



California American Water - Monterey  
511 Forest Lodge Road, Suite 100  
Pacific Grove, CA 93950

[amwater.com](http://amwater.com)

October 30, 2019

Erik Ekdahl, Deputy Director  
Division of Water Rights  
State Water Resources Control Board  
1001 I Street  
Sacramento, CA 95812

Re: SWRCB Order WR 2016-0016 / WR 2009-0060, 4th Quarterly Report for the 2018-2019 Water Year Addressing Operations for the Period of July 1, 2019 to September 30, 2019.

Dear Mr. Ekdahl:

Pursuant to Condition Eight of Order WR 2016-0016 and Condition Six of Order WR 2009-0060, this letter is California American Water's report for the 4th quarter of Water Year 2019 covering the period of July 1, 2019 to September 30, 2019. This report has been modified from previous quarterly reports submitted in accordance with Order WR 2016-0016. For ease of reference, the requirement of each subsection is summarized, followed by the requested information.

#### **Condition 8(a)**

Condition 8(a) requires California American to provide monthly summaries of the total quantity of water produced from the Carmel River, and other separate sources of water used by Cal-Am within the service area.

#### **Compliance with Condition 8(a):**

Table One summarizes the total quantity of water produced from the Carmel River, and other separate sources of water used by Cal-Am within the service area by month. This data is compiled from meter readings that are collected daily from California American Water's pumps, either through an employee manually reading each meter, or through an employee reading the data from the Supervisory Control and Data Acquisition ("SCADA") system. A California American Water employee manually enters those daily readings into a spreadsheet that is provided to the Monterey system General Manager. The spreadsheet is designed to automatically calculate the monthly total from the daily readings. At the end of each month, this daily summary is cross-checked against SCADA information that is separately maintained for each well.

**Table One**  
**Total Quantity of Water Produced from Carmel River and other separate sources of water used by Cal-Am within the service area by month**

Month	Carmel Valley Wells <sup>1</sup> (AF)	Eastwood-Cañada Well (AF)	Seaside Wells <sup>2</sup> (AF)	Sand City Desal (AF)	Total Production (AF)
Oct 2018	483.16	8.16	340.63	15.66	847.62
Nov 2018	446.97	9.44	290.59	21.33	768.32
Dec 2018	461.07	9.71	161.81	10.80	643.39
<b>Q1 Total</b>	<b>1,391.21</b>	<b>27.31</b>	<b>793.03</b>	<b>47.79</b>	<b>2,259.33</b>
<b>WYTD</b>	<b>1,391.21</b>	<b>27.31</b>	<b>793.03</b>	<b>47.79</b>	<b>2,259.33</b>
Jan 2019	737.87	8.46	145.86	18.51	910.71
Feb 2019	752.91	7.69	133.06	6.55	900.20
Mar 2019	876.82	7.79	144.67	0.01	1,029.29
<b>Q2 Total</b>	<b>2,367.60</b>	<b>23.95</b>	<b>423.59</b>	<b>25.07</b>	<b>2,840.20</b>
<b>WYTD</b>	<b>3,758.81</b>	<b>51.26</b>	<b>1,216.62</b>	<b>72.85</b>	<b>5,099.54</b>
Apr 2019	877.04	6.84	137.45	0.00	1,021.33
May 2019	785.03	6.88	114.95	11.04	917.91
Jun 2019	714.76	6.18	121.94	23.93	866.82
<b>Q3 Total</b>	<b>2,376.83</b>	<b>19.91</b>	<b>374.34</b>	<b>34.98</b>	<b>2,806.06</b>
<b>WYTD</b>	<b>6,135.63</b>	<b>71.17</b>	<b>1,590.96</b>	<b>107.83</b>	<b>7,905.59</b>
Jul 2019	729.29	5.92	213.93	8.17	957.31
Aug 2019	541.32	5.28	379.74	27.69	954.03
Sep 2019	477.44	4.70	379.89	10.25	872.28
<b>Q4 Total</b>	<b>1,748.05</b>	<b>15.89</b>	<b>973.56</b>	<b>46.11</b>	<b>2,783.62</b>
<b>WYTD</b>	<b>7,883.68</b>	<b>87.06</b>	<b>2,564.52</b>	<b>153.95</b>	<b>10,689.21</b>

<sup>1</sup>Includes ASR Injection

<sup>2</sup>Includes ASR Recovery

**Condition 8(b)**

Condition 8(b) requires California American Water to provide monthly summaries of the total quantity of ASR project water diverted from the river under water right Permit 20808A and Permit 20808C and stored in the Seaside Groundwater Basin, including the separate accounting of the amounts pumped in excess of 600 afa. The monthly reporting shall also state the quantity of ASR water recovered from aquifer storage and beneficially used, and the current balance of ASR water remaining in storage in the Seaside Groundwater Basin.

