

Poseidon's offer to Orange County: Water at twice the price for no benefit

A Canadian company called Poseidon Water is pushing to build an ocean desalination plant on Orange County's coastline in Huntington Beach. While the project would be great for Poseidon, which would receive all the benefits, it would leave Orange County residents with costlier water and higher water rates. North and Central Orange County residents would have to foot the \$1.4 billion bill for the project over the next 30 years if the Orange County Water District decides to buy Poseidon's water. Orange County residents would need to see a tangible benefit to warrant this increased price tag, so is Poseidon's Huntington Beach Desalination Plant worth it? Let's take a look.



Does the project provide more water for Orange County?

The Huntington Beach Desal Project simply trades our existing water supply for water purchased from Poseidon. Despite the high price tag, the project would not provide any additional water for Orange County.



Does the project solve a water problem for Orange County?

Even as our state contends with recurring drought, our region sits on top of a vast, responsibly managed groundwater basin and receives additional imported supplies to augment our local water sources. We already have a diverse and reliable water supply and are not at risk of running out of water. We should continue to make investments in reliable water supplies, but there are more cost-effective options that we have yet to explore.



Is Poseidon's water cheaper than our current supply?

Compared to existing water supplies, Poseidon's desalinated water would:

- Cost twice the price
- Add \$1 billion to North and Central O.C. water bills over the next 30 years
- Disproportionately harm O.C.'s lower-income and disadvantaged residents

Buying desalinated water at 2x the price is not acceptable when there is a range of cheaper alternatives such as recycling, groundwater banking and imported water.



Will Poseidon make Orange County more water independent?

Current Water Supply: Purchased from a public agency with voter oversight and approval mechanisms to justify rate increases

Poseidon's Water: Purchased from a private Canadian company beholden to shareholders first



What opponents are saying

Opponents have spoken out against the Huntington Beach Desal Project from every corner of the state, including the Coastal Commission staff, who urged their commissioners to reject the project in a blistering 200-page report issued April 25.



"A 2018 study by a local water agency found that Poseidon's project would provide lower reliability at higher costs than about six other potential local or regional water supply projects." **Coastal Commission Staff Report**



"...the water rate hike would disproportionately impact millions of low-income residents throughout OCWD's service area, the majority of which are people of color." **Coastal Commission Staff Report**



"We conclude that the Poseidon agreement will likely make drinking water for disadvantaged households in Orange County moderately to severely less affordable." Report by the University of California, Los Angeles



"It would seriously damage the marine coastal environment, produce the costliest water of any source available and raise water bills for residents and businesses." **Michael Hiltzik, Los Angeles Times**



Poseidon's Project:

2X COST \$1.4+ BILLION LOWER QUALITY

Poseidon is the wrong project for Orange County residents

In California, we are used to making billion-dollar investments when there is a tangible benefit or upgrade. But when it comes to the Huntington Beach Desal Project, there is no benefit, and we are not upgrading. We would simply be swapping our existing water supply out for one that is lower quality and twice as expensive. You wouldn't give up your dependable car to buy a beater for twice the price, so why are we being asked to do that with our water? Perhaps one day when desalination technology is more developed and less expensive it would be an option worth exploring, but for now the verdict is clear: Poseidon's desalination plant is the wrong project for Orange County residents.



Learn more: IRWD.com/HBDesal