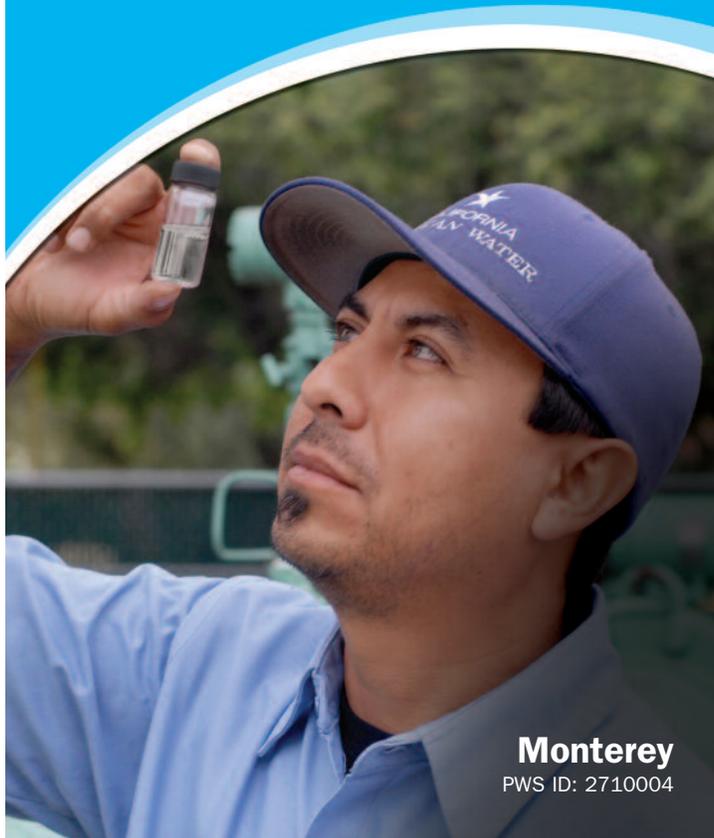


2011 Consumer Confidence Report



Monterey
PWS ID: 2710004

A Message from the California American Water President

California American Water is proud to be your local water service provider and I am pleased to share with you good news about the quality of your drinking water. Each year, we provide you with our Annual Water Quality Report – and like so many years prior – you'll find that we continue to supply water that meets or surpasses both state and federal water quality regulations.

This doesn't happen by chance. It requires having the right team of experts and technologies in place. Delivering high-quality, reliable water service to your tap around the clock also requires significant investment in our water infrastructure. In 2011 alone, we invested more than \$54 million in water system improvements statewide. From upgrading our treatment facilities to replacing aging water pipelines, we invest prudently and with purpose. And, because we invest our dollars responsibly, we provide our water at about a penny per gallon; an exceptional value for a service that is so essential to our daily lives.

We hope you agree, it's worth every penny and worth learning more about. Please, take the time to review this report. It provides details about the source and quality of your drinking water using the data from water quality testing conducted for your local water system through December 2011. For an electronic copy of this report, visit us online at www.amwater.com/caaw/.

At California American Water, our customers are our top priority, and we are committed to providing you with the highest quality drinking water and service possible now and in the years to come.

Sincerely,

*Rob MacLean
President, California American Water*

ABOUT A PENNY

Did you know that you pay about a penny for a gallon of tap water?

We invest millions of dollars each year in our treatment and distribution facilities to ensure that you receive quality, reliable water service around the clock. At the same time, you pay about a penny per gallon. For most customers, the water bill is the lowest utility bill they pay each month.

That's an exceptional value.

WE CARE ABOUT WATER. IT'S WHAT WE DO.

Este informe contiene información muy importante sobre su agua potable. Tradúzcalo o hable con alguien que lo entienda bien.

此份有關你的食水報告,內有重要資料和訊息,請找他人為你翻譯及解釋清楚。

Chi tiết này thật quan trọng.
Xin nhờ người dịch cho quý vị.

Continuing our Commitment

Founded in 1886, American Water is the largest investor-owned U.S. water and wastewater utility company. With headquarters in Voorhees, N.J., the company employs approximately 7,000 dedicated professionals who provide drinking water, wastewater and other related services to approximately 15 million people in more than 30 states, as well as parts of Canada. More information can be found by visiting www.amwater.com.

