

October 9, 2014

To: Interested Parties,

The Independent Scientific and Technical Advisory Panel convened by CONCUR, Inc. on behalf of the California Coastal Commission and Poseidon Water has completed its Final Phase 1 Report “**Technical Feasibility of Subsurface Intake Designs for the Proposed Poseidon Water Desalination Facility at Huntington Beach, California.**” The California Coastal Commission has posted the report on its website at <http://www.coastal.ca.gov>.

The 85-page Report includes a Conveners’ Preface and an 8-page Executive Summary, as well as a Bibliography and Appendices.

This Final Phase I Report follows the release of the Panel’s Draft report on September 22. On Monday, September 29, the Panel presented its Draft Phase 1 Report at a public workshop at the Huntington Beach Public Library and invited public comments and clarifying questions. In the two weeks following the meeting, the Panel considered all public comments received, incorporated edits where appropriate, and completed this Final Report.

This Phase 1 Final Report and the Reports produced in subsequent phases will be considered as part of the Coastal Commission’s permit review process for Poseidon’s expected coastal development permit application.

CONCUR was chosen jointly by the Commission and Poseidon to structure the Panel review process. They worked with both parties to reach a joint agreement (Terms of Reference) on the charge and expertise needs for the Panel. Building on the TOR, the jointly-chosen Phase 1 Panel members are: Robert Bittner, president of Bittner-Shen Consulting Engineers; Martin Feeney, consulting Hydrogeologist; Dr. Michael Kavanaugh, a senior principal with Geosyntec Consultants; Dr. Bob Maliva, a principal hydrogeologist with Schlumberger Water; and Dr. Tom Missimer, a consultant and visiting professor at Florida Gulf Coast University.

The focus of Phase 1, as established by the Coastal Commission and Poseidon in the TOR, is to assess the technical feasibility of utilizing subsurface intakes at or near the proposed seawater desalination plant project site in or near Huntington Beach California. Phase 2 will focus on other dimensions of feasibility including cost.

Also consistent with the TOR, the Report was jointly authored solely by all five Panelists. Also consistent with the Terms of Reference, the convening parties — the California Coastal Commission staff and Poseidon Water — had an opportunity to see the draft and propose essential edits to correct factual errors; otherwise they did not edit the Report in any way.

The Panel, the Conveners and CONCUR view the Final Phase 1 Panel Report as the definitive statement on the Panel's findings and conclusions to date. Interested parties may provide written comments or direct inquiries about the Panel process to CONCUR Principal Scott McCreary [scott@concurinc.net]. CONCUR and the Conveners will also provide additional information on participating in Phase 2 of the Panel's work in the near future, including how to submit comments on the proposed scope of Phase 2.