



MONTEREY PENINSULA

**WATER SUPPLY
PROJECT**

NEWSLETTER

2021/Q2

COASTAL COMMISSION REVIEW CONTINUES

A stylized illustration of an underwater scene in various shades of blue. It features several fish, including a large shark swimming towards the right, a smaller fish on the left, and a flatfish at the bottom. There are also coral reefs and seaweed scattered throughout the scene.

ALSO INSIDE

**PROJECT DESCRIPTION
PROJECT UPDATE**

COASTAL COMMISSION APPLICATION UNDER REVIEW

In a letter dated June 18, staff of the California Coastal Commission informed California American Water its application for the Monterey Peninsula Water Supply Project remains incomplete – despite hundreds of pages of additional information provided by the company since refiling its application for the project in November 2020.

“At this point we have addressed the major issues raised by staff,” said California American Water Vice President of Engineering Ian Crooks. “We will continue to work with the Commission staff to try and resolve their outstanding questions as quickly as possible. Given current drought conditions impacting our customers and the state, it’s imperative the desalination project move forward, and we will continue to press for a hearing this year.”

While a hearing date for the desalination project remains uncertain, Crooks explained the company is advancing on several fronts to identify and develop additional sources of water supply for its customers on the Monterey Peninsula.

“The State Water Resources Control Board order limiting our pumping from the Carmel River reaches the end of its ramp down schedule on December 31 of this year,” said Crooks. “At that point, our ability to draw from the river will be

dramatically reduced. Simultaneously, all signs indicate a greater need for replenishment water in the Seaside Basin, our other major source of supply. With the lack of rainfall adding further pressure to the situation, we are working hard to find resources to help carry our customers through until desalination is approved and constructed.”

California American Water has been working with Monterey One Water to support development of the Pure Water Monterey Expansion Project. The company has also negotiated use of additional “peaking capacity” water from the first phase of the Pure Water Monterey Project that will help provide the short-term buffer the community needs for the coming water year.

“We’re also moving forward with drilling of additional wells to support the Aquifer Storage Recovery program and construction of a parallel pipeline and pump station that will allow us to use our limited supplies more efficiently throughout the year,” added Crooks. “Every drop counts. We’ll continue to ask our customers to heed the call of conservation and work diligently to ensure a long-term solution for the Monterey Peninsula community.”

An aerial photograph of a turbulent ocean. A bright white wake, likely from a ship, cuts through the dark teal water, creating a stark contrast. The water's surface is covered in intricate, swirling patterns of white foam and dark blue-green water, suggesting a powerful current or a storm's aftermath. The lighting is dramatic, with the white foam catching the light and the surrounding water appearing deep and dark.

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the major issues raised by staff.”**

ABOUT THE PROJECT

The Monterey Peninsula is facing a severe water supply problem. That's because the State Water Resources Control Board has ordered California American Water to significantly reduce its pumping of water from the Carmel River.

This order coupled with pumping restrictions in other parts of the county means that nearly 70 percent of the Monterey Peninsula community's historic water supply must be replaced.

The current project is comprised of three elements:

- [Desalination](#)
- [Aquifer Storage and Recovery](#)
- [Pure Water Monterey: A Groundwater Replenishment Project](#)

This multi-faceted approach brings numerous advantages over a single-source solution. For one, it will enable California American Water to build a smaller desalination plant that will reduce the project's environmental footprint.

Secondly, this strategy will build-in redundancy that is critical for all municipal water supply systems, allowing the water system to continue to provide water if one component becomes temporarily unavailable.

DESALINATION

The Monterey Peninsula Water Supply Project consists of sub-surface slant intake wells, a desalination plant, and related facilities including source water pipelines, product water pipelines and brine disposal facilities.

The desalination plant will produce 6,250 acre-feet of treated water per year. One acre-foot is

equal to one acre filled with one foot of water, which is typically enough water to support four households on the Monterey Peninsula for a year. California American Water purchased a 46-acre parcel of land located off of Charles Benson Road in unincorporated Monterey County as the site for the proposed desalination plant.

California American Water has also purchased permanent easements near the coastline in the North Marina area to host its slant intake wells. California American Water's project will use a series of slant wells designed to draw ocean water.

The slant wells will be up to 800 feet long. The final location, layout and configuration will be based on the results of the slant test well and groundwater modeling work. In addition to the plant and its intake wells, other pipeline, storage and pump facilities will need to be constructed to ultimately deliver water to customers.

PURE WATER MONTEREY

The proposed Pure Water Monterey project, a partnership between Monterey One Water and the Monterey Peninsula Water Management District, recycles wastewater through an advanced treatment process. The resulting highly purified drinking water will be injected into the Seaside groundwater basin.

A new, advanced water treatment plant will be constructed for the project in addition to a number of supporting facilities. Source water for this project will go through a three-step treatment and purification process of microfiltration, reverse osmosis and oxidation with ultraviolet light and hydrogen peroxide — all commonly used in numerous industries and food manufacturing.

AQUIFER STORAGE AND RECOVERY

California American Water will expand its current ASR project – a partnership with the Monterey Peninsula Water Management District – which captures excess winter flows from the Carmel River for storage in the Seaside Aquifer and withdrawal during the dry, summer months. Winter flows are considered excess only when they exceed what is needed to protect the river's threatened population of steelhead.

For the Monterey Peninsula Water Supply Project, the company plans to construct two additional ASR wells that will increase capacity of the program and allow the desalination plant to be smaller than would be needed without the wells.

BUDGET*

Subsurface Intake System: \$80M
(34% spent to date)

Desalination Plant: \$132M
(50% spent to date)

Pipeline Facilities: \$67M
(47% spent to date)

Pipeline/Pump Station: \$50M
(100% spent to date)

*NOTE: These figures are based on a 6.4 MGD desalination facility. These figures include some contingency costs and therefore differ from the capital costs listed in the settlement.



Future editions of this newsletter will contain information on project expenditures, construction progress and milestones. Once collection begins for the Construction Funding Charge (or Surcharge 2), amounts collected by the charge will also be reported. Progress regarding slant well construction and information regarding slant well monitoring data will also be reported in future editions, as well as estimates as to the return water obligation and actual return water obligation calculated.