California American Water, a wholly owned subsidiary of American Water (NYSE: AWK), provides high-quality and reliable water and/or wastewater services to approximately 600,000 people.

What is a Consumer Confidence Report?

To comply with State and U.S. Environmental Protection Agency (EPA) regulations, California American Water issues a report annually describing the quality of your drinking water. The purpose of this report is to raise your understanding of drinking water and awareness of the need to protect your drinking water sources. In 2011, we conducted thousands of tests at numerous sampling points in your water system, all of which were below Federal and State maximum allowable levels. It includes details about where your water comes from and what it contains. The data presented in this report is a combination of data from our local water quality laboratory, our nationally recognized water quality lab, and commercial laboratories all of which are certified in drinking water testing by the State of California Department of Public Health.

For more information about this report, or for any questions relating to your drinking water, please contact California American Water's Customer Service Center at (888) 237-1333.

About Your Water

Monterey is served by groundwater sources from the Santa Margarita, Paso Robles, and Carmel Alluvium aquifers as well as surface water from the Sand City Desalination Plant.

Drinking water treatment technologies used are reverse osmosis, iron and manganese removal, hydrogen sulfide removal, corrosion control, and disinfection to ensure the bacteriological quality.

The water supply is distributed for residential and commercial use in the communities of Carmel By the Sea, Carmel Highlands, Carmel Valley, Del Rey Oaks, Monterey, Pacific Grove, Pebble Beach, Sand City, and Seaside.

Notice of Source Water Assessment

An assessment of the drinking water sources for the California American Water Monterey water system was completed in February 2003. Man-made contaminants have not been detected in most of the groundwater supplies. PCE (tetrachloroethylene) has been detected in two groundwater sources and these sources are considered vulnerable to activities located near the drinking water sources. In 2008 these sources were ND for PCE. In addition, three sources are considered to be under the influence of surface water and these supplies either go directly through a direct filtration water treatment plant or are not in service at this time.

The water sources are considered vulnerable to the following activities: airport maintenance and fueling areas, automobile gas stations, dry cleaners, high density housing, military installations, NPDES/WDR permitted discharges, parks, storm drain discharge permits, low and high density septic systems, and water supply wells.

The Monterey water system completed a "Watershed Sanitary Survey" covering the period of 2001-2006. This survey examines the potential impacts of the Carmel River watershed.

A copy of the completed assessment may be viewed at: California American Water; 511 Forest Lodge Road, Suite 100, Pacific Grove, CA. You may request a summary of the assessment be sent to you by contacting: Travis Peterson, Water Quality & Environmental Compliance Manager, 831-646-3269.

Lead

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children.

Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. California American Water is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/safewater/lead>.

Radon

Radon is a radioactive gas that you can't see, taste, or smell. It is found throughout the U.S. Radon can move up through the ground and into a home through cracks and holes in the foundation. Radon can build up to high levels in all types of homes. Radon can also get into indoor air when released from tap water from showering, washing dishes, and other household activities. Compared to radon entering the home through soil, radon entering the home through tap water will in most cases be a small source of radon in indoor air. Radon is a known human carcinogen. Breathing air containing radon can lead to lung cancer. Drinking water containing radon may also cause increased risk of stomach cancer. If you are concerned about radon in your home, test the air in your home. Testing is inexpensive and easy. Fix your home if the level of radon in your air is 4 picocuries per liter of air (pCi/L) or higher. There are simple ways to fix a radon problem that aren't too costly. For additional information, call your State radon program (1-800-745-7236), the EPA Safe Drinking Water Act Hotline (1-800-426-4791), or the National Safe Council Radon Hotline (1-800-SOS-RADON).

Share This Report

Landlords, businesses, schools, hospitals, and other groups are encouraged to share this important water quality information with water users at their location who are not billed customers of California American Water and therefore do not receive this report directly.

How to Contact Us

If you have any questions about this report, your drinking water, or service, please call California American Water Customer Service toll free: (888) 237-1333.

