Exhibit CAW-030S

California-American Water Company

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

Judith L. Almond
Vice President & Manager

443-151

April 20, 2000

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

RE: SWRCB Order No. WR 95-10
January - March Quarterly Report

Dear Mr. Schueller:

As a condition of the subject order, we are filing herewith our ***quarterly*** report for the period of January 1, 2000 through March 31, 2000 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. Also included are the following data reports:

1. Carmel Valley Wells - Production Water Year
2. Carmel Valley and Seaside Production - Water Year to Date
3. Water Supply and Budget
4. Various News Articles

Very truly yours,

Judith L. Almond

Judith L. Almond

JLA/sr
Enclosure

Exhibit CAW 030S

cc: P. Coulston
D. Fuerst
G. Haas
T. Jones, Jr.
D. Stephenson
M. Lucca
C. Frey
J. Driscoll, Esq.
L. Weiss, Esq.
D. Laredo, Esq.
F. Farina, Esq.
D. Armanasco
P. Ma

SWRCB - ORDER NO. WR 95-10
Quarterly Report - January/March 2000

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 No. 2.1:

Cal-Am continues to pursue acquisition of permits to legalize diversions from the Carmel River. The Draft SEIR - 2 for the Carmel River Dam and Reservoir Projected is expected to be released for public comment by the Monterey Peninsula Water Management District in the third quarter of 2000.

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 14,106[24] 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):

Cal-Am *Urban Water Management Plan* was heard at the January 27, 2000 meeting of the Monterey Peninsula Water Management District. Vote for acceptance of the Plan was unanimous with no public opposition.

Cal-Am continues to work with the Monterey Peninsula Water Management District to develop a database of "water budgets" deemed appropriate and necessary usage for Peninsula consumers. In compliance with the MPWMD's *Expanded Water Conservation and Standby Water Rationing Plan.*

On March 1, 2000 the Monterey Peninsula Water Management District announced Stage 3 of the *Expanded Water conservation and Standby Water Rationing Plan.* This is the catalyst for the California Public Utilities Commission to approve Cal-Am's "conservation rates." Those rates received CPUC approval on March 16, with implementation effective April 1, 2000. Each customer received individual letter detailing what their bill during the same period last year, will be this year, under the new rate presuming that the usage is the same.

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 14,106[24] 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):

For the first half of the water year October, 1999 through September 2000, the established goal for the Carmel Valley was 4,514.0 AF. Actual production for the six month period from both surface and well diversions was 4,926.9 AF, or 9.1 percent over goal. The overall production, which includes the Seaside Basin was 6,466.9 AF, or 1.5 percent over the total six month system goal of 6,375.0 AF.

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:

During the first half of water year October 1999 through September 2000, Cal-Am extracted 1539.8 AF. from the Seaside Basin. The plan is to maximize Seaside extraction's up to a goal of 4,000 AF. Cal-Am's management of Seaside Basin extraction's is based on the Memo of Agreement between the MPWMD, Cal-Am and California Department of Fish and Game, adopted as part of the MPWMD's Water Supply Strategy by the board of directors. The agreement includes the relaxation of the basin during the winter months to allow recharge and maximization during the summer months. Cal-Am will continue this water management plan which will assist in maintaining the production goal limits for the Carmel Valley Basin and with the continuation of river flows to the Lagoon.

As previously reported, Cal-Am has a conservation agreement with U.S. Fish and Wildlife for the protection of the red-legged frog for operations in the Carmel Valley Basin during the water year 1998-1999. U.S Fish and Wildlife has agreed to extend the agreement, but wants to make some revisions. We anticipate a final document in April.

The Company continues its efforts to develop a conservation agreement with the National Marine Fisheries for the protection of the Steelhead, now a threatened species in the Carmel River.

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 including in this second water year quarterly report the monthly production data for March 2000 from specific sub-units in the Carmel Valley via Carmel Valley wells.

Carmel Valley Filter Plant produced 20.2 AF, with 76.0 AF from Aquifers No. 1 and No. 2; Water West - 36.2 AF; Aquifer No. 3 - 875.1 AF; Aquifer No. 4 - Ø AF. Total production for the month of March was 1007.5 AF. Applying an adjustment of Ø AF for the Begonia Iron Removal Plant Backwash, brings the net production to 1007.5 AF in March 2000.

