Tap dreams

Who controls what we drink? Corporate water comes to (and from) San Francisco

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By Amanda Witherell

On Dec. 2 two water conferences were held in San Francisco, attended by very different groups of people.

Downtown, in a room deep within the Hyatt Regency hotel, executives from PepsiCo, Dean Foods, GE, ConAgra, and other major companies gathered for the Corporate Water Footprinting Conference. The agenda that the conference made public included a presentation by Nestlé on assessing water-related risks in communities, Coca-Cola's aggressive environmental water-neutrality goal, and MillerCoors plan to use less water to make more beer.

But what these giant corporations, which are seeking to control more and more of the world's water, really discussed the public will never know. Only four media representatives were permitted to attend — all from obscure trade journals not trafficked by the typical reader — and both the Guardian and the San Francisco Chronicle were denied media passes.

The event was sponsored by IBM, and tickets were $1,500 — out of reach for many citizens and environmentalists who might have liked to attend.

And why might people take such a keen interest in the kind of corporate conference that probably occurs routinely in cities throughout the world?

Because there's almost universal agreement that the world is in a water crisis — and that big businesses see a huge opportunity in the privatization of water.

Only one half of 1 percent of all the water in the world is freshwater. Of that, about half is already polluted. Although water is a $425 billion industry worldwide — ranking just behind electricity and oil — one in six people still don't have access to a clean, safe glass of it. If the pace of use and abuse remains, the 1.2 billion people living in water-stressed areas will balloon to more than 3 billion by 2030.

That includes California. On June 4, Gov. Arnold Schwarzenegger declared a statewide drought after two lackluster seasons of Sierra snowfall. Scientists are predicting the same this winter. You can see how the state is mishandling the issue by looking at some recent legislation. Schwarzenegger and Sen. Dianne Feinstein have proposed a $9.3 billion bond to build more dams, canals, and infrastructure. At the same time, the governor vetoed a bill that would have required bottled water companies to report how much water they're actually drawing out of the ground.

In that context, while the big privatizers were hobnobbing at the Hyatt, activists were attending a very different event, the "Anti-Corporate Water Conference," held at the Mission Cultural Center. It was free and open to the public and the media. More than 100 people gathered to hear a cadre of international organizations share information on how to keep this basic human right — water — in the hands of people.

Speakers included Wenonah Hauter, director of Washington, DC-based Food and Water Watch; Amit Srivastava of Global Resistance, a group that works to expose international injustices by Coca-Cola; Mark Franco, head of the Winnemem Wintu Tribe, which lives among water bottling plants near Mount Shasta; and Mateo Nube, a native of La Paz, Bolivia, and the director of Movement Generation Justice and Ecology Project.

Nube spoke about water as a commons, requiring stewardship, justice, and democracy. "We're literally running out of water. Unless we change the way we manage, distribute, and consume water, we're going to have a real crisis on our hands," he said. Nube's remarks tied together the tensions of control and revolt, democracy and privatization, ecological balance and human need — all enormous issues, all related to water and water scarcity, which the Worldwatch Institute has called "the most under-appreciated global environmental challenge of our time."

BASIC NEED, INFINITE MARKET

Water is a basic human need, perhaps even more important than clean air, food, and shelter. People will never strike against water and stop drinking.

And that means, from a capitalistic point of view, it's a perfect, nearly infinite market. "As water analysts note, water is hot not only because of the growing need for clean water but because demand is never affected by inflation, recession, interest rates or changing tastes," wrote Maude Barlow in her 2007 book Blue Covenant.

If scarcity drives price, anyone with a stake in the water industry stands to gain from an increasingly water-stressed world. As Barlow also reported, "In 1990, about 51 million people got their water from private companies, according to water analysts. That figure is now more than 300 million." By controlling the resource and choosing when and if they engage with the public it allows some of the biggest water abusers to set the terms of a critical ongoing debate.

The fact that humans need water raises important questions: should water be classified as a basic human right available to everyone? Is water part of the commons? If so, should corporations be allowed to control the taps or bottle it, mark up the price, and sell it for profit?

Not much polling has been done on people's opinions of water, but during 35 informal on-the-street interviews conducted by the Guardian, 31 people said it is a basic human right. The other four said it was subject to the laws of supply and demand.