Compliance with Condition 8(b):

Table Two summarizes by month the quantity of ASR project water diverted from the Carmel River under Permit 20808A and Permit 20808C and includes a separate accounting of the amounts pumped in excess of 600 afa. This summary is from a spreadsheet e-mailed to the General Manager for California American Water's Monterey system by a Monterey Peninsula Water Management District employee each business day during the diversion season. This spreadsheet shows the gallons of water injected into each of the four injection wells. California American Water understands that the daily injection data is a manual reading of the meters on the injection pumps by a Monterey Peninsula Water Management District employee. This spreadsheet also contains a formula that converts the number of acre-feet based on the gallons injected and also totals the daily readings for the month. The information in Table Two is taken directly from this spreadsheet.

The data regarding ASR water recovered is taken from the Quarterly Water Budget developed cooperatively between California American Water, the Monterey Peninsula Water Management District, NOAA Fisheries, and the California Department of Fish and Wildlife, and represents an accounting of water withdrawn from the Seaside Groundwater Basin.

**Table Two  
Monthly Water Diverted to Storage and Storage Balance**

Month	Well 1 Diverted to Storage (AF)		Well 2 Diverted to Storage (AF)		Well 3 Diverted to Storage (AF)		Well 4 Diverted to Storage (AF)		ASR Injection (AF)	ASR Injection Balance in excess of 600 (AF)	ASR Recovery (AF)	Month End ASR Storage Balance (AF)
	Permit 20808A	Permit 20808C	Permit 20808A	Permit 20808C	Permit 20808A	Permit 20808C	Permit 20808A	Permit 20808C				Previous WY (AF)
Oct 2018	0	0	0	0	0	0	0	0	0	0	0	469.55
Nov 2018	0	0	0	0	0	0	0	0	0	0	0	469.55
Dec 2018	0	0	0	0	0	0	0	0	0	0	0	469.55
<b>Q1 Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>WYTD</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>469.55</b>
Jan 2019	14.33	36.86	40.67	68.59	0	109.18	0	0	269.63	0	0	739.18
Feb 2019	32.41	26.86	72.88	39.90	0	92.71	0	41.95	306.73	0	0	1,045.90
Mar 2019	36.46	0.00	176.24	0.00	0	116.03	0	44.21	372.93	349.29	0	1,418.83
<b>Q2 Total</b>	<b>83.20</b>	<b>63.72</b>	<b>289.79</b>	<b>108.50</b>	<b>0</b>	<b>317.92</b>	<b>0</b>	<b>86.16</b>	<b>949.29</b>	<b>349.29</b>	<b>0</b>	
<b>WYTD</b>	<b>83.20</b>	<b>63.72</b>	<b>289.79</b>	<b>108.50</b>	<b>0</b>	<b>317.92</b>	<b>0</b>	<b>86.16</b>	<b>949.29</b>	<b>349.29</b>	<b>0</b>	<b>1,418.83</b>
Apr 2019	0	46.44	56.76	135.79	0	35.86	0	7.75	282.60	631.88	0	1,701.43
May 2019	0	0	0	103.18	0	0	0	0	103.18	735.06	0	1,804.61
Jun 2019	0	0	0	0	0	0	0	0	0	735.06	0	1,804.61
<b>Q3 Total</b>	<b>0</b>	<b>46.44</b>	<b>56.76</b>	<b>238.97</b>	<b>0</b>	<b>35.86</b>	<b>0</b>	<b>7.75</b>	<b>385.77</b>	<b>735.06</b>	<b>0</b>	
<b>WYTD</b>	<b>83.20</b>	<b>110.16</b>	<b>346.55</b>	<b>347.46</b>	<b>0</b>	<b>353.77</b>	<b>0</b>	<b>93.91</b>	<b>1,335.06</b>	<b>735.06</b>	<b>0</b>	<b>1,804.61</b>
Jul 2019	0	0	0	0	0	0	0	0	0	735.06	0	1,804.61
Aug 2019	0	0	0	0	0	0	0	0	0	735.06	364.47	1,440.14
Sep 2019	0	0	0	0	0	0	0	0	0	735.06	379.89	1,060.25
<b>Q4 Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>735.06</b>	<b>744.36</b>	
<b>WYTD</b>	<b>83.20</b>	<b>110.16</b>	<b>346.55</b>	<b>347.46</b>	<b>0</b>	<b>353.77</b>	<b>0</b>	<b>93.91</b>	<b>1,335.06</b>	<b>735.06</b>	<b>744.36</b>	<b>1,060.25</b>

