. # 32447)	6-3-98	Present	No
3 Lower Middle Canyon Tank B	Hole in tank (redwood tank)	9-13-98	Present	NO

DEPARTMENT OF WATER RESOURCES

1416 NINTH STREET, P.O. BOX 942836

CRAMENTO, CA 94236-0036

(415) 653-5791



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NOV - 2 1998

October 29, 1998

CAL-AM WATER CO.

Mr. Lawrence D. Foy

California-American - Monterey District

50 Ragsdale, Suite 100

Monterey, California 93940

Dear Mr. Foy:

Thank you for your response to the review of your 1995 Urban Water Management Plan. We revised our previous review dated December 19, 1997. A revised copy is attached.

If you have any questions, please contact the DWR staff person listed on the review. You may also contact me at (916) 327-1655 or Greg Smith, Chief of DWR's Urban Water Conservation Unit, at (916) 327-1619.

Sincerely,

Ed Craddock, Chief
Water Conservation Office
Division of Planning and Local Assistance

Enclosure

cc: Luis Avila
San Joaquin District
Department of Water Resources
3374 East Shields Avenue
Fresno, California 93726

COPY / REVIEW

- Mgr.
- Oprs. Mgr.
- Hum. Res. Mgr.
- Loss Ctrl. Mgr.
- Cross. Con. Spec.
- Oprs. Supt. - Prod.
- Oprs. Supt. Dist.
- Water Qty.
- Cust. Svc. Spvr. - Anita
- Cust. Svc. Spvr. - Lesley
- Marlene
- Tina E.
-
- _____
- FILE

Urban Water Management Plan Review

California-American - Monterey District 1995 Urban Water Management Plan

Contact	Luis Avila	Address	3374 East Shields Avenue
Office	San Joaquin District	City	Fresno
California Department of Water Resources		State	California
Phone Number	(209) 445-5429	Zip Code	93726

Review of Plan Elements and Subelements:	Addressed in the Plan
--	-----------------------

Plan Adoption, Public Participation, Coordination with Others, History & Facilities

Coordination with other water suppliers and public agencies	Yes
Evidence of community participation	Yes
Public meeting notice/meeting held	Yes
Resolution to adopt the 1995 Urban Water Management Plan	Yes

Rates and Financial Information

Analysis of financial impacts of water shortages	Yes
Penalties/charges for excessive use	Yes
Sewer rate information	No
Water rate structure and information	Yes

Supply and Demand Comparison for 1975 to 2015

Comprehensive water balance to 2015?	No
--------------------------------------	----

Three-Year Worst Case Supply Projection

Does the projection consider past shortages in conjunction with present and/or future demand?	Yes
Estimate of minimum supply at the end of 12, 24 and 36 months, assuming worst case water supply shortages	Yes

Urban Water Management Plan Review

California-American - Monterey District 1995 Urban Water Management Plan

Review of Plan Elements and Subelements:	Addressed in the Plan
<hr/>	
Water Shortage Contingency Analysis	
Consumption limits - percentage reduction	Yes
Consumption limits - percentage reduction	Yes
Monitoring mechanisms	Yes
Resolution to declare a water shortage	Yes
Stages and triggering mechanisms up to 50% reduction of supply	Yes
Water Supply History and Forecast	
1975-1990 water supply history	Yes
1995-2015 future water supply	Yes
Water Use History and Forecast -- 1975 to 2015	
1975-1990 water use history by customer sectors	No
1995-2015 future water use by customer sectors	No

Urban Water Management Plan Review

California-American - Monterey District 1995 Urban Water Management Plan

Review of Best Management Practices:	Implementation Reported
1. Interior and Exterior Water Audits for Single Family and Multi-Family Customers	Yes
2. New and Retrofit Plumbing	Yes
3. Distribution System Water Audits, Leak Detection and Repair	Yes
4. Metering with Commodity Rates	Yes
5. Large Landscapes and Water Audits and Incentives	Yes
6. Landscape Water Conservation	Yes
7. Public Information	Yes
8. School Education	Yes
9. Commercial and Industrial Water Conservation	Yes
10. New Commercial, Industrial and Institutional Water Use Review	Yes
11. Conservation Pricing	Yes
12. Landscape Water Conservation for New and Existing Single Family Homes	Yes
13. Water Waste Prohibition	Yes
14. Water Conservation Coordinator	Yes
15. Financial Incentives	Yes
16. Ultra-Low Flush Toilet Replacement	Yes

Yes is any level of implementation or another agency is implementing this BMP.

No is an exemption, this BMP is not applicable, or the agency is not implementing this BMP.

