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4 **BEFORE THE STATE WATER**
5 **RESOURCES CONTROL BOARD**
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7 In the Matter of the State Water Resources)
8 Control Board (State Water Board)) Hearing Date: July 23 - 25, 2008
9 Hearing to Determine whether to Adopt a)
10 Draft Cease & Desist Order against)
11 California American Water Regarding its) Carmel River in Monterey County
12 Diversion of Water from the Carmel River)
13 in Monterey County under Order WR 95-10)
14)

15 **EXHIBIT MPWMD-SP12**

16 **TESTIMONY OF STEPHANIE PINTAR**

17 **WATER DEMAND MANAGER**

18 **MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**
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TESTIMONY OF STEPHANIE PINTAR

I, Stephanie Pintar, provide the following testimony under penalty of perjury, under the laws of the State of California, in relation to the State Water Resources Control Board (State Water Board or SWRCB) hearing to determine whether to adopt a draft Cease and Desist Order (CDO) against California American Water (CAW or Cal-Am) regarding its diversion of water from the Carmel River in Monterey County under SWRCB Order WR 95-10.

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Q1. PLEASE STATE YOUR NAME AND QUALIFICATIONS.

1. My name is Stephanie Pintar. My business address is 5 Harris Court, Building G, and Monterey, California. My telephone number is (831) 658-5630.

2. I am the Water Demand Manager for the Monterey Peninsula Water Management District (MPWMD or District). I have held this position for fourteen years. Between 1988 and 1994, I advanced from Planning Technician to Water Conservation Representative to Water Demand Supervisor before becoming division manager.

3. In my capacity as Water Demand Manager, I am involved in all facets of issues that pertain to the management of water demand for the Monterey Peninsula. My primary responsibilities include (a) managing and coordinating all MPWMD activities related to water conservation and demand; (b) identifying and proposing changes to policies or programs, including formulating policy, writing ordinances and proposals, implementing programs, and monitoring and evaluating the effectiveness of programs and ordinances related to water conservation and water demand management; (c) reviewing and analyzing growth projections and water demand projections as they relate to water supply management; and (d) representing MPWMD and serving as a technical advisor to MPWMD staff and Board, local and regional professional planning staff, and environmental consultants. My resume is provided as **Exhibit MPWMD-SP13**.

1 4. I am familiar with the limitations of the existing developed water supplies and
2 past mandatory rationing requirements. I am aware of present MPWMD policy regarding
3 resource management, conservation activities, rationing and moratorium.

4 5. I was directly involved in development of the Joint California American Water
5 (CAW) and MPWMD Conservation Program Proposal (A.07-12-010) currently under review
6 and consideration by the California Public Utilities Commission (CPUC). I have been the point
7 of contact for MPWMD on the development of the conservation proposal and budget.

8 6. I prepared the Implementation Plan for Water Rationing received by the
9 MPWMD Board of Directors in January 2008 from which MPWMD rationing cost estimates,
10 data needs and assumptions are made (Exhibit MPWMD-SP1).

11 7. My testimony will provide background information on the history of the local
12 conservation program, current requirements and enforcement, incentives, planned and potential
13 programs. I will also provide information about the water allocation program, jurisdictional
14 allocations, water entitlements and water credits. Finally, I will provide details on the joint
15 MPWMD/CAW conservation program/budget and outreach efforts, and the costs and
16 implementation issues related to water rationing.

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18 **Q2. PLEASE EXPLAIN THE HISTORY OF THE MPWMD WATER**
19 **CONSERVATION PROGRAM.**

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21 8. MPWMD has been actively involved with water conservation programs on the
22 Monterey Peninsula since October 1979. In 1979, the MPWMD implemented its first
23 conservation program that involved public speaking engagements, drought tolerant plant
24 displays, a library of conservation ideas and techniques, development of a drought tolerant plant
25 list, and regular public service announcements. In addition, the MPWMD co-sponsored public
26

1 workshops on rainwater reuse and cisterns and prepared regular press releases regarding its
2 activities.

3 9. The conservation program expanded in 1983 when MPWMD agreed to facilitate
4 the Water Conservation Plan for Monterey County. In June 1984, the District's Demand
5 Management Coordinator (overseeing the water conservation program) and an intern began work
6 on the Conservation Plan. This plan was completed and adopted by the MPWMD Board of
7 Directors in 1986. A detailed listing of water conservation programs undertaken by MPWMD is
8 included as Exhibit MPWMD-SP2.

