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Utah's Lavish Use of Water Is an Unsustainable Luxury

BY DAVID KELLER

As population and wealth continue to increase worldwide, the problem of rationing limited water will steadily worsen.

In the arid western United States, the recent controversy surrounding the allotment of the Colorado River and the decision to send Central Utah Project water north to Salt Lake County, rather than south to Juab County alfalfa fields, foreshadows disputes to come.

Public water policy must be fiscally responsible and ecologically sustainable. Currently, in Utah, it isn't. While the average person needs four gallons of water per day to survive, the average American consumes 190, and the average Utahn 300. According to the U.S. Geological Survey, our urban water usage is among the highest in the nation, even though Utah is the second-driest state. Many of us have inherited from our ancestors, who came from the humid East, a penchant for lush lawns.

Why do Utahns use so much water given our arid climate? The answer lies in water rates: Whereas the cost to the consumer of delivering 1,000 gallons of water in Reno is more than \$3, and in Seattle and Los Angeles well over \$2, the cost in Salt Lake City is \$1 and only 75 cents in Provo. Thus, there is little financial motivation to modify our behavior and bring consumption in line with desert living.

The true cost of water is disguised by subsidies from income, property and sales taxes. Salt Lake County residents pay only half of the cost of supplying water in their monthly bill. The upshot is that "Utahns are being 'fooled' into paying low water rates and using more water than they otherwise need," as Del Gardner, an economics professor at Brigham Young University, points out.

Subsidization through taxation creates a system where the parsimonious pay for other's profligate habits. In my neighborhood, the sight of bogs in lawns on 100-degree afternoons and residents hosing dirt off driveways and gutters is common. As a state senator and president of the Utah Taxpayers Association, Howard Stephenson remarks, "It's not right that some citizens are being forced to pay for their neighbors to waste water instead of being given the choice about how much water they want to use."

Water district officials claim that the system of subsidization is required to obtain high-grade bonds. Yet an exhaustive survey by the Utah Rivers Council, a non-profit organization aimed at protecting riparian ecosystems, revealed that there is virtually no difference between the bond ratings of water districts which subsidize through taxation and those that do not.

So what might be the real reason for water district officials to assert the importance of subsidies? Amazingly, to encourage consumption. If consumption remains high, then it appears that building expensive dams and pipelines is desperately needed.

But such projects are not needed. If the true cost of water were to be reflected in monthly bills rather than hidden in taxes, water consumption would decline and the need for massive projects would be eliminated. For example, in Marin County, Calif., a rate increase reduced water consumption 15 percent in five years, despite an 8 percent increase in population. Los Angeles reported in 1997 that it had decreased its consumption to 1970 levels, despite a 25 percent population increase.

The public policy mandate is clear. If subsidies are abolished, consumption will decline. As consumption declines, so will the need for big water projects. Political leaders who are serious about eliminating taxes which prop up unnecessary governmental programs must rethink the way water delivery is funded. The reward will be savings of millions of dollars for taxpayers or the easing of state budget deficits, as well as preserving Utah's few and precious riparian ecosystems.

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