



Human Water Rights & Fair Conservation Pilot

A Monterey Peninsula Policy White Paper and Pilot Proposal

Core Principle

People are treated equally. Usage is evaluated fairly. Human needs are free. Excess and waste cost more than need.

Water is necessary for life, health, hygiene, cooking, bathing, sanitation, and dignity. California already recognizes that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This proposal turns that principle into a practical local water policy.

1. The Problem

Monterey Peninsula residents already live under expensive water rates and strict conservation expectations.

California American Water's current Monterey single-family residential schedule charges customers from the first gallon. The schedule includes tiered quantity rates beginning at **\$0.8038 per 100 gallons**, rising to **\$3.3492 per 100 gallons** after 11,400 gallons, plus a monthly meter charge of **\$48.35** for a standard 5/8 x 3/4-inch meter.

Additional surcharges apply, including an MPWMD fee of **8.325%** against the monthly base bill, a quantity-based surcharge of **\$0.0909 per 100 gallons**, a purchased water surcharge of **\$0.5522 per 100 gallons**, and a purchased power surcharge of **\$0.0353 per 100 gallons**.

Monterey One Water separately charges a residential wastewater rate of **\$57.27 per occupied unit**, effective July 1, 2026, for regional wastewater conveyance and treatment.

The Monterey Peninsula is already one of California's strongest conservation communities, with reported per-capita water use of about **58 gallons per person per day**.

So the question is not whether Monterey residents can conserve.

They already do.

The better question is:

Can water policy protect basic human needs, reward conservation, and make waste pay for the system?

2. The Proposal

Each verified resident receives a free monthly residential water allocation for normal household use.

The proposed free allotment is:

100 gallons per person per day

That equals approximately:

- 1 person: 3,000 gallons/month free
- 2 people: 6,000 gallons/month free
- 3 people: 9,000 gallons/month free
- 4 people: 12,000 gallons/month free

Unused gallons do not roll over.

The free tier applies only to a person's primary residence.

No person may claim a free water allocation at more than one residence at the same time. Eligibility would be verified through objective documentation established by regulation, designed to confirm primary residence, prevent duplicate claims, and protect privacy.

3. Equal Treatment

This is not income-based water pricing.

It is not wealth-based water pricing.

It is not neighborhood-based water pricing.

It is not class-based water pricing.

Every residential customer is treated equally.

The bill changes only when usage changes.

People are treated equally. Usage is evaluated fairly.

Human needs are free.

Excess and waste cost more than need.

4. Residential Conservation Pricing

After the free monthly allocation, residential water is billed through an exponential conservation curve.

For a four-person household receiving 12,000 gallons/month free:

Monthly Use	Proposed Monthly Water Charge
12,000 gallons	\$0
13,000 gallons	\$20
14,000 gallons	\$60
15,000 gallons	\$140
16,000 gallons	\$300
17,000 gallons	\$620
18,000 gallons	\$1,260
19,000 gallons	\$2,540
20,000 gallons	\$5,100

The first 12,000 gallons meet normal human needs.

After that, each 1,000-gallon block doubles in price:

- 12k–13k: 2¢/gallon
- 13k–14k: 4¢/gallon
- 14k–15k: 8¢/gallon
- 15k–16k: 16¢/gallon
- 16k–17k: 32¢/gallon
- 17k–18k: 64¢/gallon
- 18k–19k: \$1.28/gallon
- 19k–20k: \$2.56/gallon

This does not ban higher water use.

It preserves the free-enterprise option to buy more water.

But it makes the cost-benefit decision obvious.

A person can still use more water, but excess and waste help pay for the water system everyone depends on.

5. Monterey Cost Comparison

Approximate current Cal-Am Monterey water bills, using the single-family tariff, standard meter charge, and major listed surcharges, compared with the proposed model:

Monthly Use, 4-Person Household	Approx. Current Monterey Water Bill	Proposed Water Charge
7,000 gallons	about \$207	\$0
10,000 gallons	about \$307	\$0
12,000 gallons	about \$380	\$0
14,000 gallons	about \$467	\$60
16,000 gallons	about \$554	\$300
17,000 gallons	about \$597	\$620
18,000 gallons	about \$641	\$1,260
20,000 gallons	about \$728	\$5,100

These estimates are approximate. Actual bills vary by city, meter size, surcharges, wastewater billing, credits, and account-specific factors.

The pattern is clear:

Normal household use becomes free.

Moderate use remains cheaper than today.

Excessive use becomes expensive.

Extreme use becomes a major conservation signal and revenue source.

6. Automatic Shutoff Option

Every residential customer should have the right to request an automatic shutoff after any selected tier.

A customer could choose:

- shut off after the free tier;
- shut off after the first paid tier;
- shut off after the second paid tier;
- or allow continued paid use.

This protects households from surprise bills.

It also turns billing into leak detection.

If a family normally uses 9,000 gallons but suddenly hits 12,000 early in the month, automatic shutoff or alerts can reveal a hidden toilet leak, irrigation break, or plumbing failure.

This creates another conservation benefit:

The price system encourages automatic shutoff technology, and automatic shutoff technology prevents waste.

7. Leak Forgiveness

Verified leaks should be forgiven when automatic shutoff protection is in place.

A proven leak may be documented by:

- licensed plumber verification;
- utility inspection;
- smart meter record;
- repair invoice;
- other objective documentation established by regulation.

This separates accidental loss from voluntary overuse.

The policy is not designed to punish families for broken pipes.

It is designed to stop waste and encourage fast repair.

8. Commercial Water

Businesses do not receive a free residential tier.

Commercial use should be priced by contract and classification.