Water Information Sources

California American Water: www.amwater.com/caaw/

California Department of Public Health
<http://www.cdph.ca.gov/>

United States Environmental Protection Agency
<http://www.epa.gov/safewater/>

Safe Drinking Water Hotline: (800) 426-4791

Centers for Disease Control and Prevention: www.cdc.gov

American Water Works Association: www.awwa.org

Water Quality Association: www.wqa.org

National Library of Medicine/National Institute of Health
www.nlm.nih.gov/medlineplus/drinkingwater

How to Read This Table

California American Water conducts extensive monitoring to ensure that your water meets all water quality standards. The results of our monitoring are reported in the following tables. While most monitoring was conducted in 2011, certain substances are monitored less than once per year because the levels do not change frequently. For help with interpreting this table, see the "Table Definitions" section.

Starting with a **Substance**, read across; **Year Sampled** is usually in 2011 or year prior. **MCL** shows the highest level of substance (contaminant) allowed. **MCLG** is the goal level for that substance (this may be lower than what is allowed). **Average Amount Detected** represents the measured amount (less is better). **Range** tells the highest and lowest amounts measured. A **No** under **Violation** indicates government requirements were met. **Major Sources in Drinking Water** tells where the substance usually originates.

Unregulated substances are measured, but maximum allowed contaminant levels have not been established by the government.

Definitions of Terms Used in This Report

Action Level (AL): The concentration of a contaminant, which, if exceeded, triggers treatment or other requirements, which a water system must follow.

Maximum Contaminant Level (MCL): The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCLs are set to protect the odor, taste, and appearance of drinking water.

Maximum Contaminant Level Goal (MCLG): The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency.

MFL: Million fibers per liter

Maximum Residual Disinfectant Level (MRDL): The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

Maximum Residual Disinfectant Level Goal (MRDLG): The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.

NA: Not applicable

ND: Not detected

NS: No standard

Nephelometric Turbidity Units (NTU): Measurement of the clarity, or turbidity, of the water.

picocuries per liter (pCi/L): Measurement of the natural rate of disintegration of radioactive contaminants in water (also beta particles).

pH: A measurement of acidity, 7.0 being neutral.

Public Health Goal (PHG): The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

parts per million (ppm): One part substance per million parts water or milligrams per liter.

parts per billion (ppb): One part substance per billion parts water, or micrograms per liter.

Primary Drinking Water Standard (PDWS): MCLs and MRDLs for contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.

Regulatory Action Level (RAL): The concentration of a contaminant which, if exceeded, triggers treatment or other requirements that a water system must follow.

RAA: Running Annual Average

TON: Threshold Odor Number

Total Dissolved Solids (TDS): An overall indicator of the amount of minerals in water.

Treatment Technique (TT): A required process intended to reduce the level of a contaminant in drinking water.

Variations and Exemptions: Department permission to exceed an MCL or not comply with a treatment technique under certain conditions.

µmhos/cm (micromhos per centimeter): A measure of electrical conductance.

%: percent

What Are the Sources of Contaminants?

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

Microbial contaminants, such as viruses and bacteria that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.

Inorganic contaminants, such as salts and metals, that can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.

Pesticides and herbicides that may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.

Organic chemical contaminants, including synthetic and volatile organic chemicals that are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, agricultural application, and septic systems.

Radioactive contaminants that can be naturally-occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, the U.S. Environmental Protection Agency (USEPA) and the State Department of Public Health (Department) prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. Department regulations also establish limits for contaminants in bottled water that provide the same protection for public health.

Our Water Research Efforts

Cryptosporidium is a microbial pathogen found in the surface water throughout the United States. Although filtration removes *Cryptosporidium*, the most commonly used filtration methods cannot guarantee 100% removal. Ingestion of *Cryptosporidium* may cause cryptosporidiosis, an abdominal infection. Symptoms of infection include nausea, diarrhea, and abdominal cramps. Most healthy

individuals can overcome the disease within a few weeks. People with severely weakened immune systems have a risk of developing life-threatening illness. We encourage such people individuals to consult their doctor regarding appropriate precautions to take to avoid infection. *Cryptosporidium* must be ingested to cause disease, and it may be spread through means other than drinking water. Researchers with American Water have developed a new, more accurate test for *Cryptosporidium* in water. Our testing has shown this organism consistently absent in our drinking water.