9 10. MPWMD has also been involved in water rationing planning and implementation
10 since the District's inception in 1978. A water rationing plan developed by the Monterey
11 Peninsula Water Management Agency (the predecessor to the MPWMD) was available when the
12 MPWMD was established. The former plan was reviewed and amended in June 1981 with the
13 adoption of MPWMD Ordinance No. 7. The rationing plan was again amended in 1988
14 (Ordinance Nos. 35 and 37) during drought-related rationing administered by MPWMD that
15 continued through 1991. Water use reductions of approximately 30 percent were achieved
16 during that time.

17 11. In 1997, the MPWMD Board of Directors tasked its staff with preparing
18 conservation and rationing plans to address both compliance with State Water Resources Control
19 Board (SWRCB) Order No. 95-10 and drought. MPWMD staff worked with a variety of
20 community members, including CAW, to conceive and develop the Expanded Water
21 Conservation and Standby Rationing Plan (Plan), adopted as Ordinance No. 92 in 1998 and
22 amended by Ordinance No. 119 in 2005. Refinements are currently being considered by the
23 MPWMD Board in Ordinance No. 134, scheduled for first reading on July 21, 2008. The Plan is
24 codified as MPWMD Regulation XV and can be found at Exhibit MPWMD-SP3. Though over
25 62 percent of CAW water use during Water Year 2006-2007 (October 1 – September 30) was from
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1 residential consumption, the Monterey Peninsula has relatively low residential per-capita water
2 use. For example, CAW data indicate that the average residential consumption in its Monterey
3 main system¹ during water rationing and the drought of 1988 was about 93 gallons per person per
4 day (gppd) compared to a state average of about 150 gppd. By 2006-2007, average residential
5 water use had fallen to about 90 gppd.
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7
8 **Q3. DESCRIBE THE MPWMD WATER CONSERVATION PROGRAM AS IT
EXISTED WHEN SWRCB ORDER WR 95-10 WAS ISSUED IN 1995.**

9 12. With water rationing four years in the past, and with a new water supply from the
10 Paralta well newly available to the jurisdictions for new and expanding water uses (as of July
11 1993), the Monterey Peninsula was readying for a November vote on a large water supply
12 project--the New Los Padres Dam and Reservoir proposed by MPWMD. The MPWMD was
13 continuing its water conservation outreach efforts and actively enforcing its water conservation
14 requirements and water waste restrictions. A new program allowing 85 percent of water saved
15 by retrofits achieved at public facilities provided incentives for innovative conservation
16 measures: Normally, these facilities were not subject to the MPWMD conservation retrofit
17 requirements. Examples of public water credit projects undertaken include: Replacement of
18 potable water irrigation with lake water at the City of Monterey's Lake El Estero park and the
19 city cemetery, the City of Pacific Grove retrofit the front nine holes of its municipal golf course
20 with a high efficiency irrigation system, and a number of public buildings were retrofit with
21 ultra-low flow fixtures and toilets, among other projects.
22

23 ¹ Main system means the system that derives its source of supply from the Carmel River System and Seaside
24 Coastal Subareas of the Seaside Groundwater Basin. The Carmel River System means water from the Carmel River
25 and underlying alluvial aquifer.
26

1 **Q4. DESCRIBE CHANGES IN THE MPWMD WATER CONSERVATION**
2 **PROGRAM FOLLOWING SWRCB ORDER WR 95-10.**

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4 13. Following the issuing of SWRCB Order WR 95-10, MPWMD increased its
5 conservation efforts to assist the community with compliance with the reduction goal to avoid
6 fines that could be passed to the water users. In 1998, MPWMD worked with CAW and
7 members of the public to draft the Expanded Water Conservation and Standby Rationing Plan,
8 also known as Regulation XV. Other programs added or expanded to respond to the need for
9 further water conservation were: (1) the joint MPWMD/CAW rebate program; (2) the
10 public/quasi-public and visitor serving commercial retrofit requirements; and (3) the current joint
11 conservation program with CAW (see response to Question 8).

12 The rebate program has been expanded in three phases: First, rebates were given for
13 voluntary residential retrofits to 1.6 gallon-per-flush toilets (MPWMD Ordinance No. 85,
14 December 1996). The rebate program was expanded to commercial uses in July 1997 (MPWMD
15 Ordinance No. 88). MPWMD Ordinance No. 110, September 2003, added rebates for ultra-low
16 water consumption dishwashers and washing machines, cisterns, hot water demand pumping
17 systems and dual-flush ultra-low flush toilets. The rebate program was expanded again with the
18 adoption of Ordinance No. 127 in January 2007 that added rebates for high efficiency toilets and
19 zero-water consumption urinals. The most recent modification to the rebate program occurred in
20 August 2007 when Ordinance No. 129 added the rebate program to the MPWMD Rules and
21 Regulations increased the amount of the rebates available and added rebates for Smart irrigation
22 system controllers, soil moisture sensors, rain sensors, and instant-access hot water system
23 components.

