EXHIBIT LWM-9

Revised, August 20, 2009

[This testimony has been revised to strike Exhibit LWM-9, pursuant to the ALJ's ruling issued July 21, 2009. MCWD reserves the right to offer testimony similar to that which is stricken upon a showing that the testimony is relevant to Issues A, E, F, and H identified for hearing in the scoping ruling of March 26, 2009.]

Comment Letter L_MRWMD

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

March 20, 2009

Mr. Andrew Barnsdale
Environmental Science Associates
225 Bush Street, Suite 1700
San Francisco, CA 94104

RE: Comments to Coastal Water Project's Draft Environmental Impact Report – Renewable Power Supply

Dear Mr. Barnsdale:

The Monterey Regional Waste Management District (District) is uniquely positioned to provide an economically and environmentally desirable source of renewable power to the Regional Project, the North Marina Project, and/or expansion of the treated recycled water program at the Monterey Regional Water Pollution Control Agency (MRWPCA) Regional Treatment Plant.

The District provides integrated solid waste management services to the greater Monterey Peninsula. The District's facilities are located on a 475-acre parcel adjacent to the Armstrong Ranch location proposed for both the North Marina and Regional Project alternatives. Its land is also adjacent to the MRWPCA waste water treatment facilities and ground water treatment plant.

The District's primary purpose is to manage the greater Monterey Peninsula area's solid waste stream through recycling and landfill operations. It captures landfill gas and uses it as fuel in an existing 5,000 kilowatt (kW) co-generation facility. Approximately 500 kWs of the renewable power produced is used to support the District's recycling operations. The remaining 4,500 kWs produced are sold on the commercial market.

In the draft CWP EIR, the common source of power listed for all projects is PG&E. For projects of these sizes, PG&E power would be expensive and all of the projects describe alternative power sources. One alternative discussed is the production of power from natural gas-fired equipment such as turbines or internal combustion engines. The District believes that receiving regulatory approval to produce power with 100% natural gas-fired equipment will be difficult given the existing, and pending, restrictions on exhaust emissions.

L_MRWMD-1

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Section 218 of the Public Utility Code allows power generators, such as the District, to sell power "over the fence" directly to end users and bypass the grid. Section 5.5.1.1 of the Draft EIR discusses using District renewable power in support of the Regional Project, but because the North Marina alternative and MRWPCA are on land adjacent to the District, they could also receive the District's renewable power over the fence. Furthermore, the District would be capable of delivering power only as the projects needed and save them the standby charges PG&E would traditionally impose.

As the Draft EIR discusses, the District is evaluating the feasibility of a significant and rapid expansion in its co-generation capacity. To meet the maximum power demands forecasted, the District is exploring the following projects:

- Installation of four new co-generation units running on a mix of landfill gas and natural gas. The District will not produce enough landfill gas to support its existing four units and four additional units for many years. However, building a new power plant, with related infrastructure, and operating it on a mix of landfill and natural gas would allow the District to provide power in the near term. The volume of natural gas needed will be reduced over time as the volume of landfill gas being generated continues to increase.
- Installation of a unit to gasify wood waste to produce electricity. Essentially, in a closed system, the wood waste smolders and produces a hydrogen rich gas that powers co-generation units to produce electricity. The residue material is a solid charcoal-like substance called "biochar" which can be used as a soil additive.
- Installation of a system to capture the exhaust heat from these new units to produce still more electricity.

L_MRWMD-1 cont.

Obtaining an additional source of water is very important to the District's communities. The District will continue to fully explore every opportunity to provide renewable energy to a neighboring regional water project and we look forward to the opportunity to work cooperatively to achieve this goal.

Sincerely,

Leo Laska
Board of Directors Chair

cc: Lyndel Melton, RMC
Jim Heitzman, Marina Coast Water District
Keith Israel, Monterey Regional Water Pollution Control Agency
Darby Fuerst, Monterey Peninsula Water Management District