**Condition 8(c)**

Condition 8(c) requires California American Water to provide monthly summaries of the quantity of water being supplied by the Malpasos Water Company to Cal-Am and to Malpasos customers supplied using Cal-Am facilities. The reporting shall identify the amount of water used at Cal-Am's existing meter connections and within the Cal-Am service area, and the amounts at new service connections served by Malpasos Water Company. The monthly reports shall specify the quantity of water used to reduce diversions from the river during the reporting period.

**Compliance with Condition 8(c):**

Table Three summarizes by month the quantity of water supplied by the Malpasos Water Company, the quantity of water used by new connections, and quantity of water used to reduce river diversions.

<b>Table Three Malpasos Water Company Monthly Production and Product Allocation</b>			
<b>Month</b>	<b>Malpasos Production (AF)</b>	<b>Use by Malpasos Connections* (AF)</b>	<b>Water Used to Reduce Diversions (AF)</b>
Oct 2018	8.16	0.98	7.18
Nov 2018	9.44	0.98	8.45
Dec 2018	9.71	0.98	8.73
Jan 2019	8.46	1.01	7.45
Feb 2019	7.69	1.01	6.68
Mar 2019	7.79	1.01	6.79
Apr 2019	6.84	1.08	5.76
May 2019	6.88	1.08	5.80
Jun 2019	6.18	1.08	5.10
Jul 2019	5.92	1.22	4.70
Aug 2019	5.28	1.22	4.06
Sep 2019	4.70	1.22	3.48
<b>Total</b>	<b>87.06</b>	<b>12.88</b>	<b>74.18</b>

\*See Attachment Three and Four

**Condition 8(d)**

Condition 8(d) requires California American Water to provide monthly summaries of the quantity of water produced by the City of Pacific Grove, and the quantity of water used to reduce diversions from the river during the reporting period. Cal-Am shall not deliver water produced by the City of Pacific Grove unless such use is consistent with Resolution 2015-0070, paragraph 4.

Compliance with Condition 8(d):

Table Four summarizes by month the quantity of water produced by the City of Pacific Grove, and the quantity of water used to reduce river diversions.

<b>Table Four City of Pacific Grove Monthly Production and Product Allocation</b>		
<b>Month</b>	<b>City of Pacific Grove Production (AF)</b>	<b>Water Used to Reduce River Diversions (AF)</b>
Oct 2018	9.83	9.73
Nov 2018	4.58	3.74
Dec 2018	2.36	0.23
Jan 2019	2.59	0.90
Feb 2019	1.45	0.44
Mar 2019	1.79	0.94
Apr 2019	4.88	4.77
May 2019	8.67	8.29
Jun 2019	17.20	16.94
Jul 2019	16.01	15.67
Aug 2019	15.24	14.62
Sep 2019	14.57	14.91
<b>Total</b>	<b>99.16</b>	<b>91.18</b>

**Condition 8(e)**

Condition 8(e) requires California American Water for the final quarter of each water year to report the quantification and basis of any credits earned and of any amount being carried over for future years.

Compliance with Condition 8(e):

Table Five (a) summarizes the Effective Diversion Limit adjustment calculation, Table Five (b) summarizes the adjusted Carmel Valley Well production calculation, and Table Five (c) summarizes the final quarter quantification and basis of credits earned to be carried over for future years.

<b>Table Five (a)</b> <b>Effective Diversion Limit Adjustment Calculation (AF)</b>	
Effective Diversion Limit	8,310
Penalty for Missed Milestones	(0.00)
Water Produced by Sand City not used by Sand City Customers	(76.02)
Pure Water Monterey Groundwater Replenishment Project Water Recovery	(0.00)
Instream Flow Agreement Carry Over Credit (50%) from previous water year	0.00
<b>Adjusted Effective Diversion Limit</b>	<b>8,233.98</b>

<b>Table Five (b)</b> <b>Adjusted Carmel Valley Well Production Calculation (AF)</b>	
Carmel Valley Well Production (excludes Malpaso Water)	7,883.68
Malpaso Water Produced not served to subscribers	74.18
Water served to Pebble Beach entitlements	(34.30)
ASR Injection in excess of 600AF	(735.06)
<b>Adjusted Carmel Valley Well Production</b>	<b>7,188.50</b>

