
FOR IMMEDIATE RELEASE

Contact: Terrie Prosper, 415.703.1366, news@cpuc.ca.gov

PRESS RELEASE

Docket #: A.04-09-019

**CPUC ISSUES FINAL ENVIRONMENTAL IMPACT REPORT
FOR CALAM COASTAL WATER PROJECT**

SAN FRANCISCO, November 4, 2009 - The California Public Utilities Commission (CPUC) has issued a Final Environmental Impact Report (FEIR) for California American Water Company's (CalAm) proposed Coastal Water Project (CWP), located in Monterey County.

The FEIR was prepared by the CPUC according to the California Environmental Quality Act (CEQA) to analyze the potential environmental impacts of the CWP, a new water supply project for the Monterey Peninsula, which is being proposed by CalAm.

A water supply is needed to replace existing supplies that are constrained by recent legal decisions affecting the Carmel River and Seaside Groundwater Basin water resources. The CWP would produce desalinated water, convey it to the existing CalAm distribution system, and increase the system's use of storage capacity in the Seaside Groundwater Basin. The CWP would consist of several distinct components: a seawater intake system; a desalination plant; a brine discharge system; product water conveyance pipelines and storage facilities; and an aquifer storage and recovery system.

The FEIR responds to all comments received on the Draft Environmental Impact Report (DEIR) issued on January 30, 2009, both individually and in several Master Responses. The FEIR consists of the original DEIR (Volumes 1-3) as modified by additions and deletions resulting from comments received; the Response to Comments document (Volume 4) containing all comments received and responses; and the Master Response document (Volume 5) containing Master Responses to key issues. The FEIR analyzes three alternative projects, in addition to the No Project Alternative: a desalination plant at Moss Landing; a desalination plant at North Marina; and Phase 1 of a broader

Regional Project with a desalination plant located at North Marina. The FEIR analyzes the impacts of each project, provides a comparison between the projects, and identifies the Environmentally Superior Alternative.

The assigned Administrative Law Judge expects to issue a Proposed Decision regarding certification of the FEIR later this month.

A copy of the FEIR report is available at: www.cwp-eir.com/docs.html.

For more information on the CPUC, please visit www.cpuc.ca.gov.

###