This week marks the 60th anniversary of the United Nations Universal Declaration on Human Rights, and Barlow, who has been appointed special advisor on water to the UN, will be addressing the General Assembly on the fact that water is still missing from the original 30 Articles.

"The reason that water was not included in the original 30 Articles in the Universal Declaration of Human Rights is that no one at that time could conceive there would be a problem with water," Barlow told the Guardian. "It's only in the last 10 years that the concept of water as a human right has come to the fore."

The problem has its roots in the inherent conflict between conservation and profit. Saving water is relatively cheap, but there's no money to be made by eliminating waste. Developing expensive new water sources, though, is a potential private gold mine.

As Barlow points out in her book, technology is becoming an integrated part of the solution to the water crisis. Desalination plants, water recycling facilities, and nanotechnology are all being thrown at the problem — in some cases before a full assessment of use and abuse has occurred.

While technological solutions may be warranted in some places, Barlow worries that relying on them bypasses any true attempts at efficiency and conservation. "I'm not going to say there's no place for water cleanup," she told the Guardian. "What I'm concerned about is we're going to put all the eggs in the cleanup basket and not nearly enough in the conservation and source protection basket. What I'm concerned about is the idea that technology will fix it. Meanwhile, don't stop polluting, don't stop the over-extraction, allow the commercial abuse of water, allow the agricultural abuse of water because what the heck, there's tons of money to be made cleaning it up. I think that's the wrong way of coming at it."

The technological fix is one way the state's water crisis may slowly seep into private sector control, and a couple of examples show what can happen when private companies don't play nice with the public, how citizens constantly battle with state agencies to enforce regulations, and how the public process could and should be honored.

GET THE SALT OUT

In theory, California has plenty of water — its 700 miles of coastline border the giant reservoir known as the Pacific Ocean. But humans can't drink salt water —

and some companies see a nice industrial niche in that dilemma. Build a plant that takes out the salt, and suddenly there's plenty for all.

Several small desalination facilities already exist throughout the state, mostly cleaning water reservoirs brined by agriculture. But another 30 desalination plants have been proposed for the coast as a way to deal with future water shortages.

One is in Carlsbad, near San Diego, where Poseidon Resources is constructing the only large-scale desalination plant that the state has permitted to date. It's a 10-year-old project that, so far, doesn't even have a pipe in the ground.

Despite Poseidon's ability to grease the wheels with local officials, the facility is controversial. It sits next to a fossil-fuel burning peaker power plant, and will be desalinating the power plant's discharge water, thus shielding its negative environmental impacts by claiming its the power plant that's sucking up seawater and damaging marine life — the desalination plant is just making use of the wasted water.

That argument doesn't sit well with Joe Geever of the Surfrider Foundation, who pointed out that part of the power plant is scheduled for a retrofit to air-cooling, and talk is of a potential state ban on using water for this type of cooling system. There are other more environmentally benign seawater extractions, he said, like drilling and capturing subsurface sources, that the desalination plant could have used.

Mostly, he contends, the plant subverts conservation. "Per capita consumption of water in San Diego is much higher than other places," he said. "In southern California we waste an enormous amount of water on growing grass. There's a lot to be saved."

Poseidon, a private company, is footing the bill for the plant's construction, but the financing scheme is predicated on a future increase in the cost of water. As Poseidon's Scott Maloni explained to the Guardian, the contract with the San Diego Water Authority states that the cost of desalinated water can never be more than the cost of imported water. It can, however, walk in lock-step with it — and by all accounts the price to pipe water to sunny southern California is going to increase. Maloni said his company was taking an initial loss but would start paying itself back as imported water costs increase. Eventually rates will be set halfway between the real cost of desalinated water and the higher cost of imported water.

What kinds of guarantees are there that this will happen? Nobody knows. "They'll say anything, but when it comes to showing you a contract, we've never seen anything," said Adam Scow of Food and Water Watch. "There's a lack of regulation with a private company controlling the water."

The plant now has no less than three lawsuits hanging over it, all filed with state agencies in charge of permitting and oversight — the Coastal Commission, the State Lands Commission, and the San Diego Regional Water Quality Control Board. All basically contend that the state didn't do enough to require Poseidon to implement the most environmentally sound technology that's least harmful to marine organisms, as required by state law.

