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# on tap

## CALIFORNIA WATER ASSOCIATION

Working Together.  
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## MESSAGE FROM THE PRESIDENT

Regulated water utilities' tireless efforts to deliver safe, high-quality, and reliable water to Californians continue to produce results across the state. The most recent example is that, after devoting years to the complex planning and permitting process, California American Water received CPUC approval for its multi-faceted solution to its customers' long-term water supply challenge, the Monterey Peninsula Water Supply Project.

California Water Association (CWA) members also continue getting the word out about their efforts, including infrastructure investments, through op-eds and by employing Truth from the Tap's recently launched campaign toolkit to counter misinformation disseminated online about regulated water utilities. Meanwhile, CWA consistently monitors and provides input on a number of proposed policies and regulatory rulings as evidenced by the various comment letters the Association submitted on behalf of its member companies.

These efforts and more are highlighted in this edition of On Tap:

- CPUC Approves Cal Am's Monterey Peninsula Water Supply Project
- CWA Comments on Enhancing Public Participation in CPUC Proceedings
- CWA Weighs in on *Making Water Conservation a California Way of Life* Primer
- CWA Responds to Administrative Law Judge's Ruling Regarding Communications During Emergencies
- Water Utilities Cultivate Future Industry Leaders
- Regulated Water Utilities Investing in Tomorrow
- *Truth from the Tap* Launches Online Toolkit for California Water Companies
- Celebrating California's Water Professionals
- Register Now for CWA's 77th Annual Conference

To view *On Tap* in PDF format, [click here](#), or access the online version on CWA's website at [www.calwaterassn.com](http://www.calwaterassn.com).

Sincerely,

Lawrence M. Morales  
East Pasadena Water Company  
2017-2018 CWA President

For Instant CWA News:



California  
Water  
Association



## QUESTIONS?

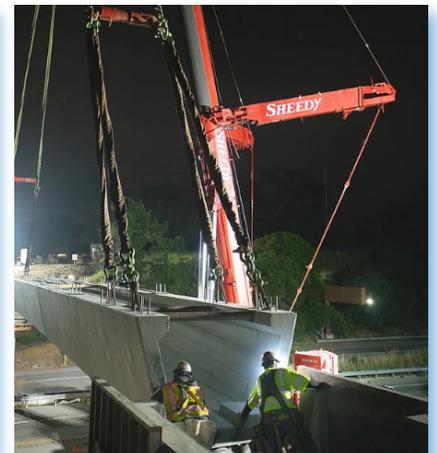
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QUALITY & SERVICE FOCUS

CPUC APPROVES CAL AM'S MONTEREY PENINSULA WATER SUPPLY PROJECT

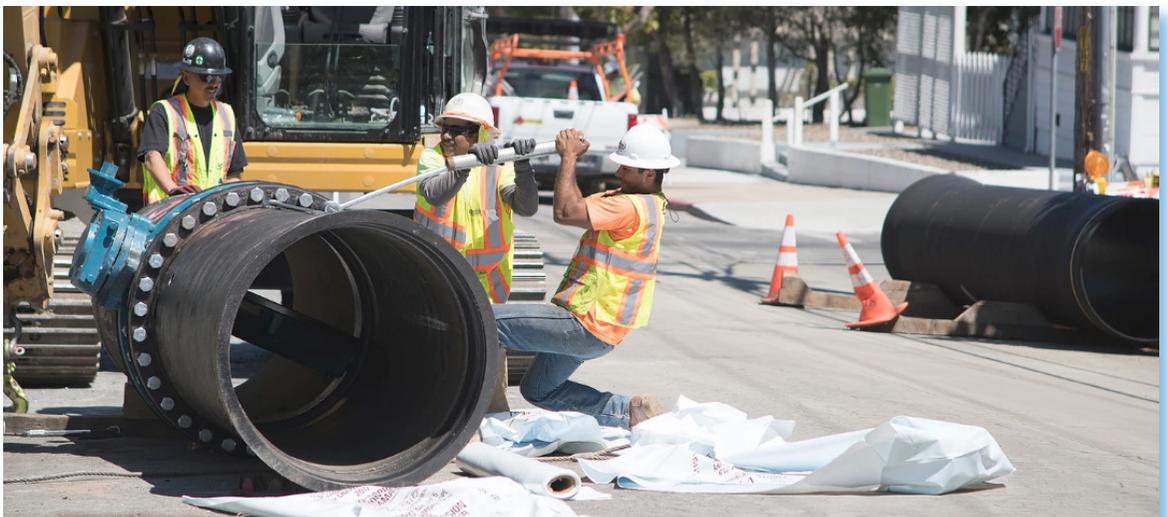
On September 13, 2018, the California Public Utilities Commission (CPUC) approved California American Water's (Cal Am) Monterey Peninsula Water Supply Project, estimated to cost \$329 million. An environmental review conducted by the CPUC and the Monterey Bay National Marine Sanctuary found the project to be the least impactful and most environmentally beneficial way to address the area's water shortage. Cal Am expects to complete the project by 2021, the state's mandated deadline to significantly reduce reliance on the Carmel River, which currently supplies a majority of the region's water.

