

October XX, 2014

Hon. Steve Kinsey, Chair and Commissioners  
California Coastal Commission  
Attn: Mike Watson  
725 Front Street, Suite 300  
Santa Cruz, CA 95060

**RE: SUPPORT Agenda Item No. XX XXX**

Hon. Chair Kinsey and Commissioners:

We are writing today to urge you to support and approve the required Coastal Development Permits for California American Water's (Cal Am) Slant Test Well Project. The fifteen parties signing this letter include local governments, ratepayer advocates, environmental non-profits, business interests, and farming groups. Each of the signatories has a significant stake in the future of water supply on the Monterey Peninsula, in the health of the Carmel River and our groundwater supplies; and in the protection of our Monterey Bay Marine Sanctuary and our community's beautiful coastline.

Cal Am provides water service to the people of the Monterey Peninsula. The community has historically relied on the Carmel River as a drinking water source, but the river has been over-pumped, negatively impacting the river ecosystem. To protect the river ecosystem, the State Water Resources Control Board (SWRCB) has ordered Cal Am to reduce more than three quarters of its historical diversions from the river on a ramp down schedule with final reductions scheduled for 2017.

The proposed solution is a portfolio of water projects, the largest of which is the Cal Am desalination plant. The Monterey Peninsula Water Management District and the Monterey Regional Water Pollution Control Agency are also pursuing an advanced-treatment recycled water project that would produce water that would be stored in the Seaside Groundwater Basin for subsequent recovery. If successful, this project would allow for a reduction in the size of the desalination plant. Cal-Am will also expand its ongoing aquifer storage and recovery project, which diverts wet-period surplus supplies from the Carmel River for storage in the Seaside Basin for subsequent recovery. Finally, existing aggressive conservation measures will continue, which have resulted in some of the lowest water use in the state of approximately 60 gallons per person per day.

The implementation of the full reductions mandated by the SWRCB prior to the completion of the portfolio of planned replacement projects would devastate the Monterey Peninsula. While

partial compliance with this order can and must be achieved through continued water conservation, to achieve full compliance, the community must also develop significant new water supplies.

When Cal Am applied to the California Public Utilities Commission (CPUC) for approval of the Monterey Peninsula Water Supply Project, each of our organizations intervened. We wanted to ensure our local environmental and community interests were represented in the process. After months of negotiations we reached an agreement with Cal Am that addresses our major areas of concern, and establishes specific technical, environmental, organizational, and financial requirements for the project. These include the investigation of the feasibility of using subsurface slant wells at the active sand mining operation on the CEMEX, Inc. property in the City of Marina as the preferred location for the source water intake. The Cal-Am Slant Test Well Project is specifically proposed to complete that important feasibility analysis.

We unanimously support the use of a test slant well to determine the viability of subsurface intakes for the project. Use of subsurface intakes rather than open-ocean intake is a clear policy preference of the SWRCB, the National Oceanic and Atmospheric Administration – Monterey Bay National Marine Sanctuary, and the California Coastal Commission itself, among other agencies that will need to approve the overall project before it can be constructed. The proposed Slant Test Well Project is intended to satisfy these policy requirements.

The site of the proposed Slant Test Well Project was agreed upon after numerous meetings with local, state, and federal permitting agencies. The Slant Test Well Project was designed through a collaborative technical working group comprised of two hydrogeologists selected by the Monterey County Farm Bureau and the Salinas Valley Water Coalition, one selected by Cal Am and one selected by the CPUC.

The information that will be gathered from the slant test well on source water and feasibility is an important step in solving our community's water supply crisis and protecting the Carmel River ecosystem. The diversity of the parties supporting the Slant Test Well Project demonstrates that the proposal before you has been carefully balanced to best satisfy competing concerns, foremost among them the protection of coastal resources and our overall environment. Further, it bears emphasizing that the application before you is only for the test well to determine the feasibility of using subsurface slant wells at the CEMEX property to provide source water to the Cal-Am desalination plant. If the test demonstrates that the site and technology are feasible, the development of permanent source wells at the site will be the subject of a separate Coastal Development Permit, which will be accompanied by the EIR for the full desalination project.

For the reasons discussed above, we urge you to approve the Coastal Development Permits required for Cal Am's Slant Test Well Project.

Sincerely,

Name  
Title  
Citizens for Public Water

Name  
Title  
LandWatch Monterey County

Name  
Title  
City of Pacific Grove

Name  
Title  
Monterey County Farm Bureau

Name  
Title  
Coalition of Peninsula Businesses

Name  
Title  
Monterey County Water Resources Agency

Name  
Title  
County of Monterey

Name  
Title  
Monterey Peninsula Regional Water Authority

Name  
Title  
CPUC Division of Ratepayer Advocates

Name  
Title  
Monterey Peninsula Water Management District

Name  
Title  
Monterey Regional Water Pollution Control Agency

Name  
Title  
Planning and Conservation League Foundation

Name

Title

Salinas Valley Water Coalition

Name

Title

Sierra Club

Name

Title

Surfrider Foundation