



Overview of Common Goals

- Maintain Peninsula community commitment to moratorium on new connections while allowing existing businesses and property owners to evolve
- Assure SWRCB that economic growth is not promoted at expense of the Carmel River
- Achieve a clear, predictable, objective set of rules to allow investment in businesses and properties
- Maintain incentives for community support of CDO
- Place interpretation of Condition 2 into public record





Problem Statement

- Confusing language
- Inconsistent treatment
- Cal-Am is not a land use agency
- Enforcement is muddy
- Actual use versus documented capacity for use (baseline) – Organic nature of buildings and businesses
- Condition 2 does not result in savings, nor a strong incentive to comply w CDO



“Organic Nature of Businesses and Buildings”



Business grow, thrive, die, and renew...
 always undergoing rebirth



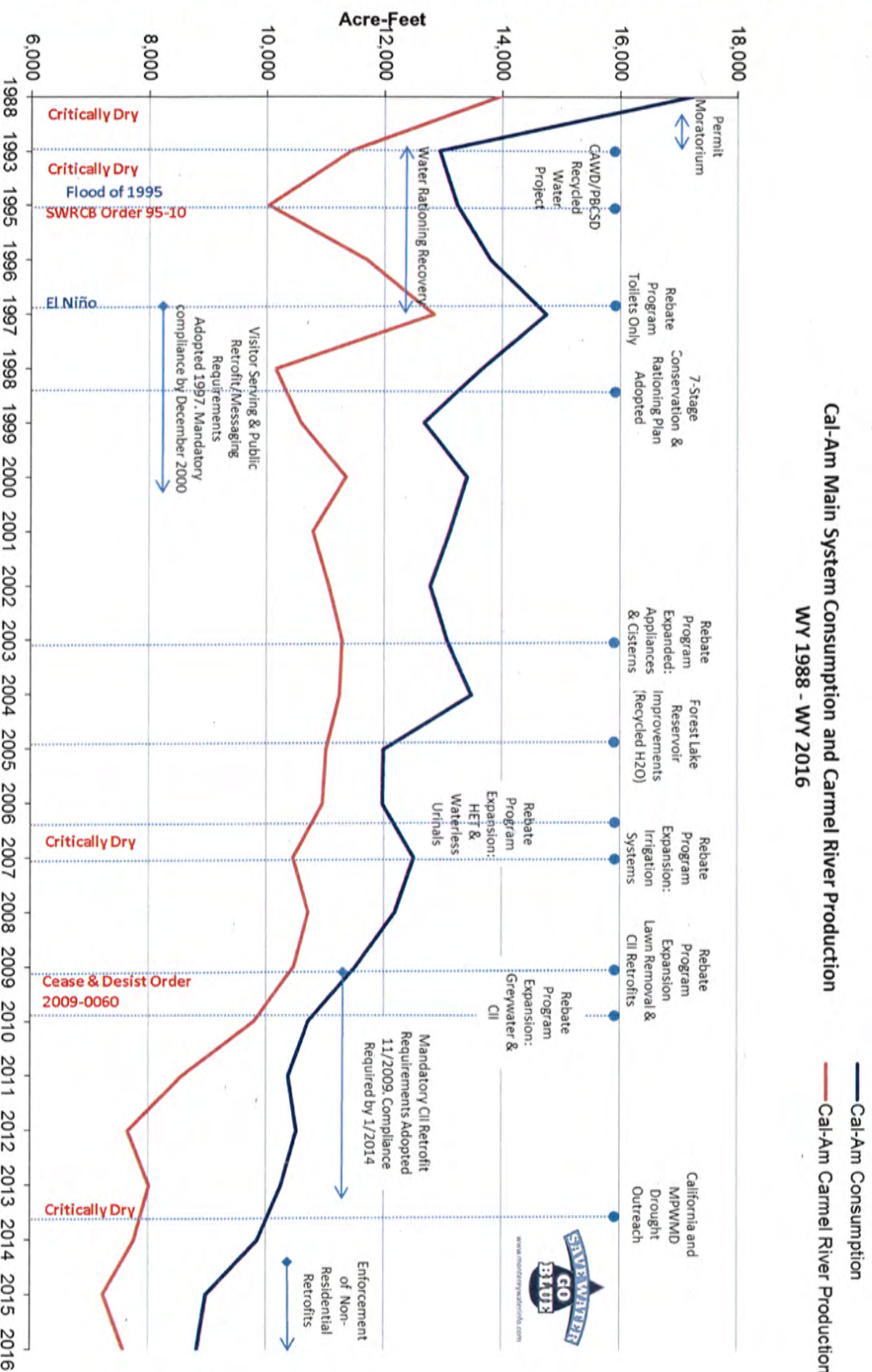
Review of Local Regulatory Framework

- No “new” water since 1993
- Regulate to Order 95-10, the CDO, and the EDL
- Recognizes the moratorium on new connections
- A consistent set of rules for over 30 years
- A “macro-level” regulatory regime of ordinances and rules
- A “micro-level” approach to permits with a fixed set of rules



Conservation is Our Culture... Effect of Local Regulatory Framework in Support of Order 95-10 and CDO

