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HB City Council Certifies Subsequent EIR for Huntington Beach Seawater Desalination Project

HUNTINGTON BEACH, Calif. (September 8, 2010) – Late in the evening on Tuesday, September 7th, the Huntington Beach City Council voted 6-1 to certify the Final Subsequent Environmental Impact Report (FSEIR) for Poseidon Resource's Huntington Beach Desalination Project (Project). Poseidon has been working with the City of Huntington Beach since 1998 on a public-private partnership to construct a 50-million-gallon-per-day (MGD) desalination plant at the site of the Huntington Beach Generating Station.

Based on the unofficial tally, 53 of the 72 members of the public who testified about the project during the public hearing spoke in favor of the project. The 74 percent of the speakers who testified in favor of the project is slightly more than the 71 percent of Huntington Beach voters who expressed their support of the project in a recent public opinion survey. Among those who spoke in favor of the project included state Senator Lou Correa, Assemblyman Jim Silva, Municipal Water District of Orange County (MWDOC) and Metropolitan Water District of Southern California (MWD) Board Director Brett Barbre, Orange County Water District Director Denis Bilodeau and staff representatives from various county, state and federal agencies.

In addition to approving the Project's FSEIR, the City Council amended the Conditional Use Permit (CUP) previously granted by the City to the Project in 2006. The City is scheduled to approve a new Coastal Development Permit (CDP) for the Project at its next meeting on Monday, September 20, 2010.

In 2005, the City Council voted to certify a Re-circulated Environmental Impact Report (REIR) and in 2006 approved project entitlements for Poseidon's desalination facility that was proposed to operate in conjunction with the Huntington Beach Generating Station's (HBGS) use of its cooling water system. The approvals the City is granting now allow the Project to operate as a "stand-alone" facility if in the future the power plant ceases to use its cooling water system.

In certifying the FSEIR, the City Council concluded there are no significant, unavoidable impacts for both the construction and on-going operation of the plant related to thirteen different areas studied.

"Poseidon Resources appreciates the thoughtful consideration given by the City Council to the Huntington Beach Desalination Project," said Scott Maloni, Vice President of Poseidon Resources.

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“Twice in the last five years the City has concluded that the desalination Project can be built and operated without any significant, unavoidable impacts to the environment. Coupled with the County’s aggressive conservation and reclamation efforts, the desalination plant will ensure Orange County has a locally controlled, drought-proof water supply to address the needs of its residents and businesses,” said Maloni.

Next, Poseidon Resources is scheduled to obtain Project approval from the California State Lands Commission, followed by a Coastal Development Permit from the California Coastal Commission. Once operational, the Huntington Beach Desalination Project will provide Orange County with enough drinking water to serve 300,000 residents annually at a guaranteed price, and at no financial risk to taxpayers. The plant is scheduled to be completed and producing potable water in 2014.

Poseidon Resources specializes in developing and financing water infrastructure projects, primarily seawater desalination and water treatment plants. These projects are implemented through innovative public-private partnerships in which private enterprise assumes the developmental and financial risks. For more information on Poseidon Resources’ Huntington Beach Desalination Project please visit www.hbfreshwater.com.

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