24 14. In July 1997, the MPWMD Board adopted Ordinance No. 89, requiring toilet
25 retrofits of all visitor-serving commercial facilities by December 31, 2000. Visitor-serving
26 commercial uses include all hotels, motels, restaurants, meeting/convention facilities, service

1 stations and any other facility that exists for the use of tourist or the traveling public.
2 Requirements for low-flow showerheads and faucet aerators in all non-residential uses had
3 already been required by Ordinance No. 30 in 1987. MPWMD Ordinance No. 89 also added a
4 requirement for conservation signage in all restrooms, kitchens and dining areas of all visitor-
5 serving commercial, public and quasi-public facilities. MPWMD Ordinance No. 89 was
6 developed with the assistance and cooperation of the local hospitality industry.

7
8 **Q5. WHAT ARE MPWMD'S CONSERVATION PRIORITIES DURING 2008 AND**
9 **BEYOND?**

10 15. MPWMD will focus 2008 efforts on updating its conservation regulations
11 (Regulations XIV and XV) to bring them in line with current California Urban Water
12 Conservation Council (CUWCC) Best Management Practices (BMP) and to incorporate
13 available new technology.

14 16. In addition, MPWMD staff will be proposing baseline outdoor water use
15 regulations and strategies to reduce outdoor consumption. Outdoor irrigation reductions appear to
16 have the most viable water conservation potential on the Monterey Peninsula. Outdoor water use
17 is the least regulated, and until recently, technology to curtail use while maintaining existing
18 landscapes (e.g. Smart irrigation controllers that use local evapotranspiration data to determine
19 watering schedules) was not readily available. To support outdoor water use reductions, MPWMD
20 and CAW have targeted outdoor water use for future conservation programs.

21 17. To further quantify potential areas where significant water savings might be
22 achieved, MPWMD retained Mr. Larry Farwell in April 2008 to perform analyses on water use
23 trends and to quantify potential conservation savings for the Monterey CAW systems. However,
24 MPWMD has been unable to obtain CAW consumption data sufficient to perform these
25 analyses. Even with data requests (discovery) and a motion to compel before the CPUC,
26 MPWMD has been unable to obtain data due to Commission concerns with customer privacy.

1 Mr. Farwell has indicated his willingness to provide these services when and if the individual
2 customer consumption data becomes available.

3
4 **Q6. DOES MPWMD HAVE AN ESTIMATE AS TO THE AMOUNT OF WATER
5 THAT CAN BE SAVED BY INCREASED OUTDOOR WATER CONSERVATION?**

6 18. MPWMD recognizes that reductions in outdoor irrigation in the Monterey area
7 could contribute around 100 AFY at a 20% reduction based on 2006-07 aggregated CAW data.
8 Additional data analysis of individual customer consumption patterns is required before more
9 refined figures can be developed.

10
11 **Q7. HOW DOES MPWMD TRACK WATER SAVINGS RESULTING FROM
12 CONSERVATION EFFORTS?**

13 19. Water savings are tracked in several ways: MPWMD tracks savings from
14 retrofits associated with property transfers, savings associated with rebates, and savings related
15 to extraordinary retrofits undertaken to obtain water credits. MPWMD maintains comprehensive
16 databases containing individual property information, including information about the number
17 and types of water fixtures installed on the property. Property information includes separate
18 records for every addition or modification to water fixtures on the property, inspection
19 information, enforcement actions taken, contact and ownership information, transfer of title
20 dates, and more. As of July 1, 2008, there are approximately 25,650 records related to individual
21 properties that have transferred ownership, received rebates, or had inspections related to water
22 permits. There are additional property records with fixture counts and other information dating
23 back to 1986 for new construction and other types of water permits that have not been inspected.
24 These records are not included in the 26,650 records previously cited.

1 20. MPWMD has currently contracted programmers for a new, comprehensive and
2 user-friendly Windows-based database system. Back-end and front-end work has been
3 completed on the database by MPWMD information technology staff, and programming the
4 codes is the only remaining component. The new database will provide MPWMD with the
5 capability to run data reports and pull information easily from its records. MPWMD currently
6 works with a DOS-based system making data manipulation difficult.

7
8 21. MPWMD staff tracks the number and water savings estimates of new and verified
9 retrofits that occur as the result of MPWMD's conservation retrofit requirements. This
10 information is reported monthly to the Board via the Water Conservation Program Report in the
11 packet prepared for the Board meetings (Exhibit MPWMD-SP4), and this data is provided to
12 CAW for reporting to the CUWCC. MPWMD estimates that approximately 677 AF have been
13 saved through its toilet retrofit requirements since 1987. Almost 13 acre-feet was reused as on-
14 site credit to offset expanded uses pursuant to Ordinance Nos. 74 and 90 between March 25,
15 1995 and September 30, 1998. The water reused pursuant to these ordinances must be paid back
16 from the next available water supply.

