## WHITE PAPER

### The Essence of Life Project

The Future of Water

(Produced October/2014)

## CRUNCH NESTLÉ CAMPAIGN

"Water, is the oil of the 21<sup>st</sup> Century."

### **SUMMARY**

Background:

• The search for free flowing potable water, a necessity of life, has been a constant issue in many regions of the world, and often so throughout history. Many cities were constructed around the availability of water from nearby rivers, lakes, and streams, sometimes to their detriment regarding floods, etc. Today, our supply of available water is under siege, not just due to the elements of nature, like drought, toxic dumping by irresponsible companies, natural damages, misuse, etc., but often by the sheer "theft" of water by various and greedy means and nefarious political deals.

• 2013 was the driest year in California's history – since records started being kept approximately 100 years ago. Our state water reservoirs are critically low, and farmers, lawmakers, and environmentalists' growing concerns have gone from a slow drip to a raging storm accordingly.

• As of early August 2014, state water supplies were at less than two-thirds capacity.

• The State of California has limited the amount of water users can use each day, and there have been crackdowns on outdoor activities such as watering lawns, washing cars or cleaning sidewalks. Events have been cancelled because of the drought.

• The state's lucrative and powerful agricultural sector has been forced to scale back its water use, in some places significantly, reportedly already leading to \$1 billion in financial losses.

• Concerns over water use are becoming increasingly contentious, adding to the national debate over corporate right and common good.

• In January 2013, activists and farmers joined forces and came in droves from the Central Valley to rally on the capitol steps in Sacramento, demanding action as water levels dropped and anxiety levels rose.

• California residents have been asked to be vigilant and cut back on household water use, but only about 4 percent of California's water footprint is individual, personal use. A stunning 80 percent goes to agriculture, according to a recent report from the NRDC and Pacific Institute, so if we really want to talk about drastic conservation, perhaps we should look at our food choices.

• **Nestlé** corporation has stated that water is a commodity to be sold on the open market.

### The Sacramento Nestlé Problem.

• Here in Sacramento our mayor has given Nestlé the right for pennies on the dollar to drain our aquifers, bottle the water and sell it back to the people at exorbitant profits while we are in a severe drought.

• In an outraged action request in mid-August, the League of Conservation Voters, a prominent national lobby group, urged 50,000 of its members and consumers to petition the company on the issue. "Nestlé ... is bottling California's water, selling it, and profiting while the state suffers from a scorching, record-breaking drought," the groups warned in a series of emails. "Friend, we are fuming. To date, **Nestlé** has refused to acknowledge concerns about the water they are taking."

• With ongoing climate change, the taking of unknown amounts of water will continue to cause problems and will keep us on this destructive road for the future. It's unsustainable!

• **Nestlé** corporation has stated that water is a commodity to be sold on the open market.

The Problem with such a twisted concept such as the above is that there is a Lack of Oversight, a Lack of Accountability, and no Governmental Controls to regulate and/or limit a corporations excessive taking of water for profit, as **Nestlé's** is doing. The food and beverage giant is king when it comes to bottled water -- it controls one-third of the U.S. market and sells water under 70 different brand names such as Arrowhead, Calistoga, Deer Park, Perrier and Poland Spring.

• There have been a few drinking water crises in the U.S. this year that have made people stop and think about where their water is coming from, but most people don't give much thought to the politics behind drinking water.

• Here in Sacramento, Mayor Kevin Johnson gave the Nestlé Corporation the right to drain several of our aquifers for pennies on the dollar, bottle the water, and then sell it back to the people at exorbitant profits.

All of this is being done during the time of one of the most severe droughts in California history. The actual breakdown of Mayor Johnson's "sweetheart" deal is the following:

# • The City of Sacramento via Mayor Kevin Johnson, receives: \$.65 (65 cents) per 750 gallons of water (taken by Nestlé's Water Company).

- The City of Sacramento gets paid \$186.00 per 215,000 gallons of water.
- It works out to \$2.1 million off the shelf.

• The profit = approximately 10,000% for Nestlé's, at the City of Sacramento's expense.

[Based on information and figures obtained from City Council member Kevin McCarty's office]

And now, Major Kevin Johnson is campaigning for and pushing Measure L on the November 2014 ballot, to grant him full powers as a strong mayor (the "Boss"). The very same Mayor Kevin Johnson involved in the "sweetheart" deal with the Nestlé Water Company.

Privatizing Sacramento's water, as well as pushing the water bond (Proposition 1) issue, and giving away parking revenue for many years to come, should not be something that goes unquestioned by the citizens of Sacramento.

• In Southern California, there are problems with the **Nestlé Corporation** re water issues. **Nestlé's** bottling operation, is located on Native American land, operating under a 25-year lease from the Morongo Band of Mission Indians near Cabazon, in the state's arid south. Water from the area is bottled and sold under the brands **Arrowhead and Pure Life**, according to the local media investigation that broke the story in July. The article's author, lan James, pointed to federal data suggesting that water levels in the area have been going down by up to 4 feet a year over the past decade.