Status of wells:

Lower Carmel Valley Wells

Rancho Canada - Off Line - Warrenty Maintenance Work
Est. back in service April 15
San Carlos - Out of Service - Warrenty Maintenance Work
Est. back in service April 15
Cypress - On Line
Pearce - On Line
Schulte - On Line
Manor - On Line
Begonia #2 - On Line
Berwick 7 - Out of Service for rehabilitation. Will be back on line mid 2000.
Berwick 8 - On Line

Upper Carmel Valley Wells

Panetta 1 - On line
Panetta 2 - On line
Garzes 3 - On line
Garzes 4 - On line
Los Laureles 5 - Off line
Los Laureles 6 - Off line
Scarlett 8 - On line (6 to 8 hours/day)
Robles - Off line
Russell 2 - On line
Russell 4 - On line

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:

In accordance with the terms of Order No. 98-04, the Reconnaissance-Level Feasibility Study of the Operational Reconfiguration of Lower Carmel Valley Wells has been completed and was submitted to the State Board on June 21, 1999.

It is our understanding that SWRCB staff is working on an analysis of the data presented and will issue their report within the next quarter.

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 hired Entrix to finalize the subject studies. Commitments were made to have the studies completed by March 31; however, heavy rains during February and March prohibited some necessary field work from being done until a later date. As a result the studies will be completed in early May.

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 hired Entrix to finalize the subject studies. Commitments were made to have the studies completed by March 31; however, heavy rains during February and March prohibited some necessary field work from being done until a later date. As a result the studies will be completed in early May.

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 action will be accomplished;

(b) An urban water conservation plan;

(c) An irrigation management plan.

Response 12(a):

We have been informed by the Monterey Peninsula Water Management District (MPWMD) that the new anticipated date for release of the Draft SEIR-2 for the Carmel River Dam and Reservoir Project for public comment will be in the fourth quarter of 2000.

Plan B, the alternative being developed by the California Public Utilities Commission as a result of legislation passed by Assemblyman Keeley (AB 1182) is in progress; however, is delayed due to the exhaustion of funds available. This may delay the unveiling of the Plan B previously anticipated for August, 2000.

There is discussion suggesting that the E.I.R.'s for Plan A and Plan B should include an expanded scope to consider growth in various degrees. Additionally, some members of the MPWMD are in favor of combining the E.I.R.'s for Plan A and B asserting that that a more extensive analysis would result in a more thorough document.

CALIFORNIA-AMERICAN WATER COMPANY
Monterey Division 443
S.C. DAM & CARMEL VALLEY WELLS
Production Water Year (AF)
1999-00

Date	CVFP	Aquifer 1	Aquifer 2	Water West	Aquifer 3	Aquifer 4	Total Production	BIRP Backwash	Net Production
Oct 1999	32.0	77.8	0.0	11.1	479.6	224.2	824.7	(1.1)	823.6
Oct 1998	159.4	0.2	50.3	52.6	500.2	206.4	969.1	(0.2)	968.9
Nov 1999	7.3	68.6	0.0	11.0	346.9	225.8	659.6	(2.6)	657.0
Nov 1998	185.1	1.5	52.6	53.1	156.7	174.7	623.7	1.2	624.9
Dec 1999	15.0	80.2	0.0	10.7	545.4	240.6	692.9	0.1	693.0
Dec 1998	149.9	4.4	14.0	14.2	321.0	52.9	556.4	(1.2)	555.2
Jan 2000	21.8	76.7	0.0	4.9	601.6	205.3	904.2	(1.0)	903.2
Jan 1999	115.4	12.7	5.3	27.8	540.4	39.0	740.6	(3.6)	737.0
Feb 2000	24.2	55.5	0.0	32.4	685.7	45.0	842.8	(0.1)	842.7
Feb 1999	68.1	17.1	0.0	78.0	576.3	55.4	794.9	(3.4)	791.5
Mar 2000	20.2	76.0	0.0	36.2	875.1	0.0	1,007.5	0.0	1,007.5
Mar 1999	167.3	3.0	0.0	83.8	604.5	17.9	876.5	(0.3)	876.2
Apr 2000							0.0		0.0
Apr 1999	147.8	5.1	0.0	80.7	789.6	38.0	1,061.2	(0.3)	1,060.9
May 2000							0.0		0.0
May 1999	141.0	0.0	0.0	21.5	743.0	155.5	1,061.0	(4.2)	1,056.8
Jun 2000							0.0		0.0
Jun 1999	109.1	0.0	0.0	11.6	654.1	91.0	865.8	(0.9)	864.9
Jul 2000							0.0		0.0
Jul 1999	88.5	26.5	0.0	28.1	894.4	0.0	1,037.5	(2.7)	1,034.8
Aug 2000							0.0		0.0
Aug 1999	27.5	81.8	0.0	19.1	626.8	215.1	970.3	(2.5)	967.8
Sep 2000							0.0		0.0
Sep 1999	25.7	79.0	0.0	9.8	525.7	206.6	846.8	(2.4)	844.4
Total	120.5	428.8	0.0	106.2	3,335.3	940.9	4,931.7	(4.7)	4,927.0

