



California American Water - Monterey
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October 30, 2019

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

Re: **Amended** SWRCB Order WR 2016-0016 / WR 2009-0060, 2nd Quarterly Report for the 2018-2019 Water Year Addressing Operations for the Period of January 1, 2019 to March 31, 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 2nd quarter of Water Year 2019 covering the period of January 1, 2019 to March 31, 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.

Amended Items

Table Seven – Water Used By New Connections for October 2018 corrected from 0.106 af to 0.117 af, for November 2018 corrected from 0.111 af to 0.122 af, for December 2018 corrected from 0.132 af to 0.147 af and for January 2019 corrected from 0.265 af to 0.267 af.

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 ¹ (AF) | Eastwood-Cañada Well (AF) | Seaside Wells ² (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 |
| Q1 Total | 1,391.21 | 27.31 | 793.03 | 47.79 | 2,259.33 |
| WYTD | 1,391.21 | 27.31 | 793.03 | 47.79 | 2,259.33 |
| 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 |
| Q2 Total | 2,367.60 | 23.95 | 423.59 | 25.07 | 2,840.20 |
| WYTD | 3,758.81 | 51.26 | 1,216.62 | 72.85 | 5,099.54 |
| Apr 2019 | | | | | |
| May 2019 | | | | | |
| Jun 2019 | | | | | |
| Q3 Total | | | | | |
| WYTD | | | | | |
| Jul 2019 | | | | | |
| Aug 2019 | | | | | |
| Sep 2019 | | | | | |
| Q4 Total | | | | | |
| WYTD | | | | | |

¹Includes ASR Injection

²Includes 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) 469.55 |
| 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 |
| Q1 Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| WYTD | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 469.55 |
| 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 |
| Q2 Total | 83.20 | 63.72 | 289.79 | 108.50 | 0 | 317.92 | 0 | 86.16 | 949.29 | 349.29 | 0 | |
| WYTD | 83.20 | 63.72 | 289.79 | 108.50 | 0 | 317.92 | 0 | 86.16 | 949.29 | 349.29 | 0 | 1,418.83 |
| Apr 2019 | | | | | | | | | | | | |
| May 2019 | | | | | | | | | | | | |
| Jun 2019 | | | | | | | | | | | | |
| Q3 Total | | | | | | | | | | | | |
| WYTD | | | | | | | | | | | | |
| Jul 2019 | | | | | | | | | | | | |
| Aug 2019 | | | | | | | | | | | | |
| Sep 2019 | | | | | | | | | | | | |
| Q4 Total | | | | | | | | | | | | |
| WYTD | | | | | | | | | | | | |

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.

| Table Three | | | |
|---|---------------------------------|--|---|
| Malpasos Water Company Monthly Production and Product Allocation | | | |
| Month | Malpasos Production (AF) | Use by Malpasos Connections* (AF) | Water Used to Reduce Diversions (AF) |
| 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 | | | |
| May 2019 | | | |
| Jun 2019 | | | |
| Jul 2019 | | | |
| Aug 2019 | | | |
| Sep 2019 | | | |
| Total | 51.26 | 5.98 | 45.28 |

*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.

| Table Four City of Pacific Grove Monthly Production and Product Allocation | | |
|---|--|---|
| Month | City of Pacific Grove Production (AF) | Water Used to Reduce River Diversions (AF) |
| 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 | | |
| May 2019 | | |
| Jun 2019 | | |
| Jul 2019 | | |
| Aug 2019 | | |
| Sep 2019 | | |
| Total | 22.60 | 15.98 |

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.