Comprising a desalination plant, expansion of an existing aquifer storage and recovery program, and purchase of recycled water, the project also features "slant groundwater wells," rather than "open ocean" intake systems, which will virtually eliminate any harm to sea life. Additionally, the project will protect the community from the effects of future droughts by creating a sustainable water supply without relying on rainfall or groundwater.



Pipe Bridge Construction

In a September 13 [press release](#), Cal Am's President Rich Svindland said, "Today's approval brings us closer to solving the Monterey Peninsula's water supply issues. It is a huge step forward toward establishing a sustainable water supply that will meet the community's water needs and protect the Carmel River."



Pipeline Installation

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QUALITY & SERVICE FOCUS

**CPUC APPROVES CAL AM’S MONTEREY PENINSULA WATER SUPPLY PROJECT...CONTINUED**

In a subsequent quote in the [Monterey Herald](#), Svindland said, “This is a crucial milestone in the development of a new water supply for the Monterey Peninsula,’ noting that the complex project that involved three cities and 79 conditions of approval was the company’s second largest capital project delivered on budget.”

CPUC Commissioner Liane M. Randolph explained in the [CPUC’s press release](#), “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. The CPUC fully considered a range of realistic and reasonable alternatives and finds that this project is the best choice.”

Water rate relief bonds will be issued by the Monterey Peninsula Water Management District to provide savings to customers, and throughout the construction phase of the project, Cal Am will post progress reports on its website. 

LEGISLATIVE & REGULATORY UPDATE

CWA COMMENTS ON ENHANCING PUBLIC PARTICIPATION IN CPUC PROCEEDINGS



Subsequent to input provided at an August 30, 2018, California Public Utilities Commission’s (CPUC) public workshop, the first step in a CPUC initiative designed to increase public involvement in the Commission’s regulatory proceedings, the California Water Association (CWA) submitted [informal written comments](#) to the CPUC on September 13.

CWA emphasized that the best way to enhance public participation in CPUC proceedings is to ensure customers are well informed and do not receive confusing, unnecessarily repetitive, or conflicting notices. Additionally, CWA noted that interested parties and the CPUC should have an opportunity to respond to issues raised by the public, while weighing any efforts to enhance public participation against the CPUC’s legal obligation to base its decisions on the evidentiary record and with full consideration of the potential cost to customers of such efforts.

The letter explained that CPUC-regulated water utilities frequently engage in customer outreach and education about rates, drought management, conservation, and other issues that may be addressed in CPUC proceedings. Customers are engaged through open houses, public meetings, bill inserts, traditional media, and social media. CWA urged the CPUC to explore ways of improving the content, timing, and frequency of customer notices and suggested ways of increasing customer participation in CPUC proceedings

While recognizing the value of public input, CWA cautioned the CPUC against placing too much weight on public comments since they are not sworn testimony or subject to cross-examination and cannot be given the weight of evidence. CWA added that public comments, even if well intentioned, may mischaracterize the issues, misconstrue the facts, or rely on inaccurate information.

