Dear Customer:

This report describes the source and quality of El Paso’s drinking water and El Paso Water Utilities’ efforts to ensure the high quality of our water supply. We test our water for potentially harmful substances and put it through an intensive purification process before it is delivered to the community.

El Paso’s drinking water has no water quality violations and our water meets or exceeds all applicable standards for drinking water as established by the U.S. Environmental Protection Agency and the Texas Commission on Environmental Quality.

There is a tremendous amount of information pertaining to the availability and quality of water in El Paso. The most important information, which is summarized in this report, will help you evaluate the overall quality of your water and answer questions that might be important to you when making health decisions for your family.

The U.S. Environmental Protection Agency requires all utilities to prepare and distribute this report on your water on an annual basis. It is part of the provisions of the Safe Drinking Water Act. The information is also submitted to the Texas Commission on Environmental Quality, the state agency that monitors our compliance with the regulatory standards and testing requirements necessary to assure safe drinking water.

The Public Service Board, which governs our utility, has a number of projects underway to insure good quality water for the future. This includes the construction of treatment facilities to meet the updated EPA-mandated arsenic rule, which is effective January 2006, and a partnership with Fort Bliss to design and build a large 27.5-million-gallon-per-day desalination plant to serve Fort Bliss and El Paso. That project is scheduled for construction in 2005.

Finally, thanks to all of you for doing your part to conserve additional water due to continued reduced river supplies created by drought conditions within the upper Rio Grande watershed. The drought is likely to be with us for several more years.

Sincerely,

Edmund G. Archuleta, P.E., General Manager

How Are We Rated?

El Paso Water Utilities is a member of the Partnership for Safe Water, and our water receives a “Superior” rating from the Texas Commission On Environmental Quality.

Our Standard and Poors “AA” rating and Moody’s “Aa3” rating are symbols of our sound financial management, and the Government Finance Officers Association continues to recognize our excellent financial reporting and distinguished budget presentation.

How do customers rate us? In a recent survey, 94 percent agreed that El Paso Water Utilities gives good service to its customers.

Source Water Assessment

A source water assessment was completed for the El Paso Water Utilities public water system in 2003 by the Texas Commission on Environmental Quality. A copy of that document is available for public review by calling 594-5595. Due to the large and complex nature of the El Paso system, it is impossible to summarize system susceptibilities in this document.

Note to wholesale customers:
Water consumers in the Homestead, Lower Valley Water District, Ponderosa/Western Village, and Gaslight Square MHE receive water from the EPWU distribution system. As such, their water quality is the same as described in this report. Fort Bliss, County-East Montana and Haciendas del Norte water consumers may receive some or all of their water from the EPWU distribution system, but may receive water from other sources which are not represented in this report. Please contact your water retailer for further information.

2003 EPWU Water Demand

<table>
<thead>
<tr>
<th>Wholesale Customers</th>
<th>8.8%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homestead, Lower Valley Water District, Gaslight Square MHE, Ponderosa/Western Village, Haciendas del Norte, County-East Montana, and Fort Bliss (partial)</td>
<td></td>
</tr>
</tbody>
</table>

Who Drinks Our Water?

El Paso Water Utilities serves customers inside and outside the city limits. We provide retail water service to customers in the City of El Paso, Westway, and Canutillo. We also provide wholesale service to several communities in El Paso County.

For More Information

El Paso Water Utilities is governed by the Public Service Board, which is responsible for the management and control of the water and wastewater system and the expenditure and application of its revenues. The Board meets at 8:00 a.m. on the 2nd and 4th Wednesday of each month at El Paso Water Utilities’ main office, 1154 Hawkins Boulevard. The meetings are open to the public. Please call 594-5600 to confirm the meeting date and time.

Questions about public participation and policy decisions can be directed to our Public Affairs Department at 594-5692.

Other useful numbers are:

- Water Quality Laboratory 594-5733
- Safe Drinking Water Hotline 1-800-426-4791
- Visit our web site: www.epwu.org

Notice:

This Water Quality Report is being provided in addition to other notices that may be required by law.
Where Our Water Comes From

The water we supply to our customers comes from three sources—one surface water source and two groundwater sources. The surface water source is the Rio Grande. The groundwater sources are the Mesilla Bolson and the Hueco Bolson aquifers.