<b>Table Five (c)</b> <b>*Final Quarter Quantification and Basis of Credits earned and Amount Being Carried Over (AF)</b>	
Adjusted EDL (from Table 5a)	8,233.98
Adjusted Carmel Valley Well Production (from Table 5b)	7,188.50
Production Exceeding Adjusted EDL	0
Carryover Credits from Prior Years applied to offset EDL Exceedance (Max 750 AF per year)	0
Adjusted Exceedance EDL	0
Production Less Than Adjusted EDL (Carryover Credits)	1,045.48
Unused Carryover Credits from Prior Years	3,742.52
<b>Cumulative Carryover credit for Future Years</b>	<b>4,788.00</b>

\* Data in this table only populated in the Final (Fourth) Quarter of the WY.

**Condition 8(f)**

Condition 8(f) requires California American Water to provide an accounting of the progress towards completion of the Water Supply Project MPWSP Desalination Plant and Pure Water Monterey Project that identifies all progressive steps completed during the previous 12 months and the upcoming 12 month's anticipated progress, and discussion of potential setbacks that may be beyond the Applicant's control.

Compliance with Condition 8(f):

**Past Progress Toward Completion of MPWSP:**

- Milestone 1, Water Year 2015-2016 (CPUC approval of (1) the Water Purchase Agreement for Cal-Am's purchase of Pure Water Monterey water, and of (2) construction of the Cal-Am components of the Pure Water Monterey conveyance facilities, including the Monterey Pipeline and pump station): Milestone 1 was achieved on September 22, 2016, when the CPUC issued Decision 16-09-021. The SWRCB was provided notice on 9/27/2016.
- Milestone 2, Water Year 2016-2017 (Start of construction of the Cal-Am components of the Pure Water Monterey project, meaning commencement of physical work after issuance of required regulatory permits and authorizations to begin work): Milestone 2 was achieved, as Cal Am commenced construction of the Monterey pipeline and pump station project as part of the Pure Water Monterey project in October 2016, and commenced installation of the 36-inch pipeline on January 3, 2017.
- Milestone 3, Water Year 2017-2018 (Issuance of a Certificate of Public Convenience and Necessity to Construct the Monterey Peninsula Water Supply Project Desalination Plant ("MPWSP Desalination Plant") by the California Public Utilities Commission): Milestone 3 was achieved on September 13, 2018 when the CPUC issued Decision 18-09-017 that certified the MPWSP Final Environmental Impact Report (FEIR) and issued a CPCN to construct the MPWSP 6.4 MGD desalination project. Since that time, the City of Marina and Marina Coast Water District each filed Applications with the CPUC for Rehearing of the CPUC's decision, which were denied, and Petitions for Writ of Review with the California Supreme Court, which were denied.

**Progressive Steps Completed During the Previous 12 Months**

- Milestone 4, Water Year 2018-2019 (Start of construction for any of the Cal-Am Components of the MSWSP Desalination Plant, meaning commencement of physical work after issuance of required regulatory permits and authorizations to begin work. Cal-Am Components of the MPWSP Desalination Plant include: source water production wells; desalination plant; brine disposal system; and transmission pipelines.)
- On July 15, 2019, the County of Monterey approved a combined development permit for construction and operation of the MPWSP desalination plant.
- On September 10, 2019, the City of Seaside approved an encroachment permit for transmission pipeline installation.
- On September 13, 2019, the CPUC approved Cal-Am's request for a Notice to Proceed with construction and installation of the Seaside Transmission Main.
- Cal-Am commenced construction on the Desalination Transfer Pipeline Project on September 16, 2019 for installation of over 2,500 Linear feet of the 36" diameter pipeline.
- An application for a coastal development permit for those portions of the MPWSP within the City of Marina's coastal zone was submitted to the City of Marina on June 22, 2018. The City's Planning Commission denied the application on March 7, 2019. Cal-Am, two interested parties and three Coastal Commission commissioners appealed the denial to the California Coastal Commission. The California Coastal Commission made a determination at its July 11, 2019 meeting that the City of Marina's Coastal Development Permit action is directly appealable to the Coastal Commission.