* Figures Shaded - 99/00 Water Year

California-American Water Company
Monterey Division
Carmel Valley & Seaside Production
Water Year to Date 99-00

Month		San Clemente Dam Surface Water	Carmel Valley Wells	Water West Wells	Seaside Wells	TOTAL
02/00	CF	1,052,412	34,241,892	1,409,787	0	36,704,091
	1000 G	7,873	256,147	10,546	0	274,566
	AF	24.2	786.1	32.4	0.0	842.7
W-Y-T-D	CF	4,367,831	163,315,472	3,047,776	67,067,002	237,798,081
	1000 G	32,675	1,221,684	22,799	501,697	1,778,855
	AF	100.3	3749.3	70.0	1539.6	5,459.2
03/00	CF	878,267	41,427,912	1,575,740	7,831	43,889,750
	1000 G	6,570	309,902	11,787	59	328,318
	AF	20.2	951.1	36.2	0.2	1007.7
W-Y-T-D	CF	5,246,098	204,743,384	4,623,516	67,074,833	281,687,831
	1000 G	39,245	1,531,586	34,586	501,756	2,107,173
	AF	120.5	4,700.4	106.2	1,539.8	6,466.9

California-American Water Company
Monterey Division
Carmel Valley & Seaside Production
Water Year to Date 99-00

Month		San Clemente Dam Surface Water	Carmel Valley Wells	Water West Wells	Seaside Wells	TOTAL
10/99	CF	1,394,974	33,997,137	483,511	23,561,035	59,436,657
	1000 G	10,435	254,316	3,617	176,249	444,617
	AF	32.0	780.5	11.1	540.9	1,364.5
W-Y-T-D	CF	1,394,974	33,997,137	483,511	23,561,035	59,436,657
	1000 G	10,435	254,316	3,617	176,249	444,617
	AF	32.0	780.5	11.1	540.9	1,364.5
11/99	CF	318,241	27,820,314	478,160	19,985,775	48,602,490
	1000 G	2,381	208,110	3,577	149,504	363,572
	AF	7.3	638.7	11.0	458.8	1,115.8
W-Y-T-D	CF	1,713,215	61,817,451	961,671	43,546,810	108,039,147
	1000 G	12,816	462,426	7,194	325,753	808,189
	AF	39.3	1,419.2	22.1	999.7	2,480.3
12/99	CF	654,725	29,068,670	466,169	19,237,795	49,427,359
	1000 G	4,898	217,449	3,487	143,909	369,743
	AF	15.0	667.3	10.7	441.6	1,134.6
W-Y-T-D	CF	2,367,940	90,886,121	1,427,840	62,784,605	157,466,506
	1000 G	17,714	679,875	10,681	469,662	1,177,932
	AF	54.3	2,086.5	32.8	1,441.3	3,614.9
01/00	CF	947,479	38,187,459	210,149	4,282,397	43,627,484
	1000 G	7,088	285,662	1,572	32,035	326,357
	AF	21.8	876.7	4.8	98.3	1,001.6
W-Y-T-D	CF	3,315,419	129,073,580	1,637,989	67,067,002	201,093,990
	1000 G	24,802	965,537	12,253	501,697	1,504,289
	AF	76.1	2,963.2	37.6	1,539.6	4,616.5