Although some customers receive water from only one source, most customers receive water from two sources, depending on the time of year. While water from the Rio Grande is highly treated before delivery to our customers, our high quality groundwater needs only to be chlorinated prior to delivery.

El Paso Water Utilities began filtering our drinking water in 1943, 47 years before it was federally mandated, and is a pioneer in such processes as ozonation and chlorine dioxide. Our treatment plants are designed and operated to treat water to a level of safety far exceeding that required by EPA (United States Environmental Protection Agency) regulation. El Paso Water Utilities is a member of the Partnership for Safe Water and consistently treats surface water to 0.1 NTUs measured immediately after the water has passed through each filter. This is significantly better than the 0.3 NTUs required by EPA regulation.

How Safe Is Your Water?

What’s in Our Water?

All drinking water contains some naturally-occurring contaminants. The sources of both tap water and bottled water include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

- **Microbial contaminants**, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- **Inorganic contaminants**, such as salts and metals, which can be naturally-occurring or result from urban storm water runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- **Pesticides and herbicides**, which may come from a variety of sources such as agriculture, urban storm water runoff, and residential uses.
- **Organic chemical contaminants**, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and can also come from gas stations, urban storm water runoff, and septic systems.
- **Radioactive contaminants**, which can be naturally occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, EPA prescribes regulations that limit the amount of certain contaminants in water provided by public water systems. The Food and Drug Administration regulations establish limits for contaminants in bottled water. Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. In fact, a few of the naturally occurring substances may have nutritional values at low levels.

More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency’s Safe Drinking Water Hotline (1-800-426-4791).

Required Additional Health Information

You may be more vulnerable than the general population to certain microbial contaminants, such as Cryptosporidium, in drinking water. Infants, some elderly or immuno-compromised persons such as those undergoing chemotherapy for cancer, those who have undergone organ transplants, those who are undergoing treatment with steroids, and people with HIV/AIDS or other immune system disorders can be particularly at risk from infections. You should seek advice about drinking water from your physician or health care provider. Additional guidelines on appropriate means to lessen the risk of infection by Cryptosporidium are available from the Safe Drinking Water Hotline (800-426-4791).
**Frequently Asked Questions**

**What causes the musty taste and odor I sometimes find in my water?**

Sometimes microscopic plants called algae multiply rapidly in the New Mexico reservoirs during the hot summer months. This causes a distinctly different taste and odor to develop in El Paso’s water derived from the Rio Grande. This problem is normally very short lived. Activated carbon is used at the water treatment plants to adsorb these algae-related tastes and odors. Even if the musty smell and taste are apparent, the water is safe to drink.

**Does El Paso have hard water? Should I install a water softener?**

Water hardness is defined by the amount of calcium and magnesium present. When the levels are comparatively low, water is described as soft. When the levels are comparatively high, water is described as hard. Water in El Paso is described as moderately hard to hard. Harder water does not lather as easily and does not form as many suds when using soap or detergent. However, there is increasing evidence that the presence of calcium and magnesium found in hard water is desirable for good cardio-vascular health. We do not recommend the installation of water softeners for drinking water.

**Is fluoride added to El Paso’s water?**

Fluoride is a substance which is known to retard the formation of cavities in teeth. In some communities, fluoride is added to drinking water. The American Dental Association recommends a concentration of 1 part per million. However, fluoride occurs naturally in El Paso’s water at the optimal level. Bottled water usually does not contain fluoride and, therefore, is not recommended for children. Because too much fluoride can be detrimental, the maximum level set by EPA standards is 4 parts per million.

**Is lithium present in El Paso’s water? Does it have an effect on people’s moods?**

A small amount of lithium occurs naturally in El Paso’s water. The amount is considerably less than a medical dosage. Lithium is sometimes used by doctors to treat mental disorders. To get the same amount of lithium as in one standard capsule, you would have to drink about 600 glasses of water.

**Would a home water purification device make my water safer?**

If you are an El Paso Water Utilities customer, these devices are not necessary to make your water safe. Your water is safe as it comes from the tap. If not properly maintained, these devices may actually cause problems with your water, including uncontrolled growth of disease-causing bacteria. Home treatment devices are not tested or regulated by the state or federal government. Some, however, are tested by independent laboratories.

