



OMWD to Refund Customers \$1.62 Million From Water Wholesalers

Encinitas, CA—Olivenhain Municipal Water District’s Board of Directors unanimously voted at its November 17 meeting to refund \$1.62 million to customers to reduce the impact of future water rate increases. The refund resulted from lawsuits filed by San Diego County Water Authority in 2010 and 2018, challenging the legality of Metropolitan Water District of Southern California’s water rates and charges and seeking payment for legal damages and interest.

“Court rulings have not only returned over \$3.6 million to OMWD that we have been able to give back to our customers, but they also help to prevent future overcharges to our region,” said OMWD Board Treasurer Christy Guerin. “These refunds will allow us to minimize costs to our customers over the next six years.”

SDCWA won several critical issues in cases covering 2011 to 2014, and was deemed the prevailing party and awarded the payment of legal fees and charges in addition to damages and interest payments from Metropolitan. In March 2021, SDCWA issued OMWD a check for \$2 million after receiving reimbursement from Metropolitan for 2011-2014 overcharges, which OMWD’s board voted in April to refund to customers. OMWD received a second \$1.622 million refund check this month for overcharges between 2015-2017.

To address increasing costs, OMWD’s 2019 Water Cost of Service Study Report proposed gradual annual increases to water rates through mid-2024. OMWD customers can anticipate a credit on their monthly bills, reducing the impact of water rates through 2027. OMWD’s rates are currently in the lower half among San Diego County water agencies.

“As California’s drought conditions worsen, it is my hope that Metropolitan and SDCWA can resolve the remaining issues outside of court and focus on water supply reliability, affordability, and conservation challenges facing our region,” said Ms. Guerin.

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Olivenhain Municipal Water District is a public agency providing water, wastewater services, recycled water, hydroelectricity, and operation of Elfin Forest Recreational Reserve. Organized in 1959, OMWD currently serves approximately 87,000 customers over 48 square miles in northern San Diego County.

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