WATER SUPPLY STRATEGY AND BUDGET – OCTOBER TO DECEMBER 1999

Carmel River Reservoirs: Diversion and Release Schedule Assuming Near Normal Inflow Conditions

(All Values in Acre-Feet, except as indicated)

	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Totals WY 1999
Los Padres Reservoir													
Inflow	2,437	6,711	5,581	6,008	2,388	1,098	489	320	121	201	501	1,666	28,539
Outflow													
Evaporation	2	11	23	24	40	47	63	50	22	11	6	5	310
Spillage	1,820	6,145	4,943	5,389	1,733	0	0	0	0	0	0	498	20,896
Release (Fish Ladder)	615	555	615	595	615	602	553	364	440	393	405	461	7,237
Release (Outlet)	0	0	0	0	0	0	0	0	0	0	0	0	0
Release (Notch)	0	0	0	0	0	476	0	0	0	0	0	0	476
Total Storage													
Beginning of Month	1,569	1,569	1,569	1,569	1,569	1,569	1,542	1,415	1,321	980	777	867	
End of Month	1,569	1,569	1,569	1,569	1,569	1,542	1,415	1,321	980	777	867	1,569	
Between Reservoirs													
Inflow	1,350	4,793	2,970	4,245	1,679	860	292	148	70	117	74	284	18,304
Outflow													
Evapotranspiration	17	31	13	53	74	33	68	50	53	37	21	16	447
Private Usage	2	2	2	5	7	8	8	8	6	5	2	2	39
San Clemente Reservoir													
Inflow	3,766	11,460	8,513	10,171	3,946	1,896	768	454	452	468	455	1,225	46,427
Outflow													
Evaporation	1	3	6	13	15	18	23	22	7	6	7	6	118
Spillage	2,974	10,779	7,663	9,356	3,114	1,413	454	304	145	184	180	697	38,083
Diversion (Filter Plant)	115	68	167	148	141	109	89	28	30	31	30	31	1,389
Release (Valve)	0	0	0	0	0	0	92	40	92	63	59	123	1,675
Release (Fish Ladder)	615	555	615	595	615	297	49	0	119	123	119	307	4,438
Leakage	61	56	61	59	61	59	61	61	59	61	59	61	724
Total Storage													
Beginning of Month	147	147	147	147	147	147	147	147	147	147	147	147	
End of Month	147	147	147	147	147	147	147	147	147	147	147	147	
Total Release	3,650	11,390	8,340	10,010	3,790	1,770	657	405	415	432	418	1,188	44,920
Mean Daily Release in cfs	59	205	136	168	62	30	10.7	6.6	7.0	7.0	7.0	19.3	
Mean Daily Diversion in cfs	1.9	1.2	2.7	2.5	2.3	1.8	1.4	0.4	0.5	0.5	0.5	0.5	
Mean Daily Diversion in cfs (Russell Wells)							0.4	1.3	1.4	1.4	1.4	1.4	

Notes:

1. The minimum pool requirements at Los Padres and San Clemente Reservoirs are 212 and 124 acre-feet, respectively.
2. Projected inflow for September based on the recession of inflow at Los Padres and San Clemente Reservoirs during the April-August 1999 period.
3. Projected inflows made in September 1999 for October-December period were based on expectation that unimpaired flows at San Clemente and Los Padres Dams will be 92% of the median historical flows.
4. Estimated evaporation is based on average monthly reservoir surface area and gross monthly evaporation rates developed by US Army Corps of Engineers (1981).
5. Diversion rate of 0.5 cfs at San Clemente Dam is for purpose of analysis. Maximum average diversion of 3.0 cfs is allowed under the 1999 MOA, but not expected.
6. Diversion rate of 1.4 cfs at Russell Wells is expected for the duration of Calendar Year 1999. Releases at San Clemente Dam are increased to compensate for pumping of Russell Wells.