**Sometimes my water seems cloudy. Is the cloudy water safe?**

Water that appears milky is usually the result of harmless air bubbles trapped in the water. After a glass of this water sits for a few minutes, the water will become clear as the air bubbles float to the top. Although the air trapped in the water does not affect the safety of the water, please report this problem to El Paso Water Utilities at 594-5733.

**Is the chlorine used to disinfect water dangerous?**

El Paso uses chlorine to disinfect our drinking water. Chlorine has been used in municipal water in the United States since 1908 and it is the most effective way to ensure that water stays disinfected as it travels through water delivery systems. Chlorine prevents waterborne epidemics such as cholera, typhoid, and hepatitis. The maximum amount of chlorine in El Paso’s water is usually 2 parts per million. Chlorine in this quantity poses no adverse health risks.

Recently, there has been publicity that chlorine in drinking water causes cancer. That is not correct. Chlorine does not cause cancer; however, chlorine may react with organic matter to form substances that can cause cancer if they are present in sufficient quantities. The groundwater used in El Paso is naturally free of most organic matter that will react with chlorine to form cancer-causing substances, and water drawn from the Rio Grande is highly treated before chlorination to minimize the concentration of compounds that can react with chlorine. The maximum level of these cancer-causing substances is regulated by the EPA.

**What causes water to sometimes appear discolored or rusty?**

Rusting in galvanized pipes in plumbing systems is the typical cause of discolored water. In some cases, rusty or dirty water may come from the distribution system as a result of a main break or fire hydrant use. Iron causes the discoloration, but it is not a health risk. Usually, rusty water will clear after running for a few minutes. Although rusty or dirty water does not create a health risk, we do not recommend that you drink water that is not clear. If the water does not clear after flushing or if clothing is stained in the wash, please call El Paso Water Utilities at 594-5733.

**Does El Paso Water Utilities monitor for Cryptosporidium?**

Scientific knowledge about Cryptosporidium suggests it occurs naturally in bodies of water throughout the world. Surface water supplies are vulnerable if they receive runoff contaminated with human or animal wastes. El Paso Water Utilities does not routinely monitor for Cryptosporidium; however, our previous monitoring does indicate possible presence in certain stretches of the Rio Grande. Our surface water treatment plants are capable of removing and/or destroying any Cryptosporidium that may be present.

**What is the arsenic situation in El Paso?**

The current EPA Maximum Contaminant Level (MCL) for arsenic in drinking water is 50 parts per billion. The MCL will change to 10 parts per billion effective in January 2006. The arsenic concentration in all drinking water is 50 parts per billion effective in January 2006. The arsenic concentration in all drinking water produced by El Paso Water Utilities is much less than the current MCL. However, treatment will be required for some wells to comply with the lower limit. We have been testing treatment technologies for more than two years. We are currently designing the necessary treatment facilities to comply with the new MCL in 2006.
From the early 1970’s, potential drinking water contamination has emerged as one of the top health issues facing El Pasoans. Despite the perception, water quality in El Paso is far better than it has ever been, thanks to improved treatment methods including ozone, chlorine dioxide, reverse osmosis and granular activated carbon filtration. These treatment techniques are the same used for the production of bottled water.

Increasing sophistication of laboratory instrumentation has resulted in the ability to measure more and more contaminants and lower and lower levels. The result is a continual “raising of the bar” as to what represents high quality drinking water.

El Paso Water Utilities goes beyond the requirements of Federal and State drinking water quality regulations. We have more stringent treatment standards and more quality testing.

Some facilities are under construction while others are completed.

Do you monitor for contaminants not listed in the table?

Although El Paso Water Utilities monitors your water for more than 200 regulated and unregulated parameters, some parameters, such as magnesium and calcium, are routinely detected, but are not required to be reported on the table. Other contaminants, including pesticides, herbicides, synthetic organic chemicals, volatile organic chemicals, disinfection byproducts, metals and inorganics from aluminum to zirconium, are routinely monitored, but have not been detected in El Paso’s water.

For more information on our monitoring program, please call our Water Quality Laboratory at 594-5733 or check our website at www.epwu.org. Only those regulated contaminants actually detected in El Paso’s water are listed in the table.

