



FACT CHECK:

CADIZ WATER QUALITY

Groundwater from the Cadiz Water Project area meets all State and Federal drinking water standards and can be further treated in a cost-effective way to meet any additional quality standards. Here are the facts about the quality of this much-needed, sustainable new water supply for Southern California.



FACT **GROUNDWATER AT CADIZ IS PURE.** It originates as runoff from mountains in the remote eastern Mojave Desert. The water is low in salts, free of industrial pollution, and meets all Federal and State regulations for naturally occurring contaminants such as chromium, arsenic, nitrate and bromide.

FACT **CADIZ MEETS CURRENT STATE REQUIREMENTS FOR CHROMIUM-6.** Cadiz water contains naturally occurring chromium-3 and chromium-6, averaging slightly above 10 parts per billion. Under California law, the maximum contaminant level for total chromium is 50 parts per billion. Chromium-6 exists naturally in many Southern California groundwater basins and has been measured at concentrations similar to levels in Cadiz in Los Angeles (LADWP), Pomona, San Diego, San Bernardino, Coachella Valley, Joshua Basin, Twentynine Palms, Indio, Arcadia, Burbank, Claremont, Victorville and dozens of others.

FACT **CADIZ WILL MEET ANY NEW STANDARDS** that may be established for chromium. The company has secured and pilot-tested technology that can remove naturally-occurring chromium from its water to below non-detectable levels. The California Division of Drinking Water has approved this treatment technology, which will cost approximately \$50 per acre-foot of water to implement. This cost will be absorbed by Project investors, not passed on to consumers. Cadiz and its partners are also working with other California water systems whose supplies could benefit from this technology.

FACT **CADIZ WILL SAFEGUARD EXISTING WATER SUPPLIES** by satisfying any and all supplemental standards established by partner water agencies, including Metropolitan Water District of Southern California (MWD), even if they are more stringent than what is required under State or Federal law. Cadiz will treat its water to meet ambient quality in Metropolitan's Colorado River Aqueduct, meaning it will remove any constituent to match levels there. Moreover, Cadiz water must be approved by the California Division of Drinking Water prior to being considered a drinking water source. No water that does not meet all local, State and Federal standards would ever be permitted to enter the aqueduct or become part of the Southern California water supply.

FACT **CADIZ WATER CAN IMPROVE OVERALL WATER QUALITY FOR THE SOUTHERN CALIFORNIA SYSTEM, REDUCING COSTS.** Water from Cadiz may lower water providers' treatment costs because it is far less salty than water in the Colorado River Aqueduct. Local agencies spend millions of dollars every year to remove salts so drinking water doesn't damage pipes, faucets and sewer lines. Reducing salinity in the aqueduct and improving local water quality by adding Cadiz water is expected to create nearly \$400 million in savings for local water ratepayers over the 50-year life of the Project.

FACT **THE CADIZ PROJECT IS THE LEAST EXPENSIVE LOCAL SUPPLY ALTERNATIVE IN SOUTHERN CALIFORNIA,** even after factoring in treatment, which will cost about \$50 per acre-foot of water and will be paid for by Cadiz Inc., not ratepayers. Most municipal water supply sources, including desalination, recycling and stormwater reuse, require treatment before delivery to taps. Treatment is not a disqualifier for water supply sources, especially in California, where local supplies are perpetually challenged. Instead, it enables water supplies to safely be used where they are needed most.

BENEFITS OF THE CADIZ WATER PROJECT



SUSTAINABLE WATER SUPPLY

The Cadiz Water Project will create a new water supply for up to 400,000 people across the region every year for the next 50 years.



ENERGY EFFICIENCY

As a Southern California-based supply, Project water will be transported shorter distances, reducing energy usage and lowering costs.



IMPROVE WATER QUALITY

The Cadiz Water Project will realize nearly \$400 million in savings to regional ratepayers due to better water quality.



WATER CONSERVATION

The Cadiz Water Project will conserve approximately 500 billion gallons of fresh water over the life of the Project.