Geever stresses that desalination is an energy-intensive way to get water. "Every gallon of water you conserve is energy conserved," he said. "Not only could San Diego do more conservation, but they don't recycle any wastewater to potable water standards. That's much less energy intensive."

Poseidon counters by saying that it invested $60 million in energy efficiency measures for the plant and will be installing solar panels on the roof. Perhaps most telling is that the company sees itself as vending reliability. "It's not the current cost of water the San Diego Water Authority is concerned about, but the future cost for an acre-foot," Maloni said. "There's a dollar figure you can put on reliability. Public agencies are willing to pay us a little more for that."

Which gets back to a comment Barlow made about capitalizing on crisis. "We are frightened half to death and everyone who looks at it, right-wing or left-wing, sees that. ... They use the crisis to say we have no alternative except to go into massive desalination plants."

And, as Peter Gleick, president of the Pacific Institute pointed out, San Diego wasn't calling for proposals to bring it more water. "Poseidon wanted to build a desalination plant and it came to San Diego. That's one way to do it. The other way is for a municipality to say we want a desalination plant, we're opening it up to bids, let's have a competition. That didn't happen, and instead we have one contractor."

Geever added, "Poseidon has been really successful at lobbying politicians and convincing regulators to give them permits."

Which points to one of the chronic ills of managing water systems, particularly in California where water has always been political. "In the 20th century decisions about water were made by white males in back rooms," said Gleick. "It solved a lot of problems, but it led to a lot of environmental problems. The days when water decisions made in back rooms should be over. And they aren't over, and that's part of the problem."

DELTA BLUES

Nowhere is that more obvious than the delta, where the state's two most prominent rivers — the Sacramento and the San Joaquin — meet the Pacific

Ocean just north of San Francisco. It's ground zero for one of the most charged political fights in the state.

Two-thirds of California's water comes from the delta. About 80 percent of it goes to cropland, watering about half of the state's $35 billion agricultural industry, much of it through historic water rights that have been granted to a small lobby of powerful growers who sell their surplus rights for profit. Another 18 percent goes to urban water needs, and — in spite of the fact that this is the largest estuary on the west coast of North and South America — only 2 percent of the water remains for natural environmental flows.

Delta issues are legion and begin at the headwaters of the Sacramento River, near Mount Shasta, a land Mark Franco describes as an Eden. "The deer, salmon, and acorns that we eat — everything that we need is there," Franco told the Guardian. "It's such a beautiful place. Now they're drying it, that Eden."

Franco is head of the Winnemem Wintu, or "little water people" tribe, and is fighting the first phase of water diversions from the Sacramento River, 200 miles north of the capitol where companies like Coca-Cola, Crystal Geyser, and now, potentially, Nestlé, pump millions of gallons a year into small plastic bottles and ship it around the country to sell in groceries and convenience stores.

"Here in the US, people have become soft. They've become so used to just having things directly handed to them that they no longer understand where their water comes from," he said at the anti-corporate water conference. "Realize this: those springs on Mount Shasta are not an infinite supply of water."

After the Sacramento feeds the bottled-water companies, what remains wends its way south, with more diverted directly to farmers and into the State Water Project, which pipes it to drier southern regions. What's left empties into the delta.

A lack of fresh water, flagging environmental preservation, increasing agricultural needs, and leveed island communities that are seismically unsafe and sinking, all mean the delta is failing as an ecosystem, and has been for some time. Chinook salmon and delta smelt populations are collapsing to such an extent that court orders have halted a percentage of water diversions and salmon fisherman were forced to dock their boats this year. Levees are crumbling, causing islands to flood and raising ire among landowners. Farmers with historic water rights are fiercely protective of them, while environmentalists are lobbying them to use more conservation and efficiency.

Nearly all stakeholders agree that the status quo won't hold.

The challenge is finding a solution. Ending exports seems impossible, limiting them means massive investments in other resources. No one agrees on what will

really save the endangered salmon and smelt or improve conditions for the 700 other native plants and animals.

In 2006, the governor convened a seven-member Delta Vision Blue Ribbon Task Force, which released a strategic plan in October calling for balancing co-equal goals of ecological restoration and water reliability.