Finally, CWA urged the CPUC to consider ways to maximize the efficiency and cost-effectiveness of enhancing public participation in proceedings since water utilities must spread those costs over significantly smaller customer bases compared with energy utilities. 🌊

LEGISLATIVE & REGULATORY UPDATE

CWA WEIGHS IN ON MAKING WATER CONSERVATION A CALIFORNIA WAY OF LIFE PRIMER

In a September 14, 2018, letter to the Department of Water Resources (DWR), the California Water Association (CWA) commented on several aspects of the *Making Water Conservation a California Way of Life: Primer of 2018 Legislation on Water Conservation and Drought Planning* (Primer), which initiates the implementation of Assembly Bill 1668 and Senate Bill 606. A cover letter addressed to Water Use and Efficiency Branch Chief Diana S. Brooks thanked the DWR for creating the Primer and considering CWA's input.

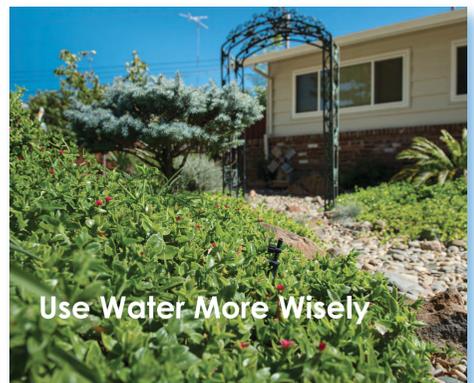
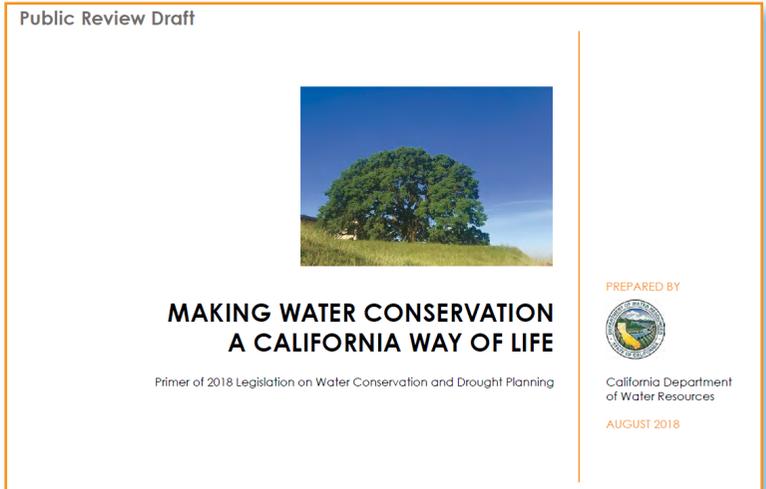
CWA's comments focused on four sections of the Primer. On *Urban Water Use Efficiency Standards*, CWA asked the DWR to include more detail on the state's approach to addressing the effects of the proposed standards on local wastewater management, developed and natural parklands, and urban tree health as well as how and when the state will do so.

With respect to *Reporting Requirements*, CWA recommended requiring submittal of the first annual water shortage assessment reports to DWR when or after the next Urban Water Management Plans are submitted in 2021.

CWA offered its assistance to the State Water Resources Control Board (SWRCB) and DWR on drought planning recommendations and guidance for *Small Water Suppliers and Rural Communities*. The letter indicated CWA's prior involvement at DWR stakeholder meetings and work on regulated utilities' Water Shortage Contingency Plans and overall drought management can be used as a starting reference point for counties embarking on drought planning assistance for small systems.

Referring to *Appendix A*, CWA encouraged DWR to make a distinction between the "public" and "customers" with respect to outreach and involvement, and called on state agencies to keep customers and customer groups abreast of the milestones and actions completed in the Primer as the process ensues. CWA stressed that "it is incumbent upon the state agencies and the water suppliers to ensure that customer expectations are properly managed throughout the process."

The comments concluded with CWA asking the DWR and SWRCB to "continually communicate the implications and water use profiles for customers and not be limited to public 'policy' involvement with respect to the implementing regulations."



## LEGISLATIVE &amp; REGULATORY UPDATE

## CWA RESPONDS TO ADMINISTRATIVE LAW JUDGE'S RULING REGARDING COMMUNICATIONS DURING EMERGENCIES



In advance of a California Public Utilities Commission's (CPUC) September 28, 2018, workshop, the California Water Association (CWA) responded on behalf of its Class A, B, C, and D water utility members to the Administrative Law Judge's Ruling (ALJ Ruling) regarding emergency communications.

