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**UCLA report: Poseidon desalination would hurt low-income ratepayers**

**Environmental Justice analysis confirms concerns of local opponents**

**ORANGE COUNTY, CA**—Today Azul released [a new report](https://innovation.luskin.ucla.edu/wp-content/uploads/2019/04/Analyzing_Southern_CA_Supply_Investments_from_a_Human_Right_to_Water_Perspective.pdf) conducted by UCLA’s Luskin Center for Innovation that looked at potential impacts of Poseidon’s proposed desalination project on disadvantaged households in Orange County. The expert analysis confirmed what equity groups like Azul, Oakview ComUNIDAD and OC Earth Stewards have long asserted: that the plant’s billion dollar price tag would drive up water rates, harming low-income ratepayers without providing any benefit in terms of water reliability or quality.

The study authors summarized their findings in the executive summary: “While potential positive HRW [human right to water] benefits from desalinated ocean water can occur in certain contexts, we find that no such benefits can be plausibly realized by the Poseidon agreement in Orange County. Nearly all of the county’s households are connected to community water systems which already provide high-quality, reliable water service and thus would not see supply improvement from ocean desalination. Those served by the county’s small underperforming systems, whose lower-quality water might be improved through new desalinated supply, will not be served by the proposed agreement to purchase desalinated water. The only plausible impact of Agreement Water on disadvantaged households in the county will be a decrease in affordability due to higher system rates.”

The UCLA report comes on the heels of an [independent analysis](https://www.mwdoc.com/your-water/water-supply/local-water-supply/orange-county-water-supply-reliability-study/) by Municipal Water District of Orange County that looked at water demand for the county through 2050, and then evaluated the cost effectiveness and risk of proposed supply projects, including Poseidon. That study concluded that Poseidon desalination would produce more water than the county needs, and was the most expensive and riskiest option. There are several ways the county can meet water needs far more affordably including by storing rainwater and recycling.

“Local residents from communities like Oak View and Santa Ana have been fighting this project for years, and the UCLA study confirms their concerns that the plant’s big price tag will be passed on to ratepayers that can ill afford another $5 to $7 on their monthly water bill” said Andrea Leon-Grossman of Azul. “Working class families in Orange County are already struggling with the high cost of living—they don’t need this billion dollar boondoggle to stretch their budgets further.”

The UCLA study includes an assessment of three key equity-related questions:

1. How will Poseidon water impact drinking-water related environmental justice concerns in Orange County”
2. How does the expected cost of Poseidon’s water compare with alternative sources over the short and long term?
3. How will the plant’s cost be passed along to low-income households?

“This project is being driven by corporate profits, rather than community needs,” says Victor Valladares of Oak View ComUNIDAD. “It is the job of local and state agencies to protect the interests of residents and ratepayers, and we will continue urging government and utility leaders to resist Poseidon’s lobbying and block construction of this Wall Street water project.”

Poseidon’s proposal must be approved by both the Santa Ana Regional Water Board and the California Coastal Commission. The project also hinges on receipt of an uncertain multimillion dollar subsidy from Metropolitan Water District of Southern California. Finally, the permit granted by the State Lands Commission last October is being challenged in court because the Commission failed to consider whether the water is needed, how it will be distributed, and the full range of environmental impacts.

The report is available for download at <https://innovation.luskin.ucla.edu/wp-content/uploads/2019/04/Analyzing_Southern_CA_Supply_Investments_from_a_Human_Right_to_Water_Perspective.pdf>. For more about the project, and its opposition, visit [www.californiadesalfacts.org](http://www.californiadesalfacts.org).

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