California Coastal Commission rejects plan for Poseidon desalination plant

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After hearing hours of heated debate, the California Coastal Commission voted against a controversial plan by the company Poseidon Water to build a huge desalination plant in Huntington Beach.

Despite worsening drought and repeated calls from Gov. Gavin Newsom to tap the Pacific Ocean as a source of drinking water, commissioners voted unanimously against the plan on Thursday night. The decision, which was recommended by commission staff, may end the company’s plans for the $1.4 billion plant.

Activists, who called the proposal a boondoggle that would privatize water infrastructure for profit, said the decision was a victory for fact-based regulation over politics.

The project was first proposed more than two decades ago, and the long-running fight has encompassed a list of contentious issues. They include the proposed plant's impact on marine life, whether it was vulnerable to sea-level rise and the company's heavy political lobbying.

Before casting her vote Thursday night, Vice Chair Caryl Hart said the proposal raised many concerns for her.

"This desal proposal is privatization of water. It provides a large private profit," Hart said. She agreed with the agency's staff and said the site is the wrong place to build a plant, partly because it would be atop an earthquake fault.

She also noted that the company still didn't have a binding agreement from any water district requesting the water. "It would harm the public welfare," she said.

Commissioner Dayna Bochco said she agreed with the staff's findings and the impacts on marine life would be "an incredible amount of destruction."

Meagan Harmon, one of the governor's appointees on the commission, said the project would have a "disproportionate impact on the most vulnerable."

"I wish that I didn't have to take this vote. I'm not opposed to desalination," Harmon said.

In testimony leading up to the vote, Poseidon and its supporters argued that building the desalination plant would buttress local water supplies and make the area more resilient. They cited the severe drought in California and the West and higher temperatures brought on by global warming.
pointing to the worsening shortages of imported water supplies from the State Water Project and the Colorado River.

Poseidon's opponents argued the desalinated water was unnecessary because northern Orange County already has ample groundwater supply and is recycling its wastewater. They said the project would only benefit Canadian parent company Brookfield Infrastructure and its investors, while low-income people would be hit especially hard by rate increases.

"Seawater desalination should be the option of last resort," said Tracy Quinn, president and CEO of the environmental group Heal the Bay. She said there are better, more economical solutions to bolster water supplies in Orange County.

The company said the costs had yet to be finalized but that monthly water rates could increase by roughly $3 to $6 per household. The commission's staff concluded that despite a lack of detailed information on costs, the water rate hike for the project "would disproportionately impact millions of low-income residents."

When the commission's staff recommended rejecting the project last month, they wrote in their report that in this area of Orange County, there is a "lack of a near-term need for the project" and that other proposed water projects—including wastewater recycling—would be more cost-effective and seem able to address projected demand over the coming decades.