CWA responded to 14 questions in the ALJ Ruling on communication protocols and best practices, particularly during emergencies, among entities and stakeholders, including the CPUC, local government agencies, customers, and utilities.

In its responses, CWA emphasized that "the appropriate communications protocols to implement in any given emergency situation will necessarily depend on the type, scale, and location of the threat, what agencies or entities are responsible for responding to and addressing the incident, the role of an affected water utility in supporting (or leading) the response effort, and the utility's resources (e.g., available staff), among other factors."

CWA went on to suggest that "the most fundamental 'best practice' from a communications standpoint is simply for the utility to identify the person within its internal chain-of-command who is responsible for reaching out to, and communicating with, the appropriate agencies and stakeholders in an emergency, and to update the contact information for those external entities annually."

To ensure adequate communications, CWA noted that water utilities follow detailed customer notice requirements imposed and enforced by the State Water Resources Control Board's Division of Drinking Water for any water contamination-related emergency, and customers receive drought emergency notifications "where a utility's CPUC-approved Schedule 14.1 is activated." CWA indicated that engaging customers independently or immediately or in the aftermath of an emergency isn't always the best course of action during a multi-jurisdictional emergency event. CWA emphasized that communications during these events require "the careful exercise of patience and discretion to coordinate with other agencies and entities in terms of messaging and the timing of messaging." CWA respectfully urged the CPUC "to consider the need to preserve this discretion in evaluating the value of uniform and/or mandatory customer communications protocols in the context of emergency responses."

CWA's complete responses to the ALJ can be viewed by [clicking here](#). 🌐

## MEMBER SPOTLIGHT

## WATER UTILITIES CULTIVATE FUTURE INDUSTRY LEADERS

Water utilities regulated by the California Public Utilities Commission continually strive to lead the way in delivering high-quality, reliable water to Californians. Cultivating future water industry leaders is one essential way to ensure this continues to be the case. By reaching out to students to lend their curiosity, talent, and innovation to the industry, regulated water utilities are discovering new solutions and ways of thinking about water and sustainability.



*Liberty Utilities staff hosted the summer interns.*



*(L-R) Interns Christian and Evelyn, Seniors at the Norwalk-La Mirada Unified School District*



*Liberty Utilities' engineering team provided the interns with a tour of a well-drilling site.*

Liberty Utilities (Liberty) is one of many California Water Association members actively reaching out to cultivate future leaders. For six weeks this past summer, Liberty hosted two high school interns from Norwalk-La Mirada Unified School District. With an interest in pursuing engineering careers, interns Christian and Evelyn spent a week with Liberty's major department employees to learn about the water industry. At the end of the internship, the two shared what they had learned, liked best, and what they would change.

After exploring Liberty's geographic information system, Christian said he may change his major because he loved the program so much. Evelyn was intrigued to learn about the various career paths she can take within the water industry. Liberty team members were as excited to host the interns as the interns were to learn about Liberty.

California Water Service (Cal Water) recently held its first "Water 2.0" career day in San Jose, which attracted nearly 200 San Jose Unified School District high school students. They learned about the ins and outs of the evolving water industry as well as the various career options in chemical engineering, emergency preparedness, information technology, environmental science, accounting, human resources, customer service, and technical fields.

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## MEMBER SPOTLIGHT

## WATER UTILITIES CULTIVATE FUTURE INDUSTRY LEADERS...CONTINUED



Students displayed their \$500 Cal Water scholarships with (L) Cal Water Vice President, Corporate Communications and Community Affairs Shannon Dean and (center L-R) San Jose Mayor Sam Liccardo, Los Gatos Vice Mayor Steven Leonardis.

In an [op-ed](#) published in *San Jose Inside*, Cal Water President and CEO Martin A. Kropelnicki said, "We need more students, entrepreneurs, and seasoned professionals to lend their curiosity, talent, and expertise to be part of the answer for new solutions and ways of thinking about water and sustainability. Those seeking a position in the field will enjoy competitive wages, job security in a stable industry, and the chance for upward mobility."