PLANT NAME California-American Water Company - Monterey Division
CLIPPING FROM The Carmel Pine Cone DATED March 31, 2000 PAGE NO. 1 of Page 22A

Editorial

The really bad news is yet to com

ALARM OVER Cal-Am's new rate structure is premature because most users don't have any idea how their water bills will change under the rates that go into effect this week. According to the water company, a family of four living on a quarter-acre lot should be able to get by with an allocation of 9,000 gallons a month. And the family won't see a rate increase unless it uses more than 13,500 gallons in a month. That's plenty of water for all ordinary household and landscaping purposes.

Of course, there would be no reason for Cal-Am to institute these new rates unless substantial numbers of its customers are using more water than the company thinks they should. Otherwise, putting the new rates in place would do nothing to reduce water use. Likewise, there'd be no reason to structure them so that a majority of users are penalized. So most Carmelites won't mind the new rates at all. But the underlying reality should bother everybody.

If the new rates don't reduce total water consumption enough to put Cal-Am under the water-use ceiling decreed by the State Water Resources Control Board, the company will be hit with another big fine. As of March 21, Cal-Am customers had used 66.35 acre feet more than state regulators say they should. Making good on that overdraft before the water year ends on September 30 will be difficult. The fine levied this time could make the $168,000 penalty imposed two years ago look like pennies. The SWRCB could, in fact, require Cal-Am to pay $3 million for pumping too much water from the Carmel River. Any fine will ultimately be paid by Cal-Am customers.

And even that isn't the really bad news, because the state board could decide at any moment to cut our water use limit even more. The state order has been in effect five years. But officials at the SWRCB — taking pity on residents of the Monterey Peninsula and hoping that the community would make up its mind about how best to augment its water supply — have just begun to make us feel the pain. They've required just a 20% cutback so far. That figure — 15,285 acre feet per year — is the target Cal-Am is trying to hit with its new water rates. But the legal water supply could be reduced to a much lower figure at any time — much lower, in fact, than the amount the community used during the painful droughts of the mid-1970s and early 1990s.

Meanwhile, with this sword of Damocles over our heads, the no-growth-obsessed board of directors of the Monterey Peninsula Water Management District spends its time trying to stifle creative ways for families to get access to a little new water for an additional bathroom or to add a dishwasher to their kitchen.

So far, most people's taps still flow freely and only a small minority of Peninsula residents are paying the price for our preposterous water shortfall. Mother Nature has avoided making things worse by providing plentiful rain over the last five years. But as the water shortage affects more and more people, political pressure to rectify the situation will increase.

One thing's for sure: The water shortage is going to get worse before it gets better.

Distribute:
J. Almond
D. Armanasco
L. Banka
J. Bajari
L. Dossman
S. Flynn
G. Haas
M. Iglesias
T. Jones
M. Leffel (MCBC)
M. Lucca
L. Morris
B. Nelson
L. Silva
D. Stephenson
K. Tilden
L. Weiss
Bulletin Boards
Regional - Execs
Call Center

Water board will consider dredging

Seeks alternative to Cal-Am project that forgoes silt removal

By THOM AKEMAN
Herald Staff Writer

The Monterey Peninsula water board made clear that it's moving in new directions Friday when it decided to take a closer look at dredging small reservoirs on the Carmel River to make room for more usable water.

The decision to consider dredging was made after board members questioned why the California-American Water Co. is planning to spend $14 million to stabilize the 79-year-old San Clemente Dam without removing the silt that has taken away 90 percent of its original storage capacity.

"I think this is the stupidest project I've ever seen in my life," said Dave Potter, a county supervisor and member of the water board. "It's like putting new tires on a car with a blown engine."

The board decided to organize a public workshop on dredging the accumulated silt out of the Cal-Am reservoirs.

It also decided to hold a workshop, probably in May, to talk about capturing and reusing rain water that now flows into the ocean through storm drains and off the streets and parking lots of the Peninsula.

The board made those decisions during an all-day study session, the third such meeting since three new members were elected to the board of the Monterey Peninsula Water Management District in November. A fourth study session is scheduled on Thursday.