### **Anticipated Progress in the Upcoming 12 Months**

- On August 16, 2019, Marina Coast Water District filed a lawsuit challenging the County of Monterey's approval of a combined development permit for construction of the desalination plant, and seeking a temporary restraining order and preliminary injunction. The court denied the request for a temporary restraining order and preliminary injunction, but on October 8, 2019, granted MCWD's request for a brief stay pending the Coastal Commission's determination on Cal-Am's request for a coastal development permit for the desalination plant's slant wells. While the stay is in place, Cal-Am is prohibited from engaging in any physical construction of the desalination plant and from making any further changes to the land, but may continue to obtain permits needed for the plant's construction. On November 19, 2019, the court will determine whether to lift or continue the stay.
- The Coastal Commission is scheduled to hear the appeals of the City of Marina's denial of Cal-Am's application for a coastal development permit, as well as Cal-Am's consolidated permit application for those portions of the MPWSP within the Coastal Commission's original jurisdiction and those portions of the MPWSP within the City of Seaside and unincorporated County of Monterey coastal zones, on November 14, 2019.
- Cal-Am has submitted an application to the State Lands Commission for a lease of state lands at the slant well site. The State Lands Commission is expected to consider the lease application either at its December 2019 meeting or in early 2020.

### **Condition 6(a)**

Condition 6(a) requires California American to provide monthly summaries of the quantity of water it diverts from the river.

#### Compliance with Condition 6(a):

See Table One, above (compliance with SWRCB Order WR 2016-0016 Condition 8(a)).

### **Condition 6(b)**

Condition 6(b) requires California American Water to provide monthly summaries of the quantity of ASR project water diverted from the river under Permit 20808A and Permit 20808C and stored in the Seaside groundwater basin. The monthly report is to state the quantity of water beneficially used under Permit 20808A and Permit 20808C and the current balance of water in storage.

#### Compliance with Condition 6(b):

Condition 6(b) superseded by SWRCB Order WR 2016-0016 Condition 8(b).



**Condition 6(c)**

Condition 6(c) requires California American Water to provide monthly summaries of the quantity of water being produced by the Sand City desalination plant. The report is also to identify new service connections within Sand City and report the quantity of water being delivered to the new connections. The monthly report is also to specify the quantity of water used to reduce diversions from the river during the reporting period.

**Compliance with Condition 6(c):**

Table Six lists the number of new connections in the City of Sand City by month. This information is taken from Attachment One. Attachment One is manually compiled by a California American Water employee from the water connection permits issued by the Monterey Peninsula Water Management District and subsequently provided to California American Water by prospective customers. If a listing on Attachment One has no "Installed Date," the customer has provided California American Water with the water connection permit, but has not requested a meter to be installed.

<b>Table Six New Connections Within the Sand City</b>		
<b>Month</b>	<b>New Connections</b>	<b>Installed Date</b>
Oct 2018	1	Water Meter 10-30-18
Nov 2018		
Dec 2018		
Jan 2019		
Feb 2019		
Mar 2019		
Apr 2019		
May 2019		
Jun 2019		
Jul 2019		
Aug 2019		
Sep 2019		

Table Seven summarizes by month the quantity of water produced by the Sand City desalination plant, the quantity of water used by new connections, and quantity of water used to reduce river diversions.

<b>Table Seven</b>			
<b>Sand City Desalination Facility Monthly Production and Product Allocation</b>			
<b>Month</b>	<b>Sand City Production (AF)</b>	<b>Water Used by New Connections (AF)</b>	<b>Water Used to Reduce River Diversions (AF)</b>
Oct 2018	15.66	0.117	15.55
Nov 2018	21.33	0.122	21.20
Dec 2018	10.80	0.147	10.65
Jan 2019	18.51	0.267	18.25
Feb 2019	6.55	0.107	6.44
Mar 2019	0.01	0.090	-0.08
Apr 2019	0.00	0.113	-0.11
May 2019	11.04	0.152	10.89
Jun 2019	23.93	0.189	23.74
Jul 2019	8.17	0.155	8.02
Aug 2019	27.69	0.167	27.53
Sep 2019	10.25	0.237	10.02
<b>Total</b>	<b>153.95</b>	<b>1.861</b>	<b>152.08</b>

**Condition 6(d)**

Condition 6(d) requires California American Water to provide monthly summaries of the quantity of water saved by reducing system losses.

Compliance with Condition 6(d):

Water systems typically calculate losses using a 12-month running average to smooth seasonal variations in the data. Table Eight lists the 12-month running average for Monterey Main System losses and compares the losses to an October 2008 through September 2009 base period. The 12-month running average is calculated by subtracting the cumulative metered consumption from the Monterey Main System production volumes which consist of Carmel Valley, Seaside, and Sand City production. The cumulative metered consumption is based on the individual monthly meter readings and is obtained from a report generated by our accounting system. The Monterey system General Manager calculates the difference from these two numbers to arrive at the monthly system loss, and then calculates the 12-month running average from the monthly data.