| Table Five (a) Effective Diversion Limit Adjustment Calculation (AF) | |
|---|-----------------|
| Effective Diversion Limit | 8,310 |
| Penalty for Missed Milestones | (0.00) |
| Water Produced by Sand City not used by Sand City Customers | (30.44) |
| Pure Water Monterey Groundwater Replenishment Project Water Recovery | (0.00) |
| Instream Flow Agreement Carry Over Credit (50%) from previous water year | 0.00 |
| Adjusted Effective Diversion Limit | 8,279.56 |

| Table Five (b) Adjusted Carmel Valley Well Production Calculation (AF) | |
|---|-----------------|
| Carmel Valley Well Production (excludes Malpaso Water) | 3,758.81 |
| Malpaso Water Produced not served to subscribers | 45.28 |
| Water served to Pebble Beach entitlements | (0.00) |
| ASR Injection in excess of 600AF | (349.29) |
| Adjusted Carmel Valley Well Production | 3,454.79 |

| Table Five (c) *Final Quarter Quantification and Basis of Credits earned and Amount Being Carried Over (AF) | |
|--|--|
| Adjusted EDL (from Table 5a) | |
| Adjusted Carmel Valley Well Production (from Table 5b) | |
| Production Exceeding Adjusted EDL | |
| Carryover Credits from Prior Years applied to offset EDL Exceedance (Max 750 AF per year) | |
| Adjusted Exceedance EDL | |
| Production Less Than Adjusted EDL (Carryover Credits) | |
| Unused Carryover Credits from Prior Years | |
| Cumulative Carryover credit for Future Years | |

* 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):

Progressive Steps Completed During the Previous 12 Months

Milestone for 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 was achieved on September 22, 2016, when the CPUC issued Decision 16-09-021. The SWRCB was provided notice on 9/27/2016.

Milestone for 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 must be achieved by September 30, 2017. 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. Cal Am has therefore timely achieved this milestone.

Milestone for 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 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. The City of Marina and Marina Coast Water District have each filed Applications with the CPUC for Rehearing of the CPUC's decision. The City and Marina Coast Water District also filed Petitions for Writ of Review with the California Supreme Court, but the court denied those petitions without prejudice to refile when the CPUC's review of the rehearing applications is complete. The City of Marina and MCWD refiled their Petitions for Writ of Review on January 16, 2019 and January 17, 2019, respectively.

Milestone for 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 continues to advance the permit authorizations since the certification of the EIR in 2018 and at this time expects to start construction of certain components of the desalination facilities to meet the milestone.

Anticipated Progress in the Upcoming 12 Months

- 2019 – Coastal Development Permit approvals
 - 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 and Cal-Am timely appealed the decision to the City Council. The City Council has scheduled a public hearing for April 30, 2019.
 - An application for a combined development permit for the MPWSP desalination plant has been submitted to the County of Monterey, and a public hearing before the County Planning Commission is scheduled for April 24, 2019.
 - Submission to the Coastal Commission of an application for a coastal development permit for those portions of the MPWSP not within the City of Marina's coastal zone is anticipated in early 2019.

- 2019 – Start construction on components of MPWSP desalination plant.

Actions by the CPUC, the City of Marina, the County of Monterey, the Coastal Commission, and the courts causing delay are beyond Cal-Am's control.

On February 5, 2019, the CPUC issued its decision denying rehearing of the CPUC's final decision and found that the City of Marina and MCWD did not establish legal error. On February 8, 2019, the California Supreme Court issued a letter informing the parties that the CPUC's filing of the rehearing decision reset the clock to file petitions, and thus petitioners may file a new or amended petition. MCWD and the City of Marina filed amended petitions on February 22, 2019 and February 26, 2019, respectively.

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.

| Table Six New Connections Within the Sand City | | |
|---|------------------------|-----------------------|
| Month | New Connections | Installed Date |
| 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.

| Table Seven Sand City Desalination Facility Monthly Production and Product Allocation | | | |
|--|--|---|---|
| Month | Sand City Production (AF) | Water Used by New Connections (AF) | Water Used to Reduce River Diversions (AF) |
| 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 | | | |
| May 2019 | | | |
| Jun 2019 | | | |
| Jul 2019 | | | |
| Aug 2019 | | | |
| Sep 2019 | | | |
| Total | 72.85 | 0.848 | 72.01 |

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.

