

## **Notice to all Parties**

### **California American Water Co. Application A.12-04-019: Monterey Peninsula Water Supply Project (MPWSP)**

#### **MPWSP DEIR Recirculation**

California-American Water Co. (Cal-Am) has applied to the California Public Utilities Commission (Commission) for approval to build and operate a desalination plant, and related facilities, on the Monterey peninsula. This project is known as the Monterey Peninsula Water Supply Project (MPWSP). The Commission's Energy Division is conducting environmental review of the MPWSP under the California Environmental Quality Act (CEQA). In April 2015, Energy Division published a Draft Environmental Impact Report (DEIR).

In a letter dated July 9, 2015, Energy Division extended the public comment period on the DEIR until September 30, 2015. We gave three reasons for doing so: (1) we learned that one of our sub-contractors, an entity called Geoscience, may have one or more conflicts of interest on this project; (2) several parties had asked for data related to the work that Geoscience had done, and Energy Division found it appropriate to make those data available to the requesting parties; and (3) we sought comments from the public on the advisability of recirculating the DEIR as a joint state/federal environmental document under both CEQA and the National Environmental Policy Act (NEPA), in coordination with the Monterey Bay National Marine Sanctuary (Sanctuary).

Based on the comments of the parties that have been received so far; our conversations with the Sanctuary; and our own internal deliberations, we have decided to revise and recirculate the DEIR as a joint state/federal document in coordination with the Sanctuary. It has become clear to us that it is appropriate to revise the DEIR to update groundwater modeling with a new groundwater modeling consultant and to further consider as alternatives the two other active proposals to construct a desalination plant at Moss Landing. While it is not known whether the results of such changes to the DEIR would trigger a legal requirement to recirculate the DEIR, we believe that coordination with the Sanctuary and preparation and circulation of a Revised DEIR/Draft Environmental Impact Statement (DEIS) under both CEQA and NEPA is appropriate, such that it no longer makes sense to wait until the close of the DEIR comment period to make that decision.

In Energy Division's July 9 letter, we also stated that we would "consider options to independently evaluate the accuracy and credibility of [the groundwater modeling] work, including but not limited to entering into a contract with a neutral third party to review that work." We have begun the process of engaging such a neutral third party to peer review Geoscience's work but, due to state contracting requirements, have not yet been able to finalize the contract. We anticipate announcing that contract soon, and further anticipate incorporating the resulting peer review into the recirculated DEIR/DEIS.

**A revised DEIR/DEIS schedule with a new comment period will be issued in late September/early October.** We still invite the parties to comment on the Geoscience conflict of interest, or on any other issue raised in the DEIR, but we do not now need further comments on recirculation. Energy Division will consider all comments in the process of preparing the Revised DEIR/DEIS, but does not plan to respond to such comments in writing.

Written comments on the existing DEIR should be received by the close of business on September 30, 2015, and addressed to:

Ken Lewis, CPUC  
c/o ESA  
550 Kearny Street, Suite 800  
San Francisco, CA 94108

Comments can be sent by fax to (415)896-0332, or by email to [MPWSP-EIR@esassoc.com](mailto:MPWSP-EIR@esassoc.com).