

California American Water Comments on Possible Modification of Water Connection Moratorium on the Monterey Peninsula

California American Water's proposal is rooted in multiple years of strong water storage through Aquifer Storage and Recovery and continued regulatory progress on the desalination project

PACIFIC GROVE, Calif., August 19, 2026 /[PRNewswire](#)/ -- Today, California American Water submitted written testimony to the State Water Resources Control Board (Water Board) regarding the Monterey Peninsula Water Management District's (District) application to modify the cease-and-desist order limiting new water connections on the Monterey Peninsula.

"California American Water shares the District's goal of a thriving Peninsula and welcomes the opportunity to chart a responsible path toward easing these restrictions without threatening existing water supplies," said Sarah Leeper, president of California American Water. "Successful expansion of Aquifer Storage and Recovery, coupled with continued regulatory progress on the desalination project, means Monterey Peninsula is on a path toward better water security, and we can support a temporary suspension of the moratorium on new water connections to allow more flexibility for the community while maintaining key protections for the Carmel River."

The Water Board instated the cease-and-desist order in 2009, banning new water connections until sufficient new water sources could be developed to reduce Carmel River pumping. While the pause on new connections has supported the recovery of the Carmel River watershed and its steelhead population, it has also stunted the Monterey Peninsula's ability to build affordable housing, grow businesses and develop its economy for nearly two decades.

The importance of adding long-term water supply was underscored last summer when the California Public Utilities Commission unanimously confirmed that Monterey could face an annual shortfall of 815 million gallons by 2050. To mitigate this projected water supply shortage, California American Water continues to focus on the three-part Monterey Peninsula Water Supply Project – which includes the Aquifer Storage and Recovery project, water recycling and desalination. Each offers unique benefits to the region; however, desalination is the only solution that will bring the Monterey Peninsula the new, drought-proof supply it needs to reduce reliance on the Carmel River and support future demand.

"Any modification to the cease-and-desist order must consider Monterey Peninsula's unique water supply constraints, and we urge a cautious and strategic approach until Monterey has a permanent, drought-resilient water supply," continued Leeper. "If the order is lifted without the appropriate guardrails, the subsequent increase in demand could cause challenges during future droughts, putting decades of Carmel River restoration at risk."

The public will have an opportunity to provide public comment to the Water Board on November 5, 2026.

About American Water

American Water (NYSE: AWK) is the largest regulated water and wastewater utility company in the United States. With a history dating back to 1886 and celebrating 140 years in 2026, We Keep Life Flowing® by providing safe, clean, reliable and affordable drinking water and wastewater services to approximately 14 million people with regulated operations in 14 states and on 19 military installations. American Water's approximately 7,000 talented professionals leverage their significant expertise and the company's national size and scale to achieve excellent outcomes for the benefit of customers, employees, investors and other stakeholders. For more information, visit amwater.com and join American Water on [LinkedIn](#), [Facebook](#), [X](#) and [Instagram](#).

About California American Water

California American Water, a subsidiary of American Water with approximately 300 dedicated employees,

provides safe, clean, reliable and affordable water and wastewater services to approximately 720,000 people.

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