<b>Table Eight</b>		
<b>12-Month Running Average of Unaccounted For Water</b>		
<b>12 Month Period</b>	<b>System Losses (AF)</b>	<b>Savings Compared to Base Year (AF)</b>
Oct 08 - Sep 09	1276 (base year)	NA
Nov 17 - Oct 18	401.96	874.04
Dec 17 - Nov 18	322.43	953.57
Jan 18 - Dec 18	363.61	912.39
Feb 18 - Jan 19	355.29	920.71
Mar 18 - Feb 19	320.72	955.28
Apr 18 - Mar 19	437.05	838.95
May 18 - Apr 19	470.07	805.93
Jun 18 - May 19	430.65	845.35
Jul 18 - Jun 19	458.99	817.01
Aug 18 - Jul 19	458.04	817.96
Sep 18 - Aug 19	612.97	663.03
Oct 18 - Sep 19	706.20	569.80

It is difficult to identify the actual components of unaccounted-for-water as it is a combination of system leaks and actual water use not captured by meters. A high priority is being given to identifying and repairing leaks, meter replacement, and infrastructure replacement. Table Nine presents information on leaks detected and repaired. Each time a leak is detected, a California American Water repair crew responds to repair the leak. The assigned crew leader prepares a "leak report." The information in Table Nine is based on a manual count of the leak reports received by the Monterey system General Manager.

<b>Table Nine</b>		
<b>Total Main and Service Leak Repairs</b>		
<b>Month</b>	<b>Main Leaks</b>	<b>Service Leaks</b>
Oct 2018	10	43
Nov 2018	12	25
Dec 2018	18	16
Jan 2019	17	25
Feb 2019	14	21
Mar 2019	11	23
Apr 2019	14	22
May 2019	11	35
Jun 2019	5	12
Jul 2019	5	23
Aug 2019	16	21
Sep 2019	4	19
<b>Total</b>	<b>137</b>	<b>285</b>

Table Ten summarizes service, main, meter, and hydrant replacements. Please note that service, main, meter and hydrant replacements are performed by both California American Water's forces and contractors. Service replacements are tracked via work orders for various purposes, including accounting and system management. The service replacements are calculated by a California American Water Operations supervisor from these work orders. The quantity of water mains and fire hydrants replaced is compiled by a California American Water Operations supervisor from Engineering Department records, which in turn are based on information from contractors. California American Water maintains records regarding meter replacements for various purposes, including reporting to the California Public Utilities Commission and inventory control. The number of meters replaced was compiled by a California American Water Operations supervisor from these records. To the extent that the data in Table Ten includes contractor reports or data from invoices for contract services, this information: (a) is based on the representations made by our contractors; (b) may include field estimates for the lengths of pipe replaced.

<b>Table Ten</b>				
<b>Monthly Totals of Water Service, Main, Meter and Fire Hydrant Replacements</b>				
<b>Month</b>	<b>Service Replacements Number</b>	<b>Main Replacements Feet</b>	<b>Meter Replacements Number</b>	<b>Fire Hydrant Replacements Number</b>
Oct 2018	9	6	378	1
Nov 2018	1	539	161	0
Dec 2018	2	19	290	2
Jan 2019	7	22	151	6
Feb 2019	8	10	211	1
Mar 2019	12	27	554	3
Apr 2019	8	5	1,047	5
May 2019	6	1,812	705	3
Jun 2019	5	1,520	607	1
Jul 2019	8	23	492	2
Aug 2019	10	26	313	6
Sep 2019	48	4,056	197	0
<b>Total</b>	<b>124</b>	<b>3,960</b>	<b>5,106</b>	<b>30</b>

**Condition 6(e)**

Condition 6(e) requires California American Water to provide monthly summaries of reductions in demand for potable water due to conservation actions such as increased rates, the Monterey Peninsula Water Management District's retrofit program, programs to reduce potable water use for outdoor irrigation, and other demand reduction initiatives.

Compliance with Condition 6(e):

California American Water implemented a new conservation rate structure effective February 1, 2010. The change in the rate structure is shown in Table Eleven. The residential tiered conservation rate structure increases were directed at the top tier users and were designed to promote conservation practices and reduce overall water usage.