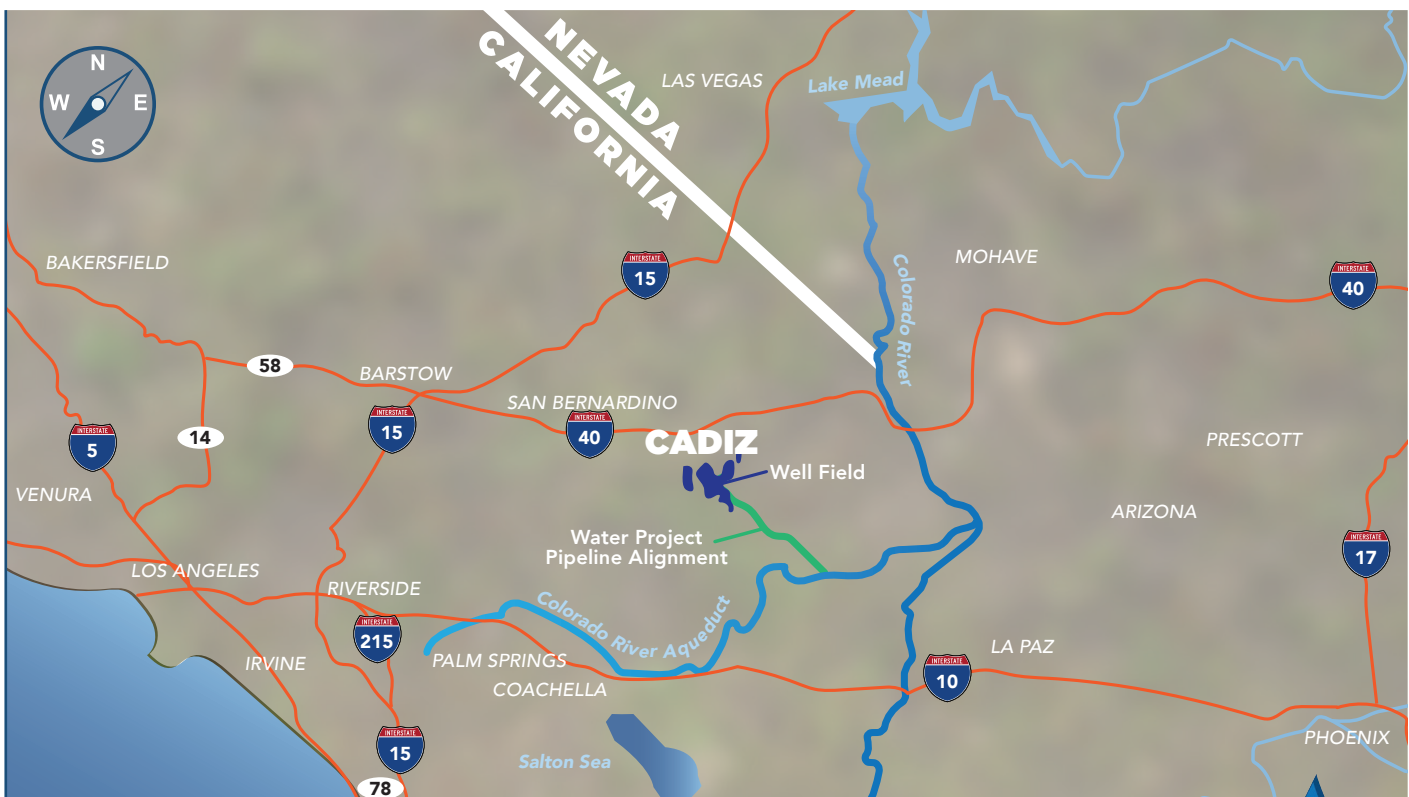
DESERT PROTECTION

The Cadiz Water Project is an environmentally safe project that has been reviewed and approved in accordance with the California Environmental Quality Act.



ECONOMIC IMPACT

The Cadiz Water Project will contribute \$878 million to the San Bernardino County economy and create nearly 5,900 jobs in the first phase.



The Cadiz Water Project is located in the Mojave Desert at Cadiz, California, approximately 80 miles east of Barstow, California. The Project is located entirely on private property owned by Cadiz, Inc. and a conveyance pipeline is planned for the Arizona & California Railroad (ARZC) right-of-way to connect the Project wellfield to the Colorado River Aqueduct near Rice, California.



CADIZ
WATER PROJECT