17 22. Conservation savings, in the form of water production numbers, are also
18 monitored by MPWMD on a daily basis by reviewing CAW's Carmel Valley and Seaside
19 Production data, provided daily to MPWMD (Exhibit MPWMD-SP5). Compliance with the
20 existing regulatory limits is evidence of conservation savings, whereas water production in
21 excess of the regulatory limit indicates a need for increased outreach. In adopting the Expanded
22 Water Conservation and Standby Rationing Plan in 1999, MPWMD, in collaboration with CAW,
23 established year-to-date at month's end targets that are used to assess the need to move to higher
24 stages in the Plan. These targets have been modified over the years to provide consistency with
25 the MPWMD's Quarterly Water Supply Strategy and Budget. The Quarterly Water Supply
26 Strategy and Budget determines the production schedule within CAW's main system for a three

1 month period. It is developed through collaboration with staff from MPWMD, CAW, California
2 Department of Fish and Game and the National Marine Fisheries Service. The Quarterly Water
3 Supply Strategy and Budget is adopted by the MPWMD Board quarterly following a public
4 hearing.

5
6 23. As stated above, MPWMD's conservation efforts are included in CAW's
7 CUWCC BMP Report submitted by CAW as a signatory to the Memorandum of Understanding
8 Regarding Urban Water Conservation in California. MPWMD provides CAW with information
9 related to its estimated retrofit savings, inspections, rebate dollars and numbers, and other
10 information that CAW submits in the annual report. MPWMD is a Group 3 signatory to the
11 MOU and is not required to report its BMP implementation.

12
13 **Q8. HOW HAS CAW BEEN INVOLVED IN THE MPWMD CONSERVATION**
14 **PROGRAM?**

15 24. Approval of the 2005 General Rate Case (GRC) by the CPUC emphasized
16 collaboration between MPWMD and CAW in its approval of a joint conservation surcharge.
17 MPWMD staff met monthly with CAW staff to coordinate conservation efforts to achieve
18 compliance with regulatory restrictions. MPWMD and CAW adopted the motto "Partners in
19 Water Conservation" and the message that "everyone on the Monterey Peninsula must be
20 particularly mindful of their water use and conserve water whenever possible." CAW and
21 MPWMD staff shared monthly conservation presentations at the MPWMD Board meeting that
22 included an update on activities completed and activities planned. The presentations were
23 available on public television via live and taped broadcasts and by webcast on the internet.
24 Based on the feedback received by MPWMD and CAW staff, the message was positively and
25 widely received.

1 25. MPWMD and CAW staff identified two key objectives for the MPWMD portion
2 of the conservation surcharge: (1) Add an additional full time MPWMD staff person to augment
3 existing conservation efforts and to respond to water waste complaints, and (2) promote
4 landscape water conservation by funding the completion of nearly 200 remaining audits for large
5 and dedicated landscape users (landscaped areas of more than 3 acres and dedicated irrigation
6 meter accounts) and large residential (using an average of at least 32 units/month) accounts in
7 the main CAW system. To facilitate local Smart irrigation controller use, the District Board also
8 approved funding the purchase, installation and operation of a CIMIS (California Irrigation
9 Management Information System) station to provide real-time evapotranspiration data for local
10 Smart irrigation controllers (i.e. irrigation controllers that utilize electronically transmitted
11 weather information for irrigation efficiency). MPWMD is in the process of getting this CIMIS
12 station on line by the end of July or early August 2008.

13
14 26. The MPWMD /CAW conservation partnership concentrated on a united message
15 during 2007. MPWMD's logo and contact information were added to CAW's conservation
16 outreach messages. MPWMD participated by approving copy and layouts of print materials and
17 radio and television ads developed by CAW. Planning and implementing new outreach efforts
18 increased during the summer months when there was not only a concern about meeting the
19 regulatory limits, but there was also a concern that the "Critically Dry Year" might lead to water
20 rationing in early 2008. Water production within the CAW system remained below the
21 regulatory limits for the Water Year.

22 27. MPWMD and CAW continue to collaborate on water conservation programs and
23 have proposed a joint comprehensive water conservation budget that is under consideration by
24 the CPUC. CAW staff partners with MPWMD staff in community outreach and other programs
25 and projects aimed at continued compliance with the conservation goal set by SWRCB Order
26 WR 95-10.