The plan also specifically recommended a dual conveyance system similar to what was proposed in a study by the Public Policy Institute of California. It combines some through-delta pumping with a peripheral canal around the delta. PPIC crunched the numbers and determined that the canal was economically better than any of the four options they had weighed.

The peripheral canal idea isn't new, but it's been controversial since it was first proposed almost three decades ago. The plan was ushered by then-Gov. Jerry Brown, but defeated by voters in 1982 after a major organizing effort by environmentalists. (Whether voters will cast ballots on it this time remains to be seen, though the Attorney General's Office, now headed by Brown, has counseled the Department of Water Resources, which is charged with implementing whatever plan is decided upon, that a vote of the people isn't required.)

Shortly after its release in July, the PPIC report was criticized by five elected Congressional Democrats — Reps. George Miller, Ellen Tauscher, Doris Matsui, Mike Thompson, and Jerry McNerney. "The PPIC report should not be used to ignore the many things that can be done today to restore Delta health, including providing necessary fish flows, undertaking critical ecosystem restoration projects, and making major investments in water recycling and improved conservation measures," Miller said.

Numbers used by the PPIC report have also been criticized by Jeffrey Michael, a business professor at the University of the Pacific in Stockton. In an analysis of PPIC's work, Michael said the group had used inflated population figures, as well as high costs for desalinated and recycled water, therefore resulting in a report that made it look like it was too expensive to end delta exports altogether and replace them with other water sources.

The PPIC said the state's population would be 65 million by 2050, that desalinated water costs $2,072 per acre-foot, and recycled water goes for $1,480 per acre-foot — numbers that were scaled to 2008 dollars from 1995 figures. Michael contends that if the numbers were adjusted to reflect actual costs, the peripheral canal wouldn't look like such a sweet deal.

Maloni, of Poseidon Resources, said the desalinated water cost would be $950 per acre-foot for San Diego, including a $250 subsidy. A similar plant the

company is hoping to construct in Huntington Beach will be about $50 more per acre foot.

When asked if $2,100 per acre-foot was a reasonable figure for desalinated water in California, Maloni said, "That's nuts."

What does all this illustrate? That even among a small cast of purported experts there's little consensus on several fundamental issues.

Adding more fuel to the fires of public skepticism is that a third of the funding for the PPIC report came from Stephen D. Bechtel Jr. — heir to the Bechtel Corp., which has come under tremendous criticism for its moves to privatize water around the world.

"That is very upsetting to us. They would stand to gain a lot with a contract to build a peripheral canal," said Barbara Barrigan-Parrilla of Restore the Delta.

PPIC's Ellen Hanak said the funding didn't affect their findings. "It's really much more linked to the fact that the foundation is really interested in the environment and water is a part of that."

Linda Strean, the PPIC's public affairs officer, told the Guardian that it was Bechtel himself who wrote the check, not the foundation. It's the first time Bechtel has given to PPIC.

But considering Bechtel's past performance managing water, it doesn't inspire much confidence.

BECHTEL'S BIG ADVENTURES

In April, Cesar Cardenas Ramirez and César Augusto Parada, traveled from Guayaquil, Ecuador, to San Francisco. The two men were on a fact-finding mission: they wanted to know more about the company that owns Interagua, the company that is supposed to deliver the drinking water that only occasionally comes out of the taps in their homes.

One of the first things they discovered is that 50 Beale St. doesn't necessarily advertise itself as the home of Bechtel — one of the world's largest private corporations, with global construction and infrastructure contracts amounting to billions of dollars annually.

In Guayaquil, water service has been problematic for decades. During the 1990s the country received a loan from the Inter-American Development Bank to improve basic infrastructure. The money was given directly to the government, but like many World Bank and International Monetary Fund loans granted

throughout Latin America at the time, it was predicated on an eventual privatization of the water service contract.

The money helped — water conditions improved, and the city seemed to be on track to bring service to outlying areas. But in 2000, the city, abiding by the loan conditions, requested bids to run the water and sewage systems. No bids were received. Leaders scaled back provisions that kept some control in the hands of the government, and they got one response. In 2001, Interagua, a company owned by Bechtel, took over water service.