<b>Table Eleven</b>			
<b>Main System Residential Rate Structure Effective</b>			
<b>Tier</b>	<b>Old Rates Per Unit February 2009</b>	<b>Current Rates Per 100 Gallons June 2019</b>	<b>Percent Change</b>
1	\$0.2298	\$0.9125	297.08%
2	\$0.4596	\$1.3688	197.82%
3	\$0.6894	\$3.1939	363.29%
4	\$0.9192	\$5.9314	545.28%
5	\$1.8385	\$7.3002	297.07%

A unit of water is equal to 100 gallons.

Table Twelve compares the five year historical tier 4 and 5 usage with actual use. Tier 4 and 5 usage is almost exclusively outdoor watering. There are several factors that can affect water consumption; including price, weather, and conservation efforts. California American Water assumes that the changes in consumption shown in Table Twelve are, in part, a result of the conservation rates and the other conservation activities. Except for savings estimated by the Monterey Peninsula Water Management District for water appliance retrofitting, California American Water cannot attribute specific portions of reduced consumption to rates, weather, or other conservation efforts.

<b>Table Twelve</b>		
<b>Tier 4 and 5 Average Historical Usage (WY 2005 - WY 2009) compared to WY 2019</b>		
<b>Month</b>	<b>Historical Usage (AF)</b>	<b>WY 18-19 (AF)</b>
Oct	91.3	31.35
Nov	92.4	27.56
Dec	64.7	12.74
Jan	43.1	1.64
Feb	37.0	13.60
Mar	31.5	14.63
Apr	44.7	12.94
May	46.2	18.07
Jun	83.4	25.35
Jul	108.6	33.27
Aug	111.3	38.29
Sep	97.9	46.67

Table Thirteen reports the estimated annual water savings from the Monterey district retrofit program. The monthly rebate costs are dependent on the number and type of water conserving appliances. Examples of rebates include High Efficiency Toilet, High Efficiency Dishwasher, High Efficiency Washer, High Efficiency Urinal, Cistern Water Tank, Cooling Tower Conductivity Controller, and X-ray Film Processor Recirculation System. This information was specifically requested from the Monterey Peninsula Water Management District by California American Water's Monterey system General Manager for the purposes of this report. The data provided by the Monterey Peninsula Water Management District and reported in Table Thirteen included the retrofit expenditures and estimated water savings in acre-feet by month.

<b>Table Thirteen</b>		
<b>Total Retrofit Rebate Payments and Estimated Water Savings by Month</b>		
<b>Month</b>	<b>Cost (\$)</b>	<b>Annual Savings (AF)</b>
Oct 2018	47,447	2.77
Nov 2018	37,885	1.96
Dec 2018	76,898	2.60
<b>Q1 Total</b>	<b>162,230</b>	<b>7.33</b>
Jan 2019	57,903	1.78
Feb 2019	17,996	0.87
Mar 2019	95,174	2.91
<b>Q2 Total</b>	<b>171,073</b>	<b>5.57</b>
Apr 2019	20,537	0.70
May 2019	*	*
Jun 2019	*	*
<b>Q3 Total</b>	*	*
Jul 2019	*	*
Aug 2019	*	*
Sep 2019	*	*
<b>Q4 Total</b>	*	*

\* Data not available at the time of this report from MPWMD.

The Monterey Peninsula Water Management District and California American Water conduct water conservation audits for homes, businesses and landscape accounts. Table Fourteen shows the total number of audits conducted. The information in Table Fourteen was reported to the Monterey system General Manager by California American Water's local Conservation Manager, who manages the conservation contract with the Monterey Peninsula Water Management District.

<b>Month</b>	<b>Number of Audits</b>
Oct 2018	58
Nov 2018	40
Dec 2018	39
<b>Q1 Total</b>	<b>137</b>
Jan 2019	49
Feb 2019	28
Mar 2019	39
<b>Q2 Total</b>	<b>116</b>
Apr 2019	44
May 2019	80
Jun 2019	67
<b>Q3 Total</b>	<b>191</b>
Jul 2019	44
Aug 2019	54
Sep 2019	54
<b>Q4 Total</b>	<b>152</b>

Both the Monterey Peninsula Water Management District and California American Water use contractors to perform some audits. Accordingly, the data in Table Fourteen is based, in part, on: (a) representations by those contractors as to the work performed; and (b) information provided by the Monterey Peninsula Water Management District.

The Monterey Peninsula Water Management District and California American Water conducted the following conservation programs and workshops during the reporting period:

California American Water (CAW) in conjunction with the Monterey Peninsula Water Management District (MPWMD), continues to offer and provide conservation programs to its customers, including residential water audits, landscape water audits and water budgets, a rebate program, residential plumbing retrofit program, large landscape workshop program, and a public program.

