

**NEWS RELEASE**  
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**FOR IMMEDIATE RELEASE**

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**CASTAIC LAKE WATER AGENCY PREVAILS  
IN LENGTHY COURT BATTLE OVER WATER TRANSFER**

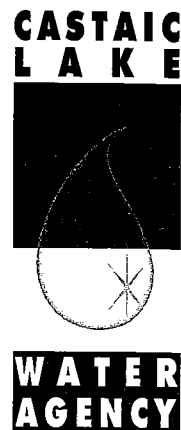
The Castaic Lake Water Agency (CLWA) announced today that it has won a significant victory in maintaining adequate water supplies for the Santa Clarita Valley. In 1999, CLWA purchased a State Water Project (SWP) contract amount of 41,000 acre-feet annually from the Wheeler Ridge Maricopa Water Storage District, a member agency of the Kern County Water Agency. The first Environmental Impact Report (EIR) prepared by CLWA for the water transfer "tiered" off an earlier EIR prepared for the Monterey Amendments to the SWP Contract. This earlier EIR was ruled as inadequate by the courts after the CLWA EIR was approved. When CLWA's EIR was later challenged by the Friends of the Santa Clara River, it was determined that it also was inadequate due to the Monterey Amendment EIR's invalidation. CLWA agreed to prepare a new EIR that did not rely on the invalidated EIR to remedy the deficiency.

The new EIR that analyzed the environmental impacts of the water transfer was also challenged in court by the California Planning and Conservation League and the California Water Impact Network. Although the courts approved CLWA receiving the water from the beginning, and Santa Clarita Valley residents have been using it for over ten years, the courts never fully approved of the use of the EIR and the environmental documentation had been an ongoing legal issue for over a decade.

Finally, on December 17, 2009, the California Court of Appeal, Second District, reversed an earlier court ruling, and determined the new EIR adequately analyzed all of the water transfer's potential environmental impacts and that the document fully complied with all of the requirements of the California Environmental Quality Act (CEQA). This means that the water transfer approval is now final and the water transfer is no longer under a legal cloud. CLWA and its project partners were awarded reimbursement of their costs for the appeal.

"We are grateful to this court for putting an end to a lengthy and costly legal battle and ruling that CLWA had fully complied with the requirements of CEQA," said Dan Masnada, General Manager of CLWA. "We also are happy that the courts permitted CLWA's customers to use the water for their benefit and not suffer shortages while the courts evaluated the adequacy of the EIR."

CLWA will continue to use the water transfer to ensure a safe and reliable water supply for the Santa Clarita Valley.



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