"Since the contract, nobody has been able to drink the tap water," Cardenas, who represents the Citizen's Observatory for Public Services, a watchdog group formed in Guayaquil to monitor the water contract between the government and Interagua, told the Guardian. "Prior to the contract you could drink the tap water, although there were some sections of the city where the plumbing was old and inadequate."

Even though Interagua is managing a public service, because it's a private company, information about its exact responsibilities have been elusive. The Observatory does know that Interagua pays nothing for the water it draws from the local river, is guaranteed a 17 percent rate of return, and that it has a minimum mandate to expand service. What's also known is its citizens' experience — during the first six months of the contract, some rates were increased 180 percent.

Bechtel's SF office refused to meet with the two men or answer their phone calls, e-mails, and letters, which highlights the inherent problem with corporate control of water — a lack of accountability. Bechtel didn't answer any of the Guardian's detailed questions regarding the Interagua contract, and only provided a three-page letter originally drafted to the World Bank in December 2007, that paints a rosy scene of productivity and accomplishment in Guayaquil.

"At present, over 2.1 million residents of Guayaquil (84 percent of the population) are connected to the municipal potable water system, and more than 90 percent of the customers have 24-hour per day, uninterrupted service." The letter goes on to state that coverage is expanding with new connections, water quality meets public health standards, prices have decreased, and procedures are in place to help customers who have higher than average bills.

"There are things that have improved, yes," said Emily Joiner, who spent last summer in Ecuador and is author of the book Murky Waters, a history of water issues in Guayaquil published by the Observatory in 2007. But the bottom line is that citizens pay for the service, but they can't drink the water.

"You still don't drink the water anywhere in the city at any time," said Joiner. People buy bottled water or boil it. "Bottled water is expensive, as a percentage of income," she said.

Whereas water service was previously priced more like a progressive income tax, with the lowest consumers paying the lowest rates, Interagua has flattened out the rate structure and now big water consuming businesses are paying the same as residents. "It's pricing some families out of the market," Joiner said. "It's great for business. It's not great for people who don't have enough water to bathe or wash their clothes."

The Observatory would like the water system turned back over to the government. The local authority, which once ran the water service and is now charged with overseeing Interagua, fined the company $1.5 million for not meeting goals for expanding service. According to Joiner, there's been no follow-up on whether the company is meeting those goals now.

The Observatory also filed complaints with the World Bank, which attempted a settlement, but, according to Joiner, representatives from Interagua refused to sit down at the same table as Cardenas. "The process stalled," Joiner said. "Interagua said the issue had become too politicized. César [Cardenas] has a reputation for rabble-rousing, and at the time he was lobbying for constitutional amendments outlawing privatization. Interagua considered it negotiating with a hostile party."

A new constitution was passed in September that does, in fact, outlaw privatization, but still allows existing contracts to be honored if they pass a government audit.

In the meantime, the local rumor is that Bechtel is arranging to sell Interagua to another company. Bechtel wouldn't confirm this, and no one could say more beyond what was reported in speculative articles in Guayaquil's local newspapers.

It wouldn't be the first time Bechtel bailed on an international water contract. In what was part of a massive privatization of a variety of Bolivia's national services, in 1996 the World Bank granted the city of Cochabamba a $14 million loan to improve water service for its 600,000 citizens. Like Ecuador, there were strings attached: a future privatization of the city's water service. It was sold to Aguas del Tunari, the sole bidder — also a subsidiary of Bechtel. Almost immediately rates increased by nearly 200 percent for some families. In January 2000, people stopped paying, started rallying, and the water war began.

Led by La Coordinadora for the Defense of Water and Life, organizers shut down the city, physically blockading roads and demanding the regional governor review the contract. The battle went on into February, resulting in injuries to 175 people

and the death of one. Originally the government announced a rate rollback for six months, but the Bechtel contract remained. "The [Bechtel] contract was very hard to get a hold of," Omar Fernandez of the Coordinadora told Jim Schulz of the Democracy Center. "It was like a state secret." Once they did examine a copy of it, Bechtel's sweetheart deal for a guaranteed 16 percent profit was exposed and people demanded a full repeal.

Eventually, the residents got it, and though decent water service in Cochabamba is still elusive, the water war has become the poster child for successful grassroots activism.

