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From: Marcus, Felicia@Waterboards
Sent: Wednesday, July 11, 2018 5:04 PM
To: Westhoff, Steven@Waterboards
Subject: FW: In Today's Herald

Follow Up Flag: Follow up
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From: Ron Weitzman <ronweitzman@redshift.com>
Date: Wednesday, July 11, 2018 at 4:08 PM
To: 'Jim Johnson' <jjohnson@montereyherald.com>
Cc: 'Bruce Delgado' <bdelgado62@gmail.com>, 'David Brown' <davidwaynebrown@aol.com>, 'frank.oconnell93933@gmail.com' <'frank.oconnell93933@gmail.com'>, 'Gmorton@montereyfamilylaw.com' <'Gmorton@montereyfamilylaw.com'>, 'LLong@CityofMarina.org' <LLong@CityofMarina.org>, 'nancyamadeo@gmail.com' <'nancyamadeo@gmail.com'>, 'SSMyers@att.net' <SSMyers@att.net>, Skip Spaulding <SSpaulding@fbm.com>, 'Bill Lee' <directorlee@mcwd.org>, 'Herbert Cortez' <directorcortez@mcwd.org>, 'Howard Gustafson' <hgustafson@outlook.com>, 'Jan Shriner' <directorshriner@mcwd.org>, 'Tom Moore' <directormoore@mcwd.org>, 'Jlaird@state.ca.gov' <jlaird@state.ca.gov>, 'bkampe@cityofpacificgrove.org' <bkampe@cityofpacificgrove.org>, 'Clyde Roberson' <roberson@monterey.org>, 'cullem@monterey.org' <cullem@monterey.org>, 'Don Freeman' <cityatty@ix.netcom.com>, 'Jerry Edelen' <kminami@delreyoaks.org>, 'maryann@sandcityca.org' <maryann@sandcityca.org>, 'Ralph Rubio' <rafa@redshift.com>, 'Steve Dallas' <dallasforcarmel@gmail.com>, 'Buill Monning' <Nicole.Charles@sen.ca.gov>, 'Mark Stone' <Assemblymember.Stone@outreach.assembly.ca.gov>, 'Jane Parker' <district4@co.monterey.ca.us>, 'John Phillips' <district2@co.monterey.ca.us>, 'Luis Alejo' <district1@co.monterey.ca.us>, 'Mary Adams' <district5@co.monterey.ca.us>, 'Simon Salinas' <district3@co.monterey.ca.us>, 'andympwmd@gmail.com' <andympwmd@gmail.com>, 'jcbarchfala@att.net' <jcbarchfala@att.net>, 'lewis4water@gmail.com' <lewis4water@gmail.com>, 'rbrower136@gmail.com' <rbrower136@gmail.com>, 'rrubio@ci.seaside.ca.us' <rrubio@ci.seaside.ca.us>, 'water@mollyevans.org' <water@mollyevans.org>, 'Dadamo, Dorene@Waterboards' <Dorene.Dadamo@waterboards.ca.gov>, Felicia Marcus <Felicia.Marcus@waterboards.ca.gov>, 'Spivy-Weber, Frances@Waterboards' <Frances.Spivy-Weber@waterboards.ca.gov>, Steven Moore <Steven.Moore@waterboards.ca.gov>, 'Doduc, Tam@Waterboards' <Tam.Doduc@waterboards.ca.gov>, Tom Howard <Tom.Howard@waterboards.ca.gov>
Subject: RE: In Today's Herald

Jim, the article's title foretells the Cal Am PR story, as someone pointed out to me in an email: Desal project in 'home stretch.' The story is a little more intricate than you suggest, however. **Public Water Now opposes Cal Am. Everyone knows that. The opposition is existential. Like Water Plus (aka Water Ratepayers Association of the Monterey Peninsula), Marina does not oppose Cal Am per se. Like Water Plus, it opposes Cal Am's proposed desal project in Marina. Neither Marina nor Water Plus (or the Marina Coast Water District, for that matter) would oppose a water-supply project by Cal Am if it were located at Moss**

Landing and if it were open-ocean intake. What Cal Am proposes is an illegal and environmentally harmful project in the Salinas Valley to replace an illegal and environmentally harmful project in the Carmel Valley. As even Cal Am must realize by now, its proposed project does not make sense, but the company must pursue it as proposed or risk CPUC denial of recovery from ratepayers of all expenses incurred on the project to date. The company must avoid blame for any project failure to meet milestones due to, or even following, project changes made by or agreed to by the company. --Ron

P. S. The state would be wise to reverse its pro-subsurface-intake policy in view of the federal government's new energy policy. Open-ocean intake could save Monterey Bay from oil exploration that would endanger our vital ocean water source.