1 **Q9. WHAT LARGE PROGRAMS/PROJECTS WOULD CONTRIBUTE TO**
2 **SIGNIFICANT WATER SAVINGS ON THE MONTEREY PENINSULA?**

3 28. MPWMD's Aquifer Storage and Recovery (ASR) project has the capacity to
4 offset approximately 10% of the 10,730 AF of unlawful diversions from the Carmel River
5 system. For further information about the ASR project, see Joseph Oliver's testimony.

6 29. Monterey Regional Water Pollution Control Agency (MRWPCA) has proposed
7 the Regional Urban Recycled Water Distribution Project which would provide recycled water to
8 replace current potable and sub-potable uses within the Marina Coast Water District, former Fort
9 Ord, and CAW service area. According to RBF Consulting in the 2003 document *Regional*
10 *Urban Water Distribution Project*, the project would provide 300 AFA of recycled water to
11 customers on the Monterey Peninsula. The number of potential sites for recycled water
12 conversions within the CAW exceeds the amount available by over 140 AFA.

13
14 30. MPWMD has authority under the California Water Code Section 13550 to declare
15 the use of potable domestic water for nonpotable uses to be water waste if recycled water is
16 available that meets certain conditions. This process is described in MPWMD Rule 132.
17 MPWMD Rule 131 allows the MPWMD Board to declare the availability of sub-potable water
18 as an alternative to irrigating greenbelt areas with potable water. MWPMD Rule 11 defines
19 greenbelt to include cemeteries, golf courses, parks and highway landscaping.

20
21 31. Storm water collection and reuse has been talked about as potential savings.
22 However, no analysis of large-scale municipal storm water reuse projects have been conducted to
23 date. Because of the large capital costs and the variability of storm events, this option has not
24 been considered. There have been specific studies for our area regarding cisterns and small-scale
25 capture of storm water. Previous studies have estimated 60-120 AFY assuming 25-50%
26 participation rate among customers.

1 **Q10. ARE THERE ESTIMATES OF FUTURE WATER SAVINGS THAT COULD BE**
2 **ACHIEVED THROUGH OTHER NEW OR EXPANDED CONSERVATION**
3 **PROGRAMS?**

4 32. Yes, to some degree. In 2006, MPWMD commissioned RMC to conduct a
5 cost/benefit analysis of commercial/industrial conservation retrofits for the Monterey Integrated
6 Regional Water Management Plan. Estimates from this study indicate that if all programs
7 considered were implemented and retrofits were achieved at the rate considered by RMC, water
8 savings of 42.26 AF would be anticipated during the first year. In my opinion, estimated water
9 savings included in CAW's Application for Water Conservation Programs in the Monterey
10 District (A.07-12-010) before the CPUC appear high. More data analysis and field identification
11 of potential sites is needed to fully understand where the greatest water savings can be achieved.

12 **Q11. HOW CAN MONTEREY PENINSULA CONSERVATION SAVINGS BE MORE**
13 **EFFECTIVELY MEASURED?**

14 33. Measurement of conservation savings would be enhanced with regular data
15 sharing between MPWMD and CAW. MPWMD has invested nearly \$300,000 to date and will
16 invest another \$320,000 this year to complete the programming of a comprehensive Windows-
17 based integrated database system to track water conservation and permits issued by MPWMD.
18 The new database will provide a system to track and analyze data that can be upgraded to
19 produce new reports. Both MPWMD and CAW plan to spend considerable efforts in the field
20 working on conservation programs. Data collected in the field by CAW needs to be provided to
21 MPWMD to facilitate the accuracy and completeness of its database. In an effort to further
22 collaborate on data management, CAW staff has been encouraged to research properties in the
23 MPWMD databases to determine previous retrofits and requirements that apply to specific
24 properties.

1 **Q12. AS PART OF ITS REGULATORY AUTHORITY, MPWMD CONDUCTS**
2 **VARIOUS INSPECTIONS FOR COMPLIANCE PURPOSES. PLEASE DESCRIBE**
3 **THE VARIOUS INSPECTIONS PERFORMED AND THE DATA COLLECTED FROM**
4 **EACH.**

4 34. MPWMD presently inspects around 80 percent of the properties subject to retrofit
5 and conservation requirements for compliance. Two full-time inspectors are in the field, visiting
6 properties on a prearranged schedule, while office staff schedule and follow up on previously
7 completed inspections. The inspectors document the number, type, and flow rates of all water
8 fixtures in the building, verify compliance with conditions of water permits or other approvals,
9 provide conservation information, rebate applications and devices as needed, note and report
10 leaks to the property contact, and generally verify that all requirements have been met.
11 Properties failing to meet the requirements are given 30 days to correct any violation and are
12 typically re-inspected to verify full compliance.