Science Behind Your Drinking Water

From the early 1970’s, potential drinking water contamination has emerged as one of the top health issues facing El Pasoans. Despite the perception, water quality in El Paso is far better than it has ever been, thanks to improved treatment methods including ozone, chlorine dioxide, reverse osmosis and granular activated carbon filtration. These treatment techniques are the same used for the production of bottled water.

Increasing sophistication of laboratory instrumentation has resulted in the ability to measure more and more contaminants and lower and lower levels. The result is a continual “raising of the bar” as to what represents high quality drinking water.

El Paso Water Utilities has a full-time staff of 13 chemists, who along with technicians and support staff, provide effective monitoring of our water quality.

In 2004, El Paso Water Utilities will begin construction of a state-of-the-art laboratory facility to insure our monitoring program continues to keep pace with the definition of water quality.

El Paso Water Utilities is a leading sponsor of drinking water research, having contributed to projects totaling more than $9.1 million since 1996. This research has allowed direct access to the best treatment technologies and the best monitoring technologies in the world. That research is directly applied to insuring you drink the highest quality water.

Contrary to what you may hear in the news from other cities, lead in drinking water is not a significant problem in El Paso. Lead is not found in the source waters used to provide potable water to El Paso; nor is lead used for service lines, pipe and tubing.

Lead levels in El Paso’s drinking water are generally very low, with the highest levels coming from the first-draw tap water after several hours of stagnation in home plumbing.

Lead in drinking water in El Paso is always associated with the corrosion of household plumbing fixtures and solder. Prior to 1988, lead solder and plumbing fixtures containing lead were commonly used.

Lead is a serious health concern. Exposure to lead can cause damage to the brain, red blood cells and kidneys. Lead exposure is especially harmful to pregnant women and young children because it can interfere with mental and neurological development. Most exposure to lead is from lead-based paint and from lead in soil caused by atmospheric deposition such as from the use of leaded gasoline.

Even though El Paso’s water does not contain lead, in order to prevent or reduce the possibility of lead leaching from household plumbing, we use a phosphate-based corrosion inhibitor. The water treatment plants that treat Rio Grande water add a blend of calcium phosphate and sodium hexametaphosphate to control leaching of lead from plumbing fixtures and solder. The chemical makeup of area groundwater does not result in the leaching of lead; therefore, it does not require the addition of phosphates.

El Paso conducted lead surveys in 1991, 1994, 1997, 2000 and 2003. Based on the low levels of lead detected in El Paso, the monitoring requirement was reduced from annually to triennially by the Texas Commission on Environmental Quality. In 2003, the 90th percentile lead concentration was found to be 0.0035 mg/L, well below the EPA-mandated Action Level of 0.015 mg/L.
# Drinking Water Analysis