While this board looks for smaller sources of water than a large dam and reservoir would provide, the dredging and reclamation workshops will be in addition to a joint meeting with the sewage agencies that recycle Peninsula wastewater and a planned water summit with the city councils in the water district.

Those pursuits will go on while the water district continues to examine the environmental impacts of a no-growth dam Cal-Am proposes to build on the river, and prepares to look at the best alternative to that dam when the state Public Utilities Commission defines it later this year.

At the earlier workshops, the board decided to consider ways of enlarging a possible dam and the soon-to-be-named alternative in order to get enough extra water for at least the vacant lots that can eventually be developed on the Peninsula.

But the board has established a new priority of trying to obtain a legal supply of water for residents and businesses already on the Peninsula before it looks for extra water for new users.

The state Water Resources Control Board took charge of the Carmel River aquifer in 1995 and ordered the Peninsula to cut back on the water diversions that were damaging the river environment. When the damages, diversions and rights were measured, the state ordered Cal-Am to find a new source for about two-thirds of the water now used by its 105,000 Peninsula customers.

In earlier actions the board also decided to look at the program that allows water credits to be transferred from one business to another. A staff report said that program, originally intended to save water through more efficient uses, has actually resulted in more water being used.

During the board's discussion of dredging, board member Kris Lindstrom said he was concerned that the water district is spending about $400,000 to build a cooling tower for a pond to hold steelhead trout because the silting has made the water so shallow the river is sometimes too warm for the fish.

The National Marine Fisheries Service has advocated removing the dam so the river could return to natural flows.

But Cal-Am needs the San Clemente Dam to provide pressure for its entire system, to give it a source of water for the water treatment plant at the side of the dam, and to regulate the flow of water down the river, Cal-Am officials said.

Marc Lucca, Cal-Am's project manager, said earlier studies ruled out the feasibility of getting huge amounts of the 120,000 truckloads of sediment out of the reservoir behind the San Clemente Dam.

"Dredging is a very expensive concept that's difficult at best at this particular location," Lucca said Friday afternoon.

It's not likely that thousands of trucks can go through the pricey Sleepy Hollow subdivision that's developed between the dam and Carmel Valley Road, he said. And it's not realistic to think about putting that many trucks on Carmel Valley Road, Lucca said.

Cal-Am is looking at the possibility of releasing some of the sediment behind the dam and letting it go down the river during high winter flows as it naturally would have, Lucca said.

Cal-Am is concerned that if it doesn't get some of the sediment out of the reservoir, Lucca said, the lake will eventually silt up so badly that sediment will flow over the dam and go down the river without any control, possibly causing flood problems or property damage.

The utility is looking at releasing enough in natural flows to add 100 to 150 acre-feet of storage capacity to the reservoir, Lucca said.

When San Clemente was built in 1921 for the Hotel Del Monte in Monterey, it had a capacity of 1,425 acre-feet of water. So much sand and gravel has accumulated behind the dam, though, that the lake today has room for only 149 acre-feet of water.

The Los Padres Dam upstream had a capacity of 3,000 acre-feet when it was built in 1949. Today it has clearance for about half that.

An acre-foot is enough water to supply four average households on the Peninsula for a year

J. Almond
D. Armanasco
L. Banka
J. Bajari
L. Dossman
S. Flynn
G. Haas
M. Iglesias
T. Jones
M. Leffel (MCBC)
M. Lucca
L. Morris
B. Nelson
D. Stephenson
L. Silva
K. Tilden
L. Weiss
Bulletin Boards
Regional - Execs

Do the math on Cal-Am's water allowances

The opinion of the Monterey County Herald

Are the financial penalties for excessive water use, which took effect Saturday, steep enough to transform local water hogs into camels?

Time will tell, but we suspect the surcharge isn' big enough to provoke the worst offenders to change.

What's clear already is California-American Wat Company has done a fine job of getting the word o about the need for increased conservation measures. Th individually tailored letters Cal-Am is sending its customers are an example. They explain the reason for t change, give the household's monthly water allowance and project what the customer will pay in May if the household uses water carefully this month. (See the sample letter below.)