Cal-Am Main System Consumption and Carmel River Production
 WY 1988 - WY 2016



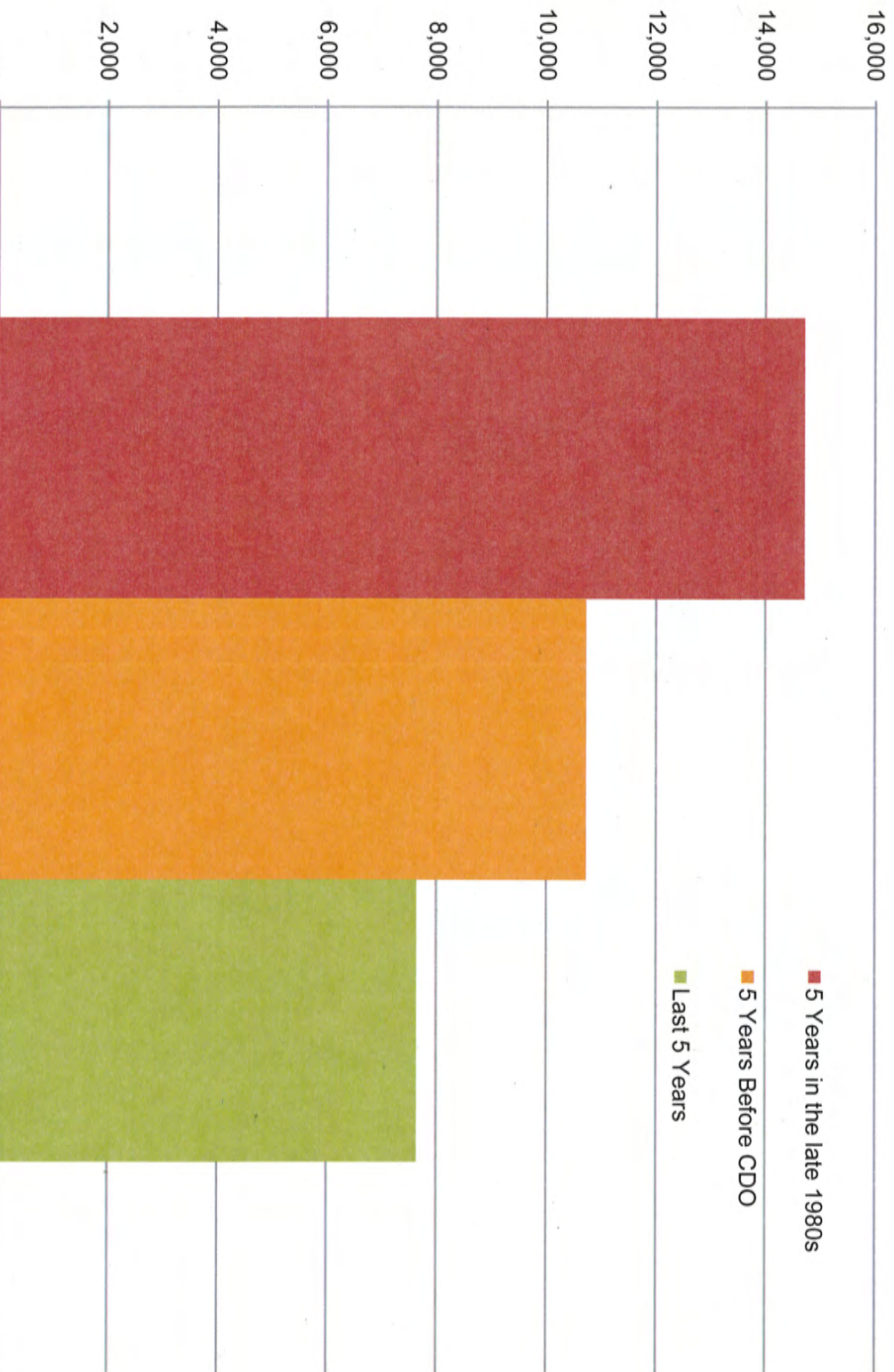
Data Sources: CAW Customers and Consumption by Political Jurisdiction & Cal-Am Production Records

Prepared by MPWMD (11/28/2016)





Average Carmel River Production Last 5 Years, CDO, and Late 1980s (Acre-Feet)



Includes diversions to ASR and Table 13





Difference Between 2016 Carmel River Production (7,568AF) and Historic Production

2016 versus 5 years before CDO	3,156 AF
2016 versus 2009	2,899 AF
2016 versus the late 1980s	7,143 AF

Includes diversions to ASR and Table 13
90 AF of ASR diversions in 2016 not recovered in 2016





Current Conditions on the Ground – *What Are We Really Talking About?*

- Committed to no new connections, but need to address existing ones
- Only 92 AF of pre-1995 water still around, but most already committed to projects affected by moratorium
- Talking about water that was or is already in the system since the 1990s
- Focus on the macro-level allows for “200 long-term steps forward compared to 1 short-term step back...”





Proposed Solution

Clarify that **“increased use of water at existing service addresses”** in Condition 2 be defined to mean:

“an increase in the capacity to use water at an existing site in excess of the historical capacity to use water as documented by the Monterey Peninsula Water Management District. Documented historical capacity to use water may include capacity to use water from another site or jurisdictional allocation of water so long as the documented capacity from such other source is reduced by a like amount.”

