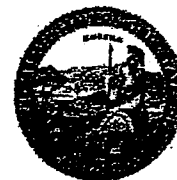


State of California—Health and Human Services Agency
Department of Health Services



DIANA M. BONTÁ, R.N., Dr. P.H.
Director

EXHIBIT 15-B



GRAY DAVIS
Governor

August 15, 2003

RECEIVED

AUG 18 2003

MPWMD

Mr. Steve Leonard
California American Water Company
50 Ragsdale Drive, Suite 100
Monterey, CA 93940

Dear Mr. Leonard:

**Interim Approval for Santa Margarita Well
CalAm Water Company Monterey – Water System No. 2710004**

We received an application for a water system permit amendment in May 2002 to add the Santa Margarita Well as a source for the CalAm Monterey water system. The Santa Margarita Well is owned by the Monterey Peninsula Water Management District (MPWMD) and is part of the pilot aquifer storage and recovery (ASR) project currently under study by CalAm and MPWMD. At that time of the application, initial water quality monitoring showed that total trihalomethanes (TTHMs) in the Santa Margarita Well water were 100.3 micrograms per liter ($\mu\text{g/L}$), which exceeds the Federal maximum contaminant level (MCL) of 80 $\mu\text{g/L}$. However, subsequent monitoring conducted between September 2002 and June 2003 has shown that TTHMs have been consistently below the MCL, with the exception of one sample taken on February 7, 2003. Five haloacetic acids (HAA5) were also below the MCL of 60 $\mu\text{g/L}$ for all samples taken during this period.

The Department feels that additional water quality monitoring is warranted on the recovery phase of ASR. Therefore, we are approving temporary use of the Santa Margarita Well as a source for the CalAm Monterey water system in order to obtain additional monitoring data during pumping, based on the following conditions:

1. The use of the Santa Margarita Well is approved for the period beginning **August 18, 2003 and ending October 3, 2003**. CalAm must request in writing an extension if use of the well beyond October 3, 2003 is needed, and any request must include an end date for the extended period.
2. For reporting results of source water monitoring, the Santa Margarita Well is assigned the following Primary Station Code (PS Code): 2710004-070.
3. Treatment for the water from the Santa Margarita Well may only receive treatment at the Ord Grove Water Treatment Plant (WTP), PS Code 2710004-061.
4. Initial monitoring at Santa Margarita Well must be conducted prior to discharging any water to the WTP and must include, but is not limited to, nitrate, coliform, TTHMs, and HAAs. All data must be submitted in hard copy to the Department for verbal approval before water from the well can be discharged into the Ord Grove WTP or the distribution system. Monitoring results for samples taken after August 1, 2003 may be submitted as initial monitoring results.
5. Monitoring during the period when the Santa Margarita Well is in operation must include, but is not limited to, the following:
 - One raw water sample per week from Santa Margarita Well for TTHMs and HAA5.



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www.consumerenergycenter.org/flex/index.html

Northern California Drinking Water Field Operations Branch
1 Lower Ragsdale, Building 1, Suite 120, Monterey, CA 93940-5741
(831) 655-6939; Fax (831) 655-6944
Internet Address: <http://www.dhs.ca.gov/ps/ddwem/>

- One treated water sample per week from the Ord Grove WTP for TTHMs and HAA5. All data must be submitted in hard copy to the Monterey District office and electronically to the Department by the tenth of the month following the monitoring.
- 6. CalAm must notify the Department immediately in the event that any raw water sample exceeds the MCLs of 80 µg/L for TTHMs or 60 µg/L for HAA5.
- 7. All TTHM and HAA5 monitoring results for the raw water from Santa Margarita Well must be included on the water system Consumer Confidence Report for 2003.
- 8. A report of the operation of the Santa Margarita Well must be submitted to the Department at the end of the trial operation period. The report must include a summary of all data collected and must be submitted to the Department by **November 14, 2003**.

The application for the water system permit amendment previously submitted will be processed after the summary report on the operation of the Santa Margarita Well in Item #8 above has been submitted to the Department. Please note that the following additional items must be submitted for inclusion in the permit application before it can be processed:

1. A copy of an agreement between CalAm and MPWMD giving CalAm the long-term right to pump water from the Santa Margarita Well into CalAm's distribution system.
2. A copy of the Operations Plan for the Santa Margarita Well that includes emergency procedures to be implemented in the event TTHMs or HAA5 in the raw water exceed the MCL.
3. Proof that MPWMD has complied with CEQA for the construction and operation of the Santa Margarita Well.

If you have any questions regarding this letter or any other issue, please contact myself or Jan Sweigert at (831) 655-6939.

Sincerely,



Betsy S. Lichti, P.E.

District Engineer, Monterey District

DRINKING WATER FIELD OPERATIONS BRANCH

cc: Monterey County Health Department
California Public Utilities Commission
Joe Oliver - MPWMD, P.O. 85, Monterey CA 93942-0085