MONTEREY PENINSULA
WATER SUPPLY
PROJECT

NEWSLETTER
2020/Q2

PROJECT CONTINUES TO MOVE FORWARD

ALSO INSIDE

COASTAL COMMISSION HEARING EXPECTED IN SEPTEMBER

California Coastal Commission staff have reported the hearing to permit the slant intake wells for the Monterey Peninsula Water Supply Project is likely to occur as a stand-alone meeting Thursday, September 17. The hearing is expected to be conducted online. The Coastal Development Permit that will be considered by the Commissioners represents the last major approval the project requires in order to begin construction.

The permit hearing was originally scheduled for last November; however, staff designated the meeting as informational only after determining additional study was required in order for the Commission to vote on whether to grant the permit. Since that time, the Coastal Commission has worked with independent consultants and California American Water to further analyze the project's impacts to groundwater and other environmental issues.

"The delay means that we will miss the next compliance milestone required by the state's Cease and Desist Order, which limits pumping from the Carmel River," said California American Water Vice President of Engineering Ian Crooks. "We've informed the State Water Resources Control Board of this and explained that the delay was beyond the control of the community and ourselves. We are pleased the Coastal Commission has now gathered the additional information they felt was needed and we look forward to having a decision on our project in the coming month."

California American Water filed its application for the Monterey Peninsula Water Supply Project with the California Public Utilities Commission in 2012. The project has been subject to comprehensive environmental review on both a state and federal level. Several components of the project, including the Monterey Pipeline, have already been constructed.

"Our goal is to comply with the state order to reduce pumping from the river and to provide the Monterey Peninsula community with a long-term reliable and sustainable water supply," said Crooks. "Peninsula residents have among the lowest per capita water consumption in the state. In addition, local surface and groundwater supplies need conservation and protection. This leaves seawater desalination and recycled water as the most practical, and environmentally sensitive technologies to ensure the community is able to meet its current and future water demands."

Information on the Coastal Commission hearing can be found at www.coastal.ca.gov.

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 Montery: A Groundwater Replenshiment 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
(35% spent to date)

Desalination Plant: $132M
(38% spent to date)

Pipeline Facilities: $67M
(38% 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 financing and 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.