

**Testimony of
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Senate Committee on Environment and Public Works
Subcommittee on Transportation Safety,
Infrastructure Security, and Water Quality**

Hearing on Quality and Environmental Impacts of Bottled Water

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Good afternoon Chairman Lautenberg, Ranking Member Vitter and members of the subcommittee. I'm Wenonah Hauter, executive director of Food & Water Watch, a Washington, D.C.-based non-profit consumer organization that works on food policy and water infrastructure issues.

I welcome this opportunity to testify today about the impact on consumers of bottled water. Unfortunately, consumers have been misled about the benefits of bottled water, a product that is poorly regulated and that has negative environmental consequences. They have bought into the myth created by the beverage industry's marketing magic that water in a plastic bottle is safer and healthier than tap water. A 2003 Gallup survey commissioned by the Environmental Protection Agency (EPA) found that about 74% of the 1,000 survey respondents reported that they purchased and drank bottled water; 20 percent drank bottled water exclusively. Thirty-three percent of respondents cited health and safety concerns. In another poll, 56% cited safety and health as the primary reason they sought out an alternative to tap water.

This industry has grown explosively over the last 20 years since the beverage industry realized its potential. As the former chairman of Perrier was quoted saying, "It struck me...that all you had to do is take the water out of the ground and then sell it for more than the price of wine, milk, or, for that matter, oil." Today Americans spend approximately \$8.8 billion dollars for the 8.3 billion gallons they drink each year.

Unfortunately, consumers have been misled about the benefits of bottled water, a product that is poorly regulated and that has negative environmental consequences. Bottled water is no cleaner or more healthful than tap water. Regulated under the Federal Food, Drug and Cosmetic Act, the Food and Drug Administration (FDA) has less than one full-time employee devoted to bottled water oversight.

The rules apply only to bottled water packaged and sold across state lines, which leaves out the 60 to 70% of water bottled and sold within a single state. In fact, anywhere from 25 percent to 40 percent of all bottled water is nothing more than purified tap water. The FDA regulations also exempt carbonated bottled water. One out of five states do not have bottled water laws. Some state regulations mirror FDA standards, some are more stringent, and some fall far short of ensuring consumer safety.

For the 30 to 40 percent of bottled water that FDA does regulate, the companies do not have to test the water after bottling or storage. The agency requires that companies test

four empty bottles every three months for bacterial contamination. They must test a sample of water after filtration and before bottling for bacteria once a week. When it comes to chemical, physical, and radiological contaminants, a sample of water must be checked only once a year.

Meanwhile, tap water is regulated under the Safe Drinking Water Act by the Environmental Protection Agency. EPA requires that water systems serving more than one million residents test 300 water samples per month, while utilities serving three million people or more must collect and test 480 samples monthly. Unlike the bottled water industry, which does not have to inform consumers of testing results, utilities are required to make their testing results available to consumers. All water utilities are required to prepare an Annual Water Quality Report, also called the Consumer Confidence report. This report provides information about any contaminant violations in the water system. Also, EPA posts many of these results on its web site.

Yet, because of the aggressive advertising of the bottled water industry, consumers believe they are getting a better product when they purchase bottled water. Unfortunately, with the downturn in the economy, many consumers are spending their hard earned money on a product that is inferior or no better than their tap water. This means they have fewer dollars to spend on food and the other necessities of life. A person who buys the equivalent of one gallon of water in 20-ounce bottles likely will pay anywhere from \$8 to \$10, compared to the going rate of nearly \$4 for a gallon of gas. The price of gas is taking a toll on consumers' pocketbooks, but when it comes to the cost of bottled water, they're getting soaked.

It is not only consumers who are paying too high a price for bottled water. For example, Nestle, with its introduction of a lighter bottle, claims to be a steward of the Earth. But are Nestle and other bottled water companies really green? People in the United States dispose of some 30 billion empty plastic water bottles annually. Extrapolating from Nestle's control of about 32 percent of the U.S. bottled water market, we can determine that approximately 9 billion of those empty bottles come from Nestle. That amounts to about 13 billion pounds of plastic waste each year.

And after the production of billions of plastic bottles for multiple bottled water companies and the national and international travel of bottled water, billions of empty bottles remain. About 86% of the empty plastic water bottles in the United States land in the garbage instead of being recycled. That amounts to about two million tons of PET plastic bottles piling up in U.S. landfills each year. Single serve water bottles and other beverage containers, often used on the go, are recycled at a lower rate than containers typically used at home.