From: Jim Johnson [mailto:jjohnson@montereyherald.com]

Sent: Wednesday, July 11, 2018 8:15 AM

To: Ron Weitzman

Subject: Re: In Today's Herald

Ron, Again thanks for your thoughts on my reporting, it's very helpful to get a different perspective. I'm sorry you saw the story as a PR piece for Cal Am because of the various quotes from their representatives. I thought it was important to get their thoughts on the impending CPUC CPCN action and Carmel River CDO milestone given it's their project, and was interested (as I believe readers whole be) in their general optimism given the project's history. They appear to either know something about what the CPUC will do or are simply putting in a brave face as the clock ticks down. Is that too subtle for readers? I thought George Riley provided a pretty good counter-view on the CPUC proposed decision (which may not be what Cal Am wants or expects) and the prospect of litigation making the CPCN milestone essentially irrelevant. Not sure Marina or anyone else likely to use could have offered a more relevant perspective. And then there is The Herald's new 2 pm story deadline, but don't get me started on that.

Your criticisms are noted and appreciated.

Thanks, Jim Johnson, The Herald

On Monday, July 9, 2018, Ron Weitzman <ronweitzman@redshift.com> wrote:

Jim, again thank you for your reply. At bottom, what is disturbing to me about your article is its source if, as it appears to be, the source is Cal Am. It appears that way because the Cal Am quotes make the article effectively a PR piece for the utility. You could have increased the article's objectivity by identifying the source and including quotes from the opposing side, Marina. Litigation is an issue *now* because its *threat* has to weigh on the scales of the Commission's decision. I am not saying you are at fault here. Cal Am is using The Herald as a PR instrument, and the CPUC may be responsible for allowing it to do that by informing it of the schedule, exclusively of other parties to the proceeding, in what appears to be a banned ex parte communication. Thank you for informing the rest of us, along with the public. --Ron

From: Ron Weitzman [mailto:ronweitzman@redshift.com]

Sent: Monday, July 09, 2018 5:01 PM

To: 'Jim Johnson'

Cc: 'Bruce Delgado'; 'David Brown'; 'frank.oconnell93933@gmail.com'; 'Gmorton@montereyfamilylaw.com'; LLong@CityofMarina.org; 'nancyamadeo@gmail.com'; 'SSMyers@att.net'; 'SSpaulding@fbm.com'; Bill Lee; Herbart Cortex; Howard Gustafson ; Jan Shriner; Tom Moore; 'bkampe@cityofpacificgrove.org'; 'Clyde Roberson'; 'cullem@monterey.org'; Don Freeman; 'Jerry Edelen'; 'maryann@sandcityca.org'; 'Ralph Rubio'; 'Steve Dallas'; Buill Monning; Mark Stone; Jane Parker; John Phillips; Luis Alejo; Mary Adams; Simon Salinas; 'andypwmd@gmail.com'; 'jcbarchfala@att.net'; 'lewis4water@gmail.com'; 'rbrower136@gmail.com'; 'rrubio@ci.seaside.ca.us'; 'water@mollyevans.org'; 'Dorene D'Adamo'; 'Felicia Marcus'; 'Frances Spivy-Weber'; 'Steven Moore'; 'Tam Doduc'; 'Tom Howard'

Subject: RE: In Today's Herald

Thanks for the reply, Jim. The story was one-sided, particularly regarding litigation. The quotes convey the expectation that litigation would not affect project construction when a restraining order would likely be the first objective of legal action. The quotes also suggest that simply a September decision could meet the milestone when the decision could be project rejection, which would not meet the milestone. The other side of the story, opposite Cal Am, is Marina and has been since the beginning. The rest of us simply take sides. One more thing: Offering a proposed decision so late raises the likelihood the Commission will not act before the end of September. It has no requirement to make a decision by then. It did not establish the milestones, and prior to their receipt of the proposed decision most Commissioners will have had almost no information about the project and its problems. Given their other concurrent responsibilities, It could take them months to get up to speed. That's why the proceeding deadline has been extended to the end of December. --Ron

From: Jim Johnson [mailto:jjohnson@montereyherald.com]

Sent: Monday, July 09, 2018 11:09 AM

To: Ron Weitzman

Subject: Re: In Today's Herald

Ron, Thanks for the insight, and I appreciate your observation. I can only say the story was intended to be about the upcoming CPUC CPCN schedule and did not consider potential legal challenges in any detail nor the CDP review process (which Cal Am already appears to believe will end up at the Coastal Commission). Perhaps potential litigation is a story that could be helpful at some point and certainly Marina officials would be at the forefront of that, but it is difficult to predict litigation details until the lawsuits are filed, which they almost certainly will be if and when the CPUC certifies the EIR/EIS.

