

EXHIBIT 18-A

**California American Water Main Distribution System
Quarterly Water Supply Strategy and Budget: July - September 2014**

Proposed Production Targets by Source and Projected Use in Acre-Feet

| SOURCE/USE | MONTH | | | YEAR-TO-DATE | | |
|---------------------------|--------------|--------------|--------------|-----------------|----------|-------------|
| | Jul-14 | Aug-14 | Sep-14 | Oct-13 - May-14 | % of YTD | % of Annual |
| <u>Source</u> | | | | | | |
| Carmel Valley Aquifer | | | | | | |
| Upper Subunits | 0 | 0 | 0 | 83 | N/A | N/A |
| Lower Subunits (95-10) | 1,243 | 1,100 | 1,513 | 4,716 | 80.1% | 48.3% |
| Total | 1,243 | 1,100 | 1,513 | 4,799 | | |
| Seaside Groundwater Basin | | | | | | |
| Coastal Subareas | 250 | 400 | 0 | 1,869 | 76.9% | 70.0% |
| ASR Recovery | 0 | 0 | 0 | 0 | 0.0% | |
| Sand City Desalination | 25 | 25 | 25 | 137 | 68.6% | 45.7% |
| Total | 1,518 | 1,525 | 1,538 | 2,007 | | |
| <u>Use</u> | | | | | | |
| Customer Service | 1,518 | 1,525 | 1,538 | 6,806 | 90.2% | 53.4% |
| Phase 1 ASR Injection | 0 | 0 | 0 | 0 | 0.0% | 0.0% |
| Total | 1,518 | 1,525 | 1,538 | 6,806 | | |

Notes:

1. The budget reflects "Critically Dry" inflow conditions and assumes that the monthly unimpaired inflows at the San Clemente Dam site during the July 2014 - September 2014 period will be approximately 30, 38, and 56 AF, respectively. The exceedence values are based on the 1902-2013 period of record. Estimates assume a similar precipitation pattern to that experienced in WY 1989.
2. The annual budget period corresponds to the Water Year, which begins on October 1 and ends on September 30 of the following Calendar Year.
3. Total monthly production for "Customer Service" in CAW's main system was calculated by multiplying total annual production (12,735 AF) times the average percentage of annual production for July, August, and September (10.6%, 10.4%, and 9.8%, respectively). According to District Rule 162, the annual production total was based on the assumption that production from the Coastal Subareas of the Seaside Groundwater Basin would not exceed 2,669 AF and production from Carmel River sources, without adjustments for water produced from water resources projects, would not exceed 10,066 AF in WY 2014. The average production percentages were based on monthly data for customer service from WY 2005 to 2012.
4. The production targets for CAW's wells in the Upper Subunits of the Carmel Valley Aquifer are set at 0, based on CAW's goal to avoid use of these wells, year round. However, production could be higher under existing State water rights and interagency operating agreements.
5. The production targets for CAW's wells in the Seaside Coastal Subareas are based on the need for CAW to produce its full Standard Allocation during WY 2014 to be in compliance with SWRCB WRO No. 95-10.
6. Year to date production numbers are estimated pending finalization of CAW production data.