

Contact: John Grubb  
Bay Area Council  
Office: 415-981-6600  
Cell: 415-847-6320  
jgrubb@bayareacouncil.org



## **State Department of Water Resources' "Study of Studies" Confirms Bay Area Council Opposition to Hetch Hetchy Removal**

*Satisfying Advocates Request for Greater Recreation On Valley Floor Would Cost Billions, Cause Irreparable Harm to Region At the Center of World's Economy*

**BAY AREA, Calif., July 19, 2006** -- The Bay Area Council today applauded the Department of Water Resources (DWR) report that provides data to conclude, definitively, that now is not the time to pursue the proposal to remove the Hetch Hetchy Reservoir.

"This idea has now been officially studied to death," said Jim Wunderman, President and CEO of the Bay Area Council. "We stand in absolute opposition to any further waste of taxpayer money on any more study on this matter by regional, state or federal agencies. We will fight and do whatever it takes to stop any attempts to negatively impact the Bay Area's water supply. More than 2.4 million Bay Area residents, high tech firms in Silicon Valley, biotech research facilities and countless others depend on a reliable, high-quality, low-cost water system to survive. It must be protected."

The report by the Department of Water Resources' report concludes that the State of California does not have jurisdiction over Hetch Hetchy Reservoir and lays out the \$10 billion cost for full removal as well as a host of legal and technical challenges to the endeavor.

Continued Wunderman, "To protect Hetch Hetchy is not to be hostile to environmental quality; it is to be honest and rational about the importance of water to the Bay Area. We respect that the proponents of removal are sincere and well intentioned. But, in a time when the state has a very troubled water supply, to suggest that the Bay Area give up its water rights, significantly reduce its water quality, put in jeopardy the water supply of 2.4 million residents, and seriously risk losing its most prominent industries – all just to increase access to a valley that nearly 50,000 people a year already visit – seems the height of folly."

Bay Area Council representatives have participated in numerous forums and seminars concerning Hetch Hetchy, traveling to Southern California, San Francisco, Oakland, San Jose, Sacramento and U.C. Davis, among other locations, to explain why the organization thinks removing Hetch Hetchy is an untimely idea. Below is a summary of some of the Council's key objections with removing Hetch Hetchy.

1. San Francisco has no water rights in New Don Pedro reservoir, which Hetch Hetchy removal proponents have suggested as an alternate storage facility. These are held by the Modesto and Turlock Irrigation Districts (MID & TID). Federal rights for flood control through the Army Corps of Engineers controls any excess capacity.
2. Water presently stored in Cherry and Eleanor reservoirs are unavailable as they are held for use by MID and TID. Hetch Hetchy supplies 85% of the water used by 2.4 million Bay Area residents, two-thirds of whom live outside San Francisco.
3. The water delivered from Hetch Hetchy is outstanding in its quality, has a Federal exemption from filtration, and the consistency of that quality is relied on by families and institutional users, such as several prominent Silicon Valley chip manufacturers. No replacement scenario, even one which incorporates expensive filtration systems, will come close to matching this level of water purity.

4. Removal of Hetch Hetchy will put more pressure on the Delta, as even the proponents acknowledge. The result will be increased Delta salinity, and greater environmental stress on the smelt population, wetlands and marshes. Those impacts will then affect conditions in San Francisco and San Pablo Bay.
5. A railroad had to be built to create the supply system when the Dam was constructed. There will be considerable negative environmental consequences of tearing down a structure built to last centuries.
6. In a state on the verge of renewed blackouts, the Bay Area cannot afford the loss of all or a portion of 400 MW of clean, renewable hydroelectric power generated by the system. The equivalent of 39 million barrels of oil per annum, this power is used by farmers, cities and services like MUNI transit in San Francisco. Elimination of Hetch Hetchy would require new fossil burning plants.
7. Federal legislation would be required to amend the Raker Act, as well as hundreds of millions of Federal dollars to tear down the Dam. Certainly the viability of legislation is problematic, and we believe the likelihood for monetary support nil.
8. The legal challenges that would come with any formal governmental adoption of this drive are predictable and significant. What public policy benefit would be served by the ensuing years of litigation and court dispositions?
9. Scientists project that due to global warming we face a major reduction in our snow pack in the coming decades, making existing capture and storage operations like Hetch Hetchy all the more valuable.
10. The existing Hetch Hetchy system is dated, approaching its 100<sup>th</sup> birthday. The tunnels and pipelines that convey water to the Bay Area need renovation and rebuilding, a responsibility that the voters have approved with a \$4.3 billion capital improvement program now underway. We cannot allow distraction and the risk of delay from this proposal to demolish a working, gravity driven water delivery network that crosses over four distinct earthquake faults.

Numerous organizations statewide have registered their opposition to removing Hetch Hetchy with the Bay Area Council, including the Southern California Water Committee (SCWC) which has formally stated that it agrees with the Bay Area Council's position.

Stated Wunderman, "This report provides an opportunity to end this divisive discussion. It is time that all parties involved worked together on the vast array of infrastructure and environmental challenges we agree California must resolve."

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### **Bay Area Council**

Founded in 1945, the Bay Area Council ([www.bayareacouncil.org](http://www.bayareacouncil.org)) is an advocate for strong economy, a vital business environment and a better quality of life for everyone in the nine-county Bay Area. Led by CEOs, the Bay Area Council presents a strong, united voice for more than 275 of the largest employers throughout the Bay Area region who employ more than 495,000 workers, or 1 of every six private sector employees in the Bay Area.