California American Water Activities:

- 152 Residential Water Audits
- 3 Conservation Meetings with the MPWMD
- 260 Data Logs – Customer hourly usage reports downloaded from meters



- 3 Meetings with the Monterey County Water Awareness Committee
- 11 Residential Rain Sensors Installed
- Landscape Grant of \$50K offered to Pacific Grove Unified School District 8-30-19
- Water Filling Station offered to the Pacific Grove Unified School District 8-30-19

California American Water Activities:

- CAW Conservation Events
  - Pebble Beach Community Services District 7-20-19
- CAW – MPWMD Joint Conservation Event
  - Farmers Market – Alvarado Downtown Location 7-16-19
  - Carmel Valley Fiesta 8-3-19
  - Farmers Market – Monterey Peninsula College 8-16-19
  - Water Awareness Day - Monterey County Fair 8-31-19

MPWMD Conservation Events

- West End Celebration – 10 am to 6 pm 8-24-19 & 8-25-19

**Condition 6(f)**

Condition 6(f) requires California American Water to provide monthly summaries identifying all new service connections. The report is to include the California American Water account number, the service address, the name of each authority granting any approval required for connecting to California American Water’s system and the name of each authority granting any approval required before commencing construction; the issuer of each approval and the date of each approval shall be separately listed for each service address.

Compliance with Condition 6(f):

In compliance with Monterey Peninsula Water Management District regulations, California American Water does not connect new customers unless the prospective customer provides California American Water with a water connection permit issued by the Monterey Peninsula Water Management District.

Attachment One is a list of all new connections authorized by the Monterey Peninsula Water Management District. Attachment One is being provided under separate cover as it contains confidential customer account information. California American Water requests the State Water Resources Control Board maintain this information as confidential. As discussed in Section 6(c) above, Attachment One is compiled by California American Water employees from the water connection permits issued by the Monterey Peninsula Water Management District and provided to California American Water by prospective customers. Prospective customers may elect to have a meter installed shortly after presentation of the water connection permit, or may request

the meter at a later date. This report includes prospective customers who have presented California American Water with a water connection permit, even if that customer has not requested a meter to be immediately installed. If the customer has provided California American Water with the water connection permit, but has not requested a meter to be installed, the entry on Attachment One has no "Installed Date."

The new connection count does not include emergency fire service connections or the splitting of master meter connections into individual accounts, as neither of these activities increases water use.

### **Condition 6(g)**

Condition 6(g) requires California American Water to provide monthly summaries identifying existing service addresses that receive an increased supply of water due to a change in zoning or use. The report is to include the California American Water account number, the service address and the name of each authority authorizing the change of use or zoning and the date of such change.

### **Compliance with Condition 6(g):**

Attachment Two is a list of permits issued by the Monterey Peninsula Water Management District authorizing changes to existing service addresses that will result in an increased use of water through a change in zoning or use. Attachment Two is being provided under separate cover as it contains confidential customer account information. California American Water requests the State Water Resources Control Board maintain this information as confidential. Although not clearly a "change in zoning or use," Attachment Two includes permits issued for additions to, or remodeling of, an existing service address where that addition or remodel has been determined by the Monterey Peninsula Water Management District to result in increased water consumption. California American Water requested this information from the Monterey Peninsula Water Management District specifically for this report. The Monterey Peninsula Water Management District provided a spreadsheet that the data from which is included in Attachment Two. This spreadsheet tracks the information by Assessor's Parcel Number. A California American Water employee correlated California American Water's records to the Monterey Peninsula Water Management District's spreadsheet based on Assessor's Parcel Number to obtain the California American Water account number and service address. Other than California American Water account number and service location, all data in Attachment Two was compiled or calculated by the Monterey Peninsula Water Management District. Where there were clear clerical errors in data entry, California American Water corrected those errors in compiling this report.

## Conclusion

This concludes our report for the 4th quarter of Water Year 2019. Should you or your staff have any questions please call me at your earliest convenience at (831) 646-3241.

I declare under penalty of perjury, under the laws of the State of California, that all statements contained in this report and any accompanying documents are true and correct, with full knowledge that all statements made in this report are subject to investigation and that any false or dishonest statements may be grounds for prosecution.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Chris Cook', with a stylized flourish at the end.

Christopher Cook, PE  
Director, Operations  
Coastal Division  
California American Water

Attachments (4)