

A somewhat less ambitious program with an average yearly cost approximating present expenditure levels until the year 2000 would not be as attractive an investment as the above. It is estimated that the outcome of the lower level of expenditure would be that the price of desalted sea water in the year 2000 would be approximately 25 cents per thousand gallons at the 100 mgd scale. If the lower cost of 20 cents per 1000 gallons can in fact be achieved, the model studies indicated that the extra dollars needed to be spent on that program would be well invested.

At the other end of the cost spectrum, consideration has been given to the possibility of a fairly low level of support for a Federal desalting program. In this case, estimates indicate that the future extra benefits that would accrue on account of this spending are not nearly as attractive as accelerating the program to obtain more optimum returns.

In assessing what might be the outcome of future spending on desalting research and development, allowances have been made for the fact that past spending on desalting is going to bring future benefits. What is being examined here are future expenditures against the extra benefits they will buy in the long term. Estimated future project costs for both conventional and desalting alternatives are based on 5-1/8 percent interest charges; however, in comparing future program costs and benefits, a