The new rates are aimed at getting people who rely on the Carmel River water to conserve this precious resour by rewarding frugal users and penalizing water wasters. The new rates work this way:

- Households that use a lot less than their allowance pay less for water than they did before now.
- Households that stay within their allowance come out even.
- Households that exceed their allowance must pay a surcharge.

People who use water sensibly pay about $3 per "unit," which is 748 gallons. But heavy users — households that use more than 150 percent of their allowance — now must pay $10.40 for every excess unit.

That sounds like a hefty amount — until you do the math. In fact, the surcharge for heavy use of water is just 1.5 cents per gallon.

The surcharge is supposed to be a burden, but isn't it actually bargain basement price for those who abuse a precious resource? Another subsidy for the super rich who fancy super lawns?

The last time Cal-Am imposed a surcharge for excess use, moderately heavy users — households using 30 to 4 units of water per month — took the hint, or felt the pinch and cut consumption. For the most part, however, the worst offenders — households using 100 to 200 units per month — kept on squandering water.

Cal-Am wanted to impose a greater surcharge on heavy users — $40 per unit — but, regrettably, the Public Utilities Commission denied the company's request.

The changes are needed because Monterey Peninsula water users are drawing too much water from the Carmel River: Local water use exceeded, by a substantial margin, what the state says is permissible in December and January. When water use exceeds the state limit two months in a row, district officials have the option of taking a wait-and-see approach or taking action.

They opted to act, and in February ordered Cal-Am to begin using its water conservation rate plan. Declaring a water emergency during one of the wettest Februaries in memory seemed ridiculous at the time, but proved prescient: In February, Monterey Peninsula water users again exceeded their allotment, this time by 184.6 acre feet. It rained nearly every day in February, but some people kept their sprinklers going.

What a waste.

Distribute:
J. Almond
D. Armanasco
L. Banka
J. Bajari
L. Dossman
S. Flynn
G. Haas
M. Iglesias
T. Jones
M. Leffel (MCBC)
M. Lucca
L. Morris
B. Nelson
L. Silva
D. Stephenson
K. Tilden
L. Weiss
Bulletin Boards
Regional - Execs
Call Center

Letter from Cal-Am

Dear Customer:

You have received several letters from us since last April about the new Water Conservation and Standby Rationing Plan being implemented by the Monterey Peninsula Water Management District. We've also described our efforts as a community to comply with Ordinance 92 to stay within State mandated water use limits.

➤ Thank you for returning your survey.

Part of this conservation plan was the confidential water use survey mailed last April. Thank you, you are one of the 87 percent of our residential customers who returned the water use survey. Your response will ensure your household receives a fair amount of water at a fair cost.

➤ State water use limits exceeded two months in a row.

Despite the community's success in conserving water, the Monterey Peninsula experienced very low rainfall earlier this winter causing the community to exceed water limits two months in a row. This has caused the move to Stage 3 of the Water Conservation and Standby Rationing Plan.

Stage 3 includes a new rate structure recently approved by the California Public Utilities Commission (CPUC). This rate structure, known as a Conservation Rate, is intended to reward customers who use water wisely. The rate structure goes into effect April 1, and you may notice the difference when you receive your bill in May.

Each household is being assigned a Water Allowance based on information provided to us in the survey. Customers who consume high volumes of water compared to their family and lot size will pay higher rates. This should help discourage excessive use and waste while rewarding those who continue to use water wisely.

If you keep your consumption at or close to your Allowance, you will enjoy a lower rate. If you exceed the Allowance by more than 150 percent in any given month, higher rates will apply.

➤ To help you better understand the potential impact this change will have on your bill; we have examined the April 1999 water use for your property.

According to information you provided to us in your household survey, you have ___ household members, and your lot size is ___. Based on this, your household has been assigned a Water Allowance of (number] units per month.

If you use ___ units of water this April, (the same amount of water used at your property last April), your May bill will be $___ compared to $___ in May 1999 under the previous rate structure.

A brochure is enclosed to explain how the Water Allowance is set for each household. We understand things change. If you think we may have made an error in your Water Allowance or if you have any questions about the Conservation Rates, please call us at 646-3205.

Thank you for your cooperation as we all work to meet the community's water conservation goals.

Judith L. Almond
Vice President & Manage
California-American Water Company