| Table Eight | | |
|--|---------------------------|---|
| 12-Month Running Average of Unaccounted For Water | | |
| 12 Month Period | System Losses (AF) | Savings Compared to Base Year (AF) |
| 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 | | |
| Jun 18 - May 19 | | |
| Jul 18 - Jun 19 | | |
| Aug 18 - Jul 19 | | |
| Sep 18 - Aug 19 | | |
| Oct 18 - Sep 19 | | |

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.

| Table Nine | | |
|--|-------------------|----------------------|
| Total Main and Service Leak Repairs | | |
| Month | Main Leaks | Service Leaks |
| 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 | | |
| May 2019 | | |
| Jun 2019 | | |
| Jul 2019 | | |
| Aug 2019 | | |
| Sep 2019 | | |
| Total | 82 | 153 |

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.

| Table Ten | | | | |
|---|------------------------------------|-------------------------------|----------------------------------|---|
| Monthly Totals of Water Service, Main, Meter and Fire Hydrant Replacements | | | | |
| Month | Service Replacements Number | Main Replacements Feet | Meter Replacements Number | Fire Hydrant Replacements Number |
| 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 | | | | |
| May 2019 | | | | |
| Jun 2019 | | | | |
| Jul 2019 | | | | |
| Aug 2019 | | | | |
| Sep 2019 | | | | |
| Total | 39 | 623 | 1,745 | 13 |

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.

| Table Eleven | | | |
|---|---|--|---------------------------|
| Main System Residential Rate Structure Effective | | | |
| Tier | Old Rates Per Unit February 2009 | Current Rates Per 100 Gallons August 2017 | Percent Change |
| 1 | \$0.2298 | \$0.7287 | 217.10% |
| 2 | \$0.4596 | \$1.5039 | 227.22% |
| 3 | \$0.6894 | \$3.5091 | 409.01% |
| 4 | \$0.9192 | \$6.7606 | 635.49% |
| 5 | \$1.8385 | \$8.2645 | 349.52% |

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.

| Table Twelve | | |
|--|------------------------------|----------------------|
| Tier 4 and 5 Average Historical Usage (WY 2005 - WY 2009) compared to WY 2019 | | |
| Month | Historical Usage (AF) | WY 18-19 (AF) |
| 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 | |
| May | 46.2 | |
| Jun | 83.4 | |
| Jul | 108.6 | |
| Aug | 111.3 | |
| Sep | 97.9 | |

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.

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

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.

| Table Fourteen | |
|---|-------------------------|
| Total Water Conservation Audits By Month | |
| Month | Number of Audits |
| Oct 2018 | 58 |
| Nov 2018 | 40 |
| Dec 2018 | 39 |
| Q1 Total | 137 |
| Jan 2019 | 49 |
| Feb 2019 | 28 |
| Mar 2019 | 39 |
| Q2 Total | 116 |
| Apr 2019 | |
| May 2019 | |
| Jun 2019 | |
| Q3 Total | |
| Jul 2019 | |
| Aug 2019 | |
| Sep 2019 | |
| Q4 Total | |

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:

- 116 Residential Water Audits
- 17 Conservation Inspections
- 2 Irrigation Checks

- 2 Conservation Meetings with the MPWMD
- 173 Data Logs – Customer hourly usage reports downloaded from meters
- 3 Meetings with the Monterey County Water Awareness Committee
- 5 Residential Rain Sensors Installed

California American Water Activities:

- Conservation Events
 - Farmers Market with the Water Awareness Committee of Monterey County 3-19-19
- CAW – MPWMD Joint Conservation Event
 - City of Monterey’s Annual Cutting Day with the Water Awareness Committee of Monterey County 3-6-19

MPWMD Conservation Events

- Monterey Bay Aquarium “Design for the Ocean”. 3-3-19
- California Wildlife Day (CWD) at the newly opened portion of Palo Corona Regional Park (formerly the Rancho Canada Golf Club) in Carmel, CA.

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 2nd 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 'C. Cook', is positioned above the typed name.

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

Attachments (4)