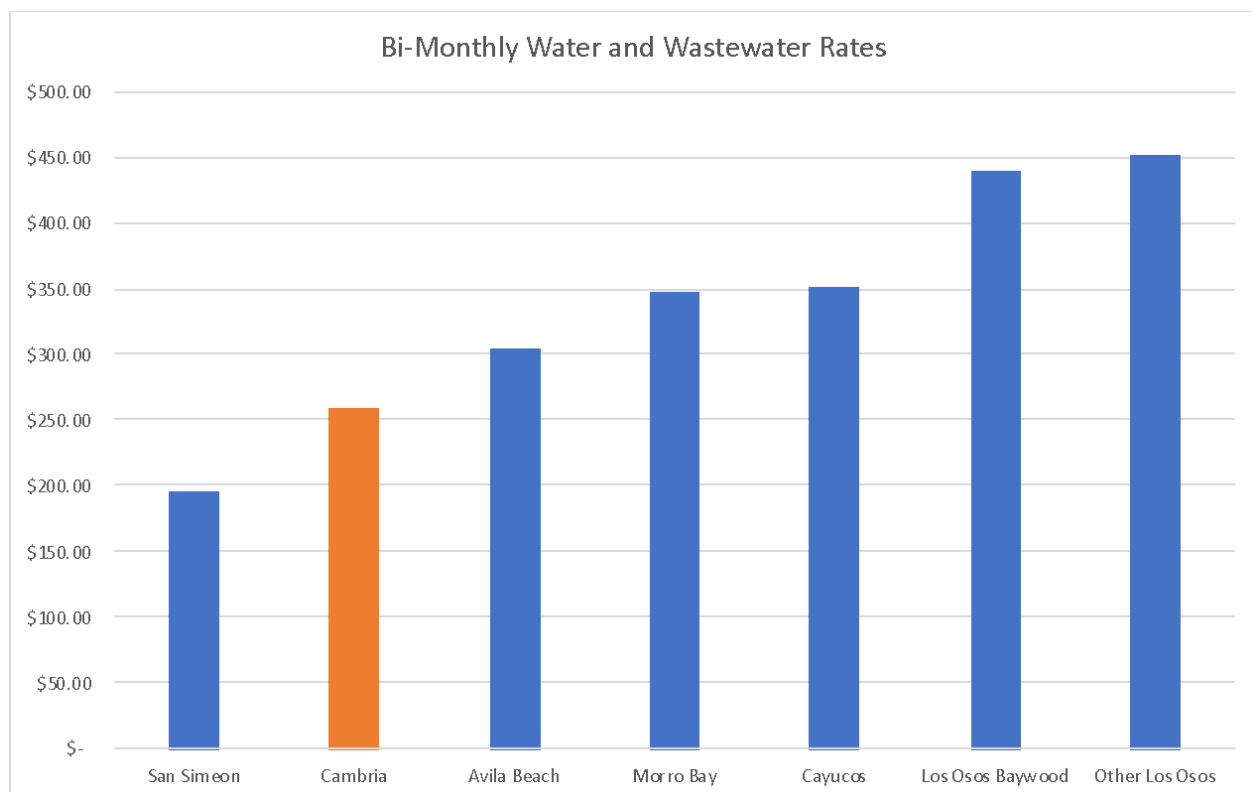


The SWF is Cost Effective

C4H2O's position is that the SWF is a cost-effective project providing a secure water supply for Cambria.

On average, Cambria's bi-monthly residential bills for water and wastewater are among the lowest in San Luis Obispo County. Comparing the rates that came into effect on September 1, 2020 to available data for other coastal communities (data applicable for 2018 to 2020), our typical bi-monthly bill of \$260 is the second lowest only to San Simeon.



The SWF facility cost adds fixed charges of just over \$20 to an average residential utility bill and usage-based charges ranging from approximately \$18.00 for six units to \$27.00 for 8 units. In total, monthly charges of around \$20.00 are modest when compared to the costs of dead and dying landscapes or the personal effort of reusing buckets of water to flush toilets.

People opposed to the SWF have raised loud arguments about cost that ignore reality.

What is the capital cost of the SWF?

The total costs to date are less than \$13 million and more than \$4 million of that was paid for by a grant from the State of California. Therefore, the cost to Cambrians is actually less than \$9 million. Some opponents say the SWF has cost Cambrians \$20 million. There is no basis for such off-base estimates.

How does the SWF impact Cambria's cost of water?

There have been wild claims that an acre-foot of water produced by the SWF will be in excess of \$20,000. It's true that desalination is more expensive than many other sources of water. But desalinated water represents a reliable supply that is not dependent on annual rainfall. And costs of desalination are far lower than these wild claims. Salts in the brackish water treated by the SWF are about 3% of the amount of salt dissolved in seawater. Therefore, the SWF consumes far less energy and creates far less brine waste. This translates directly to substantially lower operating costs than a traditional seawater desalination facility. Furthermore, our water rates are set. They cannot be changed short of a new Prop 218 process. The bills we receive will not change whether during periods of operation or maintaining readiness to avoid emergencies.

Will there be lawsuits?

It is impossible to estimate the cost of future lawsuits, if any. But the total capital cost to date of the SWF includes approximately \$600,000 of legal fees spent to defend the SWF against a baseless lawsuit in 2014. The lawsuit was publicly supported by project opponents. The plaintiff's case was thrown out of court because there was no basis in law or fact supporting their position. But the defense was expensive for the residents of our town.

Threatening to raise the cost of the SWF by bringing lawsuits and then claiming that Cambrians should not be put in a position to bear those costs is the height of hypocrisy. There is nothing compelling the opposition to bring wasteful lawsuits. C4H2O believes they should not.

Conclusion

The SWF is a low-cost insurance policy for Cambrians. The plant adds about \$20 per month to our water bills. These charges are contained in one of the lowest overall costs for utilities in our region. The regular operating permit, allowing for flexibility in managing operation of the plant to avoid emergencies, is a truly cost-effective means to assure Cambria's water security.