<table>
<thead>
<tr>
<th>Substance</th>
<th>Highest Level in any sampling point</th>
<th>MCL</th>
<th>MCLG</th>
<th>Possible Source</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Turbidity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turbidity (NTU)</td>
<td>0.3</td>
<td></td>
<td></td>
<td>Treatment Technique</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>not applicable</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>soil runoff</td>
</tr>
<tr>
<td><strong>Inorganics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arsenic (ppb)</td>
<td>16.5</td>
<td>50</td>
<td>not applicable</td>
<td>erosion of natural deposits</td>
</tr>
<tr>
<td>Barium (ppm)</td>
<td>0.19</td>
<td>2</td>
<td>2</td>
<td>erosion of natural deposits</td>
</tr>
<tr>
<td>Cadmium (ppb)</td>
<td>2</td>
<td>5</td>
<td>5</td>
<td>erosion of natural deposits</td>
</tr>
<tr>
<td>Fluoride (ppm)</td>
<td>1.0</td>
<td>4</td>
<td>4</td>
<td>erosion of natural deposits</td>
</tr>
<tr>
<td>Nitrate as nitrogen (ppm)</td>
<td>2.1</td>
<td>10</td>
<td>10</td>
<td>runoff from fertilizer use</td>
</tr>
<tr>
<td>Selenium (ppb)</td>
<td>13</td>
<td>50</td>
<td>50</td>
<td>erosion of natural deposits</td>
</tr>
<tr>
<td><strong>Radioactive Contaminants</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross alpha adjusted (pCi/L)</td>
<td>9.2</td>
<td>15</td>
<td>0</td>
<td>erosion of natural deposits</td>
</tr>
<tr>
<td>Gross beta adjusted (mrem/yr)</td>
<td>13.4</td>
<td>50</td>
<td>0</td>
<td>decay of natural and man-made deposits</td>
</tr>
<tr>
<td>Radium (pCi/L)</td>
<td>0.2</td>
<td>5</td>
<td>0</td>
<td>erosion of natural deposits</td>
</tr>
<tr>
<td><strong>Lead and Copper</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Copper¹ (ppm)</td>
<td>0.4</td>
<td>Action Level = 1.3</td>
<td>not applicable</td>
<td>corrosion of household plumbing systems</td>
</tr>
<tr>
<td>Lead¹ (ppb)</td>
<td>3.5</td>
<td>Action Level = 15</td>
<td>not applicable</td>
<td>corrosion of household plumbing systems</td>
</tr>
<tr>
<td>¹Lead and Copper concentration shown are at the 90th percentile level at the customer’s tap first draw sample</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Disinfection byproducts</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total² Trihalomethanes (TTHM) (ppb)</td>
<td>44</td>
<td>80</td>
<td>0</td>
<td>by-product of drinking water chlorination</td>
</tr>
<tr>
<td>Total Haloacetic Acids (ppb)</td>
<td>8</td>
<td>60</td>
<td>0</td>
<td>by-product of drinking water disinfection</td>
</tr>
<tr>
<td>Chloroform (ppb)</td>
<td>4</td>
<td>not applicable</td>
<td>not applicable</td>
<td>by-product of drinking water chlorination</td>
</tr>
<tr>
<td>Bromoform (ppb)</td>
<td>11</td>
<td>not applicable</td>
<td>not applicable</td>
<td>by-product of drinking water chlorination</td>
</tr>
<tr>
<td>Bromodichloromethane (ppb)</td>
<td>11</td>
<td>not applicable</td>
<td>not applicable</td>
<td>by-product of drinking water chlorination</td>
</tr>
<tr>
<td>Chlorodibromomethane (ppb)</td>
<td>19</td>
<td>not applicable</td>
<td>not applicable</td>
<td>by-product of drinking water chlorination</td>
</tr>
<tr>
<td><strong>Coliform Bacteria</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Coliform Bacteria</td>
<td>0.4%</td>
<td>Presence of coliform bacteria in more than 5% of monthly samples</td>
<td>0</td>
<td>naturally present in the environment</td>
</tr>
<tr>
<td><strong>Volatile Organic Compounds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>cis-1,2-Dichloroethene (ppb)</td>
<td>1.9</td>
<td>70</td>
<td>70</td>
<td>discharge from chemical factories</td>
</tr>
<tr>
<td>Ethylbenzene (ppb)</td>
<td>0.7</td>
<td>700</td>
<td>700</td>
<td>discharge from petroleum refineries</td>
</tr>
<tr>
<td>Tetrachloroethene (ppb)</td>
<td>0.7</td>
<td>5</td>
<td>0</td>
<td>discharge from factories and dry cleaners</td>
</tr>
<tr>
<td>Trichloroethene (ppb)</td>
<td>0.9</td>
<td>5</td>
<td>0</td>
<td>discharge from metal degreasing sites</td>
</tr>
<tr>
<td>Xylenes (ppb)</td>
<td>3.5</td>
<td>10</td>
<td>10</td>
<td>discharge from petroleum refineries</td>
</tr>
</tbody>
</table>

## Health Effects Language

**Arsenic (ppb)** - Some people who drink water containing arsenic in excess of the MCL over many years could experience skin damage or problems with their circulatory system and may have an increased risk of getting cancer.

**Definitions**

**Action Level** - The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.

**Maximum Contaminant Level Goal (MCLG)** - The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

**Maximum Contaminant Level (MCL)** - The highest level of a contaminant that is allowed in the drinking water. MCLs are set as close to the MCLGs as feasible, using the best available treatment technology.

**Nephelometric Turbidity Unit (NTU)** - A measure of turbidity (cloudiness).

**Parts per Billion (ppb)** - An example of one part per billion is one packet of artificial sweetener sprinkled into an Olympic-size swimming pool full of water.

**Parts per Million (ppm)** - An example of one part per million is one packet of artificial sweetener sprinkled into a 250-gallon vessel of water.

**Treatment Technique** - A required process intended to reduce the level of a contaminant in drinking water.