



**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of California-American Water Company (U210W) for Approval of the Monterey Peninsula Water Supply Project and Authorization to Recover All Present and Future Costs in Rates.

Application 12-04-019  
(Filed April 23, 2012)

**ADMINISTRATIVE LAW JUDGE'S RULING CONCERNING  
WORKSHOP AND PREHEARING CONFERENCE**

**1. Summary**

This ruling circulates both the agenda for the Cost and Financial Modeling Workshop, December 11, 12 & 13 (until 12:30 p.m.), 2012 and the topics to be addressed at the December 13 (afternoon) Prehearing Conference (PHC), and memorializes the November 29, 2012 e-mail ruling by the assigned Administrative Law Judge on those subjects. That ruling and this one provide notice of the rescheduling of the Public Participation Hearings to be held in Monterey from January 16 to January 9, 2013 (2 p.m. and 7 p.m.).

**2. Background**

**Workshop**

The agenda for the December 11-13, 2012 Costs and Financing Workshop, which contains slight changes from the one contained in the November 29, 2012 e-mail ruling, is appended to this Ruling as Attachment A. The Workshop will be accessible in real-time via video webcast and archived thereafter at

[www.californiaadmin.com/cpuc.shtml](http://www.californiaadmin.com/cpuc.shtml).

### **Prehearing Conference**

The main topics for discussion at the PHC are the:

- current position of Applicant concerning the project description and any planned changes in that description;
- advisability of shifting cost recovery issues to a separate phase or application;
- status of public agency participation proposals and discussions;
- California Environmental Quality Act track status and developments; and
- preliminary planning for the Evidentiary Hearings.

Topics concerning management of the proceeding will also be discussed.

#### **IT IS RULED that:**

1. The Public Participation Hearings in Application 12-04-019 have been rescheduled from January 16 to January 9, 2013 (2 p.m. and 7 p.m., Monterey City Council Chambers, 580 Pacific Street, Monterey).

2. Attachment A hereto is the agenda for the Cost and Financial Modeling Workshop, December 11, 12 & 13 (until 12:30 p.m.), 2012, CPUC Auditorium, 505 Van Ness Avenue, San Francisco. The Parties are instructed to be prepared to discuss the topics and issues listed on Attachment A, among other relevant topics and issues that may arise during the Workshop.

3. The second Prehearing Conference in this proceeding will address the topics mentioned in this Ruling (*see* "Prehearing Conference" subheading) and

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will be held on December 13, 2012, 1:30-4:30 p.m., Hearing Room A,  
505 Van Ness Avenue, San Francisco.

Dated December 6, 2012, at San Francisco, California.

/s/ GARY WEATHERFORD

Gary Weatherford  
Administrative Law Judge

# ATTACHMENT A

## ATTACHMENT A

### Topics for December 11-13, 2012 Cost and Financial Modeling Workshop in Application 12-04-019

The cost and financial modeling workshop will cover the following topics:

- 1) Updates from Technical Conference [Tuesday, Dec 11 (Day 1):  
11 AM - 12 PM]
- 2) Project Costs [Day 1: 12 PM - 2 PM]
  - a. Desalination Project Costs
  - b. Aquifer Storage and Recovery (ASR) Costs
  - c. Groundwater Replenishment (GWR) Costs
  - d. Storage and Distribution Facilities Costs
  - e. Preconstruction Project Costs
    - i. Test Well(s)
    - ii. Other (Land Acquisition, Permitting, etc.)
- 3) Cost Impacts of Contingencies [Day 1: 2 PM - 5 PM, Wednesday  
Dec 12 (Day 2): 9:30 AM - 12PM]
  - a. Source Water
  - b. Facility Siting
  - c. Plant Failure or Periodic Interruption
    - i. Providing Potable Water from Alternative Sources
    - ii. Reducing Deliveries to Customers
  - d. Outfall Use for Brine Disposal
  - e. Change in Demand Forecasts
    - i. Excess Desalination Plant Capacity
  - f. Project Delay

- 4) Financial Modeling [Day 2: 1 PM - 5 PM, Thursday Dec 13 (Day 3):  
9:30 AM - 12:30 PM]
  - a. Project Financing
  - b. Discuss Compliance Filing and Present Financial Model
  - c. Run Financial Model for Possible Project Scenarios

**(END OF ATTACHMENT A)**