"One of the most inspiring struggles around community control of water happened in Cochabamba, Bolivia, in the year 2000, when international corporation Bechtel — based here in San Francisco — privatized the municipal water system and hiked the water rates for citizens by 30 to 40 percent. Thankfully, there was a popular upsurge. It was a very bitter struggle and people succeeded in turning control back to public hands.

"This success changed the public debate in Bolivia," said Mateo Nube, a native of La Paz, Bolivia, who spoke at the anti-corporate water conference. "People said 'enough' to privatization, enough to corporate control. We need to seize control of our government."

You don't have to go to Bolivia to find water-privatization battles. In 2002, catching wind that the city of Stockton was on the brink of privatizing its water services, the Concerned Citizens Coalition rallied signatures for a ballot measure against the idea. Weeks before the vote, the Stockton City Council narrowly approved one of the west's largest water privatization deals — a 20-year, $600 million contract with OMI-Thames. The ballot measure still received 60 percent approval, and activists took the issue to court arguing there hadn't been a proper CEQA process. In January 2004, according to the Concerned Citizens Coalition Web site, "San Joaquin County Superior Court Judge Bob McNatt ruled in our favor — we won on all points. The judge ruled that privatizing, in and of itself, needed environmental review." The city appealed, but eventually dropped the suit and OMI walked away in March 2008.

PUBLIC AGENCY, PUBLIC PROCESS

Bechtel also failed to hold on to a more local contract, a $45 million deal with the SFPUC to manage the first phase of its multibillion dollar Water System Improvement Project. After a 2001 story by the Guardian exposed Bechtel's exorbitant billing for services that resulted in few gains (see "Bechtel's $45 million screw job," 9/12/01), the contract was revoked by the Board of Supervisors and granted to Parsons, which runs it now.

Years later, in 2007, when the SFPUC released a draft of the Environmental Impact Report for the $4.4 billion project, massive public outcry arose against it. The plan outlined major seismic upgrades for miles of aging water infrastructure between San Francisco and Yosemite National Park, where the headwaters of the Tuolumne River are captured by a giant dam in Hetch Hetchy Valley and gravity-fed to the city. While the EIR projected little additional water use for San Franciscans, it called for diverting an additional 25 million gallons of water per day from the Tuolumne to meet the needs of 23 wholesale customers in San Mateo, Santa Clara, and Alameda counties.

The Pacific Institute and Tuolumne River Trust collaborated on a study showing that 100 percent of the anticipated water increases were for those wholesale customers — most of it for outdoor water use. The SFPUC hadn't factored in any increased conservation, efficiency, or recycling measures, nor had it independently questioned the growth numbers.

The EIR received upwards of 1,000 public comments, more than any other document ever generated by the SFPUC. Environmental groups rallied, writing editorials, flooding public meetings, and asserting a different vision of the Bay Area's water future and stewardship of its primary, pristine water resource.

And it worked. "We got about 95 percent of everything we wanted out of the WSIP process," said Jessie Raeder of the Tuolumne River Trust. "We do consider the WSIP a huge win for the environmental community ... because we were able to organize and get a seat at the table and discuss this with the PUC." She said the Bay Area Water Stewards, a coalition of environmental groups, met with the PUC nearly every month and slowly the initial additional river diversions were pared down to a possible 2 million gallons. Also, a cap has been placed on any diversions until 2018, which gives agencies time to implement conservation and efficiency measures.

The SFPUC feels positive about it, too. "We are really thrilled that the program EIR was approved by the Planning Commission, approved by the PUC, and not appealed," said spokesperson Tony Winnicker. He said there were really controversial elements and the trick was balancing the competing interests of wholesale customers and environmental groups. "It took a really hard-nosed look at our demand projections and what we could really do for conservation." He concedes there are still controversies, in particular over the Calaveras Dam, which the Alameda Creek Alliance opposes. "It would be hubris for us to say it's been a complete success."

"This is a process that would only occur through a public agency," Winnicker added.

"What we saw with the WSIP was a solution where everything was fully transparent," Raider added. "It was all a public process, and there was plenty of opportunity for public input."

Which is really what a public water utility should be doing. "When you're talking about public water, it isn't them, it's us," said Wenonah Hauter, director of Food and Water Watch. "A public water system is only as good as the people involved with it."

