

LandWatch Monterey County
Amy White
831-759-2824
awhite@mclw.org
www.LandWatch.org

LANDWATCH SIGNS CAL-AM SETTLEMENT AGREEMENT
Agreement intended to get the Monterey Peninsula off the Carmel River

Salinas, CA, Friday, August 2, 2013 – After months of intense settlement discussions, LandWatch Monterey County along with fifteen other parties signed on to a settlement agreement for Cal-Am’s Monterey Peninsula Water Supply Project. The agreement proposes resolution of a number of contested issues related to the proposed water supply project.

LandWatch's primary motivation for signing the settlement is to move forward with a viable plan to stop over-pumping the fragile Carmel River. LandWatch has participated in finding a solution to the Peninsula’s long standing water supply problem which has existed since 1995. LandWatch Executive Director Amy White said, “After many tough discussions, the LandWatch Board feels this agreement strikes a reasonable balance among sustainable environmental and economic goals. A diverse portfolio approach is the best approach to solving our water supply problems, and LandWatch has advocated that approach since 2009.” And LandWatch is in good company. The agreement was also signed by the Sierra Club, The Planning and Conservation League, and Surfrider.

LandWatch's long standing goals, identified in the Hybrid Regional Plan developed in 2009, are to solve the Peninsula's water supply problem with a suite of projects: recycled water; storing excess winter flows in the Seaside Basin; and a small desalination plant.

The settlement agreement provides a process for the CPUC to meet demand by coordinating the size of the desalination project with the size of the local Ground Water Replenishment project. The coordination process would guide the CPUC’s authorization of a smaller Cal-Am desalination facility after hearings in early 2015 demonstrate that the Ground Water Replenishment project is ready to proceed. Thus, the process is designed to facilitate local agency resolution of key issues for water recycling before the CPUC is called upon to approve the smaller desalination facility.

The Settlement Agreement also requires a hydrological study jointly staffed by Cal-Am and the Salinas Valley Water Coalition to protect the Salinas Valley groundwater basin. LandWatch and others have agreed to the form of the study but retain the right to challenge any harmful subsurface pumping.

While the settlement does not reflect LandWatch's support for public ownership and management of a desalination facility, it does provide for some oversight by local agencies and partial public financing. White said, “LandWatch is disappointed that our goal of public ownership was not achieved; however under the settlement terms, Cal-Am agreed to cut its usual equity stake and profits in half, saving ratepayers tens of millions of dollars. Cal-Am will also have to share some of its decision making responsibility with a governance committee made up of representatives of three local public agencies. While this may not be perfect, LandWatch thinks the other benefits out-weighed the loss of full public ownership.”

LandWatch looks forward to working with the other parties to ensure that development of the much needed Ground Water Replenishment project follows the coordination process set out in the settlement agreement, which will minimize the size of the desalination facility.

LandWatch Monterey County is a non-profit organization dedicated to preserving our community's economic vitality, high agricultural productivity, and the health of our environment by encouraging greater public participation in planning.

###