

In the Matter of the Application of California-American  
Water Company for Authority Pursuant to Public Utilities  
Code Section 454 to Restructure and Consolidate its  
Rates for its Monterey and Felton Districts

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**A.04-08-012**

Motion of Felton FLOW  
Seeking Permission to Late-File Protest  
(Late-Filed Protest Attached)

September 13, 2004

Felton FLOW  
PO Box 688  
Ben Lomond CA 95005  
831 336 1620

Tod Landis, for Felton FLOW

MOTION OF FELTON FLOW SEEKING TO LATE-FILE PROTEST

Pursuant to Rule 45 of the Commission's Rules of Practice and Procedure, Felton FLOW hereby moves for an order permitting the late filing of our protest to the application of California-American Water Company for Authority Pursuant to Public Utilities Code Section 454 to Restructure and Consolidate its Rates for its Monterey and Felton Districts. The late-filed protest accompanies this motion.

The Protest was to be filed within 30 days of the date that notice of the application's filing first appeared in the Daily Calendar. That period, based on the Daily Calendar notice, expired on September 13, 2004.

Felton FLOW failed to timely file our protest due to the lateness of our decision to file

Felton FLOW submits that no party has suffered or would suffer any hardship as a result of our failure to timely submit this protest.

September 13, 2004  
Respectfully Submitted,

Tod Landis, for Felton FLOW

BEFORE THE  
PUBLIC UTILITIES COMMISSION  
OF THE  
STATE OF CALIFORNIA

In the Matter of the Application of California-American  
Water Company for Authority Pursuant to Public Utilities  
Code Section 454 to Restructure and Consolidate its  
Rates for its Monterey and Felton Districts

**A.04-08-012**

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PROTEST OF FELTON FLOW TO CONSOLIDATING  
THE FELTON AND MONTEREY DISTRICTS

Under Rule 30, Felton FLOW is protesting the consolidation of the CalAm districts in Felton and Monterey, because we believe the consolidation will worsen already bad service to CalAm ratepayers in Felton.

1. The two districts are separated by about 40 miles.

In fact, MapQuest reports that it is 49 miles from the New Leaf Market in Felton to the Monterey City Hall. Maintenance trucks moving between the two districts will need to drive through "the fishhook" corridor in Santa Cruz, which is heavily congested during commute hours.

The company claim that it can remotely detect problems in one district from another just doesn't hold water. In Monterey, a CalAm water leak went undetected sufficiently long to trigger a landslide into the Carmel River. In Seaside a leak continued for some five days. ("Seaside Water Leak Continues for Five Days" by Virginia Hennessey, Monterey Herald, 8/25/04)

2. Monterey and Felton are much different water districts

Monterey faces a critical water shortage. Felton has a water surplus. Parts of the Monterey district have an urban character. All of Felton is rural.

3. Future Monterey water costs are unknown

Although the CalAm application specifies that the cost "to develop" new Monterey water sources will not be borne by Feltoners, it is not clear who will bear the future operating costs. The Monterey Herald has reported that operating a Monterey desalination plant could cost as much as \$5.97 million a year. (see "Moss Landing desalination plant favored..." by Dennis Moran, Monterey Herald, August 10,2002)

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4. Felton residents would benefit from joining SLVWD instead

Santa Cruz LAFCO has already considered this question. Because the benefits were clear, it extended the SLVWD Sphere of Influence to include the Felton district. Incidentally, even economists hired by CalAm described the SLVWD as a "well run" district.

SLVWD is contiguous with CalAm's Felton district.

CalAm customers in Felton would pay less if they were in the SLVWD.

5. Felton residents want to leave CalAm and join the SLVWD

Felton FLOW, which stands for Friends of Locally Owned Water, has become one of the most popular clubs in our community. It organizes movie fundraisers and, last weekend, a barbecue and fundraising auction, all of which are well attended. About fifteen Felton residents regularly attend meetings of FLOW's steering committee and many more residents are active in FLOW committees.

6. Many of us believe that CalAm is poorly managed. Scaling back CalAm operations could improve service.

The CalAm management structure is clearly over-stretched. We can see this in the way that several Felton maintenance projects were botched, and in the large number of disgruntled CalAm customers who regularly turn out for Felton water meetings. The problem seems to be a shortage of on-site supervisors who know the water business.

Thank you.

Respectfully submitted,

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for Felton FLOW  
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