DRINK LOCALLY

"This conference isn't a public event," organizer Andrew Slavin told the Guardian when we tried to gain admittance to the Corporate Water Footprinting Conference. While water activists rallied outside deriding the corporations inside for greenwashing their images, Slavin said that the fact that the conference wasn't open to the public proved that the corporations weren't trying to do environmental PR. "If they're trying to do greenwashing this isn't the place to do it. The aim is to try to share information."

Slavin pointed to representatives speaking from the Environmental Protection Agency, the SFPUC, and NGOs like the World Wildlife Fund. From an environmental perspective, if these companies are going to be using water, isn't it worth working with them to reduce their impacts?

"There are companies I call water hunters," explained Maude Barlow. "They destroy water to make their products and profit. Unfortunately, some of the companies that are leading this conference are bottled water companies. I don't know how you can become 'water neutral' if your life's work is draining aquifers."

Many water activists consider bottled water the low-hanging fruit as far as getting people to change behaviors. San Francisco banned the use of tax dollars to buy it, and the SFPUC has been promoting its pristine Hetch Hetchy tap water, gravity-fed from Yosemite National Park. "Bottled water companies are basically engaged in a multiyear campaign. Their marketing approach is you can't trust the tap, your public water isn't safe," Winnicker said.

Slavin said he thought it was weird to protest the conference, because the corporations are genuinely trying to avoid conflicts. He pointed to a company called Future 500 that has created a business out of mediating between corporations and communities. "It's hard for companies to speak to people so they use other companies to do it," Slavin said.

In fact, representatives from Future 500 appeared to be the only conference attendees who stepped outside to watch the protest.

"I think it's great," Erik Wohlgemuth of Future 500, said of the protest. "I think press should have been there. I think more of these voices should have been there. My personal view is they need to come up with some sort of reduced rate to allow these nonprofits to attend these kinds of conferences."

Jeremy Shute, a representative from global infrastructure company AECOM who was standing with Wohlgemuth, said, "There's a tremendous amount of research and thought going into these questions and it would be great if that knowledge could be shared."

But is that going to happen when private companies cite "proprietary interest" as a reason for not sharing more information about their businesses? Or when they don't have to abide by public records laws, leaving their contracts shielded from public scrutiny? Or when they refuse to answer calls from their constituencies and the media? In which case, should those advocates be in the same room as some of the biggest water users in the world? When pressed with the question, Slavin seemed stumped. "Why didn't we invite them?" he asked. Then, after a long, thoughtful pause, he said, "I don't know."

WATER, BY THE NUMBERS

One-half of 1 percent of the world's water is fresh. [1]

Of that .5 percent, about 50 percent is polluted. [2]

One in 6 people don't have access to clean, safe water. [3]

Five food and beverage giants — Nestlé, Unilever, Coca-Cola, Anheuser Busch, and Groupe Danone — consume almost 575 billion liters of water per year, enough to satisfy the daily water needs of every person on the planet. [4]

The average human needs about 13 gallons of water each day for drinking, cooking, and sanitation. [5]

An average North American uses about 150 gallons of water each day. [6]

An average African: 1.5 gallons. [7]

An average San Franciscan: 72 gallons. [8]

The average Los Angeles resident: 122 gallons. [9]

About half the water used by a typical home goes for lawns, gardens, and pools. [10]

50 percent of US water comes from non-renewable groundwater. [11]

86 percent of Americans get their water from public water systems. [12]

80 percent of California's homes get water from public systems. [13]

The 20 percent of CA households receiving water from privately-owned systems pay an average of 20 percent more for it. [14]

Of the 4.5 billion people with access to clean drinking water worldwide, 15 percent are buying it from private water companies. [15]

It takes 3 liters of water to produce 1 liter of bottled water. [16]

Tests of 1,000 bottles of water spanning 103 brands revealed that about one-third contained some level of contamination. [17]

The bottled water industry is worth $60 billion a year. [18]

Water is the third biggest industry in the world, worth $425 billion, ranking just behind electricity and oil. [19]

About 70 percent of CA's water lies north of Sacramento, but 80 percent of the demand is from the southern two-thirds of the state. [20]

[1] www.gwb.com.au/gwb/news/mai/water12.htm

[2] Maude Barlow, interview with SFBG

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