

EXHIBIT 17-G

RULE 20 - PERMITS REQUIRED

A. PERMIT TO CREATE/ESTABLISH A WATER DISTRIBUTION SYSTEM

Before any Person Creates or Establishes a Water Distribution System, such Person shall first obtain a written exemption or Permit from the District, execute and record a notice on the title of the property, and pay all applicable fees. Before any Person creates or establishes a Mobile Water Distribution System, such Person shall obtain a written Permit from the District.

Desalination, reclamation or importation facilities located within the District are not exempt because the Source of Supply is considered to be the water emanating from a facility within the District.

Persons who hold a valid permit for construction and operation of a Water Distribution System from the Monterey County Health Department, prior to March 12, 1980, or a Water Distribution System in existence prior to that date, shall be deemed to have been issued a Permit in compliance with these Rules and Regulations. Persons who filed a completed application to the Monterey County Health Department, date-stamped by the Department on or before March 19, 2001, for construction of a Well serving a Single-Parcel Connection System shall be deemed to have been issued a Permit in compliance with these Rules and Regulations provided all of the following actions are taken: (1) the Applicant receives a valid well construction permit from the Monterey County Health Department, makes the Well active, meters the Well, has the Well inspected by MPWMD and receives an approved MPWMD Water Meter Installation Inspection form issued on or before October 15, 2001; and (2) each Water-Gathering Facility of that system was registered with the District on or before October 15, 2001.

No Mobile Water Distribution System shall be issued a Permit under the provisions of the previous paragraph. Each such system shall be required to apply for and obtain a Permit in accord with Rules 21 and 22.

The Expansion Capacity Limit and System Capacity of previously existing systems shall be determined pursuant to Rule 40-A.

An Owner or Operator of a Water Distribution System shall not modify, add to or change his/her Source of Supply, location of uses, change annual production or Connection limits, or expand the Service Area unless that Person first files an application to do so with the District and receives an amended creation/establishment Permit.

B. PERMITS TO CONNECT TO OR MODIFY A CONNECTION TO A WATER DISTRIBUTION SYSTEM

Before any Person connects to or modifies a water use Connection to a Water Distribution System regulated by the District or to any Mobile Water Distribution System, such Person shall obtain a written Permit from the District or the District's delegated agent, as described in District Rules 21, 23 and 24. The addition of any Connection and/or modification of an existing water Connection to any Water

Distribution System permitted and regulated by the District shall require a Water Permit.

The following actions require a Water Permit:

1. Any change in use, size, location, or relocation of a Connection or Water-Measuring Device which may allow an Intensification of Use or increased water consumption.
2. Each use of an On-Site credit or Water Use Credit.
3. Any modification to, or relocation of, Residential water fixtures.
4. Any Landscaping changes resulting in an Intensification of Use when a Landscape plan has been reviewed and approved as a component of a Water Permit.
5. Any Change of Use and any expansion of a Non-Residential use to a more intensive use as shown on Table 2 (Rule 24), except when the Change of Use or expansion modifies (1) an unenclosed structure that has no plumbing; or (2) a temporary structure (i.e., a structure without permanent occupancy and without a permanent foundation and that has no plumbing).
6. Installing new water fixtures (i.e., other than replacing existing water fixtures) in a Residential use.
7. Use of water from a Mobile Water Distribution System

C. EXEMPTIONS FOR WATER DISTRIBUTION SYSTEM PERMIT

For Wells located within Fractured Rock and non-Fractured Rock Wells intended for Potable supply for Residential or Non-Residential use: Exemptions for a Water Distribution System Permit shall only be considered following receipt of a Well Capacity (Aquifer Pumping) Test conducted in compliance with the protocol described in Rule 21-A-7. Well Capacity Tests shall be performed within three years from the date of receipt of the Pre-Application form requesting an exemption.

An MPWMD Water Distribution System Permit is not required for the following situations:

1. For properties that lie outside the District boundary, where both: (a) the property to be served is wholly outside of the boundaries of the Monterey Peninsula Water Management District; and (b) the water source is also located outside of the District boundary.
2. For properties that straddle the District boundary, where both: (a) the portion of the property served by the Water Distribution System is outside of the District boundary; and (b) the Source of Supply is outside of the District boundary.