13 35. Inspection information is entered into the MPWMD conservation database and
14 tracked in the monthly Water Conservation Report². Conservation savings and inspection data
15 are also reported in the MPWMD Annual Report and in the annual MWPMD Water Allocation
16 Program Mitigation Program Annual Report. These are public documents and can be found on
17 the MPWMD website at www.mpwmd.dst.ca.us.

18
19
20 **Q13. DESCRIBE THE WATER ENTITLEMENTS RECOGNIZED BY MPWMD.**
21

22 36. MPWMD recognizes several water entitlements that were issued for distinct water
23 saving projects undertaken by private entities. MPWMD recognizes water entitlements to the
24 former Water West Water Distribution System (Exhibit MPWMD-SP6), Quail Meadows
25

26 ² See Exhibit MPWMD-SP4

1 (Exhibit MPWMD-SP7), and Pebble Beach Entitlements (MPWMD Ordinance Nos. 39 and 109,
2 Exhibit MPWMD-SP8) issued for sponsorship of the Pebble Beach Community Services
3 District/Carmel Area Wastewater District (PBCSD/CAWD) Wastewater Reclamation Project.
4 The SWRCB has recognized the Pebble Beach Water Entitlements as additive to the current
5 SWRCB Order 95-10 conservation goal. In addition, the MPWMD Board recently (December
6 10, 2007) adopted an ordinance (Ordinance No. 132, Exhibit MPWMD-SP9) recognizing a water
7 entitlement of 206 AFY for the City of Sand City's desalination project.

8
9 **Q14. WHAT IS THE PRESENT STATUS OF THESE ENTITLEMENTS?**

10 37. The Monthly Allocation Report provided to the MPWMD Board of Directors in
11 the Board meeting packet lists the current balance of each of the entitlements recognized by
12 MPWMD. A current list of the amount of water remaining in each entitlement, not including
13 Sand City's Entitlement, is attached as Exhibit MPWMD-SP10. (Sand City's project is not
14 operational at this time.)

15
16 **Q15. IF CONSTRUCTION OF NEW HOMES AND BUSINESSES HAS BEEN
17 SOMEWHAT CURTAILED BY THE LIMITED AMOUNT OF WATER AVAILABLE,
18 WHY DOES IT APPEAR THAT THERE BEEN SO MANY NEW CONNECTIONS TO
19 THE CAW SYSTEM?**

20 38. Besides the obvious new connections that occur from construction of new homes
21 or businesses that received a portion of a jurisdiction's water allocation or entitlement, there have
22 been a number of "meter splits" that have occurred since the early 1990's. Meter splits are
23 basically master metered accounts that serve apartments or subdivision that have been broken up
24 into individual metered uses. MPWMD has encouraged splitting master metered accounts into
25 individual accounts as a way to encourage water conservation. Individual accountability for both
26 water use and the corresponding water bill tends to encourage lower use. MPWMD does not
charge for permits to individually meter uses that were supplied by a single master meter.

1
2 **Q16. HOW DOES MPWMD ENFORCE THE TRACKING OF ALLOCATIONS AND**
3 **ENTITLEMENTS?**

4 39. MPWMD debits an allocation or entitlement for every new or modified water use
5 on a property. MPWMD maintains an extensive database with information about individual
6 properties. MPWMD ensures, through its inspection process, that all water fixtures or uses on a
7 site have been accounted for and debited from any available allocation, credit or entitlement.
8 Enforcement can include debiting a jurisdiction's allocation or entitlement for non-permitted
9 uses and recording deed restrictions and collecting fees due on the local property tax bills.

10
11 **Q17. DO SWRCB ORDER WR 95-10 AND THE 2006 SEASIDE BASIN**
12 **ADJUDICATION DECISION LIMITS AFFECT THE RATIONING SAVINGS GOAL?**

13 40. Yes. MPWMD contemplated rationing for drought conditions, not for regulatory
14 conditions. As such, the basis for water rationing was considered to be the production limits
15 approved by MPWMD for all affected water distribution systems. The CAW production limit is
16 17,641 AFA. SWRCB Order No. 95-10 established a production goal of 11,285 AFA from the
17 Carmel River.

18 41. The Seaside Groundwater Basin has been operated as a component of the CAW
19 system and has assumed a larger portion of the annual production following SWRCB Order No.
20 95-10. The 2006 Seaside Adjudication Decision has impacted the amount of production that can
21 be extracted from that basin, further lowering the available production number.

22
23 42. These legal and regulatory limits reduce the available production, making the
24 base-line lower for regulatory rationing. Given that the community has reduced its water
25 demand to achieve the current regulatory reductions, achieving the rationing levels (i.e. 20%,
26 35% and 50%) from the current regulated production may be difficult to achieve.