For additional information regarding cryptosporidiosis and how it may affect those with weakened immune systems, please contact our Customer Service Center at (888) 237-1333 or speak to your health care provider.

Educational Information – Special Health Information

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the USEPA's Safe Drinking Water Hotline (1-800-426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).

Water Quality Statement

Last year, as in years past, your tap water met U.S. Environmental Protection Agency (EPA) and State drinking water health standards. California American Water vigilantly safeguards its water supplies, and once again we are proud to report that our system has not violated a maximum contaminant level.

Water Quality Results

Monterey

Regulated Substances (Measured on the Water Leaving the Treatment Facility or within the Distribution System)							
Substance (units)	Year Sampled	MCL	PHG (MCLG)	Average Amount Detected	Range Low-High	Violation	Major Sources in Drinking Water
Gross Alpha Particle Activity (pCi/L)	2005	15	(0)	0.95	0.06 - 6.4	No	Erosion of natural deposits
Combined Radium (pCi/L)	2005	5	(0)	< 1.0	< 1.0 - 3.57	No	Erosion of natural deposits
Uranium (pCi/L)	2005	20	0.43	0.79	ND - 1.45	No	Erosion of natural deposits
Inorganic Contaminants							
Aluminum (ppm)	2011	1	0.6	0.006	ND - 0.03	No	Erosion of natural deposits; Residue from some surface water treatment processes
Arsenic (ppb) ¹	2011	10	0.004	3.7	ND - 5	No	Erosion of natural deposits; Runoff from orchards; Runoff from glass and electronics production wastes
Barium (ppm)	2011	1	2	0.042	ND - 0.053	No	Erosion of natural deposits
Fluoride (naturally occurring) (ppm)	2011	2	1	0.25	0.1 - 0.3	No	Erosion of natural deposits; Water additive which promotes strong teeth; Discharge from fertilizer and aluminum factories
Nitrate as NO ₃ (ppm)	2011	45	45	7.6	ND - 9.45	No	Runoff and leaching from fertilizer use; Leaching from septic tanks and sewage; Erosion of natural deposits
Nickel (ppb)	2011	100	12	1.9	1.0 - 2.3	No	Erosion of natural deposits; Discharge from metal factories
Selenium (ppb)	2011	50	30	2.7	ND - 7	No	Discharge from petroleum, glass, and metal refineries; Erosion of natural deposits; Discharge from mines and chemical manufacturers; Runoff from livestock lots (feed additive)

