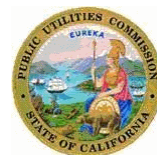


GW2/sf3 6/9/2017



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6-09-17
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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 REQUESTING PARTIES TO IDENTIFY ISSUES FOR FURTHER EVIDENTIARY HEARINGS

This ruling requests that parties identify any remaining disputed issues of material fact, other than those addressed in the separate but parallel California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) process, that need to be updated or heard before a proposed decision related to the applied-for certificate of public convenience and necessity (CPCN) is prepared and published. In particular, assigned Commissioner Randolph and assigned Administrative Law Judge Weatherford agree that further evidentiary hearings may be needed for the purpose of updating cost estimates, financing details, and assessing the forecast of demand that bears upon the justification for and sizing of the Monterey Peninsula Water Supply Project. If a party agrees in part or whole, the party shall include one or more of these items in their identified issues.

Further, we believe evidence is necessary on a project alternative that includes the desalination plant energized by a combination of purchased electricity and on site solar panels. Finally, we believe evidence is necessary on

the feasibility and costs of the desalination plant being constructed in modular increments, with the potential for the Commission to authorize a smaller plant now (even smaller than 6.4 million gallons per day, if feasible) but with the option for applicant to later request authority to add increments if and as demand increases. If a party agrees, the party shall include one or both of these items in their identified issues.

Parties shall file and serve a Statement of Issues by June 23, 2017. The Statement of Issues shall include the following: (a) a statement of each specific disputed non-CEQA/NEPA issue of material fact or item to address in further evidentiary hearings (precisely worded as the party recommends it be stated in any further ruling setting the hearings); (b) explanation of why the issue is disputed or requires further evidence; (c) explanation of why the issue is material or requires further evidence; (d) brief statement of what the party's proposed additional testimony on the issue will show; (e) a proposed schedule (*e.g.*, for service of testimony, rebuttal testimony, hearing); and (f) anything else the party believes the Commission needs to make an informed decision.

Parties shall make a reasonable effort to present one joint Statement of Issues. In that joint document, parties may identify the issues with which they agree and, if there is not consensus, those issues with which they do not agree. If more than one Statements of Issues is filed, parties may file and serve comments on the Statement of Issues of other parties, and those comments shall be filed and served within seven days of the date the Statement of Issues was filed.

A ruling that states the items, if any, for further hearing will then be filed, likely by mid-July 2017. That ruling will state the schedule, with opening testimony likely served in early September, and rebuttal testimony in late September. Further evidentiary hearings will likely be set for October 2017, or dates to be determined upon consideration of the recommendations by parties.

IT IS RULED that:

1. Parties shall by June 23, 2017 file and serve a Statement of Issues that complies with the requirements stated in the body of this ruling. Parties shall make a reasonable effort to present one joint Statement of Issues.
2. If more than one Statement of Issues is filed, parties may file and serve comments on the Statement of Issues of other parties, and those comments shall be filed and served within seven days of the date the Statement of Issues was filed.

Dated June 9, 2017 at San Francisco, California.

/s/ JEANNE M. MCKINNEY
for

Gary Weatherford
Administrative Law Judge