1
2 **Q18. HOW DOES MPWMD'S CONSERVATION PROGRAM COMPARE TO OTHER**
3 **AREA'S WATER RATIONING PROGRAMS?**

4 43. Water users on the Monterey Peninsula have had a proactive water conservation
5 program for more than 20 years. The standard for the Monterey Peninsula is the exception
6 elsewhere. Water users in the MPWMD are subject to daily conservation standards that are often
7 used as rationing standards in other areas. An example of this is the extensive water waste and
8 non-essential water use regulations of MPWMD (Exhibit MPWMD-SP11). Odd/even watering
9 days and times, mandatory hose nozzles, adherence to retrofit requirements, and prohibitions on
10 indiscriminate or excessive water use are some examples of the long standing standards.

11 44. Along with the daily restrictions on water waste and non-essential water use for
12 all water users in the MPWMD, the retrofit requirements, and the push for use of new technology
13 to save water, past experience during water rationing from 1989-1991 taught us that Monterey
14 Peninsula water users really want to determine their own water priorities. In other words, the
15 adage "Don't tell me how to use my water, just tell me how much I have" applies. If necessary,
16 Monterey Peninsula water users who are able to cut back further would cut back, but would
17 prefer to do so on their own terms.

18
19 **Q19. DESCRIBE THE MPWMD'S "PER CAPITA" RATE DESIGN FOR**
20 **CONSERVATION AND THE "PER-CAPITA" RATIONS FOR WATER RATIONING .**

21 45. MPWMD's rationing plan specifically provides a per-capita water ration for
22 residential users. Per capita rationing was requested repeatedly during the process of developing
23 the Expanded Water Conservation and Standby Rationing Plan (Regulation XV) in 1998.
24 Sources of input included comments at public hearings and discussions with the CPUC staff, the
25 Technical Advisory Committee (TAC), the Policy Advisory Committee (PAC), and the Citizens
26 Conservation Committee (CCC).

1 The approved Expanded Water Conservation and Standby Rationing Plan (i.e. Regulation
2 XV) employs both a per-capita conservation rate design and a per-capita water ration. For
3 residential uses, the per-capita rate design has five sharply ascending blocks; for other categories,
4 there are two ascending blocks. The per-capita conservation rates are census-based and assign a
5 base rate to each customer that reflects the number of persons in a home and the size of the
6 property. Conservation is rewarded with a lower rate block, and water use above the base rate
7 significantly increases in each of three top blocks. This increasing block rate structure has been
8 in place since 1997. CAW is requesting additional blocks for non-residential users in the current
9 GRC filing (A.08-01-027).

10
11 46. During Stage 5 and higher levels of water rationing, each residential user will be
12 assigned an equal portion of the water available to residential users. The strength of a *per-capita*
13 *rationing system* is that all residents are treated equally. Water rations for residential uses are
14 based on the overall number of residents in the system and the total rationed water available to
15 residential users. Properties with large landscapes and two residents are given the same ration as
16 smaller properties with two residents. This rationing plan responds to concerns from residents
17 who continue to conserve water and who are concerned about the fairness of water rationing,
18 particularly since the 1989-91 rationing involved a percentage reduction in use. After the 1989-
19 91 rationing program concluded, per capita rationing was perceived by the public as the only fair
20 way to ration residents in the future.

21 **Q20. WHAT DIFFICULTIES DO YOU PERCEIVE WITH IMPLEMENTATION OF**
22 **WATER RATIONING TO ACHIEVE THE REDUCTIONS PROPOSED IN THE DRAFT**
23 **CEASE AND DESIST ORDER?**

24 47. First, rationing would be implemented for a regulatory purpose. This type of
25 mandate may not motivate the community to achieve compliance. Much of the community has
26 already implemented commonly accepted conservation measures to reduce water use. To

1 achieve the initial reductions proposed in the Draft CDO, the community would need to achieve
2 all planned Stage 5 reductions, at a minimum.

3 48. Second, the current community water rationing plan has not been tested.
4 Questions exist as to what factors and variants CAW has applied to commercial accounts to
5 determine allotments. Questions exist as to whether allotments align with actual consumption.
6 Furthermore, existing factors are based on regional averages; some accounts have higher water
7 use and some lower water use than the "average" amount. If metered consumption and factored
8 allotments do not align (i.e. actual consumption varies greatly from allotments) adjustments to
9 the program will be needed. The test approach discussed above could use the aggregate data if
10 the aggregate commercial allotment quantity is provided; however shown below, individual
11 customer data is required to validate this program.