Disinfection By-products, Disinfectant Residuals, and Disinfection By-products Precursors								
Substance (units)	Year Sampled	MCL (MRDL)	PHG (MCLG)	Results	Range Low-High	Violation	Major Sources in Drinking Water	
Total Trihalomethanes (TTHM) (ppb)	2011	80	NA	29	6.9 - 61	No	By-product of drinking water chlorination	
Haloacetic Acids (ppb)	2011	60	NA	14.2	1.2 - 36.6	No	By-product of drinking water chlorination	
Chlorine (ppm)	2011	MRDL = 4.0 (as Cl ₂)	MRDL = 4.0 (as Cl ₂)	1.04	ND - 4.05	No	Drinking water disinfectant added for treatment	
Bromate (ppb)	2011	10	0.1	0.9	ND - 8	No	By-product of drinking water disinfection	
Bacterial Results (from the Distribution System)								
Substance (units)	Year Sampled	MCL		PHG (MCLG)	Highest Percentage Detected	Violation	Typical Source	
Total Coliform Bacteria	2011	MCL: (systems that collect > 40 samples/month) no more than 5% of monthly samples are positive; (systems that collect < 40 samples/month), no more than 1 positive monthly sample		(0)	0.6	No	Naturally present in the environment	
Secondary Substances (Measured on the Water Leaving the Treatment Facility or within the Distribution System)								
Substance (units)	Year Sampled	SMCL	PHG (MCLG)	Results	Range Low-High	Violation	Typical Source	
Chloride (ppm)	2011	500	NS	77	26 - 114	No	Runoff/Leaching from natural deposits; Seawater influence	
Manganese (ppb)	2011	50	NS	3.5	ND - 16	No	Runoff/Leaching from natural deposits	
Specific Conductance (µmhos/cm)	2011	1,600	NS	687	292 - 1165	NA	Substances that form ions when in water; Seawater influence	
Sulfate (ppm)	2011	500	NS	59	19 - 73	No	Runoff/Leaching from natural deposits; Industrial wastes	
Total Dissolved Solids (ppm)	2011	1000	NS	337	246 - 484	NA	Runoff/Leaching from natural deposits	
Zinc (ppm)	2011	5.0	NS	0.06	ND - 0.22	No	Runoff/Leaching from natural deposits; Industrial wastes, Treatment process	
Turbidity - A Measure of the Clarity of the Water (at the Treatment Facility)								
Plant	Year Sampled	MCL		PHG (MCLG)	Level Found	Violation	Typical Source	
Turbidity ² (NTU)	2011	TT = 1 NTU		NA	0.02	No	Soil runoff	
		TT = percentage of samples < 0.3 NTU			100%			
Tap Water Samples: Lead and Copper Results (from the Distribution System)								
Substance (units)	Year Sampled	Action Level	PHG (MCLG)	Number of Samples	Amount Detected at the 90th Percentile	Number of Homes Above Action Level	Violation	Typical Source
Copper (ppm)	2009	1.3	0.17	116	0.628	0	No	Internal corrosion of household plumbing system; Erosion of natural deposits; Leaching from wood preservatives;
Lead (ppb)	2009	15	2	116	5	0	No	Internal corrosion of household water plumbing system; Discharges from industrial manufacturers; Erosion of natural deposits

¹ While your drinking water meets the federal and state standard for arsenic, it does contain low levels of arsenic. The arsenic standard balances the current understanding of arsenic's possible health effects against the costs of removing arsenic from drinking water. The U.S. Environmental Protection Agency continues to research the health effects of low levels of arsenic, which is a mineral known to cause cancer in humans at high concentrations and is linked to other health effects such as skin damage and circulatory problems.

Additional Water Quality Parameters of Interest

This table shows average levels of additional water quality parameters, which are often of interest to consumers. Values shown here are averages of operating data through 2011. Values may vary from day to day. There are no health-based limits for these substances in drinking water.

Additional Constituents (Measured on the Water Leaving the Treatment Facility or within the Distribution System)			
Substance (units)	Year Sampled	Average Amount Detected	Range Low-High
Alkalinity as CaCO ₃ (ppm)	2011	134	55 - 205
Calcium (ppm)	2011	46	18 - 93
Magnesium (ppm)	2011	14	ND - 27
Molybdenum (ppm)	2011	0.009	0.002 - 0.02
pH (pH Units)	2011	7.44	7.04 - 7.61
Radon (pCi/L)	2010	322	163 - 638
Sodium (ppm)	2011	66	44 - 85
Total Hardness as CaCO ₃ (ppm)	2011	173	45 - 343
Boron (ppm)	2011	0.59	ND - 0.88
Chromium VI (Hexavalent Chromium) (ppb) ³	2011	0.25	ND - 1.62

² Turbidity is a measure of the cloudiness of the water. We monitor it because it is a good indicator of the effectiveness of our filtration system.

³ In January 2011, the USEPA asked public water systems to conduct voluntary hexavalent chromium monitoring so that they may gain a better understanding of the nature and occurrence of the element. The data presented here are from the first year of monitoring. Additional monitoring will be conducted in 2012. Both the California Department of Public Health (CDPH) and the USEPA are working toward establishing a regulatory standard for hexavalent chromium in drinking water. For more information on what steps California American Water is taking in regard to hexavalent chromium, please visit our website at <http://www.amwater.com/caaw/Ensuring-Water-Quality/Chromium-6>. For more information on the regulatory process, please follow the link to the CDPH's Hexavalent Chromium web page (www.cdph.ca.gov/certific/drinkingwater/pages/chromium-6.aspx).