The commercial model should evaluate:

- business class;
- operational need;
- quantity used;
- water intensity;
- conservation practices;
- public health obligations;
- comparable treatment of similar businesses.

A hospital, restaurant, hotel, laundromat, food processor, manufacturer, school, farm-related operation, and office building do not have the same water reality.

Commercial pricing should be fair by business purpose.

Industrial users may legitimately need more water without getting financially soaked for necessary operations.

But discretionary, inefficient, luxury, or wasteful commercial use should pay more.

No business should be priced out of providing:

- toilets;
- handwashing;
- employee drinking water;
- sanitation;
- legally required public-health services.

In short:

No free commercial tier. Fair business-class water budgets. Exponential pricing above need. No punishment for legally necessary sanitation.

9. Fiscal Logic

The pilot separates water funding into three categories.

Human Needs

Free residential water allocation.

Usage Revenue

Paid tiers fund:

- treatment;
- pumping;
- electricity;
- staffing;
- operations;
- maintenance;
- repairs;
- leak detection;
- emergency reserves.

Excess and Waste Revenue

Higher tiers fund:

- infrastructure maintenance;
- filtration improvements;
- conservation technology;
- smart meters;
- automatic shutoff systems;
- water recycling;
- drought resilience;
- groundwater recharge;
- future reduction of tax burden.

Taxes may still fund major infrastructure, but excessive use can reduce the amount taxpayers must provide.

The fiscal promise is not that every scenario automatically creates surplus revenue.

The honest claim is this:

High-use households generate far more revenue than today, while normal households save money. The pilot will measure whether the whole system balances under real Monterey usage data.

10. Why Monterey Is the Right Pilot

Monterey is the right place to test this because:

1. Monterey already has expensive water.
2. Monterey already conserves.
3. Monterey has local water scarcity.
4. Monterey residents have already shown interest in changing water governance.
5. Monterey has existing conservation programs, water waste reporting, rebates, and public awareness infrastructure.
6. Measure J passed in 2018 with **55.81%** support, directing study of public acquisition of Cal-Am's Monterey water system. That history shows voters are willing to consider major water reform.

This pilot does not require beginning with a statewide revolution.

It begins with evidence.

11. Pilot Program

Name

Monterey Human Water Rights and Fair Usage Pilot

Duration

12 months shadow billing

12 months optional live pilot after fiscal review

Phase 1: Shadow Billing

No one's bill changes.

Each participating household receives a second "shadow bill" showing:

- actual current bill;
- proposed Human Water Rights bill;
- free allocation used;
- paid tier entered;
- conservation recommendation;
- projected savings or cost.

This builds trust before changing policy.

Phase 2: Household Verification Test

Participants verify one primary residence per eligible resident using objective documentation.

No person may receive a free allocation at multiple homes.

The pilot tests the process without collecting unnecessary personal information.

Phase 3: Automatic Shutoff Test

Participants may select a shutoff or alert threshold.

Options:

- alert only;
- shutoff after free tier;
- shutoff after first paid tier;
- shutoff after second paid tier;
- custom tier selection.

The pilot measures:

- leaks caught;

- gallons saved;
- surprise bills prevented;
- customer satisfaction.

Phase 4: Leak Forgiveness Test

Verified leaks are waived when automatic shutoff protection is in place.

The pilot measures:

- number of verified leaks;
- gallons lost;
- time to repair;
- customer savings;
- avoided waste.

Phase 5: Commercial Class Study

Commercial customers are not given a free tier.

Instead, the pilot creates business-class water budgets and models exponential pricing above legitimate need.

Business classes may include:

- restaurants;
- hotels;
- medical;
- schools;
- offices;
- retail;
- laundromats;
- industrial;
- food processing;
- landscaping;
- agriculture-adjacent operations;
- public facilities.

The pilot asks:

What is necessary water use?

What is discretionary water use?

What is waste?

What price curve encourages conservation without harming public health or legitimate enterprise?

12. Data Needed

To complete the fiscal white paper, Monterey agencies should provide anonymized data showing:

- number of residential accounts;
- household-size estimates;
- monthly gallons used by account;
- number of accounts below 3,000 gallons;
- number below 6,000;
- number below 9,000;
- number below 12,000;
- number above 15,000;
- number above 18,000;
- number above 20,000;
- current revenue by tier;
- fixed system costs;
- variable operating costs;
- commercial usage by class;
- infrastructure maintenance backlog;
- leak-adjustment history;
- shutoff/disconnection data;
- customer assistance program participation.

The pilot should publish monthly public dashboards.

13. Success Metrics

The pilot succeeds if it shows:

- normal households save money;
- high-use households reduce waste;
- leaks are detected earlier;
- total residential water use declines;
- automatic shutoff prevents large bills;
- revenue remains sufficient for operations and maintenance;
- commercial pricing can be fair by purpose;
- residents understand the policy;
- public trust improves.

14. Public Message

This is not free unlimited water.

This is free normal water.

This is not unequal treatment.

This is equal treatment of people and fair evaluation of usage.

This is not anti-business.

This protects necessary business water and charges more for excess and waste.

This is not forced scarcity.

This preserves the option to use more water if paid for.

The net result should be:

- needs met;
 - lower household burden;
 - stronger conservation;
 - more leak prevention;
 - more money from waste;
 - better infrastructure funding;
 - less pressure on taxes over time.
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15. Final Statement

Water policy should begin with human dignity.

Every person should have enough water to live.

After that, usage should be evaluated fairly.

**People are treated equally. Usage is evaluated fairly. Human needs are free.
Excess and waste cost more than need.**

That is the Monterey Human Water Rights and Fair Usage Pilot.