Cal Water President and CEO Martin A. Kropelnicki addressed attendees as Cal Water employees Kymm Garcia and Shannon Dean, San Jose Mayor Sam Liccardo, and Los Gatos Vice Mayor Steven Leonardis looked on.



(L-R) San Jose Mayor Sam Liccardo and Cal Water President and CEO Martin A. Kropelnicki



(L-R) Cal Water employees Loni Lind and Lisa Dores taught attendees at the water quality booth about federal and state standards for regulated water utilities.



Students learned how to detect a water leak with the help of Cal Water employees Shaun O'Meara (L) and Mike Utz (R).

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## MEMBER SPOTLIGHT

## WATER UTILITIES CULTIVATE FUTURE INDUSTRY LEADERS...CONTINUED

San Jose Mayor Sam Liccardo attended the event and presented 20 Cal Water scholarships to students signing up for a water utility training course. Cal Water also offers a [scholarship program](#) to assist students residing within its service areas with their college or vocational education programs.

[San Jose Water Company](#) (SJWC) also provides [scholarships](#) for students interested in the water industry. A [blog](#) about SJWC's internship program features the stories of several esteemed individuals who elected to continue their careers with SJWC after completing internships.



*Distribution System Supervisor Kevin Olivo during his internship with SJWC (L) and in his current position (R).*

SJWC Vice President of Regulatory Affairs and Government Relations John Tang, who served as a student engineer intern in October 1990, said, "Many of the people hiring interns used to be interns themselves; they understand that relationship and are committed to helping interns succeed."

[Suburban Water Systems'](#) (Suburban) staff works hard to inspire youth in the communities served by the utility to ensure young people are aware of career options in the water industry. One way of accomplishing that outreach is by making presentations at local schools about Suburban and its various departments.

Representatives speak about their jobs and experiences at Suburban as well as the college coursework that prepared them for their careers. Hearing different perspectives helps students relate to the myriad possibilities they can pursue at Suburban in areas such as engineering, administration, human resources, communications, customer service, public affairs, laboratory and water science, operations, maintenance, and more. 🌍



*Suburban's engineers, production manager, and human resources representative explaining what they do on a day-to-day basis.*



*Suburban representatives demonstrating to students how water is delivered to their homes.*

## POINTS OF INTEREST

## REGULATED WATER UTILITIES INVESTING IN TOMORROW

An op-ed submitted by California Water Association (CWA) President Lawrence M. Morales and published in the *Los Angeles Business Journal* on September 17, 2018, addressed CWA's members' responses to the dire need for infrastructure investments in America. The 2017 *Infrastructure Report Card* issued by the American Society of Civil Engineers gave America's infrastructure a "D+" grade and estimated there are 240,000 water main breaks per year in the nation that waste more than 2 trillion gallons of safe drinking water.



The report also indicated that maintaining and expanding drinking water systems in California, alone, will require \$44.5 billion dollars during the next 20 years. As a result, Governor Brown signed two bills into law that establish new water-use efficiency standards and require water providers to reduce water loss due to leaks within their systems.

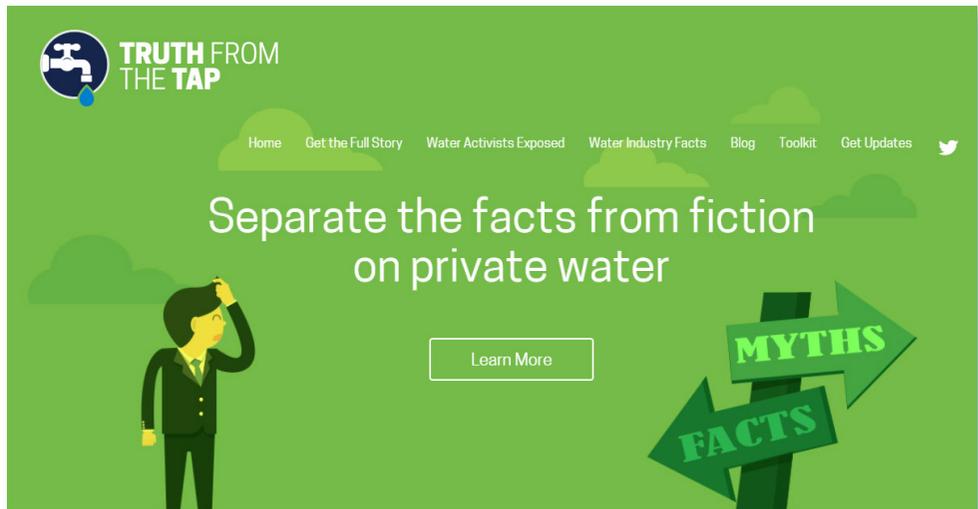
The op-ed detailed how nine CWA member water utilities regulated by the California Public Utilities Commission (CPUC) are "doing their part to confront the infrastructure challenge" by investing more than \$645 million in 2017 in water system improvements and upgrades. "By working closely with the CPUC, regulated water utilities are focused on ensuring adequate investments in water systems to ensure more water makes it to the tap." 

