

### **Fact Sheet**

# State Water Board adopts order requiring BlueTriton to cease most diversions in San Bernardino Forest

**Overview:** BlueTriton Brands, Inc. (formerly Nestlé Waters North America) diverts spring water in the Strawberry Creek watershed, a tributary to the Santa Ana River in the San Bernardino Mountains, for bottling and sale under its Arrowhead Mountain Spring Water brand. The company uses 13 tunnels and boreholes to draw water from eight springs where flow historically reached the surface. The captured water is then redirected for bottling at numerous plants, including one in downtown Los Angeles. During the state's historic 2013-17 drought, the State Water Board's Division of Water Rights received eight complaints about Nestlé's operation, among them a petition signed by 500 individuals, prompting an investigation that began in 2015. The allegations included diverting without a permit, bottling and exporting water during a dry period, and harming public trust resources. The Santa Ana River is fully appropriated – meaning there is insufficient supply for new water rights - and provides municipal water to an estimated 750,000 customers.

## **Division of Water Rights issuance of draft cease and desist order**

Following the investigation, a 2017 report issued by the Division of Water Rights detailing the findings and additional information received in response to the initial report, enforcement staff on April 23, 2021 released a revised report and issued a draft cease and desist order that proposes to direct BlueTriton to stop its unauthorized diversions and submit the following: monthly monitoring reports; a basis of right for diversions found within the board's permitting authority; and a compliance plan within 180 days pending the final order's adoption.

#### **BlueTriton requests hearing**

In response to the draft order, BlueTriton in May 2021 requested a hearing before the board's Administrative Hearings Office, an independent unit established by the Legislature in 2018 to adjudicate water rights cases involving administrative civil liability complaints (penalties), cease and desist orders, and revocations of permits and licenses. The hearing took place over 16 days (January 2022 through May 2022) and included two field site visits.

#### **Administrative Hearings Office proceeding**

On April 21, 2023, the hearings office issued a proposed draft cease and desist order against BlueTriton, and after evaluating feedback from interested parties, issued a revised proposed order July 7, 2023 for board consideration of adoption.







#### State Water Board adopts final cease and desist order

After multiple rounds of revisions, the board on Sept. 19, 2023 adopted the final cease and desist order that finds BlueTriton has no water rights in the San Bernardino National Forest for the diversions at issue in the hearing and substantially restricts its diversions. Specifically, the company is required to do the following by Nov. 1, 2023:

- Cease diversions for water bottling at 10 of its 13 diversion points. Diversions for the San Manuel Band of Mission Indians may continue for use on the property occupied by the former Arrowhead Springs Hotel.
- Submit monthly reports to the division accounting for its daily diversions, amounts of water delivered to the San Manuel Band, and amounts of water delivered to tank trucks for bottling, among other information.
- Maintain totalizing flow meters to collect and maintain data used to create the reports.
- Provide any information or documents the division requests to determine compliance.

BlueTriton may petition for reconsideration of the order within 30 days of board adoption.

Additional information on <u>BlueTriton</u> and the <u>Administrative Hearings Office</u> is available on the board's website.

(This fact sheet was last updated Oct. 6, 2023)