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## **News Release**

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## New Agricultural Water Program Benefits San Diego County Growers

Special rates designed to support regional farm economy

The San Diego County Water Authority's Board of Directors last week approved a new and permanent Special Agricultural Water Rate structure that offers lower water rates to farmers in exchange for lower water supply reliability.

Unlike the current temporary program, the new program will let new participants join as a way to strengthen the region's multi-billion-dollar agriculture industry.

New ag water program rates will be determined in the spring of 2020 as part of the Water Authority's annual rate-setting process. The program will take effect January 1, 2021, replacing the current program that sunsets at the end of 2020. Additional program details, such as the signup process and qualifying criteria, also will be developed early next year.

Farmers and growers who participate in the new program will continue to receive a lower level of water service during water shortages or emergencies, allowing the Water Authority to reallocate those supplies to commercial and industrial customers, who pay for full reliability benefits. In exchange, participating farmers are exempt from fixed water storage and supply reliability charges. Under the current temporary program in 2020, participants will pay \$1,231 per acre-foot for treated water, while municipal and industrial users will pay \$1,686 per acre-foot.

"Creating a permanent program will benefit all regional water users," said Water Authority Board Chair Jim Madaffer. "It helps farmers sustain their operations – and thousands of jobs – while providing a benefit to residential and commercial water customers in the event of future water supply reductions."

San Diego County is unusual among major metropolitan areas in the United States because it includes one of the nation's most valuable and productive farm sectors adjacent to one of the

nation's largest cities. All told, the region sustains 3.3 million people and a \$231 billion economy, thanks to decades of regional investments in water supply reliability projects, including the nation's largest seawater desalination plant and the biggest conservation-and-transfer agreement in U.S. history.

The Water Authority has provided lower-cost water to growers in exchange for lower reliability since October 2008, when the Metropolitan Water District of Southern California began phasing out a similar program. Since that time, the temporary Water Authority program has continued with a series of extensions set to expire at the end of 2020.

The new program was developed by the Water Authority's Fiscal Sustainability Task Force, which is assessing a variety of issues to ensure the agency's long-term financial health. Regional farming leaders provided input to the task force on the parameters of the new program.

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The San Diego County Water Authority sustains a \$231 billion regional economy and the quality of life for 3.3 million residents through a multi-decade water supply diversification plan, major infrastructure investments and forward-thinking policies that promote fiscal and environmental responsibility. A public agency created in 1944, the Water Authority delivers wholesale water supplies to 24 retail water providers, including cities, special districts and a military base.

