

EXHIBIT 15-B



December 1, 2020

Mr. John Ainsworth
Executive Director
California Coastal Commission
455 Market Street
San Francisco, CA 94105

Via Email

RE: California American Water Company's Amended Coastal Development Permit Application for the Proposed Monterey Peninsula Water Supply Project

Dear Mr. Ainsworth:

In our letter to you dated June 15, 2020 the Monterey Peninsula Water Management District encouraged the California Coastal Commission to deny the Coastal Development Permit (CDP) for California American Water (Cal-Am) Company's proposed desalination facility for several reasons, including (a) Pure Water Monterey (PWM) expansion is a feasible alternative to the desalination facility; (b) PWM expansion has less adverse environmental impact than the proposed desalination facility, and no new construction in the coastal zone; (c) PWM expansion provides a new water supply sufficient to meet the future needs of the Peninsula for the next 20 to 30 years and is more than sufficient to lift the Cease and Desist Order in our community; and (d) PWM expansion will save the ratepayers approximately \$1 billion compared to desalination over a 30-year lifecycle.

The amended application refiled by Cal-Am on November 5, 2020 has done nothing to change those outcomes.

Further, the amended application raises several new questions:

- The original Mitigation Monitoring and Reporting Program was adopted by the California Public Utilities Commission (CPUC) in its Decision 18-09-017 prior to filing the Notice of Determination. The CPUC's designated Project Manager, along with Monterey Bay National Marine Sanctuary and the Third-Party Monitors, will evaluate any proposed deviations from the approved Project to ensure they are consistent with CEQA and NEPA requirements. Depending on its nature, a requested deviation would be processed by the CPUC as a Minor Project Change (MPC) or a Petition for Modification (PFM). How can Cal-Am submit an update to the Coastal Commission of its Habitat Mitigation and Monitoring Plan without CPUC approval?
- Cal-Am has made many proposals that have economic consequences that likely require CPUC approval, such as an increased subsidy to its Customer Assistance Program, a doubling of the ESHA mitigation, and as reported in the local press "to provide the city with water from the project, as well as a share of the franchise fees and a portion of the infrastructure among other enticements."¹ How can these revisions be considered by the Coastal Commission when they have not been approved by the CPUC?

¹ Monterey Herald 11-19-20

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- The Cal-Am proposal to further subsidize the Customer Assistance Program purports to address “environmental justice.”² How does reducing bill impacts to one subset of customers in the Cal-Am service territory satisfy environmental justice issues raised by citizens of the City of Marina, outside of the Cal-Am service area?
- There has been no agreement by Monterey One Water (MIW) on the proposed outfall lining and Cal-Am’s proposal is not one of the two approaches that MIW and Cal-Am had identified before their discussions paused. In September, MIW issued a Technical Memorandum questioning the feasibility of Cal-Am’s proposal. How can a CDP be issued without the outfall solution known?
- Marina Coast Water District still maintains that there is insufficient conveyance capacity in their pipeline in General Jim Moore Boulevard and there has been no environmental approval for a bypass pipeline. How can a CDP be issued without a known mechanism to convey the water to the Cal-Am distribution system?

In addition to such questions, it is clear that much new independent third-party information has been made available with respect to groundwater dependent ecosystems, water supply and demand needs, hydrology, among others, which contradict several of Cal-Am’s positions. Further, the EIS has not been certified by the National Marine Sanctuary and the NPDES discharge permit for the desalination facility has not been amended. It simply seems there are too many gaps yet to fill.

Thank you for your consideration of the District’s position. We will be seating a new District Board in December which will likely result in an update to your Commission of the District’s position going forward.

Sincerely,



David J. Stoldt
General Manager
on behalf of the Monterey Peninsula Water Management District

cc: CCC Central Coast District Office
Alison Detmer
Tom Luster

² See page 3 of revised Cal-Am Application to the Coastal Commission dated November 5, 2020