SWRCB - ORDER NO. WR 95-10
Quarterly Report - August/October 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. During the first month of water year October 1998 through September 1999, production was 320.8 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 has developed an acceptable conservative agreement with the U. S. Fish and Wildlife and National Marine Fisheries 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 - August/October 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 October 1998 from specific sub-units in the Carmel Valley via Carmel Valley wells.

Carmel Valley Filter Plant produced 159.4 AF, with 50.5 AF from Aquifers No. 1 and No. 2; Water West - 52.6 AF; Aquifer No. 3 - 500.2 AF; Aquifer No. 4 - 206.4 AF. Total production for the month of October was 969.1 AF. However, applying an adjustment of 0.2 AF for the Begonia Iron Removal Plant Backwash, brings the net production to 968.9 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. The MPWMD, the CDF&G and Cal-Am continue to meet quarterly to review flows and river conditions.

SWRCB - ORDER NO. WR 95-10
Quarterly Report - August/October 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 May/July 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. The SWRCB has made the study available for comment to all interested parties. We were involved with the Settlement Agreement by the Superior Court.



State Water Resources Control Board

John P. Caffrey, Chairman



Pete Wilson
Governor

Peter M. Rooney
Secretary for
Environmental
Protection

Executive Office

901 P Street • Sacramento, California 95814 • (916) 657-0941 Fax (916) 657-0932
Mailing Address: P.O. Box 2000 • Sacramento, California • 95812-2000
Web Site Address: <http://www.swrcb.ca.gov>

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NOV 16 1998

Mr. Clive R. Sanders
Carmel River Steelhead Association
P.O. Box 1183
Monterey, CA 93940

CAL-AM WATER CO.

Dear Mr. Sanders:

ADMINISTRATIVE CIVIL LIABILITY COMPLAINT NO. 262.10-03 – CALIFORNIA-AMERICAN WATER COMPANY (CAL-AM)

By letter dated September 26, 1998, to Chairman John Caffrey you submitted the comments of the Carmel River Steelhead Association (CRSA) regarding the cancellation of the September 8, 1998 hearing on ACL 262.10-03 and issuance of ACL 262.5-6 on August 16, 1998. Mr. Caffrey has asked me to respond to your comments.

Your letter states that the California American Water Company (Cal-Am) "was fined \$168,000" and suggests that, instead of adopting the settlement of liability proposed by Cal-Am and incorporated in ACL 262.5-6, "the \$168,000" should be used towards development of a steelhead habitat conservation plan.

As you may be aware, acting within my authority as Executive Director of the State Water Resources Control Board (SWRCB), I issued a complaint proposing that liability be imposed in the amount of \$168,000, but Cal-Am requested a hearing on the complaint. If the SWRCB had continued with proceedings on the original complaint, no liability could be imposed until after the hearing, and \$168,000 was the maximum amount of liability the SWRCB could impose. Moreover, unless Cal-Am agreed to arrangements by which it expends money for a special project or projects in lieu of payment of administrative civil liability, any liability imposed and collected by the SWRCB would go to the general fund of the State of California.

The settlement proposed by Cal-Am was attractive because it entailed expenditures by Cal-Am substantially in excess of the maximum liability the SWRCB could impose, for a project that would help reduce the need for diversions from the Carmel River, as opposed to having money paid to the State for general revenue purposes. The proposed settlement also avoided the need for a potentially expensive and time consuming hearing. The Water Code seeks to promote expeditious resolution for administrative civil liability complaints by providing for a hearing only where requested by the party to whom the complaint is issued. Accordingly, I issued a new complaint incorporating Cal-Am's settlement proposal.

Where a settlement involves special expenditures by the person to whom the complaint is issued in lieu of payment of civil liability, it is important to the SWRCB that those expenditures be for actions over and above what that person would otherwise undertake. The SWRCB would not accept a settlement where the alleged violator avoids payment of liability simply by taking credit

California Environmental Protection Agency

for expenditures that would be made whether or not an administrative civil liability complaint were issued. SWRCB staff reviewed the Cal-Am settlement proposal to make sure that the expenditures to be made by Cal-Am were over and above what Cal-Am would be doing in the absence of the settlement. By contrast, it is unclear whether having Cal-Am pay for a habitat conservation plan in lieu of paying administrative civil liability would pass this test. Your letter indicates that a habitat conservation plan is required under the federal Endangered Species Act. If federal law requires preparation of the habitat conservation plan, it would appear that following your suggestion would allow Cal-Am to avoid liability based on an expenditure that would have to be made in any event.