The bottled water industry's environmental and economic cost, including a huge carbon footprint and toxic emissions from plastic production, are externalized onto society:

- More than 25 billion plastic water bottles are sold each year in the United States.
- More than 17 million barrels of oil (not including fuel for transportation) were used in plastic bottle production.
- Bottling water produced more than 2.5 million tons of carbon dioxide.
- Approximately 60 ounces of water are required to fill a 20-ounce bottle.

- The total amount of energy used to produce, transport, refrigerate and dispose of a plastic bottle of water may be as high as the equivalent of filling a 33-ounce bottle one-quarter full of oil.

Another environmental cost of bottled water is the loss of groundwater when bottlers enter communities to mine water. When the flows and levels of a region's springs, wetlands, lakes, streams and rivers are materially affected from extraction for bottling, the entire local and even regional environment suffers, and this extends to the activities that depend on the water –agriculture, individuals, businesses, tourism and recreation. No one knows how much water is being mined for bottled water because there is no universal requirement for bottled water companies.

Many communities across the country develop water management plans that take into account such issues as population and climate, including drought. The people and businesses living and operating there have to live within the rules set forth in those plans, but bottling companies too often get a nearly free pass, even though they are permanently removing water from a rural community's aquifer.

McCloud, California, provides a good example. Nestle planned to build a bottling plant and extract about 500 million gallons of the town's water annually. Concerned citizens learned that the proposed contract, which Nestle now wants to renegotiate, between the McCloud water provider and the transnational beverage giant would give the company preference over the town's ratepayers because the company could draw the maximum amount of water it wants, regardless of drought or water shortage. What is more, the local water district would bear all the responsibility for the wellbeing of the springs and the water infrastructure. The plan would have had Nestle paying only \$300,000 a year for access to the water and leave the town with only a PENNY for every 17 gallons. In the face of citizen and political opposition, Nestle has backed off its original plan.

The extraction of any community's water for sale has the potential to create a crisis. The people and businesses in a watershed have the right to use it reasonably for drinking, growing food and other activities in the community. Over the long term, as communities enter into contracts with companies that extract water, it could become difficult for states and local governments to regulate water removal.

The recently passed Great Lakes Compact agreement among the eight states of the Great Lakes Basin exemplifies the difficulty of preventing the removal of water. The agreement lays out takings guidelines from major water supplies in that area for use by large-scale projects and private enterprise. Yet many of the exceptions outlined in the Compact are bad for consumers and the environment. Unless some of the loopholes are closed, the bottled water industry could gain access to Great Lakes community water.

Without adequate money, communities are lured into 50- or 100-year contracts that seem lucrative in terms of what the bottler will pay. But studies have shown that the companies are not really covering the various costs to the community or what happens when the water is gone. The jobs created by these bottling plants are seasonal, low paying and often go to people outside of the community. The constant roar of trucks leaving and entering the bottling plant has an impact on the quality of life of these communities and

on the transportation infrastructure. Most rural roads have not been designed for extremely heavy 18-wheelers.

Recommendations

One of the most important services a society can provide its citizens is safe and affordable water. But as the nation's population grows and its infrastructure ages, our public water systems are facing some grim realities. Even though tap water is safe today, if the infrastructure is not repaired for both drinking and sewage water, we could see many problems in the future. We also need to address emerging problems like pharmaceuticals and other contaminants in water. We need to restore the American people's faith in our drinking water by funding the gap for water infrastructure—approximately \$22 billion a year. Congress should pass and the president should sign into law a clean trust fund that would provide a solid, consistent stream of money to the states for improving our drinking water and waste water infrastructure, including rural water systems. Renewed investment in public water infrastructure through dedicated funding, like a federal trust fund, would ensure that communities have the financial resources necessary to keep their pipes upgraded, their water safe and their natural resources in their community. As we at Food & Water Watch stated in our report water, *Clear Waters: Why America Needs a Clean Water Trust Fund*, it also would create more long-term, sustainable jobs; for example, one billion dollars invested creates about 47,500 jobs.

We recommend that Congress require labels on all bottled water that include:

- The source of the water,
- How and whether it was treated,
- The presence of regulated and unregulated contaminants and
- Information about the high environmental and economic cost of bottled water.

In the interim, we support passage of Senate Bill 790, which amends the Federal Food, Drug, and Cosmetic Act to require manufacturers of bottled water to submit annual reports about contamination. The bottled water industry should be held to the same standard that our water utilities must meet in terms of testing and reporting. Citizens have a right to know about the bottled water that they are purchasing.

But just as importantly, we believe that there must be some regulation or standard, preferably at state and local levels, addressing how much water bottling companies can extract from states. At the federal level, we need to provide federal funding to the United States Geologic Service to map water resources and to keep this information updated. Today this is only done piecemeal because of a lack of resources.

Thank you for your attention. I would be happy to respond to any questions.