



California Public Utilities Commission
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PRESS RELEASE

Docket #: A.12-04-019

CPUC APPROVES CAL-AM'S MONTEREY PENINSULA WATER SUPPLY PROJECT

SAN FRANCISCO, Sept. 13, 2018 - The California Public Utilities Commission (CPUC) today authorized California American Water Company (Cal-Am) to proceed with its Monterey Peninsula Water Supply Project in order for the utility to provide safe and reliable water service to its customers and meet all regulations for the safe operation of its facilities.

“This decision puts the Monterey Peninsula on the road from water poverty to water security, with water that will be safe, reliable, and drought-proof. It does so with protections for ratepayers against unreasonable costs and protections of the environment against adverse impacts while providing Cal-Am with the best opportunity to meet its customer needs at just and reasonable rates,” said Commissioner Liane M. Randolph. “The CPUC fully considered a range of realistic and reasonable alternatives and finds that this project is the best choice. We encourage Cal-Am to continue to consider alternatives, but not as a replacement for this project.”

The Project will replace and augment existing water supplies in Cal-Am’s Monterey District service area constrained by legal decisions affecting the Carmel River and Seaside Groundwater Basin, areas where Cal-Am currently sources its water.

The Project is capped at \$279.1 million and includes a source water intake system consisting of subsurface wells on a 376-acre coastal property located north of the city of Marina extending offshore into the Monterey Bay. New pipelines will convey the source water from the wells to a 6.4 million gallon per day desalination plant on a 46-acre vacant parcel near Charles Benson Road. Brine produced during the desalination process will be conveyed to the existing Monterey Regional



Water Pollution Control Agency's ocean outfall and discharged to the Monterey Bay. Cal-Am must prepare progress reports during construction of the Project, and publish them on its website.

The CPUC also determined that water rate relief bonds issued by the Monterey Peninsula will provide savings to customers on the Monterey Peninsula.

The proposal voted on is available at

<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M228/K102/228102918.PDF>.

The CPUC regulates services and utilities, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit www.cpuc.ca.gov.

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