SWRCB Order WR 95-10 sets requirements for Cal-Am to diligently implement actions to eliminate its unlawful diversions from the Carmel River. Order WR 95-10 also includes conditions relating to the mitigation of adverse conditions for fish in the Carmel River. By issuing an administrative civil liability complaint against Cal-Am, the SWRCB intended to underscore its willingness to enforce Order WR 95-10. By accepting a settlement offer from Cal-Am involving expenditures in excess of the maximum liability the SWRCB could impose, the SWRCB made its point. We also avoided the risk that a contested hearing over what enforcement is appropriate would have diverted attention from the central issue of assuring compliance with Order WR 95-10.

Katherine Mrowka is the staff person presently assigned to this matter. If you require further assistance, Ms. Mrowka can be contacted at (916) 657-1951.

Sincerely,

Original Signed By:

Walt Pettit
Executive Director

cc: ✓ Mr. Darby Fuerst
Monterey Peninsula Water
Management District
P.O. Box 85
Monterey, CA 93942-0085

Mr. Larry Foy
California-American Water Company
P.O. Box 951
Monterey, CA 93942-0951

SWRCB - ORDER NO. WR 95-10
Quarterly Report - August/October 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 completion of 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 November 16, 1998 from MPWMD indicating that a draft report will be completed by the end of the year. The final report is to be submitted by February 1, 1999.



**MONTEREY PENINSULA
WATER MANAGEMENT DISTRICT**

187 ELDORADO STREET • POST OFFICE BOX 85
MONTEREY, CA 93942-0085 • (831) 649-4866
FAX (831) 649-3678 • <http://www.mpwmd.dst.ca.us>

November 16, 1998

Ms. Judith L. Almond
Manager, Monterey Division
California-American Water Company
P.O. Box 951
Monterey, California 94942-0951

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

Dear Judy:

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 work on the Draft Supplemental EIR for Carmel River Dam and Reservoir Project, 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.
- 2) Experimental bypasses of stored water at Los Padres Dam during fall 1997 and fall 1998. In 1998, the District, Cal-Am, and the California Department of Fish and Game decided to release additional stored water, beginning September 11, 1998. Following September 11, streamflow releases as measured at the Sleepy Hollow Weir ranged up to 19 cfs, or 9 cfs more than the required minimum. Without the release of additional stored water, streamflow in the lower Carmel River would have dried up during mid- to late-September.

Work on the remainder of the contract is scheduled for late November and early December 1998 with a draft report completed by the end of the year and a final report submitted by February 1, 1998. Again, 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 W. Fuerst
General Manager

cc: David Dettman

SWRCB - ORDER NO. WR 95-10
Quarterly Report - August/October 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. Enclosed is a letter from the District projecting completion of a draft report by year-end, with a final report to be submitted by February 1, 1999.



**MONTEREY PENINSULA
WATER MANAGEMENT DISTRICT**

187 ELDORADO STREET • POST OFFICE BOX 85
MONTEREY, CA 93942-0085 • (831) 649-4866
FAX (831) 649-3678 • <http://www.mpwmd.dst.ca.us>

November 16, 1998

Ms. Judith L. Almond
Manager, Monterey Division
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 Judy:

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. All field measurements and observations have been made at the remaining sites (Old Carmel Dam and Sleepy Hollow Ford).

As you know, District staff has been working on the Draft Supplemental EIR for the Carmel River Dam and Reservoir Project, which has caused a delay in completing work on Condition No. 8. With release of the Draft SEIR in November 1998, District staff is committed to completing the data analysis on Condition No. 8 and delivering a draft report to Cal-Am by the end of the year, with a final report by February 1, 1998. If you have any questions regarding the study, please let me know. I appreciate your cooperation and patience regarding the delay on this project.

Sincerely,

Handwritten signature of Darby W. Fuerst in cursive script.
Darby W. Fuerst
General Manager

cc: David Dettman

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SWRCB - ORDER NO. WR 95-10
Quarterly Report - August/October 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 November 1998. The final draft report will be made available to the public in November 1998. A 60-day comment period will be allowed.

The California Public Utilities Commission held a prehearing conference on June 22, 1998 with Commissioner Duque and ALJ Steve 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 fallback measure if the reservoir project is not approved.

On November 16, 1998 the MPWMD released the Draft SEIR for the Carmel River Dam and Reservoir Project. The SEIR included evaluations of alternative or contingency plans.

On November 17, 1998 a prehearing conference was held with Commissioner Duque and ALJ Steve Kotz. Cal-Am submitted its Plan B to the Commission at their hearing. Considerable public comment was received. The Commission staff is expected to review simultaneously the SEIR and the Dam Project, while developing a contingency plan, or Plan B. The directive to the Commission is defined by Keeley Bill AB-1182.