Jim Johnson, The Herald

On Monday, July 9, 2018, Ron Weitzman <ronweitzman@redshift.com> wrote:

Jim, what is a glaring omission in your article is any statement from a member of the Marina City Council or its attorneys. Marina, where the project is proposed, has at least as large a stake on this issue as the Monterey Peninsula does. --Ron

WATER

Desal project in 'home stretch'

Commission consideration set for September, ahead of river cutback milestone

By Jim Johnson

jjohnson@montereyherald.com @JimJohnson_MCH on Twitter

MONTEREY » More than six years after being formally proposed to the state Public Utilities Commission, California American Water's desalination project is in crunch time.

A CPUC proposed decision on the proposal is less than a month away. It will be a precursor to the commission's consideration of project permit approval and certification of the project's environmental impact document, likely to occur sometime in September just before a critical Carmel River cutback order milestone deadline.

All this as Cal Am faces a second public takeover campaign and ballot measure led by Public Water Now this summer and fall.

Cal Am spokeswoman Catherine Stedman said the project is at a critical juncture this summer.

"We really are coming into the home stretch," Stedman said. "In the next few months we will get important decisions that get us closer to a replacement water supply (for the Carmel River). At that point (if the project is approved), we will be further along than ever before."

The defunct Regional Desalination Project garnered CPUC approval in December 2010 before it collapsed amid revelations of a criminal conflict of interest involving a former county water board member who was also working for former project partner Marina Coast Water District.

According to the CPUC's schedule, the proposed decision, issued by a CPUC judge or judges, must be submitted by Aug. 1. The proposed decision could also be submitted earlier than that. The proposed decision requires a 30-day public review, which could stretch through the end of August, and leave the commission with two meeting dates to consider the project, Sept. 13 and Sept. 27.

That would be just weeks or even days before the Sept. 30 river cutback order milestone deadline for CPUC project approval. If the milestone is missed, the state water board's cutback order requires a reduction in river pumping of 1,000 acre-feet unless Cal Am and other local officials can successfully argue the failure to meet the milestone was not their fault.

Cal Am's preferred project currently consists of a 6.4-million gallon per day desal plant with a 3,500-acre-foot per year Pure Water Monterey recycled water component and other supplemental supplies, all designed to allow Cal Am to meet the state water board's river cutback order.

Stedman said she believes the CPUC will act promptly given the cutback order schedule.

"I think the commission is very aware of our deadline," she said. "There's no indication they won't stick to their schedule."

Monterey Peninsula Water Management District General Manager Dave Stoldt said he also believes the river cutback order milestone will be met based on the CPUC schedule.

Meanwhile, Monterey National Marine Sanctuary resource protection coordinator Karen Grimmer said sanctuary officials are coordinating with CPUC staff on review of the project's joint environmental impact document. They will likely issue a record of decision either simultaneously or shortly after the commission makes its decision.

Monterey Peninsula water activist George Riley, Public Water Now managing director and longtime participant in the CPUC's proceedings on Cal Am's desal project proposals, suggested that the proposed decision could recommend an alternative to Cal Am's preferred project. One such alternative would include a new Phase 3 proceeding requested by several parties including Public Water Now aimed at considering a reduced desal plant with an expanded recycled water component, or even an indefinite delay in the desal project with an expanded recycled water component and other temporary measures. Riley also pointed out that a request for alternative cutback order milestones focused on recycled water progress is also still pending with the state water board. He noted that Cal Am has not supported such an alternative.

However, Riley said, meeting the CPUC schedule may be "meaningless" given the likelihood of litigation if the commission approves the project and its EIR without changes.

While Stedman acknowledged the commission has the discretion to approve or deny the Cal Am project, and even to a variation of it, she noted that the project EIR was "supportive" of the proposed project. She said Cal Am has always been "open" to a potential additional phase of the project to consider alternatives if the desal project is delayed, but only if a CPUC permit is granted first.

Ian Crooks, Cal Am's vice president of engineering, said if the commission approves the desal project as proposed there will be no need for a Phase 3 alternative. Cal Am Engineering Manager Chris Cook noted that litigation doesn't necessarily mean construction on the desal project would be halted.

"After September, this community should take a moment to celebrate this achievement if there's a favorable decision, and not be looking to poke holes in it, but run with it," Crooks said. "This has taken a lot of time and effort."

The current project schedule calls for Coastal Commission approval of a coastal development permit for the desal project within six months of CPUC approval, and the start of desal project construction before the September 2019 cutback order

milestone. Completion and operation is anticipated by 2021, ahead of the December 31, 2021 deadline for a full cutback in pumping from the Carmel River.

Jim Johnson can be reached at 831-726-4348.



A state Public Utilities Commission proposed decision on Cal Am's desalination project is expected by the end of the month, before a critical Carmel River cutback order milestone deadline.

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