



- California American Water is a joint owner of the ASR Phase I project recently permitted by the Water Rights Division of the State Water Resources Control Board. This project will allow California American Water to capture excess winter flows from the Carmel River and store that water in the Seaside groundwater basin for use during low-flow periods. California American Water has, accordingly, obtained a permit to appropriate additional Carmel River water, the first of the listed compliance options.
- California American Water has signed an agreement to operate the City of Sand City desalination plant. This facility is scheduled to begin operation in 2009. Based on permits for this system issued by the Monterey Peninsula Water Management District, this facility will produce up to 300 acre-feet per year of water. Of the 300 acre-feet produced, 94 acre-feet will supply the demands of existing development. The other 206 acre-feet of water will be used to supply new development within the City of Sand City over the next 20 years. Thus, there will be an initial increase in water supply to the California American Water system of 300 acre-feet per year, which will be reduced to a net increase of 94 acre-feet by 2030. This surplus water will be used to reduce overdraft of the Seaside basin or to reduce low-flow demand from the Carmel River.
- California American Water has filed an application with the California Public Utilities Commission (CPUC) to obtain a Certificate of Public Convenience and Necessity for a desalination facility to serve the Monterey Peninsula customers. Based on the most recent information from the CPUC, the CPUC anticipates completing the Draft Environmental Impact Report for the project by the end of 2008 with a final decision by the CPUC in 2009. California American Water estimates that it will take at least two years following the CPUC's decision to obtain all other ancillary permits and entitlements, and three years to construct the facilities once all permits have been obtained. Thus, if all approvals are granted on this schedule, it is estimated that construction will be completed in the last half of 2014, and the plant will be fully operational to alleviate impacts to public trust resources during the 2015 low-flow period. As water becomes available from the desalination plant to serve customers, California American Water will have procured water from an alternative source, and will reduce its unpermitted diversions on a one-for-one basis.
- California American Water is currently working to become joint owners of the water rights held by the MPWMD related to the New Los Padres Dam project. In that regard, California American Water will be working closely with MPWMD staff to process the Petitions for Change and Application for Extension of Time that the MPWMD has on file with the SWRCB. Upon successful completion of these activities, California American Water would be a joint owner of those appropriative rights.

