



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

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In the Matter of the Application of California-American Water Company (U210W) for an Order Authorizing and Imposing a Moratorium on Certain New or Expanded Water Service Connections in its Monterey District.

Application No. 10-05-020
(Filed May 24, 2010)

NOTICE OF EX PARTE COMMUNICATION OF THE CITIES OF CARMEL-BY-THE-SEA, DEL REY OAKS, MONTEREY, PACIFIC GROVE, SAND CITY AND SEASIDE

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Dated: March 08, 2011

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Pursuant to Article 8 of the California Public Utilities Commission’s (“Commission”) Rule of Practice and Procedure and Rule 8.3, the Cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City and Seaside (collectively, the “Cities”) file this Notice of *ex parte* communication.

On March 08, 2011, representatives of the Cities held an *ex parte* conference call with Carol A. Brown, Chief of Staff to Commission President Michael Peevey, and Lester Wong, Advisor to President Peevey. The representatives of the Cities in attendance on the conference call were: Carmel-by-the Sea Mayor Sue McCloud, Monterey Mayor Chuck Della Sala, Pacific Grove Mayor Carmelita Garcia, Seaside Mayor Felix Bachofner, Seaside City Manager Ray Corpuz, Sand City City Attorney Jim Heisinger, and Russell McGlothlin, Counsel for the Cities. The Cities, through their Counsel Mr. McGlothlin, requested the meeting via email to Commission staff on March 05, 2011.

The meeting convened at 3:00 pm, and lasted until approximately 3:40 pm. The group discussed the Proposed Decision in this proceeding. The Cities discussed their view that the Commission possesses independent authority to determine whether adoption of water service

moratorium within California American Water Company's Monterey District is just and reasonable and consistent with the public interest. The Cities discussed the relationship of the proposed moratorium to the Carmel River habitat and existing customers, and provided examples of impacts to the community welfare within the cities if a moratorium is adopted that eliminates the Cities' ability to allocate water for new or expanded service pursuant to the Monterey Peninsula Water Management District's municipal water allocation program. Specifically, Mayors Della Sala, Bachofner, and McCloud each provided specific examples of the projects that would be precluded from development in their respective cities, and the associated impact on the community welfare. Mr. Heisinger also discussed the legal and equitable grounds for Sand City's exemption from the moratorium for its entitlement stemming from its desalination facility.

Dated: March 08, 2011

Respectfully submitted,



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PROOF OF SERVICE

**STATE OF CALIFORNIA,
COUNTY OF SANTA BARBARA**

I am employed in the County of Santa Barbara, State of California. I am over the age of 18 and not a party to the within action; my business address is: 21 E. Carrillo Street, Santa Barbara, California 93101.

On March 09, 2011, I served the foregoing document described as:

NOTICE OF EX PARTE COMMUNICATION OF THE CITIES OF CARMEL-BY-THE-SEA, DEL REY OAKS, MONTEREY, PACIFIC GROVE, SAND CITY AND SEASIDE

on the interested parties in this action.

- by emailing the document(s) listed above to the email addresses set forth below on this date before 5:00 p.m.
- BY MAIL: I am “readily familiar” with this firm’s practice for the collection and the processing of correspondence for mailing with the United States Postal Service. In the ordinary course of business, the correspondence would be deposited with the United States Postal Service at 21 E. Carrillo Street, Santa Barbara, California 93101, with postage thereon fully prepaid the same day on which the correspondence was placed for collection and mailing at the firm. Following ordinary business practices, I placed for collection and mailing with the United States Postal Service such envelope at Brownstein Hyatt Farber Schreck LLP, 21 E. Carrillo Street, Santa Barbara, California 93101.
- (STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed in Santa Barbara, California, on March 09, 2011.



MARIA KLACHKO-BLAIR
TYPE OR PRINT NAME

SIGNATURE

A. 10-05-020

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