## POINTS OF INTEREST

## TRUTH FROM THE TAP LAUNCHES ONLINE TOOLKIT FOR CALIFORNIA WATER COMPANIES



In mid-September, [Truth from the Tap](#), a website sponsored by the National Association of Water Companies dedicated to providing factual information and context about the private water industry in the United States, [launched](#) a new [toolkit](#) to provide stakeholders, including water utilities regulated by the California Public Utilities Commission, with fact-based information about California's water companies. With activists increasingly publishing misinformation about regulated water companies and supporting government takeovers of regulated public water utilities that professionally operate water distribution systems throughout the state, the new toolkit includes backgrounders, infographics, and FAQs on water rates and how they are set for regulated water utilities.



With one in seven Californians served by water companies that collectively invested more than \$645 million in community water and wastewater systems in 2017, regulated water utilities are leading the way to ensure customers have the quality water infrastructure and services they need now and in the future. Despite the false narratives activists are conveying, *Trust from the Tap* indicates “evidence clearly shows that the regulatory process in California works and that Californians are well served by regulated water companies.” 

POINTS OF INTEREST

## CELEBRATING CALIFORNIA'S WATER PROFESSIONALS



California's second annual **Water Professionals Appreciation Week**, held annually on the first Saturday in October, focused on the significant role of water industry professionals in ensuring the delivery of safe and reliable water, wastewater, and recycled water. Throughout the state, water utilities regulated by the California Public Utilities Commission organized programs and events to educate customers, policymakers, and other key audiences on the value of water and wastewater services while showcasing careers in the water industry.

Water Professionals Appreciation Week was established by **Senate Concurrent Resolution 80 (SCR 80)** in 2017. SCR 80 was authored by Senator Bill Dodd and sponsored by a coalition led by the Association of California Water Agencies (ACWA) and included the California Water Association. This year's Water Professionals Appreciation Week ran from October 6-14. A toolkit with background information, suggested activities, **videos**, social media content, and graphics is available in the resource section of ACWA's website at [www.acwa.com/resources](http://www.acwa.com/resources).

**WANT TO HAVE AN IMPACT?**  
Choose a career in California's water industry and make a difference in your community!

OCT. 6 - 14, 2018

**WATER CAREERS AT A GLANCE**

- Engineering
- Water treatment
- Finance
- Human resources
- Public information / communications
- Operations and maintenance
- Law
- Customer relations / customer service

With approximately **6,000\* JOB OPENINGS** in the California Water industry each year, NOW is the perfect time to pursue a career in water.

\*Source: Estimate based on Cuyamaca College labor study

OCT. 6 - 14, 2018

## REGISTER TODAY FOR CWA'S 77<sup>th</sup> ANNUAL CONFERENCE

**October 29-31, 2018**  
**Monterey Plaza Hotel & Spa | 400 Cannery Row, Monterey, CA 93940**



This year's conference, with the timely theme, "Safe, Reliable Water: What Can We Afford?," will feature presentations and panel discussions on water service affordability, consolidation of water systems, water use efficiency regulations, climate change adaptation, California's wildfire threats, and forcing those responsible for contaminating drinking water to pay for the remediation.

Register today at <http://www.calwaterassn.com/event/2018-annual-conference>, or contact **Vanessa Henderson** at 916.231.2147, or [vhenderson@calwaterassn.com](mailto:vhenderson@calwaterassn.com).