

**PUBLIC COMMENT
TO CALIFORNIA PUBLIC UTILITIES COMMISSION**

Re

**Cal Am DEIR
Monterey Peninsula Water Supply Project
(Application A.12-04-019, filed April 23, 2012)**

29 September, 2015

I am submitting these timely comments on the original DEIR, even though it is about to be replaced. This is in line with the encouragement given by Judge Weatherford in his memo and attachment A.12-04-019 GW2/ek4 dated July 9, 2015.

The sooner the CPUC is fully aware of the strength of well-informed public opinion on the Monterey Peninsula, the better. There is a determination here to see a speedy and cost-efficient solution to our water supply problems, and that requires a rapid change of direction at this point.

Here are my brief comments on the issues emphasized by Judge Weatherford.

1. Apparent conflict of interest

I am glad to see the immediate seriousness with which the evidence was treated, but would urge you to act, not merely on the narrow problem of objective data evaluation, but on the wider implications of these desperate efforts to justify slant well technology at this particular location.

1.1 Intent to mislead

Any undisclosed awareness by Cal Am that the same person employed as a consultant in the design of the slant wells for them was also chosen by CPUC as an objective evaluator might be construed as a violation of CPUC Rule 2.1. Are you considering it from that angle, among others?

1.2 Mismanagement of the testing

Whether due to incompetence or lack of commitment to the seriousness of testing to determine whether slant wells at the Cemex site would truly provide a long-term sustainable and legitimate source of desalinated water, Cal Am has made numerous errors of planning and execution.

One of the most serious is that the test slant well is much shorter than the intended production wells, ending at the shoreline instead of being truly subsurface under the Bay. Why was this done, introducing an unnecessary additional level of uncertainty and optimistic estimating into a test that needs to make very sure that it is not raising false hopes for the success of a gigantic long-term project? Add to this the great difference of inclination in the test slant well from the 19 degrees of the intended production wells that has been noted by Mr Michael Baer. Do these unexplained differences alone disqualify the present testing from being an adequate evaluation of such an unproven technology, possibly indicating a lack of confidence by the proponents in testing the actual production design?

Other errors that call in question the bone fide intentions of Cal Am include the failure to establish a baseline in neighboring wells at the start of testing, the assumption that landowners (Ag Land Trust) did not have any nearby operational wells without even asking them for information, the major failure of their long-term predictive model within 60 days of testing (serious enough to cause them to cease testing), the publicized finger-pointing blaming the farmers for unexpected pumping without apparently contacting the farmers to obtain real data, and the intention to continue using the same model with a minor tweak to make “relative” rather than “absolute” comparisons. These are not the actions of a company serious about discovering the truth. Rather, they are consistent with a belief that shortage of time will be accepted as rendering the testing and a true prognosis as irrelevant to a political decision.

In my thirty-eight years of experience in working for successful corporations, all much larger than the whole of American Water, I have never seen such a casual approach to justifying a project under tight time constraints, and likely to cost on the order of \$1 billion. Indeed, if Cal Am were investing their own money, their approach would be very different, and a project in such deep trouble would already have been redirected into exploring more promising alternatives such as purchasing water from one of the Moss Landing projects. The People’s Project, for example, is within sight of issuing its Draft EIR, and owns the property, water rights, and existing infrastructure needed. The longer the present testing at the Cemex site is continued, the more expense and delay is introduced before a genuine and cost-effective solution is pursued.

Please, Commissioners, do what the management of a competitive company would be forced to do, and stop this throwing of good money after bad. Terminate this testing, tarnished as it is by apparent conflict of interest and mismanagement, and thus accelerate progress towards a successful solution.

2. Data availability

Thank you for making available more of the base data underlying the DEIR. As a result, you have received comments from Mr Ron Weitzman, a professionally qualified statistician, questioning some of the optimistic conclusions drawn, particularly regarding the crucial 140-ft fresh water aquifer. Please consider whether this is further evidence of intent to mislead in the DEIR.

3. Proposed joint DEIR/NEPA

I strongly support the NEPA direction, taking wider issues into account, such as costs to ratepayers, and alternative projects at Moss Landing. However, I would like to add two observations.

First, as argued above, there may be good reason not to waste further time and money on reissuing the existing DEIR with only minor tweaks. I believe you have the option to disqualify the current testing and terminate that project for reasons given above and in other comments submitted to you. A reissued DEIR should concentrate on the alternatives to this exorbitantly expensive, failing, and litigation-prone project.

Second, I believe it would be premature to bless the Monterey Bay National Marine Sanctuary as the Lead Agency for the NEPA, despite their volunteering for this position of influence. We need to know what is their position on the wider issues – how much do they care for the well-being of hard-pressed water-conserving Monterey Peninsula ratepayers compared to that of the burgeoning marine life of Monterey Bay as evidenced by the feasting of the whales? Is their position an extreme environmental one of “Slant wells or bust”? Are they qualified and motivated to give due weight to water shortages and billion dollar cost considerations affecting land dwellers?

Respectfully submitted,

David Beech

1450 Manor Road
Monterey CA 93940

dbeech@comcast.net