12 49. Third, in addition to correlating actual consumption and allotments, MPWMD
13 needs to apply its extensive database relating to commercial users. MPWMD must verify CAW
14 survey data or other utility information to establish the allotments. For example, if a restaurant
15 reported 150 seats on its survey, but MPWMD records show that only 100 seats have been
16 allowed by permit, the CAW commercial allotment would not be accurate. CAW has been asked
17 to provide this data for approximately two years, but has not shared this data.

18 50. Fourth, non-residential water factors used by both CAW and MPWMD are dated.
19 Although MPWMD has budgeted funds to update these factors in FY 2008-09, access to CAW
20 consumption records is essential to complete this task. As of July 1, 2008, CAW has not
21 provided MPWMD access to these consumption data.

22 52. Fifth, MPWMD's rationing program will be unenforceable without access to
23 individual customer consumption data because we will have no way of knowing whether a
24 customer's ration has been exceeded. This is particularly troubling as MPWMD has Rule 175,
25 Water Rationing Enforcement, in place together with a comprehensive administrative
26 enforcement process (Regulation XI) which allows us to notice, cite and fine for this type of

1 violation. MPWMD affords full due process procedures, including the right to an administrative
2 hearing and an opportunity for variance. All of these tools become useless without access to
3 consumption data. In contrast, CAW's enforcement mechanisms are notices and installation of
4 flow restrictors. Unfortunately, the current flow restrictor standard will have minimal effect on
5 CAW customers because it is set too high.

6 53. Finally, water conservation is a way of life on the Monterey Peninsula. This may
7 hinder residents and businesses in their efforts to comply with regulatory reductions due to
8 previously undertaken retrofits and other water saving measures. MPWMD has had mandatory
9 retrofit requirements in place for over 20 years, and there is a continued awareness to reduce
10 water use wherever possible. The extent of retrofitting has not been fully examined, but it should
11 be considered before activating significant reductions in use.

12
13 **Q21. IN YOUR OPINION, HOW WOULD ENFORCEMENT OF THE CDO, AS**
14 **DRAFTED, BE DETRIMENTAL TO THE HEALTH OF THE CARMEL RIVER**
15 **WATERSHED?**

16 54. Water rationing of the CAW system without drought will cause an increase in the
17 substitution of private wells for CAW water.

18 55. Rationing CAW customers for regulatory purposes will motivate property owners
19 to construct and use water from small water distribution systems (i.e. private wells). A
20 proliferation of single-parcel systems in Carmel Valley has already been seen during the past ten
21 years due to constraints on the CAW water system and concerns about water rationing and
22 moratoriums. This is significant in that the cost of private water doesn't compare with CAW
23 costs, reducing the motivation for users of private wells to conserve water. CAW's water rates
24 have been purposefully modified over the past several General Rate Cases to bring about water
25 conservation through increasing block rates. This program has been very successful at reducing
26 use and bringing about compliance with the SWRCB reduction goal.

1
2 **Q22. WHAT IS THE COST OF IMPLEMENTING WATER RATIONING TO MEET**
3 **THE DRAFT CDO TARGETS?**

4 56. MPWMD's Board of Directors accepted an Implementation Plan for Stages 4 – 7
5 (Water Rationing) at its January 24, 2008 meeting. The Plan included one-time start up costs of
6 \$301,524, with annual ongoing costs of \$1,655,800.

7 57. In CAW's Application 07-12-010 for Water Conservation Programs in the
8 Monterey District filed December 14, 2007, CAW requests authorization for its annual rationing
9 costs in the amount of \$1,277,000. When combined with MPWMD's annual costs, the total
10 request is for \$2.93 million per year.

11 58. CAW has also filed a separate Application 08-02-018 to recover one-time pre-
12 rationing costs of about \$400,000 to modify its bill design and billing system to track customer
13 consumption information, calculate the banked balance or excess usage on a monthly basis, track
14 flow restrictor installations and removals, and implement water account banking. None of these
15 features is available in its current billing system.

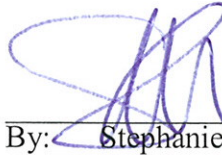
16
17
18 **Q23. DOES THIS COMPLETE YOUR TESTIMONY?**

19 59. Yes.
20
21
22
23
24
25
26

1 I, Stephanie Pintar, declare under penalty of perjury that I have read the foregoing
2 "Testimony of Stephanie Pintar" and know its contents. The matters stated in it are true of my
3 knowledge except as to those matters which are stated on information and belief, and as to those
4 matters I believe them to be true.

5
6 Executed on July 7, 2008, at Monterey, California.

7
8 MONTEREY PENINSULA WATER
MANAGEMENT DISTRICT

9
10 

11 By: Stephanie Pintar
Water Demand Manager

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