

COMMENT FORM

**California American Water Company (Cal Am)
Monterey Peninsula Water Supply Project
Draft Environmental Impact Report**

Date: 5 August 2015
Name: Ron Weitzman
Affiliation: Water Plus (dba Water Ratepayers Association of the
Monterey Peninsula), president
Address: 23910 Fairfield Place
Carmel, CA 93923
Email address: ronweitzman@redshift.com

I wish to be added to the CEQA mailing list.

To:

Attn: Mary Jo Borak

California Public Utilities Commission
c/o Environmental Science Associates

MPWSP-EIR@esassoc.com

COMMENTS (due on or before 30 September 2015)

Comments begin on next page.

CPUC Regulation of MPWSP an Intrusion into a Competitive Market

In Section 7.4.6.2, the DEIR dismisses the People's Moss Landing Water Supply Project as follows: "This desalination proposal has not been carried forward as an alternative to the MPWSP because the CPUC has no jurisdiction, the applicant has not yet engaged in any formal environmental review processes, project effects cannot be reasonably ascertained and the timing of its implementation remains uncertain." CEQA requires the evaluation of all viable alternatives to a proposed project. The People's project is a viable alternative. Contrary to the DEIR's dismissal of this project, it has engaged in a formal environmental review process; it has issued an NOP and is currently preparing a draft EIR, which will identify the project's effects; and the timing of its implementation is no less certain than that of the MPWSP. As far as CEQA is concerned, these are no longer issues, if they ever have been.

Nor should this be an issue: "This desalination proposal has not been carried forward as an alternative to the MPWSP because the CPUC has no jurisdiction..." The problem is not that the CPUC has no jurisdiction over the People's project; it is that the CPUC has jurisdiction over the MPWSP in a competitive market. The *raison d'être* of the CPUC is to regulate privately-owned utilities because they exist in a monopolistic market. Water purveyance is such a market, but water supply is not. This is obviously the case on the Monterey Peninsula, where not only the People's project but also the DeepWater project are competing to supply the potable water needed there. The mission statement of the CPUC includes this objective: to "promote competitive markets, where possible, in the communications, energy, transportation, and water industries." Obviously, in the dismissal of the People's project in the DEIR, the CPUC is not doing what it is supposed to do. It is not promoting a competitive market where one is possible. What it is doing, in fact, is just the opposite; it is inhibiting competition.

REMEDICATION. The CPUC should cease to regulate Cal Am's development of the MPWSP. Cal Am should pursue its development of the MPWSP as a private company in a competitive market, not as a regulated utility in a monopolistic market. The CPUC's mission statement, as well as the fair and objective consideration of alternatives under CEQA, requires that the CPUC relinquish its regulation of Cal Am in its development of the MPWSP. The Energy Division should communicate this comment to the Commissioners.