• In part because the Morongo are a sovereign nation, **Nestlé** is not required to tell California authorities how much water its Cabazon bottling plant is extracting, nor does it need to confirm whether it is abiding by the state's broader rationing strategy.

• While some tribes support the privatization of water for profit, traditional tribes, such as the Winnemem Wintu, fought long and hard against **Nestlé** and Crystal Geyser in their communities.

• "We're in a very bad drought right now and it's time to really manage our public water resources wisely — and **Nestlé's** operations are really antithetical to good public water management," Adam Scow, California director for Food & Water Watch, a watchdog group, told MintPress.

• The state of California has no specific policy on water bottling. With no oversight and no accountability, there are no governances in place to control how much water is being taken by any of the **Nestlé'** plants, anywhere. In the third year of a drought, this borders on insanity.

• Several years ago, state legislators did pass legislation that would have required water companies to report how much water they were bottling. But that bill was vetoed by then-Gov. Arnold Schwarzenegger. Likewise, attempts to have the state's water authority oversee a comprehensive mapping and analysis of the state's water resources — to many, a seemingly straightforward step — are again stalled.

• Adam Scow, also said, that the broader problem underpinning this lack of legislative progress is the fact that California doesn't formally view water as a resource in the public trust. As a result, it's one of the very few states lacking comprehensive groundwater regulations.

"Water is pretty much treated as private property, which is crazy and grossly irresponsible," he said. This is due to industry opposition, largely from corporate agriculture, which is the big groundwater sucker in California. Most likely, the fear is that if the public knew how much groundwater there is, there would be some limitations on how much water they could take."

• Meanwhile, the current drought affecting much of the American West could continue for years, or worsen in the future due to a changing climate. Last week, researchers at Cornell University warned that the chances of a decade-long drought in the Southwest are as high as 50 percent, and that the chances of a 30-year "mega drought" are likewise anywhere from 20 to 50 percent.

#### Reckless Power/Corporate Greed:

• "Access to water should not be a public right." –Peter Brabeck, Nestlé Group, CEO.

• It took six years for residents of the tiny town of McCloud, CA to get rid of **Nestlé Waters North America**. The water bottler had hoped to build a 1 million square-foot facility in the town of less than 2,000 and was given a backroom 50-year contract (renewable for an additional 50 years) to annually take 1,250 gallons per minute of delicious spring water from the town, hunkered in the shadow of Mount Shasta, and unlimited groundwater. But after years of opposition from community and environmental groups, Nestlé scrapped its plans

and left with its tail between its legs. And where did they turn to next to build their plant, why Sacramento, CA (which led us to the Kevin Johnson Nestlé deal!)

Other Issues:

• Wide spread Hydraulic Fracturing - "Fracking," is among the most extreme techniques used by the oil and gas industry to extract oil and gas from hard-to-reach places. It involves injecting high volumes of water, toxic chemicals, sand and other materials deep into the ground to break up soil and rock. The amount of water used in the process in California, remains unknown, and of course adds to the increase of massive water usage.

For a good overview of fracking and acid stimulation in California, see Robert Collier's series of articles published on the website of the <u>Next Generation</u>. <u>http://thenextgeneration.org/about/people/robert-collier</u>

• The peripheral canal to be built underneath Bay Delta to take water from the north (the giant "Twin Tunnels" project).

### **Conclusion**

Solutions:

• Recognize and accept the fact that "Water is a Human Right." This was stated by the United Nations which has recognized the importance of this issue, and thus stated: "The right to safe and clean drinking water and sanitation is a human right that is essential for the full enjoyment of life.

• We must strengthen our public water systems. "The strength of public water systems is their very clear mandate to provide water as a public trust and ensure equal access in a democratically accountable fashion," said, Erin Diaz, a campaign director with Corporate Accountability International, a watchdog group. "That's what's fundamentally different from a bottling corporation coming in and using that resource for profit."

• The Environmental Water Caucus (EWC) has developed a well-thought out comprehensive plan highlighting **15 main actions** in relation to the Sacramento-San Joaquin-San Francisco Bay Delta and Estuary.

This Plan includes a unique combination of actions that will open the discussion for alternatives to the currently failed policies which continuously attempt to use water as though it were a limitless resource. For the complete Environmental Caucus reduced exports plan which includes the 15 solutions to California's water needs, please go to the EWC website: <u>http://www.ewccalifornia.org/reports/REDUCEDEXPORTSPLAN.pdf</u>

# Information for this WHITE PAPER was gathered from numerous sources including:

- Natural Resources Defense Council
- Pacific Institute
- The League of Conservation Voters
- City Council Member Kevin McCarty's Office
- Food & Water Watch
- Mint Press
- Cornell University
- Corporate Accountability International
- One Green Planet
- Salon.com, Lindsay Abrams
- Next Generation.org
- United Nations
- Environmental Water Caucus

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